



**CITY OF BARBERTON  
SUMMIT COUNTY**

**SINGLE AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 2007**



**Mary Taylor, CPA**  
Auditor of State



CITY OF BARBERTON  
SUMMIT COUNTY

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# Mary Taylor, CPA

## Auditor of State

### INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

City of Barberton  
Summit County  
104 Third Street, N.W.  
Barberton, Ohio 44203

To the City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Barberton, Summit County, Ohio, (the City) as of and for the year ended December 31, 2007, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 9, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinions on the financial statements, but not to opine on the effectiveness of the City's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the City's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the City's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the City's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

We noted certain matters that we reported to the City's management in a separate letter dated June 9, 2008.

### **Compliance and Other Matters**

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note certain noncompliance or other matters that we reported to the City's management in a separate letter dated June 9, 2008.

We intend this report solely for the information and use of management, City Council, and federal awarding agencies and pass-through entities. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

June 9, 2008



# Mary Taylor, CPA

## Auditor of State

### INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

City of Barberton  
Summit County  
104 Third Street N.W.  
Barberton, Ohio 44203

To the City Council:

#### Compliance

We have audited the compliance of City of Barberton, Summit County, Ohio, (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to each of its major federal programs for the year ended December 31, 2007. The summary of auditor's results section of the accompanying schedule of findings identifies the City's major federal programs. The City's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City of Barberton, Summit County, Ohio complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended December 31, 2007.

In a separate letter to the City's management dated June 9, 2008, we reported other matters related to federal noncompliance not requiring inclusion in this report.

### **Internal Control Over Compliance**

The City's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to administer a federal program such that there is more than a remote likelihood that the City's internal control will not prevent or detect more-than-inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the City's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

However, we noted a matter involving the internal control over federal compliance not requiring inclusion in this report that we reported to the City's Management in a separate letter dated June 9, 2008.

### **Federal Awards Expenditures Schedule**

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of City of Barberton, Summit County, Ohio as of and for the year ended December 31, 2007, and have issued our report thereon dated June 9, 2008. Our audit was performed to form opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying federal awards expenditures schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We intend this report solely for the information and use of management, City Council, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



**Mary Taylor, CPA**  
Auditor of State

June 9, 2008



**CITY OF BARBERTON  
SUMMIT COUNTY**

**FEDERAL AWARDS EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2007**

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Expenditures
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>			
<i>Passed Through Akron City Department of Health:</i>			
Special Supplemental Food Program for Women, Infants, and Children	110	10.557	\$ 225,914
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>			
<i>Direct</i>			
Community Development Block Grant Entitlement Program	N/A	14.218	869,181
<b><u>U.S. DEPARTMENT OF DEPARTMENT OF JUSTICE</u></b>			
<i>Direct</i>			
Local Law Enforcement Block Grant	N/A	16.592	2,786
Regional Information Sharing Systems	N/A	16.610	12,419
Juvenile Justice and Delinquency Prevention Allocation to States	N/A	16.540	<u>11,000</u>
Total U.S. Department of Justice			<u>26,205</u>
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>			
<i>Direct</i>			
Bioterrorism Training and Curriculum Development Program	N/A	93.996	33,091
<i>Passed through the Akron City Department of Health:</i>			
Immunization Action Plan Grant	101A	93.268	38,044
Maternal and Child Health Services Grant	101Q	93.994	51,660
<i>Passed through the Area Agency on Aging</i>			
Special Programs for the Aging Title III, Part B, Grants for Supportive Services and Senior Centers	227B	93.044	<u>4,244</u>
Total U.S. Department of Health and Human Services			<u>127,039</u>
<b><u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u></b>			
<i>Direct</i>			
Brownfields Assessment and Cleanup Cooperative Agreements	N/A	66.818	<u>27,273</u>
<b>TOTAL</b>			<b><u>\$ 1,275,612</u></b>

*The notes to the Federal Award Expenditures Schedule are an integral part of this statement.*

**CITY OF BARBERTON  
SUMMIT COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE  
FISCAL YEAR ENDED DECEMBER 31, 2007**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Federal Awards Expenditures Schedule (the Schedule) summarizes activity of the City's federal award programs. The Schedule has been prepared on the cash basis of accounting.

**NOTE B - COMMUNITY DEVELOPMENT BLOCK GRANT REVOLVING LOAN PROGRAMS**

The City has established a revolving loan program to provide low-interest loans to businesses to create jobs for persons from low-moderate income households and to eligible persons to rehabilitate homes. The Federal Department of Housing and Urban Development (HUD) grants money for these loans to the City, passed through the Ohio Department of Development. The initial loan of this money is recorded as a disbursement on the accompanying Schedule of Federal Awards Expenditures (the Schedule). Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as disbursements on the Schedule.

These loans are collateralized by mortgages on the property. At December 31, 2007, the gross amount of loans outstanding under this program was \$395,782.

**NOTE C - SUBRECIPIENTS**

The City passes-through certain Federal assistance received from U.S. Department of Housing and Urban Development to other governments or not-for-profit agencies (subrecipients). As described in Note A, the City records expenditures of Federal awards to subrecipients when paid in cash.

The subrecipient agencies have certain compliance responsibilities related to administering these Federal Programs. Under Federal Circular A-133, the City is responsible for monitoring subrecipients to help assure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements, and that performance goals are achieved.

**CITY OF BARBERTON  
SUMMIT COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2007**

**1. SUMMARY OF AUDITOR'S RESULTS**

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any other reportable internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	CFDA # 14.218 Community Development Block Grant Entitlement Program and CFDA # 10.557 Special Supplemental Food Program for Women, Infants, and Children
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	Yes

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None



**CITY OF BARBERTON, OHIO**  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2007

PREPARED BY:

RAYMOND E. FLICKINGER, JR., DIRECTOR OF FINANCE - C.P.F.A

*104 THIRD STREET  
BARBERTON, OHIO 44203*



# **INTRODUCTORY SECTION**





**CITY OF BARBERTON, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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June 9, 2008

Honorable Mayor, Members of City Council  
And Citizens of Barberton  
Barberton, Ohio

The Comprehensive Annual Financial Report (CAFR) of the City of Barberton, Ohio (City) is hereby presented. This CAFR represents the official report of the City of Barberton's operations and financial position for the year ended December 31, 2007, and has been developed to accurately detail the status of the City finances to Barberton residents and elected officials, investment banks and underwriters and all other interested parties. This report is presented in compliance with Governmental Accounting Standards Board (GASB) Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments". It is intended to provide all pertinent and necessary information to the citizens of Barberton.

Responsibility for the accuracy of the data contained herein, for the completeness and fairness of the presentation and for all disclosure rests with the City's management. To the best of the City's knowledge, the financial and other data contained in this report fairly present the financial position and results of operations of the City. All necessary disclosures to enable the citizens and other readers to understand the City's financial activities are included in this report.

The City is responsible for establishing and maintaining an internal control structure designed to protect its assets from loss, theft or misuse. Furthermore, the accounting system must be adequate to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

The City is required by state law to have an annual audit performed by the Auditor of State's Office. The City continues to receive an unqualified opinion. The Independent Accountants' Report of the Auditor of State on the City's financial statements is included in the Financial Section of this report.

As a part of the City's independent audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations. The results of the City's independent audit for the year ended December 31, 2007 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

This transmittal letter is designed to provide historical information about the City, as well as compliment the required Management's Discussion and Analysis (MD&A). Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements. The City's MD&A, which focuses on the government-wide statements, can be found immediately following the Independent Accountants' Report.

***Finance Department***

104 Third Street, N.W. • Barberton, Ohio 44203 • Office: (330) 848-6775 • Fax: (330) 848-6725  
[www.cityofbarberton.com](http://www.cityofbarberton.com)

## **Community Profile**

The City of Barberton is located in northeast Ohio, adjacent to the City of Akron. Incorporated in 1891, Barberton operates under a charter form of government which was adopted by its voters in 1973. The City is governed by an elected Mayor and a nine-member City Council. Founded by industrialist Ohio Columbus Barber, Barberton earned the nickname of the Magic City because of its early rapid growth. Today, Barberton covers an area of approximately nine square miles and is the fourth largest city in Summit County with a population of 27,899.

The City provides a full range of municipal services mandated by statute or charter, including police and fire protection, parks, recreation, street maintenance, planning, zoning and other general government services. Health services are provided by the Barberton Health District. In addition, water, sewer and solid waste disposal services are provided under the enterprise fund concept with user charges set to ensure adequate coverage of operating expenses and payments on outstanding debt. The Barberton Community Fitness Center also operates as an enterprise fund with member fees partially covering the cost of providing programs. In recent years, the City's staffing levels have declined from 283 full-time employees in 2001 to 249 in 2007.

## **Economic Condition and Outlook**

### ***Local Economy***

The City's economy has historically been associated with the manufacturing industry. Major industries with headquarters or divisions within Barberton's boundaries include manufacturers of fossil fuel and nuclear power generating equipment, automobile components, energy products management systems and producers of chemical and dairy products. The City's largest employer accounts for 24 percent of the City's total income tax collections.

The City will continue to have a difficult budget situation for the near future. This is due to major revenues such as income tax continuing to remain stagnant or declining while operating costs are starting to increase due to inflationary pressures, unmet capital needs and the rising costs of employee benefits.

Despite the challenges the declining revenues have presented, there are several development projects taking place that will help to restore Barberton's long-term economic stability. These projects include the following:

- Babcock & Wilcox, the city's largest employer during 2007 moved its' Research and Development Division to the City of Barberton. Initially 50 jobs were brought to Barberton with the anticipation that 50 new positions will be added.
- To encourage business development the Barberton Community Development Corporation (BCDC), in cooperation with the City of Barberton and the Barberton Community Foundation (Foundation), has created four mini industrial parks. To date, the latest park New Haven Business Park has created over 100 jobs and \$3.9 million in new construction. Programs such as the Foundation PRI program have created or maintained 630 jobs with an annual payroll of \$12.1 million.

Another positive sign is that the total assessed property values have increased approximately 26 percent since the year 2000. This growth can be attributed to the recent completion of several neighborhood and commercial developments as well as to an overall trend towards better housing maintenance Citywide. The growth in property values provides evidence that the various housing and commercial development programs being offered by the City and other non-profit agencies, such as the Barberton Community Foundation and the Barberton Community Development Corporation are beginning to have a meaningful impact.

### ***Long-Term Financial Planning***

The City had been able to offset the loss of revenues the last few years by using all its Emergency Reserve monies as well as a number of other one-time revenues. However, because there were no more one-time revenues that could be used, the City has made an effort to reduce operating expenses. An example of this effort is that the full-time staffing levels have been reduced through attrition from 283 employees in 2001 to 249 at the end of 2007. The result of the staffing reductions and other cuts has been minimal growth in the General Fund budget since 2001.

## ***Major Initiatives***

Construction continued on the Water Plant renovation project during 2007. The City issued Waterworks System Improvement Revenue Bonds in the amount of \$9,305,000 in order to fund the project, a complete upgrade to the plant filtration system.

The Lake Anna YMCA opened in the late fall of 2007. The City entered into a Cooperative Use and Occupancy Agreement with YMCA of Akron in order to construct the Lake Anna YMCA. The new 57,000 square foot building consists of a 42,000 square foot YMCA, a 10,000 square foot Barberton Senior Center and a 5,000 square foot wellness, physical therapy and sports medicine center operated by Barberton Citizens Hospital. Total cost of the facility is expected to be \$9 million dollars and is funded by a \$6 million grant from the Barberton Community Foundation, \$2 million from the City and \$1 million through a Community Campaign.

2007 was the first full year of operation for the Storm Water Management Utility established by City Council during 2006. The Utility was established to protect and manage storm waters. Funding is generated from a residential \$5.00 per month user charge. Commercial and industrial properties are also charge monthly by a formula. User fees collected in 2007 amounted to over \$778,000.

The resurfacing of State Route 619 was completed in 2007. The City and the Ohio Department of Transportation ODOT, entered into an agreement for the resurfacing of 1.51 miles of State Route 619. Total cost of the project is \$1.4 million. The City's share of the project \$439,748 was funded through the State Infrastructure Bank.

The City entered into contract with HFP Ambuske Architects for design and Thomas and Marker Construction as construction manager for the North End Fire Station Project. The cost of the project is estimated to be over \$1 million dollars. Construction should begin in the summer of 2008.

The City also entered into a \$867,950 contract with Seitz Builders for the construction of a Sewer Maintenance Garage. The garage will be constructed next to the current Water Distribution facility and will have offices and equipment bays for the Sewer collection crew and equipment.

## **Certificate of Achievement for Excellence in Financial Reporting**

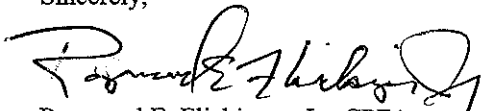
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Barberton, Ohio for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2006. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such a CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City of Barberton, Ohio, has received Certificates of Achievement for the last 17 consecutive years (1990-2006). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA for award consideration.

## **Acknowledgements**

The presentation of this report could not have been accomplished without the dedicated services of the Finance Department staff. I would like to express my appreciation to those directly involved with this report and to the entire staff for their efficient service throughout the year.

Sincerely,



Raymond E. Flickinger, Jr., CPFA  
Director of Finance

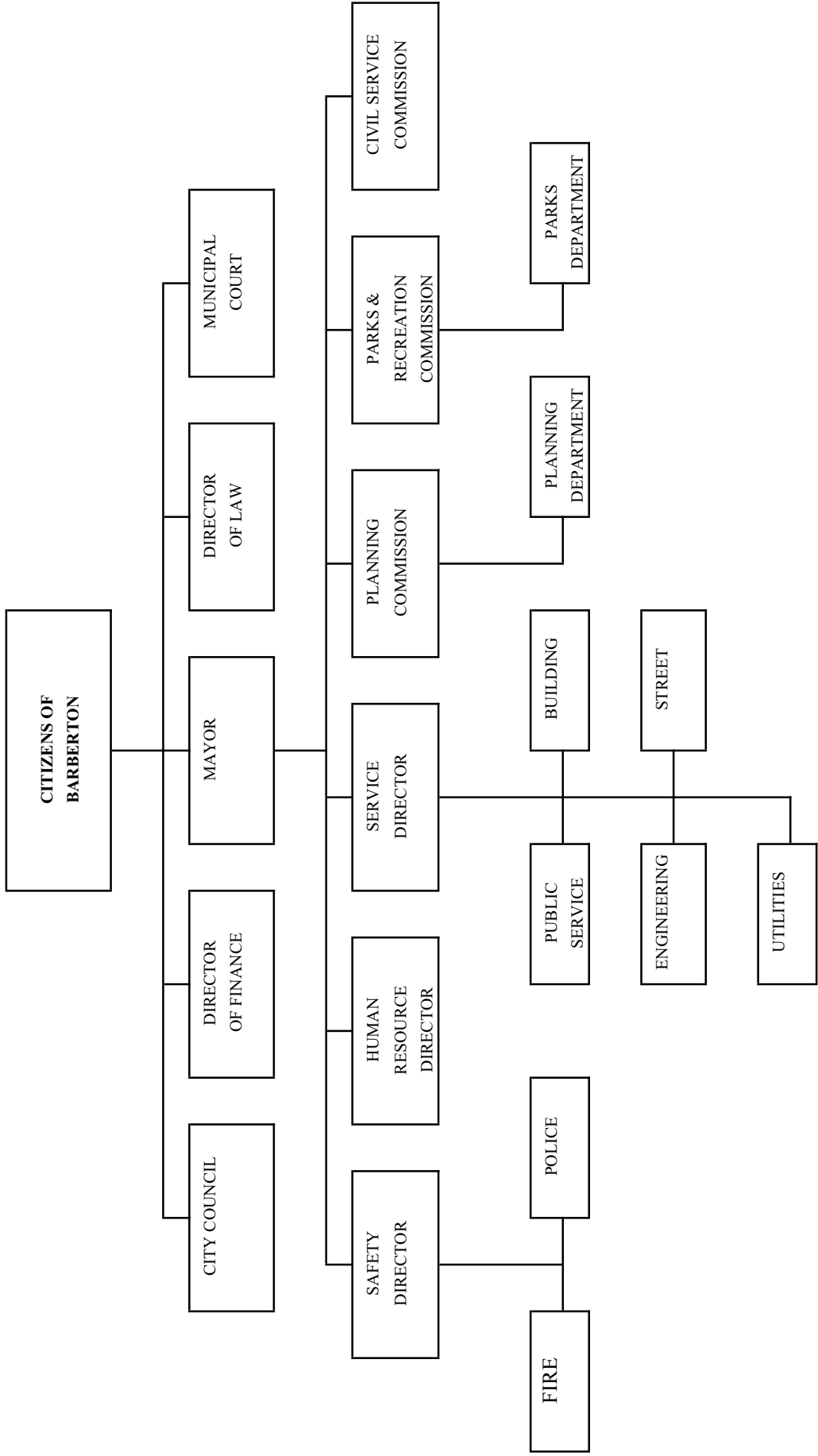
**CITY OF BARBERTON, OHIO**

**LIST OF PRINCIPAL CITY OFFICIALS  
AS OF DECEMBER 31, 2007**

<b>Mayor</b>	(Elected: four-year term)	Randy Hart
<b>Cabinet of the Mayor:</b>	(Appointed)	
<b>Service Director</b>		Elwood Palmer
<b>Safety Director</b>		Leon T. Ricks
<b>Director of Finance</b>	(Elected: four-year term)	Raymond E. Flickinger, Jr.
<b>Director of Law</b>	(Elected: four-year term)	John Lysenko
<b>Municipal Court Judges</b>	(Elected: six-year term)	Gregory Macko Michael L. Weigand
<b>Clerk of Municipal Court</b>	(Elected: six-year term)	Andrea Norris
<b>Council:</b>	(Elected: four-year term)	
President		Robert J. Genet
Members:		
At-Large		Frederick S. Maurer
At-Large		William B. Judge
Ward 1		Paul J. Suboticki
Ward 2		Tom Millet
Ward 3		Christopher Silva
Ward 4		Albert J. Canfora
Ward 5		Terry L. Avant
Ward 6		Michael Anderson



**CITY OF BARBERTON, OHIO  
ORGANIZATIONAL CHART**



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Barberton  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Oliver S. Cox*

President

*Jeffrey R. Emery*

Executive Director

# **FINANCIAL SECTION**





# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

City of Barberton  
Summit County  
104 Third Street N.W.  
Barberton, Ohio 44203

To the City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Barberton, Summit County, Ohio, (the City) as of and for the year ended December 31, 2007, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Barberton, Summit County, Ohio, as of December 31, 2007, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General and Health District funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2008, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining nonmajor fund statements and schedules and statistical tables provide additional information and are not a required part of the basic financial statements. We subjected the combining nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA  
Auditor of State

June 9, 2008

## CITY OF BARBERTON, OHIO

### *MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2007 UNAUDITED*

The management's discussion and analysis for the City of Barberton's financial statements provides an overview of the City's financial activities as of December 31, 2007. The intent of this discussion is to provide a narrative that helps to explain and describe the City's financial performance as a whole. To obtain a more detailed understanding, please review the transmittal letter, the notes to the basic financial statements and the basic financial statements in conjunction with this analysis. The Statistical Section can also provide valuable current and historical information.

#### **Financial Summary**

The financial summary for 2007 follows:

- The total assets of the City of Barberton exceeded its liabilities at December 31, 2007 by \$64,244,080 (net assets). Of this amount, \$5,565,004 is considered restricted for various purposes such as capital projects, debt service and other restrictions. Another \$49,279,328 is invested in capital assets and the remaining \$9,399,748 is considered unrestricted and may be used to meet the City's ongoing obligations.
- Total net assets increased \$1,137,749 as a result of this year's operations. Net assets of business-type activities increased \$928,950, or 2.45 percent, while the net assets of governmental activities increased \$208,799, or .83 percent.
- The total cost of the City's programs was \$34,245,696, while the total revenues were \$35,383,445. Of these amounts the governmental activities represented \$22,921,467 of the expenses and \$23,540,626 of the revenues. The business-type activities represented the remaining \$11,324,229 of expenses and \$11,843,179 of revenues.
- At the end of the current fiscal year, the fund balance for the general fund was \$3,985,694 on a modified accrual basis. This balance provides the City with the equivalent of 73 working days of expenditures.
- The City's total outstanding debt decreased \$2,384,250 during 2007.

#### **Using this Comprehensive Annual Financial Report**

This report consists of a series of financial statements and notes to those statements. These statements are prepared and organized in a manner that allows the reader to look at the financial activities of the City of Barberton as a whole and also allows the reader to obtain a detailed view of more specific city operations, if they prefer.

The statement of net assets and the statement of changes in net assets provide information from a summary perspective showing the effects of the operations for the year 2007 and how they impacted the operations of the City as a whole.

Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

## **CITY OF BARBERTON, OHIO**

### *MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2007 UNAUDITED*

#### **Reporting the City of Barberton as a Whole**

##### *Statement of Net Assets and Statement of Activities*

The statement of net assets and the statement of activities provide summary information concerning the financial position and operations of the City as an entity. They provide a good resource for an overall evaluation of the City's financial performance "on one page." These statements include all non-fiduciary assets and all liabilities using the accrual basis of accounting. This method takes into account all revenues when they are earned and all expenses when they are incurred. These transactions are booked when they occur and not when the actual cash is received for revenues or when invoices are paid for expenses.

From the statement of net assets, you can determine what the City's current financial position is by subtracting total liabilities (what the City owes) from total assets (what the City owns). Over time, increases or decreases in the City's net assets are one indicator of whether the City's financial health is improving or deteriorating. From the statement of activities, the reader can determine the cost of various government services and how much of that cost is financed by taxpayers, where the City gets its money from and how it is used, whether the City is better or worse off financially and why, and will the City be able to finance services in the future. Other non-financial factors such as changes in the City's property tax base, income tax base and the condition of the City's capital assets should also be considered when assessing the overall financial health of the City.

#### **Reporting on the Most Significant Funds of the City of Barberton**

##### *Fund Financial Statements*

The analysis of the City's major funds begins on page 10. Fund financial reports give a detailed accounting of the activities within the funds. The City currently has 47 funds, as presented in this report. These funds are in existence to provide a multitude of services to the citizens of Barberton. For example, some funds provide for police and fire protection, street repair and maintenance as well as water, sewer, storm water and solid waste disposal services. In addition, a number of funds serve a variety of other purposes ranging from accounting for the City's construction of capital and infrastructure assets to providing health care benefits to the City's employees. Each fund is in some ways an entity unto itself. Each fund has a designated revenue stream and restricted uses for the monies within the fund.

In this report, the focus is on five major funds, the general fund, the health district fund, the water fund, the sewer fund and the solid waste fund.

##### *Governmental Funds*

All of the City's major activities (excluding the utilities) are reported in the governmental funds, which focus on how money flows into and out of these funds and also depicts the balances available for future expenditures. These funds are reported using an accounting method called modified accrual accounting. This method reports cash and like-cash items and shows the level of financial resources that are available to provide general government services in the near future. Examples of these services include police and fire protection, health services and street and park maintenance. The relationship (or difference) between governmental activities (reported in the statement of net assets and the statement of activities) and the governmental funds is reconciled in the financial statements.

##### *Proprietary Funds*

Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match, except for any internal service fund allocations.



**CITY OF BARBERTON, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2007  
UNAUDITED*

*Fiduciary Funds*

Agency funds are used to account for resources held for the benefit of parties outside the City. Agency funds are not reflected on the government-wide financial statements because the resources from those funds are not available to support the City's programs. The accounting method used for fiduciary funds is much like that used for the proprietary funds.

**Statement of Net Assets**

As noted earlier, the statement of net assets looks at the City as a whole and therefore, can be a useful indicator of the City's financial position. The table below provides a summary of the City's net assets for 2007 compared to 2006:

	<b>Net Assets</b>					
	Governmental Activities <u>2007</u>	Business-type Activities <u>2007</u>	Governmental Activities <u>2006</u>	Business-type Activities <u>2006</u>	2007 <u>Total</u>	2006 <u>Total</u>
<u>Assets</u>						
Current and other assets	\$ 15,135,053	\$ 14,660,510	\$ 15,557,312	\$ 17,076,813	\$ 29,795,563	\$ 32,634,125
Capital assets, net	<u>23,173,227</u>	<u>40,817,940</u>	<u>23,012,987</u>	<u>38,966,331</u>	<u>63,991,167</u>	<u>61,979,318</u>
Total assets	<u>38,308,280</u>	<u>55,478,450</u>	<u>38,570,299</u>	<u>56,043,144</u>	<u>93,786,730</u>	<u>94,613,443</u>
<u>Liabilities</u>						
Current and other liabilities	4,247,652	1,627,914	4,151,844	1,587,143	5,875,566	5,738,987
Long-term liabilities:						
Due within one year	1,565,451	1,124,793	1,513,386	1,134,724	2,690,244	2,648,110
Due in more than one year	<u>7,129,681</u>	<u>13,847,159</u>	<u>7,748,372</u>	<u>15,371,643</u>	<u>20,976,840</u>	<u>23,120,015</u>
Total liabilities	<u>12,942,784</u>	<u>16,599,866</u>	<u>13,413,602</u>	<u>18,093,510</u>	<u>29,542,650</u>	<u>31,507,112</u>

**CITY OF BARBERTON, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2007  
UNAUDITED*

**Net Assets**

	Governmental Activities <u>2007</u>	Business-type Activities <u>2007</u>	Governmental Activities <u>2006</u>	Business-type Activities <u>2006</u>	<u>2007</u> Total	<u>2006</u> Total
<u>Net Assets</u>						
Invested in capital assets, net of related debt	\$ 17,895,365	\$ 31,383,963	\$ 15,884,161	\$ 30,704,621	\$ 49,279,328	\$ 46,588,782
Restricted:						
Capital projects	779,845	-	2,337,727	-	779,845	2,337,727
Debt service	506,371	-	516,125	31,821	506,371	547,946
Street construction, maintenance and repair	1,221,355	-	1,095,324	-	1,221,355	1,095,324
Court computer	106,240	-	82,146	-	106,240	82,146
Recreation	577,419	-	632,833	-	577,419	632,833
Health district	63,233	-	337,786	-	63,233	337,786
Community development and improvements	997,544	-	862,668	-	997,544	862,668
Law enforcement	119,621	-	87,947	-	119,621	87,947
Emergency reserve	275	-	267	-	275	267
Police and fire pension	115,244	-	88,432	-	115,244	88,432
Miscellaneous grants	68,909	-	39,705	-	68,909	39,705
Sewer replacement and improvement	-	1,008,948	-	1,237,596	1,008,948	1,237,596
Unrestricted	<u>2,914,075</u>	<u>6,485,673</u>	<u>3,191,576</u>	<u>5,975,596</u>	<u>9,399,748</u>	<u>9,167,172</u>
 Total net assets	 <u>\$ 25,365,496</u>	 <u>\$ 38,878,584</u>	 <u>\$ 25,156,697</u>	 <u>\$ 37,949,634</u>	 <u>\$ 64,244,080</u>	 <u>\$ 63,106,331</u>

Total assets decreased in 2007 by \$826,713. Total current assets decreased by \$2,838,562 from 2006 and total capital assets increased by \$2,011,849 as a result of the capitalization of construction projects and other assets offset by depreciation expense.

Total liabilities decreased \$1,964,462 in 2007 due to a number of factors including some fluctuations in the accounts payable, intergovernmental payable and deferred revenue amounts as well as debt increases. During 2007, the City retired portions of note issues and reissued those notes with reduced principal amounts.

As a result of the decrease in total assets of \$826,713 (a negative) and the decrease in total liabilities of \$1,964,462 (a positive), the total net assets increased \$1,137,749.

**CITY OF BARBERTON, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2007  
UNAUDITED*

**Statement of Activities**

The table below shows the changes in net assets for fiscal years 2007 and 2006.

	<b>Change in Net Assets</b>					
	Governmental Activities <u>2007</u>	Business-type Activities <u>2007</u>	Governmental Activities <u>2006</u>	Business-type Activities <u>2006</u>	2007 Total	2006 Total
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 3,368,008	\$ 11,285,486	\$ 3,280,241	\$ 10,553,495	\$ 14,653,494	\$ 13,833,736
Operating grants and contributions	3,521,558	-	3,702,419	-	3,521,558	3,702,419
Capital grants and contributions	<u>152,821</u>	<u>-</u>	<u>160,183</u>	<u>-</u>	<u>152,821</u>	<u>160,183</u>
Total program revenues	<u>7,042,387</u>	<u>11,285,486</u>	<u>7,142,843</u>	<u>10,553,495</u>	<u>18,327,873</u>	<u>17,696,338</u>
General revenues:						
Property taxes	1,567,667	-	1,456,662	-	1,567,667	1,456,662
Income taxes	11,254,122	-	11,391,350	-	11,254,122	11,391,350
Grants and entitlements	2,885,135	-	2,552,742	-	2,885,135	2,552,742
Investment earnings	681,251	505,193	762,314	416,614	1,186,444	1,178,928
Other	<u>109,704</u>	<u>52,500</u>	<u>746,914</u>	<u>56,524</u>	<u>162,204</u>	<u>803,438</u>
Total general revenues	<u>16,497,879</u>	<u>557,693</u>	<u>16,909,982</u>	<u>473,138</u>	<u>17,055,572</u>	<u>17,383,120</u>
Total revenues	<u>23,540,266</u>	<u>11,843,179</u>	<u>24,052,825</u>	<u>11,026,633</u>	<u>35,383,445</u>	<u>35,079,458</u>
<b>Expenses</b>						
Program expenses:						
General government	3,883,172	-	4,097,563	-	3,883,172	4,097,563
Public safety	10,049,252	-	9,745,177	-	10,049,252	9,745,177
Health and welfare	2,343,579	-	2,384,744	-	2,343,579	2,384,744
Transportation	2,025,147	-	2,218,732	-	2,025,147	2,218,732
Community environment	1,535,323	-	1,303,440	-	1,535,323	1,303,440
Leisure time activity	1,240,444	-	1,742,270	-	1,240,444	1,742,270
Intergovernmental	1,578,763	-	1,328,572	-	1,578,763	1,328,572
Interest and fiscal charges	265,787	-	283,305	-	265,787	283,305
Water	-	4,241,689	-	4,295,926	4,241,689	4,295,926
Sewer	-	4,284,959	-	4,017,338	4,284,959	4,017,338
Storm water	-	1,785,145	-	292,441	1,785,145	292,441
Solid waste	-	648,268	-	1,500,928	648,268	1,500,928
Community center	-	362,163	-	547,635	362,163	547,635
Lake Cinema	<u>-</u>	<u>2,005</u>	<u>-</u>	<u>2,005</u>	<u>2,005</u>	<u>2,005</u>
Total expenses	<u>22,921,467</u>	<u>11,324,229</u>	<u>23,103,803</u>	<u>10,656,273</u>	<u>34,245,696</u>	<u>33,760,076</u>
Change in net assets before transfers and special item	618,799	518,950	949,022	370,360	1,137,749	1,319,382
Special item	-	-	(1,856,330)	-	-	(1,856,330)
Transfers	<u>(410,000)</u>	<u>410,000</u>	<u>(3,770,845)</u>	<u>3,770,845</u>	<u>-</u>	<u>-</u>
Change in net assets	208,799	928,950	(4,678,153)	4,141,205	1,137,749	(536,948)
Net assets at beginning of year	<u>25,156,697</u>	<u>37,949,634</u>	<u>29,834,850</u>	<u>33,808,429</u>	<u>63,106,331</u>	<u>63,643,279</u>
Net assets at end of year	<u>\$ 25,365,496</u>	<u>\$ 38,878,584</u>	<u>\$ 25,156,697</u>	<u>\$ 37,949,634</u>	<u>\$ 64,244,080</u>	<u>\$ 63,106,331</u>

## CITY OF BARBERTON, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2007 UNAUDITED

#### *Governmental Activities*

The City's funding for governmental activities comes from a variety of sources, the most significant being the municipal income tax. The City levies an income tax of 2.0 percent on all income earned within the City as well as on the income of residents earned outside of the City. In the latter case, the City allows a credit of 100 percent on the income taxes paid to another municipality by residents of Barberton, up to 2.0 percent of the income. On a full accrual basis, the City received \$11,254,122 in income tax collections, or 47.81 percent of the total governmental revenues in 2007, compared to \$11,391,350 in income tax collections received in 2006.

Intergovernmental revenue (i.e. state shared support) represents the City's second largest source of general revenue for the governmental activities. In 2007, the City received \$2,885,135 in unrestricted intergovernmental revenues or 12.26 percent of total revenue. Unrestricted intergovernmental revenues totaled \$2,552,742 or 10.61 percent of total revenue in 2006. The remaining general revenue sources represent smaller amounts and include property taxes (6.66 percent) and various others (3.36 percent).

Program restricted charges for services and operating and capital grants represent monies the City is awarded that are required to be used for very specific purposes. In 2007, the City received \$3,368,008 in charges for services and a combined total of \$3,674,379 in various operating and capital grants.

The City's governmental activity expenses totaled \$22,921,467 in 2007, with public safety (police and fire protection) and general government (city council, mayor, finance, service director, etc.) representing the largest portion of this figure at 43.84 percent and 16.94 percent, respectively. The City's total governmental activities expenses decreased \$182,336 from 2006. The City recorded \$1,571,458 in capital outlays in 2007 compared to \$1,999,901 in 2006.

Public safety expenses totaled \$10,049,252 and represented 43.84 percent of the City's total governmental activity expenses in 2007 compared to 42.18 percent in 2006. The public safety classification consists of the Police Department, which includes 911 dispatchers, and the Fire Department. As of December 31, 2007, the City employed 44 full-time police officers, 10 full-time 911 dispatchers and 45 full-time firefighters.

Health and welfare expenses totaled \$2,343,579 and represented the City's third largest category of governmental activity expenses with 10.22 percent of total expenses. Programs for the health district fund, a major fund, are included in this category.

At \$2,025,147 or 8.84 percent, transportation represents the City's fourth largest category of governmental activity expenses. The transportation classification consists of the City's Street Department and the Paint and Signal Division. In addition, the City has several funds established that are used to pay private contractors for road resurfacing and general street maintenance. The expenses for the private street resurfacing contracts are also included as transportation related expenses. As of December 31, 2007, the City employed 16 full-time employees in the Street Department and 2 full-time employees in the Signal Division.

#### *Business-Type Activities*

The City operates a Utility Department that consists of water, sewer, storm water and solid waste disposal (garbage collection) services. Sanitary sewer services are provided to approximately 10,818 customers in and around the Barberton area. Sewer billing rates are set by City Council based on the recommendation of the Service Director and the Utilities Director. In 2007, the rates were established at \$3.74 per thousand gallons of water used for residential and commercial users. The sewer treatment plant was originally constructed in 1960 and then completely overhauled in 1988. The City has made several improvements to the plant since 1988 with the most recent occurring in 2002 for various upgrades.

**CITY OF BARBERTON, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2007  
UNAUDITED*

Water distribution and treatment services are provided to approximately 11,536 customers in and around the Barberton area. Water billing rates are set by the Service Director. In 2007, the rates were established at \$3.94 per thousand gallons for residential and commercial users. In 1994, the water treatment plant was completely renovated at a cost of approximately \$4.9 million. Over the past year, improvements and upgrades to the water treatment plant began.

During 2006 the City established a storm water management fund to account for storm drainage run-off maintenance, repair and replacement costs. Rates were established at \$5.00 per parcel for residential properties. The City Engineer's office establishes rates for commercial and industrial users based on run-off surface areas.

The City also contracts for solid waste disposal (garbage collection). The City, in addition to billing and collecting garbage user fees, acts as an agent between the successful competitive bidder for pickup service and City customers. In 2007, the rate was \$15.50 per month.

In addition to the four utilities, the City also operates a community center. The community center is under the direction of the Parks Department and is designed to provide area residents with various recreational, fitness and educational opportunities. In comparison to the four utilities, the community center represents 3.20 percent of the total operating expenses for the business-type activities.

The revenues and expenses for all the business-type activities are reported under the business-type activities. The revenues are derived primarily from user charges. In 2007, the charges for services amount of \$11,285,486 accounted for 95.29 percent of the total revenues compared to 95.71 percent in 2006. The total expenses for all the business-type activities were \$11,324,229 during 2007, compared to \$10,656,273 in 2006. Net assets of the business-type activities increased \$928,950.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

	Total Cost of Services <u>2007</u>	Net Cost of Services <u>2007</u>	Total Cost of Services <u>2006</u>	Net Cost of Services <u>2006</u>
Program Expenses:				
General government	\$ 3,883,172	\$ 2,334,736	\$ 4,097,563	\$ 2,496,494
Public safety	10,049,252	9,366,147	9,745,177	8,912,351
Health and welfare	2,343,579	883,505	2,384,744	1,069,782
Transportation	2,025,147	835,035	2,218,732	824,291
Community environment	1,535,323	151,339	1,303,440	(451,307)
Leisure time activities	1,240,444	858,290	1,742,270	1,497,472
Intergovernmental	1,578,763	1,578,763	1,328,572	1,328,572
Interest and fiscal charges	<u>265,787</u>	<u>(128,735)</u>	<u>283,305</u>	<u>283,305</u>
Total Expenses	<u>\$ 22,921,467</u>	<u>\$ 15,879,080</u>	<u>\$ 23,103,803</u>	<u>\$ 15,960,960</u>

The dependence upon general revenues for governmental activities is apparent, with 69.28 percent of expenses supported through taxes and other general revenues in 2007 and 69.08 percent in 2006.

## CITY OF BARBERTON, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2007 UNAUDITED

#### The City's Funds

Information about the City's governmental funds begins on page 18. Governmental funds are accounted for using the modified accrual method of accounting. All governmental funds had revenues of \$22,244,194 and expenditures of \$24,235,947.

The general fund is the chief operating fund of the City of Barberton. During 2007, the City's general fund had total revenues and other financing sources of \$18,036,176 and expenditures and other financing uses totaling \$17,662,754, resulting in an increase in fund balance of \$373,422 compared to a \$1,882,196 increase in fund balance in 2006. This is a result of stagnant revenues, which decreased overall by \$514,690 during 2007, coupled with an increase in general fund expenditures during 2007 of \$598,549. Expenditures increased as a result of capital expenditures for police and fire department vehicles and equipment, the City began accounting for staff and services for the community center in the general fund during 2007, and safety forces added three personnel and overtime increased by over \$100,000.

In addition to the general fund, the other major governmental fund, the health district fund, experienced a decrease in fund balance from 2006 to 2007 of \$221,731 or 94.12 percent during 2007 as a result of fewer grants received to support health programs.

Information concerning the proprietary funds starts on page 24. These funds are accounted for on an accrual basis. All enterprise funds had operating revenues of \$11,313,303 and operating expenses of \$10,501,430, resulting in operating income of \$811,873 or 7.18 percent of the total revenues compared to 4.82 percent in 2006. Operating revenues and expenses of the water and sewer funds remained comparable to 2006. A slight increase in water rate and no change in the sewer rate from 2006 proved sufficient to meet the operating expenses of the two utilities. 2007 was the first full year of operations for the solid waste fund, which resulted in an increase of operating revenues and expenses by 25.31 percent and 18.66 percent, respectively. In addition, solid waste fees increased from \$11.92 to \$15.50 per month from 2006 to 2007.

#### *Budgeting Highlights*

The City's budget is prepared according to the laws of the State of Ohio and is based on accounting for certain transactions on a cash basis for receipts, expenditures and encumbrances. The most significant budgeted fund is the general fund. The legal level of control is established by City Council at the personal services and operating expenditure level for each department within the general fund and at the fund level for all other funds. Any budget modifications at these levels may only be made through an ordinance of City Council. City policy permits fund transfers within management control levels with the approval of the department head and the Finance Director. During the course of 2007, City Council amended appropriations and department managers adjusted budgets several times as needed to provide timely services.

In addition to monitoring fund balances on a daily basis, the Finance Department closely examines the budget through the preparation of monthly financial statements and budgetary analysis reports. Furthermore, line-item reports are reviewed on a regular basis by the Finance Director and the department heads to ensure the entire operation of the City is within the approved budget levels.

For the general fund, the 2007 original and final budgeted revenues and financing sources were \$17,397,417 and \$18,012,525, respectively. The actual revenue collections were \$18,141,967. Actual revenue came in higher than budgeted primarily due to higher than expected charges for services related to civil court costs, intergovernmental revenues, and investment income. During 2007, actual expenditures and other financing uses of \$17,694,187 were \$923,513 less than the final appropriated expenditures of \$18,617,700. The City's ending unencumbered cash balance of \$2,456,891 in the general fund was \$1,052,955 higher than the final budgeted amount. Intergovernmental revenues were increased in the final budget to reflect additional federal grants which were not included in the original budget.

**CITY OF BARBERTON, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2007  
UNAUDITED*

**Capital Assets and Debt Administration**

**Capital Assets at December 31  
(Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Land	\$ 5,656,302	\$ 5,125,739	\$ 964,189	\$ 973,813	\$ 6,620,491	\$ 6,099,552
Construction in progress	579,558	665,316	5,135,265	1,848,218	5,714,823	2,513,534
Buildings	2,651,544	2,325,736	15,491,334	16,421,178	18,142,878	18,746,914
Vehicles and equipment	2,927,897	4,960,016	1,409,571	1,158,136	4,337,468	6,118,152
Infrastructure						
Street subsystem	9,926,933	8,505,396	-	-	9,926,933	8,505,396
Storm sewer subsystem	-	-	3,367,121	3,549,749	3,367,121	3,549,749
Traffic signals subsystem	1,430,993	1,430,784	-	-	1,430,993	1,430,784
Water lines	-	-	5,781,982	5,994,509	5,781,982	5,994,509
Sewer lines	-	-	8,668,478	9,020,728	8,668,478	9,020,728
<b>Totals</b>	<u>\$23,173,227</u>	<u>\$23,012,987</u>	<u>\$40,817,940</u>	<u>\$38,966,331</u>	<u>\$63,991,167</u>	<u>\$61,979,318</u>

Total capital assets for the year ended December 31, 2007 were \$63,991,167, which is an increase from the 2006 figure by \$2,011,849. The increase is due to depreciation of \$3,270,155 and disposals of \$88,128 (net of accumulated depreciation) less than additions of \$5,370,132. Please see Note 7 in the financial statements for more information regarding the City's capital assets.

*Debt*

The outstanding debt as of December 31, 2007 was \$21,242,377. This balance reflected a decrease of \$2,384,250 from the prior year's balance of \$23,626,627. Moody's Investors Service, Inc. has given the City a bond rating of A3.

	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
General obligation bonds	\$ 4,044,510	\$ 4,684,564	\$ 3,686,429	\$ 4,356,108	\$ 7,730,939	\$ 9,040,672
Revenue bonds	-	-	8,981,318	9,290,639	8,981,318	9,290,639
Capital leases	342,481	160,621	125,839	154,054	468,320	314,675
Special assessment bonds	201,800	235,641	-	-	201,800	235,641
Notes payable	699,000	838,000	2,066,000	2,697,000	2,765,000	3,535,000
Other debt	1,095,000	1,210,000	-	-	1,095,000	1,210,000
<b>Total long-term obligations</b>	<u>\$ 6,382,791</u>	<u>\$ 7,128,826</u>	<u>\$ 14,859,586</u>	<u>\$ 16,497,801</u>	<u>\$ 21,242,377</u>	<u>\$ 23,626,627</u>

## **CITY OF BARBERTON, OHIO**

### *MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2007 UNAUDITED*

A summary of the City's debt activity during 2007 includes the following:

- The City made scheduled principal and interest payments on its debt obligations, as well as re-financing and paying down a portion of the notes payable related to street, water system, and community center improvements.
- The balance of the short-term notes decreased by \$119,000 in the governmental activities and decreased \$155,000 in the business-type activities.

Please see Notes 9 and 10 in the financial statements for more information regarding the City's debt.

#### **Economic Factors and the 2008 General Fund Budget**

Some of the economic trends impacting Barberton that were considered in developing the 2008 budget include the following:

- Barberton's average annual unemployment rate during 2007 was 6.7 percent, compared to 5.4 percent for Summit County and 5.6 percent for the State of Ohio.
- Barberton's total assessed property values have increased approximately \$93 million, or nearly 26 percent since 2000.
- The 2007 income tax collections amounted to approximately \$11.7 million on a cash basis. In 2008, the City has budgeted a one percent increase in income tax collections. Through April 2008 actual income tax revenues are 0.3 percent above budget.

Despite the recent growth in the 2008 income tax collections and the City's cost cutting efforts, it appears the City will continue to have a difficult budget situation for the near future. This is due to other revenues such as, shared support from the State and estate taxes continuing to remain stagnant or declining while operating costs are starting to increase due to inflationary pressures and unmet capital needs. As a result, it is anticipated that further cost containment efforts and/or revenue enhancement actions will be necessary through the remainder of 2008 and into 2009.

#### **Request for Information**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, 104 Third Street, Barberton, Ohio 44203 or you may call us at 330-848-6775.



BASIC  
FINANCIAL STATEMENTS

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**CITY OF BARBERTON, OHIO**

*STATEMENT OF NET ASSETS  
DECEMBER 31, 2007*

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents. . . . .	\$ 7,977,038	\$ 4,213,263	\$ 12,190,301
Investments . . . . .	-	7,273,231	7,273,231
Cash and cash equivalents in segregated accounts . . . . .	194,857	1,008,948	1,203,805
Receivables (net of allowances for uncollectibles):			
Property taxes . . . . .	1,849,025	-	1,849,025
Income taxes . . . . .	2,091,741	-	2,091,741
Accounts . . . . .	48,983	1,335,674	1,384,657
Intergovernmental . . . . .	1,950,102	-	1,950,102
Accrued interest . . . . .	43,669	34,155	77,824
Special assessments . . . . .	201,800	-	201,800
Notes receivable . . . . .	665,068	-	665,068
Prepayments . . . . .	60,233	59,323	119,556
Materials and supplies inventory. . . . .	-	367,483	367,483
Deferred charges . . . . .	52,537	368,433	420,970
Capital assets:			
Nondepreciable capital assets . . . . .	6,235,860	6,099,454	12,335,314
Depreciable capital assets, net. . . . .	16,937,367	34,718,486	51,655,853
Total capital assets. . . . .	<u>23,173,227</u>	<u>40,817,940</u>	<u>63,991,167</u>
Total assets. . . . .	<u>38,308,280</u>	<u>55,478,450</u>	<u>93,786,730</u>
<b>Liabilities:</b>			
Accounts payable. . . . .	331,086	273,235	604,321
Contracts payable. . . . .	-	578,936	578,936
Accrued wages and benefits . . . . .	263,641	103,163	366,804
Intergovernmental payable . . . . .	1,018,998	152,710	1,171,708
Internal balances . . . . .	52,966	(52,966)	-
Unearned revenue. . . . .	1,596,826	-	1,596,826
Accrued interest payable. . . . .	35,655	96,836	132,491
Claims payable. . . . .	269,480	-	269,480
Notes payable . . . . .	679,000	476,000	1,155,000
Long-term liabilities:			
Due within one year . . . . .	1,565,451	1,124,793	2,690,244
Due in more than one year . . . . .	7,129,681	13,847,159	20,976,840
Total liabilities . . . . .	<u>12,942,784</u>	<u>16,599,866</u>	<u>29,542,650</u>
<b>Net assets:</b>			
Invested in capital assets, net of related debt . . . . .	17,895,365	31,383,963	49,279,328
Restricted for:			
Capital projects . . . . .	779,845	-	779,845
Debt service. . . . .	506,371	-	506,371
Street construction, maintenance and repair . . . . .	1,221,355	-	1,221,355
Court computer . . . . .	106,240	-	106,240
Recreation. . . . .	577,419	-	577,419
Health district . . . . .	63,233	-	63,233
Community developments and improvements . . . . .	997,544	-	997,544
Law enforcement . . . . .	119,621	-	119,621
Emergency reserve . . . . .	275	-	275
Police and fire pension . . . . .	115,244	-	115,244
Miscellaneous grants . . . . .	68,909	-	68,909
Sewer replacement and improvement. . . . .	-	1,008,948	1,008,948
Unrestricted . . . . .	<u>2,914,075</u>	<u>6,485,673</u>	<u>9,399,748</u>
Total net assets . . . . .	<u>\$ 25,365,496</u>	<u>\$ 38,878,584</u>	<u>\$ 64,244,080</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF BARBERTON, OHIO**

*STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<b>Program Revenues</b>			
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Governmental Activities:</b>				
General government . . . . .	\$ 3,883,172	\$ 1,547,954	\$ 482	\$ -
Public safety. . . . .	10,049,252	523,684	159,421	-
Health and welfare. . . . .	2,343,579	973,909	486,165	-
Transportation. . . . .	2,025,147	4,520	1,032,771	152,821
Community environment. . . . .	1,535,323	179,663	1,204,321	-
Leisure time activities. . . . .	1,240,444	138,278	243,876	-
Intergovernmental. . . . .	1,578,763	-	-	-
Interest and fiscal charges. . . . .	265,787	-	394,522	-
<b>Total governmental activities . . . . .</b>	<b>22,921,467</b>	<b>3,368,008</b>	<b>3,521,558</b>	<b>152,821</b>
<b>Business-type Activities:</b>				
Water . . . . .	4,241,689	4,242,131	-	-
Sewer . . . . .	4,284,959	4,347,404	-	-
Solid Waste . . . . .	1,785,145	1,839,605	-	-
Other enterprise funds:				
Storm Water . . . . .	648,268	775,680	-	-
Community Center. . . . .	362,163	80,666	-	-
Lake Cinema. . . . .	2,005	-	-	-
<b>Total business-type activities . . . . .</b>	<b>11,324,229</b>	<b>11,285,486</b>	<b>-</b>	<b>-</b>
<b>Total primary government. . . . .</b>	<b>\$ 34,245,696</b>	<b>\$ 14,653,494</b>	<b>\$ 3,521,558</b>	<b>\$ 152,821</b>

**General Revenues:**

Property taxes levied for:
General purposes . . . . .
Police pension. . . . .
Fire pension . . . . .
Municipal income taxes levied for:
General purposes . . . . .
Grants and entitlements not restricted to specific programs . . . . .
Investment earnings . . . . .
Other. . . . .
Total general revenues. . . . .
Transfers. . . . .
Total general revenues and transfers . . . . .
Change in net assets. . . . .
<b>Net assets at beginning of year . . . . .</b>
<b>Net assets at end of year . . . . .</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Net (Expense) Revenue and Changes in Net Assets**

<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ (2,334,736)	\$ -	\$ (2,334,736)
(9,366,147)	-	(9,366,147)
(883,505)	-	(883,505)
(835,035)	-	(835,035)
(151,339)	-	(151,339)
(858,290)	-	(858,290)
(1,578,763)	-	(1,578,763)
128,735	-	128,735
<u>(15,879,080)</u>	<u>-</u>	<u>(15,879,080)</u>
-	442	442
-	62,445	62,445
-	54,460	54,460
-	127,412	127,412
-	(281,497)	(281,497)
-	(2,005)	(2,005)
<u>-</u>	<u>(38,743)</u>	<u>(38,743)</u>
<u>(15,879,080)</u>	<u>(38,743)</u>	<u>(15,917,823)</u>
1,334,131	-	1,334,131
116,625	-	116,625
116,911	-	116,911
11,254,122	-	11,254,122
2,885,135	-	2,885,135
681,251	505,193	1,186,444
109,704	52,500	162,204
<u>16,497,879</u>	<u>557,693</u>	<u>17,055,572</u>
<u>(410,000)</u>	<u>410,000</u>	<u>-</u>
<u>16,087,879</u>	<u>967,693</u>	<u>17,055,572</u>
208,799	928,950	1,137,749
<u>25,156,697</u>	<u>37,949,634</u>	<u>63,106,331</u>
<u>\$ 25,365,496</u>	<u>\$ 38,878,584</u>	<u>\$ 64,244,080</u>

**CITY OF BARBERTON, OHIO**

*BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2007*

	<u>General</u>	<u>Health District</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 2,514,968	\$ 158,211	\$ 3,289,145	\$ 5,962,324
Cash and cash equivalents in segregated accounts . . . . .	194,857	-	-	194,857
Receivables (net of allowance for uncollectibles):				
Property taxes . . . . .	1,306,674	-	542,351	1,849,025
Income taxes . . . . .	2,091,741	-	-	2,091,741
Accounts . . . . .	4,964	9,089	34,930	48,983
Intergovernmental . . . . .	1,111,848	74,766	757,318	1,943,932
Accrued interest . . . . .	43,669	-	-	43,669
Special assessments . . . . .	-	-	201,800	201,800
Notes receivable . . . . .	2,286	-	662,782	665,068
Prepayments . . . . .	51,958	973	7,302	60,233
Total assets . . . . .	<u>\$ 7,322,965</u>	<u>\$ 243,039</u>	<u>\$ 5,495,628</u>	<u>\$ 13,061,632</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 121,473	\$ 90,960	\$ 97,413	\$ 309,846
Accrued wages and benefits . . . . .	204,905	21,839	36,897	263,641
Due to other governments . . . . .	909,019	74,172	35,807	1,018,998
Compensated absences payable . . . . .	-	20,789	-	20,789
Deferred revenue . . . . .	1,015,183	21,436	761,768	1,798,387
Unearned revenue . . . . .	1,086,691	-	510,135	1,596,826
Accrued interest payable . . . . .	-	-	3,070	3,070
Notes payable . . . . .	-	-	679,000	679,000
Total liabilities . . . . .	<u>3,337,271</u>	<u>229,196</u>	<u>2,124,090</u>	<u>5,690,557</u>
<b>Fund Balances:</b>				
Reserved for encumbrances . . . . .	218,372	7,700	475,110	701,182
Reserved for prepayments . . . . .	51,958	973	7,302	60,233
Reserved for notes receivable . . . . .	2,286	-	662,782	665,068
Reserved for debt service . . . . .	-	-	323,368	323,368
Unreserved, undesignated (deficit) reported in:				
General fund . . . . .	3,713,078	-	-	3,713,078
Special revenue funds . . . . .	-	5,170	1,987,187	1,992,357
Capital projects funds . . . . .	-	-	(84,211)	(84,211)
Total fund balances . . . . .	<u>3,985,694</u>	<u>13,843</u>	<u>3,371,538</u>	<u>7,371,075</u>
Total liabilities and fund balances . . . . .	<u>\$ 7,322,965</u>	<u>\$ 243,039</u>	<u>\$ 5,495,628</u>	<u>\$ 13,061,632</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF BARBERTON, OHIO**

*RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET ASSETS OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2007*

<b>Total governmental fund balances</b>		\$ 7,371,075
<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		23,173,227
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		
Delinquent property taxes	\$ 187,931	
Intergovernmental	1,226,997	
Municipal income taxes	139,602	
Special assessments	201,800	
Interest	<u>42,057</u>	
Total		1,798,387
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. The long-term liabilities are as follows:		
Compensated absences	(2,970,552)	
General obligation bonds payable	(4,044,510)	
Special assessment bonds payable	(201,800)	
Long-term notes payable	(20,000)	
Section 108 loan payable	(1,095,000)	
Capital lease obligation	<u>(342,481)</u>	
Total		(8,674,343)
In the statement of activities interest is accrued on outstanding bonds, notes and loans payable, whereas in governmental funds, interest expenditures are reported when due.		(32,585)
Bond issuance costs reported as an expenditure in the funds are allocated as an expense over the life of the debt on a full accrual basis.		52,537
Internal service funds are used by management to charge the costs of insurance, postage and gasoline to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		1,730,164
An internal balance is recorded in governmental activities to reflect overpayments to the internal service fund by the business-type activities.		<u>(52,966)</u>
<b>Net assets of governmental activities</b>		<u>\$ 25,365,496</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF BARBERTON, OHIO**

*STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>General</u>	<u>Health District</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 1,302,285	\$ -	\$ 226,948	\$ 1,529,233
Municipal income taxes . . . . .	11,203,232	-	-	11,203,232
Charges for services . . . . .	1,521,628	502,803	122,278	2,146,709
Licenses and permits . . . . .	140,801	471,106	-	611,907
Fines and forfeitures . . . . .	83,720	-	95,049	178,769
Intergovernmental . . . . .	2,798,540	692,156	1,937,654	5,428,350
Special assessments . . . . .	-	-	129,680	129,680
Investment income . . . . .	573,475	-	95,927	669,402
Contributions and donations . . . . .	-	-	177,625	177,625
Other . . . . .	411,389	2,111	755,787	1,169,287
Total revenues . . . . .	<u>18,035,070</u>	<u>1,668,176</u>	<u>3,540,948</u>	<u>23,244,194</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	3,830,556	-	33,663	3,864,219
Public safety . . . . .	9,617,736	-	259,191	9,876,927
Health and welfare . . . . .	-	2,397,461	-	2,397,461
Transportation . . . . .	152,819	-	1,176,169	1,328,988
Community environment . . . . .	630,817	-	797,456	1,428,273
Leisure time activities . . . . .	726,340	-	358,056	1,084,396
Capital outlay . . . . .	478,690	1,045	1,077,819	1,557,554
Intergovernmental . . . . .	-	-	1,578,763	1,578,763
Debt service:				
Principal retirement . . . . .	27,026	702	828,863	856,591
Interest and fiscal charges . . . . .	6,500	169	245,814	252,483
Note issuance costs . . . . .	-	-	10,292	10,292
Total expenditures . . . . .	<u>15,470,484</u>	<u>2,399,377</u>	<u>6,366,086</u>	<u>24,235,947</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>2,564,586</u>	<u>(731,201)</u>	<u>(2,825,138)</u>	<u>(991,753)</u>
<b>Other financing sources (uses):</b>				
Notes issued . . . . .	-	-	20,000	20,000
Capital lease transaction . . . . .	-	-	211,276	211,276
Sale of capital assets . . . . .	1,106	-	9,282	10,388
Transfers in . . . . .	-	509,470	1,344,048	1,853,518
Transfers out . . . . .	<u>(2,192,270)</u>	<u>-</u>	<u>(96,248)</u>	<u>(2,288,518)</u>
Total other financing sources (uses) . . . . .	<u>(2,191,164)</u>	<u>509,470</u>	<u>1,488,358</u>	<u>(193,336)</u>
Net change in fund balances . . . . .	373,422	(221,731)	(1,336,780)	(1,185,089)
<b>Fund balances at beginning of year . . . . .</b>	<u>3,612,272</u>	<u>235,574</u>	<u>4,708,318</u>	<u>8,556,164</u>
<b>Fund balances at end of year . . . . .</b>	<u>\$ 3,985,694</u>	<u>\$ 13,843</u>	<u>\$ 3,371,538</u>	<u>\$ 7,371,075</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**CITY OF BARBERTON, OHIO**

*RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2007*

**Net change in fund balances - total governmental funds** \$ (1,185,089)

*Amounts reported for governmental activities in the  
statement of activities are different because:*

Government funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.

Capital asset additions	\$	1,571,458	
Current year depreciation		<u>(1,355,649)</u>	
Total			215,809

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.

(55,569)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Delinquent property taxes		38,434	
Intergovernmental		228,740	
Municipal income taxes		50,890	
Special assessments		(33,841)	
Interest		<u>11,849</u>	
Total			296,072

Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

856,591

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest is expensed when due.

Accrued interest		4,451	
Bond premium		1,720	
Bond issuance costs		<u>(9,183)</u>	
Total			(3,012)

The issuance of notes and capital lease obligations are recorded as revenue in the funds; however, on the statement of activities, they are not reported as revenues as they increase liabilities on the statement of net assets.

(231,276)

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of financial resources and therefore are not reported as expenditures in governmental funds.

(100,293)

Internal service funds used by management to charge the cost of insurance, postage, and gasoline to individual funds is not reported in the expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among the governmental activities.

415,566

**Change in net assets of governmental activities** \$ 208,799

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF BARBERTON, OHIO**

*STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 1,393,005	\$ 1,401,113	\$ 1,405,540	\$ 4,427
Municipal income taxes . . . . .	11,180,000	11,230,000	11,156,684	(73,316)
Charges for services . . . . .	1,440,300	1,440,300	1,528,267	87,967
Licenses and permits . . . . .	201,210	201,210	140,801	(60,409)
Fines and forfeitures . . . . .	77,100	77,100	84,974	7,874
Intergovernmental . . . . .	2,393,205	2,760,205	2,874,342	114,137
Investment income . . . . .	451,000	451,000	542,642	91,642
Other . . . . .	251,597	441,597	407,611	(33,986)
Total revenues. . . . .	<u>17,387,417</u>	<u>18,002,525</u>	<u>18,140,861</u>	<u>138,336</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	3,969,564	4,075,993	3,878,683	197,310
Public safety . . . . .	9,848,378	9,841,477	9,641,876	199,601
Transportation . . . . .	145,651	160,652	151,510	9,142
Leisure time activities. . . . .	701,082	752,109	720,779	31,330
Community environment . . . . .	686,828	1,091,791	630,379	461,412
Capital outlay . . . . .	231,690	503,408	478,690	24,718
Total expenditures. . . . .	<u>15,583,193</u>	<u>16,425,430</u>	<u>15,501,917</u>	<u>923,513</u>
Excess of revenues over expenditures . . . . .	<u>1,804,224</u>	<u>1,577,095</u>	<u>2,638,944</u>	<u>1,061,849</u>
<b>Other financing sources (uses):</b>				
Transfers out . . . . .	(2,139,470)	(2,192,270)	(2,192,270)	-
Sale of capital assets . . . . .	10,000	10,000	1,106	(8,894)
Total other financing sources (uses). . . . .	<u>(2,129,470)</u>	<u>(2,182,270)</u>	<u>(2,191,164)</u>	<u>(8,894)</u>
Net change in fund balance . . . . .	(325,246)	(605,175)	447,780	1,052,955
<b>Fund balance at beginning of year . . . . .</b>	1,811,195	1,811,195	1,811,195	-
<b>Prior year encumbrances appropriated. . . . .</b>	197,916	197,916	197,916	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1,683,865</u>	<u>\$ 1,403,936</u>	<u>\$ 2,456,891</u>	<u>\$ 1,052,955</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF BARBERTON, OHIO**

*STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
HEALTH DISTRICT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 471,204	\$ 501,452	\$ 493,714	\$ (7,738)
Licenses and permits . . . . .	471,495	506,495	471,106	(35,389)
Intergovernmental. . . . .	826,388	886,888	903,617	16,729
Other . . . . .	1,000	2,450	2,111	(339)
Total revenues . . . . .	<u>1,770,087</u>	<u>1,897,285</u>	<u>1,870,548</u>	<u>(26,737)</u>
<b>Expenditures:</b>				
Current:				
Health and welfare. . . . .	1,963,751	2,463,941	2,354,176	109,765
Capital outlay. . . . .	<u>1,380</u>	<u>1,380</u>	<u>1,045</u>	<u>335</u>
Total expenditures . . . . .	<u>1,965,131</u>	<u>2,465,321</u>	<u>2,355,221</u>	<u>110,100</u>
Excess (deficiency) of revenues over over (under) expenditures. . . . .	<u>(195,044)</u>	<u>(568,036)</u>	<u>(484,673)</u>	<u>83,363</u>
<b>Other financing sources:</b>				
Transfers in. . . . .	<u>509,470</u>	<u>509,470</u>	<u>509,470</u>	<u>-</u>
Total other financing sources . . . . .	<u>509,470</u>	<u>509,470</u>	<u>509,470</u>	<u>-</u>
Net change in fund balance . . . . .	314,426	(58,566)	24,797	83,363
<b>Fund balance at beginning of year . . . . .</b>	85,042	85,042	85,042	-
<b>Prior year encumbrances appropriated. . . . .</b>	<u>22,120</u>	<u>22,120</u>	<u>22,120</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 421,588</u>	<u>\$ 48,596</u>	<u>\$ 131,959</u>	<u>\$ 83,363</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF BARBERTON, OHIO**

STATEMENT OF FUND NET ASSETS  
 PROPRIETARY FUNDS  
 DECEMBER 31, 2007

	<b>Business-type Activities - Enterprise Funds</b>				
	<b>Water</b>	<b>Sewer</b>	<b>Solid Waste</b>	<b>Nonmajor</b>	<b>Total</b>
<b>Assets:</b>					
Current assets:					
Equity in pooled cash and cash equivalents . . .	\$ 1,274,581	\$ 1,909,029	\$ 537,172	\$ 492,481	\$ 4,213,263
Investments . . . . .	7,273,231	-	-	-	7,273,231
Receivables (net of allowance for uncollectibles)					
Accounts . . . . .	614,828	560,347	43,857	116,642	1,335,674
Intergovernmental . . . . .	-	-	-	-	-
Accrued interest . . . . .	34,155	-	-	-	34,155
Materials and supplies inventory . . . . .	329,526	37,957	-	-	367,483
Prepayments . . . . .	22,372	27,672	261	9,018	59,323
Total current assets . . . . .	<u>9,548,693</u>	<u>2,535,005</u>	<u>581,290</u>	<u>618,141</u>	<u>13,283,129</u>
Noncurrent assets:					
Restricted assets:					
Equity in pooled cash and cash equivalents .	-	1,008,948	-	-	1,008,948
Deferred charges . . . . .	305,822	57,023	-	5,588	368,433
Capital assets:					
Nondepreciable capital assets . . . . .	5,501,687	529,485	-	68,282	6,099,454
Depreciable capital assets, net. . . . .	8,813,203	21,436,896	-	4,468,387	34,718,486
Total capital assets. . . . .	<u>14,314,890</u>	<u>21,966,381</u>	<u>-</u>	<u>4,536,669</u>	<u>40,817,940</u>
Total noncurrent assets . . . . .	<u>14,620,712</u>	<u>23,032,352</u>	<u>-</u>	<u>4,542,257</u>	<u>42,195,321</u>
Total assets . . . . .	<u>24,169,405</u>	<u>25,567,357</u>	<u>581,290</u>	<u>5,160,398</u>	<u>55,478,450</u>
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable . . . . .	44,823	33,222	141,152	54,038	273,235
Contracts payable . . . . .	578,936	-	-	-	578,936
Accrued wages and benefits. . . . .	51,844	43,917	982	6,420	103,163
Intergovernmental . . . . .	71,469	63,893	1,574	15,774	152,710
Accrued interest payable . . . . .	80,863	12,670	-	3,303	96,836
Claims payable. . . . .	-	-	-	-	-
Notes payable . . . . .	286,000	100,000	-	90,000	476,000
Current portion of general obligation bonds. .	368,301	268,025	-	49,126	685,452
Current portion of revenue bonds . . . . .	310,000	-	-	-	310,000
Current portion of capital lease obligations . .	2,936	2,936	148	23,436	29,456
Current portion of compensated absences. . .	54,197	38,394	396	6,898	99,885
Total current liabilities . . . . .	<u>1,849,369</u>	<u>563,057</u>	<u>144,252</u>	<u>248,995</u>	<u>2,805,673</u>
Long-term liabilities:					
Notes payable . . . . .	1,390,000	200,000	-	-	1,590,000
General obligation bonds . . . . .	1,654,480	1,133,831	-	212,666	3,000,977
Revenue bonds. . . . .	8,671,318	-	-	-	8,671,318
Capital lease obligations. . . . .	9,606	9,606	485	76,686	96,383
Compensated absences . . . . .	248,532	209,229	1,670	29,050	488,481
Total long-term liabilities . . . . .	<u>11,973,936</u>	<u>1,552,666</u>	<u>2,155</u>	<u>318,402</u>	<u>13,847,159</u>
Total liabilities . . . . .	<u>13,823,305</u>	<u>2,115,723</u>	<u>146,407</u>	<u>567,397</u>	<u>16,652,832</u>
<b>Net assets:</b>					
Invested in capital assets, net of related debt.	6,970,822	20,321,548	-	4,091,593	31,383,963
Restricted for:					
Replacement and improvement . . . . .	-	1,008,948	-	-	1,008,948
Unrestricted. . . . .	3,375,278	2,121,138	434,883	501,408	6,432,707
Total net assets . . . . .	<u>\$ 10,346,100</u>	<u>\$ 23,451,634</u>	<u>\$ 434,883</u>	<u>\$ 4,593,001</u>	<u>38,825,618</u>
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds					52,966
Net assets of business-type activities					<u>\$ 38,878,584</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Governmental  
Activities -  
Internal  
Service Funds**

\$ 2,014,714  
-  
-  
6,170  
-  
-  
2,020,884

-  
-  
-  
-  
-  
-  
2,020,884

21,240  
-  
-  
-  
269,480  
-  
-  
-  
290,720

-  
-  
-  
-  
-  
290,720

-  
-  
1,730,164  
\$ 1,730,164

**CITY OF BARBERTON, OHIO**

*STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<b>Business-type Activities - Enterprise Funds</b>				
	<u>Water</u>	<u>Sewer</u>	<u>Solid Waste</u>	<u>Nonmajor</u>	<u>Total</u>
<b>Operating revenues:</b>					
Charges for services . . . . .	\$ 4,231,980	\$ 4,337,482	\$ 1,839,605	\$ 856,346	\$ 11,265,413
Other . . . . .	14,210	28,551	94	5,035	47,890
Total operating revenues . . . . .	<u>4,246,190</u>	<u>4,366,033</u>	<u>1,839,699</u>	<u>861,381</u>	<u>11,313,303</u>
<b>Operating expenses:</b>					
Personal services . . . . .	2,083,697	1,825,746	49,781	379,234	4,338,458
Contract services . . . . .	71,911	237,652	1,649,610	77,982	2,037,155
Materials and supplies . . . . .	911,197	1,002,151	83,693	184,230	2,181,271
Claims . . . . .	-	-	-	-	-
Other . . . . .	20,386	9,354	-	300	30,040
Depreciation . . . . .	533,684	1,036,098	-	344,724	1,914,506
Total operating expenses . . . . .	<u>3,620,875</u>	<u>4,111,001</u>	<u>1,783,084</u>	<u>986,470</u>	<u>10,501,430</u>
Operating income (loss) . . . . .	<u>625,315</u>	<u>255,032</u>	<u>56,615</u>	<u>(125,089)</u>	<u>811,873</u>
<b>Nonoperating revenues (expenses):</b>					
Interest revenue . . . . .	411,802	93,391	-	-	505,193
Special assessments . . . . .	10,151	9,922	-	-	20,073
Interest expense and fiscal charges . . . . .	(562,953)	(80,160)	(34)	(20,742)	(663,889)
Gain (loss) on disposal of capital assets . . . . .	-	(31,922)	-	4,610	(27,312)
Total nonoperating revenues (expenses) . . . . .	<u>(141,000)</u>	<u>(8,769)</u>	<u>(34)</u>	<u>(16,132)</u>	<u>(165,935)</u>
Income (loss) before transfers . . . . .	484,315	246,263	56,581	(141,221)	645,938
Transfers in . . . . .	-	-	-	410,000	410,000
Changes in net assets . . . . .	484,315	246,263	56,581	268,779	1,055,938
<b>Net assets at beginning of year . . . . .</b>	<u>9,861,785</u>	<u>23,205,371</u>	<u>378,302</u>	<u>4,324,222</u>	
<b>Net assets at end of year . . . . .</b>	<u>\$ 10,346,100</u>	<u>\$ 23,451,634</u>	<u>\$ 434,883</u>	<u>\$ 4,593,001</u>	
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds.					<u>(126,988)</u>
Changes in net assets of business-type activities					<u>\$ 928,950</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Governmental  
Activities -  
Internal  
Service Funds**

\$ 3,180,192  
13,256

3,193,448

-  
391,961  
379,311  
2,158,598  
-

-

2,929,870

263,578

-  
-  
-  
-

-

263,578

25,000

288,578

1,441,586

\$ 1,730,164

**CITY OF BARBERTON, OHIO**

*STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2007*

	<b>Business-type Activities - Enterprise Funds</b>				
	<b>Water</b>	<b>Sewer</b>	<b>Solid Waste</b>	<b>Nonmajor</b>	<b>Total</b>
<b>Cash flows from operating activities:</b>					
Cash received from customers . . . . .	\$ 4,192,111	\$ 4,327,409	\$ 1,839,719	\$ 859,480	\$ 11,218,719
Cash received from other funds . . . . .	-	-	-	-	-
Cash received from other operations. . . . .	14,210	28,551	94	2,362	45,217
Cash payments for personal services . . . . .	(2,050,560)	(1,868,920)	(48,990)	(394,954)	(4,363,424)
Cash payments for contract services . . . . .	(73,982)	(258,423)	(1,726,551)	(19,898)	(2,078,854)
Cash payments for materials and supplies . . . . .	(997,709)	(1,044,846)	(3,311)	(244,618)	(2,290,484)
Cash payments for claims . . . . .	-	-	-	-	-
Cash payments for other expenses . . . . .	(18,446)	(15,571)	-	(300)	(34,317)
Net cash provided by operating activities. . . . .	1,065,624	1,168,200	60,961	202,072	2,496,857
<b>Cash flows from noncapital financing activities:</b>					
Special assessments . . . . .	-	9,922	-	-	9,922
Transfers in from other funds . . . . .	-	-	-	410,000	410,000
Net cash provided by noncapital financing activities . . . . .	-	9,922	-	410,000	419,922
<b>Cash flows from capital and related financing activities:</b>					
Acquisition of capital assets. . . . .	(2,872,320)	(711,284)	-	(42,960)	(3,626,564)
Gain on sale of capital assets . . . . .	-	-	-	5,247	5,247
Principal retirement . . . . .	(2,739,661)	(666,145)	(142)	(290,927)	(3,696,875)
Note issuance . . . . .	1,676,000	300,000	-	90,000	2,066,000
Note issuance costs . . . . .	10,151	-	-	-	10,151
Premium on notes. . . . .	171	11	-	849	1,031
Interest and fiscal charges. . . . .	(570,527)	(76,012)	(34)	(25,886)	(672,459)
Net cash used in capital and related financing activities . . . . .	(4,496,186)	(1,153,430)	(176)	(263,677)	(5,913,469)
<b>Cash flows from investing activities:</b>					
Interest received. . . . .	390,037	93,391	-	-	483,428
Sale of investments . . . . .	2,351,903	-	-	-	2,351,903
Net cash provided by investing activities . . . . .	2,741,940	93,391	-	-	2,835,331
Net increase (decrease) in cash and cash equivalents . . . . .	(688,622)	118,083	60,785	348,395	(161,359)
<b>Cash and cash equivalents at beginning of year</b>	<b>1,963,203</b>	<b>2,799,894</b>	<b>476,387</b>	<b>144,086</b>	<b>5,383,570</b>
<b>Cash and cash equivalents at end of year . . . . .</b>	<b>\$ 1,274,581</b>	<b>\$ 2,917,977</b>	<b>\$ 537,172</b>	<b>\$ 492,481</b>	<b>\$ 5,222,211</b>



**Governmental  
Activities -  
Internal  
Service Funds**

\$ 2,829,761  
349,003  
20,281  
-  
(391,961)  
(358,071)  
(2,092,030)  
-

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356,983

-  
25,000

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25,000

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-  
-  
-  
-  
-  
-  
-

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-

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-  
-

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-

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381,983

1,632,731  
\$ 2,014,714

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**CITY OF BARBERTON, OHIO**

*STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2007*

	<b>Business-type Activities - Enterprise Funds</b>				
	<u>Water</u>	<u>Sewer</u>	<u>Solid Waste</u>	<u>Nonmajor</u>	<u>Total</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>					
Operating income (loss) . . . . .	\$ 625,315	\$ 255,032	\$ 56,615	\$ (125,089)	\$ 811,873
Adjustments:					
Depreciation . . . . .	533,684	1,036,098	-	344,724	1,914,506
Changes in assets and liabilities:					
(Increase) decrease in materials and supplies inventory. . . . .	(66,806)	285		1,109	(65,412)
(Increase) decrease in accounts receivable . . . . .	(37,876)	(11,061)	108	305	(48,524)
(Increase) decrease in prepayments. . . . .	428	635	(2)	132	1,193
Increase (decrease) in accounts payable . . . . .	(22,294)	(69,615)	3,449	(3,389)	(91,849)
Increase in accrued wages and benefits . . . . .	23,858	1,170	172	1,769	26,969
Increase (decrease) in due to other governments. . . . .	(1,567)	(5,944)	505	6,307	(699)
Increase (decrease) in compensated absences payable . . . . .	10,882	(38,400)	114	(23,796)	(51,200)
Increase in claims payable . . . . .	-	-	-	-	-
Net cash provided by operating activities. . . . .	<u>\$ 1,065,624</u>	<u>\$ 1,168,200</u>	<u>\$ 60,961</u>	<u>\$ 202,072</u>	<u>\$ 2,496,857</u>
<b>Reconciliation of cash and cash equivalents:</b>					
Equity in pooled cash and cash equivalents. . . . .	\$ 1,274,581	\$ 1,909,029	\$ 537,172	\$ 492,481	\$ 4,213,263
Restricted equity in pooled cash and cash equivalents. . . . .	-	1,008,948	-	-	1,008,948
Total cash and cash equivalents. . . . .	<u>\$ 1,274,581</u>	<u>\$ 2,917,977</u>	<u>\$ 537,172</u>	<u>\$ 492,481</u>	<u>\$ 5,222,211</u>

At December 31, 2007 and December 31, 2006, the Water fund purchased \$595,391 and \$465,998, respectively, in capital assets on account.  
 At December 31, 2007 and December 31, 2006, the Sewer fund purchased \$5,610 and \$10,697, respectively, in capital assets on account.  
 At December 31, 2007, the Storm Water nonmajor enterprise fund purchased \$47,804 in capital assets on account.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Governmental  
Activities -  
Internal  
Service Funds**

---

\$ 263,578

-

7,025

-

-

21,240

-

(1,428)

-

66,568

\$ 356,983

\$ -

-

\$ -

**CITY OF BARBERTON, OHIO**

*STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
DECEMBER 31, 2007*

	<u>Agency</u>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents. . . . .	\$ <u>154,500</u>
<b>Liabilities:</b>	
Deposits held and due to others. . . . .	\$ <u>154,500</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

## CITY OF BARBERTON, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

#### NOTE 1 - DESCRIPTION OF THE CITY

The City of Barberton, Ohio (the "City") was incorporated in 1891 under the laws of the State of Ohio. The City operates under a "Mayor-Council" form of government as provided by its charter adopted on November 6, 1973. Elected officials include nine council members, a finance director, a law director and a mayor.

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements (BFS) of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The City has the option to also apply FASB Statements and Interpretations issued after November 30, 1989 to its business-type activities and enterprise funds, subject to this same limitation. The City has elected not to apply these FASB Statements and Interpretations. The City's significant accounting policies are described below.

##### A. Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City of Barberton this includes police, fire, municipal court, park and recreation department, water, sewage and sanitary services, street and sewer maintenance and any other departments or funds for which the nature and significance of their relationship with the City are such that exclusion would cause the financial statements to be misleading or incomplete.

Included as part of the City's primary government in the determination of the City's reporting entity is the Barberton Municipal Court (the "Court"). Although the Court's territorial jurisdiction extends beyond the boundaries of the City and the Judges of the Court are separately elected, the Court's operations are not legally separate from the City. In addition, the City is responsible for budgeting and appropriating funds for the operation of the Court and is ultimately responsible for any operating deficits sustained by the Court. The City's share of the fines collected by the Court, along with its shares of the Court's administrative and operating costs are recorded in the City's general fund.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes. The City has no component units.

The City participated in two related organizations, the Barberton Community Development Corporation and the Barberton Community Foundation. These organizations are described in Note 16 of the basic financial statements.

## CITY OF BARBERTON, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

##### **B. Basis of Presentation - Fund Accounting**

The City's BFS consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

**Government-wide Financial Statements** - The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activities of the internal service funds are eliminated to avoid "doubling up" revenues and expenses. Interfund services provided and used are not eliminated in the process of consolidation. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The statement of net assets presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental functions are self-financing or draw from the general revenues of the City.

**Fund Financial Statements** - During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service funds are presented in a single column on the face of the proprietary fund financial statements. Fiduciary funds are reported by type.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the City's proprietary funds are charges for services. Operating expenses for the enterprise funds include personnel and other expenses related to sewer, water, storm water, solid waste, community center, and Lake Cinema operations and operating expenses for the internal service fund include claims and administrative expenses. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

The agency funds do not report a measurement focus as they do not report operations.

##### **C. Fund Accounting**

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

## CITY OF BARBERTON, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

**Governmental Funds** - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the City's major governmental funds:

General Fund - The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the charter of the City of Barberton and/or the general laws of Ohio.

Health District Fund - This fund accounts for the revenues and expenditures of the City Health District utilized for delivering health and welfare services.

Other governmental funds of the City are used to account for grants and other resources whose use is restricted to a particular purpose.

**Proprietary Funds** - Proprietary fund reporting focuses on changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

Enterprise Funds - The enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

Water Fund - This fund accounts for revenues generated from the charges for the treatment and provisions of water to the residents and commercial users of the City.

Sewer Fund - This fund accounts for the sanitary sewer services provided to the residents and commercial users of the City. The costs of providing these services are financed primarily through user charges.

Solid Waste Fund - This fund accounts for refuse and recycling collection services provided to residential users of the City.

Internal Service Funds - The internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service funds account for a self-insurance program for employee medical and surgical claims and the purchasing of central supplies such as gasoline and postage.

**Fiduciary Funds** - Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City's agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations. The City's agency funds account for deposits held by the City.

## CITY OF BARBERTON, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

##### D. Measurement Focus

**Government-wide Financial Statements** - The government-wide financial statements are prepared using the economic resources measurement focus. All non-fiduciary assets and all liabilities associated with the operation of the City are included on the statement of net assets. The statement of activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net assets.

**Fund Financial Statements** - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the financial statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

##### E. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and agency funds also use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

**Revenues - Exchange and Non-exchange Transactions** - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within sixty days of year-end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned (see Note 6). Revenue from property taxes is recognized in the year for which the taxes are levied (see Note 6). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.



## CITY OF BARBERTON, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, state-levied locally shared taxes (including gasoline tax, local government funds and permissive tax), fines and forfeitures, interest, grants and rentals.

*Unearned Revenue and Deferred Revenue* - Unearned revenue and deferred revenue arise when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2007, but which were levied to finance year 2008 operations, and other revenues received in advance of the fiscal year for which they were intended to finance, have been recorded as unearned revenue. Income taxes and special assessments not received within the available period, grants and entitlements received before the eligibility requirements are met, and delinquent property taxes due at December 31, 2007, are recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have been reported as deferred revenue.

*Expenses/Expenditures* - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

#### **F. Budgetary Process**

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the alternative tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the personal services and operating expenditure level for each department within the general fund and at the fund level for all other funds of the City. The Finance Director has been authorized to allocate appropriations to the department and object level within each fund. Budgetary statements are presented beyond that legal level of control for information purposes only.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by Council.

The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year.

**CITY OF BARBERTON, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**G. Cash and Investments**

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the City's records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" and "Investments" on the financial statements.

The City has segregated bank accounts for monies held separate from the City's central bank account. These interest bearing depository accounts are presented as "cash and cash equivalents in segregated accounts" since they are not required to be deposited into the City treasury.

During fiscal year 2007, investments were limited to certificates of deposit, repurchase agreements, U.S. Treasury money market accounts and STAR Ohio.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as repurchase agreements are reported at cost.

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the state to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2007.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2007 amounted to \$573,475 which includes \$436,374 assigned from other City funds.

Investments with an original maturity of three months or less and investments of the cash management pool are presented on the financial statements as cash equivalents.

An analysis of the City's investment account at year-end is provided in Note 4.

**H. Materials and Supplies Inventory**

Inventories are presented at cost on a first-in, first-out basis and are expensed/expensed when used. Inventory consists of expendable supplies held for consumption.

**I. Restricted Assets**

Certain cash and cash equivalents are classified as restricted cash on the financial statements because these funds are being held by a trustee as designated by the bond indenture.

Restricted assets related to the sewer revenue bonds (which matured during 2006) at December 31, 2007, were as follows:

Restricted assets held by the City	
Replacement and Improvement	\$ 1,008,948

**CITY OF BARBERTON, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**J. Capital Assets**

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of \$2,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized for business-type activities.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	
Infrastructure	25 - 80
Buildings	10 - 40
Vehicles and equipment	3 - 20

The City's infrastructure consists of streets, storm sewers, bridges, water lines and sewer lines.

**K. Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees wage rates at year end, taking into consideration any limits specified in the City's termination policy. The City records a liability for accumulated unused sick leave for employees as soon as they are hired to work with the City.

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

**CITY OF BARBERTON, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**L. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2007, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of the purchase and the expenditure/expense in the year in which services are consumed.

**M. Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, loans and leases are recognized as a liability on the governmental fund financial statements when due.

**N. Unamortized Issuance Costs/Bond Premium and Discount/Accounting Gain or Loss**

On government-wide financial statements, issuance costs are deferred and amortized over the term of the bonds using the straight line method, which approximates the effective interest method. Issuance costs are recorded as deferred charges.

Bond premiums are deferred and accreted over the term of the bonds. Bond premiums are presented as an addition to the face amount of the bonds.

For advance refundings resulting in the defeasance of debt reported in the proprietary funds, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as an addition to or reduction from the face amount of the new debt.

On the governmental fund financial statements, issuance costs and bond premiums are recognized in the current period.

**O. Interfund Activity**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the BFS.

## CITY OF BARBERTON, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

##### **P. Fund Balance Reserves**

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditures. Fund balance reserves have been established for encumbrances, prepayments, notes receivable and debt service.

##### **Q. Estimates**

The preparation of the BFS in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the BFS and accompanying notes. Actual results may differ from those estimates.

##### **R. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

##### **S. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are for sewer, water, storm water, solid waste, community center, Lake Cinema, self-insurance and internal allocation programs. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the funds. All revenues and expenses not meeting these definitions are reported as non-operating.

##### **T. Contributions of Capital**

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, or from grants or outside contributions of resources restricted to capital acquisition and construction.

#### NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

##### **A. Change in Accounting Principles**

For 2007, the City has implemented GASB Statement No. 48 "Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues". GASB Statement No. 48 established criteria to ascertain whether certain transactions should be regarded as sales or as collateralized borrowings, as well as disclosure requirements for future revenues that are pledged and sold. The implementation of GASB Statement No. 48 did not have an effect on the financial statements of the City; however, additional disclosure related to revenues pledged for the repayment of revenue bonds has been provided in Note 10.

**CITY OF BARBERTON, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

**B. Deficit Fund Balances**

Fund balances at December 31, 2007 included the following individual fund deficits:

	<u>Deficit</u>
<u>Nonmajor Funds</u>	
Street improvement	\$ 385,698
Issue II	296,333

These funds complied with Ohio state law, which does not permit a cash basis deficit at year-end. The general fund is liable for any deficits in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities.

**NOTE 4 - DEPOSITS AND INVESTMENTS**

State statutes classify monies held by the City into three categories:

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the City Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that Council has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits in interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the finance director by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution. Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

## CITY OF BARBERTON, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

#### NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. High grade commercial paper for a period not to exceed 180 days in an amount not to exceed twenty-five percent of the City's interim monies available for investment; and
8. Bankers acceptances for a period not to exceed 180 days and in an amount not to exceed twenty-five percent of the City's interim monies available for investment.

The City may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio;
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest or coupons; and
3. Obligations of the City.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

#### A. Deposits with Financial Institutions

At December 31, 2007, the carrying amount of all City deposits was \$8,441,769, exclusive of the \$1,185,000 repurchase agreement included in investments below. As of December 31, 2007, \$8,897,872 of the City's bank balance of \$9,597,782 was exposed to custodial risk as discussed below, while \$699,910 was covered by Federal Deposit Insurance Corporation (FDIC).

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by Ohio Revised Code, is held in collateral pools at Federal Reserve Banks, or at member banks of the Federal Reserve System, in the name of the depository bank and pledged as a pool of collateral against all public deposits held by the depository. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

**CITY OF BARBERTON, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**B. Investments**

As of December 31, 2007, the City had the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>			
		<u>6 months or less</u>	<u>7 to 12 months</u>	<u>13 to 18 months</u>	<u>19 to 24 months</u>
FHLB	\$ 4,534,173	\$ 3,652,032	\$ 477,266	\$ 404,875	\$ -
FHLMC	731,571	-	-	303,281	428,290
FHLB DN	393,831	174,703	219,128	-	-
FNMA	355,250	-	-	355,250	-
FNMA DN	4,838,711	3,796,864	1,041,847	-	-
STAR Ohio	80,543	80,543	-	-	-
Repurchase agreement	1,185,000	1,185,000	-	-	-
U.S. Treasury money markets	260,989	260,989	-	-	-
	<u>\$ 12,380,068</u>	<u>\$ 9,150,131</u>	<u>\$ 1,738,241</u>	<u>\$ 1,063,406</u>	<u>\$ 428,290</u>

The weighted average maturity of investments is .43 years.

*Interest Rate Risk:* The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The City's investment policy addresses interest rate risk by requiring the consideration of market conditions and cash flow requirements in determining the term of an investment.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The City has no investment policy dealing with investment custodial risk beyond the requirement in Ohio law that prohibits payments for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee. The City's investment in repurchase agreements is collateralized by underlying securities pledged by the investment's counterparty, not in the name of the City. Ohio law requires the market value of the securities subject to a repurchase agreement must exceed the principal value of securities subject to a repurchase agreement by 2%.

*Credit Risk:* STAR Ohio carries a rating of AAAM by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard service rating. The City's other investments carry a rating of AAA by Standard & Poor's and Aaa by Moody's.



**CITY OF BARBERTON, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

*Concentration of Credit Risk:* The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities. The following table includes the percentage of each investment type held by the City at December 31, 2007:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
FHLB	\$ 4,534,173	36.63
FHLMC	731,571	5.91
FHLBC DN	393,831	3.18
FNMA	355,250	2.87
FNMA DN	4,838,711	39.08
STAR Ohio	80,543	0.65
Repurchase agreement	1,185,000	9.57
U.S. Treasury money markets	<u>260,989</u>	<u>2.11</u>
	<u>\$ 12,380,068</u>	<u>100.00</u>

**C. Reconciliation of Cash and Investments to the Statement of Net Assets**

The following is a reconciliation of cash and investments as reported in the footnote above to cash and investments as reported on the statement of net assets as of December 31, 2007:

<u>Cash and Investments per footnote</u>	
Carrying amount of deposits	\$ 8,441,769
Investments	<u>12,380,068</u>
Total	<u>\$ 20,821,837</u>
 <u>Cash and investments per Statement of Net Assets</u>	
Governmental activities	\$ 8,171,895
Business type activities	12,495,442
Agency fund	<u>154,500</u>
Total	<u>\$ 20,821,837</u>

**CITY OF BARBERTON, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

**NOTE 5 - INTERFUND TRANSACTIONS**

Interfund transfers for the year ended December 31, 2007, consisted of the following:

<u>Transfer To</u>	<u>Transfers From</u>	
	<u>General</u>	<u>Nonmajor Governmental</u>
<u>Governmental Funds</u>		
Health district fund	\$ 486,243	\$ 23,227
Nonmajor governmental funds	<u>1,271,027</u>	<u>73,021</u>
Total governmental funds	<u>1,757,270</u>	<u>96,248</u>
<u>Proprietary Funds</u>		
Nonmajor enterprise funds	410,000	-
Internal service funds	<u>25,000</u>	<u>-</u>
Total proprietary funds	<u>435,000</u>	<u>-</u>
Grand total	<u>\$ 2,192,270</u>	<u>\$ 96,248</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; to move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to provide additional resources for current operations or debt service; reclassification of prior year distributed monies, to segregate money for anticipated capital projects; and to return money to the fund from which it was originally provided once a project is completed. Non-routine transfers include the general fund transferring \$410,000 to the community center nonmajor enterprise fund for operations.

**NOTE 6 - RECEIVABLES**

Receivables at December 31, 2007, consisted primarily of municipal income taxes, property and other taxes, accounts, special assessments, interest and intergovernmental receivables arising from grants, entitlements, and shared revenues. All receivables are deemed collectible in full.

Special assessments expected to be collected amount to \$201,800 in the special assessment bond retirement debt service fund. The amount of delinquent special assessments outstanding at year-end is \$52,183.

**A. Property Taxes**

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenues received during 2007 for real and public utility property taxes represents collections of 2006 taxes. Property tax payments received during 2007 for tangible personal property (other than public utility property) are for 2007 taxes.

2007 real property taxes are levied after October 1, 2007, on the assessed values as of January 1, 2007, the lien date. Assessed values are established by State law at 35% of appraised market value. 2007 real property taxes are collected in and intended to finance 2008.

**CITY OF BARBERTON, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

**NOTE 6 - RECEIVABLES - (Continued)**

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35% of true value. 2007 public utility property taxes which became a lien December 31, 2006, are levied after October 1, 2007 and collected in 2008 real property taxes.

Tangible personal property tax revenues received in 2007 (other than public utility property) represent the collection of 2007 taxes. Tangible personal property taxes received in 2007 were levied after October 1, 2006, on the true value as of December 31, 2006. In prior years, tangible personal property assessments were 25% of true value for capital assets and 23% of true value for inventory. Tangible personal property tax is being phased out - the assessment percentage for property, including inventory, is 12.5% for 2007. This percentage will be reduced to 6.25% for 2008 and zero for 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property will be eliminated by calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaces the revenue lost by the City due to the phasing out of the tax. In calendar years 2007-2010, the City will be fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

The tax rate for all City operations for the year ended December 31, 2007, was \$3.50 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2007 property tax receipts were based are as follows:

Real property	\$ 395,700,530
Tangible personal property	27,517,101
Public utility property	<u>11,588,160</u>
Total	<u>\$ 434,805,791</u>

Real property taxes are payable annually and semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable at September 20.

The County Fiscal Officer collects property taxes on behalf of all taxing districts within the County, including the City of Barberton. The County Fiscal Officer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2007 and for which there is an enforceable legal claim. In the general, police pension, fire pension, and fire levy funds the entire receivable has been offset by unearned revenue since the current taxes were not levied to finance 2007 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

**CITY OF BARBERTON, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

**NOTE 6 - RECEIVABLES - (Continued)**

**B. Municipal Income Taxes**

The City levies a municipal income tax of 2% on all income earned within the City as well as on income of residents earned outside of the City. In the latter case, the City allows a credit of 100 percent on the income earned outside of the City and paid to another municipality. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are required to pay their estimated tax at least quarterly and file a final return annually.

Ohio law requires all City income tax rates above 1% to be voted by residents of the City. Additional increases in the income tax rate would require voter approval.

**C. Intergovernmental Receivables**

A summary of the intergovernmental receivables follows:

<u>Governmental Activities</u>	<u>Amounts</u>
Local government state support	\$ 801,245
Motor vehicle and gas tax	391,751
Other	169,818
Health District Grants	74,766
Community Development Grants	341,059
Homestead and rollback	82,756
Municipal court	84,639
Permissive license tax	<u>4,068</u>
Total	<u>\$ 1,950,102</u>

**D. Notes Receivable**

Notes receivable represent no-interest to low-interest loans made to eligible local businesses for industrial development and exterior improvements to businesses. The outstanding balance of the notes at December 31, 2007 is \$665,068 in the nonmajor special revenue funds. The City will collect approximately \$50,000 in 2008.

**CITY OF BARBERTON, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

**NOTE 7 - CAPITAL ASSETS**

A. Capital asset activity for the year ended December 31, 2007, was as follows:

<b><u>Governmental Activities:</u></b>	<u>Balance</u> <u>12/31/06</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>12/31/07</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 5,125,739	\$ 530,563	\$ -	\$ 5,656,302
Construction in progress	<u>665,316</u>	<u>387,640</u>	<u>(473,398)</u>	<u>579,558</u>
Total capital assets, not being depreciated	<u>5,791,055</u>	<u>918,203</u>	<u>(473,398)</u>	<u>6,235,860</u>
<i>Capital assets, being depreciated:</i>				
Buildings	6,074,626	473,398	-	6,548,024
Vehicles and equipment	11,097,216	522,186	(71,190)	11,548,212
Infrastructure				
Street subsystem	16,594,231	23,561	-	16,617,792
Traffic signals subsystem	<u>1,572,811</u>	<u>107,508</u>	<u>(59,415)</u>	<u>1,620,904</u>
Total capital assets, being depreciated	<u>35,338,884</u>	<u>1,126,653</u>	<u>(130,605)</u>	<u>36,334,932</u>
Less: accumulated depreciation:				
Buildings	(3,748,890)	(147,590)	-	(3,896,480)
Vehicles and equipment	(8,088,835)	(600,370)	68,890	(8,620,315)
Infrastructure				
Street subsystem	(6,137,200)	(553,659)	-	(6,690,859)
Traffic signal subsystem	<u>(142,027)</u>	<u>(54,030)</u>	<u>6,146</u>	<u>(189,911)</u>
Total accumulated depreciation	<u>(18,116,952)</u>	<u>(1,355,649)</u>	<u>75,036</u>	<u>(19,397,565)</u>
Total capital assets being depreciated, net	<u>17,221,932</u>	<u>(228,996)</u>	<u>(55,569)</u>	<u>16,937,367</u>
Governmental activities capital assets, net	<u>\$ 23,012,987</u>	<u>\$ 689,207</u>	<u>\$ (528,967)</u>	<u>\$ 23,173,227</u>

Depreciation expense was charged to governmental activities as follows:

General government	\$ 134,586
Public safety	276,138
Health and welfare	7,478
Transportation	680,979
Community environment	104,378
Leisure time activity	<u>152,090</u>
Total depreciation expense	<u>\$ 1,355,649</u>

**CITY OF BARBERTON, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

**NOTE 7 - CAPITAL ASSETS - (Continued)**

**B.** Capital asset activity for the year ended December 31, 2007 was as follows:

<b><u>Business-Type Activities:</u></b>	<u>Balance</u> 12/31/06	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> 12/31/07
<i>Capital assets, not being depreciated:</i>				
Land	\$ 973,813	\$ -	\$ (9,624)	\$ 964,189
Construction in progress	<u>1,848,218</u>	<u>3,287,047</u>	<u>-</u>	<u>5,135,265</u>
Total capital assets, not being depreciated	<u>2,822,031</u>	<u>3,287,047</u>	<u>(9,624)</u>	<u>6,099,454</u>
<i>Capital assets, being depreciated:</i>				
Buildings	33,050,847	-	(61,969)	32,988,878
Vehicles and equipment	4,098,909	467,753	(255,113)	4,311,549
Infrastructure				
Water lines	10,406,947	-	-	10,406,947
Sewer lines	17,567,406	12,698	-	17,580,104
Storm sewer lines	<u>6,063,442</u>	<u>31,176</u>	<u>-</u>	<u>6,094,618</u>
Total capital assets, being depreciated	<u>71,187,551</u>	<u>511,627</u>	<u>(317,082)</u>	<u>71,382,096</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(16,629,669)	(925,688)	57,813	(17,497,544)
Vehicles and equipment	(2,940,773)	(197,539)	236,334	(2,901,978)
Infrastructure				
Water lines	(4,412,438)	(212,527)	-	(4,624,965)
Sewer lines	(8,546,678)	(364,948)	-	(8,911,626)
Storm sewer lines	<u>(2,513,693)</u>	<u>(213,804)</u>	<u>-</u>	<u>(2,727,497)</u>
Total accumulated depreciation	<u>(35,043,251)</u>	<u>(1,914,506)</u>	<u>294,147</u>	<u>(36,663,610)</u>
Total capital assets, being depreciated, net	<u>36,144,300</u>	<u>(1,402,879)</u>	<u>(22,935)</u>	<u>34,718,486</u>
Business-Type activities capital assets, net	<u>\$38,966,331</u>	<u>\$ 1,884,168</u>	<u>\$ (32,559)</u>	<u>\$40,817,940</u>

Depreciation expense was charged to functions/programs of the City as follows:

Water	\$ 533,684
Sewer	1,036,098
Storm water	235,095
Community center	107,624
Lake Cinema operating	<u>2,005</u>
Total depreciation expense	<u>\$ 1,914,506</u>

**CITY OF BARBERTON, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

**NOTE 8 - CAPITAL LEASES**

During 2007 the City entered into capital lease agreements for three new vehicles. In the prior year the City entered into capital leases for a phone system and a street sweeper. A portion of the principal and interest payments for the phone system capital lease will be paid from both governmental and enterprise funds. The street sweeper capital lease payments will be made solely from the storm water nonmajor enterprise fund.

The lease agreements meet the criteria of a capital lease as defined by FASB Statement No. 13, “Accounting for Leases”, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments in governmental funds have been reclassified and are reflected as debt service expenditures in the combined BFS and are reported as function expenditures on the budgetary statements. In enterprise funds a liability has been recorded.

Capital assets consisting of phone system equipment and vehicles have been capitalized in the statement of net assets in the amount of \$404,912 in governmental activities. This amount represents the present value of the minimum lease payments at the time of acquisition. A liability of \$342,481 is reported on the statement of net assets at year-end, which represents the amount of principal payments the general fund, health fund, and other nonmajor governmental funds will be making. The governmental funds made \$29,416 and \$7,075 in principal and interest payments, respectively, during 2007.

Equipment consisting of a street sweeper has been capitalized in the storm water nonmajor enterprise fund in the amount of \$121,039. The phone system has been capitalized in governmental activities, and therefore the amount of \$33,015, which represents the enterprise fund portion of the liability at the time of acquisition, has not been capitalized in the enterprise funds. The amount of \$125,839 represents the present value of the minimum lease payments at the time of acquisition for the leases and has been recorded as a liability in the water, sewer and nonmajor enterprise funds. Principal and interest payments in fiscal year 2007 totaled \$28,215 and \$6,786, respectively.

The assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Asset:		
Equipment and vehicles	\$ 404,912	\$ 121,039
Less: accumulated depreciation	<u>(64,545)</u>	<u>(16,139)</u>
Total	<u>\$ 340,367</u>	<u>\$ 104,900</u>

**CITY OF BARBERTON, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

**NOTE 8 - CAPITAL LEASES - (Continued)**

Such agreements provide for minimum, annual payments as follows:

<u>Year Ended December 31,</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2008	\$ 114,117	\$ 35,001
2009	114,117	35,001
2010	114,118	35,001
2011	<u>36,491</u>	<u>35,001</u>
Total	378,843	140,004
Less: amount representing interest	<u>(36,362)</u>	<u>(14,165)</u>
Present value of net minimum lease payments	<u>\$ 342,481</u>	<u>\$ 125,839</u>

**NOTE 9 - NOTES PAYABLE**

Changes in the City's note activity for the year ended December 31, 2007, were as follows:

	<u>Balance 12/31/2006</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance 12/31/2007</u>
<u>Nonmajor Capital Projects Notes</u>				
Street Improvement Notes - 4.49%	\$ 340,000	\$ -	\$ (340,000)	\$ -
Street Improvement Notes - 4.49%	-	295,000	-	295,000
Street Improvement Notes - 4.24%	458,000	-	(458,000)	-
Street Improvement Notes - 3.74%	<u>-</u>	<u>384,000</u>	<u>-</u>	<u>384,000</u>
Total Nonmajor Capital Projects Notes	<u>\$ 798,000</u>	<u>\$ 679,000</u>	<u>\$ (798,000)</u>	<u>\$ 679,000</u>
<u>Enterprise Fund Notes</u>				
Utility System Improvement Notes - 4.49%	\$ 200,000	\$ -	\$ (200,000)	\$ -
Utility System Improvement Notes - 3.99%	-	200,000	-	200,000
Robinson Avenue Waterline Notes - 4.24%	36,000	-	(36,000)	-
Robinson Avenue Waterline Notes - 3.74%	-	36,000	-	36,000
Water Plant Improvement Notes - 4.99%	235,000	-	(235,000)	-
Water Plant Improvement Notes - 4.00%	-	120,000	-	120,000
Community Center Improvement Notes - 4.99%	130,000	-	(130,000)	-
Community Center Improvement Notes - 4.00%	-	90,000	-	90,000
Norton Avenue Notes - 4.98%	30,000	-	(30,000)	-
Norton Avenue Notes - 3.99%	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>
Total Enterprise Fund Notes	<u>\$ 631,000</u>	<u>\$ 476,000</u>	<u>\$ (631,000)</u>	<u>\$ 476,000</u>

All notes were backed by the full faith and credit of the City and mature within one year. The note liability is reflected in the fund which received the proceeds. The notes were issued in anticipation of long-term bond financing and will be refinanced until such funds are issued. All proceeds from the notes have been spent as of December 31, 2007.



**CITY OF BARBERTON, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

**NOTE 10 - LONG-TERM OBLIGATIONS**

The original issue date, interest rate, original issue amount and date of maturity of each of the City's debt issues follows:

<u>Debt Issue</u>	<u>Date Issued</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Date of Maturity</u>
<b>Governmental Activities</b>				
<u>General Obligation Bonds:</u>				
Construction	2003	1.15-4.00%	\$ 4,967,810	2013
Fifth Street	2004	2.00-3.55%	300,000	2014
Street Vactor Machine	2004	2.00-3.00%	100,000	2009
Fire Department Ambulance	2004	2.00-3.00%	65,000	2009
Sports Complex	2004	2.00-3.55%	931,000	2012
<u>Special Assessment Bond:</u>				
Street Improvement	2001	4.50%	237,000	2011
Street Improvement	2005	4.00%	112,450	2015
<u>Long-Term Notes Payable</u>				
Building Improvement Notes	2006	4.00%	40,000	2007
Building Improvement Notes	2007	3.99%	20,000	2008
<u>Other Debt:</u>				
HUD Section 108 Loan	1994	4.57-7.18%	2,225,000	2013

**CITY OF BARBERTON, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

**NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)**

<u>Debt Issue</u>	<u>Date Issued</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Date of Maturity</u>
<b>Business-Type Activities</b>				
<u>General Obligation Bonds:</u>				
Water Improvement	1992	3.90-6.50%	\$ 3,800,000	2012
Various Purpose	2003	1.15-4.00%	1,332,390	2013
Water Refunding	2004	2.00-3.55%	2,340,000	2012
Community Center	2004	2.00-3.55%	404,000	2012
Sanitary Sewer	2004	2.00-3.55%	1,514,000	2012
Wolf Creek Dam Repair	2004	2.00-3.55%	276,000	2012
Sewer Vactor Equipment	2004	2.00-3.00%	140,000	2009
<u>Revenue Bonds:</u>				
Waterworks System Revenue	2006	3.75-5.00%	9,305,000	2026
<u>Long-Term Notes Payable:</u>				
Utility System Improvement Notes	2006	4.99%	800,000	2007
Utility System Improvement Notes	2007	3.99%	400,000	2008
Robinson Avenue Waterline Notes	2006	4.24%	222,000	2007
Robinson Avenue Waterline Notes	2007	3.74%	150,000	2008
Community Center Improvement Notes	2006	4.99%	220,000	2007
Water Plant Improvement Notes	2006	4.99%	1,185,000	2007
Water Plant Improvement Notes	2007	4.00%	830,000	2008
Norton Avenue Notes	2006	4.99%	270,000	2007
Norton Avenue Notes	2007	3.99%	210,000	2008

**CITY OF BARBERTON, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

**NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)**

The changes in long-term obligations during the year were as follows:

<b>Governmental Activities:</b>	<u>Balance</u>			<u>Balance at</u>	<u>Amounts</u>
	<u>12/31/06</u>	<u>Increase</u>	<u>Decrease</u>	<u>12/31/07</u>	<u>Due in</u>
					<u>One Year</u>
<u>General Obligation Bonds:</u>					
Construction Bonds	\$ 3,607,438	\$ -	\$ (469,155)	\$ 3,138,283	\$ 488,867
Fifth Street Bonds	250,000	-	(25,000)	225,000	30,000
Street Vactor Machine Bonds	60,656	-	(19,672)	40,984	19,672
Fire Department Ambulance Bonds	39,426	-	(12,787)	26,639	12,787
Sports Complex Bonds	715,009	-	(111,720)	603,289	113,210
Premium on Construction Bonds	<u>12,035</u>	<u>-</u>	<u>(1,720)</u>	<u>10,315</u>	<u>-</u>
Total General Obligation Bonds	<u>4,684,564</u>	<u>-</u>	<u>(640,054)</u>	<u>4,044,510</u>	<u>664,536</u>
<u>Special Assessment Bonds:</u>					
Street Improvement	131,500	-	(24,000)	107,500	25,100
Street Improvement	<u>104,141</u>	<u>-</u>	<u>(9,841)</u>	<u>94,300</u>	<u>10,234</u>
Total Special Assessment Bonds	<u>235,641</u>	<u>-</u>	<u>(33,841)</u>	<u>201,800</u>	<u>35,334</u>
<u>Long-Term Notes:</u>					
Building Improvement Notes	40,000	-	(40,000)	-	-
Building Improvement Notes	<u>-</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>	<u>20,000</u>
Total Long-Term Notes	<u>40,000</u>	<u>20,000</u>	<u>(40,000)</u>	<u>20,000</u>	<u>20,000</u>
<u>Other Debt:</u>					
HUD Section 108 Loan	1,210,000	-	(115,000)	1,095,000	115,000
Capital Lease	160,621	211,276	(29,416)	342,481	97,710
Compensated Absences	<u>2,930,932</u>	<u>1,189,061</u>	<u>(1,128,652)</u>	<u>2,991,341</u>	<u>632,871</u>
Total Other Debt	<u>4,301,553</u>	<u>1,400,337</u>	<u>(1,273,068)</u>	<u>4,428,822</u>	<u>845,581</u>
Total Governmental Activities	<u>\$ 9,261,758</u>	<u>\$1,420,337</u>	<u>\$(1,986,963)</u>	<u>\$ 8,695,132</u>	<u>\$1,565,451</u>

**CITY OF BARBERTON, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

**NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)**

<b>Business-Type Activities:</b>	<u>Balance</u> 12/31/06	<u>Increase</u>	<u>Decrease</u>	<u>Balance at</u> 12/31/07	<u>Amounts</u> <u>Due in</u> <u>One Year</u>
<b><u>General Obligation Bonds:</u></b>					
Water Bonds Refunding	\$ 1,630,000	\$ -	\$ (255,000)	\$ 1,375,000	\$ 260,000
Water Revenue Bonds Refunding - Deferred Amount	(13,640)	-	2,306	(11,334)	-
Various Purpose - New Haven	967,563	-	(125,839)	841,724	131,121
Community Center	310,272	-	(48,480)	261,792	49,126
Sanitary Sewer Bonds	1,162,751	-	(181,680)	981,071	184,102
Wolf Creek Dam Repair Bonds	211,968	-	(33,120)	178,848	33,562
Sewer Vactor Equipment Bonds	84,918	-	(27,541)	57,377	27,541
Premium on Various Purpose - New Haven	2,276	-	(325)	1,951	-
<b>Total General Obligation Bonds</b>	<u>4,356,108</u>	<u>-</u>	<u>(669,679)</u>	<u>3,686,429</u>	<u>685,452</u>
<b><u>Revenue Bonds:</u></b>					
Waterworks System Revenue Bonds	9,105,000	-	(300,000)	8,805,000	310,000
Waterworks System Revenue Bonds - Unamortized Premium	185,639	-	(9,321)	176,318	-
<b>Total Revenue Refunding Bonds</b>	<u>9,290,639</u>	<u>-</u>	<u>(309,321)</u>	<u>8,981,318</u>	<u>310,000</u>
<b><u>Long-Term Notes:</u></b>					
Utility System Improvement Notes	600,000	-	(600,000)	-	-
Utility System Improvement Notes	-	400,000	-	400,000	-
Robinson Avenue Waterline Notes	186,000	-	(186,000)	-	-
Robinson Avenue Waterline Notes	-	150,000	-	150,000	-
Community Center Improvement Notes	90,000	-	(90,000)	-	-
Water Plant Improvement Notes	950,000	-	(950,000)	-	-
Water Plant Improvement Notes	-	830,000	-	830,000	-
Norton Avenue Notes	240,000	-	(240,000)	-	-
Norton Avenue Notes	-	210,000	-	210,000	-
<b>Total Long-Term Notes</b>	<u>2,066,000</u>	<u>1,590,000</u>	<u>(2,066,000)</u>	<u>1,590,000</u>	<u>-</u>
Capital Leases	154,054	-	(28,215)	125,839	29,456
Compensated Absences	639,566	64,428	(115,628)	588,366	99,885
<b>Total Business-Type Activities</b>	<u>\$ 16,506,367</u>	<u>\$ 1,654,428</u>	<u>\$ (3,188,843)</u>	<u>\$ 14,971,952</u>	<u>\$ 1,124,793</u>

## CITY OF BARBERTON, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

#### NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

All bonds are secured by the full faith and credit of the City. General obligation bonds will be paid from the debt service fund. The business-type activities revenue bonds and general obligation bonds will be paid from charges for services revenues in the enterprise funds. The special assessment bond will be paid from proceeds of special assessments levied against benefited property owners. In the event that an assessed property owner fails to make payments, the City will be required to pay the related debt.

The long-term notes will be paid from the general fund and charges for services revenue in the enterprise funds.

Other long-term debt represents a loan from HUD for the redevelopment of the Lake Theater Building. Amounts will be repaid with community development block grant funds. The loan from HUD is to be repaid over a twenty-year period.

The compensated absences liability will be paid out of the general fund, street construction, maintenance and repair, health and beautification special revenue funds and the water, sewer, solid waste and community center enterprise funds.

#### ***Revenue Bonds***

On April 1, 2006, the City issued \$9,305,000 in Waterworks System Improvement Revenue Bonds. The 2006 bonds were issued with interest rates varying from 3.75% to 5.00%. At December 31, 2007 the bonds have an outstanding balance of \$8,805,000 and mature on December 1, 2026.

The City has pledged future water customer revenues, net of specified operating expenses, to finance water system improvements. The water revenue bonds are payable solely from water customer net revenues and are payable through 2027. Annual principal and interest payments on the bonds are expected to require less than 43.86 percent of net revenues. The total principal and interest remaining to be paid on the water revenue bonds is \$8,805,000. Principal and interest paid for the current year and total customer net revenues were \$688,941 and \$1,570,801, respectively.

#### ***Refunding Bonds***

On July 14, 2004, the City issued \$2,340,000 in water improvement refunding bonds to currently refund the callable portion of the 1992 water improvement bonds (principal \$2,270,000; interest rate 3.90%-6.50%). The refunded debt is considered defeased (insubstance) and accordingly, has been removed from the statement of net assets. The principal balance of the water improvement refunding bonds at December 31, 2007 was \$1,375,000.

The 2004 water improvement refunding issue is comprised of current interest bonds, par value \$2,340,000, with an annual interest rate ranging from 2.00% - 3.55%. The reacquisition price exceeded the net carrying amount of the old debt by \$18,444. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to interest expense through the year 2012 using the straight-line method.

#### ***Bond Anticipation Notes***

Bond anticipation notes that were rolled over prior to the issuance of the financial statements and have a new maturity beyond the end of the year in which the report is issued have been reported in the government-wide statements. The notes are backed by the full faith of the City of Barberton.

The City's overall legal debt margin was \$34,988,752 at December 31, 2007.

**CITY OF BARBERTON, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

**NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)**

Principal and interest requirements to retire the outstanding debt at December 31, 2007, are as follows:

Governmental Activities

Year	<u>General Obligation Bonds</u>		<u>Special Assessment Bonds</u>		<u>HUD Loans</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 664,536	\$ 123,992	\$ 35,334	\$ 8,610	\$ 115,000	\$ 48,783
2009	683,547	107,294	36,944	7,071	115,000	44,747
2010	663,195	88,390	38,469	5,461	115,000	40,354
2011	681,945	68,555	40,212	3,786	115,000	35,581
2012	707,184	46,572	11,973	2,034	115,000	30,475
2013 - 2015	<u>633,788</u>	<u>23,613</u>	<u>38,868</u>	<u>3,150</u>	<u>520,000</u>	<u>25,116</u>
Total	<u>\$ 4,034,195</u>	<u>\$ 458,416</u>	<u>\$ 201,800</u>	<u>\$ 30,112</u>	<u>\$ 1,095,000</u>	<u>\$ 225,056</u>

Business-Type Activities

Year	<u>General Obligation Bonds</u>		<u>Revenue Bonds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 685,452	\$ 115,867	\$ 310,000	\$ 377,691
2009	706,453	97,476	325,000	366,066
2010	691,810	76,752	335,000	353,879
2011	718,061	55,026	345,000	341,316
2012	742,822	31,255	360,000	328,379
2013 - 2017	151,214	5,104	2,050,000	1,397,644
2018 - 2022	-	-	2,590,000	852,321
2023 - 2026	-	-	<u>2,490,000</u>	<u>263,074</u>
Total	<u>\$ 3,695,812</u>	<u>\$ 381,480</u>	<u>\$ 8,805,000</u>	<u>\$ 4,280,370</u>

***Conduit Debt***

From time to time, the City has issued housing revenue bonds pursuant to Article VIII, Section 16 of the Ohio Constitution and Section 133.51, of the Ohio Revised Code. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans provided to the public sector entity by the City. The bonds do not constitute a debt or pledge of the faith and credit of the City and, accordingly, have not been reported as a liability in the accompanying financial statements. The borrower of the bonds makes payments to the City who in turn makes payments to the assignee, the Barberton Community Foundation.

Since the City has acted in a fiduciary capacity related to these transactions, the payment activity has been presented within an agency fund in the accompanying financial statements. As of December 31, 2007, there were three series of housing revenue bonds outstanding. The aggregate principal amount payable at December 31, 2007 was \$2,214,156.

**CITY OF BARBERTON, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

**NOTE 11 - RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City purchases fire and extended coverage insurance on all buildings and contents to \$59,000,000 with a variety of deductibles beginning at \$5,000. Coverage is purchased on City vehicles for a combined single limit liability of \$1,000,000. The City purchases general liability insurance coverage with a \$1,000,000 limit per occurrence. The City also has an umbrella policy which provides an additional \$5,000,000 in coverage over and above listed policies.

No settlements exceeded the insurance coverage in the last three years. There has been no significant reduction in coverage from the prior year.

The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

The City has elected to provide employee medical, dental, prescription drug and vision benefits through a self-insurance program. The City maintains a self-insurance internal service fund to account for and finance its uninsured risks for loss in this program. The plan provides a medical/surgical plan with a \$100.00 single and \$300.00 family deductible. The City uses a third party administrator to review, process, and pay all claims, on behalf of the City.

The City purchases stop-loss coverage for claims in excess of \$75,000 per employee with an aggregate of \$1,000,000 per year. The City pays into the self-insurance internal service fund \$1,144.50 for family coverage or \$487.50 for individual coverage per employee per month which represents the entire premium required for the non-bargaining, dispatch, police and fire employees. For AFSCME and health district employees the City pays \$359.00 for single coverage and \$897.00 for family coverage. The City also pays \$203.25 for both single and family coverage for AFSCME employees for prescription, vision, hearing and dental benefits. These premiums are paid by the fund that pays the wage or salary of the employee and is based on historical cost information. At December 31, 2007, all participating employees contributed \$15.00 for single and \$ 25.00 for family coverage per pay towards healthcare.

The claims liability of \$269,480 reported in the internal service fund at December 31, 2007 is estimated by a third party administrator and is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the fund's claims liability amounts in 2006 and 2007 are:

	<u>Balance at</u> <u>Beginning</u> <u>of Year</u>	<u>Current</u> <u>Claims</u>	<u>Claims</u> <u>Payment</u>	<u>Balance at</u> <u>End of Year</u>
2006	\$ 272,973	\$ 1,826,946	\$ (1,897,007)	\$ 202,912
2007	202,912	2,158,598	(2,092,030)	269,480

## CITY OF BARBERTON, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

#### NOTE 12 - DEFINED BENEFIT PENSION PLANS

##### A. Ohio Public Employees Retirement System

The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and (vested) employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the Combined Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the Traditional Pension Plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, Attention: Finance Director, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

For the year ended December 31, 2007, the members of all three plans, except those in law enforcement under the Traditional Pension Plan, were required to contribute 9.5% of their annual covered salaries. Members participating in the Traditional Pension Plan that were in law enforcement contributed 10.1% of their annual covered salary. The City's contribution rate for pension benefits for 2007 was 8.85% for the period January 1, 2007 through June 30, 2007 and 7.85% for the period July 1, 2007 through December 31, 2007, except for those plan members in law enforcement and public safety. For those classifications, the City's pension contributions were 12.17% of covered payroll for the period January 1, 2007 through June 30, 2007 and 11.17% of covered payroll for the period July 1, 2007 through December 31, 2007. The Ohio Revised Code provides statutory authority for member and employer contributions. The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2007, 2006, and 2005 were \$717,781, \$703,525, and \$726,223, respectively; 100% has been contributed for 2007, 2006 and 2005.

##### B. Ohio Police and Fire Pension Fund

The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.



## CITY OF BARBERTON, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

#### NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Plan members are required to contribute 10.0% of their annual covered salary, while the City is required to contribute 19.5% and 24.0% for police officers and firefighters, respectively. The portion of the City's contributions to fund pension obligations was 12.75% for police officers and 17.25% for firefighters. The City's required contributions for pension obligations to OP&F for police officers and firefighters were \$339,810 and \$492,796 for the year ended December 31, 2007, \$306,008 and \$450,800 for the year ended December 31, 2006, and \$298,318 and \$439,092 for the year ended December 31, 2005. The full amount has been contributed for 2006 and 2005. 76.28% for police officers and 77.42% for firefighters has been contributed for 2007 with the remainder being reported as a liability.

#### NOTE 13 - POSTRETIREMENT BENEFIT PLANS

##### A. Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides post-employment health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the Traditional Pension or Combined Plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the Member-Directed Plan do not qualify for post-employment health care coverage. The health care coverage provided by OPERS is considered an Other Post-employment Benefit as described in GASB Statement No. 12, "Disclosure of Information on Post-employment Benefits other than Pension Benefits by State and Local Government Employers". A portion of each employer's contribution to the Traditional Pension or Combined Plans is set aside for the funding of post-employment health care based on authority granted by State statute. The 2007 local government employer contribution rate was 13.85% of covered payroll (17.17% for public safety and law enforcement); 5.00% of covered payroll was the portion that was used to fund health care for the period January 1, 2007 through June 30, 2007 and 6.00% of covered payroll was the portion that was used to fund health care for the period July 1, 2007 through December 31, 2007.

Benefits are advance-funded using the entry age actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2006, include a rate of return on investments of 6.50%, an annual increase in active employee total payroll of 4.00% compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50% and 6.30% based on additional annual pay increases. Health care premiums were assumed to increase at the projected wage inflation rate (4.00%) plus and an additional factor ranging from .50% to 5.00% for the next eight years. In subsequent years, (nine and beyond) health care costs were assumed to increase at 4.00%.

All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted to reflect 25% of unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12% corridor.

The number of active contributing participants in the Traditional Pension and Combined Plans was 374,979 as of December 31, 2007. The City's actual employer contributions for 2007 which were used to fund post-employment benefits were \$468,414. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2006 (the latest information available) were \$12.0 billion. At December 31, 2006 (the latest information available), the actuarially accrued liability and the unfunded actuarial accrued liability were \$30.7 billion and \$18.7 billion, respectively.

## CITY OF BARBERTON, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

#### NOTE 13 - POSTRETIREMENT BENEFIT PLANS - (Continued)

The Health Care Preservation Plan (HCPP) adopted by the OPERS Board of Trustees on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007 and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

##### **B. Ohio Police and Fire Pension Fund**

The Ohio Police and Fire Pension Fund (OP&F) provides post-employment health care coverage to any person who receives or is eligible to receive a monthly service, disability or survivor benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending school full-time or on a 2/3 basis.

The health care coverage provided by OP&F is considered an Other Post-employment Benefit as described in GASB Statement No. 12, "Disclosure of Information on Post-employment Benefits other than Pension Benefits by State and Local Government Employers". The Ohio Revised Code provides the authority allowing the OP&F's Board of Trustees to provide health care coverage and states that health care costs paid from the funds of OP&F shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution rate is 19.5% of covered payroll and the total firefighter employer contribution rate is 24% of covered payroll, of which 6.75% of covered payroll was applied to the post-employment health care program during 2007. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

The City's actual contributions for 2007 that were used to fund post-employment benefits were \$179,777 for police officers and \$192,595 for firefighters. The OP&F's total health care expense for the year ended December 31, 2006 (the latest information available) was \$120.374 million, which was net of member contributions of \$58.533 million. The number of OP&F participants eligible to receive health care benefits as of December 31, 2006 (the latest information available), was 14,120 for police officers and 10,563 for firefighters.

#### NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS

##### **A. Compensated Absences**

Vacation leave is earned at rates which vary depending upon length of service. Current policy credits vacation leave on January 1 of each year for all full time employees. Vacation accumulation may not exceed one week at year end. Any unused excess is eliminated from the employee's leave balance. In case of death, termination, lay-off, or retirement, an employee (or his estate) is paid for his unused vacation to a maximum of the one week carry-over from the previous year plus any current year accrual which depends on number of years of service. Employees with a minimum of 12 to 15 years of service (depending on the bargaining unit) may "bank" any amount of unused vacation leave, up to a maximum accumulation of 108 to 120 days to be paid upon retirement except for 1) firefighters with more than 14 years can bank up to 912 hours at retirement; 2) health district workers can bank any current and any properly accrued vacation hours upon retirement; and 3) finance workers who can bank up to 90 days at retirement.

Sick leave is earned for all full time employees at the rate of 4.6 hours per 80 hours, except for 1) firefighters working 24 hour shifts earn 8.3 hours per 80 hours; 2) health district workers who earn 4.312 hours per 75 hours; and 3) full time employees of emergency medical services who receive 13.3 hours per month. Employees, at the time of retirement are paid for up to 480-900 hours (depending on bargaining unit).

**CITY OF BARBERTON, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

**NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS - (Continued)**

Employees also receive a tenure payment of 14.4 hours (or 1.8 days) - 17.3 hours (depending on bargaining unit) for each year of service with the City.

**B. Life Insurance**

The City provides a life insurance benefit for retired employees based on their salary when they retired. Substantially all of the City's full time employees may become eligible for this benefit if they reach normal retirement age or become eligible for total disability benefits while working for the City. The cost of retirees' life insurance is recognized as an expenditure/expense when the insurance premiums are paid. For 2007 the cost totaled \$24,752.

**NOTE 15 - BUDGETARY BASIS OF ACCOUNTING**

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statements of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis) presented for the general fund and health district fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues and other sources are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures and other uses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements (as reported in the fund financial statements) to the budgetary basis statements for the general fund and major special revenue fund.

**Net Change in Fund Balance**

	General	Health District
Budget basis	\$ 447,780	\$ 24,797
Net adjustment for revenue accruals	(105,791)	(202,372)
Net adjustment for expenditure accruals	(266,564)	(63,720)
Adjustment for encumbrances	297,997	19,564
GAAP basis	\$ 373,422	\$ (221,731)

## CITY OF BARBERTON, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

#### NOTE 16 - RELATED ORGANIZATIONS

##### A. **Barberton Community Development Corporation**

The City participates in the Barberton Community Development Corporation (the "Corporation"). The City appoints a voting majority of the governing board of the Corporation; however the City cannot influence the Corporation's operation nor does the Corporation represent a potential financial benefit for or burden to the City. The City acts as a pass through entity for Community Development Block Grant monies.

##### B. **Barberton Community Foundation**

The City participates in the Barberton Community Foundation (the "Foundation"). The City initially appointed a voting majority of the Foundation. The City Council has limited veto abilities over subsequent nominees to the Foundation Board and therefore has limited influence on the Foundation's operation. In 2007, the City received approximately \$547,214 in grants from the Foundation. During 2007, the City also acted as the issuer of bonds for conduit debt (see Note 10) in which the Foundation acts as the assignee.

#### NOTE 17 - CONTINGENCIES

##### A. **Grants**

The City receives significant financial assistance from numerous Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2007.

##### B. **Litigation**

The City of Barberton is a party to legal proceedings. The City management is of the opinion that ultimate disposition of these claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

#### NOTE 18 - SIGNIFICANT SUBSEQUENT EVENTS

In April 2008, the City issued the following bond anticipation notes:

- \$830,000 for the purpose of improving the Municipal Waterworks System. These notes mature in April 2009.
- \$400,000 for the purpose of improving the water and sewer systems of the City. These notes mature in April 2009.
- \$210,000 for the purpose of improving the Municipal Waterworks System by installing and replacing water mains. These notes mature in April 2009.

COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES

**CITY OF BARBERTON, OHIO**

*INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

**GENERAL FUND**

The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the charter of the City and/or the general laws of Ohio.

**NONMAJOR SPECIAL REVENUE FUNDS**

The special revenue funds are used to account for all specific financial resources (other than major capital projects) that are legally restricted for specified expenditure purposes. The following are the special revenue funds which the City operates:

***Street Construction, Maintenance and Repair Fund***

This fund accounts for the portion of state gasoline tax and motor vehicle registration fees designated for the maintenance of the streets within the City.

***State Highway Improvement Fund***

This fund accounts for the portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of state highways within the City.

***Permissive License Tax Fund***

This fund accounts for local vehicle license fees designated for the maintenance of streets in the City.

***Residential Street Fund***

This fund was established by City Council to ensure that monies are being allocated for street resurfacing needs throughout the City.

***Fire Levy Fund***

This fund accounts for property tax collections received through a tax levy. Expenditures are for operations and capital expenditures of the fire department. This fund will be established by the City in 2008 on cash-basis; therefore a budget and actual (non-GAAP budgetary basis) schedule is not presented for 2007.

***Court Computer Fund***

This fund accounts for additional court fees designated for the computerization of the municipal court and the acquisition and maintenance of legal research services for the municipal court.

***Indigent Drivers Alcohol Treatment Fund***

This fund accounts for fees and fines to be used as payment of the cost of attendance at an alcohol and drug addiction treatment program.

***Sports Complex Operating Fund***

This fund accounts for the revenue and expenditures associated with operating and maintaining a sports complex along with managing the various athletic leagues that use the facility.

***Parks Recreation Improvement Fund***

This fund accounts for proceeds from the sale of park land in Tuscora Park to Barberton Citizens Hospital. These monies are required to be used in making improvements to the parks throughout the City.

***Gas and Oil Royalty Fund***

This fund accounts for royalty money received from gas wells located on City property. These revenues are used for economic development within the City.

**CITY OF BARBERTON, OHIO**

*INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

**NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)**

***D.A.R.E. Program Fund***

This fund accounts for monies received from various sources to be used for the continuance of the Drug Abuse Resistance Education Program in the City's schools.

***Mandatory Drug Fines Fund***

This fund accounts for fines received by the City that are restricted under the Ohio Revised Code to subsidize law enforcement efforts that pertain to drug offenses.

***Local Law Enforcement Trust Fund***

This fund accounts for grant monies received from the U.S. Department of Justice to be used for specific law enforcement purposes and proceeds from the sale of contraband that are restricted to subsidize law enforcement efforts.

***Parks Revolving Loan Fund***

This fund accounts for parks and recreation user fees utilized for parks and recreation activities.

***Sidewalk Improvement Program Fund***

This fund accounts for the monies used to subsidize the cost of replacing existing sidewalks for homeowners within the City.

***City Grant Fund***

This fund was established by City Council to account for various grant receipts.

***Federal Emergency Management Agency Fund***

This fund accounts for the federal portion of grant monies received from the Federal Emergency Management Agency through the State of Ohio Emergency Management Agency Public Assistance Disaster Recovery Grant Program.

***Emergency Reserve Fund***

This fund accounts for monies received from the income tax fund for the purpose of providing for the consistent delivery of public services in the case of a downturn in the City's economy.

***Community Development Block Grant Fund (CDBG)***

This fund accounts for monies received from the federal government under the Community Development Block Grant Program which are restricted for City-wide development projects such as the Neighborhood Conservation Services and Barberton Community Development Corporation.

***Rental Rehabilitation Fund***

This fund accounts for grant monies received from the Ohio Department of Development for the rehabilitation of rental property.

***Home Investment Partnership Fund***

This fund accounts for monies received from the federal government under then National Affordable Housing Act, passed through the Ohio Department of Development, which are restricted to City-wide housing activities. This fund did not have any activity on cash-basis during 2007; therefore a budget and actual (non-GAAP budgetary basis) schedule has not been presented.

***Tax Increment Financing Fund***

This fund accounts for the annual collection of service payments in lieu of taxes distributed to the City with respect to improvements on downtown property which are declared to be a public purpose.

***Lake Cinema Complex Maintenance Fund***

This fund accounts for the cost of maintaining a City-owned theater complex.

**CITY OF BARBERTON, OHIO**

*INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

**NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)**

***Project Impact Fund***

This fund accounts for grant monies received from the Barberton Community Foundation to raze hazardous structures.

***Beautification Fund***

This fund accounts for donations restricted for floral beautification projects within the City.

***Downtown Sales and Rental Fund***

This fund accounts for the revenues received from sale of property and rental income. Monies used for property maintenance and capital improvement to the downtown area. This fund did not have any activity on cash-basis during 2007; therefore a budget and actual (non-GAAP budgetary basis) schedule has not been presented.

***Senior Center Trust Fund***

This fund accounts for the monies received and expended for Senior Center Operations.

***Fire Pension Fund***

This fund accounts for property taxes levied and other monies for the payment of the accrued liability for fire disability and pension benefits.

***Police Pension Fund***

This fund accounts for property taxes levied and other monies for the payment of the accrued liability for police disability and pension benefits.

**NONMAJOR DEBT SERVICE FUNDS**

The debt service funds are used to account for the accumulation of resources and the payments of general obligation and special assessment principal, interest, and related costs.

***General Obligation Bond Retirement Fund***

This fund accounts for the resources that are used for the payment of principal, interest, and other fiscal charges on general obligation debt.

***Special Assessment Bond Retirement Fund***

This fund accounts for the retirement of debt issued to finance public improvements deemed to benefit the properties against which special assessments are levied.

**NONMAJOR CAPITAL PROJECTS FUNDS**

The capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary fund types. Following is a description of the capital project funds:

***Street Improvement Fund***

This fund accounts for revenues and expenditures for street improvements.

***Senior Center Construction Fund***

This fund accounts for the revenues and expenditures associated with the construction of the new Senior Center.



**CITY OF BARBERTON, OHIO**

*INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

**NONMAJOR CAPITAL PROJECTS FUNDS (CONTINUED)**

***Issue II Fund***

This fund accounts for projects funded by Issue II money.

***Infrastructure Improvement Reserve Fund***

This fund accounts for monies received from the income tax fund which are restricted for the purpose of funding infrastructure improvements identified in the City's Five-Year Capital Improvements Plan.

***Street and Storm Sewer Improvement Fund***

This fund accounts for income tax revenue used for the improvement of street and storm sewers within the City.

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 1,393,005	\$ 1,401,113	\$ 1,405,540	\$ 4,427
Municipal income taxes . . . . .	11,180,000	11,230,000	11,156,684	(73,316)
Charges for services . . . . .	1,440,300	1,440,300	1,528,267	87,967
Licenses and permits . . . . .	201,210	201,210	140,801	(60,409)
Fines and forfeitures . . . . .	77,100	77,100	84,974	7,874
Intergovernmental . . . . .	2,393,205	2,760,205	2,874,342	114,137
Investment income . . . . .	451,000	451,000	542,642	91,642
Other . . . . .	251,597	441,597	407,611	(33,986)
<b>Total revenues.</b> . . . .	<u>17,387,417</u>	<u>18,002,525</u>	<u>18,140,861</u>	<u>138,336</u>
<b>Expenditures:</b>				
Current:				
General government				
City Council . . . . .	199,970	199,970	197,549	2,421
Municipal Court Judges . . . . .	373,767	373,768	355,789	17,979
Clerk of Court . . . . .	740,136	755,046	746,347	8,699
Mayor . . . . .	179,370	180,356	179,866	490
Service Director . . . . .	243,372	280,372	267,117	13,255
Civil Service Commission . . . . .	15,950	19,750	11,315	8,435
Finance Department . . . . .	459,493	459,346	443,929	15,417
Law Department . . . . .	424,398	447,889	431,405	16,484
Safety Director . . . . .	90,545	90,545	88,892	1,653
Human Resources . . . . .	52,541	61,281	58,440	2,841
Information Systems . . . . .	84,902	90,902	88,449	2,453
Municipal Buildings . . . . .	374,378	377,749	341,448	36,301
Probation . . . . .	128,300	124,800	120,799	4,001
Engineer . . . . .	419	196	196	-
Income Tax . . . . .	251,320	251,320	233,000	18,320
General Liability . . . . .	30,000	30,000	7,545	22,455
Other . . . . .	320,703	332,703	306,597	26,106
<b>Total general government.</b> . . . .	<u>3,969,564</u>	<u>4,075,993</u>	<u>3,878,683</u>	<u>197,310</u>
Public safety				
Police Department . . . . .	5,149,836	5,146,193	5,040,512	105,681
Fire Department . . . . .	4,698,542	4,695,284	4,601,364	93,920
<b>Total public safety</b> . . . . .	<u>9,848,378</u>	<u>9,841,477</u>	<u>9,641,876</u>	<u>199,601</u>
Transportation				
Paint/signal . . . . .	145,651	160,652	151,510	9,142
<b>Total transportation.</b> . . . .	<u>145,651</u>	<u>160,652</u>	<u>151,510</u>	<u>9,142</u>
Leisure time activities				
Parks administration . . . . .	232,424	239,396	236,384	3,012
Senior Center . . . . .	66,550	72,550	72,465	85
Recreation programs . . . . .	12,349	30,429	22,738	7,691
Parks maintenance . . . . .	389,759	409,734	389,192	20,542
<b>Total leisure time activities</b> . . . . .	<u>701,082</u>	<u>752,109</u>	<u>720,779</u>	<u>31,330</u>

Continued

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GENERAL FUND (CONTINUED)**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Community environment				
Building inspection . . . . .	\$ 528,482	\$ 526,082	\$ 479,685	\$ 46,397
Planning . . . . .	158,346	565,709	150,694	415,015
Total community environment . . . . .	<u>686,828</u>	<u>1,091,791</u>	<u>630,379</u>	<u>461,412</u>
Capital outlay				
Police Department . . . . .	111,250	159,896	159,890	6
Fire Department . . . . .	76,500	299,572	275,309	24,263
Recreation programs . . . . .	22,257	22,257	22,257	-
Parks maintenance . . . . .	21,683	21,683	21,234	449
Total capital outlay . . . . .	<u>231,690</u>	<u>503,408</u>	<u>478,690</u>	<u>24,718</u>
Total expenditures . . . . .	<u>15,583,193</u>	<u>16,425,430</u>	<u>15,501,917</u>	<u>923,513</u>
Excess of revenues over expenditures . . . . .	<u>1,804,224</u>	<u>1,577,095</u>	<u>2,638,944</u>	<u>1,061,849</u>
<b>Other financing sources (uses):</b>				
Transfers out . . . . .	(2,139,470)	(2,192,270)	(2,192,270)	-
Sale of capital assets . . . . .	10,000	10,000	1,106	(8,894)
Total other financing sources (uses) . . . . .	<u>(2,129,470)</u>	<u>(2,182,270)</u>	<u>(2,191,164)</u>	<u>(8,894)</u>
Net change in fund balance . . . . .	(325,246)	(605,175)	447,780	1,052,955
<b>Fund balance at beginning of year . . . . .</b>	1,811,195	1,811,195	1,811,195	-
<b>Prior year encumbrances appropriated. . . . .</b>	<u>197,916</u>	<u>197,916</u>	<u>197,916</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 1,683,865</u>	<u>\$ 1,403,936</u>	<u>\$ 2,456,891</u>	<u>\$ 1,052,955</u>

**CITY OF BARBERTON, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2007*

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . .	\$ 2,141,769	\$ 323,368	\$ 824,008	\$ 3,289,145
Receivables (net of allowances of uncollectibles):				
Property taxes. . . . .	542,351	-	-	542,351
Accounts . . . . .	34,930	-	-	34,930
Intergovernmental . . . . .	757,318	-	-	757,318
Special assessments . . . . .	-	201,800	-	201,800
Notes receivable . . . . .	662,782	-	-	662,782
Prepayments . . . . .	7,302	-	-	7,302
Total assets . . . . .	<u>\$ 4,146,452</u>	<u>\$ 525,168</u>	<u>\$ 824,008</u>	<u>\$ 5,495,628</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 53,289	\$ -	\$ 44,124	\$ 97,413
Accrued wages and benefits . . . . .	36,897	-	-	36,897
Due to other governments . . . . .	35,807	-	-	35,807
Deferred revenue . . . . .	559,968	201,800	-	761,768
Unearned revenue . . . . .	510,135	-	-	510,135
Accrued interest payable. . . . .	-	-	3,070	3,070
Notes payable. . . . .	-	-	679,000	679,000
Total liabilities . . . . .	<u>1,196,096</u>	<u>201,800</u>	<u>726,194</u>	<u>2,124,090</u>
<b>Fund Balances:</b>				
Reserved for encumbrances. . . . .	293,085	-	182,025	475,110
Reserved for prepayments . . . . .	7,302	-	-	7,302
Reserved for notes receivable . . . . .	662,782	-	-	662,782
Reserved for debt service . . . . .	-	323,368	-	323,368
Unreserved, undesignated (deficit) reported in:				
Special revenue funds . . . . .	1,987,187	-	-	1,987,187
Capital projects funds . . . . .	-	-	(84,211)	(84,211)
Total fund balances. . . . .	<u>2,950,356</u>	<u>323,368</u>	<u>97,814</u>	<u>3,371,538</u>
Total liabilities and fund balances . . . . .	<u>\$ 4,146,452</u>	<u>\$ 525,168</u>	<u>\$ 824,008</u>	<u>\$ 5,495,628</u>

**CITY OF BARBERTON, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Funds</u>	<u>Nonmajor Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 226,948	\$ -	\$ -	\$ 226,948
Charges for services . . . . .	122,278	-	-	122,278
Fines and forfeitures . . . . .	95,049	-	-	95,049
Intergovernmental . . . . .	1,937,654	-	-	1,937,654
Special assessments . . . . .	27,102	102,578	-	129,680
Investment income . . . . .	45,132	-	50,795	95,927
Contributions and donations . . . . .	177,625	-	-	177,625
Other . . . . .	208,444	394,522	152,821	755,787
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues . . . . .	2,840,232	497,100	203,616	3,540,948
<b>Expenditures:</b>				
Current:				
General government . . . . .	33,663	-	-	33,663
Public safety . . . . .	259,191	-	-	259,191
Transportation . . . . .	1,176,169	-	-	1,176,169
Community environment. . . . .	797,456	-	-	797,456
Leisure time activities . . . . .	358,056	-	-	358,056
Capital outlay . . . . .	705,105	-	372,714	1,077,819
Intergovernmental . . . . .	-	-	1,578,763	1,578,763
Debt service:				
Principal retirement. . . . .	252,018	576,845	-	828,863
Interest and fiscal charges . . . . .	81,597	131,516	32,701	245,814
Note issuance costs. . . . .	-	10,292	-	10,292
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures . . . . .	3,663,255	718,653	1,984,178	6,366,086
Deficiency of revenues under expenditures . . . . .	<hr/> (823,023)	<hr/> (221,553)	<hr/> (1,780,562)	<hr/> (2,825,138)
<b>Other financing sources (uses):</b>				
Notes issued . . . . .	-	20,000	-	20,000
Capital lease transaction . . . . .	211,276	-	-	211,276
Sale of capital assets . . . . .	9,282	-	-	9,282
Transfers in . . . . .	760,000	241,248	342,800	1,344,048
Transfers out . . . . .	<hr/> (14,724)	<hr/> -	<hr/> (81,524)	<hr/> (96,248)
Total other financing sources (uses) . . . . .	965,834	261,248	261,276	1,488,358
Net change in fund balances . . . . .	142,811	39,695	(1,519,286)	(1,336,780)
<b>Fund balances at beginning of year. . . . .</b>	<hr/> 2,807,545	<hr/> 283,673	<hr/> 1,617,100	<hr/> 4,708,318
<b>Fund balances at end of year . . . . .</b>	<hr/> <u>\$ 2,950,356</u>	<hr/> <u>\$ 323,368</u>	<hr/> <u>\$ 97,814</u>	<hr/> <u>\$ 3,371,538</u>

**CITY OF BARBERTON, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2007*

	<b>Street Construction Maintenance and Repair</b>	<b>State Highway Improvement</b>	<b>Permissive License Tax</b>	<b>Residential Street</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 547,446	\$ 46,208	\$ 372,481	\$ 80,715
Receivables (net of allowances for uncollectibles):				
Property taxes. . . . .	-	-	-	-
Accounts . . . . .	-	-	-	-
Intergovernmental. . . . .	363,515	28,236	4,068	-
Notes receivable . . . . .	-	-	-	-
Prepayments . . . . .	6,636	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets . . . . .	<u>\$ 917,597</u>	<u>\$ 74,444</u>	<u>\$ 376,549</u>	<u>\$ 80,715</u>
 <b>Liabilities:</b>				
Accounts payable . . . . .	\$ 4,497	\$ -	\$ -	\$ -
Accrued wages and benefits . . . . .	33,308	-	-	-
Due to other governments . . . . .	25,753	1,851	-	-
Deferred revenue. . . . .	224,506	18,204	-	-
Unearned revenue . . . . .	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities . . . . .	<u>288,064</u>	<u>20,055</u>	<u>-</u>	<u>-</u>
 <b>Fund Balances:</b>				
Reserved for encumbrances . . . . .	59,651	-	-	56,166
Reserved for prepayments. . . . .	6,636	-	-	-
Reserved for notes receivable . . . . .	-	-	-	-
Unreserved, undesignated (deficit) reported in:				
Special revenue funds. . . . .	563,246	54,389	376,549	24,549
Total fund balances . . . . .	<hr/> <u>629,533</u>	<hr/> <u>54,389</u>	<hr/> <u>376,549</u>	<hr/> <u>80,715</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances . . . . .	<u>\$ 917,597</u>	<u>\$ 74,444</u>	<u>\$ 376,549</u>	<u>\$ 80,715</u>

<u>Fire Levy</u>	<u>Court Computer</u>	<u>Indigent Drivers Alcohol Treatment</u>	<u>Sports Complex Operating</u>	<u>Parks Recreation Improvement</u>	<u>Gas and Oil Royalty</u>
\$ -	\$ 104,078	\$ 57,745	\$ 1,956	\$ 445,380	\$ 20,510
313,171	-	-	-	-	-
-	-	-	-	-	-
-	3,281	1,023	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 313,171</u>	<u>\$ 107,359</u>	<u>\$ 58,768</u>	<u>\$ 1,956</u>	<u>\$ 445,380</u>	<u>\$ 20,510</u>
\$ -	\$ 1,119	\$ -	\$ 1,063	\$ -	\$ -
-	-	-	-	-	-
-	-	-	515	-	-
-	-	-	-	-	-
313,171	-	-	-	-	-
<u>313,171</u>	<u>1,119</u>	<u>-</u>	<u>1,578</u>	<u>-</u>	<u>-</u>
-	8,226	-	1,500	3,546	-
-	-	-	-	-	-
-	-	-	-	-	-
-	98,014	58,768	(1,122)	441,834	20,510
-	106,240	58,768	378	445,380	20,510
<u>\$ 313,171</u>	<u>\$ 107,359</u>	<u>\$ 58,768</u>	<u>\$ 1,956</u>	<u>\$ 445,380</u>	<u>\$ 20,510</u>

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**CITY OF BARBERTON, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2007*

	<u>D.A.R.E. Program</u>	<u>Mandatory Drug Fines</u>	<u>Local Law Enforcement Trust</u>	<u>Parks Revolving Loan</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 13,709	\$ 11,821	\$ 14,208	\$ 7,075
Receivables (net of allowances for uncollectibles):				
Property taxes. . . . .	-	-	-	-
Accounts . . . . .	-	-	-	80
Intergovernmental. . . . .	-	605	-	-
Notes receivable . . . . .	-	-	-	-
Prepayments . . . . .	-	-	-	-
Total assets . . . . .	<u>\$ 13,709</u>	<u>\$ 12,426</u>	<u>\$ 14,208</u>	<u>\$ 7,155</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ -	\$ -	\$ -	\$ -
Accrued wages and benefits . . . . .	-	-	-	-
Due to other governments . . . . .	-	-	-	1,361
Deferred revenue. . . . .	-	-	-	-
Unearned revenue . . . . .	-	-	-	-
Total liabilities . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,361</u>
<b>Fund Balances:</b>				
Reserved for encumbrances . . . . .	696	-	-	-
Reserved for prepayments. . . . .	-	-	-	-
Reserved for notes receivable . . . . .	-	-	-	-
Unreserved, undesignated (deficit) reported in:				
Special revenue funds. . . . .	13,013	12,426	14,208	5,794
Total fund balances . . . . .	<u>13,709</u>	<u>12,426</u>	<u>14,208</u>	<u>5,794</u>
Total liabilities and fund balances . . . . .	<u>\$ 13,709</u>	<u>\$ 12,426</u>	<u>\$ 14,208</u>	<u>\$ 7,155</u>



<b>Sidewalk Improvement Program</b>	<b>City Grant</b>	<b>Federal Emergency Management Agency</b>	<b>Emergency Reserve</b>	<b>Community Development Block Grant</b>	<b>Rental Rehabilitation</b>
\$ 50,609	\$ 34,810	\$ 3,559	\$ 275	\$ 33,023	\$ 2,000
-	-	-	-	-	-
-	-	-	-	-	-
-	1,267	-	-	341,059	-
-	-	-	-	395,782	-
-	-	-	-	-	-
<u>\$ 50,609</u>	<u>\$ 36,077</u>	<u>\$ 3,559</u>	<u>\$ 275</u>	<u>\$ 769,864</u>	<u>\$ 2,000</u>
\$ -	\$ -	\$ -	\$ -	\$ 46,550	\$ -
-	-	-	-	3,210	-
-	-	-	-	4,580	-
-	-	-	-	271,014	-
-	-	-	-	-	-
-	-	-	-	325,354	-
6,070	-	3,533	-	145,711	-
-	-	-	-	-	-
-	-	-	-	395,782	-
<u>44,539</u>	<u>36,077</u>	<u>26</u>	<u>275</u>	<u>(96,983)</u>	<u>2,000</u>
<u>50,609</u>	<u>36,077</u>	<u>3,559</u>	<u>275</u>	<u>444,510</u>	<u>2,000</u>
<u>\$ 50,609</u>	<u>\$ 36,077</u>	<u>\$ 3,559</u>	<u>\$ 275</u>	<u>\$ 769,864</u>	<u>\$ 2,000</u>

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**CITY OF BARBERTON, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2007*

	<b>Home Investment Partnership</b>	<b>Tax Increment Financing</b>	<b>Lake Cinema Complex Maintenance</b>	<b>Project Impact</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ -	\$ 25,987	\$ 16,000	\$ 13,273
Receivables (net of allowances for uncollectibles):				
Property taxes. . . . .	-	-	-	-
Accounts . . . . .	-	-	-	-
Intergovernmental. . . . .	-	-	-	-
Notes receivable . . . . .	267,000	-	-	-
Prepayments . . . . .	-	-	-	-
Total assets . . . . .	<u>\$ 267,000</u>	<u>\$ 25,987</u>	<u>\$ 16,000</u>	<u>\$ 13,273</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ -	\$ -	\$ -	\$ -
Accrued wages and benefits . . . . .	-	-	-	-
Due to other governments . . . . .	-	-	-	-
Deferred revenue. . . . .	-	-	-	-
Unearned revenue . . . . .	-	-	-	-
Total liabilities . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>				
Reserved for encumbrances . . . . .	-	-	-	-
Reserved for prepayments. . . . .	-	-	-	-
Reserved for notes receivable . . . . .	267,000	-	-	-
Unreserved, undesignated (deficit) reported in:				
Special revenue funds. . . . .	-	25,987	16,000	13,273
Total fund balances . . . . .	<u>267,000</u>	<u>25,987</u>	<u>16,000</u>	<u>13,273</u>
Total liabilities and fund balances . . . . .	<u>\$ 267,000</u>	<u>\$ 25,987</u>	<u>\$ 16,000</u>	<u>\$ 13,273</u>

<b>Beautification</b>	<b>Downtown Sales and Rental</b>	<b>Senior Center Trust</b>	<b>Fire Pension</b>	<b>Police Pension</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ 65,820	\$ -	\$ 104,317	\$ 26,217	\$ 42,547	\$ 2,141,769
-	-	-	114,590	114,590	542,351
13,500	-	21,350	-	-	34,930
-	-	-	7,132	7,132	757,318
-	-	-	-	-	662,782
23	-	643	-	-	7,302
<u>\$ 79,343</u>	<u>\$ -</u>	<u>\$ 126,310</u>	<u>\$ 147,939</u>	<u>\$ 164,269</u>	<u>\$ 4,146,452</u>
\$ -	\$ -	\$ 60	\$ -	\$ -	\$ 53,289
201	-	178	-	-	36,897
1,542	-	205	-	-	35,807
-	-	-	23,122	23,122	559,968
-	-	-	98,482	98,482	510,135
<u>1,743</u>	<u>-</u>	<u>443</u>	<u>121,604</u>	<u>121,604</u>	<u>1,196,096</u>
5,465	-	2,521	-	-	293,085
23	-	643	-	-	7,302
-	-	-	-	-	662,782
<u>72,112</u>	<u>-</u>	<u>122,703</u>	<u>26,335</u>	<u>42,665</u>	<u>1,987,187</u>
<u>77,600</u>	<u>-</u>	<u>125,867</u>	<u>26,335</u>	<u>42,665</u>	<u>2,950,356</u>
<u>\$ 79,343</u>	<u>\$ -</u>	<u>\$ 126,310</u>	<u>\$ 147,939</u>	<u>\$ 164,269</u>	<u>\$ 4,146,452</u>

**CITY OF BARBERTON**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<b>Street Construction Maintenance and Repair</b>	<b>State Highway Improvement</b>	<b>Permissive License Tax</b>	<b>Residential Street</b>
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Charges for services . . . . .	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	-
Intergovernmental . . . . .	916,602	59,557	53,184	-
Special assessments . . . . .	-	-	652	3,813
Investment income . . . . .	12,357	1,745	11,538	-
Contributions and donations . . . . .	-	-	-	-
Other . . . . .	6,229	127	-	-
<b>Total revenues . . . . .</b>	<b>935,188</b>	<b>61,429</b>	<b>65,374</b>	<b>3,813</b>
<b>Expenditures:</b>				
Current:				
General government . . . . .	-	-	-	-
Public safety . . . . .	-	-	-	-
Transportation . . . . .	1,116,505	48,150	11,514	-
Community environment. . . . .	-	-	-	-
Leisure time activities . . . . .	-	-	-	-
Capital outlay . . . . .	56,123	-	-	261,725
Debt service:				
Principal retirement. . . . .	986	-	-	-
Interest and fiscal charges . . . . .	237	-	-	-
<b>Total expenditures . . . . .</b>	<b>1,173,851</b>	<b>48,150</b>	<b>11,514</b>	<b>261,725</b>
Excess (deficiency) of revenues over (under) expenditures . . . . .	(238,663)	13,279	53,860	(257,912)
<b>Other financing sources (uses):</b>				
Capital lease transaction . . . . .	-	-	-	-
Sale of capital assets . . . . .	-	-	-	-
Transfers in. . . . .	340,000	-	-	270,000
Transfers out . . . . .	-	-	-	-
<b>Total other financing sources (uses). . . . .</b>	<b>340,000</b>	<b>-</b>	<b>-</b>	<b>270,000</b>
Net change in fund balances. . . . .	101,337	13,279	53,860	12,088
<b>Fund balances at beginning of year . . . . .</b>	<b>528,196</b>	<b>41,110</b>	<b>322,689</b>	<b>68,627</b>
<b>Fund balances at end of year . . . . .</b>	<b>\$ 629,533</b>	<b>\$ 54,389</b>	<b>\$ 376,549</b>	<b>\$ 80,715</b>

<u>Fire Levy</u>	<u>Court Computer</u>	<u>Indigent Drivers Alcohol Treatment</u>	<u>Sports Complex Operating</u>	<u>Parks Recreation Improvement</u>	<u>Gas and Oil Royalty</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	59,766	-	-
-	53,820	39,043	-	-	-
-	-	-	-	-	-
-	-	-	-	15,823	-
-	-	-	-	-	-
-	-	-	38	-	1,500
-	53,820	39,043	59,804	15,823	1,500
-	29,726	1	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	8,000
211,276	-	-	89,603	-	-
-	-	-	-	74,305	-
-	-	-	111,720	-	-
-	-	-	21,931	-	-
211,276	29,726	1	223,254	74,305	8,000
(211,276)	24,094	39,042	(163,450)	(58,482)	(6,500)
211,276	-	-	-	-	-
-	-	-	-	-	-
-	-	-	150,000	-	-
-	-	-	-	-	-
211,276	-	-	150,000	-	-
-	24,094	39,042	(13,450)	(58,482)	(6,500)
-	82,146	19,726	13,828	503,862	27,010
\$ -	\$ 106,240	\$ 58,768	\$ 378	\$ 445,380	\$ 20,510

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**CITY OF BARBERTON**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<b>D.A.R.E. Program</b>	<b>Mandatory Drug Fines</b>	<b>Local Law Enforcement Trust</b>	<b>Parks Revolving Loan</b>
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Charges for services . . . . .	-	-	-	45,858
Fines and forfeitures . . . . .	-	2,186	-	-
Intergovernmental . . . . .	-	-	-	-
Special assessments . . . . .	-	-	-	-
Investment income . . . . .	-	-	-	-
Contributions and donations . . . . .	-	-	-	85,896
Other . . . . .	-	-	-	-
<b>Total revenues . . . . .</b>	<b>-</b>	<b>2,186</b>	<b>-</b>	<b>131,754</b>
<b>Expenditures:</b>				
Current:				
General government . . . . .	-	-	-	-
Public safety . . . . .	9,550	-	-	-
Transportation . . . . .	-	-	-	-
Community environment . . . . .	-	-	-	-
Leisure time activities . . . . .	-	-	-	131,597
Capital outlay . . . . .	-	-	2,786	-
Debt service:				
Principal retirement . . . . .	-	-	-	-
Interest and fiscal charges . . . . .	-	-	-	-
<b>Total expenditures . . . . .</b>	<b>9,550</b>	<b>-</b>	<b>2,786</b>	<b>131,597</b>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(9,550)</u>	<u>2,186</u>	<u>(2,786)</u>	<u>157</u>
<b>Other financing sources (uses):</b>				
Capital lease transaction . . . . .	-	-	-	-
Sale of capital assets . . . . .	928	-	8,354	-
Transfers in . . . . .	-	-	-	-
Transfers out . . . . .	-	-	-	-
<b>Total other financing sources (uses) . . . . .</b>	<b>928</b>	<b>-</b>	<b>8,354</b>	<b>-</b>
Net change in fund balances . . . . .	(8,622)	2,186	5,568	157
<b>Fund balances at beginning of year . . . . .</b>	<b>22,331</b>	<b>10,240</b>	<b>8,640</b>	<b>5,637</b>
<b>Fund balances at end of year . . . . .</b>	<b><u>\$ 13,709</u></b>	<b><u>\$ 12,426</u></b>	<b><u>\$ 14,208</u></b>	<b><u>\$ 5,794</u></b>

<b>Sidewalk Improvement Program</b>	<b>City Grant</b>	<b>Federal Emergency Management Agency</b>	<b>Emergency Reserve</b>	<b>Community Development Block Grant</b>	<b>Rental Rehabilitation</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	7,075	-	-	791,824	-
22,637	-	-	-	-	-
-	-	-	8	-	-
-	-	-	-	-	-
58,322	-	-	-	7,989	-
<u>80,959</u>	<u>7,075</u>	<u>-</u>	<u>8</u>	<u>799,813</u>	<u>-</u>
-	-	-	-	-	-
-	1,641	-	-	-	-
-	-	-	-	-	-
-	-	-	-	688,879	-
-	-	-	-	-	-
98,890	-	-	-	-	-
-	-	-	-	138,610	-
-	-	-	-	59,260	-
<u>98,890</u>	<u>1,641</u>	<u>-</u>	<u>-</u>	<u>886,749</u>	<u>-</u>
<u>(17,931)</u>	<u>5,434</u>	<u>-</u>	<u>8</u>	<u>(86,936)</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(17,931)</u>	<u>5,434</u>	<u>-</u>	<u>8</u>	<u>(86,936)</u>	<u>-</u>
<u>68,540</u>	<u>30,643</u>	<u>3,559</u>	<u>267</u>	<u>531,446</u>	<u>2,000</u>
<u>\$ 50,609</u>	<u>\$ 36,077</u>	<u>\$ 3,559</u>	<u>\$ 275</u>	<u>\$ 444,510</u>	<u>\$ 2,000</u>

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**CITY OF BARBERTON**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<b>Home Investment Partnership</b>	<b>Tax Increment Financing</b>	<b>Lake Cinema Complex Maintenance</b>	<b>Project Impact</b>
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Charges for services . . . . .	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	-
Intergovernmental . . . . .	-	36,350	-	-
Special assessments . . . . .	-	-	-	-
Investment income . . . . .	-	-	-	-
Contributions and donations . . . . .	-	-	-	-
Other . . . . .	-	-	16,000	83,100
<b>Total revenues . . . . .</b>	<b>-</b>	<b>36,350</b>	<b>16,000</b>	<b>83,100</b>
<b>Expenditures:</b>				
Current:				
General government . . . . .	-	-	-	-
Public safety . . . . .	-	-	-	-
Transportation . . . . .	-	-	-	-
Community environment . . . . .	-	20,183	-	75,330
Leisure time activities . . . . .	-	-	-	-
Capital outlay . . . . .	-	-	-	-
Debt service:				
Principal retirement . . . . .	-	-	-	-
Interest and fiscal charges . . . . .	-	-	-	-
<b>Total expenditures . . . . .</b>	<b>-</b>	<b>20,183</b>	<b>-</b>	<b>75,330</b>
Excess (deficiency) of revenues over (under) expenditures . . . . .	-	16,167	16,000	7,770
<b>Other financing sources (uses):</b>				
Capital lease transaction . . . . .	-	-	-	-
Sale of capital assets . . . . .	-	-	-	-
Transfers in . . . . .	-	-	-	-
Transfers out . . . . .	-	(14,724)	-	-
<b>Total other financing sources (uses) . . . . .</b>	<b>-</b>	<b>(14,724)</b>	<b>-</b>	<b>-</b>
Net change in fund balances . . . . .	-	1,443	16,000	7,770
<b>Fund balances at beginning of year . . . . .</b>	<b>267,000</b>	<b>24,544</b>	<b>-</b>	<b>5,503</b>
<b>Fund balances at end of year . . . . .</b>	<b>\$ 267,000</b>	<b>\$ 25,987</b>	<b>\$ 16,000</b>	<b>\$ 13,273</b>



<b>Beautification</b>	<b>Downtown Sales and Rental</b>	<b>Senior Center Trust</b>	<b>Fire Pension</b>	<b>Police Pension</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ -	\$ -	\$ -	\$ 113,331	\$ 113,617	\$ 226,948
-	-	16,654	-	-	122,278
-	-	-	-	-	95,049
27,362	-	-	8,916	36,784	1,937,654
-	-	-	-	-	27,102
-	-	3,661	-	-	45,132
83,374	-	8,355	-	-	177,625
13,500	-	21,639	-	-	208,444
<u>124,236</u>	<u>-</u>	<u>50,309</u>	<u>122,247</u>	<u>150,401</u>	<u>2,840,232</u>
-	-	-	1,968	1,968	33,663
-	-	-	124,000	124,000	259,191
-	-	-	-	-	1,176,169
-	5,064	-	-	-	797,456
103,779	-	33,077	-	-	358,056
-	-	-	-	-	705,105
-	-	702	-	-	252,018
-	-	169	-	-	81,597
<u>103,779</u>	<u>5,064</u>	<u>33,948</u>	<u>125,968</u>	<u>125,968</u>	<u>3,663,255</u>
<u>20,457</u>	<u>(5,064)</u>	<u>16,361</u>	<u>(3,721)</u>	<u>24,433</u>	<u>(823,023)</u>
-	-	-	-	-	211,276
-	-	-	-	-	9,282
-	-	-	-	-	760,000
-	-	-	-	-	(14,724)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>965,834</u>
20,457	(5,064)	16,361	(3,721)	24,433	142,811
57,143	5,064	109,506	30,056	18,232	2,807,545
<u>\$ 77,600</u>	<u>\$ -</u>	<u>\$ 125,867</u>	<u>\$ 26,335</u>	<u>\$ 42,665</u>	<u>\$ 2,950,356</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 845,000	\$ 845,000	\$ 912,687	\$ 67,687
Investment income . . . . .	6,000	6,000	12,313	6,313
Other . . . . .	3,000	3,000	6,229	3,229
Total revenues. . . . .	<u>854,000</u>	<u>854,000</u>	<u>931,229</u>	<u>77,229</u>
<b>Expenditures:</b>				
Current:				
Transportation . . . . .	1,309,552	1,282,462	1,164,208	118,254
Capital outlay . . . . .	56,000	56,125	56,123	2
Total expenditures. . . . .	<u>1,365,552</u>	<u>1,338,587</u>	<u>1,220,331</u>	<u>118,256</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(511,552)</u>	<u>(484,587)</u>	<u>(289,102)</u>	<u>195,485</u>
<b>Other financing sources:</b>				
Transfers in. . . . .	340,000	340,000	340,000	-
Total other financing sources. . . . .	<u>340,000</u>	<u>340,000</u>	<u>340,000</u>	<u>-</u>
Net change in fund balance. . . . .	(171,552)	(144,587)	50,898	195,485
<b>Fund balance at beginning of year . . . . .</b>	269,719	269,719	269,719	-
<b>Prior year encumbrances appropriated . . .</b>	<u>157,952</u>	<u>157,952</u>	<u>157,952</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 256,119</u>	<u>\$ 283,084</u>	<u>\$ 478,569</u>	<u>\$ 195,485</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STATE HIGHWAY IMPROVEMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental. . . . .	\$ 53,000	\$ 53,000	\$ 59,225	\$ 6,225
Investment income . . . . .	1,000	1,000	1,731	731
Other . . . . .	-	-	127	127
Total revenues. . . . .	<u>54,000</u>	<u>54,000</u>	<u>61,083</u>	<u>7,083</u>
<b>Expenditures:</b>				
Current:				
Transportation . . . . .	<u>47,700</u>	<u>47,700</u>	<u>47,583</u>	<u>117</u>
Total expenditures. . . . .	<u>47,700</u>	<u>47,700</u>	<u>47,583</u>	<u>117</u>
Net change in fund balance . . . . .	6,300	6,300	13,500	7,200
<b>Fund balance at beginning of year. . . . .</b>	<u>32,624</u>	<u>32,624</u>	<u>32,624</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 38,924</u>	<u>\$ 38,924</u>	<u>\$ 46,124</u>	<u>\$ 7,200</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**PERMISSIVE LICENSE TAX FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 53,000	\$ 53,000	\$ 53,360	\$ 360
Investment income . . . . .	12,000	12,000	11,528	(472)
Special assessments . . . . .	-	-	652	652
Total revenues. . . . .	<u>65,000</u>	<u>65,000</u>	<u>65,540</u>	<u>540</u>
<b>Expenditures:</b>				
Current:				
Transportation . . . . .	43,851	11,514	11,514	-
Debt service:				
Principal retirement. . . . .	35,000	35,000	-	35,000
Interest and fiscal charges. . . . .	<u>27,000</u>	<u>27,000</u>	<u>-</u>	<u>27,000</u>
Total expenditures. . . . .	<u>105,851</u>	<u>73,514</u>	<u>11,514</u>	<u>62,000</u>
Net change in fund balance . . . . .	(40,851)	(8,514)	54,026	62,540
<b>Fund balance at beginning of year. . . . .</b>	273,956	273,956	273,956	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>43,851</u>	<u>43,851</u>	<u>43,851</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 276,956</u>	<u>\$ 309,293</u>	<u>\$ 371,833</u>	<u>\$ 62,540</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**RESIDENTIAL STREET FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Special assessments . . . . .	\$ 20,000	\$ 20,000	\$ 3,813	\$ (16,187)
Total revenues . . . . .	<u>20,000</u>	<u>20,000</u>	<u>3,813</u>	<u>(16,187)</u>
<b>Expenditures:</b>				
Capital outlay . . . . .	355,429	347,676	317,891	29,785
Total expenditures . . . . .	<u>355,429</u>	<u>347,676</u>	<u>317,891</u>	<u>29,785</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(335,429)</u>	<u>(327,676)</u>	<u>(314,078)</u>	<u>13,598</u>
<b>Other financing sources:</b>				
Transfers in. . . . .	270,000	270,000	270,000	-
Total other financing sources. . . . .	<u>270,000</u>	<u>270,000</u>	<u>270,000</u>	<u>-</u>
Net change in fund balance. . . . .	(65,429)	(57,676)	(44,078)	13,598
<b>Fund balance at beginning of year . . . . .</b>	53,198	53,198	53,198	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>15,429</u>	<u>15,429</u>	<u>15,429</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 3,198</u>	<u>\$ 10,951</u>	<u>\$ 24,549</u>	<u>\$ 13,598</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COURT COMPUTER FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 59,000	\$ 59,000	\$ 53,990	\$ (5,010)
Other . . . . .	150	150	-	(150)
Total revenues . . . . .	<u>59,150</u>	<u>59,150</u>	<u>53,990</u>	<u>(5,160)</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	<u>50,959</u>	<u>50,944</u>	<u>37,952</u>	<u>12,992</u>
Total expenditures. . . . .	<u>50,959</u>	<u>50,944</u>	<u>37,952</u>	<u>12,992</u>
Net change in fund balance . . . . .	8,191	8,206	16,038	7,832
<b>Fund balance at beginning of year. . . . .</b>	77,736	77,736	77,736	-
<b>Prior year encumbrances appropriated . . .</b>	<u>959</u>	<u>959</u>	<u>959</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 86,886</u>	<u>\$ 86,901</u>	<u>\$ 94,733</u>	<u>\$ 7,832</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**INDIGENT DRIVERS ALCOHOL TREATMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 35,000	\$ 35,000	\$ 39,056	\$ 4,056
Total revenues . . . . .	<u>35,000</u>	<u>35,000</u>	<u>39,056</u>	<u>4,056</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	-	9,000	8,805	195
Total expenditures . . . . .	<u>-</u>	<u>9,000</u>	<u>8,805</u>	<u>195</u>
Net change in fund balance. . . . .	35,000	26,000	30,251	4,251
<b>Fund balance at beginning of year . . . . .</b>	<u>27,494</u>	<u>27,494</u>	<u>27,494</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 62,494</u>	<u>\$ 53,494</u>	<u>\$ 57,745</u>	<u>\$ 4,251</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SPORTS COMPLEX OPERATING FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 75,000	\$ 75,000	\$ 59,766	\$ (15,234)
Other . . . . .	-	-	38	38
Total revenues . . . . .	<u>75,000</u>	<u>75,000</u>	<u>59,804</u>	<u>(15,196)</u>
<b>Expenditures:</b>				
Current:				
Leisure time activities . . . . .	81,850	97,519	90,898	6,621
Debt service:				
Principal retirement . . . . .	111,800	111,800	111,720	80
Interest and fiscal charges . . . . .	<u>22,000</u>	<u>22,000</u>	<u>21,931</u>	<u>69</u>
Total expenditures . . . . .	<u>215,650</u>	<u>231,319</u>	<u>224,549</u>	<u>6,770</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(140,650)</u>	<u>(156,319)</u>	<u>(164,745)</u>	<u>(8,426)</u>
<b>Other financing sources:</b>				
Transfers in. . . . .	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Total other financing sources. . . . .	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Net change in fund balance . . . . .	9,350	(6,319)	(14,745)	(8,426)
<b>Fund balance at beginning of year.</b>	14,025	14,025	14,025	-
<b>Prior year encumbrances appropriated. . .</b>	<u>1,117</u>	<u>1,117</u>	<u>1,117</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 24,492</u>	<u>\$ 8,823</u>	<u>\$ 397</u>	<u>\$ (8,426)</u>



**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**PARKS RECREATION IMPROVEMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income . . . . .	\$ 10,000	\$ 15,000	\$ 16,084	\$ 1,084
Total revenues . . . . .	<u>10,000</u>	<u>15,000</u>	<u>16,084</u>	<u>1,084</u>
<b>Expenditures:</b>				
Capital outlay . . . . .	<u>14,000</u>	<u>129,000</u>	<u>92,151</u>	<u>36,849</u>
Total expenditures . . . . .	<u>14,000</u>	<u>129,000</u>	<u>92,151</u>	<u>36,849</u>
Net change in fund balance . . . . .	(4,000)	(114,000)	(76,067)	37,933
<b>Fund balance at beginning of year . . . . .</b>	503,134	503,134	503,134	-
<b>Prior year encumbrances appropriated. . .</b>	<u>14,000</u>	<u>14,000</u>	<u>14,000</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 513,134</u>	<u>\$ 403,134</u>	<u>\$ 441,067</u>	<u>\$ 37,933</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GAS AND OIL ROYALTY FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Other . . . . .	\$ 6,000	\$ 6,000	\$ 1,500	\$ (4,500)
Total revenues . . . . .	<u>6,000</u>	<u>6,000</u>	<u>1,500</u>	<u>(4,500)</u>
<b>Expenditures:</b>				
Current:				
Community environment . . . . .	8,000	8,000	8,000	-
Total expenditures . . . . .	<u>8,000</u>	<u>8,000</u>	<u>8,000</u>	<u>-</u>
Net change in fund balance. . . . .	(2,000)	(2,000)	(6,500)	(4,500)
<b>Fund balance at beginning of year . . . . .</b>	<u>27,010</u>	<u>27,010</u>	<u>27,010</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 25,010</u>	<u>\$ 25,010</u>	<u>\$ 20,510</u>	<u>\$ (4,500)</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**D.A.R.E. PROGRAM FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures:</b>				
Current:				
Public safety . . . . .	\$ 1,732	\$ 12,644	\$ 10,246	\$ 2,398
Total expenditures . . . . .	<u>1,732</u>	<u>12,644</u>	<u>10,246</u>	<u>2,398</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(1,732)</u>	<u>(12,644)</u>	<u>(10,246)</u>	<u>2,398</u>
<b>Other financing sources:</b>				
Sale of capital assets . . . . .	<u>-</u>	<u>-</u>	<u>928</u>	<u>928</u>
Total other financing sources. . . . .	<u>-</u>	<u>-</u>	<u>928</u>	<u>928</u>
Net change in fund balance. . . . .	(1,732)	(12,644)	(9,318)	3,326
<b>Fund balance at beginning of year . . . . .</b>	20,599	20,599	20,599	-
<b>Prior year encumbrances appropriated . .</b>	<u>1,732</u>	<u>1,732</u>	<u>1,732</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u><u>\$ 20,599</u></u>	<u><u>\$ 9,687</u></u>	<u><u>\$ 13,013</u></u>	<u><u>\$ 3,326</u></u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**MANDATORY DRUG FINES FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 1,000	\$ 1,000	\$ 1,721	\$ 721
Total revenues . . . . .	<u>1,000</u>	<u>1,000</u>	<u>1,721</u>	<u>721</u>
Net change in fund balance. . . . .	1,000	1,000	1,721	721
<b>Fund balance at beginning of year . . . . .</b>	<u>10,100</u>	<u>10,100</u>	<u>10,100</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 11,100</u>	<u>\$ 11,100</u>	<u>\$ 11,821</u>	<u>\$ 721</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**LOCAL LAW ENFORCEMENT TRUST FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures:</b>				
Capital outlay . . . . .	\$ -	\$ 2,996	\$ 2,786	\$ 210
Total expenditures . . . . .	-	2,996	2,786	210
Excess (deficiency) of revenues over (under) expenditures . . . . .	-	(2,996)	(2,786)	210
<b>Other financing sources:</b>				
Sale of capital assets . . . . .	-	6,550	8,354	1,804
Total other financing sources. . . . .	-	6,550	8,354	1,804
Net change in fund balance. . . . .	-	3,554	5,568	2,014
<b>Fund balance at beginning of year . . . . .</b>	<u>8,640</u>	<u>8,640</u>	<u>8,640</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 8,640</u>	<u>\$ 12,194</u>	<u>\$ 14,208</u>	<u>\$ 2,014</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**PARKS REVOLVING LOAN FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Charges for services. . . . .	\$ 28,000	\$ 51,000	\$ 45,778	\$ (5,222)
Contributions and donations. . . . .	72,000	86,699	85,896	(803)
Total revenues. . . . .	<u>100,000</u>	<u>137,699</u>	<u>131,674</u>	<u>(6,025)</u>
<b>Expenditures:</b>				
Current:				
Leisure time activities . . . . .	101,488	137,878	130,626	7,252
Total expenditures. . . . .	<u>101,488</u>	<u>137,878</u>	<u>130,626</u>	<u>7,252</u>
Net change in fund balance. . . . .	(1,488)	(179)	1,048	1,227
<b>Fund balance at beginning of year . . . . .</b>	5,267	5,267	5,267	-
<b>Prior year encumbrances appropriated . . .</b>	<u>543</u>	<u>543</u>	<u>543</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 4,322</u>	<u>\$ 5,631</u>	<u>\$ 6,858</u>	<u>\$ 1,227</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SIDEWALK IMPROVEMENT PROGRAM FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Special assessment . . . . .	\$ 20,000	\$ 20,000	\$ 22,637	\$ 2,637
Other . . . . .	60,000	60,000	58,322	(1,678)
Total revenues. . . . .	<u>80,000</u>	<u>80,000</u>	<u>80,959</u>	<u>959</u>
<b>Expenditures:</b>				
Capital outlay . . . . .	112,114	109,355	104,960	4,395
Total expenditures. . . . .	<u>112,114</u>	<u>109,355</u>	<u>104,960</u>	<u>4,395</u>
Net change in fund balance. . . . .	(32,114)	(29,355)	(24,001)	5,354
<b>Fund balance at beginning of year . . . . .</b>	61,826	61,826	61,826	-
<b>Prior year encumbrances appropriated . . .</b>	<u>6,714</u>	<u>6,714</u>	<u>6,714</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 36,426</u>	<u>\$ 39,185</u>	<u>\$ 44,539</u>	<u>\$ 5,354</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**CITY GRANT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental. . . . .	\$ -	\$ 6,000	\$ 5,808	\$ (192)
Total revenues. . . . .	-	6,000	5,808	(192)
<b>Expenditures:</b>				
Current:				
Public safety. . . . .	27,536	27,536	2,216	25,320
Total expenditures . . . . .	27,536	27,536	2,216	25,320
Net change in fund balance. . . . .	(27,536)	(21,536)	3,592	25,128
<b>Fund balance at beginning of year . . . . .</b>	<u>31,218</u>	<u>31,218</u>	<u>31,218</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 3,682</u>	<u>\$ 9,682</u>	<u>\$ 34,810</u>	<u>\$ 25,128</u>



**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**FEDERAL EMERGENCY MANAGEMENT AGENCY FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Expenditures:</b>				
Capital outlay . . . . .	\$ 3,533	\$ 3,533	\$ 3,533	\$ -
Total expenditures . . . . .	<u>3,533</u>	<u>3,533</u>	<u>3,533</u>	<u>-</u>
Net change in fund balance. . . . .	(3,533)	(3,533)	(3,533)	-
<b>Fund balance at beginning of year . . . . .</b>	26	26	26	-
<b>Prior year encumbrances appropriated . .</b>	<u>3,533</u>	<u>3,533</u>	<u>3,533</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 26</u>	<u>\$ 26</u>	<u>\$ 26</u>	<u>\$ -</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**EMERGENCY RESERVE FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income . . . . .	\$ 10	\$ 10	\$ 8	\$ (2)
Total revenues . . . . .	<u>10</u>	<u>10</u>	<u>8</u>	<u>(2)</u>
Net change in fund balance. . . . .	10	10	8	(2)
<b>Fund balance at beginning of year . . . . .</b>	<u>267</u>	<u>267</u>	<u>267</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 277</u>	<u>\$ 277</u>	<u>\$ 275</u>	<u>\$ (2)</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COMMUNITY DEVELOPMENT BLOCK GRANT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 904,651	\$ 1,670,492	\$ 934,785	\$ (735,707)
Other . . . . .	-	50,000	69,745	19,745
Total revenues . . . . .	<u>904,651</u>	<u>1,720,492</u>	<u>1,004,530</u>	<u>(715,962)</u>
<b>Expenditures:</b>				
Current:				
Community environment . . . . .	67,852	1,366,877	863,572	503,305
Debt service:				
Principal retirement . . . . .	138,610	138,610	138,610	-
Interest and fiscal charges. . . . .	<u>59,260</u>	<u>59,260</u>	<u>59,260</u>	<u>-</u>
Total expenditures . . . . .	<u>265,722</u>	<u>1,564,747</u>	<u>1,061,442</u>	<u>503,305</u>
Net change in fund balance. . . . .	638,929	155,745	(56,912)	(212,657)
<b>Fund balance (deficit) at beginning of year. .</b>	(368,876)	(368,876)	(368,876)	-
<b>Prior year encumbrances appropriated . . .</b>	<u>265,722</u>	<u>265,722</u>	<u>265,722</u>	<u>-</u>
<b>Fund balance (deficit) at end of year . . . . .</b>	<u>\$ 535,775</u>	<u>\$ 52,591</u>	<u>\$ (160,066)</u>	<u>\$ (212,657)</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**RENTAL REHABILITATION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Fund balance at beginning of year . . . . .</b>	\$ 2,000	\$ 2,000	\$ 2,000	\$ -
<b>Fund balance at end of year. . . . .</b>	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ -</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**TAX INCREMENT FINANCING FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 38,000	\$ 38,000	\$ 36,350	\$ (1,650)
Total revenues . . . . .	<u>38,000</u>	<u>38,000</u>	<u>36,350</u>	<u>(1,650)</u>
<b>Expenditures:</b>				
Current:				
Community environment . . . . .	20,225	20,225	20,183	42
Total expenditures . . . . .	<u>20,225</u>	<u>20,225</u>	<u>20,183</u>	<u>42</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>17,775</u>	<u>17,775</u>	<u>16,167</u>	<u>(1,608)</u>
<b>Other financing uses:</b>				
Transfers out . . . . .	(14,724)	(14,724)	(14,724)	-
Total other financing uses . . . . .	<u>(14,724)</u>	<u>(14,724)</u>	<u>(14,724)</u>	<u>-</u>
Net change in fund balance . . . . .	3,051	3,051	1,443	(1,608)
<b>Fund balance at beginning of year . . . . .</b>	<u>24,544</u>	<u>24,544</u>	<u>24,544</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 27,595</u>	<u>\$ 27,595</u>	<u>\$ 25,987</u>	<u>\$ (1,608)</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**LAKE CINEMA COMPLEX MAINTENANCE FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Other . . . . .	\$ -	\$ 16,000	\$ 16,000	\$ -
Total revenues . . . . .	-	16,000	16,000	-
Net change in fund balance. . . . .	-	16,000	16,000	-
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ 16,000</u>	<u>\$ 16,000</u>	<u>\$ -</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**PROJECT IMPACT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Other . . . . .	\$ 125,000	\$ 125,000	\$ 83,100	\$ (41,900)
Total revenues . . . . .	<u>125,000</u>	<u>125,000</u>	<u>83,100</u>	<u>(41,900)</u>
<b>Expenditures:</b>				
Current:				
Community environment . . . . .	<u>130,502</u>	<u>130,502</u>	<u>75,330</u>	<u>55,172</u>
Total expenditures . . . . .	<u>130,502</u>	<u>130,502</u>	<u>75,330</u>	<u>55,172</u>
Net change in fund balance. . . . .	(5,502)	(5,502)	7,770	13,272
<b>Fund balance at beginning of year . . . . .</b>	2,203	2,203	2,203	-
<b>Prior year encumbrances appropriated . . .</b>	<u>3,300</u>	<u>3,300</u>	<u>3,300</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 13,273</u>	<u>\$ 13,272</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**BEAUTIFICATION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental. . . . .	\$ 26,000	\$ 26,000	\$ 27,362	\$ 1,362
Contributions and donations. . . . .	79,750	84,250	83,374	(876)
Total revenues. . . . .	<u>105,750</u>	<u>110,250</u>	<u>110,736</u>	<u>486</u>
<b>Expenditures:</b>				
Current:				
Leisure time activities . . . . .	113,206	115,923	109,927	5,996
Total expenditures. . . . .	<u>113,206</u>	<u>115,923</u>	<u>109,927</u>	<u>5,996</u>
Net change in fund balance. . . . .	(7,456)	(5,673)	809	6,482
<b>Fund balance at beginning of year . . . . .</b>	54,147	54,147	54,147	-
<b>Prior year encumbrances appropriated . . .</b>	<u>5,179</u>	<u>5,179</u>	<u>5,179</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 51,870</u>	<u>\$ 53,653</u>	<u>\$ 60,135</u>	<u>\$ 6,482</u>



**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SENIOR CENTER TRUST FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income . . . . .	\$ 3,500	\$ 3,500	\$ 3,680	\$ 180
Charges for services . . . . .	12,800	12,800	16,654	3,854
Contributions and donations . . . . .	9,200	9,200	8,355	(845)
Other . . . . .	250	250	289	39
<b>Total revenues.</b> . . . . .	<u>25,750</u>	<u>25,750</u>	<u>28,978</u>	<u>3,228</u>
<b>Expenditures:</b>				
Current:				
Leisure time activities . . . . .	39,192	83,589	36,136	47,453
<b>Total expenditures.</b> . . . . .	<u>39,192</u>	<u>83,589</u>	<u>36,136</u>	<u>47,453</u>
Net change in fund balance. . . . .	(13,442)	(57,839)	(7,158)	50,681
<b>Fund balance at beginning of year . . . . .</b>	101,118	101,118	101,118	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>7,612</u>	<u>7,612</u>	<u>7,612</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 95,288</u>	<u>\$ 50,891</u>	<u>\$ 101,572</u>	<u>\$ 50,681</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**FIRE PENSION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property taxes . . . . .	\$ 117,182	\$ 118,020	\$ 118,629	\$ 609
Intergovernmental . . . . .	22,678	9,178	8,798	(380)
Total revenues . . . . .	<u>139,860</u>	<u>127,198</u>	<u>127,427</u>	<u>229</u>
<b>Expenditures:</b>				
Current:				
General government. . . . .	2,000	2,000	1,968	32
Public safety. . . . .	<u>124,000</u>	<u>124,000</u>	<u>124,000</u>	<u>-</u>
Total expenditures . . . . .	<u>126,000</u>	<u>126,000</u>	<u>125,968</u>	<u>32</u>
Net change in fund balance. . . . .	13,860	1,198	1,459	261
<b>Fund balance at beginning of year . . . . .</b>	<u>17,791</u>	<u>17,791</u>	<u>17,791</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 31,651</u>	<u>\$ 18,989</u>	<u>\$ 19,250</u>	<u>\$ 261</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**POLICE PENSION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Property taxes . . . . .	\$ 117,182	\$ 118,020	\$ 118,629	\$ 609
Intergovernmental . . . . .	22,678	36,978	36,666	(312)
Total revenues . . . . .	<u>139,860</u>	<u>154,998</u>	<u>155,295</u>	<u>297</u>
<b>Expenditures:</b>				
Current:				
General government. . . . .	2,000	2,000	1,968	32
Public safety. . . . .	<u>124,000</u>	<u>124,000</u>	<u>124,000</u>	<u>-</u>
Total expenditures . . . . .	<u>126,000</u>	<u>126,000</u>	<u>125,968</u>	<u>32</u>
Net change in fund balance. . . . .	13,860	28,998	29,327	329
<b>Fund balance at beginning of year . . . . .</b>	<u>20,187</u>	<u>20,187</u>	<u>20,187</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 34,047</u>	<u>\$ 49,185</u>	<u>\$ 49,514</u>	<u>\$ 329</u>

**CITY OF BARBERTON, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR DEBT SERVICE FUNDS  
DECEMBER 31, 2007*

	<b>General Obligation Bond Retirement</b>	<b>Special Assesment Bond Retirement</b>	<b>Total Nonmajor Debt Service Funds</b>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents. . . . .	\$ 18,797	\$ 304,571	\$ 323,368
Receivables (net of allowances for uncollectibles):			
Special assessments . . . . .	<u>                    -</u>	<u>                  201,800</u>	<u>                  201,800</u>
Total assets . . . . .	<u><u>\$ 18,797</u></u>	<u><u>\$ 506,371</u></u>	<u><u>\$ 525,168</u></u>
 <b>Liabilities:</b>			
Deferred revenue. . . . .	<u>                    -</u>	<u>                  201,800</u>	<u>                  201,800</u>
Total liabilities . . . . .	<u>                    -</u>	<u>                  201,800</u>	<u>                  201,800</u>
 <b>Fund Balances:</b>			
Reserved for debt service . . . . .	<u>                  18,797</u>	<u>                  304,571</u>	<u>                  323,368</u>
Total fund balances . . . . .	<u><u>                  18,797</u></u>	<u><u>                  304,571</u></u>	<u><u>                  323,368</u></u>
Total liabilities and fund balance . . . . .	<u><u>\$ 18,797</u></u>	<u><u>\$ 506,371</u></u>	<u><u>\$ 525,168</u></u>

**CITY OF BARBERTON**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<b>General Obligation Bond Retirement</b>	<b>Special Assesment Bond Retirement</b>	<b>Total Nonmajor Debt Service Funds</b>
	<hr/>	<hr/>	<hr/>
<b>Revenues:</b>			
Special assessments . . . . .	\$ -	\$ 102,578	\$ 102,578
Other . . . . .	394,522	-	394,522
	<hr/>	<hr/>	<hr/>
Total revenues . . . . .	394,522	102,578	497,100
	<hr/>	<hr/>	<hr/>
<b>Expenditures:</b>			
Debt service:			
Principal retirement. . . . .	518,004	58,841	576,845
Interest and fiscal charges . . . . .	111,866	19,650	131,516
Note issuance costs. . . . .	10,292	-	10,292
	<hr/>	<hr/>	<hr/>
Total expenditures . . . . .	640,162	78,491	718,653
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures. . . . .	(245,640)	24,087	(221,553)
	<hr/>	<hr/>	<hr/>
<b>Other financing sources:</b>			
Notes issued . . . . .	20,000	-	20,000
Transfers in. . . . .	241,248	-	241,248
	<hr/>	<hr/>	<hr/>
Total other financing sources . . . . .	261,248	-	261,248
	<hr/>	<hr/>	<hr/>
Net change in fund balances. . . . .	15,608	24,087	39,695
	<hr/>	<hr/>	<hr/>
<b>Fund balances at beginning of year . . . . .</b>	3,189	280,484	283,673
	<hr/>	<hr/>	<hr/>
<b>Fund balances at end of year . . . . .</b>	<u>\$ 18,797</u>	<u>\$ 304,571</u>	<u>\$ 323,368</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GENERAL OBLIGATION BOND RETIREMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Other . . . . .	\$ 558,780	\$ 553,780	\$ 547,343	\$ (6,437)
Total revenues. . . . .	<u>558,780</u>	<u>553,780</u>	<u>547,343</u>	<u>(6,437)</u>
<b>Expenditures:</b>				
Debt service:				
Principal retirement. . . . .	1,316,480	1,316,480	1,316,004	476
Interest and fiscal charges. . . . .	149,800	149,800	145,687	4,113
Note issuance costs . . . . .	15,000	15,000	10,292	4,708
Total expenditures. . . . .	<u>1,481,280</u>	<u>1,481,280</u>	<u>1,471,983</u>	<u>9,297</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(922,500)</u>	<u>(927,500)</u>	<u>(924,640)</u>	<u>2,860</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	241,248	241,248	241,248	-
Note issuance . . . . .	699,000	699,000	699,000	-
Total other financing sources . . . . .	<u>940,248</u>	<u>940,248</u>	<u>940,248</u>	<u>-</u>
Net change in fund balance. . . . .	17,748	12,748	15,608	2,860
<b>Fund balance at beginning of year . . . . .</b>	<u>3,189</u>	<u>3,189</u>	<u>3,189</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 20,937</u>	<u>\$ 15,937</u>	<u>\$ 18,797</u>	<u>\$ 2,860</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SPECIAL ASSESSMENT BOND RETIREMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Special assessment . . . . .	\$ 91,189	\$ 102,189	\$ 102,578	\$ 389
Total revenues. . . . .	<u>91,189</u>	<u>102,189</u>	<u>102,578</u>	<u>389</u>
<b>Expenditures:</b>				
Debt service:				
Principal retirement. . . . .	58,900	58,900	58,841	59
Interest and fiscal charges. . . . .	30,000	30,000	19,650	10,350
Other . . . . .	<u>2,000</u>	<u>2,000</u>	-	<u>2,000</u>
Total expenditures. . . . .	<u>90,900</u>	<u>90,900</u>	<u>78,491</u>	<u>12,409</u>
Net change in fund balance. . . . .	289	11,289	24,087	12,798
<b>Fund balance at beginning of year . . . . .</b>	<u>280,484</u>	<u>280,484</u>	<u>280,484</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 280,773</u>	<u>\$ 291,773</u>	<u>\$ 304,571</u>	<u>\$ 12,798</u>

**CITY OF BARBERTON, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
DECEMBER 31, 2007*

	<u>Street Improvement</u>	<u>Senior Center Construction</u>	<u>Issue II</u>	<u>Infrastructure Improvement Reserve</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 38	\$ 70,568	\$ 1	\$ 722,730
Total assets . . . . .	<u>\$ 38</u>	<u>\$ 70,568</u>	<u>\$ 1</u>	<u>\$ 722,730</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ -	\$ 20,563	\$ -	\$ -
Accrued interest payable. . . . .	1,736	-	1,334	-
Notes payable . . . . .	<u>384,000</u>	<u>-</u>	<u>295,000</u>	<u>-</u>
Total liabilities . . . . .	<u>385,736</u>	<u>20,563</u>	<u>296,334</u>	<u>-</u>
<b>Fund Balances:</b>				
Reserved for encumbrances. . . . .	-	48,788	-	126,222
Unreserved, undesignated (deficit) reported in:				
Capital projects funds . . . . .	<u>(385,698)</u>	<u>1,217</u>	<u>(296,333)</u>	<u>596,508</u>
Total fund balances (deficit) . . . . .	<u>(385,698)</u>	<u>50,005</u>	<u>(296,333)</u>	<u>722,730</u>
Total liabilities and fund balance . . . . .	<u>\$ 38</u>	<u>\$ 70,568</u>	<u>\$ 1</u>	<u>\$ 722,730</u>



<b>Street and Storm Sewer Improvement</b>	<b>Total Nonmajor Capital Projects Funds</b>
\$ 30,671	\$ 824,008
<u>\$ 30,671</u>	<u>\$ 824,008</u>
\$ 23,561	\$ 44,124
-	3,070
-	679,000
<u>23,561</u>	<u>726,194</u>
7,015	182,025
95	(84,211)
<u>7,110</u>	<u>97,814</u>
<u>\$ 30,671</u>	<u>\$ 824,008</u>

**CITY OF BARBERTON**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Street Improvement</u>	<u>Senior Center Construction</u>	<u>Issue II</u>	<u>Infrastructure Improvement Reserve</u>
<b>Revenues:</b>				
Investment income . . . . .	\$ -	\$ 24,145	\$ -	\$ 26,650
Other . . . . .	93,411	-	59,410	-
<b>Total revenues . . . . .</b>	<u>93,411</u>	<u>24,145</u>	<u>59,410</u>	<u>26,650</u>
<b>Expenditures:</b>				
Capital outlay . . . . .	-	20,563	-	328,590
Intergovernmental . . . . .	-	1,578,763	-	-
Debt service:				
Interest and fiscal charges . . . . .	18,801	-	13,900	-
<b>Total expenditures . . . . .</b>	<u>18,801</u>	<u>1,599,326</u>	<u>13,900</u>	<u>328,590</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>74,610</u>	<u>(1,575,181)</u>	<u>45,510</u>	<u>(301,940)</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	-	-	-	330,000
Transfers out . . . . .	-	-	(81,524)	-
<b>Total other financing sources . . . . .</b>	<u>-</u>	<u>-</u>	<u>(81,524)</u>	<u>330,000</u>
Net change in fund balances . . . . .	74,610	(1,575,181)	(36,014)	28,060
<b>Fund balances (deficit) at beginning of year . .</b>	<u>(460,308)</u>	<u>1,625,186</u>	<u>(260,319)</u>	<u>694,670</u>
<b>Fund balances (deficit) at end of year . . . . .</b>	<u><u>\$ (385,698)</u></u>	<u><u>\$ 50,005</u></u>	<u><u>\$ (296,333)</u></u>	<u><u>\$ 722,730</u></u>

<b>Street and Storm Sewer Improvement</b>	<b>Total Nonmajor Capital Projects Funds</b>
\$ -	\$ 50,795
<u>-</u>	<u>152,821</u>
<u>-</u>	<u>203,616</u>
23,561	372,714
-	1,578,763
<u>-</u>	<u>32,701</u>
<u>23,561</u>	<u>1,984,178</u>
<u>(23,561)</u>	<u>(1,780,562)</u>
12,800	342,800
<u>-</u>	<u>(81,524)</u>
<u>12,800</u>	<u>261,276</u>
(10,761)	(1,519,286)
<u>17,871</u>	<u>1,617,100</u>
<u>\$ 7,110</u>	<u>\$ 97,814</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STREET IMPROVEMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Fund balance at beginning of year . . . . .</b>	\$ 38	\$ 38	\$ 38	\$ -
<b>Fund balance at end of year. . . . .</b>	<u>\$ 38</u>	<u>\$ 38</u>	<u>\$ 38</u>	<u>\$ -</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SENIOR CENTER CONSTRUCTION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income . . . . .	\$ 50,000	\$ 31,000	\$ 27,812	\$ (3,188)
Total revenues. . . . .	<u>50,000</u>	<u>31,000</u>	<u>27,812</u>	<u>(3,188)</u>
<b>Expenditures:</b>				
Capital outlay . . . . .	<u>1,246,948</u>	<u>1,823,514</u>	<u>1,843,638</u>	<u>(20,124)</u>
Total expenditures. . . . .	<u>1,246,948</u>	<u>1,823,514</u>	<u>1,843,638</u>	<u>(20,124)</u>
Net change in fund balance. . . . .	(1,196,948)	(1,792,514)	(1,815,826)	(23,312)
<b>Fund balance at beginning of year . . . . .</b>	569,991	569,991	569,991	-
<b>Prior year encumbrances appropriated . . .</b>	<u>1,246,948</u>	<u>1,246,948</u>	<u>1,246,948</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 619,991</u>	<u>\$ 24,425</u>	<u>\$ 1,113</u>	<u>\$ (23,312)</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**ISSUE II FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Other financing uses:</b>				
Transfers out . . . . .	\$ (81,524)	\$ (81,524)	\$ (81,524)	\$ -
Total other financing uses . . . . .	<u>(81,524)</u>	<u>(81,524)</u>	<u>(81,524)</u>	<u>-</u>
Net change in fund balance. . . . .	(81,524)	(81,524)	(81,524)	-
<b>Fund balance at beginning of year . . . . .</b>	<u>81,525</u>	<u>81,525</u>	<u>81,525</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u><u>\$ 1</u></u>	<u><u>\$ 1</u></u>	<u><u>\$ 1</u></u>	<u><u>\$ -</u></u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
INFRASTRUCTURE IMPROVEMENT RESERVE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income . . . . .	\$ 18,000	\$ 24,500	\$ 26,826	\$ 2,326
Total revenues. . . . .	<u>18,000</u>	<u>24,500</u>	<u>26,826</u>	<u>2,326</u>
<b>Expenditures:</b>				
Capital outlay . . . . .	<u>54,804</u>	<u>482,026</u>	<u>481,934</u>	<u>92</u>
Total expenditures. . . . .	<u>54,804</u>	<u>482,026</u>	<u>481,934</u>	<u>92</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(36,804)</u>	<u>(457,526)</u>	<u>(455,108)</u>	<u>2,418</u>
<b>Other financing sources:</b>				
Transfers in. . . . .	<u>330,000</u>	<u>330,000</u>	<u>330,000</u>	<u>-</u>
Total other financing sources . . . . .	<u>330,000</u>	<u>330,000</u>	<u>330,000</u>	<u>-</u>
Net change in fund balance. . . . .	293,196	(127,526)	(125,108)	2,418
<b>Fund balance at beginning of year . . . . .</b>	665,561	665,561	665,561	-
<b>Prior year encumbrances appropriated . . .</b>	<u>54,804</u>	<u>54,804</u>	<u>54,804</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1,013,561</u>	<u>\$ 592,839</u>	<u>\$ 595,257</u>	<u>\$ 2,418</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STREET AND STORM SEWER IMPROVEMENT FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Expenditures:</b>				
Capital outlay . . . . .	\$ 5,595	\$ 30,576	\$ 30,576	\$ -
Total expenditures. . . . .	<u>5,595</u>	<u>30,576</u>	<u>30,576</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(5,595)</u>	<u>(30,576)</u>	<u>(30,576)</u>	<u>-</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	-	12,800	12,800	-
Total other financing sources. . . . .	<u>-</u>	<u>12,800</u>	<u>12,800</u>	<u>-</u>
Net change in fund balance. . . . .	(5,595)	(17,776)	(17,776)	-
<b>Fund balance at beginning of year . . . . .</b>	12,276	12,276	12,276	-
<b>Prior year encumbrances appropriated . . .</b>	<u>5,595</u>	<u>5,595</u>	<u>5,595</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 12,276</u>	<u>\$ 95</u>	<u>\$ 95</u>	<u>\$ -</u>



**CITY OF BARBERTON, OHIO**

*INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - PROPRIETARY FUNDS*

**ENTERPRISE FUNDS**

To account for the financing of costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis that are financed or recovered primarily through user charges.

**Major Enterprise Funds**

***Water Fund***

This fund accounts for revenues generated from the charges for the treatment and provision of water to the residents and commercial users of the City.

***Sewer Fund***

This fund accounts for the sanitary sewer services provided to the residents and commercial users of the City. The costs of providing these services are financed primarily through user charges.

***Solid Waste Fund***

This fund accounts for refuse and recycling collection services provided to residential users within the City.

**Nonmajor Enterprise Funds**

***Storm Water Fund***

This fund accounts for the storm drainage runoff services provided to the residents and commercial users of the City. The costs of providing these services are financed primarily through user charges.

***Community Center Fund***

This fund accounts for the revenues and expenses of an indoor natatorium and fitness center.

***Lake Cinema Operating Fund***

This fund accounts for revenues and expenses associated with a City owned theater complex.

**INTERNAL SERVICE FUNDS**

To account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

**Nonmajor Internal Service Funds**

***Health Insurance Fund***

This fund accounts for the costs of medical benefits provided to the City's employees.

***Internal Allocation Fund***

This fund accounts for the cost of postage and gasoline used by City departments and outside sources.

**CITY OF BARBERTON, OHIO**

*COMBINING STATEMENT OF FUND NET ASSETS  
NONMAJOR ENTERPRISE FUNDS  
DECEMBER 31, 2007*

	<b>Storm Water</b>	<b>Community Center</b>	<b>Lake Cinema Operating</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>Assets:</b>				
Current assets:				
Equity in pooled cash and cash equivalents . . .	\$ 449,987	\$ 38,427	\$ 4,067	\$ 492,481
Receivables (net of allowance for uncollectibles):				
Accounts . . . . .	113,969	2,673	-	116,642
Prepayments . . . . .	-	9,018	-	9,018
Total current assets . . . . .	<u>563,956</u>	<u>50,118</u>	<u>4,067</u>	<u>618,141</u>
Noncurrent assets:				
Deferred charges . . . . .	-	5,588	-	5,588
Capital assets:				
Nondepreciable capital assets . . . . .	5,543	62,739	-	68,282
Depreciable capital assets, net. . . . .	<u>3,513,554</u>	<u>915,242</u>	<u>39,591</u>	<u>4,468,387</u>
Total capital assets. . . . .	<u>3,519,097</u>	<u>977,981</u>	<u>39,591</u>	<u>4,536,669</u>
Total noncurrent assets . . . . .	<u>3,519,097</u>	<u>983,569</u>	<u>39,591</u>	<u>4,542,257</u>
Total assets . . . . .	<u>4,083,053</u>	<u>1,033,687</u>	<u>43,658</u>	<u>5,160,398</u>
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable . . . . .	51,705	2,333	-	54,038
Accrued wages and benefits . . . . .	5,146	1,274	-	6,420
Intergovernmental . . . . .	10,127	5,647	-	15,774
Accrued interest payable. . . . .	-	3,303	-	3,303
Notes payable . . . . .	-	90,000	-	90,000
Current portion of general obligation bonds. . .	-	49,126	-	49,126
Current portion of capital lease obligations . .	23,144	292	-	23,436
Current portion of compensated absences . . .	-	6,898	-	6,898
Total current liabilities . . . . .	<u>90,122</u>	<u>158,873</u>	<u>-</u>	<u>248,995</u>
Long-term liabilities:				
Capital lease obligations. . . . .	75,728	958	-	76,686
General obligation bonds . . . . .	-	212,666	-	212,666
Compensated absences . . . . .	-	29,050	-	29,050
Total long-term liabilities . . . . .	<u>75,728</u>	<u>242,674</u>	<u>-</u>	<u>318,402</u>
Total liabilities . . . . .	<u>165,850</u>	<u>401,547</u>	<u>-</u>	<u>567,397</u>
<b>Net assets:</b>				
Invested in capital assets, net of related debt . .	3,420,225	631,777	39,591	4,091,593
Unrestricted . . . . .	<u>496,978</u>	<u>363</u>	<u>4,067</u>	<u>501,408</u>
Total net assets . . . . .	<u>\$ 3,917,203</u>	<u>\$ 632,140</u>	<u>\$ 43,658</u>	<u>\$ 4,593,001</u>

**CITY OF BARBERTON, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<b>Storm Water</b>	<b>Community Center</b>	<b>Lake Cinema Operating</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 775,680	\$ 80,666	\$ -	\$ 856,346
Other . . . . .	-	5,035	-	5,035
Total operating revenues . . . . .	<u>775,680</u>	<u>85,701</u>	<u>-</u>	<u>861,381</u>
<b>Operating expenses:</b>				
Personal services . . . . .	255,176	124,058	-	379,234
Contract services . . . . .	71,828	6,154	-	77,982
Materials and supplies . . . . .	80,837	103,393	-	184,230
Other . . . . .	-	300	-	300
Depreciation . . . . .	235,095	107,624	2,005	344,724
Total operating expenses. . . . .	<u>642,936</u>	<u>341,529</u>	<u>2,005</u>	<u>986,470</u>
Operating income (loss) . . . . .	<u>132,744</u>	<u>(255,828)</u>	<u>(2,005)</u>	<u>(125,089)</u>
<b>Nonoperating revenues (expenses):</b>				
Interest expense and fiscal charges . . . . .	(5,332)	(15,410)	-	(20,742)
Gain on sale of capital assets . . . . .	-	4,610	-	4,610
Total nonoperating revenues (expenses) . . . . .	<u>(5,332)</u>	<u>(10,800)</u>	<u>-</u>	<u>(16,132)</u>
Income (loss) before transfers . . . . .	127,412	(266,628)	(2,005)	(141,221)
Transfers in . . . . .	-	410,000	-	410,000
Changes in net assets . . . . .	127,412	143,372	(2,005)	268,779
<b>Net assets at beginning of year. . . . .</b>	<u>3,789,791</u>	<u>488,768</u>	<u>45,663</u>	<u>4,324,222</u>
<b>Net assets at end of year . . . . .</b>	<u>\$ 3,917,203</u>	<u>\$ 632,140</u>	<u>\$ 43,658</u>	<u>\$ 4,593,001</u>

**CITY OF BARBERTON, OHIO**

*COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<b>Storm Water</b>	<b>Community Center</b>	<b>Lake Cinema Operating</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>Cash flows from operating activities:</b>				
Cash received from customers . . . . .	\$ 778,814	\$ 80,666	\$ -	\$ 859,480
Cash received from other operations . . . . .	-	2,362	-	2,362
Cash payments for personal services . . . . .	(242,049)	(152,905)	-	(394,954)
Cash payments for contract services . . . . .	(13,876)	(6,022)	-	(19,898)
Cash payments for materials and supplies . . . . .	(135,044)	(109,574)	-	(244,618)
Cash payments for other expenses . . . . .	-	(300)	-	(300)
Net cash provided by (used in) operating activities . . . . .	<u>387,845</u>	<u>(185,773)</u>	<u>-</u>	<u>202,072</u>
<b>Cash flows from noncapital financing activities:</b>				
Transfers in from other funds . . . . .	-	410,000	-	410,000
Net cash provided by noncapital financing activities . . . . .	<u>-</u>	<u>410,000</u>	<u>-</u>	<u>410,000</u>
<b>Cash flows from capital and related financing activities:</b>				
Acquisition of capital assets . . . . .	(42,960)	-	-	(42,960)
Gain on sale of capital assets . . . . .	-	5,247	-	5,247
Principal retirement . . . . .	(22,167)	(268,760)	-	(290,927)
Note issuance . . . . .	-	90,000	-	90,000
Premium on notes . . . . .	-	849	-	849
Interest and fiscal charges . . . . .	(5,332)	(20,554)	-	(25,886)
Net cash used in capital and related financing activities . . . . .	<u>(70,459)</u>	<u>(193,218)</u>	<u>-</u>	<u>(263,677)</u>
Net increase in cash and cash equivalents . . . . .	317,386	31,009	-	348,395
<b>Cash and cash equivalents at beginning of year</b>	<u>132,601</u>	<u>7,418</u>	<u>4,067</u>	<u>144,086</u>
<b>Cash and cash equivalents at end of year . . . . .</b>	<u><u>\$ 449,987</u></u>	<u><u>\$ 38,427</u></u>	<u><u>\$ 4,067</u></u>	<u><u>\$ 492,481</u></u>
<b>Reconciliation of operating loss to net cash provided by (used in) operating activities:</b>				
Operating income (loss) . . . . .	\$ 132,744	\$ (255,828)	\$ (2,005)	\$ (125,089)
Adjustments:				
Depreciation . . . . .	235,095	107,624	2,005	344,724
Changes in assets and liabilities:				
Decrease in materials and supplies inventory . . . . .	-	1,109	-	1,109
(Increase) decrease in accounts receivable . . . . .	2,978	(2,673)	-	305
(Increase) decrease in prepayments . . . . .	-	132	-	132
Increase (decrease) in accounts payable . . . . .	3,901	(7,290)	-	(3,389)
Increase (decrease) in accrued wages and benefits . . . . .	4,522	(2,753)	-	1,769
Increase (decrease) in due to other governments . . . . .	8,605	(2,298)	-	6,307
(Decrease) in compensated absences payable . . . . .	-	(23,796)	-	(23,796)
Net cash provided by (used in) operating activities . . . . .	<u><u>\$ 387,845</u></u>	<u><u>\$ (185,773)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 202,072</u></u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
WATER FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 4,679,500	\$ 4,679,500	\$ 4,192,111	\$ (487,389)
Other . . . . .	15,000	15,000	14,210	(790)
Total revenues . . . . .	<u>4,694,500</u>	<u>4,694,500</u>	<u>4,206,321</u>	<u>(488,179)</u>
<b>Operating expenses:</b>				
Personal services . . . . .	2,184,191	2,184,086	2,016,459	167,627
Materials and supplies . . . . .	904,867	887,054	845,510	41,544
Contractual services . . . . .	164,504	155,768	133,159	22,609
Other . . . . .	25,500	21,300	18,446	2,854
Capital outlay . . . . .	<u>9,506,735</u>	<u>9,467,869</u>	<u>9,288,983</u>	<u>178,886</u>
Total expenses . . . . .	<u>12,785,797</u>	<u>12,716,077</u>	<u>12,302,557</u>	<u>413,520</u>
Operating loss . . . . .	<u>(8,091,297)</u>	<u>(8,021,577)</u>	<u>(8,096,236)</u>	<u>(74,659)</u>
<b>Nonoperating revenues (expenses):</b>				
Investment income . . . . .	100,000	415,000	483,817	68,817
Special assessments . . . . .	2,000	2,000	10,151	8,151
Notes issued . . . . .	1,676,000	1,676,000	1,676,000	-
Premium on notes issued . . . . .	-	-	171	171
Debt service:				
Principal retirement . . . . .	(2,737,850)	(2,736,850)	(2,736,848)	2
Interest and fiscal charges . . . . .	<u>(567,950)</u>	<u>(570,100)</u>	<u>(569,851)</u>	<u>249</u>
Total nonoperating revenues (expenses) . . . . .	<u>(1,527,800)</u>	<u>(1,213,950)</u>	<u>(1,136,560)</u>	<u>77,390</u>
Net change in fund equity . . . . .	(9,619,097)	(9,235,527)	(9,232,796)	2,731
<b>Fund equity at beginning of year . . . . .</b>	1,745,988	1,745,988	1,745,988	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>9,250,947</u>	<u>9,250,947</u>	<u>9,250,947</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 1,377,838</u>	<u>\$ 1,761,408</u>	<u>\$ 1,764,139</u>	<u>\$ 2,731</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SEWER FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 4,439,000	\$ 4,439,000	\$ 4,327,409	\$ (111,591)
Other . . . . .	5,000	5,000	28,551	23,551
Total revenues . . . . .	<u>4,444,000</u>	<u>4,444,000</u>	<u>4,355,960</u>	<u>(88,040)</u>
<b>Operating expenses:</b>				
Personal services . . . . .	2,071,875	1,970,120	1,838,358	131,762
Materials and supplies . . . . .	1,019,136	1,086,842	1,037,774	49,068
Contractual services . . . . .	408,200	420,047	382,514	37,533
Other . . . . .	31,125	29,725	15,571	14,154
Capital outlay . . . . .	719,892	1,967,474	1,782,644	184,830
Total expenses . . . . .	<u>4,250,228</u>	<u>5,474,208</u>	<u>5,056,861</u>	<u>417,347</u>
Operating income (loss) . . . . .	<u>193,772</u>	<u>(1,030,208)</u>	<u>(700,901)</u>	<u>329,307</u>
<b>Nonoperating revenues (expenses):</b>				
Investment income . . . . .	55,000	55,000	101,176	46,176
Special assessments . . . . .	1,000	1,000	9,922	8,922
Notes issued . . . . .	300,000	300,000	300,000	-
Premiums on notes issued . . . . .	-	-	11	11
Debt service:				
Principal retirement . . . . .	(663,500)	(663,500)	(663,332)	168
Interest and fiscal charges . . . . .	<u>(74,000)</u>	<u>(75,410)</u>	<u>(75,336)</u>	<u>74</u>
Total nonoperating revenues (expenses) . . . . .	<u>(381,500)</u>	<u>(382,910)</u>	<u>(327,559)</u>	<u>55,351</u>
Net change in fund equity . . . . .	(187,728)	(1,413,118)	(1,028,460)	384,658
<b>Fund equity at beginning of year . . . . .</b>	2,459,408	2,459,408	2,459,408	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>293,908</u>	<u>293,908</u>	<u>293,908</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 2,565,588</u>	<u>\$ 1,340,198</u>	<u>\$ 1,724,856</u>	<u>\$ 384,658</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SOLID WASTE FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 1,832,000	\$ 1,832,000	\$ 1,839,719	\$ 7,719
Other . . . . .	-	-	94	94
Total revenues . . . . .	<u>1,832,000</u>	<u>1,832,000</u>	<u>1,839,813</u>	<u>7,813</u>
<b>Operating expenses:</b>				
Personal services . . . . .	50,150	50,150	48,825	1,325
Materials and supplies . . . . .	6,000	6,000	3,487	2,513
Contractual services . . . . .	1,869,500	1,868,322	1,796,202	72,120
Capital outlay . . . . .	48,250	80,370	80,370	-
Total expenses . . . . .	<u>1,973,900</u>	<u>2,004,842</u>	<u>1,928,884</u>	<u>75,958</u>
Net change in fund equity . . . . .	(141,900)	(172,842)	(89,071)	83,771
<b>Fund equity at beginning of year . . . . .</b>	308,265	308,265	308,265	-
<b>Prior year encumbrances appropriated . . .</b>	<u>167,750</u>	<u>167,750</u>	<u>167,750</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 334,115</u>	<u>\$ 303,173</u>	<u>\$ 386,944</u>	<u>\$ 83,771</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STORM WATER FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 852,000	\$ 852,000	\$ 778,814	\$ (73,186)
Total revenues . . . . .	<u>852,000</u>	<u>852,000</u>	<u>778,814</u>	<u>(73,186)</u>
<b>Operating expenses:</b>				
Personal services . . . . .	290,000	290,000	242,008	47,992
Materials and supplies . . . . .	186,924	186,924	110,139	76,785
Contractual services . . . . .	26,000	26,000	17,876	8,124
Capital outlay . . . . .	<u>393,832</u>	<u>421,964</u>	<u>252,567</u>	<u>169,397</u>
Total expenses . . . . .	<u>896,756</u>	<u>924,888</u>	<u>622,590</u>	<u>302,298</u>
Net change in fund equity . . . . .	(44,756)	(72,888)	156,224	229,112
<b>Fund equity at beginning of year . . . . .</b>	65,888	65,888	65,888	-
<b>Prior year encumbrances appropriated . . .</b>	<u>65,832</u>	<u>65,832</u>	<u>65,832</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 86,964</u>	<u>\$ 58,832</u>	<u>\$ 287,944</u>	<u>\$ 229,112</u>



**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COMMUNITY CENTER FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 66,000	\$ 83,000	\$ 80,666	\$ (2,334)
Other . . . . .	-	-	2,362	2,362
Total revenues . . . . .	<u>66,000</u>	<u>83,000</u>	<u>83,028</u>	<u>28</u>
<b>Operating expenses:</b>				
Personal services. . . . .	118,461	156,861	150,885	5,976
Materials and supplies . . . . .	110,457	111,214	110,604	610
Contractual services . . . . .	8,135	7,235	7,044	191
Other . . . . .	300	300	300	-
Total expenses . . . . .	<u>237,353</u>	<u>275,610</u>	<u>268,833</u>	<u>6,777</u>
Operating loss . . . . .	<u>(171,353)</u>	<u>(192,610)</u>	<u>(185,805)</u>	<u>6,805</u>
<b>Nonoperating revenues (expenses):</b>				
Sale of capital assets. . . . .	-	-	5,247	5,247
Notes issued. . . . .	90,000	90,000	90,000	-
Premium on notes issued . . . . .	-	-	849	849
Transfers in . . . . .	370,000	410,000	410,000	-
Debt service:				
Principal retirement . . . . .	(268,480)	(268,480)	(268,480)	-
Interest and fiscal charges. . . . .	<u>(20,500)</u>	<u>(20,500)</u>	<u>(20,486)</u>	<u>14</u>
Total nonoperating revenues (expenses). . . . .	<u>171,020</u>	<u>211,020</u>	<u>217,130</u>	<u>6,110</u>
Net change in fund equity . . . . .	(333)	18,410	31,325	12,915
<b>Fund equity at beginning of year. . . . .</b>	4,037	4,037	4,037	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>532</u>	<u>532</u>	<u>532</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 4,236</u>	<u>\$ 22,979</u>	<u>\$ 35,894</u>	<u>\$ 12,915</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**LAKE CINEMA OPERATING FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Fund equity at beginning of year. . . . .</b>	\$ 4,067	\$ 4,067	\$ 4,067	\$ -
<b>Fund equity at end of year . . . . .</b>	<u>\$ 4,067</u>	<u>\$ 4,067</u>	<u>\$ 4,067</u>	<u>\$ -</u>

**CITY OF BARBERTON, OHIO**

*COMBINING STATEMENT OF NET ASSETS  
NONMAJOR INTERNAL SERVICE FUNDS  
DECEMBER 31, 2007*

	<b>Health Insurance</b>	<b>Internal Allocation</b>	<b>Total Nonmajor Internal Service Funds</b>
	<hr/>	<hr/>	<hr/>
<b>Assets:</b>			
Current assets:			
Equity in pooled cash and cash equivalents . . .	\$ 1,987,354	\$ 27,360	\$ 2,014,714
Receivables (net of allowance for uncollectibles):			
Intergovernmental . . . . .	-	6,170	6,170
	<hr/>	<hr/>	<hr/>
Total assets . . . . .	1,987,354	33,530	2,020,884
	<hr/>	<hr/>	<hr/>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable . . . . .	-	21,240	21,240
Claims payable. . . . .	269,480	-	269,480
	<hr/>	<hr/>	<hr/>
Total liabilities . . . . .	269,480	21,240	290,720
	<hr/>	<hr/>	<hr/>
<b>Net assets:</b>			
Unrestricted . . . . .	1,717,874	12,290	1,730,164
Total net assets . . . . .	<u>\$ 1,717,874</u>	<u>\$ 12,290</u>	<u>\$ 1,730,164</u>

**CITY OF BARBERTON, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS  
NONMAJOR INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<b>Health Insurance</b>	<b>Internal Allocation</b>	<b>Total Nonmajor Internal Service Funds</b>
<b>Operating revenues:</b>			
Charges for services . . . . .	\$ 2,829,761	\$ 350,431	\$ 3,180,192
Other. . . . .	13,256	-	13,256
Total operating revenues . . . . .	<u>2,843,017</u>	<u>350,431</u>	<u>3,193,448</u>
<b>Operating expenses:</b>			
Contract services . . . . .	391,961	-	391,961
Materials and supplies . . . . .	-	379,311	379,311
Claims. . . . .	<u>2,158,598</u>	<u>-</u>	<u>2,158,598</u>
Total operating expenses. . . . .	<u>2,550,559</u>	<u>379,311</u>	<u>2,929,870</u>
Operating income (loss) before transfers. . . . .	<u>292,458</u>	<u>(28,880)</u>	<u>263,578</u>
Transfers in . . . . .	<u>-</u>	<u>25,000</u>	<u>25,000</u>
Changes in net assets . . . . .	292,458	(3,880)	288,578
<b>Net assets at beginning of year. . . . .</b>	<u>1,425,416</u>	<u>16,170</u>	<u>1,441,586</u>
<b>Net assets at end of year . . . . .</b>	<u><u>\$ 1,717,874</u></u>	<u><u>\$ 12,290</u></u>	<u><u>\$ 1,730,164</u></u>

**CITY OF BARBERTON, OHIO**

*COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<b>Health Insurance</b>	<b>Internal Allocation</b>	<b>Total Nonmajor Internal Service Funds</b>
<b>Cash flows from operating activities:</b>			
Cash received from customers . . . . .	\$ 2,829,761	\$ -	\$ 2,829,761
Cash received from other funds . . . . .	-	349,003	349,003
Cash received from other operations. . . . .	20,281	-	20,281
Cash payments for contract services . . . . .	(391,961)	-	(391,961)
Cash payments for materials and supplies . . . . .	-	(358,071)	(358,071)
Cash payments for claims . . . . .	(2,092,030)	-	(2,092,030)
 Net cash provided by (used in) operating activities. . . . .	 366,051	 (9,068)	 356,983
<b>Cash flows from noncapital financing activities:</b>			
Transfers in from other funds . . . . .	-	25,000	25,000
 Net cash provided by noncapital financing activities . . . . .	 -	 25,000	 25,000
 Net increase in cash and cash equivalents . . . . .	 366,051	 15,932	 381,983
<b>Cash and cash equivalents at beginning of year</b>	<b>1,621,303</b>	<b>11,428</b>	<b>1,632,731</b>
<b>Cash and cash equivalents at end of year . . .</b>	<b><u>\$ 1,987,354</u></b>	<b><u>\$ 27,360</u></b>	<b><u>\$ 2,014,714</u></b>
 <b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating income (loss) . . . . .	\$ 292,458	\$ (28,880)	\$ 263,578
 Changes in assets and liabilities:			
(Increase) in accounts receivable . . . . .	7,025	-	7,025
Increase in accounts payable . . . . .	-	21,240	21,240
Decrease in due from other governments . . . . .	-	(1,428)	(1,428)
Increase in claims payable. . . . .	66,568	-	66,568
 Net cash provided by (used in) operating activities. . . . .	 <u>\$ 366,051</u>	 <u>\$ (9,068)</u>	 <u>\$ 356,983</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**HEALTH INSURANCE FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 2,705,000	\$ 2,705,000	\$ 2,829,761	\$ 124,761
Other . . . . .	10,000	10,000	20,281	10,281
Total revenues . . . . .	<u>2,715,000</u>	<u>2,715,000</u>	<u>2,850,042</u>	<u>135,042</u>
<b>Operating expenses:</b>				
Contractual services . . . . .	418,350	428,350	391,961	36,389
Claims . . . . .	2,170,000	2,240,000	2,092,030	147,970
Total expenses . . . . .	<u>2,588,350</u>	<u>2,668,350</u>	<u>2,483,991</u>	<u>184,359</u>
Net change in fund equity . . . . .	126,650	46,650	366,051	319,401
<b>Fund equity at beginning of year . . . . .</b>	1,620,953	1,620,953	1,620,953	-
<b>Prior year encumbrances appropriated . . .</b>	<u>350</u>	<u>350</u>	<u>350</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 1,747,953</u>	<u>\$ 1,667,953</u>	<u>\$ 1,987,354</u>	<u>\$ 319,401</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**INTERNAL ALLOCATION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 286,000	\$ 336,000	\$ 349,003	\$ 13,003
Total revenues . . . . .	<u>286,000</u>	<u>336,000</u>	<u>349,003</u>	<u>13,003</u>
<b>Operating expenses:</b>				
Materials and supplies . . . . .	<u>320,000</u>	<u>370,000</u>	<u>370,000</u>	<u>-</u>
Total expenses . . . . .	<u>320,000</u>	<u>370,000</u>	<u>370,000</u>	<u>-</u>
Operating loss . . . . .	<u>(34,000)</u>	<u>(34,000)</u>	<u>(20,997)</u>	<u>13,003</u>
<b>Nonoperating revenues:</b>				
Transfers in . . . . .	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Total nonoperating revenues. . . . .	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Net change in fund equity . . . . .	(9,000)	(9,000)	4,003	13,003
<b>Fund equity at beginning of year. . . . .</b>	<u>11,428</u>	<u>11,428</u>	<u>11,428</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 2,428</u>	<u>\$ 2,428</u>	<u>\$ 15,431</u>	<u>\$ 13,003</u>

**CITY OF BARBERTON, OHIO**

*INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTION - AGENCY FUNDS*

**Agency Funds**

Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

***Deposit Fund***

To account for monies put on deposit with the City in accordance with various City ordinances.

***New Haven/Forest City Fund***

This fund accounts for monies received by the City that are required to be distributed to various entities for use in constructing the New Haven development and making the associated debt payments.



**CITY OF BARBERTON, OHIO**

*COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2007*

	<b>Beginning Balance 12/31/2006</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance 12/31/2007</b>
<b>Deposit</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 127,643	\$ 27,192	\$ 335	\$ 154,500
Receivables:				
Accounts . . . . .	10,000	-	10,000	-
Total assets. . . . .	<u>\$ 137,643</u>	<u>\$ 27,192</u>	<u>\$ 10,335</u>	<u>\$ 154,500</u>
<b>Liabilities:</b>				
Deposits held and due to others . . . . .	<u>\$ 137,643</u>	<u>\$ 27,192</u>	<u>\$ 10,335</u>	<u>\$ 154,500</u>
Total liabilities . . . . .	<u>\$ 137,643</u>	<u>\$ 27,192</u>	<u>\$ 10,335</u>	<u>\$ 154,500</u>
 <b>New Haven/Forest City</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ -	\$ 74,543	\$ 74,543	\$ -
Total assets. . . . .	<u>\$ -</u>	<u>\$ 74,543</u>	<u>\$ 74,543</u>	<u>\$ -</u>
<b>Liabilities:</b>				
Deposits held and due to others . . . . .	\$ -	\$ 74,543	\$ 74,543	\$ -
Total liabilities . . . . .	<u>\$ -</u>	<u>\$ 74,543</u>	<u>\$ 74,543</u>	<u>\$ -</u>
 <b>Total Agency Funds</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 127,643	\$ 101,735	\$ 74,878	\$ 154,500
Receivables:				
Accounts . . . . .	10,000	-	10,000	-
Total assets. . . . .	<u>\$ 137,643</u>	<u>\$ 101,735</u>	<u>\$ 84,878</u>	<u>\$ 154,500</u>
<b>Liabilities:</b>				
Deposits held and due to others . . . . .	<u>\$ 137,643</u>	<u>\$ 101,735</u>	<u>\$ 84,878</u>	<u>\$ 154,500</u>
Total liabilities . . . . .	<u>\$ 137,643</u>	<u>\$ 101,735</u>	<u>\$ 84,878</u>	<u>\$ 154,500</u>

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# **STATISTICAL SECTION**



**CITY OF BARBERTON, OHIO**  
*STATISTICAL SECTION*

This part of the City of Barberton's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	<b>144-153</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue sources, income and property taxes.	<b>154-163</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	<b>164-170</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	<b>171-172</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	<b>173-177</b>

**Sources:** Sources are noted on the individual schedules. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

**CITY OF BARBERTON, OHIO**

*NET ASSETS BY COMPONENT  
LAST FIVE YEARS  
(ACCRUAL BASIS OF ACCOUNTING)*

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>Governmental Activities</b>				
Invested in capital assets, net of related debt	\$ 17,895,365	\$ 15,884,161	\$ 19,954,622	\$ 23,568,720
Restricted for:				
Capital projects	779,845	2,337,727	4,443,464	884,157
Debt service	506,371	516,125	537,306	176,573
Transportation projects	1,221,355	1,095,324	843,410	660,339
Community development projects	997,544	862,668	764,691	773,257
Other projects	1,050,941	1,269,116	2,312,611	2,028,216
Unrestricted	<u>2,914,075</u>	<u>3,191,576</u>	<u>978,746</u>	<u>503,102</u>
Total governmental activities net assets	<u>\$ 25,365,496</u>	<u>\$ 25,156,697</u>	<u>\$ 29,834,850</u>	<u>\$ 28,594,364</u>
<b>Business-type Activities</b>				
Invested in capital assets, net of related debt	\$ 31,383,963	\$ 30,704,621	\$ 24,952,452	\$ 26,599,164
Restricted for:				
Debt service	-	31,821	663,928	701,095
Other projects	1,008,948	1,237,596	2,236,554	2,432,132
Unrestricted	<u>6,485,673</u>	<u>5,975,596</u>	<u>5,955,495</u>	<u>2,969,473</u>
Total business-type activities net assets	<u>\$ 38,878,584</u>	<u>\$ 37,949,634</u>	<u>\$ 33,808,429</u>	<u>\$ 32,701,864</u>
<b>Total Primary Government</b>				
Invested in capital assets, net of related debt	\$ 49,279,328	\$ 46,588,782	\$ 44,907,074	\$ 50,167,884
Restricted for:				
Capital projects	779,845	2,337,727	4,443,464	884,157
Debt service	506,371	547,946	1,201,234	877,668
Transportation projects	1,221,355	1,095,324	843,410	660,339
Community development projects	997,544	862,668	764,691	773,257
Other projects	2,059,889	2,506,712	4,549,165	4,460,348
Unrestricted	<u>9,399,748</u>	<u>9,167,172</u>	<u>6,934,241</u>	<u>3,472,575</u>
Total primary government net assets	<u>\$ 64,244,080</u>	<u>\$ 63,106,331</u>	<u>\$ 63,643,279</u>	<u>\$ 61,296,228</u>

Note: 2003 was the first year the City implemented GASB Statement No. 34, so comparative information before that date is not available.

**2003**

\$ 21,528,319

582,840

408,930

263,116

1,257,960

2,043,398

1,090,277

\$ 27,174,840

\$ 25,922,369

709,457

2,397,248

2,880,167

\$ 31,909,241

\$ 47,450,688

582,840

1,118,387

263,116

1,257,960

4,440,646

3,970,444

\$ 59,084,081

**CITY OF BARBERTON, OHIO**

*CHANGES IN NET ASSETS  
LAST FIVE YEARS  
(ACCRUAL BASIS OF ACCOUNTING)*

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>Program Revenues:</b>				
Governmental activities:				
Charges for services:				
General government	\$ 1,547,954	\$ 1,600,236	\$ 1,798,314	\$ 1,129,924
Public safety	523,684	463,696	276,556	188,715
Health and welfare	973,909	854,293	606,666	398,654
Transportation	4,520	48,592	33,203	63
Community environment	179,663	233,326	145,911	209,880
Leisure time activities	138,278	80,098	93,607	67,942
Operating grants and contributions	3,521,558	3,702,419	4,278,454	3,064,285
Capital grants and contributions	152,821	160,183	476,933	1,852,649
Total governmental activities program revenues	<u>7,042,387</u>	<u>7,142,843</u>	<u>7,709,644</u>	<u>6,912,112</u>
Business-type activities:				
Charges for services:				
Water	4,242,131	4,202,919	4,102,007	3,724,170
Sewer	4,347,404	4,091,632	4,113,032	3,783,899
Storm Water	775,680	498,372	-	-
Solid Waste	1,839,605	1,467,339	1,414,758	1,402,180
Community Center	80,666	292,976	350,454	413,842
Lake Cinema	-	257	850,829	995,126
Total business-type activities program revenues	<u>11,285,486</u>	<u>10,553,495</u>	<u>10,831,080</u>	<u>10,319,217</u>
Total primary government	<u>\$ 18,327,873</u>	<u>\$ 17,696,338</u>	<u>\$ 18,540,724</u>	<u>\$ 17,231,329</u>
<b>Expenses:</b>				
Governmental activities:				
General government	\$ 3,883,172	\$ 4,097,563	\$ 3,837,242	\$ 3,733,749
Public safety	10,049,252	9,745,177	9,579,081	9,077,025
Health and welfare	2,343,579	2,384,744	2,246,143	1,903,090
Transportation	2,025,147	2,218,732	2,606,966	2,543,136
Community environment	1,535,323	1,303,440	1,404,166	1,526,834
Leisure time activities	1,240,444	1,742,270	1,705,276	1,505,036
Intergovernmental	1,578,763	1,328,572	-	-
Interest and fiscal charges	265,787	283,305	223,084	300,427
Total governmental activities expenses	<u>22,921,467</u>	<u>23,103,803</u>	<u>21,601,958</u>	<u>20,589,297</u>
Business-type activities:				
Water	4,241,689	4,295,926	3,377,859	3,490,864
Sewer	4,284,959	4,017,338	3,816,607	3,379,220
Storm Water	648,268	292,441	-	-
Solid Waste	1,785,145	1,500,928	1,393,999	1,359,244
Community Center	362,163	547,635	544,489	702,065
Lake Cinema	2,005	2,005	946,621	1,046,021
Total business-type activities expenses	<u>11,324,229</u>	<u>10,656,273</u>	<u>10,079,575</u>	<u>9,977,414</u>
Total primary government	<u>\$ 34,245,696</u>	<u>\$ 33,760,076</u>	<u>\$ 31,681,533</u>	<u>\$ 30,566,711</u>
<b>Net (Expense) Revenue:</b>				
Governmental activities	\$ (15,879,080)	\$ (15,960,960)	\$ (13,892,314)	\$ (13,677,185)
Business-type activities	(38,743)	(102,778)	751,505	341,803
Total primary government net expense	<u>\$ (15,917,823)</u>	<u>\$ (16,063,738)</u>	<u>\$ (13,140,809)</u>	<u>\$ (13,335,382)</u>



**2003**

\$ 1,166,821  
93,042  
472,620  
53,688  
148,763  
56,089  
2,362,914  
1,148,276  
5,502,213

3,340,724  
3,557,601  
-  
1,353,257  
421,153  
1,017,078  
9,689,813  
\$ 15,192,026

\$ 4,133,258  
9,704,268  
2,105,425  
5,216,097  
1,432,849  
1,755,276  
-  
236,121  
24,583,294

3,625,367  
4,576,124  
-  
1,325,266  
688,010  
1,080,084  
11,294,851  
\$ 35,878,145

\$ (19,081,081)  
(1,605,038)  
\$ (20,686,119)

-- Continued

**CITY OF BARBERTON, OHIO**

*CHANGES IN NET ASSETS  
LAST FIVE YEARS (CONTINUED)  
(ACCRUAL BASIS OF ACCOUNTING)*

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>General Revenues and Other Changes in Net Assets:</b>				
Governmental activities				
Taxes:				
Property taxes levied for:				
General purposes	\$ 1,334,131	\$ 1,248,270	\$ 1,518,135	\$ 1,452,119
Police pension	116,625	104,339	128,942	125,841
Fire pension	116,911	104,053	128,942	125,841
Municipal income taxes levied for:				
General Purposes	11,254,122	11,391,350	9,968,415	10,263,255
Grants and entitlements				
not restricted to specific programs	2,885,135	2,552,742	2,077,635	2,448,748
Investment earnings	681,251	762,314	432,745	87,309
Other	109,704	746,914	1,104,986	813,596
Special item	-	(1,856,330)	-	-
Transfers	(410,000)	(3,770,845)	(227,000)	(220,000)
Total governmental activities	<u>16,087,879</u>	<u>11,282,807</u>	<u>15,132,800</u>	<u>15,096,709</u>
Business-type activities				
Investment earnings	505,193	416,614	96,244	40,695
Other	52,500	56,524	31,816	190,125
Transfers	410,000	3,770,845	227,000	220,000
Total business-type activities	<u>967,693</u>	<u>4,243,983</u>	<u>355,060</u>	<u>450,820</u>
Total primary government	<u>\$ 17,055,572</u>	<u>\$ 15,526,790</u>	<u>\$ 15,487,860</u>	<u>\$ 15,547,529</u>
<b>Change in Net Assets:</b>				
Governmental activities	\$ 208,799	\$ (4,678,153)	\$ 1,240,486	\$ 1,419,524
Business-type activities	928,950	4,141,205	1,106,565	792,623
Total primary government	<u>\$ 1,137,749</u>	<u>\$ (536,948)</u>	<u>\$ 2,347,051</u>	<u>\$ 2,212,147</u>

Note: 2003 was the first year the City implemented GASB Statement No. 34, so comparative information before that date is not available.

2003

\$ 1,123,725  
97,813  
97,813

9,718,674

2,391,699

158,020

826,707

970,516

(159,000)

15,225,967

65,027

228,615

159,000

452,642

\$ 15,678,609

\$ (3,855,114)

(1,152,396)

\$ (5,007,510)

**CITY OF BARBERTON, OHIO**

*FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)*

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
<b>General Fund:</b>						
Reserved	\$ 272,616	\$ 220,343	\$ 178,449	\$ 208,201	\$ 259,154	\$ 648,803
Unreserved	<u>3,713,078</u>	<u>3,391,929</u>	<u>1,551,627</u>	<u>2,018,677</u>	<u>2,921,841</u>	<u>1,232,325</u>
Total general fund	<u>\$3,985,694</u>	<u>\$3,612,272</u>	<u>\$ 1,730,076</u>	<u>\$ 2,226,878</u>	<u>\$ 3,180,995</u>	<u>\$ 1,881,128</u>
<b>All Other Governmental Funds:</b>						
Reserved	\$1,153,867	\$2,308,392	\$ 1,606,244	\$ 1,851,445	\$ 2,183,629	\$ 3,917,701
Unreserved, reported in:						
Special revenue funds	1,992,357	1,819,428	1,799,025	2,236,562	2,271,484	3,877,995
Capital projects funds	(84,211)	532,399	3,572,711	2,109,970	1,911,656	(4,036,155)
Debt service funds	<u>323,368</u>	<u>283,673</u>	<u>270,859</u>	<u>41,937</u>	<u>241,063</u>	<u>71,322</u>
Total all other governmental funds	<u>\$3,385,381</u>	<u>\$4,943,892</u>	<u>\$ 7,248,839</u>	<u>\$ 6,239,914</u>	<u>\$ 6,607,832</u>	<u>\$ 3,830,863</u>

<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
\$ 809,897	\$ 794,954	\$ 736,109	\$ 368,834
<u>1,739,302</u>	<u>1,583,796</u>	<u>2,757,962</u>	<u>2,634,233</u>
<u>\$ 2,549,199</u>	<u>\$ 2,378,750</u>	<u>\$ 3,494,071</u>	<u>\$ 3,003,067</u>
\$ 3,886,756	\$ 2,677,328	\$ 1,817,469	\$ 1,611,681
3,353,935	3,881,550	4,323,592	4,456,826
(124,592)	(1,106,655)	374,813	34,013
<u>4,689</u>	<u>6,212</u>	<u>6,211</u>	<u>(111,915)</u>
<u>\$ 7,120,788</u>	<u>\$ 5,458,435</u>	<u>\$ 6,522,085</u>	<u>\$ 5,990,605</u>

**CITY OF BARBERTON, OHIO**

*CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)*

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
<b>Revenues</b>					
Taxes	\$ 12,732,465	\$ 13,279,202	\$ 11,927,679	\$ 11,960,729	\$ 11,183,137
Charges for services	2,146,709	2,019,348	1,638,856	1,216,431	1,444,431
Licenses and permits	611,907	683,398	446,544	287,608	319,293
Fines and forfeitures	178,769	171,796	167,198	167,498	124,520
Intergovernmental	5,428,350	6,482,569	6,431,013	6,953,520	5,502,060
Special assessments	129,680	159,635	239,011	90,295	58,408
Investment income	669,402	736,737	431,559	85,085	159,936
Contributions and donations	177,625	144,227	63,111	103,054	107,607
Other	1,169,287	1,086,628	1,508,184	1,315,743	822,919
Total revenues	<u>23,244,194</u>	<u>24,763,540</u>	<u>22,853,155</u>	<u>22,179,963</u>	<u>19,722,311</u>
<b>Expenditures</b>					
Current:					
General government	3,864,219	4,081,556	3,751,477	3,659,636	3,679,467
Public safety	9,876,927	9,832,423	9,505,500	9,491,837	8,788,013
Health and welfare	2,397,461	2,513,403	2,295,683	1,948,426	1,995,233
Transportation	1,328,988	1,576,717	1,599,891	1,750,043	2,084,648
Community environment	1,428,273	1,841,026	1,499,781	1,246,612	1,481,803
Leisure time activity	1,084,396	922,867	1,320,267	1,112,732	1,128,444
Capital outlay	1,557,554	2,053,974	1,250,150	3,212,171	3,370,531
Intergovernmental	1,578,763	1,328,572	-	-	-
Debt service:					
Principal retirement	856,591	883,603	888,081	1,773,799	281,544
Interest and fiscal charges	252,483	280,010	221,050	266,290	280,871
Bond issuance cost	-	-	3,985	18,955	68,142
Note issuance cost	10,292	-	-	5,671	-
Total expenditures	<u>24,235,947</u>	<u>25,314,151</u>	<u>22,335,865</u>	<u>24,486,172</u>	<u>23,158,696</u>
Excess of revenues over (under) expenditures	<u>(991,753)</u>	<u>(550,611)</u>	<u>517,290</u>	<u>(2,306,209)</u>	<u>(3,436,385)</u>
<b>Other Financing Sources (Uses)</b>					
Notes issued	20,000	40,000	96,000	120,000	1,180,000
Bonds issued	-	-	112,450	1,396,000	4,967,610
Premium on notes	-	-	8,754	1,842	15,241
Premium on bonds	-	-	-	-	17,194
Capital lease transaction	211,276	160,621	-	-	-
Sale of capital assets	10,388	149,224	19,629	6,332	3,855
Transfers in	1,853,518	1,955,289	1,835,266	2,193,627	3,023,461
Transfers (out)	(2,288,518)	(2,177,274)	(2,077,266)	(2,733,627)	(3,182,461)
Advances in	-	-	-	-	-
Advances (out)	-	-	-	-	-
Proceeds from Sale of Park Land	-	-	-	-	1,000,000
Total other financing sources (uses)	<u>(193,336)</u>	<u>127,860</u>	<u>(5,167)</u>	<u>984,174</u>	<u>7,024,900</u>
Net change in fund balances	<u>\$ (1,185,089)</u>	<u>\$ (422,751)</u>	<u>\$ 512,123</u>	<u>\$ (1,322,035)</u>	<u>\$ 3,588,515</u>
Capital expenditures	1,571,458	1,999,901	1,431,678	4,515,836	1,112,511
Debt service as a percentage of noncapital expenditures.	4.94%	4.99%	5.32%	10.34%	2.86%

<b>2002</b>	<b>2001</b>	<b>2000</b>	<b>1999</b>	<b>1998</b>
\$ 11,506,273	\$ 11,061,586	\$ 11,493,618	\$ 11,539,292	\$ 11,052,493
1,253,346	1,284,076	1,094,676	1,003,184	875,045
-	-	-	-	-
481,448	409,842	332,977	394,210	425,163
6,272,143	7,291,904	5,030,544	5,102,726	5,138,030
77,415	75,554	-	-	-
256,061	596,880	785,250	638,227	671,503
145,587	-	-	-	-
1,364,777	2,950,929	1,321,609	1,362,579	1,782,736
<u>21,357,050</u>	<u>23,670,771</u>	<u>20,058,674</u>	<u>20,040,218</u>	<u>19,944,970</u>
3,534,937	3,506,389	3,628,810	3,195,289	3,088,959
8,234,631	7,838,848	8,490,187	7,079,716	6,833,018
1,511,059	1,551,580	1,479,699	1,367,907	1,221,085
2,022,707	2,117,422	2,184,005	2,147,045	1,885,677
1,644,131	2,250,150	1,258,922	1,287,598	1,258,721
1,410,912	1,153,810	1,124,321	1,021,407	991,733
4,083,068	4,734,189	3,759,579	2,945,187	2,018,411
-	-	-	-	-
305,738	625,729	327,961	426,264	235,619
212,878	182,584	182,799	176,503	187,627
-	-	-	-	-
-	-	-	-	-
<u>22,960,061</u>	<u>23,960,701</u>	<u>22,436,283</u>	<u>19,646,916</u>	<u>17,720,850</u>
<u>(1,603,011)</u>	<u>(289,930)</u>	<u>(2,377,609)</u>	<u>393,302</u>	<u>2,224,120</u>
31,318	2,095,000	315,000	-	-
-	237,000	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	706,451	130,687
4,616	8,452	20,078	12,484	11,923
11,009,340	10,652,498	10,748,243	10,643,620	9,651,959
(11,305,260)	(10,870,218)	(10,884,683)	(10,733,373)	(9,745,598)
-	2,224,334	-	-	-
-	(2,224,334)	-	-	-
-	-	-	-	-
<u>(259,986)</u>	<u>2,122,732</u>	<u>198,638</u>	<u>629,182</u>	<u>48,971</u>
<u>\$ (1,862,997)</u>	<u>\$ 1,832,802</u>	<u>\$ (2,178,971)</u>	<u>\$ 1,022,484</u>	<u>\$ 2,273,091</u>
4,083,068	4,734,189	3,759,579	2,945,187	2,018,411
2.75%	4.20%	2.73%	3.61%	2.70%

**CITY OF BARBERTON, OHIO**

*ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS*

Year	Real Property		Public Utility Property		Tangible Personal Property	
	Assessed Value	Estimated Actual Value (a)	Assessed Value	Estimated Actual Value (b)	Assessed Value	Estimated Actual Value (c)
2007	\$ 395,700,530	\$ 1,130,572,943	\$ 11,588,160	\$ 13,168,364	\$ 27,517,101	\$ 220,136,808
2006	394,443,500	1,126,981,429	11,919,510	13,544,898	39,558,953	210,981,083
2005	355,412,060	1,015,463,029	13,188,960	14,987,455	52,299,023	209,196,092
2004	349,333,560	998,095,886	13,290,740	15,103,114	52,299,023	209,196,092
2003	346,150,520	989,001,486	13,506,780	15,348,614	55,431,515	221,726,060
2002	293,874,030	839,640,086	13,555,340	15,403,795	61,990,815	247,963,260
2001	279,511,680	798,604,800	17,025,420	19,347,068	60,465,467	241,861,868
2000	273,990,060	782,828,743	19,728,220	22,418,432	59,725,808	238,903,232
1999	243,813,600	696,610,286	19,436,410	22,086,830	61,223,799	244,895,196
1998	237,386,740	678,247,829	19,365,010	22,005,693	52,047,203	208,188,812

Source: Summit County, Ohio; Fiscal Officer

(a) Real property is assessed at 35% of actual value. Real property taxes collected in a calendar year are levied as of January 1 of that year based on assessed values as of January 1 of the preceding year.

(b) Public utility is assessed at 88% of actual value. Public utility real and tangible property taxes collected in a calendar year are levied in the preceding calendar year based on assessed values determined as of December 31 of the second preceding year.

(c) For 2005 and prior, tangible personal is assessed at 25% of true value for capital assets and 23% percent of true value for inventory. For 2006, tangible personal personal property tax is assessed at 18.75% of property value, including inventory. For 2007, tangible personal personal property tax is assessed at 12.50% of property value, including inventory.



**Total**

<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Ratio</b>
\$ 434,805,791	\$ 1,363,878,114	31.88%
445,921,963	1,351,507,409	32.99%
420,900,043	1,239,646,576	33.95%
414,923,323	1,222,395,092	33.94%
415,088,815	1,226,076,160	33.86%
369,420,185	1,103,007,141	33.49%
357,002,567	1,059,813,736	33.69%
353,444,088	1,044,150,407	33.85%
324,473,809	963,592,312	33.67%
308,798,953	908,442,334	33.99%

**CITY OF BARBERTON, OHIO**

*DIRECT AND OVERLAPPING PROPERTY TAX RATES  
(RATE PER \$1,000 OF ASSESSED VALUE)  
LAST TEN YEARS*

Collection Year	City Direct Rates			Overlapping Rates			Total Overlapping Rates	Total Direct and Overlapping Rates
	Operating	Police and Fire Pension	Total Direct Rate	Summit County	Barberton City School District	Barberton Public Library		
2007	2.90	0.60	3.50	14.57	58.94	1.37	74.88	78.38
2006	2.90	0.60	3.50	13.07	64.06	1.37	78.50	82.00
2005	2.90	0.60	3.50	13.07	56.90	-	69.97	73.47
2004	2.90	0.60	3.50	13.07	56.90	-	69.97	73.47
2003	2.90	0.60	3.50	13.07	56.73	-	69.80	73.30
2002	2.90	0.60	3.50	13.07	56.73	-	69.80	73.30
2001	2.90	0.60	3.50	13.07	53.36	-	66.43	69.93
2000	2.90	0.60	3.50	12.27	53.44	-	65.71	69.21
1999	2.90	0.60	3.50	12.27	53.36	-	65.63	69.13
1998	2.90	0.60	3.50	11.65	53.36	-	65.01	68.51

Source: Summit County, Ohio; Fiscal Officer

**CITY OF BARBERTON, OHIO**

*PRINCIPAL TAXPAYERS  
REAL PROPERTY TAX  
CURRENT YEAR AND NINE YEARS AGO*

<b>December 31, 2007</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Assessed Value</b>
Barberton Health System LLC	\$ 9,170,520	1	2.32%
Kimco of Ohio, Inc.	2,097,800	2	0.53%
Babcock & Wilcox Power Generation Group	1,723,870	3	0.44%
BWX Technologies, Inc.	1,663,990	4	0.42%
B & C Diversified Products Inc.	1,415,730	5	0.36%
B & C Research Inc.	1,290,890	6	0.33%
LRC Magic Investors LTD	1,171,640	7	0.30%
Daniel L. Pohl Family Limited Partnership	1,042,620	8	0.26%
Heritage Place Limited Partnership	988,740	9	0.25%
Littman & Benedik Austin Lake Apartments	959,000	10	0.24%
<b>Total, Top Ten Principal Real Property Taxpayers</b>	<b>\$ 21,524,800</b>		<b>5.45%</b>
<b>Total City Real Property Tax Assessed Valuation</b>	<b>\$ 395,700,530</b>		

<b>December 31, 1998</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Assessed Value</b>
Barberton Health System LLC	\$ 9,340,540	1	3.93%
B & C Industries	3,577,150	2	1.51%
Babcock & Wilcox Company	1,718,170	3	0.72%
BWX Technologies, Inc.	1,688,620	4	0.71%
PPG Industries	1,106,620	5	0.47%
Reiter Foods	944,420	6	0.40%
Littman, et al	822,730	7	0.35%
Bergit Realty Co.	803,390	8	0.34%
Donald Cameron, et al	770,890	9	0.32%
Wright Tool & Forge Co	693,420	10	0.29%
<b>Total, Top Ten Principal Real Property Taxpayers</b>	<b>\$ 21,465,950</b>		<b>9.04%</b>
<b>Total City Real Property Tax Assessed Valuation</b>	<b>\$ 237,386,740</b>		

Source: Summit County, Ohio; Fiscal Officer

**CITY OF BARBERTON, OHIO**

*PRINCIPAL TAXPAYERS  
PUBLIC UTILITY PROPERTY TAX  
CURRENT YEAR AND FOUR YEARS AGO*

<b>December 31, 2007</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Assessed Value</b>
Ohio Edison Co.	\$ 5,194,940	1	44.83%
American Transmission	1,704,390	2	14.71%
East Ohio Gas Co.	1,094,010	3	9.44%
CSX	172,540	4	1.49%
Akron & Barberton RR	105,320	5	0.91%
Total, Top Five Principal Public Utility Property Taxpayers	<u>\$ 8,271,200</u>		<u>71.38%</u>
Total City Public Utility Property Tax Assessed Valuation	<u>\$ 11,588,160</u>		

<b>December 31, 2003</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Assessed Value</b>
Ohio Edison Co.	\$ 4,461,890	1	33.03%
Ohio Bell Telephone	4,407,350	2	32.63%
American Transmission	2,097,790	3	15.53%
East Ohio Gas Co.	1,117,600	4	8.27%
Sprint	392,470	5	2.91%
Total, Top Five Principal Public Utility Property Taxpayers	<u>\$ 12,477,100</u>		<u>92.37%</u>
Total City Public Utility Property Tax Assessed Valuation	<u>\$ 13,506,780</u>		

Source: Summit County, Ohio; Fiscal Officer

Note: Information prior to 2003 was not available.

**CITY OF BARBERTON, OHIO**

*PRINCIPAL TAXPAYERS  
TANGIBLE PERSONAL PROPERTY TAX  
CURRENT YEAR AND NINE YEARS AGO*

<b>December 31, 2007</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Assessed Value</b>
McDermott Inc.	\$ 5,044,710	1	18.33%
Alcoa, Inc.	3,761,640	2	13.67%
Wright Tool Company	2,072,640	3	7.53%
Triad Hospitals, Inc. C/O EMA	1,946,260	4	7.07%
PPG Industries, Inc.	1,989,260	5	7.23%
B & C Corporation	1,682,970	6	6.12%
B & C Research, Inc.	1,642,120	7	5.97%
Ohio Bell Telephone	1,523,570	8	5.54%
Malco Products, Inc.	665,250	9	2.42%
Tamarkin	485,860	10	1.77%
<b>Total, Top Ten Principal Tangible Personal Property Taxpayers</b>	<b>\$ 20,814,280</b>		<b>75.65%</b>
<b>Total City Tangible Personal Property Tax Assessed Valuation</b>	<b>\$ 27,517,101</b>		

<b>December 31, 1998</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Assessed Value</b>
McDermott Inc.	\$ 8,374,920	1	16.09%
B & C Corporation	4,692,090	2	9.02%
B & C Research Inc.	3,449,700	3	6.63%
Wright Tool Company	2,903,950	4	5.58%
Machining Tool Corp of America	2,791,160	5	5.36%
Aluminum Company of America	2,310,970	6	4.44%
Quorum Health Group	2,108,470	7	4.05%
PPG Industries	1,795,080	8	3.45%
Malco Products, Inc.	1,514,560	9	2.91%
First Machine Group	1,137,990	10	2.19%
<b>Total, Top Ten Principal Tangible Personal Property Taxpayers</b>	<b>\$ 31,078,890</b>		<b>59.72%</b>
<b>Total City Tangible Personal Property Tax Assessed Valuation</b>	<b>\$ 52,047,203</b>		

Source: Summit County, Ohio; Fiscal Officer

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**CITY OF BARBERTON, OHIO**

*REAL AND PUBLIC UTILITY PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS*

<b>Year</b>	<b>Total Levy</b>	<b>Current Collection (1)</b>	<b>Percent of Current Collections to Tax Levy</b>	<b>Delinquent Collections (3)</b>	<b>Total Collections</b>	<b>Percent of Total Collections to Tax Levy</b>	<b>Outstanding Delinquent Taxes (2)</b>	<b>Percentage of Delinquent Taxes to Tax Levy</b>
2007	\$ 1,535,079	\$ 1,451,556	94.56%	\$ 83,524	\$ 1,535,080	100.00%	\$ 176,270	11.48%
2006	1,570,201	1,491,083	94.96%	79,117	1,570,200	100.00%	188,607	12.01%
2005	1,481,442	1,409,638	95.15%	75,669	1,485,307	100.26%	178,381	12.04%
2004	1,459,213	1,393,023	95.46%	78,290	1,471,313	100.83%	146,910	10.07%
2003	1,592,430	1,371,921	86.15%	58,841	1,430,762	89.85%	161,668	10.15%
2002	1,404,845	1,199,874	85.41%	67,973	1,267,847	90.25%	136,998	9.75%
2001	1,374,570	1,200,777	87.36%	47,880	1,248,657	90.84%	125,913	9.16%
2000	1,330,983	1,179,483	88.62%	42,650	1,222,133	91.82%	117,983	8.86%
1999	1,239,390	1,090,363	87.98%	56,950	1,147,313	92.57%	90,666	7.32%
1998	1,201,379	1,095,151	91.16%	-	1,095,151	91.16%	106,228	8.84%

Source: Summit County, Ohio; Fiscal Officer

- (1) Includes homestead/rollback taxes assessed locally but distributed through the State and reported as intergovernmental revenue.
- (2) Includes penalties and interest, since by Ohio Law, they become part of tax obligation as assessment occurs.
- (3) Prior to 1999, delinquent collections were included as part of current collections.

**CITY OF BARBERTON, OHIO**

*INCOME TAX REVENUE BASE AND COLLECTIONS  
LAST TEN YEARS*

<b>Year</b>	<b>Tax Rate</b>	<b>Total Tax Collected</b>	<b>Taxes from Withholding</b>	<b>Percentage of Taxes from Withholding</b>	<b>Taxes From Net Profits</b>	<b>Percentage of Taxes from Net Profits</b>
2007	2.00%	\$ 11,663,774	\$ 9,506,398	81.50%	\$ 792,247	6.79%
2006	2.00%	11,301,258	9,432,669	83.47%	997,931	8.83%
2005	2.00%	10,092,095	8,364,178	82.88%	897,569	8.89%
2004	2.00%	10,592,294	8,611,884	81.30%	904,487	8.54%
2003	2.00%	9,981,113	8,159,958	81.75%	752,417	7.54%
2002	2.00%	10,253,956	8,336,516	81.30%	729,306	7.11%
2001	2.00%	10,097,927	8,183,203	81.04%	755,743	7.48%
2000	2.00%	10,577,875	8,271,812	78.20%	1,182,115	11.18%
1999	2.00%	10,400,761	8,065,282	77.55%	1,163,295	11.18%
1998	2.00%	9,969,864	7,453,462	74.76%	1,210,039	12.14%

Source: The City of Barberton Income Tax Department and the City of Cleveland Central Collection Agency.



	<b>Taxes from Individuals</b>	<b>Percentage of Taxes from Individuals</b>
\$	878,298	7.53%
	870,658	7.70%
	830,348	8.23%
	1,075,923	10.16%
	1,068,738	10.71%
	1,188,134	11.59%
	1,158,981	11.48%
	1,123,948	10.63%
	1,172,184	11.27%
	1,306,363	13.10%

**CITY OF BARBERTON, OHIO**

*RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN YEARS*

Year	Governmental Activities					Business-Type Activities	
	General Obligation Bonds	Special Assessment Bonds	HUD Section 108 Loan	Notes	Capital Leases	General Obligation Bonds	Revenue Bonds
2007	\$ 4,034,195	\$ 201,800	\$ 1,095,000	\$ 699,000	\$ 342,481	\$ 3,695,812	\$ 8,805,000
2006	4,672,529	235,641	1,210,000	838,000	160,621	4,367,472	9,105,000
2005	5,313,823	266,950	1,325,000	1,013,000	-	5,024,996	630,000
2004	5,944,904	176,500	1,440,000	1,216,000	-	5,666,896	1,235,000
2003	5,006,603	197,600	1,555,000	2,715,000	-	3,602,390	1,815,000
2002	190,437	217,700	1,665,000	7,355,000	-	2,800,000	2,370,000
2001	311,183	237,000	1,740,000	2,095,000	180,693	3,010,000	2,900,000
2000	426,273	-	1,815,000	315,000	386,330	3,210,000	3,410,000
1999	535,747	-	1,890,000	-	609,817	3,430,000	3,900,000
1998	639,643	-	1,965,000	211,066	225,733	3,625,000	4,375,000

Sources:

- (a) See notes to the financial statements regarding the City's outstanding debt information.
- (b) See Schedule " Demographic and Economic Statistics - Last Ten Years" for personal income and population.

<b>Business-Type Activities</b>						
<b>Notes</b>	<b>Capital Leases</b>	<b>(a) Total Primary Government</b>	<b>(b) Total Personal Income</b>	<b>Percentage of Personal Income</b>	<b>(b) Population</b>	<b>Per Capita</b>
\$ 2,066,000	\$ 125,839	\$ 21,065,127	\$ 495,597,836	4.25%	27,899	\$ 755
2,697,000	154,054	23,440,317	495,597,836	4.73%	27,899	840
4,652,000	11,187	18,236,956	495,597,836	3.68%	27,899	654
2,459,000	24,077	18,162,377	495,597,836	3.66%	27,899	651
4,700,000	50,029	19,641,622	495,597,836	3.96%	27,899	704
6,190,000	74,668	20,862,805	495,597,836	4.21%	27,899	748
4,625,000	43,346	15,142,222	495,597,836	3.06%	27,899	543
3,445,000	59,312	13,066,915	495,597,836	2.64%	27,899	468
4,215,000	13,646	14,594,210	176,538,593	8.27%	27,623	528
3,883,934	-	14,925,376	176,538,593	8.45%	27,623	540

**CITY OF BARBERTON, OHIO**

*RATIO OF GENERAL BONDED DEBT TO ASSESSED  
VALUE AND BONDED DEBT PER CAPITA  
LAST TEN YEARS*

<u>Year</u>	<u>Population (1)</u>	<u>Estimated Actual Value of Taxable Property (2)</u>	<u>Bonded Debt (3)</u>	<u>Ratio of Bonded Debt to Estimated Actual Value of Property</u>	<u>Bonded Debt Per Capita</u>
2007	27,899	\$ 1,363,878,114	\$ 7,730,007	0.57%	\$ 277
2006	27,899	1,351,507,409	9,040,001	0.67%	324
2005	27,899	1,239,646,576	10,338,819	0.83%	371
2004	27,899	1,222,395,092	11,611,800	0.95%	416
2003	27,899	1,226,076,160	8,608,993	0.70%	309
2002	27,899	1,103,007,141	2,990,437	0.27%	107
2001	27,899	1,059,813,736	3,321,183	0.31%	119
2000	27,899	1,044,150,407	3,636,273	0.35%	130
1999	27,623	963,592,312	3,965,747	0.41%	144
1998	27,623	908,442,334	4,264,643	0.47%	154

Sources:

- (1) See Schedule " Demographic and Economic Statistics - Last Ten Years" for population.
- (2) Summit County, Ohio; Fiscal Officer.
- (3) Includes all general obligation bonded debt with the exception of special assessment debt.

**CITY OF BARBERTON, OHIO**

*DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2007*

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Direct:</b>			
City of Barberton	\$ 7,730,007	100.00%	\$ 7,730,007
<b>Overlapping debt:</b>			
Barberton City School District	22,950,366	97.76%	22,436,278
Summit County	49,245,000	3.44%	1,694,028
Akron-Summit County Library District	53,825,000	0.07%	37,678
Akron Metro Regional Transit Authority	650,000	3.44%	22,360
Total direct and overlapping debt	<u>\$ 134,400,373</u>		<u>\$ 31,920,351</u>

Source: Ohio Municipal Advisory Council

**CITY OF BARBERTON, OHIO**

*COMPUTATION OF LEGAL DEBT MARGIN  
LAST TEN YEARS*

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Assesed Value (a)	\$ 403,765,630	\$ 445,921,963	\$ 420,900,043	\$ 414,923,323
Legal debt margin:				
Debt limitation - 10.5% of Assesed Value	42,395,391	46,821,806	44,194,505	43,566,949
Debt Applicable to Limitation:				
General Obligation Bonds	7,730,007	9,040,001	10,338,819	11,611,800
Special Assessment Bond	201,800	235,641	266,950	176,500
Notes	2,765,000	3,535,000	5,665,000	3,675,000
Revenue Bonds	8,805,000	9,105,000	630,000	1,235,000
Gross Indebtedness				
(Total Voted and Unvoted Debt)	<u>19,501,807</u>	<u>21,915,642</u>	<u>16,900,769</u>	<u>16,698,300</u>
Less: Debt Outside Limitations				
Special Assessment Bond	(201,800)	(235,641)	(266,950)	(176,500)
Notes	(2,765,000)	(3,535,000)	(4,652,000)	(2,459,000)
Revenue Bonds	(8,805,000)	(9,105,000)	(630,000)	(1,235,000)
Total Debt Outside Limitations	<u>(11,771,800)</u>	<u>(12,875,641)</u>	<u>(5,548,950)</u>	<u>(3,870,500)</u>
Total Debt Applicable to Limitation - Within 10.5% Limitations	7,730,007	9,040,001	11,351,819	12,827,800
Less: Amount Available in Debt Service Fund to pay debt applicable to limitation	<u>(323,368)</u>	<u>(283,673)</u>	<u>(270,859)</u>	<u>(41,937)</u>
Net Debt Within 10.5% Limitation	<u>7,406,639</u>	<u>8,756,328</u>	<u>11,080,960</u>	<u>12,785,863</u>
Overall Debt Margin Within 10.5% Limitation	<u>\$ 34,988,752</u>	<u>\$ 38,065,478</u>	<u>\$ 33,113,545</u>	<u>\$ 30,781,086</u>
Unvoted Debt Limitation - 5.5% of Assesed Valuation	\$ 22,207,110	\$ 24,525,708	\$ 23,149,502	\$ 22,820,783
Gross Indebtedness Authorized by Council	19,501,807	21,915,642	16,900,769	16,698,300
Less: Debt Outside Limitations:				
Total Debt Outside Limitations	<u>(11,771,800)</u>	<u>(12,875,641)</u>	<u>(5,548,950)</u>	<u>(3,870,500)</u>
Debt Within 5.5% Limitations	7,730,007	9,040,001	11,351,819	12,827,800
Less Amount Available in Debt Service Fund	(323,368)	(283,673)	(270,859)	(41,937)
Net Debt Within 5.5% Limitation	<u>7,406,639</u>	<u>8,756,328</u>	<u>11,080,960</u>	<u>12,785,863</u>
Unvoted Debt Margin Within 5.5% Limitation	<u>\$ 14,800,471</u>	<u>\$ 15,769,380</u>	<u>\$ 12,068,542</u>	<u>\$ 10,034,920</u>

Source: City of Barberton financial records

(a) Beginning in 2007, the debt limit excludes the assessed valuation of tangible personal property tax, as well as railroad and telephone public utility personal property in accordance with Ohio House Bill 530.

<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>	<b>1999</b>	<b>1998</b>
\$ 415,088,815	\$ 369,420,185	\$ 357,002,567	\$ 353,444,088	\$ 324,473,809	\$ 308,798,953
43,584,326	38,789,119	37,485,270	37,111,629	34,069,750	32,423,890
8,608,993	2,990,437	3,321,183	3,636,273	3,965,747	4,264,643
197,600	217,700	237,000	-	-	-
7,415,000	13,545,000	6,720,000	3,760,000	4,215,000	4,095,000
1,815,000	2,370,000	2,900,000	3,410,000	3,900,000	4,375,000
<u>18,036,593</u>	<u>19,123,137</u>	<u>13,178,183</u>	<u>10,806,273</u>	<u>12,080,747</u>	<u>12,734,643</u>
(197,600)	(217,700)	(237,000)	-	-	-
(4,700,000)	(6,190,000)	(4,625,000)	(3,445,000)	(4,215,000)	(3,883,934)
<u>(1,815,000)</u>	<u>(2,370,000)</u>	<u>(2,900,000)</u>	<u>(3,410,000)</u>	<u>(3,900,000)</u>	<u>(4,375,000)</u>
<u>(6,712,600)</u>	<u>(8,777,700)</u>	<u>(7,762,000)</u>	<u>(6,855,000)</u>	<u>(8,115,000)</u>	<u>(8,258,934)</u>
11,323,993	10,345,437	5,416,183	3,951,273	3,965,747	4,475,709
<u>(191,776)</u>	<u>(71,322)</u>	<u>(2,984)</u>	<u>(6,212)</u>	<u>(6,211)</u>	<u>(99,751)</u>
<u>11,132,217</u>	<u>10,274,115</u>	<u>5,413,199</u>	<u>3,945,061</u>	<u>3,959,536</u>	<u>4,375,958</u>
<u>\$ 32,452,109</u>	<u>\$ 28,515,004</u>	<u>\$ 32,072,071</u>	<u>\$ 33,166,568</u>	<u>\$ 30,110,214</u>	<u>\$ 28,047,932</u>
\$ 22,829,885	\$ 20,318,110	\$ 19,635,141	\$ 19,439,425	\$ 17,846,059	\$ 16,983,942
18,036,593	19,123,137	13,178,183	10,806,273	12,080,747	12,734,643
<u>(6,712,600)</u>	<u>(8,777,700)</u>	<u>(7,762,000)</u>	<u>(6,855,000)</u>	<u>(8,115,000)</u>	<u>(8,258,934)</u>
11,323,993	10,345,437	5,416,183	3,951,273	3,965,747	4,475,709
(191,776)	(71,322)	(2,984)	(6,212)	(6,211)	(99,751)
<u>11,132,217</u>	<u>10,274,115</u>	<u>5,413,199</u>	<u>3,945,061</u>	<u>3,959,536</u>	<u>4,375,958</u>
<u>\$ 11,697,668</u>	<u>\$ 10,043,995</u>	<u>\$ 14,221,942</u>	<u>\$ 15,494,364</u>	<u>\$ 13,886,523</u>	<u>\$ 12,607,984</u>

**CITY OF BARBERTON, OHIO**

*PLEDGED REVENUE BOND COVERAGE - SEWER AND WATER  
LAST TEN YEARS*

**SEWER REVENUE BONDS:**

<u>Year</u>	<u>Operating Revenue</u>	<u>Operating Expenses (1)</u>	<u>Net Revenue Available for Debt Service</u>	<u>Debt Service Requirements (2)</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2006 (4)	\$ 4,096,943	\$ 2,857,302	\$ 1,239,641	\$ 630,000	\$ 28,350	\$ 658,350	1.88
2005	4,087,566	2,798,713	1,288,853	605,000	55,273	660,273	1.95
2004	3,786,929	2,185,013	1,601,916	580,000	80,792	660,792	2.42
2003	3,585,759	3,231,175	354,584	555,000	104,380	659,380	0.54
2002	3,581,281	2,509,043	1,072,238	530,000	126,243	656,243	1.63
2001	3,428,571	2,315,968	1,112,603	510,000	146,643	656,643	1.69
2000	3,207,835	2,428,458	779,377	490,000	166,243	656,243	1.19
1999	3,311,880	2,286,044	1,025,836	475,000	184,768	659,768	1.55
1998	3,389,776	2,233,113	1,156,663	535,000	136,375	671,375	1.72

**WATER REVENUE BONDS:**

<u>Year</u>	<u>Operating Revenue</u>	<u>Operating Expenses (1)</u>	<u>Net Revenue Available for Debt Service</u>	<u>Debt Service Requirements (2)</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2007	\$ 4,246,190	\$ 3,087,191	\$ 1,158,999	\$ 300,000	\$ 388,941	\$ 688,941	1.68
2006 (3)	4,220,667	3,295,618	925,049	200,000	260,990	460,990	2.01

(1) Total operating expenses are exclusive of depreciation.

(2) Includes principal and interest of bonds only.

(3) The Water Revenue bonds were issued during 2006; therefore information prior to 2006 is not presented.

(4) The Sewer Revenue Bonds matured during 2006; therefore information after 2006 is not presented.



**CITY OF BARBERTON, OHIO**

*DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS*

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income</u>	<u>Per Capita Personal Income (1)</u>	<u>Annual Average Unemployment Rates (2)</u>			
				<u>City of Barberton</u>	<u>Summit County</u>	<u>Ohio</u>	<u>United States</u>
2007	27,899	\$ 495,597,836	\$ 17,764	6.7%	5.4%	5.6%	4.6%
2006	27,899	495,597,836	17,764	6.2%	5.3%	5.5%	4.6%
2005	27,899	495,597,836	17,764	6.7%	5.7%	5.9%	5.1%
2004	27,899	495,597,836	17,764	7.0%	6.1%	6.2%	5.5%
2003	27,899	495,597,836	17,764	7.1%	6.2%	6.2%	6.0%
2002	27,899	495,597,836	17,764	8.0%	6.0%	5.7%	5.8%
2001	27,899	495,597,836	17,764	6.2%	4.6%	4.4%	4.7%
2000	27,899	495,597,836	17,764	5.6%	4.1%	4.0%	4.0%
1999	27,623	176,538,593	6,391	5.7%	4.3%	4.3%	4.2%
1998	27,623	176,538,593	6,391	5.5%	4.1%	4.3%	4.5%

Sources:

(1) U.S. Census Bureau

(2) Ohio Job & Family Services, Office of Workforce Development

**CITY OF BARBERTON, OHIO**

*PRINCIPAL EMPLOYERS  
CURRENT YEAR AND THREE YEARS AGO*

<b>Employer</b>	<b>2007</b>			<b>2004</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>
B&C Corporation	(a)	(a)	0.00%	(a)	(a)	0.00%
Babcock and Wilcox Co.	1,391	1	10.21%	1,098	2	8.19%
QHG of Barberton	1,335	2	9.80%	1,361	1	10.16%
Barberton Board of Education	795	3	5.84%	899	3	6.71%
B&C Industries	736	4	5.40%	552	5	4.12%
BWX Technologies	633	5	4.65%	695	4	5.19%
Kellou LLC	423	6	3.11%	383	8	2.86%
City of Barberton	388	7	2.85%	408	7	3.04%
B&C Research Inc.	376	8	2.76%	410	6	3.06%
Reiter Dairy Inc.	270	9	1.98%	354	9	2.64%
Tamarkin Co.	266	10	1.95%	211	10	1.57%
<b>Total</b>	<b>6,613</b>		<b>48.55%</b>	<b>6,371</b>		<b>47.54%</b>
<b>Total City Employment</b>	<b>13,620</b>			<b>13,400</b>		

Source: CCA Division of Taxation and Ohio Job and Family Services, Office of Workforce Development

Note: Information on principal employers prior to 2004 was not available.

(a) Number of employees was not reported in 2004 or 2007 but was over 1,400 in 2005.

**CITY OF BARBERTON, OHIO**

*FULL-TIME-EQUIVALENT CITY EMPLOYEES BY FUNCTION/PROGRAM  
LAST NINE YEARS*

<b>Function/Program</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>	<b>1999</b>
<b>General Government</b>									
Clerk of Council	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Municipal Court - Judges	6.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Municipal Clerk of Courts	11.28	12.30	13.30	12.30	12.30	12.30	12.50	11.50	11.00
Mayor	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Service Director	0.84	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30
Finance	5.20	5.20	5.20	4.60	5.60	5.60	5.60	5.60	5.60
Law	4.00	4.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Safety Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Human Resources	-	-	1.00	1.00	1.00	2.00	2.00	2.00	2.00
Information Systems	0.93	0.90	1.70	1.70	1.70	1.70	1.50	1.00	-
Income Tax	1.00	1.00	2.60	4.60	4.60	4.60	4.60	4.60	4.60
Other	3.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00
<b>Public Safety</b>									
Police	54.00	51.00	53.00	55.00	56.00	56.00	56.00	60.00	59.00
Fire	46.00	44.00	46.00	46.00	44.00	45.00	46.00	46.00	45.00
<b>Health and Welfare</b>									
Health	23.00	24.00	24.00	24.00	25.00	23.00	22.00	25.00	20.00
<b>Transportation</b>									
Signal	2.00	2.00	2.00	4.00	4.00	4.00	4.00	4.00	4.00
Streets	16.00	13.00	15.00	22.00	23.00	23.00	25.00	25.00	24.00
<b>Community Environment</b>									
Engineering/Building	6.59	5.60	5.60	6.60	8.30	9.30	10.30	7.30	8.30
Planning	3.50	2.00	3.00	3.00	3.00	3.00	5.00	4.00	5.00
Engineering	-	-	-	-	-	-	-	-	-
<b>Leisure Time Activity</b>									
Parks Administration	4.00	2.00	2.00	3.00	3.00	3.00	3.00	4.00	4.00
Parks Maintenance	4.00	5.00	6.00	7.00	7.00	7.00	7.00	6.00	5.00
Beautification	-	-	-	2.00	2.00	2.00	2.00	2.00	2.00
<b>Utility Services</b>									
Water	28.53	29.50	30.00	27.40	30.00	28.60	30.60	29.80	30.80
Sewer	24.33	26.40	26.00	25.20	28.00	26.40	26.40	25.90	25.40
Solid Waste	0.80	0.80	0.30	0.30	0.20	0.20	0.20	1.00	1.00
Community Center	-	2.00	2.00	2.00	3.00	3.00	2.00	2.00	2.00
<b>Total</b>	<b>249.00</b>	<b>246.00</b>	<b>257.00</b>	<b>270.00</b>	<b>280.00</b>	<b>277.00</b>	<b>283.00</b>	<b>284.00</b>	<b>276.00</b>

Source: City of Barberton records

Note: Information prior to 1999 was not available.

**CITY OF BARBERTON, OHIO**

*OPERATING INDICATORS BY FUNCTION  
LAST TEN YEARS*

<b>Function</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
<b>General Government</b>							
Positions Filled	37	26	27	19	7	7	13
Building Permits Issued	704	812	665	816	772	695	629
Building Inspections Performed	1,760	2,030	1,662	3,264	3,072	2,780	2,516
Ordinances & Resolutions	252	283	227	272	214	175	202
<b>Public Safety</b>							
Police:							
Physical Arrests	2,203	2,233	1,866	2,018	1,972	2,073	2,040
Parking Violations	2,359	1,511	942	2,073	677	1,638	1,697
Traffic Violations	2,535	3,268	2,247	1,996	2,310	2,902	2,950
Fire:							
Emergency Responses	3,444	3,502	3,387	3,422	3,442	3,370	3,558
Fire Responses	816	659	630	663	590	576	692
Inspections conducted	890	900	900	1,063	859	828	700
<b>Leisure Time Activities</b>							
Recreation Center Attendance	N/A	N/A	N/A	N/A	N/A	N/A	110,888
Recreation Center Memberships	N/A	N/A	N/A	N/A	N/A	2,909	1,883
<b>Transportation</b>							
Street Resurfacing (miles)	0.15	0.65	0.76	0.22	1.67	0	0
Tons of salt used	2,669	4,995	4,513	4,538	3,544	6,594	3,837
<b>Water</b>							
New Connections	122	125	164	123	152	116	90
Water Main Breaks	73	86	74	112	91	107	93

Source: City of Barberton Departments.

Note: Information for 10 years prior was not available for all functions.  
Leisure Time statistics not available at publication date.

<u>2005</u>	<u>2006</u>	<u>2007</u>
2	21	22
550	504	293
2,200	2,016	1,593
214	250	213
2,170	2,381	2,062
890	273	1,560
2,324	2,110	1,724
3,571	3,754	4,022
599	583	749
685	729	124
100,371	94,774	N/A
1,459	998	N/A
1.8	2.64	1.42
4,433	2,366	2,750
110	81	60
84	124	131

**CITY OF BARBERTON, OHIO**

*CAPITAL ASSETS STATISTICS BY FUNCTION  
LAST TEN YEARS*

<b>Function</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
<b>Public Safety</b>							
Police:							
Stations	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fire:							
Stations	2.00	2.00	2.00	2.00	2.00	2.00	2.00
<b>Leisure Time Activities</b>							
Parks	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Park Acreage	140.00	140.00	140.00	140.00	140.00	140.00	140.00
Fitness Center	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Swimming Pools	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Wading Pools	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Tennis Courts	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Baseball Diamonds	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Softball Fields	12.00	12.00	12.00	12.00	12.00	12.00	12.00
<b>Transportation</b>							
Streets (Paved Miles)	123.24	123.90	124.66	124.88	126.55	126.55	126.55
<b>Water</b>							
Water Mains (miles)	130.16	130.81	133.03	133.28	135.97	135.97	135.97
<b>Sewer</b>							
Sanitary Sewers (miles)	86.07	86.45	87.43	87.68	91.25	91.25	91.25

Source: City of Barberton Departments.

<u>2005</u>	<u>2006</u>	<u>2007</u>
1.00	1.00	1.00
2.00	2.00	2.00
15.00	15.00	16.00
140.00	140.00	161.10
1.00	1.00	0.00
0.00	0.00	0.00
5.00	5.00	0.00
8.00	8.00	8.00
3.00	3.00	11.00
12.00	12.00	7.00
128.35	130.99	130.99
135.97	136.37	136.70
91.25	91.25	91.25

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**Mary Taylor, CPA**  
Auditor of State

**CITY OF BARBERTON**

**SUMMIT COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 24, 2008**