

**CITY OF FOREST PARK**

**Yellow Book Report**

**December 31, 2007**





Mary Taylor, CPA  
Auditor of State

Honorable Mayor and  
Members of City Council  
City of Forest Park  
1201 West Kemper  
Forest Park, Ohio 45240

We have reviewed the *Independent Auditor's Report* of the City of Forest Park, Hamilton County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2007 through December 31, 2007. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Forest Park is responsible for compliance with these laws and regulations.

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

August 22, 2008

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND  
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
*GOVERNMENT AUDITING STANDARDS***

The Honorable Mayor and Members of the  
City Council of the City of Forest Park  
1201 West Kemper Road  
Forest Park, OH 45240

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Forest Park (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 27, 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 *Government Auditing Standards*, issued by the Comptroller General of the United States.

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 auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion 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 the normal course of 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 generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected by the City's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City's internal control.

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 deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on 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 such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the City in a separate letter dated June 27, 2008.

This report is intended solely for the information and use of management, the Auditor of State, City Council and is not intended to be and should not be used by anyone other than these specified parties.

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.  
June 27, 2008

# CITY OF FOREST PARK, OHIO

## Comprehensive Annual Financial Report



For the Year Ended  
December 31, 2007





**CITY OF FOREST PARK, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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

**PREPARED BY:**  
**DEPARTMENT OF FINANCE**  
**HARLITA H. ROBINSON**  
**DIRECTOR OF FINANCE**

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# INTRODUCTORY SECTION

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# City of Forest Park

June 30, 2008

Forest Park Citizens  
Forest Park Council Members  
Lenders and Other Interested Parties  
Forest Park, Ohio 45240

State law requires that the City of Forest Park (the City) annually publish a complete set of financial statements for the results of its fiscal operations, presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards. This report meets the state requirements for the auditor's opinion and the minimum basic financial statements, and it goes a step further by providing this Comprehensive Annual Financial Report (CAFR). This CAFR provides the reader additional information regarding the City's finances. A complete CAFR is not required to be prepared, but by doing so it represents a commitment by the City of Forest Park to achieve the highest nationally recognized standards of excellence in financial reporting as established by the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).

This report incorporates GASB Statement No.34- Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Statement 34 was developed to make annual financial reports of state and local governments easier to understand and more useful to those who make decisions using government's financial information. This report represents and reflects upon the City's financial operations and condition to City's residents, its elected officials, management personnel, financial institutions, City bondholders, rating agencies and all other parties interested in the financial affairs of the City.

This CAFR consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.





The City's financial statements have been audited by Plattenburg and Associates Inc., Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2007, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended December 31, 2007, are fairly presented in conformity with GAAP. The independent auditor's opinion is presented as the first component of the financial section of this report.

GAAP requires management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (M D & A). This letter of transmittal is designed to complement the M D & A and should be read in conjunction with it. The City's M D & A is found immediately following the report of the independent auditors.

### **CITY OVERVIEW**

The City is located in the southwestern portion of the State of Ohio between the cities of Cincinnati and Dayton, and is entirely within the County of Hamilton. The City traces its roots to the mid-1950's when the Federal Government encouraged the development of a second greenbelt community in the Cincinnati area. Greenhills was the first greenbelt community, a concept patterned after the famed garden cities of England. In contrast to Greenhills, however, development of Forest Park was handled through private enterprise, specifically the Warner-Kanter Corporation. That was in 1954. Within two years, the first homes were ready for occupancy. Forest Park progressed rapidly with the formation of a civic association in 1958, a volunteer fire department and incorporation as a village in 1961, and city status (population in excess of 5,000) in 1968 with the adoption of a Home Rule Charter that same year.

As of the 2000 U. S. Census Report, Forest Park was the third largest city in Hamilton County, with a population of 19,463. Its 62 miles of streets and 3,800-plus acres are bounded by Hamilton Avenue to the west, Springfield Pike (Route 4) to the east, Sharon Road to the south and the Hamilton County line north of I-275 to the north. Forest Park is 14 miles north of downtown Cincinnati, 35 miles south of Dayton, and within 125 miles of Columbus, Indianapolis, Lexington, and Louisville. Via I-275, the City is only 35 minutes from the Greater Cincinnati International Airport. Because of this ideal location, the City enjoys a reputation as a premier site for both residential and commercial development.

The City operates under the City Manager-Council plan pursuant to its Charter, but is also subject to the general statutes of the State of Ohio governing municipalities. In addition, the City may exercise all powers of local self-government under Article XVIII, Section 3, of the Ohio Constitution. The legislative authority of the City is vested in a seven member Council whose members are elected to four-year overlapping terms with an election of three (or four in alternate council election years) council seats every two years. The Council enacts ordinances and resolutions to provide for city services, to levy taxes, to make appropriations, to borrow money, to fix salaries of all employees of

the City, whether elected or appointed, to adopt a budget and to perform such other duties and exercise such other rights, not inconsistent with the City Charter, as may be granted to the legislative authority of any municipality of Ohio. The presiding officer of the Council is the Mayor, who is chosen by the council every two years under the Charter. All Council members are from the City at large.

The City Manager is the chief executive, administrative, and law enforcement officer of the City. The Manager is charged with responsibility for enforcing the laws and ordinances of the City. The Manager appoints and removes all heads of departments and all subordinate officers and employees of the City, except the City Law Director and Clerk of Council. He exercises control over all departments created by the City Council. The Law Director serves as legal advisor and attorney for the City and performs duties as provided under the Charter and general laws of Ohio pertaining to municipal legal advisors. The Director of Finance is appointed by the City Manager with the concurrence of the City Council to supervise the Department of Finance and performs the powers, duties and functions of the fiscal officer of the City pursuant to the Charter and general laws of Ohio. The City provides numerous services including police, fire and emergency services protection, the construction and maintenance of highways and streets; parks and recreational program services, and stormwater management.

## **ECONOMIC CONDITIONS AND OUTLOOK**

Returning properties back to their best possible use is a major part of our department's annual program of work. Underdeveloped, vacant or blighted properties contribute to an overall decline of our community's neighborhoods. In 2007, we aggressively met this challenge by launching a comprehensive plan that attracts new investment to each of our city's three business districts.

### *Winton Road Corridor*

At one time, Parkwood Plaza (formerly Cobblewood Plaza) was less than 50% occupied. A number of anchor stores had left the facility, and almost all of its specialty retail space was empty. With the opening of Wal-Mart in 2006, the outdoor power center began to gain momentum. In 2007, occupancy approached 100% as Radio Shack and several other tenants signed new leases and Starbucks completed a new coffee shop. Today Parkwood Plaza is a vibrant retail center, an example of how the right tenant mix can transform an underperforming property.

While we saw great success at Parkwood Plaza in 2007, we also experienced new struggles at Cincinnati Mills. Its parent company (Mills Corporation) experienced significant financial troubles and consequently had to sell off its massive portfolio of retail properties. Indianapolis-based Simon Properties purchased the portfolio (including Cincinnati Mills), and I anticipate that we will see another round of changes at the mall as the new owners search for "the right mix". Top Simon executives confirm that Cincinnati Mills represents a tremendous opportunity. Indeed, it may be one of the best pieces of real estate in the Mills portfolio. However, the new owners must find the right combination of businesses to successfully complete the mall's transformation.

Just across the street from Cincinnati Mills, the Omniplex site continues to evolve. In 2007, CarMax announced plans for a major redevelopment of the former AutoNation property. The company will invest \$15-20 million to acquire and renovate the site, adding a 30,000+ SF service center to the facility and making major modifications to the existing structure. They estimate that the project will add 100-125 jobs (with an average salary of \$40,000).

At the corner of West Kemper and Winton Road, another shopping center is undergoing a successful transformation. Owners of the Promenade Shopping Center moved Wild Bird Unlimited to an interior space, successfully keeping the popular nature store in Forest Park. Subway expanded by moving into an empty building, and Walgreens began construction of a new store. The \$3 million pharmacy fills an important need in our community and signals a renewed interest in this retail property.

#### *Hamilton Avenue Waycross Road Corridor*

Following the City's successful acquisition of the former Kmart property in 2006, we completed negotiations with the owner of the remainder of the shopping center in 2007. For a price far below the market value of the property, we assembled a 12-acre site for redevelopment. In August, we entered into a preferred developer arrangement with Kubicki Real Estate (KRE) to market the property for a first-class office complex.

Our agreement with KRE extends until February of 2008. If the company is not successful, we will proceed with the demolition of this vacant shopping center as originally planned and create a "job ready" site for future office or mixed-use development.

In 2007, we saw the beginnings of redevelopment at the former Surf Cincinnati property. The Woodlands Group, a successful banquet and catering firm headquartered in Cleves, purchased and renovated the former Crystal Room at Surf Cincinnati. A local church purchased the former Surf Cincinnati property with plans to build a 1,500-seat worship center and 300-seat chapel. The church could also build a 15,000-square-foot indoor sports complex and restore one of the swimming pools on the property.

County officials continue working with City staff on the planned improvement of Hamilton Avenue south of I-275. As reported previously, funding for the \$4 million road project has been secured. In 2007 the County Engineer started right-of-way acquisition, and we anticipate that a contract for construction will be put out for bid in early 2008.

#### *Northland Business District*

In 2007, the City aggressively pursued the redevelopment of our community's original business district along Northland Boulevard. After meeting with local business and commercial property owners, City officials started the process to establish a property assessment to fund a much needed property maintenance program in the corridor.

This innovative program, implemented with great cooperation from our business partners, should dramatically enhance the overall appearance of this area.

Also in 2007, the City invested \$725,000 (again a price far below the assessed value) to acquire the 640-660-680 office buildings. We quickly entered into an agreement with a local developer who will invest \$1.3 million to renovate and re-tenant 640 and 660. Consistent with our redevelopment plan, we will demolish 680 to make way for additional public parking in the short term. Eventually, this site could accommodate an expansion of the Parkdale Post Office.

Negotiations are underway to acquire other properties in the corridor. We are also exploring opportunities to obtain state or federal funding (as well as private investment) to leverage City dollars for our redevelopment initiative.

A Forest Park business address remains attractive to numerous prospects. In 2007, our retention program achieved several success stories:

- **Magna Machine** completed an expansion of its Southland Road facility, adding much needed office space to the front of its building. More than 100 people work at the facility. We are working with company owner Paul Kramer to complete yet another expansion in 2008-09.
- **Thelen Associates** will invest approximately \$2 million to build and equip a 13,200 SF facility in Carillon Business Park, a project that involves the retention/creation of 35 FT and 10 PT jobs. This project is consistent with our goal of attracting high technology jobs to Carillon.
- **METCUT/Cincinnati Testing Laboratories** is nearing completion of its new 32,000 square foot headquarters in Carillon Park. The company is investing \$3.7 million for the project, one that will result in the creation or retention of more than 30 full time jobs.
- **Stigler Supply** and **OK Interiors** announced expansion projects at their respective facilities in the Northland Industrial Park.
- **Enriching Spaces/ISI** is planning an expansion of its Kemper Meadow headquarters.

The recruitment of new companies is a major component of our program of work, and there are several projects in the pipeline. It is important to note that a key component of our redevelopment initiative is the creation of “job ready” sites, converting underdeveloped or blighted properties into true opportunities for new construction. In 2007, we secured a commitment from a local medical group who (if we can assemble a site) will invest \$2 million to build a medical services center in one of our neighborhood business districts.

### **A Look Ahead**

Overall our outlook for the future is very good. The focus in 2008 on community revitalization should result in new opportunities for development that will bring additional jobs to the City as well as eliminating blighted properties. The following are areas of concentration for 2008:

- **Complete the redevelopment of 640-660 Northland Boulevard.** We will finalize the agreement with a local developer to transform this vacant and blighted property into a vibrant and attractive office complex, a true source of jobs and revenue for the community.
- **Attract a medical services complex to the Northland Business District.** Independent studies confirm that area in and around Forest Park is underserved by local medical services. A state of the art medical center on Northland Boulevard will improve the access to and affordability of healthcare for our residents.
- **Aggressively pursue outside sources of funding for our redevelopment initiative.** We will aggressively pursue outside sources of funds to guarantee the greatest possible return on the investment of our taxpayers and ensure the success of our redevelopment campaign.
- **Continue to attract new development to Carillon Park.** In 2007, we attracted two major projects and more than \$5 million in business investment to Carillon Park. In 2008, we will focus on the recruitment of high technology facilities and corporate headquarters.
- **Reactivate the Community Improvement Corporation (CIC) for our redevelopment campaign.** Inactive for a number of years, the Forest Park CIC can be a useful tool for property acquisition and management as we proceed with our redevelopment plan.
- **Continue our successful business retention program.** In 2007, we successfully retained six Forest Park companies. In 2008, we will continue to network with our business community in an effort to identify and respond quickly to retention prospects.
- **Pursue road improvements to key transportation corridors.** We will continue working with the Hamilton County Engineer to complete the Hamilton Avenue expansion project on schedule. We will also continue working with the City of Fairfield to secure state and federal resources for much needed improvements to the Winton/Gilmore corridor.
- **Maintain the success of fundraising efforts for Concert on the Green and other city activities.** To keep events such as the Concert on the Green viable, we will maintain the current level of private contributions and if possible secure multi-year commitments from key contributors.

Reported construction valuation in 2007 totaled \$7.95 million, \$1.9 million less than reported in 2006 and less than half the \$21.26 million reported in 2005. Of the \$7.95 million, \$6.3 million is attributed to commercial construction and \$1.6 million to residential construction. Only three new single family homes were constructed in 2007, the same number as in 2006. No multi-family dwelling units were begun in 2007.

## **RELEVANT FINANCIAL POLICIES**

In June of 2006, the State legislature passed House Bill 66. House Bill 66 phases out the tax on tangible personal property of general business, telephone and telecommunications companies, and railroads. The tax on general business and railroad property began being phased out in 2007 and will be eliminated by 2009. The tax on telephone and telecommunication property will begin being phased out in 2009 and will be eliminated by 2011. The tax is being phased out by reducing the assessment rate on the property each year. In the first five years, the City will be reimbursed fully for the lost revenue; in the following seven years, the reimbursements will be phased out.

## **LONG-TERM FINANCIAL PLANNING**

The general fund year end balance, while decreasing, remains in excess of 18 percent of total general fund revenues. Forest Park undertook a redevelopment program in 2007 that will span several years that includes general fund support. The City will strive to maintain the ideal percentage of carryover despite the additional demands on the general fund.

## **CITY INCOME TAX**

The 1.5% locally levied tax applies to gross salaries, wages and other personal service compensation earned by residents, both in and out of the City and upon earnings of non-residents earned in the City. It also applies to net income of business organizations derived from business activities conducted in the City. In February 2007 Forest Park voters approved a tax modification plan that increased the income tax rate to 1.5% effective July 1, 2007. In addition, the 0.5% credit for tax paid to another jurisdiction was increased to 1.5%.

The income tax revenues help fund operating expenses in the General Fund as well as provide debt service for the General Obligation Bonds.

Revenues from this tax are directly related to employment levels and the general economic conditions in the Cincinnati area. Revenues for the past three years as reported in the General Fund are as follows:

<u>Revenues</u>	
2007	\$6,812,143
2006	\$6,140,728
2005	\$6,315,991

## **CASH MANAGEMENT**

The City's cash management program addresses the issues of safety, liquidity and yield while maximizing return on idle cash. The City utilizes the Star Ohio program investment pool operated by the Treasurer of the State of Ohio for ready cash; however, City ordinances limit investment in this program to \$100,000. Certificates of deposit, treasury notes, and government agency securities are also utilized for investment purposes.

During 2007, the City made investments pursuant to the investment policy that was enacted during 1996. It is City policy to conform to the regulations established in the Ohio Revised Code so as to ensure the safety of its deposits and investments.

## **RISK MANAGEMENT**

The City is exposed to a variety of accidental losses and has established a risk management strategy that attempts to minimize losses and carrying costs of insurance.

Risk control techniques have been established to reasonably assure that the City's employees are aware of their responsibilities regarding loss exposures related to their duties. Similarly, risk control techniques have been established to reduce possible losses to property owned or under the control of the City. Furthermore, supervisory personnel are held responsible for monitoring risk control techniques on an operational basis.

The primary techniques used for risk financing are the purchase of insurance policies from commercial insurers that include a large deductible amount. The use of a large deductible clause reduces the cost of insurance. However, if losses occur, the portion of the uninsured losses is not expected to be significant with respect to the financial position of the City.

## **CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING - 2006**

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 Forest Park for its comprehensive annual financial report for the fiscal year ended December 31, 2006. This was the sixteenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

## **DISTINGUISHED BUDGET PRESENTATION AWARD - 2006**

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Forest Park, Ohio for the Annual Budget beginning January 1, 2007. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

Forest Park joins an elite group of about 1,100 jurisdictions in the US and Canada receiving this award out of over 80,000 eligible jurisdictions. In Ohio, only 24 budgets received this award in 2007.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

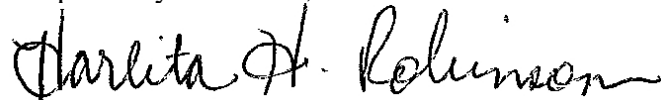
### **ACKNOWLEDGEMENTS**

Preparation of this report could not have been accomplished without the professional, efficient, and dedicated services of the entire staff of the Finance and Tax Department. Additional thanks is also due to the staff of the independent accounting firm of Plattenburg and Associates Inc., who worked the City staff toward the preparation and independent examination of these statements.

Finally, a special word of thanks is necessary to recognize the efforts of members of City Council and the City Administration – past and present – whose conservative fiscal management and solid decision-making are reflected in the sound financial position of the City. As a result of their hard work, under the GASB 34 reporting model format, this report presents information in an organized manner to provide greater insight regarding the City's finances.

We hope readers of this financial report will find the report beneficial in understanding the City's financial organization, financial position and condition, net assets, and results of operations.

Respectfully submitted,



Harlita H. Robinson, CPA, CPFA, CPFIM  
Director of Finance



**CITY OF FOREST PARK, OHIO  
PUBLIC OFFICIALS**

**LEGISLATIVE**

**MAYOR**

Charles Johnson

**COUNCIL MEMBERS**

Wynndel Burns, 1<sup>st</sup> Vice Mayor  
Clara Pugh, 2<sup>nd</sup> Vice Mayor  
Dr. Inell Bolls

Sheila J. Cottle  
Diana Herbe  
Denise Holt

**APPOINTED OFFICIALS**

City Manager  
Building Department Director  
Community Development Director  
Economic Development Director  
Finance Director  
Fire Chief  
Human Resources Director  
Police Chief  
Public Works/Stormwater Management Utility Director  
Recreation Director  
Litter Awareness Program Manager  
Clerk of Council  
Law Director

Ray H. Hodges  
Stanley Beeler  
Christopher Anderson  
Paul Brehm  
Lois Reynolds  
Patricia Brooks  
Tye Smith  
Phil Cannon  
David L. Buesking  
Kenisha Crum  
Wright H. Gwyn  
Sally Huffman  
John Wykoff

**DEPARTMENT OF FINANCE**

Lois Reynolds  
Dan Burke  
Joy H. Vetere

Director\*  
Deputy Director  
Assistant to the Finance Director

**DIVISION OF ACCOUNTING**

Mary Ellen Klenk

Katie Peterson

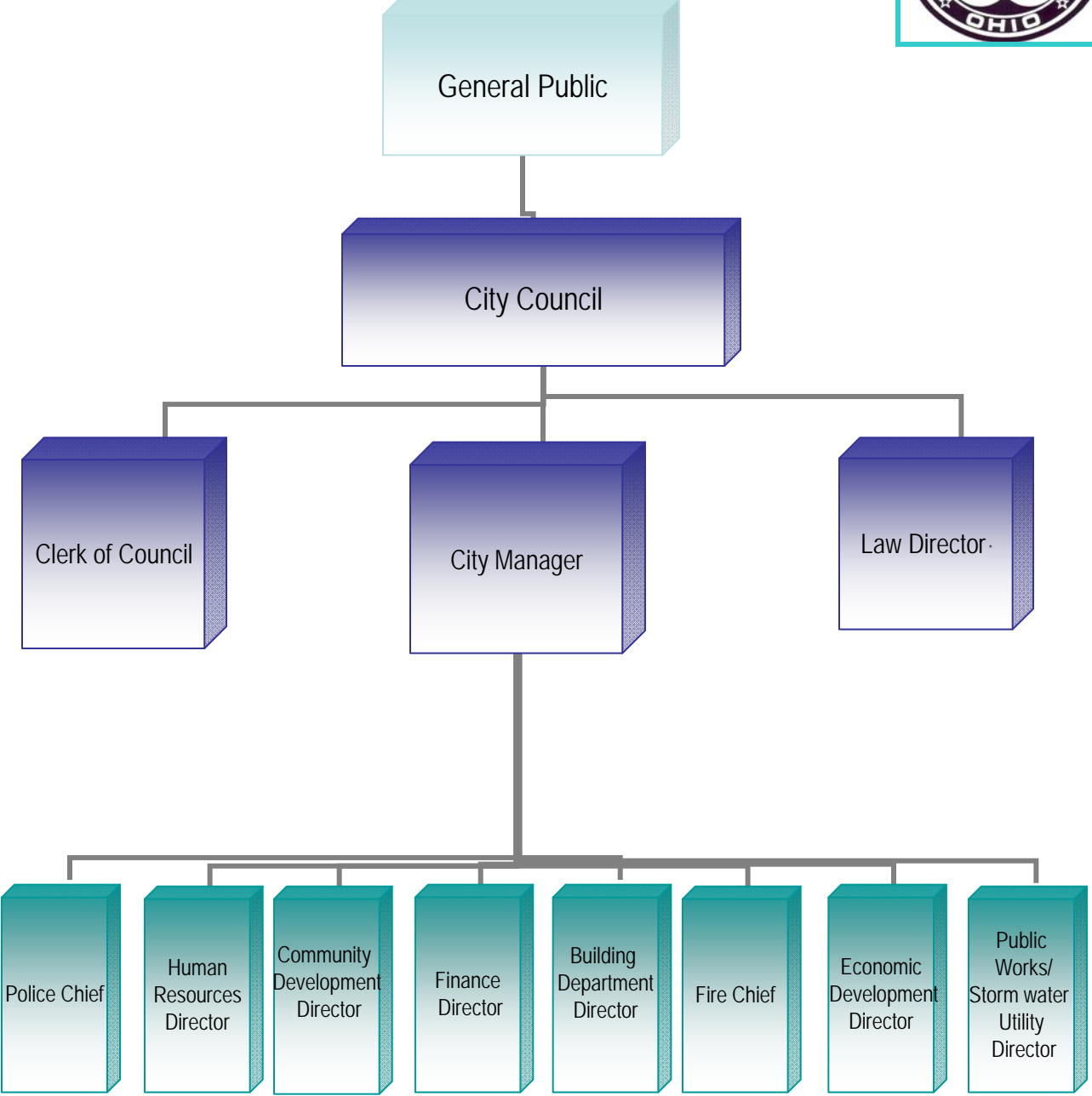
**DIVISION OF INCOME TAX**

Katie English  
Felecia McKie

Diane Mathews  
Maria Scott

\*-Harlita H. Robinson, CPA, CPFA, CPFIM started on February 18, 2008

# City of Forest Park Organization Chart



**\* Contractual Employee**

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Forest Park  
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.



*Charles S. Cox*

President

*Jeffrey R. Emery*

Executive Director

## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members of the  
City Council of the City of Forest Park

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Forest Park (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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about 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 that 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, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2007, and the respective changes in financial position, 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 27, 2008, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information listed in the table of contents is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.  
June 27, 2008

## **CITY OF FOREST PARK**

Management's Discussion and Analysis  
For The Year Ended December 31, 2007  
(Unaudited)

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

The City of Forest Park's discussion and analysis of the annual financial reports provides a review of the financial performance for the fiscal year ending December 31, 2007. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's performance.

### **FINANCIAL HIGHLIGHTS**

Key financial highlights for 2007 are as follows:

- In total, net assets increased \$983.
- General revenues accounted for \$13,054,320 in revenue or 75% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$4,351,941 or 25% of total revenues of \$17,406,261.
- The City had \$17,405,278 in expenses related to governmental activities; only \$4,351,941 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues of \$13,054,320 provided for 75% of these programs.
- Among major funds, the general fund had \$9,823,067 in revenues and \$9,663,744 in expenditures. The general fund's fund balance increased from \$2,806,753 to \$3,034,346.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of a series of financial statements. These statements are presented so that the reader can understand the City's financial situation as a whole and to give a detailed view of the City's fiscal condition.

The Statement of Net Assets and Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Major 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 the amount of funds available 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.

## **Government-wide Financial Statements**

The analysis of the City as a whole begins with the Government-wide Financial Statements. These reports provide information that will help the reader to determine if the City of Forest Park is financially better off or worse off as a result of the year's activities. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net assets and changes to those assets. This change informs the reader whether the City's financial position, as a whole, has improved or diminished. In evaluating the overall financial health, the reader of these financial statements needs to take into account non-financial factors that also impact the City's financial well being. Some of these factors include the City's tax base and the condition of capital assets.

In the Government-wide Financial Statements, the overall financial position of the City is presented in the following manner:

- **Governmental Activities** - Most of the City's services are reported here including police, fire, rescue, street maintenance, parks and recreation, and general administration. Income taxes, property taxes, intergovernmental revenue, charges for services, and interest finance most of these activities.

## **Fund Financial Statements**

Information about the City's major funds is presented in the Fund Financial Statements (see table of contents). Fund financial statements provide detailed information about the City's major funds - not the City as a whole. Some funds are required by State law and bond covenants. Other funds may be established by the City, with approval of Council, to help control, manage and report money received for a particular purpose or to show that the City is meeting legal responsibilities for use of grants. The City's major funds are General and Fire Fund.

**Governmental Funds** - The City's services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or less financial resources that can be spent in the near future on services provided to our residents. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.



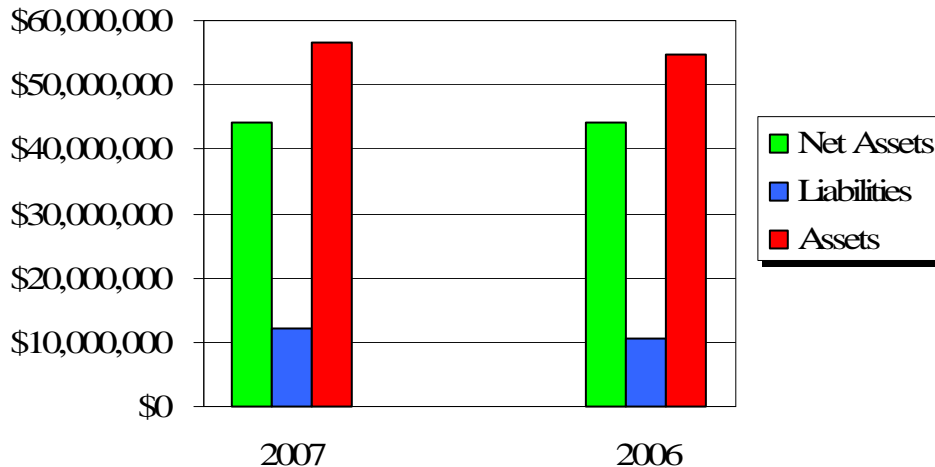
**Fiduciary Funds** - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. All of the City's fiduciary activities are reported in a separate Statement of Fiduciary Net Assets.

**The City as a Whole**

As stated previously, the Statement of Net Assets looks at the City as a whole. Table 1 provides a summary of the City's net assets for 2007 compared to 2006.

**Table 1**  
Net Assets

	Governmental Activities	
	2007	2006 Restated
Assets		
Current Assets	\$17,805,077	\$16,920,316
Capital Assets, Net	38,683,528	37,856,888
<b>Total Assets</b>	<b>56,488,605</b>	<b>54,777,204</b>
Liabilities		
Long-Term Liabilities	3,820,142	4,243,903
Other Liabilities	8,399,457	6,265,278
<b>Total Liabilities</b>	<b>12,219,599</b>	<b>10,509,181</b>
Net Assets		
Invested in Capital		
Assets Net of Debt	32,982,943	33,271,931
Restricted	6,865,890	6,705,865
Unrestricted	4,420,173	4,290,227
<b>Total Net Assets</b>	<b>\$44,269,006</b>	<b>\$44,268,023</b>



Net assets of the City's governmental activities increased \$983. The City had an unrestricted net assets balance of \$4,420,173 that may be used to meet the government's ongoing obligations to citizens and creditors. Total net assets remained relatively consistent in 2007 as compared to 2006.

Table 2 shows the changes in net assets for the year ended December 31, 2007 and revenue and expense comparisons to 2006.

**Table 2**  
Changes in Net Assets

	Governmental Activities	
	2007	2006 Restated
Program Revenues:		
Charges for Services	\$2,990,087	\$2,672,285
Operating Grants, Contributions	1,274,379	1,088,440
Capital Grants and Contributions	87,475	0
Total Program Revenues	<u>4,351,941</u>	<u>3,760,725</u>
General Revenue:		
Income Taxes	6,812,643	6,140,728
Property Taxes	5,002,102	4,685,273
Grants and Entitlements	465,147	1,141,460
Unrestricted Contributions	11,290	3,291
Investment Earnings	579,294	445,449
Refunds and Reimbursements	103,460	42,300
Other Revenues	80,384	53,196
Total General Revenues	<u>13,054,320</u>	<u>12,511,697</u>
Total Revenues	<u>17,406,261</u>	<u>16,272,422</u>
Program Expenses:		
General Government	3,812,586	3,114,377
Public Safety	8,732,520	7,894,413
Leisure Time Activities	447,047	450,221
Community Environment	783,419	1,017,798
Public Works and Streets	3,344,237	3,509,479
Public Health and Welfare	21,436	21,710
Interest and Fiscal Charges	264,033	183,667
Total Program Expenses	<u>17,405,278</u>	<u>16,191,665</u>
Change in Net Assets	983	80,757
Beginning Net Assets, Restated	<u>44,268,023</u>	<u>44,187,266</u>
Ending Net Assets	<u>\$44,269,006</u>	<u>\$44,268,023</u>

### *Governmental Activities*

The City receives an income tax, which is based on 1.5% of all salaries, wages, commissions, and other compensation and on net profits earned from businesses and residents living within the City.

Property taxes and income taxes made up 28.7% and 39.1% respectively of revenues for governmental activities for the City during 2007. Property taxes increased due to increases in delinquents and the fire levy. The City's reliance upon tax revenues is demonstrated by the chart below indicating 67.8% of total revenues from municipal income and property taxes:

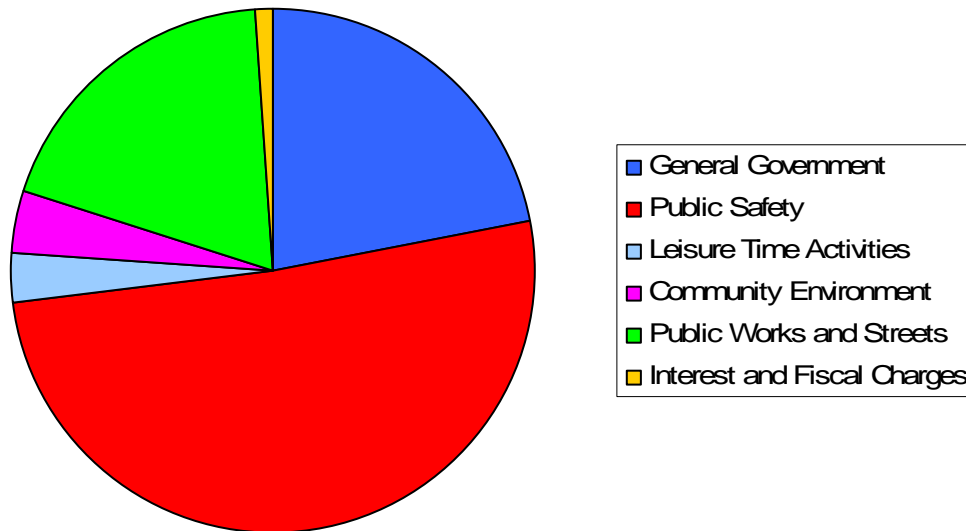
	<u>2007</u>	<u>Percent of Total</u>
Charges for Services	\$2,990,087	17.18%
Operating Grants and Contributions	1,274,379	7.32%
Capital Grants and Contributions	87,475	0.50%
Municipal Income Taxes	6,812,643	39.14%
Property Taxes	5,002,102	28.74%
Grants and Entitlements not Restricted	465,147	2.67%
Investment Earnings	579,294	3.33%
Unrestricted Contributions	11,290	0.06%
Refunds and Reimbursements	103,460	0.59%
Other Revenues	80,384	0.46%
	<u>                    </u>	<u>                    </u>
Total Revenues	<u>\$17,406,261</u>	<u>100.00%</u>

General Government includes legislative and administration expenses, including City Council, the City Manager's office, the Law Director, Finance, Human Resources, Building Maintenance, Fleet Maintenance, Public Works Administration and various non-department charges.

General revenues increased in 2007 as compared to 2006 mainly due to the increase in income tax receipts. Income tax receipts increased due to the voters passing an issue in February, 2007 increasing the income tax rate from 1% to 1.5%. Total expenses increased modestly mainly due to general inflationary costs.

Governmental activities program expenses for 2007 were as follows:

<u>Program Expenses</u>	<u>Percent of Total</u>
General Government	22%
Public Safety	50%
Leisure Time Activities	3%
Community Environment	4%
Public Works and Streets	19%
Interest and Fiscal Charges	2%
<b>Total</b>	<b>100%</b>



### The City's Funds

The City has three major governmental funds: the General Fund, the Fire Fund, and the Economic Development Fund. Assets of the general fund comprised \$5,671,551 (31%), the fire fund comprised \$6,049,640 (33%) and the economic development fund comprised \$1,589,447 (9%) of the total \$18,111,427 governmental funds assets.

**General Fund:** Fund balance at December 31, 2007 was \$3,034,346 an increase in fund balance of \$227,593 from 2006. The general fund balance increased due to an increase in taxes revenue.

**Fire Fund:** Fund balance at December 31, 2007 was \$2,473,019 an increase in fund balance of \$125,249 from 2006. The fire fund balance increased due to an increase in intergovernmental revenue.

**Economic Development Fund:** Fund balance at December 31, 2007 was (\$1,930,553) a decrease in fund balance of (\$1,999,457). The economic development fund balance decreased due to an increase in capital outlay expenditures.

### ***General Fund Budgeting Highlights***

The City's General Fund budget is formally adopted at the expenditure legal level of control for each fund (activity within a program within a fund). Financial reports, which compare actual performance with the budget, are prepared monthly and presented to the Council so the Council is able to review the financial status and measure the effectiveness of the budgetary controls.

As the City completed the year, its General Fund balance reported an actual fund balance of \$1,679,728, on a Non-GAAP Budgetary Basis.

Variations from the final budget amounts to the original amounts are primarily due to the following reasons: The City underestimated the public safety, general government and public works and streets expenditures for 2007.

### **Capital Assets and Debt Administration**

#### ***Capital Assets***

**Table 3**  
Capital Assets

	Governmental Activities	
	2007	2006 Restated
Land	\$12,780,961	\$11,681,758
Buildings and Improvements	7,728,752	7,158,581
Equipment	6,137,987	5,764,963
Infrastructure	33,094,243	33,094,243
Accumulated Depreciation	<u>(21,058,415)</u>	<u>(19,842,657)</u>
Total Net Capital Assets	<u>\$38,683,528</u>	<u>\$37,856,888</u>

See Note 6 to the basic financial statements for further details on the City's capital assets.

## ***Debt***

At December 31, 2007, the City had \$3,372,524 in general obligation bonds and notes outstanding, \$408,365 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2007 and 2006:

**Table 4**  
Outstanding Debt at Year End

	<u>2007</u>	<u>2006</u>
<b>Governmental Activities</b>		
General Obligation Bonds	\$3,285,000	\$3,630,000
Canfield Property Note	21,146	39,292
Public Works Issue II Loans	66,378	108,797
Total	<u>\$3,372,524</u>	<u>\$3,778,089</u>

The general obligation bonds and notes and the Public Works Issue II Loans will be paid with available revenue in the Street, Stormwater, Urban Renewal, Carillion Business Park TIF, Economic Development and the Debt Service Fund.

See Note 9 to the basic financial statements for further details on the City's long-term debt.

## **CONTACTING THE CITY'S FINANCE DEPARTMENT**

This financial report is designed to provide our citizens, taxpayers, customers and investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Director of Finance, City of Forest Park, 1201 West Kemper Road, Forest Park, Ohio 45240.

City of Forest Park, Ohio  
Statement of Net Assets  
December 31, 2007

	<u>Governmental Activities</u>
Assets:	
Equity in Pooled Cash and Investments	\$10,642,483
Receivables:	
Taxes	6,189,138
Accounts	151,225
Interest	24,586
Intergovernmental	797,645
Nondepreciable Capital Assets	12,780,961
Depreciable Capital Assets, Net	<u>25,902,567</u>
 Total Assets	 <u>56,488,605</u>
 Liabilities:	
Accounts Payable	380,975
Accrued Wages and Benefits	925,732
Accrued Interest Payable	10,323
Unearned Revenue	3,772,427
Bond Anticipation Notes Payable	3,310,000
Long-Term Liabilities:	
Due Within One Year	461,078
Due In More Than One Year	<u>3,359,064</u>
 Total Liabilities	 <u>12,219,599</u>
 Net Assets:	
Invested in Capital Assets, Net of Related Debt	32,982,943
Restricted for:	
Special Revenue	6,834,728
Debt Service	31,162
Unrestricted	<u>4,420,173</u>
 Total Net Assets	 <u><u>\$44,269,006</u></u>

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio  
Statement of Activities  
For the Fiscal Year Ended December 31, 2007

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$3,812,586	\$1,605,383	\$6,476	\$0
Public Safety	8,732,520	662,495	241,055	0
Leisure Time Activities	447,047	80,296	0	0
Community Environment	783,419	14,828	34,665	0
Public Works and Streets	3,344,237	627,085	992,183	87,475
Public Health and Welfare	21,436	0	0	0
Interest and Fiscal Charges	264,033	0	0	0
Total Governmental Activities	17,405,278	2,990,087	1,274,379	87,475

General Revenues:  
Income Taxes  
Property Taxes Levied for:  
  General Purposes  
  Special Revenue Purposes  
Grants and Entitlements not Restricted to Specific Programs  
Unrestricted Contributions  
Investment Earnings  
Refunds and Reimbursements  
Other Revenues

Total General Revenues

Change in Net Assets

Net Assets Beginning of Year, Restated

Net Assets End of Year

See accompanying notes to the basic financial statements.



<u>Net (Expense) Revenue</u> <u>and Changes in Net Assets</u> <u>Governmental</u> <u>Activities</u>
(\$2,200,727)
(7,828,970)
(366,751)
(733,926)
(1,637,494)
(21,436)
(264,033)
<u>(13,053,337)</u>
6,812,643
1,749,729
3,252,373
465,147
11,290
579,294
103,460
80,384
<u>13,054,320</u>
983
<u>44,268,023</u>
<u>\$44,269,006</u>

City of Forest Park, Ohio  
Balance Sheet  
Governmental Funds  
December 31, 2007

	General	Fire	Economic Development	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$2,329,090	\$2,757,927	\$1,584,457	\$3,971,009	\$10,642,483
<b>Receivables:</b>					
Taxes	3,169,584	3,008,318	0	11,236	6,189,138
Accounts	18,075	117,040	0	16,110	151,225
Interest	5,169	5,838	4,990	8,589	24,586
Intergovernmental	149,633	160,517	0	487,495	797,645
Interfund	0	0	0	306,350	306,350
<b>Total Assets</b>	<b>5,671,551</b>	<b>6,049,640</b>	<b>1,589,447</b>	<b>4,800,789</b>	<b>18,111,427</b>
<b>Liabilities and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts Payable	24,600	27,671	210,000	118,704	380,975
Accrued Wages and Benefits	574,679	306,357	0	44,696	925,732
Compensated Absences	52,713	0	0	0	52,713
Interfund Payable	0	0	0	306,350	306,350
Deferred Revenue	1,985,213	3,242,593	0	369,886	5,597,692
Bond Anticipation Notes Payable	0	0	3,310,000	0	3,310,000
<b>Total Liabilities</b>	<b>2,637,205</b>	<b>3,576,621</b>	<b>3,520,000</b>	<b>839,636</b>	<b>10,573,462</b>
<b>Fund Balances:</b>					
Reserved for Encumbrances	616,430	157,933	15,124	81,033	870,520
<b>Unreserved, Undesignated, Reported in:</b>					
General Fund	2,417,916	0	0	0	2,417,916
Special Revenue Funds	0	2,315,086	0	3,445,252	5,760,338
Debt Service Funds	0	0	0	41,485	41,485
Capital Projects Funds	0	0	(1,945,677)	393,383	(1,552,294)
<b>Total Fund Balances</b>	<b>3,034,346</b>	<b>2,473,019</b>	<b>(1,930,553)</b>	<b>3,961,153</b>	<b>7,537,965</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$5,671,551</b>	<b>\$6,049,640</b>	<b>\$1,589,447</b>	<b>\$4,800,789</b>	<b>\$18,111,427</b>

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio  
 Reconciliation of Total Governmental Fund Balance to  
 Net Assets of Governmental Activities  
 December 31, 2007

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Total Governmental Fund Balance \$7,537,965

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

Capital assets used in governmental activities are not financial  
 resources and therefore are not reported in the funds. 38,683,528

Other long-term assets are not available to pay for current-  
 period expenditures and therefore are deferred in the funds.

Taxes	1,180,992	
Intergovernmental	539,996	
Other	<u>104,277</u>	
		1,825,265

In the statement of net assets interest payable is accrued when  
 incurred, whereas in the governmental funds interest is  
 reported as a liability only when it will require the use of  
 current financial resources. (10,323)

Some liabilities reported in the statement of net assets do not  
 require the use of current financial resources and therefore  
 are not reported as liabilities in governmental funds.

Compensated Absences	<u>(394,905)</u>	
		(394,905)

Long-term liabilities, are not due and payable in the current  
 period and therefore are not reported in the funds. (3,372,524)

Net Assets of Governmental Activities \$44,269,006

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio  
Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Governmental Funds  
For the Fiscal Year Ended December 31, 2007

	General	Fire	Economic Development	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Taxes	\$8,597,703	\$3,277,824	\$0	\$0	\$11,875,527
Fines, Licenses & Permits	290,177	54,360	0	18,419	362,956
Charges for Services	73,597	448,473	0	578,388	1,100,458
Investment Earnings	152,154	151,099	79,880	196,161	579,294
Intergovernmental	567,107	234,265	0	1,053,242	1,854,614
Special Assessments	10,201	0	0	1,505,032	1,515,233
Other Revenues	132,128	8,388	5,500	65,016	211,032
<b>Total Revenues</b>	<b>9,823,067</b>	<b>4,174,409</b>	<b>85,380</b>	<b>3,416,258</b>	<b>17,499,114</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General Government	2,438,242	0	0	1,326,189	3,764,431
Public Safety	4,730,014	3,845,411	0	46,975	8,622,400
Leisure Time Activities	408,299	0	0	0	408,299
Community Environment	676,802	0	0	100,961	777,763
Public Works and Streets	1,388,951	0	0	1,037,881	2,426,832
Public Health and Welfare	21,436	0	0	0	21,436
Capital Outlay	0	203,749	1,719,445	88,096	2,011,290
<b>Debt Service:</b>					
Principal Retirement	0	0	18,146	387,419	405,565
Interest and Fiscal Charges	0	0	112,248	149,602	261,850
<b>Total Expenditures</b>	<b>9,663,744</b>	<b>4,049,160</b>	<b>1,849,839</b>	<b>3,137,123</b>	<b>18,699,866</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>159,323</b>	<b>125,249</b>	<b>(1,764,459)</b>	<b>279,135</b>	<b>(1,200,752)</b>
<b>Other Financing Sources (Uses):</b>					
Proceeds from Sale of Capital Assets	12,276	0	0	0	12,276
Transfers In	810,000	0	575,000	199,006	1,584,006
Transfers (Out)	(754,006)	0	(810,000)	(20,000)	(1,584,006)
<b>Total Other Financing Sources (Uses)</b>	<b>68,270</b>	<b>0</b>	<b>(235,000)</b>	<b>179,006</b>	<b>12,276</b>
<b>Net Change in Fund Balance</b>	<b>227,593</b>	<b>125,249</b>	<b>(1,999,459)</b>	<b>458,141</b>	<b>(1,188,476)</b>
<b>Fund Balance Beginning of Year</b>	<b>2,806,753</b>	<b>2,347,770</b>	<b>68,906</b>	<b>3,503,012</b>	<b>8,726,441</b>
<b>Fund Balance End of Year</b>	<b>\$3,034,346</b>	<b>\$2,473,019</b>	<b>(\$1,930,553)</b>	<b>\$3,961,153</b>	<b>\$7,537,965</b>

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes  
 in Fund Balance of Governmental Funds to the Statement of Activities  
 For the Fiscal Year Ended December 31, 2007

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Net Change in Fund Balance - Total Governmental Funds (\$1,188,476)

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

Governmental funds report capital asset additions as expenditures.  
 However, in the statement of activities, the cost of those assets is  
 allocated over their estimated useful lives as depreciation  
 expense. This is the amount of the difference between capital  
 asset additions and depreciation in the current period.

Capital assets used in governmental activities	2,153,079	
Depreciation Expense	<u>(1,316,467)</u>	836,612

Governmental funds only report the disposal of assets to the  
 extent proceeds are received from the sale. In the statement  
 of activities, a gain or loss is reported for each disposal. The  
 amount of the proceeds must be removed and the gain or loss  
 on the disposal of capital assets must be recognized. This is the  
 amount of the difference between the proceeds and the gain or loss. (9,972)

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

Taxes	21,876	
Intergovernmental	(120,472)	
Other	<u>3,439</u>	(95,157)

Repayment of bond principal is an expenditure in the  
 governmental funds, but the repayment reduces long-term  
 liabilities in the statement of net assets. 405,565

In the statement of activities interest expense is accrued when incurred,  
 whereas in governmental funds an interest expenditure is reported  
 when due. 949

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

Compensated Absences	54,594	
Deferred Bond Issuance Cost Amortization	<u>(3,132)</u>	
		<u>51,462</u>

Change in Net Assets of Governmental Activities \$983

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio  
Statement of Fiduciary Net Assets  
Fiduciary Funds  
December 31, 2007

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	<u>Agency</u>
Assets:	
Equity in Pooled Cash and Investments	\$931,693
Receivables:	
Interest	1,581
Franchise Fees Receivable	<u>137,133</u>
Total Assets	<u>\$1,070,407</u>
Liabilities:	
Accounts Payable	4,109
Due to Others	<u>1,066,298</u>
Total Liabilities	<u>\$1,070,407</u>

See accompanying notes to the basic financial statements.

## **CITY OF FOREST PARK**

Notes to the Basic Financial Statements  
For The Year Ended December 31, 2007

### **1. DESCRIPTION OF THE CITY AND REPORTING ENTITY**

The City traces its roots to the mid-1950's when the Federal Government encouraged development of a second greenbelt community in the Cincinnati area.

The City operates as a Home Rule City in accordance with Article XVIII of the Ohio Constitution under a City Manager-Council form of government. The City provides services as authorized by its charter.

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 the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organizations. Component units may also include organizations for which the City authorizes the issuance of debt or the levying of taxes, or determines the budget. The City has no component units that meet the above criteria. However, the City is associated with a jointly governed organization. The Waycross Community Programming Board is discussed in Note 13 to the financial statements.

### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (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 activities provided they do not conflict with or contradict GASB pronouncements. The most significant of the City's accounting policies are described below.

#### **Measurement Focus**

##### Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the Statement of 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 statements for governmental funds.

### **Basis of Presentation**

The City's basic financial statements 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 statement of net assets presents the financial condition of the governmental 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. 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 governmental function is self-financing or draws 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 fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by type.



## **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 two categories of funds included in the City's CAFR: governmental and fiduciary.

### 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 and/or the general laws of Ohio.

Fire Fund - This special revenue fund accounts for expenditures of property tax revenues and other resources in the operation of the City's Fire Department.

Economic Development Fund - This fund has been used to account for the acquisition, construction and debt service for the Kemper Meadow Business Center. It may also be used for the purchase, rehabilitation, and resale of properties.

The other governmental funds of the City account for grants and other resources that are generally restricted to use for a particular purpose.

### Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: agency funds, pension trust funds, investment trust funds and private-purpose trust funds. The agency funds account for building permit fees collected on behalf of the State and performance bonds pledged by contractors as well as Mayor's court collections that are distributed to the state as well as bonds held for individuals. The Waycross Community Programming Board is also reported as an agency fund. The City's agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City currently has no trust funds.

## **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. Fiduciary 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. Revenue from property taxes is recognized in the year for which the taxes are levied. 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.

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), fines and forfeitures, interest, grants and fees.

### Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of the current year-end, but which were levied to finance future operations, have been recorded as deferred revenue. Special assessments not received within the available period and grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

### Unearned Revenue

Unearned revenue represents amounts under the accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met because such amounts have not yet been earned.

### 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.

### **Equity in Pooled Cash and Investments**

To improve cash management the City's cash and investments are pooled. Monies for all funds, except cash and investments held in segregated accounts, are maintained in this pool. Individual fund integrity is maintained through City records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Investments" on the balance sheet.

Investments are reported at fair value which is based on quoted market prices.

During the year, the City has invested funds in the State Treasury Asset Reserve of Ohio (STAROhio). STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio 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 STAROhio are valued at STAROhio's share price which is the price the investment could be sold for at year-end.

Following the Charter and Codified Ordinances of the City as well as the Ohio Revised Code, the City has specified the funds to receive an allocation of interest earnings. Interest revenues during 2007 amounted to \$579,294. Interest revenue credited to the General Fund amounted to \$152,154, \$151,099 credited to the Fire Fund, \$79,880 credited to the Economic Development Fund and \$196,161 credited to Other Governmental Funds.

### **Capital Assets**

Capital assets, which include property, plant, and equipment are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

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 \$5,000. 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.

All reported capital assets are depreciated except for land. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	Governmental Activities <u>Estimated Lives</u>
Buildings and Improvements	20 to 50 years
Equipment	5 to 20 years
Infrastructure	20 to 50 years

### **Compensated Absences**

The City reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

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 that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year end taking into consideration any limits specified in the City's termination policy. The City records a liability for all accumulated unused vacation time when earned for all employees. The City records a liability for accumulated unused sick leave for all employees after twenty years of accumulated service or when otherwise eligible for retirement through a pension system.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, a liability is recorded for compensated absences only if they have matured, for example, as a result of employee resignations and/or retirements.

### **Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide 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, compensated absences, and contractually required pension contributions 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, capital leases and long-term loans are recognized as a liability on the fund financial statements when due.

## **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 expenditure. As a result, encumbrances and debt service are recorded as a reservation of fund balance. Actual reserve fund balance was \$616,430 reported in the General fund, \$157,933 reported in the Fire fund, \$15,124 reported in the Economic Development fund, and \$81,033 reported in Other Governmental funds.

## **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 when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. Of the City's \$6,865,890 in restricted net assets, none were restricted by enabling legislation.

## **Interfund Activity**

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. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

## **Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

### **3. EQUITY IN POOLED CASH AND INVESTMENTS**

Cash resources of several individual funds are combined to form a pool of cash and investments. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in Pooled Cash and Investments."

State statute requires the classification of monies held by the City into three categories:

Active Monies - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the City. Such monies must by law be maintained either as cash in the City treasury, in depository accounts payable or withdrawable on demand.

Inactive Monies – Those monies not required for use within the current two year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated depositories, or as savings or deposit accounts, including, but not limited to passbook accounts.

Interim Monies – 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. Ohio law permits interim monies to be invested or deposited in the following securities:

- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but limited to, passbook accounts.
- (5) Bonds and other obligations of the State of Ohio.
- (6) The Ohio State Treasurer's investment pool (STAR Ohio).
- (7) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Sec. 135.142.
- (8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public moneys deposited with the institution.

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, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

## Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities. As of December 31, 2007, \$6,057,913 of the City's bank balance of \$6,257,913 was exposed to custodial risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name.

Ohio Revised Code Chapter 135, Uniform Depository Act, authorizes pledging of pooled securities in lieu of specific securities. Specifically, a designated public depository may pledge a single pool of eligible securities to secure repayment of all public monies deposited in the financial institution, provided that all times the total value of the securities so pledged is at least equal to 105% of the total amount of all public deposits secured by the pool, including the portion of such deposits covered by any federal deposit insurance.

## Investments

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

	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Money Market Funds	\$77,887	0.00
STAROhio	100,150	0.11
Federal Home Loan Bank	1,962,298	0.72
Federal Home Loan Bank - Discount Note	327,320	0.20
Federal Home Loan Mortgage - Discount Note	134,933	0.02
Freddie Mac	1,560,605	0.90
Freddie Mac-Discount Note	172,113	0.41
Fannie Mae	813,782	1.22
Federal National Mortgage Association	175,929	0.67
US Treasury Notes	481,151	0.34
	<u>\$5,806,168</u>	
Portfolio Weighted Average Maturity		0.73

Interest rate risk - In accordance with the investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to two years, unless matched to a specified obligation or debt of the City.

Credit Risk - It is the City's policy to limit its investments that are not obligations of the U. S. Government or obligations explicitly guaranteed by the U. S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. The City's investments in Federal Home Loan Bank, Federal Home Loan Bank - Discount Note, Federal Home Loan Mortgage - Discount Note, Freddie Mac, Freddie Mac - Discount Note, Fannie Mae, Federal National Mortgage Association, and Money Market Funds were rated AAA by Standard and Poor's and Fitch ratings and Aaa by Moody's Investors Service. The City's U. S. Treasury Notes held by the City are not rated. Investments in STAROhio were rated AAAM by Standard & Pools.

Concentration of credit risk - The City's investment policy allows investments in Federal Government Securities or Instrumentalities. The City has invested 1% in Money Market Funds, 2% in STAROhio, 34% in Federal Home Loan Bank, 6% in Federal Home Loan Bank - Discount Note, 2% in Federal Home Loan Mortgage - Discount Note, 27% in Freddie Mac, 3% in Freddie Mac - Discount Note, 14% in Fannie Mae, 3% in Federal National Mortgage Association, and 8% in US Treasury Notes

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 investments or collateral securities that are in the possession of an outside party. All of the City's securities are either insured and registered in the name of the City or a least registered in the name of the City.

#### **4. RECEIVABLES**

Receivables at year end, consisted primarily of taxes receivables, intergovernmental receivables, interest receivables, interfund receivables and accounts receivable.

No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

##### **Property Taxes**

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

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



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

The 2007 tangible personal property taxes are levied after October 1, 2006, on the value as of December 31, 2006. Collections are made in 2007. Tangible personal property assessments are 25 percent of true value.

The tangible personal property tax will phase out over a four-year period starting with tax year 2006 and ending in 2009. This phase-out applies to most businesses and includes furniture and fixtures, machinery and equipment and inventory. New manufacturing machinery and equipment first reported on the 2006 and subsequent year returns is not subject to the personal property tax.

The assessed values of real and tangible personal property upon which current year property tax receipts were based are as follows:

Real Property	\$369,307,980
Public Utility	11,714,930
Tangible Personal Property	<u>21,755,090</u>
Total Valuation	<u>\$402,778,000</u>

Real property taxes are payable annually or semi-annually. The first payment is due January 20 with the remainder payable by June 20.

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 by September 20.

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Accrued property taxes receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of year end for which there is an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at year end, nor were they levied to finance current year operations. The receivable is therefore offset by deferred revenue.

### **Income Taxes**

Income taxes are imposed at the rate of one and one-half percent (1.5%) per annum on salaries, wages, commissions, other compensation, and net profits. The tax rate was approved by voters in February 2007 from the 1% rate that has been in effect since 1982. When a resident of the City is subject to a municipal income tax in another municipality, township, or county; the resident receives a credit not to exceed one and one-half percent (1.5%) against the tax imposed on the earnings taxed by such a municipality, township, or county.

Each taxpayer is required to file a return on or before April 15th of each year for the prior year. When the return is filed for a fiscal year or other period different from a calendar year, the return shall be filed within four months from the end of such fiscal year or period.

## 5. 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 carries commercial general liability insurance against these risks and all other risks of loss, including workers' compensation and employee health and accident insurance.

There have been no significant reductions in insurance coverage from that of prior years and settlements have not exceeded insurance coverage for any of the past three fiscal years.

## 6. CAPITAL ASSETS

Capital asset activity for the current year end was as follows:

	Restated Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$11,681,758	\$1,099,203	\$0	\$12,780,961
Total Capital Assets, not being depreciated	<u>11,681,758</u>	<u>1,099,203</u>	<u>0</u>	<u>12,780,961</u>
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	7,158,581	570,171	0	7,728,752
Equipment	5,764,963	483,705	110,681	6,137,987
Infrastructure	<u>33,094,243</u>	<u>0</u>	<u>0</u>	<u>33,094,243</u>
Totals at Historical Cost	<u>57,699,545</u>	<u>2,153,079</u>	<u>110,681</u>	<u>59,741,943</u>
Less Accumulated Depreciation:				
Buildings and Improvements	2,295,935	151,569	0	2,447,504
Equipment	2,539,132	434,470	100,709	2,872,893
Infrastructure	<u>15,007,590</u>	<u>730,428</u>	<u>0</u>	<u>15,738,018</u>
Total Accumulated Depreciation	<u>\$19,842,657</u>	<u>\$1,316,467</u>	<u>\$100,709</u>	<u>\$21,058,415</u>
Governmental Activities Capital Assets, Net	<u>\$37,856,888</u>	<u>\$836,612</u>	<u>\$9,972</u>	<u>\$38,683,528</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$52,421
Public Safety	323,000
Leisure Time	36,484
Community Development	5,656
Public Works and Streets	898,906
Total Depreciation Expense	<u><u>\$1,316,467</u></u>

## 7. COMPENSATED ABSENCES

### Accumulated Unpaid Vacation

City employees earn vacation leave at varying rates based upon length of service. All employees may accrue a maximum of 25 days. Vacation days may not be carried over from year to the next without the approval of the City Manager. In the event of a termination of employment, death, or retirement, employees (or their estates) are paid for unused vacation leave.

### Accumulated Unpaid Sick Leave

City employees earn sick leave at the rate of 10 hours per complete month of service (12 hours for Fire union employees). A maximum of 1,800 hours may be carried from one year to the next. Any hours over 1,800 accrued and not taken may be paid or used on a one for three basis by the end of the year. In the case of death or retirement, employees (or the employees' estates) are paid for one half of their accumulated leave with 900 hours being the maximum amount paid.

### Accumulated Unpaid Compensatory Time

From time to time, employees may need, with prior approval from their supervisors, to work overtime. These overtime hours will usually be paid at the appropriate overtime rate; however, with permission of the supervisor, an employee may have the option of taking the overtime in compensatory time at one and one half times the amount of hours worked.

## 8. NOTES PAYABLE

A summary of the note transactions for the current year end are as follows:

		Beginning Balance	Additions	Deletions	Ending Balance
Bond Anticipation Notes:					
<b>Governmental Activities:</b>					
K-Mart Property	4.25%	\$810,000	\$0	(\$810,000)	\$0
Miscellaneous Land Acquisition	4.27%	0	2,500,000	(2,500,000)	0
Miscellaneous Land Acquisition	4.27%	0	3,310,000	0	3,310,000
Total Governmental Activities		<u>\$810,000</u>	<u>\$5,810,000</u>	<u>(\$3,310,000)</u>	<u>\$3,310,000</u>

All of the notes are bond anticipation notes, are 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.

## 9. LONG-TERM DEBT

A schedule of changes in bonds and other long-term obligations of the City during the current year, follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
<b>Governmental Activities</b>					
<u>Unvoted General Obligation Bonds and Notes</u>					
3.25%-4.60% Various Purpose	\$3,630,000	\$0	(\$345,000)	\$3,285,000	\$355,000
6.00% Canfield Property	39,292	0	(18,146)	21,146	21,146
<u>Public Works Issue 2 Loans</u>					
0.00% Northland Detention Basin	42,972	0	(7,813)	35,159	7,813
3.00% Dewdrop Circle Project	19,466	0	(12,880)	6,586	6,586
3.00% Reliance Road Culvert Project	13,291	0	(8,794)	4,497	4,497
3.00% West Kemper Road Project	33,068	0	(12,932)	20,136	13,323
Total Long-Term Debt	3,778,089	0	(405,565)	3,372,524	408,365
Compensated Absences	465,814	18,126	(36,322)	447,618	52,713
Total Governmental Activities	<u>\$4,243,903</u>	<u>\$18,126</u>	<u>(\$441,887)</u>	<u>\$3,820,142</u>	<u>\$461,078</u>

The funds which will be used to pay the Compensated absences are as follows: General Fund, Street Fund, Fire Fund, Stormwater Fund, Environmental Grants Fund, and Health Care Reserve Fund.

Principal and interest requirements to retire the City's long-term obligations outstanding at year-end are as follows:

<b>Year Ending December 31</b>	<b>General Obligation Bonds and Notes</b>		<b>OPWC Loan</b>	
	Principal	Interest	Principal	Interest
2008	\$376,146	\$137,422	\$32,218	\$671
2009	375,000	123,373	14,625	102
2010	390,000	109,310	7,815	0
2011	200,000	94,296	11,720	0
2012	210,000	86,395	0	0
2013-2017	1,200,000	290,260	0	0
2018-2019	555,000	38,370	0	0
Total	<u>\$3,306,146</u>	<u>\$879,426</u>	<u>\$66,378</u>	<u>\$773</u>

The City is subject to certain constitutional and statutory general obligation debt limitations. As of December 31, 2007, the City has not exceeded the debt limitations.

## **10. INDUSTRIAL AND ECONOMIC DEVELOPMENT REVENUE BONDS**

The City issues industrial and economic development revenue bonds. These bonds are not a liability, nor are the proceeds of the issues assets of the City and, accordingly, they are not reflected on the City's financial records. The City does not guarantee this debt nor is it backed by the full faith and credit of the City. Debt service on these issues is payable solely from the revenues of the Company and/or individual for whom the debt was issued.

As of December 31, 2007, there were three series of Industrial Revenue Bonds outstanding. The aggregate principal amount payable for the three series issued prior to December 31, 1996, could not be determined; however, their original issue amounts totaled \$6,870,000.

## **11. PENSION PLANS**

### **Ohio Public Employees Retirement System**

All full-time employees, other than non-administrative full-time police officers and firefighters, participate in the Ohio Public Employees Retirement System (OPERS), a cost-sharing multiple-employer public employee retirement system administered by the Public Employees Retirement Board. OPERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report which may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling 614-222-6701 or 800-222-7377, or by visiting the OPERS website at [www.opers.org](http://www.opers.org).

Members have a choice of three separate pension plans, a Traditional Pension Plan (TP), a Member-Directed Plan (MD) and a Combined Plan (CO). The TP Plan is a cost-sharing multiple-employer defined benefit pension plan. The MD Plan is a defined contribution plan in which member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the MD Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon. The CO Plan is a cost-sharing multiple-employer defined benefit pension plan. Under the CO Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the TP Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the TP and CO Plans. Members of the MD Plan do not qualify for the ancillary benefits.

Plan members are required to contribute 9.5 percent of their annual covered salary to fund pension obligations. The employer pension contribution rate for the City is 13.85 percent of covered payroll. Contributions are authorized by State statute. The contribution rates are determined actuarially. The City's required contributions to OPERS for the years ended December 31, 2007, 2006 and 2005 were \$497,297, \$469,211, and \$445,451, respectively. The full amount has been contributed for 2006 and 2005 and 89% has been contributed for 2007.

## **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 administered by the OP&F's Board of Trustees. 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 by Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information. That report may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215 - 5164, or by visiting the OP&F website at [www.op-f.org](http://www.op-f.org).

Police and firefighters are required to contribute 10 percent of their annual covered salary to fund pension obligations and the City is required to contribute 19.5 percent for police and 24.0 percent for firefighters. Contributions are authorized by State statute. The City's contributions to the OP&F for the years ending December 31, 2007, 2006 and 2005 were \$866,476, \$828,148, and \$754,214, respectively. The full amount has been contributed for 2006 and 2005 and 71% has been contributed for 2007.

## **12. POST EMPLOYMENT BENEFITS**

### **Ohio Public Employees Retirement System**

#### Plan Description

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan – a cost sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan – a defined contribution plan; and the Combined Plan – a cost sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-employment health card coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing OPERS, attention: Finance Director, 277 East Town Street, Columbus, OH 43215-4642, or by calling (614) 222-5601 or (800) 222-7377.

### Funding Policy

The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2007, the City contributed at 13.85% of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14% of covered payroll. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care Plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determined the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. For 2007, the employer contribution allocated to the health care plan from January 1 through June 30, 2007 and July 1 through December 31, 2007 was 5.0% and 6.0% of covered payroll, respectively. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

### Information from City's Records

The City's actual contributions for the current year, which were used to fund postemployment benefits, were \$92,840 for the period of January 1 through June 30, 2007 and were \$104,028 for the period of July 1 through December 31, 2007, \$108,428 for December 31, 2006 and \$131,497 for December 31, 2005.

### OPERS Retirement Board Implements its Health Care Preservation Plan

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, will be 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.

### Other Information

At December 31, 2007, the number of active contributing participants in the Traditional and Combined Plans totaled 374,979. The number of active contributing participants for both plans used in the December 31, 2006 actuarial valuation was 362,130.

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. The actuarially accrued liability and the unfunded actuarial accrued liability were \$30.7 billion and \$18.7 billion, respectively.

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

### Plan Description

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment healthcare plan administered by OP&F. OP&F provides healthcare benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement healthcare coverage for 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. The healthcare coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

The Ohio Revised Code allows, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide healthcare coverage to eligible participants and to establish and amend benefits are codified in Chapter 742 of the Ohio Revised Code.

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

### Funding Policy

The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.50% and 24.00% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of the covered payroll for police employer units and 24.00% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OP&F's post employment healthcare plan was established and is administered as an Internal Revenue Code 401(h) account within the defined benefit pension plan; under the authority granted by the Ohio Revised Code to the OP&F board of trustees. The board of trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the 401h account as the employer contribution for retiree healthcare benefits. The amount of employer contributions allocated to the healthcare plan each year is subject to the trustees' primary responsibility to ensure that pension benefits are adequately funded and also is limited by the provisions of Section 401h.



The OP&F board of trustees also is authorized to establish requirements for contributions to the healthcare plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

#### Information from City's Records

The City's contributions to OP&F for the year ending December 31, 2007 were \$157,718 for police and \$115,550 for fire; for the year ending December 31, 2006 were \$261,403 for police and \$123,039 for fire; and for the year ending December 31, 2005 were \$159,642 for police and \$113,727 for fire, respectively, was allocated to the healthcare plan.

#### Other Information

The number of participants eligible to receive health care benefits as of December 31, 2006, the date of the last actuarial valuation available, are 14,120 for Police and 10,563 for Firefighters. OP&F's total health care expense for the year ending December 31, 2006, the date of the last actuarial valuation available, was \$120,373,722, which was net of member contributions of \$58,532,848.

### **13. JOINTLY GOVERNED ORGANIZATION**

The Waycross Community Programming Board is a jointly governed organization among the City of Forest Park, Village of Greenhills and Springfield Township that was formed during 1982. The jointly governed organization was formed for the purpose of providing community programming and cable regulatory services for their citizens. The Board of Directors is comprised of a chairman and fifteen individuals drawn from local residents of the three communities. Each community has five members on the Board (the chairman is not a resident of any of the communities). The degree of control exercised by any participating city or township is limited to its representation by their citizens. Elected officials of the three communities appoint individuals to serve on the Community Programming Board of Directors. The Board of Directors responsibilities include establishment and review of programming policies, resolution of policy disputes and questions of equal treatment for access users, fiscal controls and the creation and promotion of the media center and Community Access channels. In addition the Community Programming Board coordinates regulatory efforts for member communities and provides expertise on other matters regarding the local cable system(s) and other forms of electronic communications.

The Community Programming Board is not locked into services for these three entities alone. Communities may leave the joint effort or other communities could join.

The Communities involved have directed Time Warner Cable to pay the Community Programming Board for the use of the streets and other facilities in the operation of the Cable Television System during the life of the franchise a sum equal to five percent of the Gross Revenues for each and every quarter year of the franchise term.

It should be noted that the franchise costs are paid directly by those who subscribe to the cable service. The fees are collected by Time Warner Cable and they have been directed by the participating communities to pay the franchise fees (which would otherwise go to the participating communities) to the Community Programming Board.

The City serves as the fiscal agent for the Community Programming Board. Their financial statements are presented within the City's Agency Funds.

#### 14. INTERFUND TRANSACTIONS

Individual fund at year end, consisted of the following individual interfund receivables, interfund payables, transfers in and transfers out:

	Interfund		Transfers	
	<u>Receivable</u>	<u>Payable</u>	<u>In</u>	<u>Out</u>
General Fund	\$0	\$0	\$810,000*	\$754,006
Economic Development Fund	0	0	575,000	810,000*
Other Governmental Funds	<u>306,350</u>	<u>306,350</u>	<u>199,006</u>	<u>20,000</u>
Total All Funds	<u>\$306,350</u>	<u>\$306,350</u>	<u>\$1,584,006</u>	<u>\$1,584,006</u>

\*\$810,000 was transferred out of the Economic Development fund into the General fund as a GAAP transfer to cover a future debt payment.

Interfund balance/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 and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budget authorizations; to segregate and to return money to the fund from which it was originally provided once a project is completed.

#### 15. SPECIAL OBLIGATION DEVELOPMENT REVENUE BONDS

During 2004 the City entered into an agreement with Cincinnati Mills L.L.C., the Port of Greater Cincinnati Development Authority, the City of Fairfield, the Winton Woods City School District, the Northwest Local School District, and the Fairfield City School District. The agreement provides for a Tax Increment Financing (TIF) project for the Cincinnati Mills Mall located in both the City of Forest Park and the City of Fairfield. The proceeds will be used for Public Parking and Infrastructure improvements on the Cincinnati Mills site. The agreement is for thirty years and bonds were issued in the name of the Port of Greater Cincinnati Development Authority in the amount of \$18,000,000. Debt service for the issue will be from the TIF as well as a Special Assessment District which includes the areas benefiting from the improvements. These bonds are not a liability, nor are the proceeds of the issues assets of the City and, accordingly, they are not reflected on the City's financial records.

## 16. CONTINGENT LIABILITIES

### Litigation

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

### Federal and State Grants

The City participates in several federally assisted programs. These programs are subject to financial and compliance audits by the grantor or their representative. As of December 31, 2007, the audits of certain of these programs have not been completed. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

## 17. ACCOUNTABILITY

The following individual funds had deficit fund balances at year end:

<u>Fund</u>	<u>Deficit</u>
Major Fund:	
Economic Development Fund	\$1,930,553
Other Governmental Funds:	
Carillon Business Park TIF	262,622
Wal-Mart TIF	42,191

The deficit in fund balance was primarily due to accruals in GAAP. The general fund is liable for any deficit in these funds and will provide operating transfers when cash is required not when accruals occur.

## 18. CHANGE IN ACCOUNTING PRINCIPLE

For the year ended December 31, 2007, the City has implemented GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions."

Statement No. 45 addresses how state and local governments should account for and report their costs and obligations related to postemployment healthcare and other non-pension benefits. This also establishes disclosure requirements for information about the plans in which an employer participates, the funding policy followed, the actuarial valuation process and assumptions, and for certain employers, the extent to which the plan has been funded over time. Collectively, these benefits are commonly referred to as "other postemployment benefits (OPEB)."

There was no effect on fund balance/net assets as a result of the implementation of these new standards.

## 19. PRIOR PERIOD ADJUSTMENT

The beginning net asset balance of Governmental Activities has been adjusted since the City now reports all major general infrastructure assets. During the year all prior year capital asset additions related to the bulkhead portion of the storm-water system were retroactively reported as infrastructure assets in accordance with the retroactive implementation provisions of GASB 34.

	Governmental <u>Activities</u>
December 31, 2006	
Net Assets, as previously stated	\$43,774,276
Adjustment to include bulkhead portion of the storm-water system in infrastructure assets	<u>493,747</u>
December 31, 2006	
Net Assets, as restated	<u>\$44,268,023</u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

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City of Forest Park, Ohio  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2007

	General Fund			Variance from Final Budget
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Taxes	\$7,985,488	\$8,096,163	\$8,051,975	(\$44,188)
Fines, Licenses & Permits	300,444	304,608	302,945	(1,663)
Intergovernmental	765,062	775,666	771,432	(4,234)
Special Assessments	10,117	10,257	10,201	(56)
Charges for Services	72,989	74,001	73,597	(404)
Investment Earnings	145,771	147,792	146,985	(807)
Other Revenues	131,374	133,195	132,468	(727)
<b>Total Revenues</b>	<b>9,411,245</b>	<b>9,541,682</b>	<b>9,489,603</b>	<b>(52,079)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<u>General Government</u>				
City Council:				
Personal Services	130,290	183,519	124,971	58,548
Contractual Services	71,241	75,080	68,333	6,747
Supplies and Materials	1,454	2,208	1,395	813
<b>Total City Council</b>	<b>202,985</b>	<b>260,807</b>	<b>194,699</b>	<b>66,108</b>
Mayor's Court:				
Personal Services	164,121	161,101	157,421	3,680
Contractual Services	72,997	70,848	70,017	831
Supplies and Materials	1,803	2,490	1,729	761
Capital Outlay	0	300	0	300
<b>Total Mayor's Court</b>	<b>238,921</b>	<b>234,739</b>	<b>229,167</b>	<b>5,572</b>
City Manager:				
Personal Services	410,533	396,839	393,775	3,064
Contractual Services	52,841	56,971	50,684	6,287
Supplies and Materials	3,087	7,060	2,961	4,099
Capital Outlay	5,175	5,000	4,964	36
<b>Total City Manager</b>	<b>471,636</b>	<b>465,870</b>	<b>452,384</b>	<b>13,486</b>
Finance/Tax:				
Personal Services	780,222	790,841	748,373	42,468
Contractual Services	214,124	259,978	205,383	54,595
Supplies and Materials	15,603	15,357	14,966	391
Capital Outlay	17,638	16,955	16,918	37
<b>Total Finance/Tax</b>	<b>1,027,587</b>	<b>1,083,131</b>	<b>985,640</b>	<b>97,491</b>
Human Resources:				
Personal Services	142,132	140,754	136,330	4,424
Contractual Services	54,392	53,034	52,172	862
Supplies and Materials	241	555	231	324
<b>Total Human Resources</b>	<b>196,765</b>	<b>194,343</b>	<b>188,733</b>	<b>5,610</b>
Elections:				
Contractual Services	365	3,490	350	3,140
<b>Total Elections</b>	<b>365</b>	<b>3,490</b>	<b>350</b>	<b>3,140</b>

Continued

City of Forest Park, Ohio  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2007

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Information Services:</b>				
Personal Services	108,654	105,570	104,219	1,351
Contractual Services	90,910	132,449	87,199	45,250
Supplies and Materials	973	2,209	933	1,276
Capital Outlay	52,032	59,792	49,908	9,884
Total Information Services	<u>252,569</u>	<u>300,020</u>	<u>242,259</u>	<u>57,761</u>
<b>Other:</b>				
Personal Services	73,548	72,000	70,546	1,454
Contractual Services	258,892	285,406	248,324	37,082
Capital Outlay	0	500,000	0	500,000
Contingencies	0	10,000	0	10,000
Total Other	<u>332,440</u>	<u>867,406</u>	<u>318,870</u>	<u>548,536</u>
<b>Total General Government</b>	<u>2,723,268</u>	<u>3,409,806</u>	<u>2,612,102</u>	<u>797,704</u>
<b>Public Safety</b>				
<b>Police Department:</b>				
Personal Services	4,109,511	4,080,642	3,941,757	138,885
Contractual Services	358,020	368,864	343,405	25,459
Supplies and Materials	107,958	107,669	103,551	4,118
Capital Outlay	212,724	241,579	204,040	37,539
Total Police Department	<u>4,788,213</u>	<u>4,798,754</u>	<u>4,592,753</u>	<u>206,001</u>
<b>Building Department:</b>				
Personal Services	304,839	308,792	292,395	16,397
Contractual Services	35,103	41,083	33,670	7,413
Supplies and Materials	4,419	4,675	4,239	436
Capital Outlay	0	400	0	400
Total Building Department	<u>344,361</u>	<u>354,950</u>	<u>330,304</u>	<u>24,646</u>
<b>Fire Hydrants</b>				
Contractual Services	36,916	35,600	35,409	191
Supplies and Materials	171	400	164	236
Total Fire Hydrants	<u>37,087</u>	<u>36,000</u>	<u>35,573</u>	<u>427</u>
<b>Total Public Safety</b>	<u>5,169,661</u>	<u>5,189,704</u>	<u>4,958,630</u>	<u>231,074</u>
<b>Leisure Time Activities</b>				
<b>Activity &amp; Senior Centers:</b>				
Contractual Services	64,121	88,798	61,504	27,294
Supplies and Materials	3,178	3,457	3,048	409
Total Activity & Senior Centers	<u>67,299</u>	<u>92,255</u>	<u>64,552</u>	<u>27,703</u>
<b>Recreation:</b>				
Personal Services	105,394	107,459	101,092	6,367
Contractual Services	54,523	68,309	52,297	16,012
Supplies and Materials	3,856	7,548	3,699	3,849
Total Recreation	<u>163,773</u>	<u>183,316</u>	<u>157,088</u>	<u>26,228</u>

Continued

City of Forest Park, Ohio  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2007

	General Fund			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Park Maintenance:				
Personal Services	155,283	153,367	148,944	4,423
Contractual Services	50,394	53,461	48,337	5,124
Supplies and Materials	9,318	9,087	8,938	149
Capital Outlay	3,864	4,700	3,706	994
Total Park Maintenance	<u>218,859</u>	<u>220,615</u>	<u>209,925</u>	<u>10,690</u>
Total Leisure Time Activities	<u>449,931</u>	<u>496,186</u>	<u>431,565</u>	<u>64,621</u>
<u>Community Environment</u>				
Economic Development Department:				
Personal Services	134,337	129,186	128,853	333
Contractual Services	11,638	11,470	11,163	307
Supplies and Materials	0	777	0	777
Total Economic Development Department	<u>145,975</u>	<u>141,433</u>	<u>140,016</u>	<u>1,417</u>
Economic Development Commission:				
Contractual Services	4,619	7,116	4,430	2,686
Supplies and Materials	0	340	0	340
Total Economic Development Commission	<u>4,619</u>	<u>7,456</u>	<u>4,430</u>	<u>3,026</u>
Community Development Department:				
Personal Services	407,128	392,616	390,509	2,107
Contractual Services	33,815	35,302	32,435	2,867
Supplies and Materials	4,502	5,295	4,318	977
Capital Outlay	954	1,100	915	185
Total Community Development Department	<u>446,399</u>	<u>434,313</u>	<u>428,177</u>	<u>6,136</u>
Beautification:				
Personal Services	6,091	5,966	5,842	124
Contractual Services	52,455	51,185	50,314	871
Supplies and Materials	981	1,390	941	449
Capital Outlay	0	1,000	0	1,000
Total Beautification	<u>59,527</u>	<u>59,541</u>	<u>57,097</u>	<u>2,444</u>
Community Services:				
Contractual Services	80,205	83,166	76,931	6,235
Supplies and Materials	1,362	1,400	1,306	94
Capital Outlay	242	9,850	232	9,618
Total Community Services	<u>81,809</u>	<u>94,416</u>	<u>78,469</u>	<u>15,947</u>
Total Community Environment	<u>738,329</u>	<u>737,159</u>	<u>708,189</u>	<u>28,970</u>
<u>Public Works and Streets</u>				
Equipment Maintenance:				
Personal Services	222,720	221,705	213,628	8,077
Contractual Services	12,007	17,063	11,517	5,546
Supplies and Materials	213,089	204,441	204,391	50
Capital Outlay	1,970	2,300	1,890	410
Total Equipment Maintenance	<u>449,786</u>	<u>445,509</u>	<u>431,426</u>	<u>14,083</u>

Continued



City of Forest Park, Ohio  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2007

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Public Works:				
Personal Services	500,268	512,304	479,847	32,457
Contractual Services	188,953	198,385	181,240	17,145
Supplies and Materials	1,445	1,400	1,386	14
Total Public Works	<u>690,666</u>	<u>712,089</u>	<u>662,473</u>	<u>49,616</u>
Engineering:				
Personal Services	46,791	45,130	44,881	249
Contractual Services	34,159	62,256	32,765	29,491
Supplies and Materials	214	600	205	395
Total Engineering	<u>81,164</u>	<u>107,986</u>	<u>77,851</u>	<u>30,135</u>
Street Lighting:				
Contractual Services	95,130	94,380	91,247	3,133
Capital Outlay	0	6,678	0	6,678
Total Street Lighting	<u>95,130</u>	<u>101,058</u>	<u>91,247</u>	<u>9,811</u>
Municipal Building and Grounds:				
Personal Services	50,804	49,474	48,730	744
Contractual Services	193,706	219,570	185,799	33,771
Supplies and Materials	11,978	15,500	11,489	4,011
Capital Outlay	9,809	53,643	9,409	44,234
Total Municipal Building and Grounds	<u>266,297</u>	<u>338,187</u>	<u>255,427</u>	<u>82,760</u>
Total Public Works and Streets	<u>1,583,043</u>	<u>1,704,829</u>	<u>1,518,424</u>	<u>186,405</u>
<u>Public Health and Welfare</u>				
Health Services:				
Contractual Services	22,348	21,446	21,436	10
Total Health Services	<u>22,348</u>	<u>21,446</u>	<u>21,436</u>	<u>10</u>
Total Public Health and Welfare	<u>22,348</u>	<u>21,446</u>	<u>21,436</u>	<u>10</u>
Total Expenditures	<u>10,686,580</u>	<u>11,559,130</u>	<u>10,250,346</u>	<u>1,308,784</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,275,335)</u>	<u>(2,017,448)</u>	<u>(760,743)</u>	<u>1,256,705</u>
Other financing sources (uses):				
Proceeds from Sale of Capital Assets	12,175	12,343	12,276	(67)
Transfers (Out)	<u>(786,095)</u>	<u>(754,007)</u>	<u>(754,006)</u>	<u>1</u>
Total Other Financing Sources (Uses)	<u>(773,920)</u>	<u>(741,664)</u>	<u>(741,730)</u>	<u>(66)</u>
Net Change in Fund Balance	<u>(2,049,255)</u>	<u>(2,759,112)</u>	<u>(1,502,473)</u>	<u>1,256,639</u>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>3,182,201</u>	<u>3,182,201</u>	<u>3,182,201</u>	<u>0</u>
Fund Balance End of Year	<u>\$1,132,946</u>	<u>\$423,089</u>	<u>\$1,679,728</u>	<u>\$1,256,639</u>

See accompanying notes to the required supplementary information.

City of Forest Park, Ohio  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2007

	Fire Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$2,936,450	\$3,141,325	\$3,277,824	\$136,499
Fines, Licenses & Permits	9,924	10,617	11,078	461
Intergovernmental	209,867	224,509	234,265	9,756
Charges for Services	447,860	479,107	499,925	20,818
Investment Earnings	130,133	139,212	145,261	6,049
Other Revenues	7,514	8,039	8,388	349
<b>Total Revenues</b>	<b>3,741,748</b>	<b>4,002,809</b>	<b>4,176,741</b>	<b>173,932</b>
Expenditures:				
Public Safety:				
Fire Department:				
Personal Services	3,123,636	3,262,396	3,221,872	40,524
Contractual Services	556,129	621,678	573,619	48,059
Supplies and Materials	173,950	205,820	179,421	26,399
Capital Outlay	197,944	388,075	204,169	183,906
<b>Total Expenditures</b>	<b>4,051,659</b>	<b>4,477,969</b>	<b>4,179,081</b>	<b>298,888</b>
<b>Net Change in Fund Balance</b>	<b>(309,911)</b>	<b>(475,160)</b>	<b>(2,340)</b>	<b>472,820</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,553,482	2,553,482	2,553,482	0
<b>Fund Balance End of Year</b>	<b>\$2,243,571</b>	<b>\$2,078,322</b>	<b>\$2,551,142</b>	<b>\$472,820</b>

See accompanying notes to the required supplementary information.

## 1. BUDGETARY PROCESS

The City's funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, 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 ordinance 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 expenditure legal level of control for each fund (activity within a program within a fund).

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the City. 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 final amended certificate of estimated resources issued during the year.

The appropriation ordinance 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.

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 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for the general fund and fire 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 are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures 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 to the budgetary basis statements for the general fund and fire fund.

Net Change in Fund Balance

	General	Fire
GAAP Basis	\$227,593	\$125,249
Net Adjustment for Revenue Accruals	(333,464)	2,332
Net Adjustment for Expenditure Accruals	54,428	55,683
Transfers	(810,000)	0
Encumbrances	(641,030)	(185,604)
Budget Basis	(\$1,502,473)	(\$2,340)

**Encumbrances**

Encumbrances for purchase orders, contracts and other commitments are recorded in the governmental funds to reserve that portion of the applicable appropriation. Encumbrances outstanding at year-end are reported as reserves of the fund balances since they do not constitute expenditures or liabilities.

**COMBINING STATEMENTS AND  
INDIVIDUAL FUND SCHEDULES**

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## **FUND DESCRIPTIONS**

### **GENERAL FUND**

The General Fund is used to account for all financial resources traditionally associated with governments, except those required to be accounted for in another fund.

### **SPECIAL REVENUE FUNDS**

Special Revenue Funds are established to account for revenues from specific sources which are legally restricted to be expended for specific purposes. The City maintained the following Special Revenue funds:

#### **Major Special Revenue Funds:**

Fire Fund - This fund is used to account for revenues received from property taxes specifically earmarked for fire protection by a levy passed by the City's electorate.

#### **Non-major Special Revenue Funds:**

Street Fund - This fund is used to account for 92.5% of the City's share of state gasoline tax revenue and motor vehicle license fees. State law requires that such monies be spent on street construction and maintenance.

State Highway Fund - This fund is used to account for the remaining 7.5% of the City's share of state gasoline tax revenue and motor vehicle license fees. State law requires that such monies be spent on maintenance and improvement of state highways within the City.

Stormwater Management Utility Fund - This fund is used to account for the operations of the City's Stormwater Management Utility.

Environmental Grants Fund - This fund is used to account for grant proceeds received from the State of Ohio for Litter Prevention activities.

Law Enforcement Trust Fund - This fund contains monies derived from the sale of property/automobiles seized by the police in relation to drug investigations.

DARE Fund - This fund reflects the activities of the DARE program along with costs associated with the west-side substation.

Law Enforcement Grant Fund - This fund was used to account for various grants that have been received for law enforcement purposes.

Urban Renewal Fund - This fund is used to account for the proceeds of the bonds issued for the Urban Renewal District with related revenue and expenditures.

Carillon Business Park TIF Fund - This fund is used to account for the proceeds of the bonds issued for the Tax Increment Financing District with related revenue and expenditures.

Cincinnati Mills TIF Fund - This fund is used to account for the proceeds of the bonds issued for the Tax Increment Financing District with related revenue and expenditures.

Wal-Mart TIF Fund – This fund is used to account for the proceeds of bonds issued for the Tax Increment Financing District with related revenues and expenditures.

Fire Department Trust Fund – This fund accounts for informal donations received that are used to enhance the department. (No legal trust has been established for this fund.)

Health Care Reserve Fund - This fund is established to self-fund a portion of the employee health care costs.

Home Improvement Fund - This fund is established to help eligible Forest Park residents with the home improvement expenditures. The City will be reimbursed by the Hamilton County for advances to residents for such home improvements.

Court Automation Fund – This fund is established to keep track of receipts and expenses for court automation.

## **DEBT SERVICE FUND**

The Debt Service Fund is used to account for the accumulation of resources and payment of general obligation bonds and principal and interest on bond anticipation notes of General Fund.

## **CAPITAL PROJECTS FUNDS**

Capital Project Funds are established to account for revenues and expenditures related to the acquisition or construction of capital facilities which are not financed by proprietary funds. Capital facilities are defined as major and permanent in nature. Capital Project Funds maintained are as follows:

### **Major Capital Project Fund:**

Economic Development Fund - This fund has been used to account for the acquisition, construction and debt service for the Kemper Meadow Business Center. It may also be used for the purchase, rehabilitation, and resale of properties.

### **Non-major Capital Project Fund:**

Capital Improvement Fund - This was established pursuant to Section 12.07 of the City Charter. It is to provide for public improvements and/or equipment needed for the use of the Municipality. Such improvements or equipment shall have a minimum useful life expectancy of three years.

City of Forest Park, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2007

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$3,843,288	\$41,485	\$86,236	\$3,971,009
Receivables:				
Taxes	11,236	0	0	11,236
Accounts	16,110	0	0	16,110
Interest	7,765	0	824	8,589
Intergovernmental	487,495	0	0	487,495
Interfund	0	0	306,350	306,350
<b>Total Assets</b>	<b>4,365,894</b>	<b>41,485</b>	<b>393,410</b>	<b>4,800,789</b>
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	118,704	0	0	118,704
Accrued Wages and Benefits	44,696	0	0	44,696
Interfund Payable	306,350	0	0	306,350
Deferred Revenue	369,886	0	0	369,886
<b>Total Liabilities</b>	<b>839,636</b>	<b>0</b>	<b>0</b>	<b>839,636</b>
Fund Balances:				
Reserved for Encumbrances	81,006	0	27	81,033
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	3,445,252	0	0	3,445,252
Debt Service Funds	0	41,485	0	41,485
Capital Projects Funds	0	0	393,383	393,383
<b>Total Fund Balances</b>	<b>3,526,258</b>	<b>41,485</b>	<b>393,410</b>	<b>3,961,153</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$4,365,894</b>	<b>\$41,485</b>	<b>\$393,410</b>	<b>\$4,800,789</b>



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City of Forest Park, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2007

	Street Fund	State Highway	Stormwater Management Utility	Environmental Grants	Law Enforcement Trust
Assets:					
Equity in Pooled Cash and Investments	\$1,044,146	\$133,130	\$1,078,509	\$301,716	\$40,211
Receivables:					
Taxes	0	0	0	0	0
Accounts	0	0	16,110	0	0
Interest	2,315	360	2,242	645	0
Intergovernmental	430,649	35,655	21,191	0	0
<b>Total Assets</b>	<b>1,477,110</b>	<b>169,145</b>	<b>1,118,052</b>	<b>302,361</b>	<b>40,211</b>
Liabilities and Fund Balances:					
Liabilities:					
Accounts Payable	109,971	0	6,926	1,380	0
Accrued Wages and Benefits	26,772	0	11,824	6,100	0
Interfund Payable	0	0	0	0	0
Deferred Revenue	297,860	24,889	35,901	0	0
<b>Total Liabilities</b>	<b>434,603</b>	<b>24,889</b>	<b>54,651</b>	<b>7,480</b>	<b>0</b>
Fund Balances:					
Reserved for Encumbrances	46,448	3,797	6,612	5,414	7,833
Unreserved, Undesignated, Reported in: Special Revenue Funds	996,059	140,459	1,056,789	289,467	32,378
<b>Total Fund Balances</b>	<b>1,042,507</b>	<b>144,256</b>	<b>1,063,401</b>	<b>294,881</b>	<b>40,211</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$1,477,110</b>	<b>\$169,145</b>	<b>\$1,118,052</b>	<b>\$302,361</b>	<b>\$40,211</b>

DARE	Law Enforcement Grant	Urban Renewal	Carillon Business Park TIF	Cincinnati Mills TIF	Wal-Mart TIF	Fire Department Trust
\$25,225	\$140	\$1,047,507	\$728	\$0	\$809	\$36,007
0	0	0	0	11,236	0	0
0	0	0	0	0	0	0
0	0	1,871	0	0	0	83
0	0	0	0	0	0	0
<u>25,225</u>	<u>140</u>	<u>1,049,378</u>	<u>728</u>	<u>11,236</u>	<u>809</u>	<u>36,090</u>
0	0	0	0	0	0	427
0	0	0	0	0	0	0
0	0	0	263,350	0	43,000	0
0	0	0	0	11,236	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>263,350</u>	<u>11,236</u>	<u>43,000</u>	<u>427</u>
183	0	0	0	0	0	0
<u>25,042</u>	<u>140</u>	<u>1,049,378</u>	<u>(262,622)</u>	<u>0</u>	<u>(42,191)</u>	<u>35,663</u>
<u>25,225</u>	<u>140</u>	<u>1,049,378</u>	<u>(262,622)</u>	<u>0</u>	<u>(42,191)</u>	<u>35,663</u>
<u>\$25,225</u>	<u>\$140</u>	<u>\$1,049,378</u>	<u>\$728</u>	<u>\$11,236</u>	<u>\$809</u>	<u>\$36,090</u>

Continued

City of Forest Park, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2007

	Health Care Reserve	Home Improvement	Court Automation	Total Nonmajor Special Revenue Funds
Assets:				
Equity in Pooled Cash and Investments	\$106,992	\$12,201	\$15,967	\$3,843,288
Receivables:				
Taxes	0	0	0	11,236
Accounts	0	0	0	16,110
Interest	223	26	0	7,765
Intergovernmental	0	0	0	487,495
<b>Total Assets</b>	<b>107,215</b>	<b>12,227</b>	<b>15,967</b>	<b>4,365,894</b>
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	0	0	0	118,704
Accrued Wages and Benefits	0	0	0	44,696
Interfund Payable	0	0	0	306,350
Deferred Revenue	0	0	0	369,886
<b>Total Liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>839,636</b>
Fund Balances:				
Reserved for Encumbrances	0	0	10,719	81,006
Unreserved, Undesignated, Reported in: Special Revenue Funds	107,215	12,227	5,248	3,445,252
<b>Total Fund Balances</b>	<b>107,215</b>	<b>12,227</b>	<b>15,967</b>	<b>3,526,258</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$107,215</b>	<b>\$12,227</b>	<b>\$15,967</b>	<b>\$4,365,894</b>

City of Forest Park, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Fiscal Year Ended December 31, 2007

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Fines, Licenses & Permits	\$18,419	\$0	\$0	\$18,419
Charges for Services	578,388	0	0	578,388
Investment Earnings	176,233	0	19,928	196,161
Intergovernmental	1,053,242	0	0	1,053,242
Special Assessments	1,505,032	0	0	1,505,032
Other Revenues	65,016	0	0	65,016
<b>Total Revenues</b>	<b>3,396,330</b>	<b>0</b>	<b>19,928</b>	<b>3,416,258</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	1,326,189	0	0	1,326,189
Public Safety	46,975	0	0	46,975
Community Environment	100,961	0	0	100,961
Public Works and Streets	1,037,881	0	0	1,037,881
Capital Outlay	62,550	0	25,546	88,096
<b>Debt Service:</b>				
Principal Retirement	286,419	101,000	0	387,419
Interest and Fiscal Charges	133,533	16,069	0	149,602
<b>Total Expenditures</b>	<b>2,994,508</b>	<b>117,069</b>	<b>25,546</b>	<b>3,137,123</b>
Excess of Revenues Over (Under) Expenc	401,822	(117,069)	(5,618)	279,135
<b>Other Financing Sources (Uses):</b>				
Transfers In	56,937	117,069	25,000	199,006
Transfers (Out)	(20,000)	0	0	(20,000)
<b>Total Other Financing Sources (Uses)</b>	<b>36,937</b>	<b>117,069</b>	<b>25,000</b>	<b>179,006</b>
Net Change in Fund Balance	438,759	0	19,382	458,141
Fund Balance Beginning of Year	3,087,499	41,485	374,028	3,503,012
Fund Balance End of Year	\$3,526,258	\$41,485	\$393,410	\$3,961,153

City of Forest Park, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended December 31, 2007

	Street Fund	State Highway	Stormwater Management Utility	Environmental Grants	Law Enforcement Trust
Revenues:					
Fines, Licenses & Permits	\$0	\$0	\$10,230	\$200	\$6,029
Charges for Services	0	0	578,388	0	0
Investment Earnings	42,552	10,816	51,113	15,594	0
Intergovernmental	929,913	75,398	0	34,665	0
Special Assessments	0	0	0	0	0
Other Revenues	2,165	0	55	11,698	17,781
<b>Total Revenues</b>	<b>974,630</b>	<b>86,214</b>	<b>639,786</b>	<b>62,157</b>	<b>23,810</b>
Expenditures:					
Current:					
General Government	0	0	0	0	0
Public Safety	0	0	0	0	8,985
Community Environment	0	0	0	100,961	0
Public Works and Streets	665,251	158,912	213,718	0	0
Capital Outlay	25,228	0	28,764	0	8,558
Debt Service:					
Principal Retirement	12,880	0	85,607	0	0
Interest and Fiscal Charges	489	0	10,790	0	0
<b>Total Expenditures</b>	<b>703,848</b>	<b>158,912</b>	<b>338,879</b>	<b>100,961</b>	<b>17,543</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>270,782</b>	<b>(72,698)</b>	<b>300,907</b>	<b>(38,804)</b>	<b>6,267</b>
Other Financing Sources (Uses):					
Transfers In	0	0	0	42,930	0
Transfers (Out)	0	0	(20,000)	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>(20,000)</b>	<b>42,930</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>270,782</b>	<b>(72,698)</b>	<b>280,907</b>	<b>4,126</b>	<b>6,267</b>
<b>Fund Balance Beginning of Year</b>	<b>771,725</b>	<b>216,954</b>	<b>782,494</b>	<b>290,755</b>	<b>33,944</b>
<b>Fund Balance End of Year</b>	<b>\$1,042,507</b>	<b>\$144,256</b>	<b>\$1,063,401</b>	<b>\$294,881</b>	<b>\$40,211</b>

DARE	Law Enforcement Grant	Urban Renewal	Carillon Business Park TIF	Cincinnati Mills TIF	Wal-Mart TIF	Fire Department Trust
\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
0	0	46,383	1,147	0	704	1,763
0	6,790	0	0	0	0	0
0	0	0	190,817	1,314,215	0	0
0	0	0	0	0	0	33,231
0	6,790	46,383	191,964	1,314,215	704	34,994
0	0	0	3,397	1,314,215	5,500	0
7,471	7,113	1,950	0	0	0	21,456
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	12,932	175,000	0	0	0
0	0	896	121,358	0	0	0
7,471	7,113	15,778	299,755	1,314,215	5,500	21,456
(7,471)	(323)	30,605	(107,791)	0	(4,796)	13,538
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
(7,471)	(323)	30,605	(107,791)	0	(4,796)	13,538
32,696	463	1,018,773	(154,831)	0	(37,395)	22,125
\$25,225	\$140	\$1,049,378	(\$262,622)	\$0	(\$42,191)	\$35,663

Continued

City of Forest Park, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended December 31, 2007

	Health Care Reserve	Home Improvement	Court Automation	Total Nonmajor Special Revenue Funds
Revenues:				
Fines, Licenses & Permits	\$0	\$0	1,960	\$18,419
Charges for Services	0	0	0	578,388
Investment Earnings	5,541	620	0	176,233
Intergovernmental	0	6,476	0	1,053,242
Special Assessments	0	0	0	1,505,032
Other Revenues	0	86	0	65,016
<b>Total Revenues</b>	<b>5,541</b>	<b>7,182</b>	<b>1,960</b>	<b>3,396,330</b>
Expenditures:				
Current:				
General Government	0	3,077	0	1,326,189
Public Safety	0	0	0	46,975
Community Environment	0	0	0	100,961
Public Works and Streets	0	0	0	1,037,881
Capital Outlay	0	0	0	62,550
Debt Service:				
Principal Retirement	0	0	0	286,419
Interest and Fiscal Charges	0	0	0	133,533
<b>Total Expenditures</b>	<b>0</b>	<b>3,077</b>	<b>0</b>	<b>2,994,508</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>5,541</b>	<b>4,105</b>	<b>1,960</b>	<b>401,822</b>
Other Financing Sources (Uses):				
Transfers In	0	0	14,007	56,937
Transfers (Out)	0	0	0	(20,000)
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>14,007</b>	<b>36,937</b>
<b>Net Change in Fund Balance</b>	<b>5,541</b>	<b>4,105</b>	<b>15,967</b>	<b>438,759</b>
<b>Fund Balance Beginning of Year</b>	<b>101,674</b>	<b>8,122</b>	<b>0</b>	<b>3,087,499</b>
<b>Fund Balance End of Year</b>	<b>\$107,215</b>	<b>\$12,227</b>	<b>\$15,967</b>	<b>\$3,526,258</b>



City of Forest Park, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	Street Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$837,200	\$915,016	\$77,816
Investment Earnings	15,000	40,237	25,237
Other Revenues	0	2,165	2,165
<b>Total Revenues</b>	<b>852,200</b>	<b>957,418</b>	<b>105,218</b>
Expenditures:			
Public Works and Streets:			
Streets:			
Personal Services	386,730	373,066	13,664
Contractual Services	247,629	246,832	797
Supplies and Materials	84,435	80,771	3,664
Capital Outlay	549,756	32,929	516,827
Debt Service:			
Principal Retirement	12,885	12,881	4
Interest and Fiscal Charges	490	488	2
<b>Total Expenditures</b>	<b>1,281,925</b>	<b>746,967</b>	<b>534,958</b>
Net Change in Fund Balance	(429,725)	210,451	640,176
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	676,857	676,857	0
<b>Fund Balance End of Year</b>	<b>\$247,132</b>	<b>\$887,308</b>	<b>\$640,176</b>

City of Forest Park, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	State Highway Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$65,429	\$74,190	\$8,761
Investment Earnings	9,221	10,456	1,235
Total Revenues	74,650	84,646	9,996
Expenditures:			
Public Works and Streets:			
State Highway:			
Personal Services	114	3	111
Contractual Services	138,473	138,192	281
Supplies and Materials	25,000	24,514	486
Total Expenditures	163,587	162,709	878
Net Change in Fund Balance	(88,937)	(78,063)	10,874
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	207,396	207,396	0
Fund Balance End of Year	\$118,459	\$129,333	\$10,874

City of Forest Park, Ohio  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2007

	Stormwater Management Utility Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$14,200	\$10,230	(\$3,970)
Charges for Services	550,000	578,863	28,863
Investment Earnings	10,000	48,871	38,871
Other Revenues	0	55	55
<b>Total Revenues</b>	<b>574,200</b>	<b>638,019</b>	<b>63,819</b>
Expenditures:			
Public Works and Streets:			
Stormwater Management:			
Personal Services	146,541	143,833	2,708
Contractual Services	76,150	74,440	1,710
Supplies and Materials	1,850	1,140	710
Capital Outlay	1,607,250	28,764	1,578,486
Debt Service:			
Principal Retirement	86,350	85,607	743
Interest and Fiscal Charges	13,220	10,790	2,430
<b>Total Expenditures</b>	<b>1,931,361</b>	<b>344,574</b>	<b>1,586,787</b>
Excess of Revenues Over (Under) Expenditures	(1,357,161)	293,445	1,650,606
Other financing sources (uses):			
Debt Proceeds	1,600,000	0	(1,600,000)
Transfers (Out)	(20,000)	(20,000)	0
<b>Total Other Financing Sources (Uses)</b>	<b>1,580,000</b>	<b>(20,000)</b>	<b>(1,600,000)</b>
<b>Net Change in Fund Balance</b>	<b>222,839</b>	<b>273,445</b>	<b>50,606</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	791,512	791,512	0
<b>Fund Balance End of Year</b>	<b>\$1,014,351</b>	<b>\$1,064,957</b>	<b>\$50,606</b>

City of Forest Park, Ohio  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2007

	Environmental Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$300	\$200	(\$100)
Intergovernmental	30,100	34,665	4,565
Investment Earnings	9,000	14,949	5,949
Other Revenues	10,400	11,698	1,298
Total Revenues	49,800	61,512	11,712
Expenditures:			
Community Environment:			
Environmental Grants:			
Personal Services	118,486	90,528	27,958
Contractual Services	19,853	16,828	3,025
Supplies and Materials	1,150	225	925
Capital Outlay	400	0	400
Total Expenditures	139,889	107,581	32,308
Excess of Revenues Over (Under) Expenditures	(90,089)	(46,069)	44,020
Transfers In	42,926	42,930	4
Total Other Financing Sources (Uses)	42,926	42,930	4
Net Change in Fund Balance	(47,163)	(3,139)	44,024
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	298,488	298,488	0
Fund Balance End of Year	\$251,325	\$295,349	\$44,024

City of Forest Park, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	Law Enforcement Trust Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$6,052	\$6,029	(\$23)
Other Revenues	17,848	17,781	(67)
Total Revenues	<u>23,900</u>	<u>23,810</u>	<u>(90)</u>
Expenditures:			
Public Safety:			
Police Department:			
Contractual Services	14,200	12,245	1,955
Supplies and Materials	4,900	4,573	327
Capital Outlay	9,100	8,558	542
Total Expenditures	<u>28,200</u>	<u>25,376</u>	<u>2,824</u>
Net Change in Fund Balance	(4,300)	(1,566)	2,734
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>33,944</u>	<u>33,944</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$29,644</u></u>	<u><u>\$32,378</u></u>	<u><u>\$2,734</u></u>

City of Forest Park, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	DARE Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$8,874	\$0	(\$8,874)
Other Revenues	776	0	(776)
Total Revenues	<u>9,650</u>	<u>0</u>	<u>(9,650)</u>
Expenditures:			
Public Safety:			
Police Department:			
Contractual Services	4,956	3,680	1,276
Supplies and Materials	4,108	4,064	44
Capital Outlay	650	0	650
Total Expenditures	<u>9,714</u>	<u>7,744</u>	<u>1,970</u>
Net Change in Fund Balance	(64)	(7,744)	(7,680)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>32,786</u>	<u>32,786</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$32,722</u></u>	<u><u>\$25,042</u></u>	<u><u>(\$7,680)</u></u>

City of Forest Park, Ohio  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2007

	Law Enforcement Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$17,997	\$6,790	(\$11,207)
Total Revenues	17,997	6,790	(11,207)
Expenditures:			
Public Safety:			
Police Department:			
Personal Services	3,883	0	3,883
Contractual Services	4,830	1,412	3,418
Supplies and Materials	9,284	5,701	3,583
Total Expenditures	17,997	7,113	10,884
Net Change in Fund Balance	0	(323)	(323)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	463	463	0
Fund Balance End of Year	\$463	\$140	(\$323)

City of Forest Park, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	Urban Renewal Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$60,000	\$44,512	(\$15,488)
Total Revenues	60,000	44,512	(15,488)
Expenditures:			
Public Works and Streets:			
Urban Renewal:			
Contractual Services	2,883	2,153	730
Capital Outlay	731,856	0	731,856
Debt Service:			
Principal Retirement	12,556	12,556	0
Interest and Fiscal Charges	1,280	1,272	8
Total Expenditures	748,575	15,981	732,594
Excess of Revenues Over (Under) Expenditures	(688,575)	28,531	717,106
Other financing sources (uses):			
Transfers In	0	155,770	155,770
Total Other Financing Sources (Uses)	0	155,770	155,770
Net Change in Fund Balance	(688,575)	184,301	872,876
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	863,206	863,206	0
Fund Balance End of Year	\$174,631	\$1,047,507	\$872,876



City of Forest Park, Ohio  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2007

	Carillon Business Park TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Special Assessments	\$191,247	\$190,817	(\$430)
Investment Earnings	1,150	1,147	(3)
Total Revenues	<u>192,397</u>	<u>191,964</u>	<u>(433)</u>
Expenditures:			
Public Works and Streets:			
Carillon Business Park:			
Contractual Services	3,900	3,397	503
Debt Service:			
Principal Retirement	175,000	175,000	0
Interest and Fiscal Charges	121,360	121,358	2
Total Expenditures	<u>300,260</u>	<u>299,755</u>	<u>505</u>
Excess of Revenues Over (Under) Expenditures	<u>(107,863)</u>	<u>(107,791)</u>	<u>72</u>
Other financing sources (uses):			
Advances In	263,943	263,350	(593)
Advances (Out)	(155,800)	(155,770)	30
Total Other Financing Sources (Uses)	<u>108,143</u>	<u>107,580</u>	<u>(563)</u>
Net Change in Fund Balance	280	(211)	(491)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>939</u>	<u>939</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$1,219</u></u>	<u><u>\$728</u></u>	<u><u>(\$491)</u></u>

City of Forest Park, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	Cincinnati Mills TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Special Assessments	\$1,314,220	\$1,314,215	(\$5)
Total Revenues	1,314,220	1,314,215	(5)
Expenditures:			
General Government:			
Cincinnati Mills:			
Contractual Services	1,314,220	1,314,215	5
Total Expenditures	1,314,220	1,314,215	5
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

City of Forest Park, Ohio  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2007

	Wal-Mart TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$1,463	\$704	(\$759)
Total Revenues	1,463	704	(759)
Expenditures:			
General Government:			
Wal-Mart:			
Contractual Services	53,400	5,500	47,900
Total Expenditures	53,400	5,500	47,900
Excess of Revenues Over (Under) Expenditures	(51,937)	(4,796)	47,141
Other financing sources (uses):			
Advances In	89,337	43,000	(46,337)
Advances (Out)	(37,400)	(37,400)	0
Total Other Financing Sources (Uses)	51,937	5,600	(46,337)
Net Change in Fund Balance	0	804	804
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5	5	0
Fund Balance End of Year	\$5	\$809	\$804

City of Forest Park, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	Fire Department Trust Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$818	\$1,680	\$862
Other Revenues	16,182	33,231	17,049
Total Revenues	17,000	34,911	17,911
Expenditures:			
Public Safety:			
Fire Department:			
Contractual Services	0	0	0
Supplies and Materials	27,000	21,329	5,671
Total Expenditures	27,000	21,329	5,671
Net Change in Fund Balance	(10,000)	13,582	23,582
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	22,125	22,125	0
Fund Balance End of Year	\$12,125	\$35,707	\$23,582

City of Forest Park, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	Health Care Reserve Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$2,000	\$5,318	\$3,318
Total Revenues	2,000	5,318	3,318
Expenditures:			
General Government			
Contractual Services	5,000	0	5,000
Total Expenditures	5,000	0	5,000
Net Change in Fund Balance	(3,000)	5,318	8,318
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	101,674	101,674	0
Fund Balance End of Year	\$98,674	\$106,992	\$8,318

City of Forest Park, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	Home Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$12,000	\$6,476	(\$5,524)
Investment Earnings	300	594	294
Other Revenues	100	86	(14)
Total Revenues	<u>12,400</u>	<u>7,156</u>	<u>(5,244)</u>
Expenditures:			
Community Environment:			
Environmental Grants:			
Contractual Services	12,000	3,077	8,923
Total Expenditures	<u>12,000</u>	<u>3,077</u>	<u>8,923</u>
Net Change in Fund Balance	400	4,079	3,679
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>8,122</u>	<u>8,122</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$8,522</u></u>	<u><u>\$12,201</u></u>	<u><u>\$3,679</u></u>

City of Forest Park, Ohio  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2007

	Court Automation Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,534	\$1,960	\$426
Total Revenues	1,534	1,960	426
Expenditures:			
Community Environment:			
Environmental Grants:			
Contractual Services	500	0	500
Supplies and Materials	12,000	10,719	1,281
Total Expenditures	12,500	10,719	1,781
Excess of Revenues Over (Under) Expenditures	(10,966)	(8,759)	2,207
Other financing sources (uses):			
Transfers In	10,966	14,007	3,041
Total Other Financing Sources (Uses)	10,966	14,007	3,041
Net Change in Fund Balance	0	5,248	5,248
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$5,248	\$5,248

City of Forest Park, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	Debt Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Debt Service:			
Principal Retirement	113,934	101,000	12,934
Interest and Fiscal Charges	16,966	16,069	897
Total Expenditures	130,900	117,069	13,831
Excess of Revenues Over (Under) Expenditures	(130,900)	(117,069)	13,831
Other financing sources (uses):			
Transfers In	117,070	117,069	(1)
Total Other Financing Sources (Uses)	117,070	117,069	(1)
Net Change in Fund Balance	(13,830)	0	13,830
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	41,485	41,485	0
Fund Balance End of Year	\$27,655	\$41,485	\$13,830



City of Forest Park, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	Economic Development Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$60,493	\$74,890	\$14,397
Other Revenues	4,443	5,500	1,057
Total Revenues	64,936	80,390	15,454
Expenditures:			
Public Works and Streets:			
Municipal Building and Grounds:			
Capital Outlay	3,341,148	2,659,645	681,503
Total Expenditures	3,341,148	2,659,645	681,503
Excess of Revenues Over (Under) Expenditures	(3,276,212)	(2,579,255)	696,957
Other financing sources (uses):			
Debt Proceeds	2,019,394	2,500,000	480,606
Advances In	30,210	37,400	7,190
Transfers In	464,461	575,000	110,539
Total Other Financing Sources (Uses)	2,514,065	3,112,400	598,335
Net Change in Fund Balance	(762,147)	533,145	1,295,292
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	826,188	826,188	0
Fund Balance End of Year	\$64,041	\$1,359,333	\$1,295,292

City of Forest Park, Ohio  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2007

	Capital Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$4,000	\$19,104	\$15,104
Total Revenues	4,000	19,104	15,104
Expenditures:			
Public Works and Streets:			
Municipal Building and Grounds:			
Capital Outlay	40,000	25,573	14,427
Total Expenditures	40,000	25,573	14,427
Excess of Revenues Over (Under) Expenditures	(36,000)	(6,469)	29,531
Other financing sources (uses):			
Advances (Out)	(310,000)	(306,350)	3,650
Transfers In	25,000	25,000	0
Total Other Financing Sources (Uses)	(285,000)	(281,350)	3,650
Net Change in Fund Balance	(321,000)	(287,819)	33,181
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	374,028	374,028	0
Fund Balance End of Year	\$53,028	\$86,209	\$33,181

## **FUND DESCRIPTIONS**

### **AGENCY FUNDS**

Agency funds are used to account for assets held in a custodial capacity.

Community Programming Board Fund - This fund is used to account for the activities of the Community Programming Board (CPB), a cable television operation funded in portion by cable franchise fees. The City of Forest Park performs accounting services for CPB, and the employees of CPB are considered employees of the City for purposes of employee benefits.

Mayor's Court Fund - This fund accounts for dollars collected by the Court which must be sent to the state or returned to the individual who has posted a bond.

Refundable Fees Fund - This fund contains deposits for special hearings, performance bonds, recreation deposits, and 7-year returnable fees.

City of Forest Park, Ohio  
Statement of Changes In Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended December 31, 2007

	Community Programming Board			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$665,224	\$765,461	\$722,547	\$708,138
Receivables:				
Interest	0	1,581	0	1,581
Franchise Fees Receivable	143,662	137,133	143,662	137,133
Total Assets	<u>808,886</u>	<u>904,175</u>	<u>866,209</u>	<u>846,852</u>
Liabilities:				
Accounts Payable	2,499	4,109	2,499	4,109
Due to Others	806,387	900,066	863,710	842,743
Total Liabilities	<u>\$808,886</u>	<u>\$904,175</u>	<u>\$866,209</u>	<u>\$846,852</u>

	Mayor's Court			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$25,616	\$292,155	\$234,922	\$82,849
Total Assets	<u>25,616</u>	<u>292,155</u>	<u>234,922</u>	<u>82,849</u>
Liabilities:				
Due to Others	25,616	292,155	234,922	82,849
Total Liabilities	<u>\$25,616</u>	<u>\$292,155</u>	<u>\$234,922</u>	<u>\$82,849</u>

	Refundable Fees			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$126,290	\$19,142	\$4,726	\$140,706
Total Assets	<u>126,290</u>	<u>19,142</u>	<u>4,726</u>	<u>140,706</u>
Liabilities:				
Accounts Payable	185	0	185	0
Due to Others	126,105	19,142	4,541	140,706
Total Liabilities	<u>\$126,290</u>	<u>\$19,142</u>	<u>\$4,726</u>	<u>\$140,706</u>

Continued

City of Forest Park, Ohio  
Statement of Changes In Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended December 31, 2007

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	Total All Agency Funds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$817,130	\$1,076,758	\$962,195	\$931,693
Receivables:				
Interest	0	1,581	0	1,581
Franchise Fees Receivable	143,662	137,133	143,662	137,133
Total Assets	<u>960,792</u>	<u>1,215,472</u>	<u>1,105,857</u>	<u>1,070,407</u>
Liabilities:				
Accounts Payable	2,684	4,109	2,684	4,109
Due to Others	958,108	1,211,363	1,103,173	1,066,298
Total Liabilities	<u>\$960,792</u>	<u>\$1,215,472</u>	<u>\$1,105,857</u>	<u>\$1,070,407</u>

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# STATISTICAL SECTION

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## STATISTICAL SECTION

This part of the City'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.

### CONTENTS

Financial Trends - These schedules contain trend information to help the reader understand how the City's financial position has changed over time.

Revenue Capacity - These schedules contain information to help the reader understand and assess the City's most significant local revenue source, the income tax.

Debt Capacity - 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.

Economic and Demographic Information - These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

Operating Information - 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.

Sources - Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in fiscal year 2003; schedules presenting government-wide information include information beginning in that fiscal year.



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City of Forest Park, Ohio  
 Net Assets by Component  
 Last Five Calendar Years (1)  
 (accrual basis of accounting)  
 Schedule 1

	Calendar Year				
	2003	2004	2005	2006	2007
Governmental Activities					
Invested in Capital Assets, Net of Related Debt	\$8,426,483	\$12,190,880	\$31,877,075	\$33,271,931	\$32,982,943
Restricted	6,533,869	4,814,255	4,882,097	6,705,865	6,865,890
Unrestricted	7,627,835	8,062,887	6,934,347	4,290,227	4,420,173
Total governmental activities net assets	<u>\$22,588,187</u>	<u>\$25,068,022</u>	<u>\$43,693,519</u>	<u>\$44,268,023</u>	<u>\$44,269,006</u>

Source: City Records

(1) - The City began to report accrual information when it implemented GASB Statement 34 in calendar year 2003

City of Forest Park, Ohio  
 Changes in Net Assets  
 Last Five Calendar Years (1)  
 (accrual basis of accounting)  
 Schedule 2

	Calendar Year				
	2003	2004	2005	2006	2007
Expenses					
Governmental Activities:					
General Government	\$1,778,376	\$1,728,474	\$1,951,871	\$3,114,377	\$3,812,586
Public Safety	7,106,841	7,428,605	7,860,645	7,894,413	8,732,520
Leisure Time Activities	499,290	419,440	448,758	450,221	447,047
Community Environment	800,752	746,169	958,658	1,017,798	783,419
Public Works and Streets	2,822,551	3,074,083	3,413,529	3,509,479	3,344,237
Public Health and Welfare	19,804	20,792	21,455	21,710	21,436
Interest and Fiscal Charges	302,479	238,571	210,269	183,667	264,033
Total governmental activities expenses	<u>13,330,093</u>	<u>13,656,134</u>	<u>14,865,185</u>	<u>16,191,665</u>	<u>17,405,278</u>
Total primary government expenses	<u>\$13,330,093</u>	<u>\$13,656,134</u>	<u>\$14,865,185</u>	<u>\$16,191,665</u>	<u>\$17,405,278</u>
Program Revenues					
Governmental Activities:					
Charges for Services:					
General Government	\$649,370	\$1,113,014	\$903,755	\$1,435,995	\$1,605,383
Public Safety	800,470	950,528	865,363	478,019	662,495
Leisure Time Activities	80,329	54,049	55,242	88,724	80,296
Community Environment	5,240	21,254	36,589	4,725	14,828
Public Works and Streets	705,027	605,673	662,585	664,822	627,085
Operating Grants and Contributions	656,276	1,097,626	995,197	1,088,440	1,274,379
Capital Grants and Contributions	810,647	1,208,874	0	0	87,475
Total governmental activities program revenues	<u>3,707,359</u>	<u>5,051,018</u>	<u>3,518,731</u>	<u>3,760,725</u>	<u>4,351,941</u>
Total primary government program revenues	<u>\$3,707,359</u>	<u>\$5,051,018</u>	<u>\$3,518,731</u>	<u>\$3,760,725</u>	<u>\$4,351,941</u>

City of Forest Park, Ohio  
 Changes in Net Assets  
 Last Five Calendar Years (1)  
 (accrual basis of accounting)  
 Schedule 2 (Continued)

	Calendar Year				
	2003	2004	2005	2006	2007
Net (Expense)/Revenue					
Governmental Activities	<u>(\$9,622,734)</u>	<u>(\$8,605,116)</u>	<u>(\$11,346,454)</u>	<u>(\$12,430,940)</u>	<u>(\$13,053,337)</u>
Total primary government net expenses	<u>(\$9,622,734)</u>	<u>(\$8,605,116)</u>	<u>(\$11,346,454)</u>	<u>(\$12,430,940)</u>	<u>(\$13,053,337)</u>
General Revenues and Other Changes in Net Assets					
Governmental Activities:					
Income Taxes	\$6,102,615	\$6,466,736	\$6,315,991	\$6,140,728	\$6,812,643
Property Taxes Levied for:					
General Purposes	1,154,232	815,912	964,325	1,167,285	1,749,729
Special Revenue Purposes	3,393,839	2,326,373	2,818,716	3,517,988	3,252,373
Grants and Entitlements not Restricted	961,721	1,294,547	835,181	1,141,460	465,147
Unrestricted Contributions	0	0	0	3,291	11,290
Investment Earnings	155,617	120,619	317,085	445,449	579,294
Refunds & Reimbursements	0	0	0	42,300	103,460
Other Revenues	492,466	60,764	6,648	53,196	80,384
Gain on sale of Capital Assets	167,022	0	0	0	0
Total governmental activities	<u>12,427,512</u>	<u>11,084,951</u>	<u>11,257,946</u>	<u>12,511,697</u>	<u>13,054,320</u>
Total primary government	<u>\$12,427,512</u>	<u>\$11,084,951</u>	<u>\$11,257,946</u>	<u>\$12,511,697</u>	<u>\$13,054,320</u>
Change in Net Assets					
Total primary government	<u>\$2,804,778</u>	<u>\$2,479,835</u>	<u>(\$88,508)</u>	<u>\$80,757</u>	<u>\$983</u>

Source: City Records

(1) - The City began to report accrual information when it implemented GASB Statement 34 in calendar year 2003

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City of Forest Park, Ohio  
Fund Balances, Governmental Funds  
Last Ten Calendar Years  
(modified accrual basis of accounting)  
Schedule 3

	Calendar Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>General Fund</b>										
Reserved	N/A	\$502,669	\$365,832	\$493,303	\$444,694	\$1,387,884	\$610,876	\$755,355	\$678,423	\$616,430
Unreserved	N/A	4,176,379	5,783,981	6,388,723	6,851,514	5,476,355	5,518,054	4,028,910	2,128,330	2,417,916
<b>Total General Fund</b>	N/A	4,679,048	6,149,813	6,882,026	7,296,208	6,864,239	6,128,930	4,784,265	2,806,753	3,034,346
<b>All Other Governmental Funds</b>										
Reserved	N/A	184,077	2,141,819	2,651,154	912,486	839,061	498,365	322,973	946,853	254,090
Unreserved, Reported in:										
Special Revenue Funds	N/A	1,712,914	36,227	4,691,248	4,666,850	5,219,028	3,744,753	4,290,934	4,488,416	5,760,338
Debt Service Funds	N/A	0	0	0	0	0	0	48,399	41,485	41,485
Capital Project Funds	N/A	664,602	893,798	843,251	975,000	214,047	571,137	542,764	442,934	(1,552,294)
<b>Total all Other Governmental Funds</b>	N/A	\$2,561,593	\$3,071,844	\$8,185,653	\$6,554,336	\$6,272,136	\$4,814,255	\$5,205,070	\$5,919,688	\$4,503,619

Source: City Records

N/A - Information not available

City of Forest Park, Ohio  
Changes in Fund Balances, Governmental Funds  
Last Ten Calendar Years  
(modified accrual basis of accounting)  
Schedule 4

	Calendar Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Revenues</b>										
Taxes	N/A	\$9,127,359	\$9,096,277	\$9,504,052	\$10,832,920	\$11,703,160	\$10,787,886	\$11,496,327	\$10,723,536	\$11,875,527
Fines, Licenses & Permits	N/A	417,503	1,010,250	1,044,074	285,043	357,896	437,914	365,470	706,081	362,956
Charges for Services	N/A	920,451	928,100	939,334	955,756	981,194	1,046,504	914,949	729,319	1,100,458
Investment Earnings	N/A	358,997	622,434	574,873	268,752	154,272	118,278	313,972	447,921	579,294
Intergovernmental	N/A	717,574	894,962	1,179,019	1,210,748	1,648,577	1,742,815	1,050,972	1,850,951	1,854,614
Special Assessments	N/A	4,987	363,978	375,452	390,421	418,593	523,155	559,021	1,152,123	1,515,233
Other Revenues	N/A	644,055	271,022	387,792	392,855	317,657	493,897	278,974	213,639	211,032
<b>Total Revenues</b>	N/A	12,190,926	13,187,023	14,004,596	14,336,495	15,581,349	15,150,449	14,979,685	15,823,570	17,499,114
<b>Expenditures</b>										
<b>Current:</b>										
General Government	N/A	1,833,801	2,422,700	2,714,104	2,424,442	1,717,723	1,703,358	1,958,104	3,255,565	3,764,431
Public Safety	N/A	4,319,177	4,741,973	4,924,905	5,743,913	6,391,827	6,987,134	7,456,565	7,599,298	8,622,400
Leisure Time Activities	N/A	419,100	345,063	347,401	394,996	440,998	381,856	419,185	413,617	408,299
Community Environment	N/A	1,266,272	1,357,089	1,300,006	1,331,915	765,532	740,860	948,940	1,010,176	777,763
Basic Utility Service	N/A	267,986	264,990	300,593	254,517	0	0	0	0	0
Public Works and Streets	N/A	648,878	640,898	488,709	517,801	2,704,639	2,468,037	2,802,352	2,638,561	2,426,832
Public Health and Welfare	N/A	113,651	117,145	125,253	132,065	19,804	20,792	21,455	21,710	21,436
Capital Outlay	N/A	1,188,006	2,054,267	3,129,324	1,281,128	3,327,027	3,686,401	1,103,193	1,296,413	2,011,290
<b>Debt Service:</b>										
Principal Retirement	N/A	595,083	693,003	2,717,784	2,557,633	1,128,534	1,114,463	1,020,420	736,405	405,565
Interest and Fiscal Charges	N/A	350,678	327,043	453,132	439,106	278,945	241,938	205,012	197,473	261,850
<b>Total Expenditures</b>	N/A	\$11,002,632	\$12,964,171	\$16,501,211	\$15,077,516	\$16,775,029	\$17,344,839	\$15,935,226	\$17,169,218	\$18,699,866

City of Forest Park, Ohio  
 Changes in Fund Balances, Governmental Funds  
 Last Ten Calendar Years  
 (modified accrual basis of accounting)  
 Schedule 4 (Continued)

	Calendar Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Excess of revenues over (under) expenditures	N/A	\$1,188,294	\$222,852	(\$2,496,615)	(\$741,021)	(\$1,193,680)	(\$2,194,390)	(\$955,541)	(\$1,345,648)	(\$1,200,752)
Other Financing Sources (Uses)										
Proceeds of Notes and Bonds	N/A	\$0	\$0	\$4,800,000	\$0	\$100,000	\$0	\$0	\$0	\$0
Proceeds from Sale of Capital Assets	N/A	16,802	10,330	36,645	2,964	246,025	1,200	1,691	43,462	12,276
Issuance of Long-Term Capital-Related Debt Transfers In	N/A	717,272	1,015,063	2,375,232	0	0	0	0	39,292	0
Transfers (Out)	N/A	(721,424)	(1,015,063)	(2,375,962)	622,924	452,131	475,775	416,551	1,244,510	1,584,006
Proceeds of Refunded Bonds	N/A	0	0	3,475,000	(622,924)	(452,131)	(475,775)	(416,551)	(1,244,510)	(1,584,006)
Total Other Financing Sources (Uses)	N/A	12,650	10,330	8,310,915	2,964	346,025	1,200	1,691	82,754	12,276
Net Change in Fund Balances	N/A	\$1,200,944	\$233,182	\$5,814,300	(\$738,057)	(\$847,655)	(\$2,193,190)	(\$953,850)	(\$1,262,894)	(\$1,188,476)
Debt service as a percentage of noncapital expenditures (1)	N/A	9.6%	9.3%	23.7%	21.7%	10.5%	9.9%	8.3%	5.9%	4.0%

Source: City Records

(1) - Noncapital expenditures is total expenditures minus capital outlay



City of Forest Park, Ohio  
 Assessed Value and Estimated Actual Value of Taxable Property  
 Last Ten Calendar Years  
 Schedule 5

Calendar Year	Real Property	Tangible Personal Property	Public Utilities Personal	Total	Total	Total
	Assessed Value	Assessed Value	Assessed Value	Assessed Value	Estimated Actual Value	Direct Rate
1998	\$239,803,920	\$34,438,240	\$15,948,050	\$290,190,210	\$829,114,886	91.85
1999	241,316,780	35,756,110	15,950,020	293,022,910	837,208,314	100.33
2000	286,005,520	27,597,910	15,888,470	329,491,900	941,405,429	101.62
2001	286,827,510	32,150,790	14,599,450	333,577,750	953,079,286	100.71
2002	292,037,950	32,683,910	12,119,770	336,841,630	962,404,657	107.01
2003	331,058,100	33,371,070	12,859,910	377,289,080	1,077,968,800	107.41
2004	328,784,280	34,948,040	12,724,170	376,456,490	1,075,589,971	107.05
2005	326,643,200	34,485,220	12,811,280	373,939,700	1,068,399,143	114.55
2006	334,918,680	35,853,050	12,725,100	383,496,830	1,095,705,229	114.30
2007	369,307,980	21,755,090	11,714,930	402,778,000	1,150,794,286	113.67

Source: County Auditor

Note: The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for everything except inventories, which are assessed at 23 percent. Property is assessed annually.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue to be received in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed.

City of Forest Park, Ohio  
 Direct and Overlapping Property Tax Rates  
 Last Ten Calendar Years  
 Schedule 6

Calendar Year	Total Direct Rate	Overlapping Rates			
		Corporate Levy	School District	Joint Vocational	Hamilton County
1998	91.85	8.01	62.13	2.70	19.01
1999	100.33	8.01	70.08	2.70	19.54
2000	101.62	8.01	70.08	2.70	20.83
2001	100.71	8.01	70.08	2.70	19.92
2002	107.01	12.76	70.08	2.70	21.47
2003	107.41	12.76	70.08	2.70	21.87
2004	107.05	12.76	70.08	2.70	21.51
2005	114.55	12.76	78.03	2.70	21.06
2006	114.30	12.76	78.03	2.70	20.81
2007	113.67	12.76	78.03	2.70	20.18

Source: County Auditor

Note: Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

City of Forest Park, Ohio  
Principal Property Tax Payers  
Current Year and Two Years ago (1)  
Schedule 7

2007		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
Duke Energy	\$7,995,030	1.98%
Union Central Life Ins Co	7,063,540	1.75%
Kensington Park Apts LLC	6,055,000	1.50%
Forest Park Associates LLC	4,360,170	1.08%
Aerc Remington Place Inc	3,952,410	0.98%
Cincinnati Mills LLC	3,571,300	0.89%
All State Associates of Huntington	3,559,500	0.88%
Rreef America Reit II Corp	2,870,000	0.71%
Forest Park Station LLC	2,866,750	0.71%
Versailles Village	2,616,250	0.65%
	<u>\$44,909,950</u>	<u>11.16%</u>

2005		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
Cincinnati Gas & Electric (2)	\$7,797,710	2.09%
Union Central Life Ins Co	7,063,540	1.89%
Kensington Park Apts LLC	6,055,000	1.62%
Cincinnati Mills LLC	5,731,640	1.53%
Forest Park Associates LLC	4,360,170	1.17%
Aerc Remington Place Inc	3,952,410	1.06%
All State Associates of Huntington	3,559,500	0.95%
Cincinnati Bell Telephone Co	2,975,410	0.80%
Rreef America Reit II Corp	2,870,000	0.77%
Forest Park Station LLC	2,821,500	0.75%
	<u>\$47,186,880</u>	<u>12.64%</u>

Source: County Auditor

- (1) - Calendar Year 2005 is the latest information available.  
(2) - Cincinnati Gas & Electric is now Duke Energy

City of Forest Park, Ohio  
Property Tax Levies and Collections  
Last Ten Calendar Years  
Schedule 8

Calendar Year	Taxes Levied for the Calendar Year (1)	Collected, including Delinquencies, within the Calendar Year of the Levy		Unpaid Collections	Total Collections (3)	
		Net Collections (2)	Percentage of Levy		Amount	Percentage of Levy
1998	\$2,259,731	\$2,168,061	95.94%	\$104,086	\$2,272,147	100.55%
1999	2,279,443	2,206,159	96.79%	98,383	2,304,542	101.10%
2000	2,362,589	2,260,017	95.66%	95,387	2,355,404	99.70%
2001	2,445,658	2,330,812	95.30%	124,753	2,455,565	100.41%
2002	4,039,669	3,815,454	94.45%	183,628	3,999,082	99.00%
2003	4,220,658	3,967,908	94.01%	236,491	4,204,399	99.61%
2004	4,228,060	3,995,197	94.49%	222,268	4,217,465	99.75%
2005	4,248,002	3,975,074	93.58%	231,117	4,206,191	99.02%
2006	4,333,286	4,055,933	93.60%	368,238	4,424,171	102.10%
2007	4,353,482	3,982,725	91.48%	347,193	4,329,918	99.46%

Source: County Auditor

- (1) - Includes delinquent levy
- (2) - Includes current and delinquent collections minus refunds
- (3) - Includes net collections plus unpaid collections

City of Forest Park, Ohio  
 Income Tax by Payer Type and Income Tax Rate  
 Last Ten Calendar Years  
 (cash basis of accounting)  
 Schedule 9

Calendar Year	Withholding Accounts	Business Accounts	Residential Accounts	Total	Income Tax Rate	Credit Amount
1998	\$3,179,312	\$538,442	\$1,460,665	\$5,178,419	1.00%	0.50%
1999	3,447,577	786,856	1,437,917	5,672,350	1.00%	0.50%
2000	3,566,705	668,123	1,563,348	5,798,177	1.00%	0.50%
2001	3,636,516	492,911	1,575,596	5,705,023	1.00%	0.50%
2002	3,658,407	550,196	1,769,557	5,978,161	1.00%	0.50%
2003	3,717,305	470,824	1,640,360	5,828,489	1.00%	0.50%
2004	3,927,593	674,221	1,790,785	6,392,599	1.00%	0.50%
2005	3,764,344	959,005	1,621,041	6,344,389	1.00%	0.50%
2006	4,098,193	700,090	1,555,095	6,353,378	1.00%	0.50%
2007*	4,607,359	712,999	1,568,218	6,888,576	1.50%	1.50%

Source: City Records

Note: Refunds are deducted

\* - Tax rate increase was approved by voters in February 2007

City of Forest Park, Ohio  
 Principal Income Taxpayers  
 Current Year and Prior Year (1)  
 (cash basis of accounting)  
 Schedule 10

<u>2007</u>	
<u>Name</u>	<u>Rank</u>
Union Central Life	1
Jacobs Engineering Group	2
Winton Woods City Schools	3
Berkeley Premium Nutraceuticals Inc.	4
Faxon Machining	5
City of Forest Park	6
Hillman Group	7
Process Plus Holdings	8
Montgomery - Blue Ash Insurance	9
Honeywell International	10

<u>2006</u>	
<u>Name</u>	<u>Rank</u>
Union Central Life	1
Jacobs Engineering Group	2
Winton Woods City Schools	3
Faxon Machining	4
Process Plus Holdings	5
City of Forest Park	6
Berkeley Premium Nutraceuticals Inc	7
Hillman Group	8
Montgomery - Blue Ash Insurance	9
Honeywell International	10

Source: City Records

(1) - Only current year and prior year information available

Note: Due to legal restrictions and confidentiality requirements, the City cannot disclose the amount of withholdings by taxpayer.

City of Forest Park, Ohio  
Ratios of Outstanding Debt by Type  
Last Ten Calendar Years  
Schedule 11

Calendar Year	Governmental Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Public Works Issue 2 Loans			
1998	N/A	N/A	N/A	N/A	N/A
1999	\$4,825,000	\$378,918	\$5,203,918	0.02%	\$161
2000	4,230,000	343,009	4,573,009	0.02%	136
2001	9,890,000	306,251	10,196,251	0.03%	296
2002	7,370,000	268,618	7,638,618	0.03%	214
2003	6,380,000	230,084	6,610,084	0.02%	181
2004	5,305,000	190,621	5,495,621	0.02%	143
2005	4,325,000	150,202	4,475,202	0.01%	112
2006	3,669,292	108,797	3,778,089	0.01%	91
2007	3,306,146	66,378	3,372,524	N/A	N/A

Source: City Records

N/A - Information not available

Note: Details regarding the city's outstanding debt can be found in the notes to the basic financial statements.

City of Forest Park, Ohio  
Ratios of General Bonded Debt Outstanding  
Last Ten Calendar Years  
Schedule 12

Calendar Year	General Bonded Debt Outstanding		Percentage of Estimated Actual Taxable Value of Property	Per Capita
	General Obligation Bonds			
1998	N/A		N/A	N/A
1999	\$4,825,000		0.58%	\$259
2000	4,230,000		0.45%	217
2001	1,719,825		0.18%	88
2002	7,370,000		0.77%	379
2003	6,380,000		0.59%	328
2004	5,305,000		0.49%	273
2005	4,325,000		0.40%	222
2006	3,669,292		0.33%	189
2007	3,306,146		0.29%	170

Source: City Records



City of Forest Park, Ohio  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2007  
 Schedule 13

Governmental Unit	Net Debt Outstanding	Estimated Percentage Applicable (1)	Amount Applicable to the City of Forest Park
City of Forest Park	\$6,595,000	99.52%	\$6,563,344
Hamilton County	109,325,000	1.96%	2,142,770
Northwest Local School District	20,250,000	2.76%	558,900
Great Oaks Career Center JVSD	9,070,000	1.83%	165,981
Total Direct and Overlapping Debt	\$145,240,000		\$9,430,995

Source: OMAC

(1) - Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the City by the total assessed valuation of the government.

City of Forest Park, Ohio  
 Legal Debt Margin Information  
 Last Ten Calendar Years  
 Schedule 14

Legal Debt Margin Calculation for Calendar Year 2007

Assessed value	402,778,000	402,778,000
Statutory legal debt limitation (1)	10.5%	5.5%
Total debt limitation	42,291,690	22,152,790
Debt applicable to limit	6,563,344	6,563,344
Legal debt margin	\$35,728,346	\$15,589,446

	Calendar Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Total Debt Limit (1)										
Debt Limit (10.5%)	N/A	\$30,767,406	\$34,596,650	\$35,025,664	\$35,368,371	\$39,615,353	\$39,527,931	\$39,263,669	\$40,267,167	\$42,291,690
Total Net Debt Applicable to Limit	N/A	5,203,918	4,760,566	1,719,825	1,419,000	1,234,000	986,000	679,000	4,440,000	6,563,344
Legal Debt Margin	N/A	\$25,563,488	\$29,836,084	\$33,305,839	\$33,949,371	\$38,381,353	\$38,541,931	\$38,584,669	\$35,827,167	\$35,728,346

	Calendar Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	N/A	16.9%	13.8%	4.9%	4.0%	3.1%	2.5%	1.7%	11.0%	15.5%

	Calendar Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Total Unvoted Debt Limit (1)										
Debt Limit (5.5%)	N/A	\$16,116,260	\$18,122,055	\$18,346,776	\$18,526,290	\$20,750,899	\$20,705,107	\$20,566,684	\$21,092,326	\$22,152,790
Total Net Debt Applicable to Limit	N/A	5,203,918	4,760,566	1,719,825	1,419,000	1,234,000	986,000	679,000	4,440,000	6,563,344
Legal Debt Margin	N/A	\$10,912,342	\$13,361,489	\$16,626,951	\$17,107,290	\$19,516,899	\$19,719,107	\$19,887,684	\$16,652,326	\$15,589,446
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	N/A	32.3%	26.3%	9.4%	7.7%	5.9%	4.8%	3.3%	21.1%	29.6%

Source: OMAC

N/A - Information not available

(1) - Direct debt limitation based upon Section 133, the Uniform Bond Act of the Ohio Revised Code. Total debt limit should not exceed 10.5% of net assessed property value.  
 Total unvoted debt limit should not exceed 5.5% of net assessed property value.

(2) - General obligation bonds in the enterprise funds, special assessment debt with government commitment and bond anticipation notes have been included.

City of Forest Park, Ohio  
 Demographic and Economic Statistics - Hamilton County  
 Last Ten Calendar Years  
 Schedule 15

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
1998	18,609	\$27,144,490	\$31,712	3.60%
1999	18,609	27,420,292	32,262	3.60%
2000	19,463	28,329,667	33,566	3.70%
2001	19,463	29,136,541	34,499	4.00%
2002	19,463	30,010,701	35,712	5.50%
2003	19,463	30,556,012	36,526	5.40%
2004	19,463	31,972,899	38,417	5.70%
2005	19,463	33,087,346	39,937	5.50%
2006	19,463	35,146,091	41,477	5.00%
2007	19,463	N/A	N/A	5.00%

- Sources:
- (1) - Population estimates provided by U.S. Census Bureau (1990 Census and 2000 Census)
  - (2) - Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts
  - (3) - Per Capita Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts
  - (4) - Ohio Bureau of Employment Services

N/A - Information not available

City of Forest Park, Ohio  
Principal Employers  
Current Year (1)  
Schedule 16

2005 (2)		
Employer	Number of Employees (3)	Percentage of Total City (3) Employment
University of Cincinnati	15,400	3.76%
Kroger	15,100	3.68%
Health Alliance Greater Cincinnati	13,750	3.36%
Proctor & Gamble	12,250	2.99%
Tri Health Inc	8,900	2.17%
Children Hospital Medical Center	8,875	2.17%
5/3 Bank	8,850	2.16%
G.E. Aviation	7,100	1.73%
Mercy Health Partners	6,750	1.65%
Hamilton County	6,180	1.51%
	103,155	25.15%
Total City Employment (3)	409,800	

Source: City Economic Development Division

(1) - Only current fiscal year information available

(2) - Data current as of December, 2005

(3) - Data for all of Hamilton County

City of Forest Park, Ohio  
 Full-Time Equivalent City Government Employees by Function/Program  
 Last Ten Calendar Years  
 Schedule 17

Function/Program	Full-time-Equivalent Employees as of December 31									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>General Government</b>										
City Administration	5	5	5	6	6	6	6	6	6	6
City Council	7	7	7	7	7	7	7	7	7	7
Engineering	1	1	1	1	1	1	1	1	1	1
Facility/Buildings	4	4	4	4	4	4	4	4	4	4
<b>Public Safety</b>										
Police										
Officers	33	32	33	32	32	31	33	33	33	37
Non-Sworn	7	7	7	7	7	7	7	8	8	8
Fire										
Full time	14	21	21	21	25	25	28	29	28	28
Part Time	28	21	23	37	33	30	22	22	25	27
<b>Leisure Time Activities</b>										
Parks and Recreation*	1	1	1	1	1	1	1	1	1	1
<b>Community Development</b>										
Planning and Zoning	4	4	4	4	4	4	4	4	5	4
Building Inspection	3	3	3	3	3	3	3	3	3	3
Economic Development	1	1	1	1	1	1	1	1	1	1
Transportation and Street Repair	8	8	8	8	8	8	8	8	8	8
<b>Total</b>	<u>116</u>	<u>115</u>	<u>118</u>	<u>132</u>	<u>132</u>	<u>128</u>	<u>125</u>	<u>127</u>	<u>130</u>	<u>135</u>

Source: City Finance Department

\* - 1 Full time employee and 17 part-time seasonal employees from 1997 - 2007

City of Forest Park, Ohio  
 Operating Indicators by Function/Program  
 Last Ten Calendar Years  
 Schedule 18

Function/Program	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General Government										
Building Permits Issued	481	605	549	668	536	498	902	422	437	342
Building Inspections Conducted	2,513	2,494	2,532	2,349	1,680	1,793	2,742	1,418	1,324	1,265
Police										
Physical Arrests	1,703	1,344	1,307	1,250	1,438	1,632	1,823	2,006	2,368	2,630
Parking Violations	272	142	117	105	70	114	155	270	305	542
Traffic Violations	2,838	2,180	2,379	2,209	1,828	2,487	1,922	1,542	2,180	2,042
Fire										
Emergency Responses	2,824	3,124	3,221	3,013	3,218	3,275	3,275	3,667	3,991	3,972
Fires Extinguished	77	45	47	43	42	45	45	56	49	109
Inspections	450	654	317	472	697	760	596	914	725	445
Recyclable Collected in Tons	0	2,590	2,193	1,957	1,225	736	724	689	754	807
Other Public Works										
Street Resurfacing	11	13	5	14	6	7	7	9	8	5
Potholes Repaired	1,002	1,375	477	1,001	577	1,207	462	1,122	130	342
Parks and Recreation										
Athletic Field Permits Issued	10	10	10	10	10	10	10	10	10	10

Source: Various City Departments

City of Forest Park, Ohio  
 Capital Asset Statistics by Function/Program  
 Last Ten Calendar Years  
 Schedule 19

Function/Program	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Zone Offices	0	0	1	1	1	1	2	2	2	2
Patrol Units	22	22	22	22	22	22	22	22	22	22
Fire Stations	2	2	2	2	2	2	2	2	2	2
Other Public Works										
Area of City (square miles)	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Streets (miles)	147	147.00	147.00	151.25	151.25	151.25	152.82	152.82	153.00	153.00
Highways (miles)										
Streetlights	620	620	620	620	620	788	788	788	788	788
Traffic Signals	18	18	18	18	18	18	18	18	23	23
Stormwater Correction (Miles of Storm Lines)	42	42	42	42	42	42	46	46	46	46
Parks and Recreation										
Number of Parks	11	11	11	11	11	11	11	11	11	11
Acreage	82.23	82.23	82.23	82.23	82.23	82.23	82.28	82.28	82.28	82.28
Playgrounds	4	4	4	4	4	4	4	4	4	4
Baseball/Softball Diamonds	8	8	8	8	8	8	8	8	8	8
Soccer/Football Fields	5	5	5	5	5	5	5	5	5	5
Fire Hydrants	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150

Source: Various city departments







**Mary Taylor, CPA**  
Auditor of State

**CITY OF FOREST PARK**

**HAMILTON 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  
SEPTEMBER 4, 2008**