



**Mary Taylor, CPA**  
Auditor of State



**CITY OF STOW  
SUMMIT COUNTY**

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# Mary Taylor, CPA

Auditor of State

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

City of Stow  
Summit County  
3760 Darrow Road  
Stow, Ohio 44224

To the Honorable Mayor and City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit, and remaining fund information of the City of Stow, Summit County, (the City) as of and for the year ended December 31, 2009, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 16, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency or combination of deficiencies in internal control such that there is a reasonable possibility that material financial statement misstatements will not be prevented, or detected and timely corrected.

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting, described in the accompanying schedule of findings that we consider a significant deficiency in internal control over financial reporting. We consider finding 2009-001 to be a significant deficiency. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

### **Compliance and Other Matters**

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

We did note certain matters not requiring inclusion in this report that we reported to the City's management in a separate letter dated July 16, 2010.

The City's response to the finding identified in our audit is described in the accompanying Schedule of Findings. We did not audit the City's response and, accordingly, we express no opinion on them.

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



**Mary Taylor, CPA**  
Auditor of State

July 16, 2010



# Mary Taylor, CPA

Auditor of State

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

City of Stow  
Summit County  
3760 Darrow Road  
Stow, Ohio 44224

To the Honorable Mayor and City Council:

### Compliance

We have audited the compliance of the City of Stow (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to each of its major federal programs for the year ended December 31, 2009. The summary of auditor's results section of the accompanying Schedule of Findings identifies the City's major federal programs. The City's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

In our opinion, the City of Stow complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended December 31, 2009.

### Internal Control Over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of opining on compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected.

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

We noted matters involving federal compliance or internal control over federal compliance not requiring inclusion in this report, that we reported to the City's management in a separate letter dated July 16, 2010.

#### **Federal Awards Expenditures Schedule**

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit, and remaining fund information of the City of Stow, as of and for the year ended December 31, 2009, and have issued our report thereon dated July 16, 2010. Our audit was performed to form opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying federal awards expenditures schedule provides additional information as required by OBM Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all materials respects, in relation to the basic financial statements taken as a whole.

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



**Mary Taylor, CPA**  
Auditor of State

July 16, 2010



**CITY OF STOW  
SUMMIT COUNTY**

**FEDERAL AWARDS EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2009**

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Expenditures
<b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>			
<i>Passed Through Ohio Department of Transportation</i>			
<u>Highway Planning and Construction</u>			
Hudson Drive Widening Project	81785-22264	20.205	\$ 245,422
ARRA - Seasons Road Extension Project	E090 000780		138,270
Seasons Road and Route 8 Diamond Interchange	E060-206		<u>26,211</u>
Total Highway Planning and Construction			409,903
<b><u>U.S. DEPARTMENT OF HOMELAND SECURITY</u></b>			
<i>Passed Through the Federal Emergency Management Agency</i>			
Assistance to Firefighters Grant	EMW-2008-FR-00400	97.044	278,650
Disaster Grant - Windstorm Project	153-74944-00	97.036	23,275
Disaster Grant - 519 Project	153-74944-00		<u>2,834</u>
Total Disaster Grant			26,109
Total Federal Emergency Management			304,759
<b><u>U.S. DEPARTMENT OF DEFENSE</u></b>			
<i>Direct</i>			
Seasons Road and Sanitary Sewer Pump Station and Force Main Project	NA	12.XXX	65,285
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>			
<i>Passed Through Summit County</i>			
ARRA - Community Development Block Grant	NA	14.253	100,000
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>			
<i>Passed Through Ohio Governor's Office of Criminal Justice Services</i>			
Edward Byrne Justice Assistance Grant	2009-RA-A02-2302	16.803	47,008
DARE Grant Program	NA	16.001	<u>11,951</u>
Total			<u>58,959</u>
<b>Totals</b>			<b><u>\$ 938,906</u></b>

The accompanying notes to this schedule are an integral part of this schedule.

**CITY OF STOW  
SUMMIT COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE  
FISCAL YEAR ENDED DECEMBER 31, 2009**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Federal Awards Expenditures Schedule (the Schedule) reports the City of Stow, Summit County, Ohio, (the City's) federal award programs' expenditures. The Schedule has been prepared on the cash basis of accounting.

**NOTE B - MATCHING REQUIREMENTS**

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

**CITY OF STOW  
SUMMIT COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
FOR THE YEAR ENDED DECEMBER 31, 2009**

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>
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<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	CFDA #20.205 and CFDA #14.253
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	No

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2009-001**

**Significant Deficiency - Capital Assets**

Although not considered significant and therefore no audit adjustments were made, we noted the following exceptions during Capital Assets testing:

- Numerous variances were noted between the City's capital asset lists beginning 2009 balance and the ending 2008 balances reported on the 2008 financial statements for asset costs and accumulated depreciation, including variances of total capital assets net of depreciation of \$374,160 within the Governmental Activities and \$443,524 within the Water Fund. One of the known errors was due to the City not recording the prior year capital assets audit adjustments to the capital assets listing although the audit adjustment was made to the financial statements (e.g. the Campus Drive road, waterline, and storm sewer, in the amount of approximately \$900,000 and the associated depreciation). Therefore, the City's current year depreciation would not have been calculated and reported for these capital assets.

**FINDING NUMBER 2009-001 (Continued)**

- For the assets tested, current-year depreciation was misstated by \$51,597 or 1.8% of total depreciation due to the capital assets system displaying the incorrect current-year depreciation on the system reports, which are the reports given to and used by the conversion team as current year depreciation expense. The capital assets system displayed the original useful life and not the updated useful life, which compounds the error noted in the first bullet point above. The current-year depreciation misstatements ranged from an understatement of \$933 to an overstatement \$34,666.
- Construction-in-Progress additions within the Governmental Activities was overstated by \$2,811,875 due to improper capitalization of debt service principal and interest payments from Route 8 / Seasons Road Fund
- Construction-in-Progress additions within the Governmental Activities was understated by \$176,450 due to the City not capitalizing engineering costs of \$169,380 for the Graham Road Upgrade project and \$7,070 for the Arndale Road Retention Basin project.
- Building additions within the Governmental Activities was understated by \$21,515 due to not capitalizing the roof replacement for the Silver Springs Lodge.

In addition to the City revisiting and reevaluating their capital assets in 2010, to help improve the accountability and reporting of the capital assets, the City should:

- Review and update the capital asset listings to include all capital asset audit adjustments from the 2008 audit.
- Review the depreciation report to ensure the proper depreciation expense amounts are recorded for depreciable assets. Additionally, the City should contact the software provider for the capital assets system to ensure the proper procedures are utilized when preparing the capital asset reports used by the GAAP conversion team.
- Review the expenditures capitalized as Construction-in-Progress to ensure debt service payments are not capitalized.
- Review the expenditures of projects under construction and/or development to ensure all costs necessary to place the future capital asset into service, such as engineering and planning, are capitalized as Construction-in-Progress in the year the expenditure was incurred.
- Review all expenditures, including those expensed to an expense account other than capital outlay, in order to ensure all capital assets are identified.

**Officials' Response:** For the Capital Assets reporting, the City is currently working with our accounting advisors, Julian and Grube to improve the current process for accounting and reporting. The Finance Department is planning to review the current capital asset system to reconcile depreciation calculations and check the calculation of depreciation when asset lives are changed to correctly reflect the assets lives. Finance Department personnel have contacted the current software supplier to determine a method to check and verify the depreciation calculation. The Finance Department is also exploring the ability to do periodic updates on new assets upon completion of any new assets.

For Construction in Process the Finance Department continues to refine the reporting on a monthly for specifically defined approved capital projects. The inclusion of debt service was done in error and further care in the accounting and tracking of annual expenditures is being put in place. The Finance Department is developing a policy procedure to review expenditures that are normally in the accounts that are numbered 6200, 6300, 6400, 7100, 7200, 7250, 7300 and 8100's that are set up for possible capital outlay projects.

**CITY OF STOW, OHIO**  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2009

PREPARED BY:

THE DEPARTMENT OF FINANCE  
JOHN M. BARANEK, DIRECTOR OF FINANCE

*3760 DARROW ROAD  
STOW, OHIO 44224*



# **INTRODUCTORY SECTION**





**CITY OF STOW, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

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*John M. Baranek*  
*Director of Finance*

July 16, 2010

The Honorable Mayor Karen Fritschel,  
Members of City Council  
and Citizens of the City of Stow, Ohio

Ladies and Gentlemen:

The Comprehensive Annual Financial Report for the City of Stow (the “City”) for the fiscal year ended December 31, 2009, is hereby respectfully submitted. It includes information pertaining to all of the City’s funds and financial transactions and selected financial and other information for the most recently completed fiscal year (2009). Responsibility for both the accuracy of the data and the completeness and fairness of the presentation rests with the City. To the best of our knowledge, the data in this report is accurate in all material respects and it presents fairly the financial position and results of operations of the City. All disclosures necessary to provide the reader with a better understanding of the City’s financial activities have been included.

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

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

As a part of the City’s independent audit, considerations are made to assess the internal control structure, in relation to the financial statements, as well as to determine that the City has complied with applicable laws and regulations. The results of the City’s independent audit for the year ended December 31, 2009, provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

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

## **COMMUNITY PROFILE**

The City of Stow was incorporated in 1957 as a village and became a City in 1960. The City is located in Summit County approximately 30 miles southeast of Cleveland, Ohio and 8 miles northeast of Akron, Ohio. With a population of 32,139 according to the 2000 Census, Stow is the third largest City in Summit County. The City operates under, and is governed by, its Charter, which was first adopted by the voters in 1958. The Charter is subject to amendment from time-to-time by the voters.

Under the Ohio Constitution, the City has the right to exercise all powers of local self-government. The Charter provides for a Mayor-Council form of government, and also for independently elected Finance and Law Directors. Legislative authority is vested in a seven-member City Council. Three Council members are elected at-large and four members are elected from wards. All members serve two-year terms. The presiding officer of City Council is the President, who is elected from among its members for a one-year term.

The City's chief executive and administrative officer is the Mayor, who is elected to serve a four-year term. The Mayor also serves as Public Safety Director. The Mayor may veto any legislation passed by the Council. A veto may be overridden by a two-thirds vote of the members of the Council. The Mayor and Law Director are limited by the Charter to eight consecutive years in office. All other elected City officials have no term limitations.

The City of Stow provides a full range of services to its citizens. The City's major general government services include police and fire protection, emergency medical service, street maintenance and snow removal, parks and recreation, building and zoning inspection and enforcement, urban forestry and various administrative and operational services. The City also operates and maintains the Stow Water System which provides water distribution service to all Stow residents and businesses and a Storm Water Management Utility. Three cemeteries and numerous community and neighborhood parks, playgrounds and other recreation facilities, including an 18 hole municipal golf course, are also owned and managed by the City for the benefit of its citizens. Stow is also the host City for the Stow Municipal Court which is included as a component of the City's operating budget.

The basic financial statements, schedules and statistical tables presented herein include all funds that are controlled by or are dependent upon the City of Stow. These funds are determined on the basis of budgetary overview, obligations to fund deficits or control of the use of surplus funds, the taxing authority and fiscal management responsibilities. The Stow-Munroe Falls City School District, the Stow-Munroe Falls Public Library and the Stow Historical Society, conduct all or a portion of their activities within the boundaries of the City. However, these organizations are not considered part of the reporting entity because the City does not exercise significant influence over their daily operations, approve their budgets, or maintain their accounting records. In addition, the City is not responsible for the organizations' debt or for funding any operating deficits.

## **ECONOMIC CONDITION AND FUTURE OUTLOOK**

### ***Local Economy***

The City of Stow was originally founded as a township, eventually became a village and was incorporated as a city in 1960 with a population of 12,194. The 2000 population reached 32,139. Stow became the third largest city in Summit County in 1990 and continued as such in 2009. The most recent Census Bureau estimate indicates that Stow's population reached 33,873 in 2009, which is more than a 5.0 percent increase from 2000. To accommodate the City's population growth, over 10,000 dwelling units have been constructed in Stow since 1970. It has been recently estimated that there is unused community capacity for at least an additional 3,600 dwelling units to be constructed in Stow in the future. Recent projections estimate the fully developed population of the City of Stow to be nearly 40,000 residents. This estimated range could be reached sometime within the next 25 years.

Stow is a growing, predominately residential community which has a balanced commercial and industrial tax base to help absorb the tax burden associated with providing services to its residents. Because Stow is in a strategic growth corridor between the Cleveland and Akron metropolitan areas, it is likely that these positive development trends will continue. The City, through the application of its Comprehensive Land Use Plan, attempts to influence and guide development in a manner which results in a pleasant suburban environment where residences are the predominant land use but with sufficient commercial and industrial enterprises to pay for a significant portion of the local government's cost of providing high quality services to all residents and businesses.

Substantial commercial, office and industrial growth has occurred in Stow in recent years. As part of the effort to update the City's Comprehensive Land Use Plan, City officials, with the assistance of a professional development consultant, prepared a market study to analyze existing and potential nonresidential development in the City and the future local market for office and retail expansion. It was determined that the City of Stow has a substantial supply of competitive retail space – approximately 2.7 million square feet. Stow's retail vacancy rates have fluctuated from 8 to 15 percent over the past several years. With a few exceptions, the Stow vacancy rate for retail has typically been lower than the rate for the Akron Metropolitan Area. The most recent vacancy rate (May 2009) is approximately 11.5 percent which is below the Akron Metropolitan Area rate of 14 percent. It is anticipated that the City will take the necessary policy steps to ensure that the local retail sector continues to remain strong. Estimates place the potential demand for additional retail space in Stow to be as high as 380,000 square feet or more over the next ten years.

City officials have placed a particular emphasis on the development of the office and industrial market in Stow, recognizing the positive revenue implications resulting from this type of development. As of May 2009, there was approximately 597,000 square feet of office space in Stow. The office vacancy rate was 10.6 percent, which is below the 13.5 percent vacancy rate for the Akron Metropolitan Area. In addition, there was over 3,700,000 square feet of industrial space in Stow, and the vacancy rate was 14.2 percent as of May 2009, which is consistent with the region's rate.

Through the use of development incentive programs and an aggressive construction schedule for public infrastructure, City officials are planning to encourage the construction of a minimum of 240,000 square feet of additional office capacity, medical space, flex space and light industrial space alone by 2012. The Seasons Road/State Route 8 Interchange project will accommodate much of this expected development in the northwest sector of the City. The current development of the Steels Corners Road Interchange area could eventually account for 100,000-150,000 square feet of the City's expected new office space by the end of this decade. Supporting commercial and service and related businesses are already constructed or being planned in the vicinity of the Interchange, including three medium-sized hotels which have opened. A sizeable health and wellness medical facility opened in June of 2007. It was supplemented in 2009 by a sizeable medical office facility.

The City of Stow offers an excellent opportunity for business growth because of a broad network of state and interstate highways which provide the area with access to regional and national markets. Stow is fortunate to have a diversified tax base comprised of many small-to-medium sized industries. The City has at least ten private companies that employ between 100 and 400 workers. Additional industrial development is expected to be derived from the City's participation in the Foreign Trade Zone which is located in the northwest area of Stow and was created for the purpose of promoting local industrial development.

In 2006, the City administration completed its first long-term Economic Development Strategy to guide and facilitate the efforts of the City government and other community organizations in undertaking economic development activities in Stow. The formal Strategy Plan was reviewed and evaluated in public by Stow's legislative body and was officially adopted by the City. It is now being implemented by the City administration and is subject to update in 2010 and beyond as economic conditions and the local economy change.

### ***Major Initiatives and Long-Term Financial Planning***

**Current Year** – The City's voter-approved program to expand the City's Emergency Medical Services (EMS) and fire response capabilities has proven to be very successful for the community. The expansion program was funded through an increase of 2.3 mills in the City's Charter property tax rate and included two new fire stations, and fifteen additional paramedics as well as new fire trucks and equipment. One of the new fire stations is an additional station to increase emergency coverage on the City's east side, while the other is a relocated replacement facility to improve response times on the City's west side. The fifteen additional paramedics have enabled the City's Fire Department to operate a full EMS transport system throughout the entire community and to fully staff the two new fire stations. The City's centrally located Safety Building continues to serve the community as its main fire station. Three new fire trucks were acquired in 2007 and two new EMS response vehicles were purchased in 2008 to further upgrade and enhance the City's ability to provide high quality emergency service to its residents.

Recent construction of the City's new Service Maintenance and Parks Maintenance and Urban Forestry Centers provided almost 100,000 square feet of new space for the City's combined maintenance operations, including Water System maintenance. They enable the City to store virtually all of its service and parks vehicles indoors. The new structures cost approximately \$9.8 million combined. They replaced the existing undersized and outdated buildings which were used by Stow for many years. These two new City structures are major components of the City's ongoing long-term plan to construct new public service facilities for the City government to serve its residents and businesses. Previous new buildings constructed include the Stow City Hall, which was opened in 1986, and the Safety Building (Police, Fire, EMS and Communications) which was completed in 1995. The City continued its building upgrade program on a more modest scale in 2008-2009 with modifications to several parks buildings.

Maintenance and repair of roads throughout the community to accommodate the growing population and expanding commercial and industrial base continues to be a high priority for the City government. In the 2003-2004 Capital Improvements Budget, the City allocated nearly \$3.6 million for road-related projects, including general road repaving. In the amended 2005-2006 Budget, the amount allocated for road projects was also \$3.6 million, including funding for two major road projects designed to improve the community's overall transportation system and the future flow of traffic in Stow. The City allocated \$4.1 million for major road projects in the 2007-2008 Capital Budget. The City has allocated additional funding for three major road projects in Stow as part of the 2009-2010 Capital Budget. Also included was \$750,000 for the road resurfacing program.

A program to revitalize older commercial areas of the City by completing improvements in or adjacent to the City right-of-way such as the installation of needed sidewalks, landscape strips, street trees, planters and/or decorative paving blocks was continued by the City in 2009. Each improvement is being completed in cooperation with the property owners who will share the cost with the City. As part of the program, the property owners are also committing to building renovations. The program has helped improve the appearance of the City's older commercial areas. Two or three projects are planned to be completed each year.

In order to accommodate the expected continued population and business growth in Stow, the City government will continue to invest in its public facilities, its transportation system, the Stow Water System and the community infrastructure in the years ahead. City officials are guided in the development of the community in the future by the City's Comprehensive Land Use Plan which was updated and approved in 2001. Before it received final approval, the new Plan was the subject of many public hearings and community meetings held by Stow City officials.

In November, 2001, the City of Stow regained ownership of the Stow Water System from the Summit County government and immediately became fully responsible for its daily operation. The City completed eight very successful full operating years for the System in 2009. The City provides water to its citizens based on a 99-year water service agreement between Stow and the City of Akron whereby Akron supplies water directly to Stow on a wholesale basis. The detailed terms of the Stow water supply agreement with Akron were finalized and a formal contract executed in December of 2006.

A long-term comprehensive Operating Budget for the Stow Water System was developed when the System was acquired by the City in 2001 to guide the City in managing the operation and maintenance of the System. The Budget is updated each year with current financial information and is used to assist the administration and City Council in determining and meeting the operating needs of the System and assessing the adequacy and level of future water rates. As a result of detailed budget planning, the Water System is financially very sound. It has adequate reserves to address virtually any unanticipated operating expense.

With the assistance of the City's consulting engineering firm, the City of Stow has completed a long-term Water System Capital Improvements Plan. The Plan identifies some \$11.3 million in necessary current improvements for the Water System to be undertaken over the next five-ten years or longer, and nearly \$3.1 million in future improvements that will be considered for completion in at least ten years. As part of the long-term Capital Plan, the consultant developed a comprehensive computerized model for the Water Distribution System. The model has proven useful in identifying and resolving System problems, undertaking hydraulic analysis when necessary and forecasting future water usage. It enables the City to make Water System capital investment decisions that are designed to efficiently meet present and future water demands in Stow.

In 2009, the City continued with the long-term improvements program outlined in its comprehensive Capital Plan for the Water System, including numerous waterline replacement projects and related upgrades. The City previously enacted an ongoing, monthly \$4.00 Water System capital improvements fee for all water customers to generate the revenue necessary to undertake and complete the improvements identified in the long-term Plan on a programmed basis over the next ten-twenty years and also to implement an automatic, radio-based meter reading system for more efficient and timely reading of the meters of Stow's water customers. Installation of the automatic meter reading system has been completed and is now being monitored for accuracy and reliability. It cost approximately \$2.3 million and, except for the correction of minor problems, is now fully operational.

In order to accomplish the Water System improvements on an accelerated time schedule, the City is combining debt financing and grant funding with cash allocations in the next few years to maximize the amount of upfront funds available.

The City established a Storm Water Management Utility in 2004 to address flooding issues and problems throughout the Stow community. This past year the City continued the phased engineering studies in every neighborhood within the City to identify storm water problems that need to be corrected as part of a long-term storm water management plan. An ongoing, monthly storm water improvement fee was enacted by City Council to pay all future operating and capital costs associated with maintaining and upgrading the City's existing storm water management system over the next ten-twenty years. The fee is graduated and is based on an engineering evaluation of the size of the impervious surfaces of individual residential and non-residential properties in Stow. Numerous storm water projects have been completed over the past five years with funding provided by the enactment of the new fee. Many more projects are being evaluated and prioritized for completion in 2010 and 2011.

In 2009, the City of Stow continued many of its ongoing programs which are designed to improve the community as a whole and its individual neighborhoods. The provision of such programs as the Stow Senior Center, adopt-a-spot beautification, the neighborhood playground upgrades, residential storm sewer improvements, sidewalk repair, housing repair, litter and recycling education and awareness, neighborhood beautification and tree planting programs were important accomplishments of the City again this past year.

A comprehensive ten-year Capital Improvements Financial Plan was prepared by the City in 2002 to guide City officials in undertaking and completing the City's major permanent improvement projects over the period, 2002-2011. The Plan, as updated, was used in 2009 and will continue to be used as it is updated in future years to identify available capital improvement funding sources and all potential general capital projects which are necessary to improve the City's infrastructure, buildings, facilities and major equipment over the ten-year period. The Plan also serves as the City's guide for both short-term and long-term debt management.



In May of 2006, the City Council adopted a long-term master plan for the development of the City Center Site which encompasses the centrally located municipal government offices, a large playground and the surrounding acreage. The development of the site includes public gathering facilities for entertainment, an amphitheater, cultural and arts centers, walking trails and some mixed use buildings. The master plan for the maintenance, development and future management of the City's arboretum/sancturetum, which is located near Stow City Hall, continued to be updated in 2009. It is included as a major component of the City's overall City Center Site long-term plan. It is the intent of the City to further develop detailed plans and possible funding sources to enhance the arboretum/sancturetum in several phases. It was opened fully to the public in the summer of 2006. Preservation of this unique and extensive outdoor natural resource is a long-standing commitment of the City.

In February of 2006, the Stow City government completed the acquisition of an 18-hole municipal golf course located on 140 acres of land within a highly developed residential area of the City. The golf course, which was named the best privately owned public golf course in Ohio in 2005, was successfully operated by the City's Parks and Recreation Department on a better than break-even basis over the period 2006-2009. The City's commitment to purchase the golf course ensured its retention and preservation as a highly-valued recreational asset in the Stow community.

A unique, special needs playground was completed as a supplemental facility in one of Stow's major parks in 2008. It cost approximately \$278,000 and was funded through a combination of private donations, a state grant and City funding. It is designed for the inclusion and accessibility of all children regardless of disability. In 2009, it was used by many individuals and groups in the community.

After assessing the feasibility of converting its Safety/Service communications system to 800 MHz capability, in 2006, the City executed a 10-year agreement to participate with other communities in the Summit County/Akron radio system. The County-wide system increases compatibility, interoperability and mutual communications capabilities with surrounding communities. The City continued its effort to implement the new radio system for its safety forces in 2009 through the use of local funding and grants.

As of January 1, 2009, the City of Stow became the new home of the Stow Municipal Court (formerly the Cuyahoga Falls Municipal Court). Construction of the new \$9.2 million courthouse commenced in 2007 in northwest Stow near a major interchange and was completed at year-end 2008. The new Court serves over 180,000 people in 16 local communities. The new court facility is already a recognized landmark and an important community asset in Stow.

In 2008, the City contracted with two other area communities to establish a regional dispatch communications center in the Stow Safety Building. The center, which was established on August 1, 2008, is being operated by the Stow police department. It has eliminated duplicative dispatching facilities and will potentially reduce long-term capital and operating costs for each of the participating governments. A township was added to the regional center as a communications service user in early 2009. Several additional cities are also considering contracting with Stow in 2010 for the provision of dispatching services to their communities.

In May 2009, the City completed renovation of a City-owned building to replace the former Senior Center which had previously been in rented quarters. The new Senior Center, which is near the Stow City Hall, is more centrally located than the former Center and will provide improved accessibility for seniors throughout Stow.

**Future** – As with virtually every other governmental unit in Ohio, Stow is coping with the adverse impact of the severe national economic recession on its finances. We have adopted a much more conservative and restrictive stance regarding our operating and capital budgets. We have reduced our operating expenditures, imposed a hiring freeze, implemented an employee buyout program and cancelled or delayed many capital improvements. Within our more limited financial capability, we continue with various major initiatives designed to improve and enhance the City of Stow and/or to enable the City to accommodate the continued growth and development of the Stow community in 2010 and beyond.

The City's elected officials, in cooperation with the Judges and Clerk of Courts, are working in 2010 to stabilize the finances of the Stow Municipal Court for the future. Many essential services are provided by the Court within the sixteen jurisdictions served. An important component of the City's plan is to ensure that Mayor's Courts, either existing or new, do not negatively impact the long-term finances or budget of the Court.

The new Route 8 Interchange, located at State Route 8 and Seasons Road in both Stow and Hudson, has been completed and is now open, although the access roads are still being improved and widened. The project was a joint undertaking of the State of Ohio, the City of Stow and the City of Hudson. Along with the recently-completed Seasons/Norton Roads connection and the Seasons Road improvement projects, the new interchange is necessary to facilitate expansion of the industrial and commercial growth areas of Stow to ensure future expansion of our tax base. The total design and construction cost for the interchange was approximately \$7.7 million, with \$4.0 million paid by a federal grant. Stow and Hudson paid for a combined fifty percent of the remaining cost, or \$1.85 million each.

The cities of Stow, Hudson and Cuyahoga Falls have reached a tentative agreement to create a tax sharing district around the interchange in which specified taxes generated by new businesses will be shared by the three communities. The tax sharing area will help eliminate competition among the communities for the location of new businesses. If the tentative tax sharing agreement is finalized and adopted by the three communities, Cuyahoga Falls will also share equally in the local cost of the construction of the new Route 8 Interchange, which will reduce the local cost for Stow and Hudson.

A major new employer with the potential to locate in the new interchange and tax-sharing area is a 100-bed hospital facility. The hospital is currently in the planning stages, but has been delayed due to economic conditions. It is now expected to move forward prior to the end of 2010. When it is completed in the next several years, the hospital facility will generate related economic activity in the area surrounding the interchange.

Through the City's annual concrete and asphalt road paving program and such projects as the Norton/Seasons Roads connection, the Seasons Road improvement, the Route 8 Interchange construction, the Steels Corners Interchange upgrade, the Hudson Drive widening, the Graham Road upgrade and various other planned road, intersection, traffic light and bridge improvements, the City of Stow will continue to upgrade the community transportation system significantly over the next decade.

In addition to the Seasons/Norton Roads Connection and the two interchange projects, ten major road projects and a hike and bike trail improvement/extension project have been identified for inclusion in the City's long-term Capital Improvements Financial Plan as being necessary to be undertaken by the City during the upcoming ten-year period. Up to ten of the projects as well as the hike & bike trail have or will receive state and/or federal funding.

In 2010, the City will also be continuing its ongoing traffic signal upgrade program at major intersections throughout the community. Local funds will be combined with grant funds and other sources to finance the installation of new signals at high traffic volume locations to improve traffic control and/or to meet safety concerns.

Construction of a new boulevard to provide public access through the large City Hall site has been completed in basic form. The landscaping is now being finished and the new roadway should receive final paving within two years. It will be compatible with the planned community facilities on the City Center campus, such as the amphitheater and other related improvements.

The proceeds of the City's lodging tax, which is collected on all overnight hotel and motel room occupancies, have been dedicated to pay for infrastructure improvements in specified areas of the City to encourage economic development. In 2007, the usage of the tax was expanded to include support of the City's Community Improvement Corporation (C.I.C.), which has the ability to offer financial aid and/or loans to new and/or expanding businesses in Stow. In 2009, a significant portion of the proceeds was obligated to fund the City's community development staff. In 2010, the funding was expanded to include the City's planning staff as well.

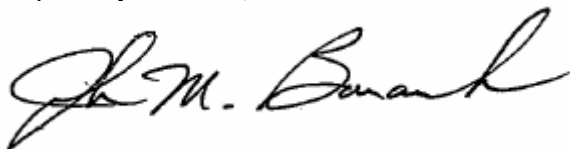
The City administration will continue to emphasize economic development in Stow in 2010 as a means to enhance our tax base for the future and strengthen the City's financial standing. We also expect to begin the process of formally updating both the 2001 city-wide Comprehensive Plan and the 2006 Economic Development Plan.

## **OTHER INFORMATION**

**Awards** – The City prepared and submitted a Comprehensive Annual Financial Report (CAFR) for the first time for 2000 to the Government Finance Officers Association of the United States and Canada (GFOA). A Certificate of Achievement for Excellence in Financial Reporting was awarded to the City of Stow for its Comprehensive Annual Financial Report for the years ended December 31, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007 and 2008. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both Generally Accepted Accounting Principles and applicable legal requirements. We believe our current report for 2009 conforms to the Certificate of Achievement for Excellence in Financial Reporting program requirements, and we are submitting it to the GFOA to determine its eligibility for a 2009 award.

**Acknowledgment** – I would like to express my sincere appreciation and thanks to those individuals who assisted in the preparation of the 2009 Comprehensive Annual Financial Report. Successful preparation of a report of this scope required the dedicated services of the entire staff of the Finance Department. I also extend my appreciation to the Mayor, City Council and all Department Heads for their support and assistance in completing this Comprehensive Annual Financial Report.

Respectfully submitted,

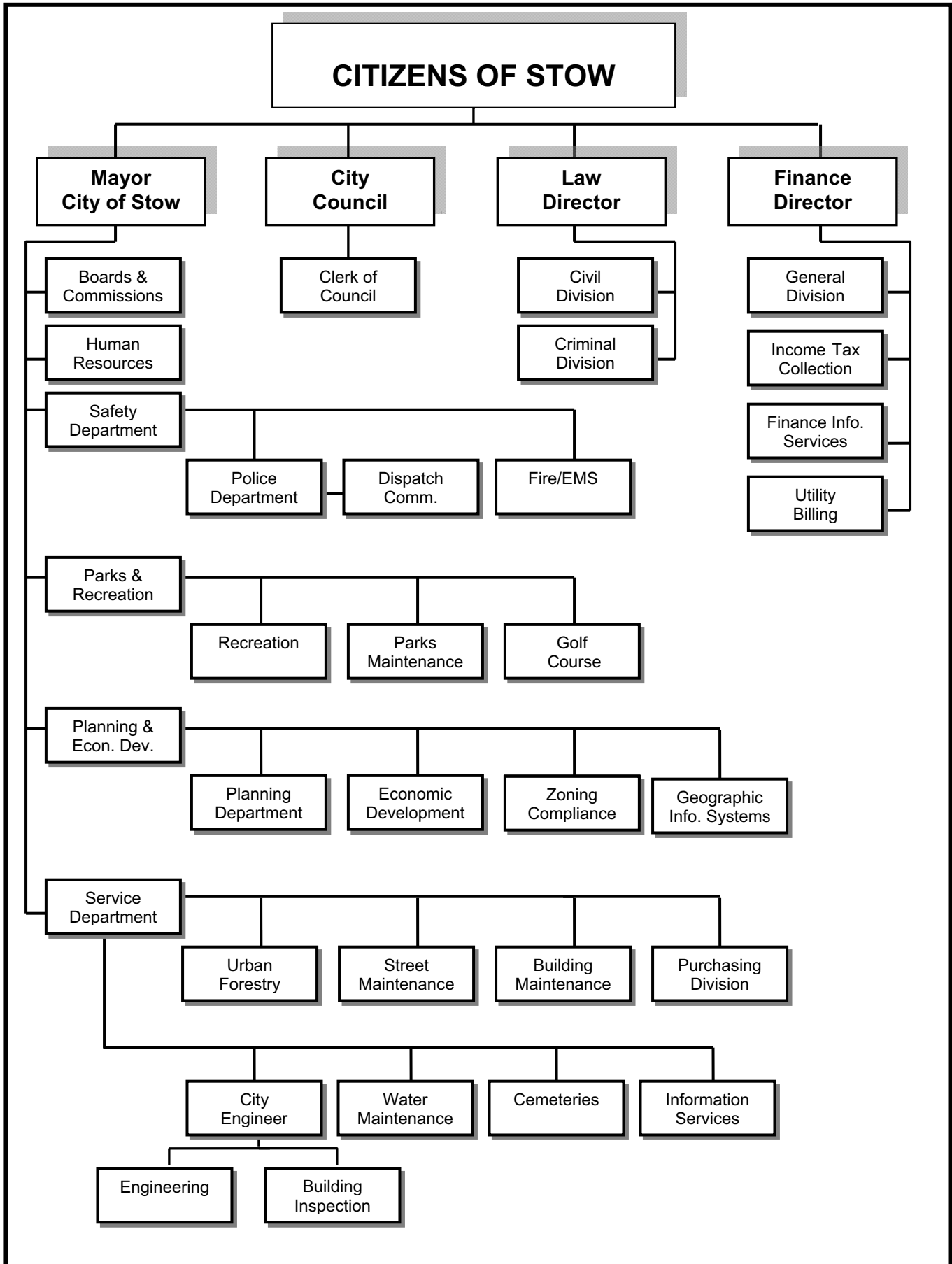
A handwritten signature in black ink, appearing to read "John M. Baranek". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

John M. Baranek  
Director of Finance

# City of Stow, Ohio

## General Organization Chart

2009



**CITY OF STOW, OHIO**  
**PRINCIPAL CITY OFFICIALS**  
**AS OF DECEMBER 31, 2009**

***Elected Officials***

Mayor	Karen Fritschel
Finance Director	John Baranek
Law Director	Brian Reali
President of Council	Ron Alexander (At Large)
Vice President	Mary Bednar (Ward IV)
President Pro-Tem	Janet D'Antonio (At-Large)
Council Member	Matt Riehl (Ward I)
Council Member	James Costello (Ward II)
Council Member	John Pribonic (Ward III)
Council Member	Sara Drew (At-Large)

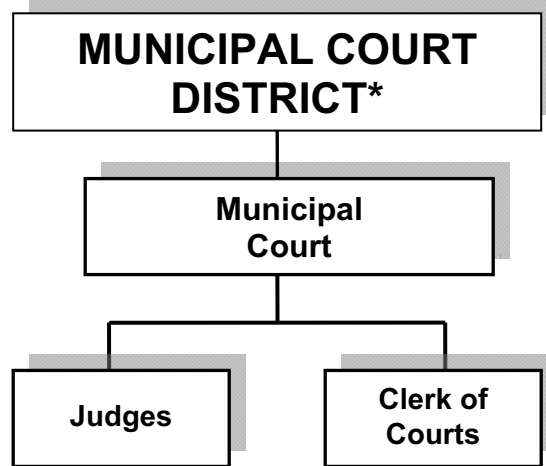
***Department Officials***

Service Director	Dano Koehler
Planning & Development Director	Ken Trenner
City Engineer	J. William Drew
Fire Chief	William Kalbaugh
Fire Division Chief	Lou Ann Metz
Police Chief	Louis A. Dirker, Jr.
Police Captain	Rick Myers
Assistant Service Director	Michael Miller
Director of Budget & Management	John Earle
Assistant City Engineer	Jim McCleary
Assistant City Engineer	Gerald Dolson
Manager of Information Services	Dale Germano
Tax Administrator	Dennis Bernaciak
Deputy City Engineer	Edward Carey
Deputy Planning Director	Rob Kurtz
Deputy Law Director	John Scavelli
Economic Development Coordinator	Mike Weddle
Senior Engineer	Brad Kosco
Parks and Recreation Director	Nick Wren
Human Resources Director	(Vacant)
Water Distribution Superintendent	Kathy Vaughn
Chief Building Inspector	Tony Catalona
Parks Manager	Paul Kelly
Assistant Law Director/Prosecutor	Kelley Bryan
Road Superintendent	Charlie Riedel
Landscape Arborist	Sue Mottl
M.I.S. Coordinator – Finance	Lisa Paxton
M.I.S. Coordinator – Network	Sean Shotts
Clerk of Council	Bonnie Emahiser
Inspector	Tony Avolio
Youth Services Coordinator	Renee Armbruster
Community Information Coordinator	Linda Nahrstedt
Recreation Supervisor	Anne Baranek
Assistant Recreation Supervisor	Kathy McConnell

# City of Stow, Ohio

## Stow Municipal Court Organizational Chart

2009



*Stow is the host City for the Stow Municipal Court*

\*The following jurisdictions make up the Stow Municipal Court District:

### CITY

Stow  
Cuyahoga Falls  
Hudson  
Twinsburg  
Tallmadge  
Macedonia  
Munroe Falls

### VILLAGES

Reminderville  
Boston Heights  
Peninsula  
Northfield  
Silver Lake

### TOWNSHIPS

Boston  
Northfield Center  
Sagamore Hills  
Twinsburg

### STOW MUNICIPAL COURT PRINCIPAL OFFICIALS AS OF DECEMBER 31, 2009

#### *Elected Officials*

Judge Kim R. Hoover  
Judge Lisa Coates  
Clerk of Courts Lisa Zeno Carano

#### *Appointed Officials*

Court Administrator Rick Klinger  
Chief Deputy Clerk of Courts Dennis Griffith

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

## City of Stow Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2008

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.



President

Executive Director

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# **FINANCIAL SECTION**





# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

City of Stow  
Summit County  
3760 Darrow Road  
Stow, Ohio 44224

To the Honorable Mayor and City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of City of Stow, Summit County, Ohio, (the City) as of and for the year ended December 31, 2009, which collectively comprise the City's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of City of Stow, Summit County, Ohio, as of December 31, 2009, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General and EMS/Fire Tax Levy fund 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 July 16, 2010, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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

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

**Mary Taylor, CPA**  
Auditor of State

July 16, 2010

## CITY OF STOW, OHIO

### *MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009*

The management's discussion and analysis for the City of Stow's (the "City") financial statements provides an overview of the City's financial activities for the year ended December 31, 2009. The intent of this discussion and analysis is to provide a narrative that describes the City's performance as a whole. To obtain a more detailed understanding, one should also review the transmittal letter, the notes to the basic financial statements and the basic financial statements.

#### **Financial Highlights**

The City's key financial highlights for 2009 are as follows:

- The assets of the City exceeded its liabilities at the close of the year ended December 31, 2009 by \$79,074,414 (net assets). Of this amount, \$7,561,593 is considered restricted for various purposes such as capital projects, debt service and other restrictions, and \$64,882,241 is invested in capital assets. These combined amounts are lower than the City's total net assets at year end, resulting in a balance of \$6,630,580 in unrestricted net assets.
- Total net assets increased \$4,189,991 or 5.60 percent as a result of this year's operations. Net assets for business-type activities increased \$1,974,115 or 7.65 percent, while the net assets related to governmental activities increased \$2,215,876, or 4.52 percent.
- The City's total revenues, exclusive of the special item, amounted to \$42,080,044 in 2009, of which \$34,949,524 related to governmental activities and \$7,130,520 to business-type activities. Program specific revenues in the form of charges for services, grants and contributions accounted for \$17,915,019 or 42.57 percent of total revenues.
- The City had \$39,669,031 in expenses in 2009, \$34,166,407 of which were for governmental activities and \$5,502,624 for business-type activities.
- Among the major funds, the general fund had \$20,655,069 in revenues and \$21,913,583 in expenditures in 2009. The amount of \$750,000 was transferred to the general fund in 2009, and \$664,122 was transferred to other funds. The general fund's balance decreased to \$4,462,010, a decrease of \$1,172,636 from the beginning of 2009. The general fund balance was 21.60 percent of total general fund revenues, which is a slight decrease from the percentage in 2008.
- The City's total governmental activities long-term obligations decreased from \$31,934,872 to \$30,058,990 during 2009. This decrease of \$1,875,882 was due to a reduction in City bond and note indebtedness.

#### **Using this Comprehensive Annual Financial Report (CAFR)**

The City's annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the City of Stow as a total financial and operating entity. The individual statements provide a detailed look at specific financial activities.

The City's basic financial statements are comprised of three components: 1) City-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The statement of net assets and the statement of activities provide information about the activities of the City as a whole and present a long-term view of the City's finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell the reader how services were financed in the short-term, as well as the amount of funds remaining for future spending. The fund financial statements also look at the City's major funds with all other non-major funds presented in total in one column.

## CITY OF STOW, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009

#### Reporting the City as a Whole

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

The analysis of the City as a whole begins on page 6. One of the most important questions asked about the City's finances is, "How did the City perform financially during 2009?" The statement of net assets and the statement of activities provide information concerning the City as a whole and its financial activities that will assist the reader in answering this question. These statements include all assets and liabilities using the accrual method of accounting similar to the accounting used by most private-sector businesses. This method of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's net assets and changes in those assets. The change in net assets is important because it allows the reader to judge in many respects whether or not the City's financial position has improved or diminished over the past year. The causes of any change in financial position for the City may be related to, or the result of, many factors, some of which may be directly financial, and others which may be only indirectly related to the City's finances. Indirect financial factors include changes in the City's tax or revenue base, changes in general tax law in Ohio or the City, variations in economic conditions, the condition of the City's capital assets and other related factors which may impact revenues or expenses.

In the statement of net assets and the statement of activities, the City operation is divided into two distinct types of activities as follows:

- **Governmental Activities** - Most of the City's programs and services are considered to be governmental activities, including general government, security of persons and property, leisure time activities, community and economic development and transportation. These services are funded primarily by taxes and intergovernmental revenues including federal and state grants and other shared revenues.
- **Business-Type Activities** - These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided.

The City-wide financial statements can be found on pages 15 through 17 of this report.

#### Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like the state and other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds, not on the City as a whole. The City's major governmental funds are: the general fund, the EMS/fire tax levy fund and the general capital improvements fund. The City's major proprietary funds are the water, golf and storm water utility funds.

##### *Governmental Funds*

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on events that produce near-term inflows and outflows of spendable resources, as well as on the balances of spendable resources available at the end of the year. This information is useful in evaluating a government's near-term financing requirements.

## CITY OF STOW, OHIO

### *MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009*

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the City's governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains numerous individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental Statement of revenues, expenditures, and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 18 through 23 of this report.

The City adopts an annual appropriation budget for its general fund and other funds. Budgetary statements and schedules have been provided for all annually budgeted funds to demonstrate compliance.

#### *Proprietary Funds*

The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water system, golf and storm water utility operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its self-insurance programs for medical-related employee benefits. The basic proprietary fund statements can be found on pages 24 through 27 of this report.

#### *Fiduciary Funds*

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected on the government-wide financial statements because the resources from those funds are not available to support the City's programs. The accounting method used for fiduciary funds is much like that used for the proprietary funds. The basic fiduciary fund financial statements can be found on pages 28 and 29 of this report.

#### *Notes to the Basic Financial Statements*

The financial statement notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. Notes to the basic financial statements can be found on pages 31 through 64 of this report.

#### *Other Information*

In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements, schedules, and a statistical section, which can be found on pages 65 through 195 of this report.

**CITY OF STOW, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

**Government-Wide Financial Analysis**

As noted earlier, the trend in net assets serves as an indicator of a government's changing financial position. At the close of 2009 the City's total assets, as shown in Table 1, exceeded liabilities by \$79,074,414. Some \$51,281,159 of these net assets was in governmental activities while \$27,793,255 was in business-type activities. The table below provides a summary of the City's net assets for 2009 compared to 2008:

**Table 1 - Net Assets**

	Governmental Activities <u>2009</u>	Governmental Activities <u>2008</u>	Business-Type Activities <u>2009</u>	Business-Type Activities <u>2008</u>	2009 Total	2008 Total
<b>Assets</b>						
Current and other assets	\$ 24,859,878	\$ 30,520,171	\$ 5,008,554	\$ 3,703,892	\$ 29,868,432	\$ 34,224,063
Capital assets, net	<u>67,254,368</u>	<u>61,539,490</u>	<u>31,161,223</u>	<u>30,743,448</u>	<u>98,415,591</u>	<u>92,282,938</u>
Total assets	<u>92,114,246</u>	<u>92,059,661</u>	<u>36,169,777</u>	<u>34,447,340</u>	<u>128,284,023</u>	<u>126,507,001</u>
<b>Liabilities</b>						
Current and other liabilities	10,774,097	11,059,506	838,923	586,644	11,613,020	11,646,150
Long term liabilities:						
Due within one year	2,052,606	2,682,907	247,573	428,840	2,300,179	3,111,747
Due in more than one year	<u>28,006,384</u>	<u>29,251,965</u>	<u>7,290,026</u>	<u>7,612,716</u>	<u>35,296,410</u>	<u>36,864,681</u>
Total liabilities	<u>40,833,087</u>	<u>42,994,378</u>	<u>8,376,522</u>	<u>8,628,200</u>	<u>49,209,609</u>	<u>51,622,578</u>
<b>Net Assets</b>						
Invested in capital assets, net of related debt	41,237,906	34,733,562	23,644,335	23,018,961	64,882,241	57,752,523
Restricted	7,561,593	11,437,818	-	-	7,561,593	11,437,818
Unrestricted	<u>2,481,660</u>	<u>2,893,903</u>	<u>4,148,920</u>	<u>2,800,179</u>	<u>6,630,580</u>	<u>5,694,082</u>
Total net assets	<u>\$ 51,281,159</u>	<u>\$ 49,065,283</u>	<u>\$ 27,793,255</u>	<u>\$ 25,819,140</u>	<u>\$ 79,074,414</u>	<u>\$ 74,884,423</u>

During 2009, the City's overall financial position improved by \$4,189,991 as governmental activities net assets increased by \$2,215,876 and those for business-type activities increased by \$1,974,115.

The majority of the City's net assets (82.05 percent) reflect its investment in capital assets (e.g. land, construction in progress, buildings and building improvements, vehicles, infrastructure and equipment, furniture and fixtures), less any related debt used to acquire those assets. These capital assets are utilized by the City to provide services to its citizens. They are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.



**CITY OF STOW, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

**Statement of Activities**

The table below shows the changes in net assets for years ended 2009 and 2008.

**Table 2 - Change in Net Assets**

	Governmental Activities <u>2009</u>	Governmental Activities <u>2008</u>	Business-Type Activities <u>2009</u>	Business-Type Activities <u>2008</u>	2009 <u>Total</u>	2008 <u>Total</u>
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 4,921,628	\$ 2,462,507	\$ 6,531,059	\$ 6,611,873	\$ 11,452,687	\$ 9,074,380
Operating grants and contributions	2,075,237	3,552,329	-	-	2,075,237	3,552,329
Capital grants and contributions	<u>4,387,095</u>	<u>3,347,895</u>	<u>-</u>	<u>734,860</u>	<u>4,387,095</u>	<u>4,082,755</u>
Total program revenues	<u>11,383,960</u>	<u>9,362,731</u>	<u>6,531,059</u>	<u>7,346,733</u>	<u>17,915,019</u>	<u>16,709,464</u>
General revenues:						
Taxes	18,830,604	19,556,258	354,440	300,000	19,185,044	19,856,258
Grants and entitlements	3,881,534	3,942,230	-	-	3,881,534	3,942,230
Investment income	192,603	470,727	-	-	192,603	470,727
Miscellaneous	<u>660,823</u>	<u>321,544</u>	<u>245,021</u>	<u>300,820</u>	<u>905,844</u>	<u>622,364</u>
Total general revenues	<u>23,565,564</u>	<u>24,290,759</u>	<u>599,461</u>	<u>600,820</u>	<u>24,165,025</u>	<u>24,891,579</u>
Total revenues	<u>34,949,524</u>	<u>33,653,490</u>	<u>7,130,520</u>	<u>7,947,553</u>	<u>42,080,044</u>	<u>41,601,043</u>
Expenses:						
General government	10,154,101	6,147,957	-	-	10,154,101	6,147,957
Security of persons and property	14,418,225	13,327,278	-	-	14,418,225	13,327,278
Public health	421,832	425,367	-	-	421,832	425,367
Leisure time activities	2,286,945	2,044,492	-	-	2,286,945	2,044,492
Community and economic development	1,380,821	1,420,185	-	-	1,380,821	1,420,185
Transportation	4,429,498	3,574,568	-	-	4,429,498	3,574,568
Interest and fiscal charges	1,074,985	859,793	-	-	1,074,985	859,793
Water	-	-	3,555,964	4,073,731	3,555,964	4,073,731
Golf	-	-	1,194,315	1,328,960	1,194,315	1,328,960
Storm water utility	<u>-</u>	<u>-</u>	<u>752,345</u>	<u>1,037,405</u>	<u>752,345</u>	<u>1,037,405</u>
Total expenses	<u>34,166,407</u>	<u>27,799,640</u>	<u>5,502,624</u>	<u>6,440,096</u>	<u>39,669,031</u>	<u>34,239,736</u>
Special item	1,778,978	-	-	-	1,778,978	-
Transfers	<u>(346,219)</u>	<u>72,408</u>	<u>346,219</u>	<u>(72,408)</u>	<u>-</u>	<u>-</u>
Change in net assets	2,215,876	5,926,258	1,974,115	1,435,049	4,189,991	7,361,307
Net assets at beginning of year	<u>49,065,283</u>	<u>43,139,025</u>	<u>25,819,140</u>	<u>24,384,091</u>	<u>74,884,423</u>	<u>67,523,116</u>
Net assets at end of year	<u>\$ 51,281,159</u>	<u>\$ 49,065,283</u>	<u>\$ 27,793,255</u>	<u>\$ 25,819,140</u>	<u>\$ 79,074,414</u>	<u>\$ 74,884,423</u>

**CITY OF STOW, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

*Governmental Activities*

The information in Table 2 indicates that security of persons and property accounted for \$14,418,225, or 42.20 percent of the \$34,166,407 expensed for governmental activities this past year. General government accounted for \$10,154,101 or 29.72 percent in the governmental activities category as compared to \$6,147,957 or 22.12 percent in 2008. 2009 was the first year in which the City took over operations of the Municipal Court (See Note 2.S. for detail), and the increase in general government expenses and charges for services program revenues is a result of the revenues and expenses from the Municipal Court special revenue funds.

Some \$18,830,604 in tax revenues was generated for the City in 2009 to support governmental activities. This amount represented 53.88 percent of total revenues for governmental activities which reached \$34,949,524 in 2009. Other major revenues received by the City included \$3,881,534 in unrestricted grants and entitlements.

Program revenues to support governmental activities amounted to \$11,383,960 in 2009, which included \$4,921,628 in charges for services. Capital grants and contributions increased by \$1,039,200 over prior year due to the receipts of funding in 2009 for transportation projects.

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

	Total Cost of Services <u>2009</u>	Net Cost of Services <u>2009</u>	Total Cost of Services <u>2008</u>	Net Cost of Services <u>2008</u>
Program Expenses:				
General government	\$ 10,154,101	\$ 5,866,563	\$ 6,147,957	\$ 3,138,675
Security of persons and property	14,418,225	13,706,685	13,327,278	12,312,133
Public health	421,832	332,079	425,367	348,312
Leisure time activities	2,286,945	1,917,256	2,044,492	1,166,984
Community and economic development	1,380,821	1,104,303	1,420,185	1,179,981
Transportation	4,429,498	(1,219,424)	3,574,568	(568,969)
Interest and fiscal charges	<u>1,074,985</u>	<u>1,074,985</u>	<u>859,793</u>	<u>859,793</u>
Total Expenses	<u>\$ 34,166,407</u>	<u>\$ 22,782,447</u>	<u>\$ 27,799,640</u>	<u>\$ 18,436,909</u>

The dependence upon general revenues for governmental activities is apparent, with 66.68 percent of expenses supported through taxes and other general revenues in 2009 and 66.32 percent in 2008.

*Business-Type Activities*

Water system expenses were \$3,555,964 for the year, which were offset by the \$4,824,385 in charges for services generated by the water system through the operation of the City's water distribution system in 2009.

Golf expenses were \$1,194,315 for the year, which were offset by the \$890,927 in charges for services generated by the Fox Den Golf Course through user fees.

Storm water utility expenses were \$752,345 for the year, which were offset by the \$815,747 in charges for services generated by the storm water system in 2009.

The City experienced an increase in net assets of \$1,974,115 in the area of business-type activities in 2009. Water system program revenues totaled \$4,824,385 for the year as compared to \$5,417,182 in 2008. This decrease was due to fewer capital grants and contributions obtained for City water system improvements and decreased service charges and tap in fees.

## CITY OF STOW, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009

#### Financial Analysis of the City's Funds

As discussed previously, the City maintains a fund accounting system to ensure and demonstrate compliance with finance-related legal requirements.

##### *Governmental Funds*

The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements and its ability to meet them. In particular, unreserved fund balance serves as a useful measure of a City's net resources available for spending at the end of the year.

As of the end of the current year, the City's governmental funds reported combined ending balances of \$10,787,048, a decrease of \$5,303,637 as compared with the prior year. Approximately 81.97 percent of this total year end amount or \$8,841,701 represents unreserved fund balance, which is available at the City's discretion within certain legal constraints and purpose restrictions. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed: 1) to liquidate contracts and purchase orders of the prior period (\$1,110,626); 2) to repay loans (\$150,000); and 3) for materials and supplies (\$684,721).

The general fund is the City's chief operating fund. The general fund's year end balance decreased by \$1,172,636 during the current year to reach an ending total of \$4,462,010. The unreserved fund balance of the general fund was \$3,856,832. As a measure of the general fund's liquidity, it is useful to compare both unreserved fund balance and total fund balance to total fund expenditures. The unreserved fund balance represents 17.60 percent of total general fund expenditures, while total fund balance represents 20.36 percent of such expenditures.

The City's two other major governmental funds are the EMS/fire levy fund and the general capital improvements fund. The fund balance of the EMS/fire levy fund decreased \$77,490 during 2009, an improvement over a \$109,559 decrease in fund balance during 2008. The fund balance of the general capital improvements fund decreased \$5,481,099 as a result of the construction of the Municipal Courthouse and other street improvements. Construction on the Courthouse began in late 2007 and was completed in early 2009.

Transfers from the general fund to other governmental funds, which occurred principally for funding of pensions, amounted to \$664,122.

##### *Proprietary Funds*

The City's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, but in more detail. Unrestricted net assets for the City's water, golf and storm water utility funds at the end of the year amounted to \$4,188,247. Total assets were \$36,359,104 at year-end. The water fund net assets and golf fund net assets increased 6.82 percent and 97.84 percent, respectively, during 2009 due to tightly controlled expenses. The storm water utility fund net assets increased \$414,201 as a result of capital contributions from governmental funds and tightly controlled expenses.

##### *Budgeting Highlights*

The City's budgeting process is prescribed by the Ohio Revised Code. The authority for the City to expend money is derived from its appropriations ordinance which must be approved by City Council each year. The appropriations are limited and restricted by the amounts of anticipated revenues as estimated, in part, by the City and certified by the County Budget Commission in accordance with the Ohio Revised Code. Within the restrictions itemized above as they may be revised or amended, the City has the ability to adjust its budget during the course of the year due to actual activity related to either revenue or expenditures.

## CITY OF STOW, OHIO

### *MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009*

Regarding revenues, there was a 12.5 percent increase between the general fund original budget and the final budget. The income tax revenue projection in the original and final budgets was significantly in excess of actual revenues due to the effects of a poor economy and a partial overestimate of expected revenues. For the reasons indicated, actual total revenues and other financing sources were \$4,562,337 less than final budgeted revenues.

There were no differences between the general fund original and final budget estimates for expenditures and other financing uses. Actual amounts for 2009 were less than original and final budgeted amounts by \$3,542,827. This variance was the result of the conservative budgeting by the City, a large contingency allocation that was not expended, and the decision not to expand the City's safety forces as had been originally contemplated, particularly in the police area, due to insufficient revenue enhancement to pay for such employee expansion.

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

#### *Capital Assets*

The City's investment in capital assets, for both its governmental and business-type activities amounted to \$98,415,591 (net of accumulated depreciation) at year end 2009. The investment in capital assets, which include land, buildings and building improvements, vehicles, equipment, furniture and fixtures, infrastructure and construction in progress, increased by \$6,132,653 during 2009.

**Table 3 - Capital Assets at December 31  
(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Land and improvements	\$ 11,327,515	\$ 11,327,515	\$ 5,377,376	\$ 5,377,376	\$ 16,704,891	\$ 16,704,891
Construction in progress	13,237,375	15,820,309	1,423,288	1,364,145	14,660,663	17,184,454
Buildings and improvements	24,271,430	15,875,007	2,748,534	2,815,682	27,019,964	18,690,689
Vehicles	3,128,593	3,897,629	613,787	566,988	3,742,380	4,464,617
Equipment, furniture and fixtures	1,490,501	1,495,720	42,777	37,723	1,533,278	1,533,443
Infrastructure	<u>13,798,954</u>	<u>13,123,310</u>	<u>20,955,461</u>	<u>20,581,534</u>	<u>34,754,415</u>	<u>33,704,844</u>
Totals	<u>\$67,254,368</u>	<u>\$61,539,490</u>	<u>\$31,161,223</u>	<u>\$30,743,448</u>	<u>\$98,415,591</u>	<u>\$92,282,938</u>

Additional detailed information relating to the City's capital assets is contained in Note 9 of the notes to the basic financial statements.

#### *Debt*

At the end of the current fiscal year, the City's total outstanding general obligation bonded debt for governmental activities amounted to \$16,186,592 (before unamortized charges and unamortized premium). Part of this debt was originally issued in the amount of \$6.44 million in 2004 to pay for the refinancing of the Stow Safety Center debt issued in 1995. The amount of \$4,200,000 was issued in 2007 to finance the construction of the Municipal Courthouse. The City issued \$8,073,932 in general obligation bonds in 2008 for the service center construction and fire improvements. The City also had governmental activity general obligation notes outstanding at year-end in the amount of \$8,575,000 and capital lease obligations of \$1,338,319. As can be seen from Table 4, the total debt for governmental activities decreased \$1,112,536 or 4.10 percent during the year.

**CITY OF STOW, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

Debt related to business-type activity for the City amounted to \$7,516,888 at year-end, which consisted of \$5,966,464 in general obligation bonds, \$1,000,000 in general obligation notes, \$191,144 in Ohio Public Works Commission (OPWC) loans and \$359,280 in capital lease obligations. Total business-type activity debt for the City decreased \$299,479 or 3.83 percent of the total business-type activity outstanding debt at the commencement of the year.

At December 31, 2009, the City's outstanding general obligation bonds were rated "Aa3" by Moody's Investors Service. State statute limits the total amount of debt a governmental entity may issue. The City's debt limitation at year-end, per the limits described by state statute, was substantially higher than the City's existing outstanding debt.

In addition to bonded debt, note and loan debt as itemized in Table 4, the City's other long-term obligations include compensated absences and intergovernmental payables.

Additional information regarding the City's long-term obligations can be found in Note 12 of this report, Note 16 provides information relating to compensated absences and Note 11 provides information on short-term note obligations.

**Table 4 - Debt Obligations**

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
General obligation bonds	\$ 16,103,143	\$ 16,746,267	\$ 5,966,464	\$ 6,127,948	\$ 22,069,607	\$ 22,874,215
General obligation notes	8,575,000	9,475,000	1,000,000	1,200,000	9,575,000	10,675,000
OPWC loans	-	-	191,144	196,936	191,144	196,936
Capital lease obligations	1,338,319	907,731	359,280	291,483	1,697,599	1,199,214
<b>Total long-term obligations</b>	<b>\$ 26,016,462</b>	<b>\$ 27,128,998</b>	<b>\$ 7,516,888</b>	<b>\$ 7,816,367</b>	<b>\$ 33,533,350</b>	<b>\$ 34,945,365</b>

**Economic Factors and Next Year's Budget**

The City is a growing community with a stable and diversified economy. Since 2000, the City's population has grown by more than 5.0 percent. Trends in the local economy compare favorably with those of the state and nation. The City's unemployment rate in 2009 stood at 8.5 percent. The county, state and national unemployment rates were 9.8, 10.2, and 9.3 percent, respectively in 2009.

The City's budgets were forecast conservatively for 2009 and 2010 based on local, state and national economic conditions and trends. The service needs of the citizens of Stow were taken into account as were the ongoing financial condition of the City and any applicable budgetary constraints.

**Requests for Information**

This financial report is designed to provide a general overview of the City's finances for City officials, members of the public and others who may have an interest in the City's financial standing. It also is designed to demonstrate the City's accountability for the money it receives from all sources, particularly the taxpayers of Stow. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Mr. John Baranek, Director of Finance, Stow City Hall, 3760 Darrow Road, Stow, Ohio 44224.

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BASIC  
FINANCIAL STATEMENTS

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**CITY OF STOW, OHIO**

*STATEMENT OF NET ASSETS*

*DECEMBER 31, 2009*

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash and investments . . . . .	\$ 11,416,118	\$ 4,497,419	\$ 15,913,537
Cash held with escrow agent . . . . .	24,716	-	24,716
Receivables:			
Property taxes . . . . .	7,601,016	-	7,601,016
Income taxes . . . . .	1,614,477	-	1,614,477
Accounts . . . . .	150,563	453,104	603,667
Intergovernmental . . . . .	2,795,494	-	2,795,494
Accrued interest . . . . .	50,074	-	50,074
Special assessments . . . . .	29,159	-	29,159
Internal balances . . . . .	189,327	(189,327)	-
Materials and supplies inventory . . . . .	684,721	159,302	844,023
Deferred charges . . . . .	304,213	88,056	392,269
Capital assets:			
Nondepreciable capital assets . . . . .	24,564,890	6,800,664	31,365,554
Depreciable capital assets, net . . . . .	42,689,478	24,360,559	67,050,037
Total capital assets. . . . .	<u>67,254,368</u>	<u>31,161,223</u>	<u>98,415,591</u>
Total assets. . . . .	<u>92,114,246</u>	<u>36,169,777</u>	<u>128,284,023</u>
<b>Liabilities:</b>			
Accounts payable. . . . .	615,110	147,976	763,086
Accrued wages and benefits . . . . .	314,463	24,069	338,532
Intergovernmental payable . . . . .	1,004,910	436,674	1,441,584
Unearned revenue. . . . .	7,318,477	-	7,318,477
Accrued interest payable. . . . .	139,221	30,204	169,425
Matured bonds payable. . . . .	24,716	-	24,716
Claims payable. . . . .	707,200	-	707,200
Notes payable . . . . .	650,000	200,000	850,000
Long-term liabilities:			
Due within one year . . . . .	2,052,606	247,573	2,300,179
Due in more than one year . . . . .	28,006,384	7,290,026	35,296,410
Total liabilities . . . . .	<u>40,833,087</u>	<u>8,376,522</u>	<u>49,209,609</u>
<b>Net assets:</b>			
Invested in capital assets, net of related debt . . . . .	41,237,906	23,644,335	64,882,241
Restricted for:			
EMS/fire protection . . . . .	33,630	-	33,630
Police . . . . .	20,542	-	20,542
Street repair and maintenance. . . . .	1,683,531	-	1,683,531
Public health . . . . .	52,918	-	52,918
Leisure time activities. . . . .	353,863	-	353,863
Special assessments. . . . .	40,361	-	40,361
Community and economic development. . . . .	328,171	-	328,171
Municipal court . . . . .	1,870,211	-	1,870,211
Capital outlay . . . . .	2,725,672	-	2,725,672
Other purposes . . . . .	452,694	-	452,694
Unrestricted . . . . .	<u>2,481,660</u>	<u>4,148,920</u>	<u>6,630,580</u>
Total net assets . . . . .	<u>\$ 51,281,159</u>	<u>\$ 27,793,255</u>	<u>\$ 79,074,414</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF STOW, OHIO**

*STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<b>Program Revenues</b>			
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Governmental Activities:</b>				
General government . . . . .	\$ 10,154,101	\$ 3,778,715	\$ 44,497	\$ 464,326
Security of persons and property . . . . .	14,418,225	551,960	159,580	-
Public health . . . . .	421,832	47,841	41,912	-
Leisure time activities . . . . .	2,286,945	294,675	74,462	552
Community and economic development . . . . .	1,380,821	166,893	109,625	-
Transportation . . . . .	4,429,498	81,544	1,645,161	3,922,217
Interest and fiscal charges . . . . .	1,074,985	-	-	-
<b>Total governmental activities . . . . .</b>	<b>34,166,407</b>	<b>4,921,628</b>	<b>2,075,237</b>	<b>4,387,095</b>
<b>Business-type Activities:</b>				
Water . . . . .	3,555,964	4,824,385	-	-
Golf . . . . .	1,194,315	890,927	-	-
Storm Water Utility . . . . .	752,345	815,747	-	-
<b>Total business-type activities . . . . .</b>	<b>5,502,624</b>	<b>6,531,059</b>	<b>-</b>	<b>-</b>
<b>Total primary government . . . . .</b>	<b>\$ 39,669,031</b>	<b>\$ 11,452,687</b>	<b>\$ 2,075,237</b>	<b>\$ 4,387,095</b>
<b>Component Unit:</b>				
Stow Community Improvement Corporation . . . . .	\$ 89,100	\$ -	\$ 50,000	\$ -

**General Revenues:**

Property taxes levied for:

General purposes . . . . .	
Special revenue . . . . .	
Municipal income taxes . . . . .	
Grants and entitlements not restricted to specific programs . . . . .	
Investment earnings . . . . .	
Other . . . . .	
Special item - Municipal Court . . . . .	
Transfers . . . . .	

Total general revenues, special item, transfers . . . . .

Change in net assets . . . . .

**Net assets at beginning of year . . . . .**

**Net assets at end of year . . . . .**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Primary Government**

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

<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Component Unit</b>
\$ (5,866,563)	\$ -	\$ (5,866,563)	\$ -
(13,706,685)	-	(13,706,685)	-
(332,079)	-	(332,079)	-
(1,917,256)	-	(1,917,256)	-
(1,104,303)	-	(1,104,303)	-
1,219,424	-	1,219,424	-
(1,074,985)	-	(1,074,985)	-
<u>(22,782,447)</u>	<u>-</u>	<u>(22,782,447)</u>	<u>-</u>
-	1,268,421	1,268,421	-
-	(303,388)	(303,388)	-
-	63,402	63,402	-
<u>-</u>	<u>1,028,435</u>	<u>1,028,435</u>	<u>-</u>
<u>(22,782,447)</u>	<u>1,028,435</u>	<u>(21,754,012)</u>	<u>-</u>
-	-	-	(39,100)
5,031,472	-	5,031,472	-
2,383,192	-	2,383,192	-
11,415,940	354,440	11,770,380	-
3,881,534	-	3,881,534	-
192,603	-	192,603	-
660,823	245,021	905,844	-
1,778,978	-	1,778,978	-
(346,219)	346,219	-	-
<u>24,998,323</u>	<u>945,680</u>	<u>25,944,003</u>	<u>-</u>
2,215,876	1,974,115	4,189,991	(39,100)
<u>49,065,283</u>	<u>25,819,140</u>	<u>74,884,423</u>	<u>39,100</u>
<u>\$ 51,281,159</u>	<u>\$ 27,793,255</u>	<u>\$ 79,074,414</u>	<u>\$ -</u>

**CITY OF STOW, OHIO**

*BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2009*

	<u>General</u>	<u>EMS/Fire Tax Levy</u>	<u>General Capital Improvements</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>					
Equity in pooled cash and cash equivalents. . . .	\$ 4,089,300	\$ 36,517	\$ 2,617,873	\$ 3,643,719	\$ 10,387,409
Cash held with escrow agent . . . . .	-	-	-	24,716	24,716
Receivables:					
Property taxes . . . . .	5,253,139	1,830,639	-	517,238	7,601,016
Income taxes . . . . .	968,686	-	645,791	-	1,614,477
Accounts . . . . .	55,732	-	181	100	56,013
Intergovernmental . . . . .	1,447,075	179,948	325,549	842,922	2,795,494
Accrued interest . . . . .	50,010	-	-	64	50,074
Special assessments . . . . .	-	-	29,159	-	29,159
Loans to other funds . . . . .	150,000	-	-	-	150,000
Materials and supplies . . . . .	134,040	-	-	550,681	684,721
<b>Total assets . . . . .</b>	<u>\$ 12,147,982</u>	<u>\$ 2,047,104</u>	<u>\$ 3,618,553</u>	<u>\$ 5,579,440</u>	<u>\$ 23,393,079</u>
<b>Liabilities:</b>					
Accounts payable. . . . .	\$ 96,556	\$ 18,014	\$ 308,343	\$ 192,197	\$ 615,110
Accrued wages and benefits . . . . .	290,055	23,765	-	643	314,463
Intergovernmental payable . . . . .	564,324	124,360	-	316,226	1,004,910
Compensated absences payable. . . . .	72,310	-	-	-	72,310
Deferred revenue . . . . .	1,578,310	221,251	286,839	513,288	2,599,688
Unearned revenue. . . . .	5,084,417	1,771,842	-	462,218	7,318,477
Accrued interest payable . . . . .	-	978	5,379	-	6,357
Notes payable . . . . .	-	100,000	550,000	-	650,000
Matured bonds payable . . . . .	-	-	-	24,716	24,716
<b>Total liabilities . . . . .</b>	<u>7,685,972</u>	<u>2,260,210</u>	<u>1,150,561</u>	<u>1,509,288</u>	<u>12,606,031</u>
<b>Fund Balances:</b>					
Reserved for encumbrances . . . . .	321,138	744	625,648	163,096	1,110,626
Reserved for materials and supplies . . . . .	134,040	-	-	550,681	684,721
Reserved for loans . . . . .	150,000	-	-	-	150,000
Unreserved:					
Designated for budget stabilization . . . . .	1,000,000	-	-	-	1,000,000
Undesignated, reported in:					
General fund . . . . .	2,856,832	-	-	-	2,856,832
Special revenue funds. . . . .	-	(213,850)	-	3,356,375	3,142,525
Capital projects funds. . . . .	-	-	1,842,344	-	1,842,344
<b>Total fund balances (deficit) . . . . .</b>	<u>4,462,010</u>	<u>(213,106)</u>	<u>2,467,992</u>	<u>4,070,152</u>	<u>10,787,048</u>
<b>Total liabilities and fund balances . . . . .</b>	<u>\$ 12,147,982</u>	<u>\$ 2,047,104</u>	<u>\$ 3,618,553</u>	<u>\$ 5,579,440</u>	<u>\$ 23,393,079</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF STOW, OHIO**

*RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET ASSETS OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2009*

<b>Total governmental fund balances</b>		\$ 10,787,048
<i>Amounts reported for governmental activities on the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		67,254,368
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		
Delinquent property taxes	\$ 242,859	
Municipal income taxes	644,200	
Intergovernmental	1,659,600	
Special assessments	29,159	
Interest	23,870	
Total	2,599,688	2,599,688
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. The long-term liabilities are as follows:		
Compensated absences	(4,620,218)	
Capital lease obligation	(1,338,319)	
General obligation bonds payable	(16,186,592)	
Construction notes payable	(7,925,000)	
Total	(30,070,129)	(30,070,129)
In the statement of activities interest is accrued on outstanding bonds and notes payable, whereas in governmental funds, interest expenditures are reported when due.		(132,864)
Bond issuance costs reported as an expenditure in the funds are allocated as an expense over the life of the debt on a full accrual basis.		304,213
Unamortized premiums on bond issuance are not recognized in the funds.		(213,102)
Unamortized deferred charges on refundings are not recognized in the funds.		296,551
Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		416,059
An internal balance is recorded in governmental activities to reflect underpayments to the internal service fund by the business-type activities.		39,327
<b>Net assets of governmental activities</b>		<b>\$ 51,281,159</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF STOW, OHIO**

*STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>General</u>	<u>EMS/Fire Tax Levy</u>	<u>General Capital Improvements</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>					
Property and other taxes . . . . .	\$ 5,044,854	\$ 1,758,055	\$ -	\$ 631,014	\$ 7,433,923
Income taxes . . . . .	8,157,198	-	583,769	2,137,939	10,878,906
Special assessments . . . . .	-	-	21,282	65,953	87,235
Charges for services . . . . .	321,175	-	-	570,515	891,690
Licenses and permits . . . . .	745,026	-	-	-	745,026
Fines and forfeitures . . . . .	2,026,538	-	-	905,315	2,931,853
Intergovernmental . . . . .	3,329,384	627,322	1,555,896	2,038,399	7,551,001
Investment income . . . . .	178,306	-	-	20,590	198,896
Rent . . . . .	191,765	-	-	91,296	283,061
Contributions and donations . . . . .	421,410	-	97,422	19,216	538,048
Other . . . . .	239,413	8,400	2,733,777	111,270	3,092,860
Total revenues . . . . .	<u>20,655,069</u>	<u>2,393,777</u>	<u>4,992,146</u>	<u>6,591,507</u>	<u>34,632,499</u>
<b>Expenditures:</b>					
Current:					
General government . . . . .	8,653,816	-	-	673,190	9,327,006
Security of persons and property . . . . .	9,445,494	2,240,490	-	1,656,710	13,342,694
Public health . . . . .	372,191	-	-	51,217	423,408
Leisure time activities . . . . .	1,767,986	-	-	289,283	2,057,269
Community and economic development . . . . .	1,274,239	-	-	46,816	1,321,055
Transportation . . . . .	399,857	-	-	2,161,280	2,561,137
Capital outlay . . . . .	-	170,540	9,132,881	562,652	9,866,073
Debt service:					
Principal retirement . . . . .	-	69,895	140,113	532,340	742,348
Interest and fiscal charges . . . . .	-	46,084	520,509	492,531	1,059,124
Note issuance costs . . . . .	-	-	48,478	-	48,478
Total expenditures . . . . .	<u>21,913,583</u>	<u>2,527,009</u>	<u>9,841,981</u>	<u>6,466,019</u>	<u>40,748,592</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(1,258,514)</u>	<u>(133,232)</u>	<u>(4,849,835)</u>	<u>125,488</u>	<u>(6,116,093)</u>
<b>Other financing sources (uses):</b>					
Sale of notes . . . . .	-	575,000	7,350,000	-	7,925,000
Refunding of notes . . . . .	-	(525,000)	(8,700,000)	(250,000)	(9,475,000)
Capital lease transaction . . . . .	-	-	396,596	109,000	505,596
Premium on notes . . . . .	-	5,742	72,140	-	77,882
Transfers in . . . . .	750,000	-	250,000	771,307	1,771,307
Transfers out . . . . .	<u>(664,122)</u>	<u>-</u>	<u>-</u>	<u>(1,107,185)</u>	<u>(1,771,307)</u>
Total other financing sources (uses) . . . . .	<u>85,878</u>	<u>55,742</u>	<u>(631,264)</u>	<u>(476,878)</u>	<u>(966,522)</u>
Special item - Municipal Court . . . . .	-	-	-	1,778,978	1,778,978
Net change in fund balances . . . . .	(1,172,636)	(77,490)	(5,481,099)	1,427,588	(5,303,637)
<b>Fund balances (deficit) at beginning of year . . . . .</b>	<u>5,634,646</u>	<u>(135,616)</u>	<u>7,949,091</u>	<u>2,642,564</u>	<u>16,090,685</u>
<b>Fund balances (deficit) at end of year . . . . .</b>	<u>\$ 4,462,010</u>	<u>\$ (213,106)</u>	<u>\$ 2,467,992</u>	<u>\$ 4,070,152</u>	<u>\$ 10,787,048</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF STOW, OHIO**

*RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2009*

<b>Net change in fund balances - total governmental funds</b>		<b>\$ (5,303,637)</b>
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
 Government funds report capital outlays 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 by which capital outlays exceeded depreciation in the current period.		
Capital asset additions	\$ 8,883,818	
Current year depreciation	<u>(2,758,866)</u>	
Total		6,124,952
 Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		
		(410,074)
 Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent property taxes	(19,259)	
Intergovernmental	(177,220)	
Municipal income taxes	537,034	
Special assessments	(17,237)	
Interest	<u>(6,293)</u>	
Total		317,025
 Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement net assets.		
		10,217,348
 In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest is expensed when due.		
Accrued interest	(2,192)	
Unamortized charges	(32,950)	
Bond premium	8,734	
Bond issuance costs	<u>(18,857)</u>	
Total		(45,265)
 The issuance of notes and capital lease transactions are recorded as revenue in the in the funds, however, in the statement of activities, they are not reported as other financing sources as they increase liabilities on the statement of net assets.		
		(8,430,596)
 Some expenses, such as compensated absences, reported in the statement of activities do not require the use of financial resources and therefore are not reported as expenditures in governmental funds.		
		185,656
 Internal service funds used by management to charge the cost of insurance, to individual funds is not reported in the expenditures and related internal service fund revenues are eliminated. The net revenue of the internal service funds are allocated among the governmental activities		
		<u>(439,533)</u>
<b>Change in net assets of governmental activities</b>		<b><u><u>\$ 2,215,876</u></u></b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF STOW, OHIO**

*STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 4,500,967	\$ 5,065,955	\$ 5,044,854	\$ (21,101)
Income taxes . . . . .	11,007,843	12,389,616	8,596,327	(3,793,289)
Charges for services . . . . .	201,683	227,000	320,430	93,430
Licenses and permits. . . . .	725,883	817,000	822,826	5,826
Fines and forfeitures. . . . .	1,740,558	1,959,044	2,051,183	92,139
Intergovernmental . . . . .	2,753,343	3,098,960	3,288,641	189,681
Investment income . . . . .	247,751	255,000	300,973	45,973
Rental income . . . . .	168,721	189,900	191,765	1,865
Contributions and donations. . . . .	222,207	250,100	421,410	171,310
Other . . . . .	168,904	213,956	290,410	76,454
<b>Total revenues . . . . .</b>	<u>21,737,860</u>	<u>24,466,531</u>	<u>21,328,819</u>	<u>(3,137,712)</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	11,594,676	11,594,676	8,759,162	2,835,514
Security of persons and property. . . . .	9,953,810	9,953,810	9,637,548	316,262
Public health . . . . .	379,545	379,545	374,992	4,553
Leisure time activities. . . . .	1,903,590	1,903,590	1,837,249	66,341
Community and economic environment . . . . .	1,428,576	1,428,576	1,301,309	127,267
Transportation . . . . .	525,779	525,779	422,431	103,348
<b>Total expenditures. . . . .</b>	<u>25,785,976</u>	<u>25,785,976</u>	<u>22,332,691</u>	<u>3,453,285</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(4,048,116)</u>	<u>(1,319,445)</u>	<u>(1,003,872)</u>	<u>315,573</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	1,976,520	2,224,625	750,000	(1,474,625)
Transfers out . . . . .	(753,664)	(753,664)	(664,122)	89,542
Advance in . . . . .	-	-	50,000	50,000
<b>Total other financing sources (uses). . . . .</b>	<u>1,222,856</u>	<u>1,470,961</u>	<u>135,878</u>	<u>(1,335,083)</u>
Net change in fund balance . . . . .	(2,825,260)	151,516	(867,994)	(1,019,510)
<b>Fund balance at beginning of year . . . . .</b>	4,232,287	4,232,287	4,232,287	-
<b>Prior year encumbrances appropriated. . . . .</b>	<u>277,105</u>	<u>277,105</u>	<u>277,105</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1,684,132</u>	<u>\$ 4,660,908</u>	<u>\$ 3,641,398</u>	<u>\$ (1,019,510)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**CITY OF STOW, OHIO**

*STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
EMS/FIRE LEVY TAX FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Property and other local taxes . . . . .	\$ 1,707,577	\$ 1,721,311	\$ 1,758,055	\$ 36,744
Income taxes . . . . .	148,803	150,000	-	(150,000)
Intergovernmental. . . . .	3,827,428	3,858,212	610,567	(3,247,645)
Other . . . . .	1,984,042	2,000,000	8,400	(1,991,600)
Total revenues. . . . .	<u>7,667,850</u>	<u>7,729,523</u>	<u>2,377,022</u>	<u>(5,352,501)</u>
<b>Expenditures:</b>				
Current:				
Security of persons and property. . . . .	1,989,427	2,286,525	2,249,141	37,384
Capital outlay. . . . .	225,080	201,223	201,222	1
Debt service:				
Principal retirement . . . . .	50,000	50,000	50,000	-
Interest and fiscal charges . . . . .	39,221	35,064	35,063	1
Total expenditures. . . . .	<u>2,303,728</u>	<u>2,572,812</u>	<u>2,535,426</u>	<u>37,386</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>5,364,122</u>	<u>5,156,711</u>	<u>(158,404)</u>	<u>(5,315,115)</u>
<b>Other financing sources (uses):</b>				
Sale of notes . . . . .	1,258,188	1,268,307	675,000	(593,307)
Refunding of notes . . . . .	(601,777)	(532,693)	(525,000)	7,693
Premium on sale of notes. . . . .	10,703	10,789	5,742	(5,047)
Total other financing sources (uses). . . . .	<u>667,114</u>	<u>746,403</u>	<u>155,742</u>	<u>(590,661)</u>
Net change in fund balance . . . . .	6,031,236	5,903,114	(2,662)	(5,905,776)
<b>Fund balance at beginning of year . . . . .</b>	8,466	8,466	8,466	-
<b>Prior year encumbrances appropriated. . . . .</b>	11,955	11,955	11,955	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 6,051,657</u>	<u>\$ 5,923,535</u>	<u>\$ 17,759</u>	<u>\$ (5,905,776)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF STOW, OHIO**

STATEMENT OF FUND NET ASSETS  
 PROPRIETARY FUNDS  
 DECEMBER 31, 2009

	Business-type Activities -Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Golf	Storm Water Utility	Total	
<b>Assets:</b>					
Current assets:					
Equity in pooled cash and cash equivalents . . .	\$ 4,014,386	\$ 63,537	\$ 419,496	\$ 4,497,419	\$ 1,028,709
Receivables:					
Accounts . . . . .	371,366	-	81,738	453,104	94,550
Materials and supplies inventory . . . . .	103,150	56,152	-	159,302	-
Total current assets . . . . .	<u>4,488,902</u>	<u>119,689</u>	<u>501,234</u>	<u>5,109,825</u>	<u>1,123,259</u>
Noncurrent assets:					
Deferred charges . . . . .	9,688	78,368	-	88,056	-
Capital assets:					
Nondepreciable capital assets . . . . .	1,685,299	5,115,365	-	6,800,664	-
Depreciable capital assets, net. . . . .	<u>18,251,619</u>	<u>180,830</u>	<u>5,928,110</u>	<u>24,360,559</u>	<u>-</u>
Total noncurrent assets . . . . .	<u>19,946,606</u>	<u>5,374,563</u>	<u>5,928,110</u>	<u>31,249,279</u>	<u>-</u>
Total assets . . . . .	<u>24,435,508</u>	<u>5,494,252</u>	<u>6,429,344</u>	<u>36,359,104</u>	<u>1,123,259</u>
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable . . . . .	80,728	37,075	30,173	147,976	-
Accrued wages and benefits. . . . .	16,721	1,197	6,151	24,069	-
Intergovernmental . . . . .	408,592	18,340	9,742	436,674	-
Accrued interest payable. . . . .	11,561	18,643	-	30,204	-
Claims payable. . . . .	-	-	-	-	707,200
Notes payable . . . . .	200,000	-	-	200,000	-
Current portion of general obligation bonds payable . . . . .	13,673	145,000	-	158,673	-
Current portion of OPWC loan . . . . .	11,584	-	-	11,584	-
Current portion of capital lease obligation . . . . .	-	-	41,887	41,887	-
Current portion of compensated absences . . . . .	<u>29,911</u>	<u>-</u>	<u>5,518</u>	<u>35,429</u>	<u>-</u>
Total current liabilities . . . . .	<u>772,770</u>	<u>220,255</u>	<u>93,471</u>	<u>1,086,496</u>	<u>707,200</u>
Long-term liabilities:					
Notes payable . . . . .	800,000	-	-	800,000	-
General obligation bonds payable . . . . .	529,423	5,278,368	-	5,807,791	-
OPWC loan . . . . .	179,560	-	-	179,560	-
Loans from other funds . . . . .	150,000	-	-	150,000	-
Capital lease obligation . . . . .	-	-	317,393	317,393	-
Compensated absences . . . . .	<u>150,247</u>	<u>-</u>	<u>35,035</u>	<u>185,282</u>	<u>-</u>
Total long-term liabilities . . . . .	<u>1,809,230</u>	<u>5,278,368</u>	<u>352,428</u>	<u>7,440,026</u>	<u>-</u>
Total liabilities . . . . .	<u>2,582,000</u>	<u>5,498,623</u>	<u>445,899</u>	<u>8,526,522</u>	<u>707,200</u>
<b>Net assets:</b>					
Invested in capital assets, net of related debt.	18,202,678	(127,173)	5,568,830	23,644,335	-
Unrestricted. . . . .	<u>3,650,830</u>	<u>122,802</u>	<u>414,615</u>	<u>4,188,247</u>	<u>416,059</u>
Total net assets . . . . .	<u>\$ 21,853,508</u>	<u>\$ (4,371)</u>	<u>\$ 5,983,445</u>	<u>27,832,582</u>	<u>\$ 416,059</u>
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds.				<u>(39,327)</u>	
Net assets of business-type activities				<u>\$ 27,793,255</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF STOW, OHIO**

*STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activities - Internal Service Funds</b>
	<b>Water</b>	<b>Golf</b>	<b>Storm Water Utility</b>	<b>Total</b>	
<b>Operating revenues:</b>					
Charges for services . . . . .	\$ 4,776,265	\$ 890,927	\$ 806,199	\$ 6,473,391	\$ 3,227,523
Tap-in fees . . . . .	24,370	-	-	24,370	-
Other. . . . .	107,026	137,492	503	245,021	147,067
<b>Total operating revenues . . . . .</b>	<b>4,907,661</b>	<b>1,028,419</b>	<b>806,702</b>	<b>6,742,782</b>	<b>3,374,590</b>
<b>Operating expenses:</b>					
Personal services . . . . .	1,112,969	518,423	328,953	1,960,345	-
Contract services . . . . .	1,827,296	104,711	82,553	2,014,560	236,447
Materials and supplies . . . . .	176,410	341,404	60,767	578,581	-
Claims. . . . .	-	-	-	-	3,610,692
Depreciation . . . . .	386,429	6,023	263,837	656,289	-
<b>Total operating expenses . . . . .</b>	<b>3,503,104</b>	<b>970,561</b>	<b>736,110</b>	<b>5,209,775</b>	<b>3,847,139</b>
<b>Operating income (loss) . . . . .</b>	<b>1,404,557</b>	<b>57,858</b>	<b>70,592</b>	<b>1,533,007</b>	<b>(472,549)</b>
<b>Nonoperating revenues (expenses):</b>					
Income taxes . . . . .	-	354,440	-	354,440	-
Special assessments . . . . .	23,750	-	9,548	33,298	-
Interest expense and fiscal charges . . . . .	(33,665)	(214,010)	(12,158)	(259,833)	-
<b>Total nonoperating revenues (expenses). . . . .</b>	<b>(9,915)</b>	<b>140,430</b>	<b>(2,610)</b>	<b>127,905</b>	<b>-</b>
<b>Income (loss) before capital contributions. . . . .</b>	<b>1,394,642</b>	<b>198,288</b>	<b>67,982</b>	<b>1,660,912</b>	<b>(472,549)</b>
Capital contributions. . . . .	-	-	346,219	346,219	-
<b>Changes in net assets. . . . .</b>	<b>1,394,642</b>	<b>198,288</b>	<b>414,201</b>	<b>2,007,131</b>	<b>(472,549)</b>
<b>Net assets (deficit) at beginning of year. . . . .</b>	<b>20,458,866</b>	<b>(202,659)</b>	<b>5,569,244</b>		<b>888,608</b>
<b>Net assets (deficit) at end of year . . . . .</b>	<b>\$ 21,853,508</b>	<b>\$ (4,371)</b>	<b>\$ 5,983,445</b>		<b>\$ 416,059</b>
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds.				(33,016)	
Changes in net assets of business-type activities				\$ 1,974,115	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF STOW, OHIO**

*STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activities - Internal Service Funds</b>
	<b>Water</b>	<b>Golf</b>	<b>Storm Water Utility</b>	<b>Total</b>	
<b>Cash flows from operating activities:</b>					
Cash received from customers . . . . .	\$ 4,773,417	\$ 890,927	\$ 797,935	\$ 6,462,279	\$ 3,227,884
Cash received from tap-in fees . . . . .	24,370	-	-	24,370	-
Cash received from other operations. . . . .	107,026	137,492	503	245,021	52,517
Cash payments for personal services . . . . .	(1,129,302)	(524,511)	(332,236)	(1,986,049)	-
Cash payments for contract services . . . . .	(1,834,485)	(77,890)	(68,825)	(1,981,200)	(236,447)
Cash payments for materials and supplies . . . . .	(138,787)	(392,575)	(60,340)	(591,702)	-
Cash payments for claims . . . . .	-	-	-	-	(3,408,492)
Net cash provided by (used in) operating activities. . . . .	<u>1,802,239</u>	<u>33,443</u>	<u>337,037</u>	<u>2,172,719</u>	<u>(364,538)</u>
<b>Cash flows from noncapital financing activities:</b>					
Income taxes . . . . .	-	354,440	-	354,440	-
Cash payments to other funds . . . . .	(50,000)	-	-	(50,000)	-
Net cash provided by (used in) noncapital financing activities . . . . .	<u>(50,000)</u>	<u>354,440</u>	<u>-</u>	<u>304,440</u>	<u>-</u>
<b>Cash flows from capital and related financing activities:</b>					
Acquisition of capital assets. . . . .	(539,667)	(15,000)	(20,467)	(575,134)	-
Principal retirement . . . . .	(1,218,452)	(145,000)	(24,087)	(1,387,539)	-
Special assessments. . . . .	23,750	-	9,548	33,298	-
Note issuance . . . . .	1,000,000	-	-	1,000,000	-
Premium on notes . . . . .	8,506	-	-	8,506	-
Note issue costs. . . . .	(909)	-	-	(909)	-
Interest and fiscal charges. . . . .	(49,072)	(234,440)	(12,158)	(295,670)	-
Net cash used in capital and related financing activities . . . . .	<u>(775,844)</u>	<u>(394,440)</u>	<u>(47,164)</u>	<u>(1,217,448)</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents. . . . .	976,395	(6,557)	289,873	1,259,711	(364,538)
<b>Cash and cash equivalents at beginning of year</b>	<u>3,037,991</u>	<u>70,094</u>	<u>129,623</u>	<u>3,237,708</u>	<u>1,393,247</u>
<b>Cash and cash equivalents at end of year . . . . .</b>	<u>\$ 4,014,386</u>	<u>\$ 63,537</u>	<u>\$ 419,496</u>	<u>\$ 4,497,419</u>	<u>\$ 1,028,709</u>

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**CITY OF STOW, OHIO**

*STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2009*

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activities - Internal Service Funds</b>
	<b>Water</b>	<b>Golf</b>	<b>Storm Water Utility</b>	<b>Total</b>	
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>					
Operating income (loss) . . . . .	\$ 1,404,557	\$ 57,858	\$ 70,592	\$ 1,533,007	\$ (472,549)
Adjustments:					
Depreciation. . . . .	386,429	6,023	263,837	656,289	-
Changes in assets and liabilities:					
(Increase) decrease in materials and supplies inventory . . . . .	35,473	(56,152)	-	(20,679)	-
(Increase) in accounts receivable . . . . .	(2,848)	-	(8,264)	(11,112)	(94,189)
Increase in accounts payable . . . . .	4,415	31,904	16,480	52,799	-
Increase (decrease) in accrued wages and benefits . . . . .	(35)	(117)	1,316	1,164	-
Decrease in due to other governments . . . . .	(23,615)	(6,073)	(4,583)	(34,271)	-
Decrease in compensated absences payable. . . . .	(2,137)	-	(2,341)	(4,478)	-
Increase in claims payable. . . . .	-	-	-	-	202,200
Net cash provided by (used in) operating activities . . . . .	<u>\$ 1,802,239</u>	<u>\$ 33,443</u>	<u>\$ 337,037</u>	<u>\$ 2,172,719</u>	<u>\$ (364,538)</u>

**Non-cash transactions:**

During 2009, the Water and Storm Water Utility funds purchased \$60,655, and \$172 of capital assets on account.  
 The Storm Water Utility fund entered into a capital lease obligation during 2009 in the amount of \$91,884.  
 The Storm Water Utility fund received \$346,219 in capital contributions from governmental activities during 2009.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF STOW, OHIO**

*STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
DECEMBER 31, 2009*

	<u>Private Purpose Trust</u>	<u>Agency</u>
<b>Assets:</b>		
Equity in pooled cash and cash equivalents . . . . .	\$ 1,286	\$ 572,254
Cash in segregated accounts . . . . .	-	510,030
Receivables:		
Accounts . . . . .	-	372
Intergovernmental. . . . .	-	156
	<hr/>	<hr/>
Total assets . . . . .	<u>1,286</u>	<u>\$ 1,082,812</u>
<b>Liabilities:</b>		
Intergovernmental payable . . . . .	-	\$ 220,513
Deposits held and due to others. . . . .	-	20,557
Undistributed monies . . . . .	-	841,742
	<hr/>	<hr/>
Total liabilities . . . . .	<u>-</u>	<u>\$ 1,082,812</u>
<b>Net assets:</b>		
Held in trust. . . . .	<u>1,286</u>	
Total net assets . . . . .	<u>\$ 1,286</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF STOW, OHIO**

*STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Private Purpose Trust</u>
<b>Deductions:</b>	
Miscellaneous . . . . .	\$ 280
Total deductions . . . . .	<u>280</u>
Changes in net assets . . . . .	(280)
Net assets at beginning of year . . . . .	<u>\$ 1,566</u>
Net assets at end of year . . . . .	<u><u>\$ 1,286</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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## CITY OF STOW, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 1 - DESCRIPTION OF THE CITY

The City of Stow, Ohio, (the "City") is a home rule municipal corporation which was established under the laws of the State of Ohio and operates under its own charter. The current charter, which provides for a Mayor/Council form of government, was adopted in 1958 and became effective January 2, 1960. Amendments to the charter have been approved by the electorate in 1965, 1968, 1970, 1972, 1975, 1980, 1985, 1990, 1991, 1997, 1998, 2000 and 2002.

The City provides various services and consists of many different activities and smaller accounting entities which include police, fire-fighting and EMS forces, street and highway maintenance, building and zoning inspection, comprehensive community planning, various general government services and a water distribution system. The City offers numerous parks and recreation programs and operates a park system, three municipal cemeteries and a group of rental lodges available for public or private events.

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

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

##### A. Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards, agencies and commissions that are not legally separate from the City.

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; (3) the City is legally obligated or has otherwise assumed the responsibility to finance deficits of, or provide financial support to, the organization; (4) or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes. The City has one component unit.

***Stow Community Improvement Corporation (CIC)*** - The Stow Community Improvement Corporation was formed pursuant to Ohio Revised Code Section 1724. The Articles of Incorporation were approved on November 8, 1985. The CIC was designated as a not-for-profit agency of the City for advancing, encouraging and promoting the industrial, economic, commercial, and civic development of Stow and the surrounding territory surrounding Stow.

## CITY OF STOW, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

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

The Board of Trustees consists of seventeen members, which include the Mayor, Director of Planning and Development, Director of Finance, Law Director, City Council President, City Council Finance Committee Chairperson, Stow-Munroe Falls School District Treasurer or Designee, and City Council Chairperson. Trustees also include at least one representative of each of the following categories: private citizens, small business, commerce, industry, civic organizations, and financial institution. The CIC is dependent on the City for financial support and is therefore presented as a component unit of the City. Financial statements can be obtained from the Director of Finance, Stow Community Improvement Corporation, 3760 Darrow Road, Stow, Ohio 44224. Information relative to the component unit is presented in Note 19.

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

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

***Government-wide Financial Statements*** - The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activities of the internal service funds are eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

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

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

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

## CITY OF STOW, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

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

##### C. Fund Accounting

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

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

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

EMS/fire tax levy fund - The EMS/fire tax levy fund is a special revenue fund that accounts for proceeds of levy money that is legally restricted to expenditures to provide EMS and fire protection services.

General capital improvements fund - The general capital improvements fund accounts for the portion of municipal income tax designated by Council for the purpose of improving, constructing, maintaining, and purchasing the capital items necessary to enhance the operation of the City.

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

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

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

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

Storm water utility fund - The storm water utility fund accounts for the provision of storm drainage runoff service to the residents and commercial users located within the City.

Golf fund - The golf fund accounts for revenues generated and expenses for the Fox Den golf course.

Internal service fund - Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service funds are the Administrative Insurance fund and the Self-Insurance fund which report on the administrative costs and the payments of premiums and claims for healthcare.

**CITY OF STOW, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

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

***Fiduciary Funds*** - Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City's trust funds are private-purpose trust funds established to account for funds bequeathed and donated to the City for the Wells Perkins cemetery, scholarships and Stow seniors commission. The City's agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations. The City's agency funds account for building permit fees collected on behalf of the State, municipal court collections that are distributed to various local governments, performance bonds pledged by contractors and money on deposit with the Stow Municipal Court. The City does not have pension trust funds or investment trust funds.

**D. Measurement Focus**

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

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

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

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

**E. Basis of Accounting**

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

## CITY OF STOW, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

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

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

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned (See Note 8). Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 7). 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, local government funds and permissive tax), interest, grants, fees and rentals.

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

Property taxes for which there is an enforceable legal claim as of December 31, 2009, but which were levied to finance year 2010 operations, and other revenues received in advance of the fiscal year for which they were intended to finance, have been recorded as unearned revenue. Income taxes and special assessments not received within the available period, grants and entitlements received before the eligibility requirements are met, and delinquent property taxes due at December 31, 2009, are recorded as deferred revenue in the governmental funds.

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

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

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

## CITY OF STOW, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

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

##### F. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the Tax Budget (or the Alternative Tax Budget as permitted by law), the certificate of estimated resources and the annual appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the annual appropriation ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control has been established by Council at the personal services and other object level within each department of each fund. For both the personal services and object levels the Finance Director has been authorized to allocate appropriations within any object level which he maintains on his books.

**Estimated Resources** - The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation ordinance. On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31 of the preceding year. The certificate of estimated resources may be further amended during the year if the Finance Director determines and the Budget Commission agrees that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statements reflect the amounts in the original and final amended official certificate of estimated resources issued during 2009.

**Appropriations** - For management, a temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. The Annual Appropriation Ordinance must be passed by April 1 of each year for the period January 1 to December 31. Appropriations by fund must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriations at any level of control.

Any revisions that alter the appropriations of the legal level of budgetary control within a fund must first be approved by City Council. Council may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent certificate of estimated resources.

Formal budgetary integration is employed as a management control device during the year for all funds consistent with statutory provisions. Appropriation amounts are as originally adopted, or as amended by City Council throughout the year by supplemental appropriations which either reallocate or increase the original appropriation amounts. During the year, supplemental appropriation measures were legally enacted; however, none of these amendments were significant. The budgetary figures which appear in the statements of budgetary comparisons represent the original and final appropriation amounts, including all amendments and modifications.

## CITY OF STOW, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

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

**Encumbrances** - As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations at the legal level of budgetary control. On the GAAP basis, encumbrances outstanding at year end are reported as reservations of fund balances for subsequent-year expenditures for governmental funds.

**Lapsing of Appropriations** - At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding year and is not reappropriated.

#### **G. Cash, Cash Equivalents and Investments**

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

During 2009, investments were limited to the State Treasury Asset Reserve of Ohio (STAR Ohio), repurchase agreements, and federal agency securities.

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

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's shares price which is the price the investment could be sold for on December 31, 2009.

Following Ohio statutes, the City has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during 2009 amounted to \$178,306 of which \$132,374 was assigned from other City funds.

For purposes of the statement of cash flows and for presentation on the statement of net assets, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City, are considered to be cash equivalents. Investments with maturities greater than three months at the time of purchase are reported as investments. An analysis of the City's investment account at year end is provided in Note 4.

#### **H. Interfund Balances**

On fund financial statements, long-term interfund loans are classified as "loans to/from other funds". These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**CITY OF STOW, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

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

**I. Inventory**

Inventories of all funds are stated at cost which is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as expenditures in the governmental fund types and as expenses in the proprietary fund type.

**J. Capital Assets**

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by back trending (i.e. estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost of the acquisition year or estimated acquisition 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. The City's infrastructure consists of bridges, culverts, curbs, storm sewers, streets, irrigation systems, water and sewer lines and infrastructure acquired December 31, 1980 and later. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized for business-type activities.

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings and improvements	4 to 50 years	4 to 50 years
Infrastructure	20 to 75 years	20 to 75 years
Equipment, furniture and fixtures	3 to 15 years	3 to 15 years
Vehicles	15 years	15 years

**K. Compensated Absences**

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



## CITY OF STOW, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

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

Sick leave benefits are accrued as a liability using the termination method. An accrual for sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the City's past experience of making termination payments. In proprietary funds, the entire amount of compensated absences is reported as a fund liability. The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources based upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid.

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

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

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

#### **M. Fund Balance Reserves and Designations**

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditures. Fund balance reserves have been established for encumbrances, materials and supplies and loans. Designations represent tentative plans for future use of financial resources. The City has begun accumulating resources for budget stabilization and a portion of the general fund balance has been designated for budget stabilization.

#### **N. 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.

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

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

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

## CITY OF STOW, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

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

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

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

#### **P. Operating Revenues and Expenses**

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

#### **Q. Contributions of Capital**

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

#### **R. Interfund Activity**

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

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

#### **S. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Effective January 1, 2009, the City assumed responsibility for the operations of the Municipal Court from the City of Cuyahoga Falls. The Municipal Court special revenue fund cash balances were remitted to the City of Stow from the City of Cuyahoga Falls on February 24, 2009 and have been reported as a special item in the statement of activities and in the statement of revenues, expenditures and changes in fund balances - governmental funds.

#### **T. Estimates**

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

**CITY OF STOW, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**A. Change in Accounting Principles**

For 2009, the City has implemented GASB Statement No. 52, "Land and Other Real Estate Held as Investments by Endowments", GASB Statement No. 55, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments", GASB Statement No. 56 "Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards", and GASB Statement No. 57 "Other Postemployment Benefit (OPEB) Measurements by Agent Employers and Agent Multiple-Employers".

GASB Statement No. 52 improves the quality of financial reporting by requiring endowments to report their land and other real estate investments at fair value, creating consistency in reporting among similar entities that exist to invest resources for the purpose of generating income. The implementation of GASB Statement No. 52 did not have an effect on the financial statements of the City.

GASB Statement No. 55 incorporates the hierarchy of generally accepted accounting principles (GAAP) for state and local governments into the GASB's authoritative literature. The implementation of GASB Statement No. 55 did not have an effect on the financial statements of the City.

GASB Statement No. 56 incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance presented in the American Institute of Certified Public Accountants' (AICPA) Statements on Auditing Standards. The implementation of GASB Statement No. 56 did not have an effect on the financial statements of the City.

GASB Statement No. 57 establishes standards for the measurement and financial reporting of actuarially determined information by agent employers with individual-employer OPEB plans that have fewer than 100 total plan members and by the agent multiple-employer OPEB plans in which they participate. The implementation of GASB Statement No. 57 did not have an effect on the financial statements of the City.

**B. Deficit Fund Balances**

Fund balances/net assets, at December 31, 2009 included the following individual fund deficits:

<u>Major governmental fund</u>	<u>Deficit</u>
EMS/fire tax levy	\$ 213,106
<u>Nonmajor governmental funds</u>	
Police pension and disability	149,928
Fire pension and disability	137,634
DARE	29
<u>Major enterprise fund</u>	
Golf	4,371

These funds complied with Ohio State law, which does not permit a cash basis deficit at year end. The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur.

## CITY OF STOW, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in items (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. High grade commercial paper for a period not to exceed 180 days in an amount not to exceed twenty-five percent of the City's interim monies available for investment; and,
8. Bankers acceptances for a period not to exceed 180 days and in an amount not to exceed twenty-five percent of the City's interim monies available for investment.

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

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

## CITY OF STOW, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

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

##### 3. Obligations of the City.

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

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

##### A. Cash with Escrow Agent and Cash in Segregated Accounts

*Cash with Escrow Agent:* At year end, the City had \$24,716 on deposit with a financial institution for bond and coupon payments. This amount is included in the City's depository balance below.

*Cash in Segregated Accounts:* At year end, the City had \$510,030 deposited with a financial institution for monies related to the Stow Municipal Court agency fund. This amount is included in the City's depository balance below.

##### B. Deposits with Financial Institutions

At December 31, 2009, the carrying amount of all City deposits was \$8,429,555 exclusive of the \$3,420,000 repurchase agreement included in investments below. As of December 31, 2009, the City's bank balance was \$8,771,551, of which \$2,261,522 was exposed to custodial risk as discussed below, while \$6,510,029 was covered by the FDIC.

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

**CITY OF STOW, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

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

**C. Investments**

As of December 31, 2009, the City had the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>				
		<u>6 months or less</u>	<u>7 to 12 months</u>	<u>13 to 18 months</u>	<u>19 to 24 months</u>	<u>Greater than 24 months</u>
FHLB	\$ 499,530	\$ -	\$ -	\$ -	\$ 499,530	\$ -
FHLMC	1,003,040	1,003,040	-	-	-	-
STAR Ohio	3,669,698	3,669,698	-	-	-	-
Repurchase agreement	3,420,000	3,420,000	-	-	-	-
Total	<u>\$ 8,592,268</u>	<u>\$ 8,092,738</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 499,530</u>	<u>\$ -</u>

The weighted average maturity of the City's investments is 0.12 years.

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

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

*Credit Risk:* STAR Ohio carries a rating of AAAM by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard service rating. The City's investments in federal agency securities, and the federal agency securities that underlie the repurchase agreement, were rated AAA and Aaa by Standard & Poor's and Moody's Investor Services, respectively.

*Concentration of Credit Risk:* The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities.

**CITY OF STOW, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

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

The following table includes the percentage of each investment type held by the City at December 31, 2009:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
FHLB	\$ 499,530	5.81
FHLMC	1,003,040	11.67
STAR Ohio	3,669,698	42.72
Repurchase agreement	<u>3,420,000</u>	<u>39.80</u>
Total	<u>\$ 8,592,268</u>	<u>100.00</u>

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

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net assets as of December 31, 2009:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 8,429,555
Investments	<u>8,592,268</u>
Total	<u>\$ 17,021,823</u>

<u>Equity in pooled cash and investments per statement of net assets</u>	
Governmental activities	\$ 11,440,834
Business type activities	4,497,419
Private purpose trust funds	1,286
Agency funds	<u>1,082,284</u>
Total	<u>\$ 17,021,823</u>

**NOTE 5 - INTERFUND TRANSACTIONS**

Interfund loan receivable/payable balances at December 31, 2009, consist of the following:

<u>Payable fund</u>	<u>Receivable Fund</u>
	<u>General</u>
Water	<u>\$ 150,000</u>

The \$150,000 loan from the general fund to the water fund will be repaid in accordance with the approved repayment schedule of \$50,000 per year through 2012.

**CITY OF STOW, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 5 - INTERFUND TRANSACTIONS - (Continued)**

Interfund loan balances between governmental funds are eliminated for reporting on the government-wide statement of net assets. Interfund loan balances between governmental activities and business-type activities are reported as a component of the “internal balances” reported on the statement of net assets.

Interfund transfers for the year ended December 31, 2009, consisted of the following:

<u>Transfer To</u>	<u>Transfers From</u>	
	<u>General</u>	<u>Nonmajor Governmental</u>
General	\$ -	\$ 750,000
General capital improvements	-	250,000
Nonmajor governmental	664,122	107,185

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; to move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed.

**NOTE 6 - RECEIVABLES**

Receivables at December 31, 2009, consisted primarily of taxes, accounts (billings for user charged services, rents and royalties), special assessments, accrued interest, loans receivable and intergovernmental receivables arising from grants, entitlements and shared revenues. All receivables are deemed collectible in full.

**NOTE 7 - PROPERTY TAXES**

Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revaluated every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2009 public utility property taxes became a lien December 31, 2008, are levied after October 1, 2009, and are collected in 2010 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

Beginning in calendar year 2009 tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected. The October 2008 tangible personal property tax settlement was the last property tax settlement for general personal property taxes. Tangible personal property tax collections in calendar year 2009 represent delinquent collections.



**CITY OF STOW, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

**NOTE 7 - PROPERTY TAXES - (Continued)**

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

The Fiscal Officer collects property taxes on behalf of all taxing districts in the County, including the City of Stow. The Fiscal Officer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2009 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by unearned revenue since the current taxes were not levied to finance 2009 operations and the collection of delinquent taxes has been offset by deferred revenue since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is deferred.

The full tax rate for all City operations for the year ended December 31, 2009 was \$9.50 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2009 property tax receipts were based are as follows:

Real Property

Residential/Agricultural	\$ 650,609,290
Commercial/Industrial/Mineral	198,928,150
Tangible Personal Property	1,772,229

Public Utility

Real	12,760
Personal	<u>7,155,660</u>
Total Assessed Value	<u>\$ 858,478,089</u>

**NOTE 8 - INCOME TAX**

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

Income tax revenues are distributed among the general fund (60 percent) and the general capital improvement fund and further distribution to other funds, including the street construction fund to be used for existing and future capital projects and/or expansion or for debt service for existing and future capital improvements (40 percent). In accordance with the City's Charter, all income tax revenues are first recorded in the general fund. Subsequently, 40 percent of those revenues, net of collection expenditures, are distributed to the capital improvement fund and other funds mentioned above.

**CITY OF STOW, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 8 - INCOME TAX - (Continued)**

During 2009 City Council passed an ordinance to authorize the reduction of the allocation to capital improvements (40 percent) by up to \$1,250,000 each fiscal year in order to reduce the general fund operating deficit.

Accordingly, the capital projects portion of income tax revenues approximated \$583,769, the street construction fund portion was \$1,175,000, the 911 wireless fund portion was \$25,000, the general bond retirement fund was \$937,939 and the golf fund was \$354,440 for 2009. Income tax receivable amounts are reported within the general fund and capital projects fund.

**NOTE 9 - CAPITAL ASSETS**

A. Capital asset activity for the year ended December 31, 2009, was as follows:

	Balance			Balance
	12/31/08	Additions	Deductions	12/31/09
<b><u>Governmental activities:</u></b>				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 11,327,515	\$ -	\$ -	\$ 11,327,515
Construction in progress	<u>15,820,309</u>	<u>8,581,280</u>	<u>(11,164,214)</u>	<u>13,237,375</u>
Total capital assets, not being depreciated	<u>27,147,824</u>	<u>8,581,280</u>	<u>(11,164,214)</u>	<u>24,564,890</u>
<i>Capital assets, being depreciated:</i>				
Buildings and building improvements	22,887,851	9,276,160	-	32,164,011
Vehicles	8,913,242	109,000	(438,074)	8,584,168
Equipment, furniture and fixtures	5,320,043	539,619	(27,065)	5,832,597
Infrastructure	<u>21,293,794</u>	<u>1,541,973</u>	<u>(124,176)</u>	<u>22,711,591</u>
Total capital assets, being depreciated	<u>58,414,930</u>	<u>11,466,752</u>	<u>(589,315)</u>	<u>69,292,367</u>
<i>Less: accumulated depreciation:</i>				
Buildings and building improvements	(7,012,844)	(879,737)	-	(7,892,581)
Vehicles	(5,015,613)	(491,323)	51,361	(5,455,575)
Equipment, furniture and fixtures	(3,824,323)	(544,838)	27,065	(4,342,096)
Infrastructure	<u>(8,170,484)</u>	<u>(842,968)</u>	<u>100,815</u>	<u>(8,912,637)</u>
Total accumulated depreciation	<u>(24,023,264)</u>	<u>(2,758,866)</u>	<u>179,241</u>	<u>(26,602,889)</u>
Total capital assets, being depreciated, net	<u>34,391,666</u>	<u>8,707,886</u>	<u>(410,074)</u>	<u>42,689,478</u>
Governmental activities capital assets, net	<u>\$ 61,539,490</u>	<u>\$ 17,289,166</u>	<u>\$(11,574,288)</u>	<u>\$ 67,254,368</u>

**CITY OF STOW, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 9 - CAPITAL ASSETS - (Continued)**

Depreciation expense was charged to governmental activities as follows:

General government	\$ 492,112
Security of persons and property	1,004,600
Public health	8,718
Leisure time activities	157,272
Community and economic development	40,157
Transportation	<u>1,056,007</u>
Total depreciation expense	<u>\$ 2,758,866</u>

**B.** Capital asset activity for the year ended December 31, 2009 was as follows:

	Balance <u>12/31/08</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>12/31/09</u>
<b><u>Business-type activities:</u></b>				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 5,377,376	\$ -	\$ -	\$ 5,377,376
Construction in progress	<u>1,364,145</u>	<u>563,643</u>	<u>(504,500)</u>	<u>1,423,288</u>
Total capital assets, not being depreciated	<u>6,741,521</u>	<u>563,643</u>	<u>(504,500)</u>	<u>6,800,664</u>
<i>Capital assets, being depreciated:</i>				
Buildings and building improvements	3,397,969	17,550	-	3,415,519
Vehicles	733,667	112,523	-	846,190
Equipment, furniture and fixtures	346,879	15,000	-	361,879
Infrastructure	<u>25,581,101</u>	<u>869,848</u>	<u>-</u>	<u>26,450,949</u>
Total capital assets, being depreciated	<u>30,059,616</u>	<u>1,014,921</u>	<u>-</u>	<u>31,074,537</u>
<i>Less: accumulated depreciation:</i>				
Buildings and building improvements	(582,287)	(84,698)	-	(666,985)
Vehicles	(166,679)	(65,724)	-	(232,403)
Equipment, furniture and fixtures	(309,156)	(9,946)	-	(319,102)
Infrastructure	<u>(4,999,567)</u>	<u>(495,921)</u>	<u>-</u>	<u>(5,495,488)</u>
Total accumulated depreciation	<u>(6,057,689)</u>	<u>(656,289)</u>	<u>-</u>	<u>(6,713,978)</u>
Total capital assets, being depreciated, net	<u>24,001,927</u>	<u>358,632</u>	<u>-</u>	<u>24,360,559</u>
Business-type activities capital assets, net	<u>\$ 30,743,448</u>	<u>\$ 922,275</u>	<u>\$ (504,500)</u>	<u>\$ 31,161,223</u>

Depreciation expense was charged to business - type activities as follows:

Water	\$ 386,429
Golf	6,023
Storm water utility	<u>263,837</u>
Total depreciation expense	<u>\$ 656,289</u>

**CITY OF STOW, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 10 - LEASES**

**A. Capital Leases - Lessee Disclosure**

During 2009, the City entered into capital lease agreements for courthouse furnishings, brine equipment, a bus and leaf machine. In a prior year, the City entered into capital lease agreements for two road rescue/EMS vehicles, a vactor truck, dispatch consoles and cabinetry. Principal and interest payments for the courthouse furnishings, brine equipment, bus, road rescue/EMS vehicles, dispatch consoles and cabinetry will be paid from the governmental funds and the principal and interest payments for the leaf machine and vactor truck will be paid from the storm water utility enterprise fund.

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

Capital assets have been capitalized in the statement of net assets in the amount of \$1,413,327 in governmental activities. This amount represents the present value of the minimum lease payments at the time of acquisition. A liability of \$1,338,319 is reported on the statement of net assets at year end, which represents the amount of principal payments the EMS/fire levy fund and the capital projects fund will be making. Principal and interest payments in 2009 totaled \$75,008 and \$37,862, respectively.

Capital assets have been capitalized in the storm water utility enterprise fund in the amount of \$383,367. The amount of \$359,280 represents the present value of the future minimum lease payments and has been recorded as a liability in the storm water utility fund. Principal and interest payments in 2009 totaled \$24,087 and \$12,158, respectively.

The assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Assets:		
Equipment	\$ 1,063,556	\$ -
Vehicles	<u>349,771</u>	<u>383,367</u>
Less: accumulated depreciation	<u>(107,626)</u>	<u>(24,114)</u>
Total	<u><u>\$ 1,305,701</u></u>	<u><u>\$ 359,253</u></u>

**CITY OF STOW, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 10 - LEASES - (Continued)**

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
2010	\$ 227,358	\$ 57,174
2011	227,357	57,175
2012	225,085	56,444
2013	227,359	57,174
2014	227,360	57,175
2015 - 2018	<u>451,478</u>	<u>144,974</u>
Total	1,585,997	430,116
Less: amount representing interest	<u>(247,678)</u>	<u>(70,836)</u>
Present value of net minimum lease payments	<u>\$ 1,338,319</u>	<u>\$ 359,280</u>

**B. Operating Leases - Lessee Disclosure**

In February 2006 the City acquired a golf course and the City assumed an existing operating lease agreement with George and Patricia Hanson to use their premises to operate a driving range. The lease is for a period of five years, commencing April 1, 2004, and ending on March 31, 2009. On April 22, 2009, the City renewed the operating lease for a period commencing April 1, 2009 through April 11, 2012. Monthly lease payments have been established at \$2,000 per month for thirty-six consecutive months. The amount of the future lease payments required under the operating lease at December 31, 2009 are:

<u>Year Ending December 31,</u>	<u>Amount</u>
2010	\$ 24,000
2011	24,000
2012	<u>6,000</u>
Total payments	<u>\$ 54,000</u>

The City entered into an operating lease agreement on April 18, 2008, with South East Golf Car Company to lease fifty eight golf cars for use on the Fox Den golf course. The lease is for a period of five years, commencing April 1, 2008, and ending on April 1, 2013. The lease payments are \$900 per car per year, or \$52,200 per year with payments due in five equal monthly installments of \$10,440 due on the tenth day of the months of May through September for each year of the agreement. The amount of the future lease payments required under the operating lease at December 31, 2009 are:

<u>Year Ending December 31,</u>	<u>Amount</u>
2010	\$ 52,200
2011	52,200
2012	<u>52,200</u>
Total payments	<u>\$ 156,600</u>

**CITY OF STOW, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 11 - NOTES PAYABLE**

Changes in the City's note activity for the year ended December 31, 2009, were as follows:

	<u>Balance</u>			<u>Balance</u>
	<u>12/31/2008</u>	<u>Issued</u>	<u>Retired</u>	<u>12/31/2009</u>
<u>Governmental fund notes</u>				
Fire rescue vehicles - 1.50%	\$ -	\$ 100,000	\$ -	\$ 100,000
Municipal courthouse construction - 1.50%	-	100,000	-	100,000
Rt. 8/Seasons Road interchange - 1.50%	-	350,000	-	350,000
Steel Corners upgrade - 1.50%	-	<u>100,000</u>	-	<u>100,000</u>
Total governmental fund notes	<u>\$ -</u>	<u>\$ 650,000</u>	<u>\$ -</u>	<u>\$ 650,000</u>
	<u>Balance</u>			<u>Balance</u>
	<u>12/31/2008</u>	<u>Issued</u>	<u>Retired</u>	<u>12/31/2009</u>
<u>Enterprise fund notes</u>				
Automated water reading system - 1.50%	\$ -	\$ 200,000	\$ -	\$ 200,000
Total enterprise fund notes	<u>\$ -</u>	<u>\$ 200,000</u>	<u>\$ -</u>	<u>\$ 200,000</u>

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

**NOTE 12 - LONG-TERM OBLIGATIONS**

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

<u>Debt Issue</u>	<u>Interest</u> <u>Rate</u>	<u>Original</u> <u>Issue Amount</u>	<u>Date of</u> <u>Maturity</u>
<b>Business-type activities:</b>			
OWDA water construction loan	8.09%	\$ 120,663	1/1/2009
OPWC Lillian Road waterline improvement	0.00%	231,688	7/1/2025
Golf course general obligation bonds	4.25%-5.25%	5,500,000	12/1/2032
Service center general obligation bonds	3.25%-6.25%	546,068	12/1/2033
2009 Water meter reading system notes	1.50%	800,000	5/6/2010
<b>Governmental activities:</b>			
Safety center construction general obligation bond	2.00%-4.05%	6,440,000	12/1/2018
Courthouse general obligation bonds	4.25%-5.25%	4,200,000	12/1/2035
Service center general obligation bonds	3.25%-6.25%	5,923,932	12/1/2033
Fire station general obligation bonds	3.25%-6.25%	2,150,000	12/1/2033
2009 Fire rescue vehicles note	1.50%	575,000	5/6/2010
2009 Municipal court construction note	1.50%	4,900,000	5/6/2010
2009 Rt. 8/Seasons Rd. interchange note	1.50%	1,650,000	5/6/2010
2009 Steels Corners upgrade note	1.50%	800,000	5/6/2010

**CITY OF STOW, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 12 - LONG-TERM OBLIGATIONS - (Continued)**

Long-term obligations activity for the year ended December 31, 2009 was as follows:

<b>Governmental activities:</b>	<u>Balance</u> <u>12/31/2008</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>12/31/2009</u>	<u>Amounts</u> <u>Due in</u> <u>One Year</u>
<u>General obligation bonds:</u>					
Safety center construction					
general obligation bonds	\$ 4,585,000	\$ -	\$ (395,000)	\$ 4,190,000	\$ 405,000
Less: deferred unamortized charges	(329,501)	-	32,950	(296,551)	-
Add: Unamortized premium					
Service center construction					
general obligation bonds	5,923,932	-	(137,340)	5,786,592	148,327
Add: unamortized premium	121,392	-	(4,872)	116,520	-
Fire station construction					
general obligation bonds	2,150,000	-	(50,000)	2,100,000	53,000
Add: unamortized premium	43,905	-	(1,762)	42,143	-
Municipal court general					
obligation bonds	4,195,000	-	(85,000)	4,110,000	90,000
Add: unamortized premium	<u>56,539</u>	<u>-</u>	<u>(2,100)</u>	<u>54,439</u>	<u>-</u>
Total general obligation bonds	<u>16,746,267</u>	<u>-</u>	<u>(643,124)</u>	<u>16,103,143</u>	<u>696,327</u>
<u>Long-term notes:</u>					
2008 Fire rescue vehicles note	775,000	-	(775,000)	-	-
2008 Municipal court construction note	5,000,000	-	(5,000,000)	-	-
2008 Rt. 8/Seasons Rd. interchange note	2,750,000	-	(2,750,000)	-	-
2008 Steels Corners upgrade note	950,000	-	(950,000)	-	-
2009 Fire rescue vehicles note	-	575,000	-	575,000	-
2009 Municipal court construction note	-	4,900,000	-	4,900,000	-
2009 Rt. 8/Seasons Rd. interchange note	-	1,650,000	-	1,650,000	-
2009 Steels Corners upgrade note	<u>-</u>	<u>800,000</u>	<u>-</u>	<u>800,000</u>	<u>-</u>
Total long-term notes	<u>9,475,000</u>	<u>7,925,000</u>	<u>(9,475,000)</u>	<u>7,925,000</u>	<u>-</u>
<u>Other debt:</u>					
Capital lease obligation	907,731	505,596	(75,008)	1,338,319	170,950
Compensated absences	<u>4,805,874</u>	<u>1,168,152</u>	<u>(1,281,498)</u>	<u>4,692,528</u>	<u>1,185,329</u>
Total other debt	<u>5,713,605</u>	<u>1,673,748</u>	<u>(1,356,506)</u>	<u>6,030,847</u>	<u>1,356,279</u>
Total governmental activities	<u>\$ 31,934,872</u>	<u>\$ 9,598,748</u>	<u>\$ (11,474,630)</u>	<u>\$ 30,058,990</u>	<u>\$ 2,052,606</u>

**CITY OF STOW, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 12 - LONG-TERM OBLIGATIONS - (Continued)**

<b>Business-type activities:</b>	<u>Balance</u> <u>12/31/2008</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>12/31/2009</u>	<u>Amounts</u> <u>Due in</u> <u>One Year</u>
<u>General obligation bonds:</u>					
Golf course general obligation bonds	\$ 5,490,000	\$ -	\$ (145,000)	\$ 5,345,000	\$ 145,000
Add: unamortized premium	81,787	-	(3,419)	78,368	-
Service center general obligation bonds	546,068	-	(12,660)	533,408	13,673
Add: unamortized premium	<u>10,093</u>	<u>-</u>	<u>(405)</u>	<u>9,688</u>	<u>-</u>
Total general obligation bonds	<u>6,127,948</u>	<u>-</u>	<u>(161,484)</u>	<u>5,966,464</u>	<u>158,673</u>
<u>Long-term notes:</u>					
2008 Automated water reading system	1,200,000	-	(1,200,000)	-	-
2009 Automated water reading system	<u>-</u>	<u>800,000</u>	<u>-</u>	<u>800,000</u>	<u>-</u>
Total long-term notes	<u>1,200,000</u>	<u>800,000</u>	<u>(1,200,000)</u>	<u>800,000</u>	<u>-</u>
<u>Other debt:</u>					
OPWC Lillian Road water line Improvement	196,936	-	(5,792)	191,144	11,584
Capital lease obligation	291,483	91,884	(24,087)	359,280	41,887
Compensated absences	<u>225,189</u>	<u>30,562</u>	<u>(35,040)</u>	<u>220,711</u>	<u>35,429</u>
Total other debt	<u>713,608</u>	<u>122,446</u>	<u>(64,919)</u>	<u>771,135</u>	<u>88,900</u>
Total business-type activities	<u>\$ 8,041,556</u>	<u>\$ 922,446</u>	<u>\$ (1,426,403)</u>	<u>\$ 7,537,599</u>	<u>\$ 247,573</u>



## CITY OF STOW, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 12 - LONG-TERM OBLIGATIONS - (Continued)

##### General Obligation Bonds

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities. During 2004, general obligation bonds totaling \$6,440,000 were issued to refund general obligation bonds of \$5,820,000. During 2007, the City issued \$4,200,000 in general obligation bonds to finance the construction of the Municipal Courthouse. During 2008, the City issued \$6,470,000 and \$2,150,000 in general obligation bonds to retire notes issued to finance the construction of the service and parks maintenance center building and the fire station, respectively. Approximately 8.44 percent of the service and parks maintenance center construction bond is being used to finance the water department maintenance and operational areas of the new service building. Therefore, \$546,068 (approximately 8.44 percent) of the above mentioned \$6,470,000 bond was allocated to the water fund. General obligation bonds are direct obligations and pledge the full faith and credit of the government. The general obligation bonds will be repaid from income tax monies allocated into the debt service fund from the capital projects funds.

##### Loans Payable

The OPWC loan will be repaid with operating revenue from the water fund.

##### Notes Payable

During 2009, the City retired \$9,475,000 in governmental notes payable and \$1,200,000 in notes from business-type activities.

The \$575,000 note in governmental activities is being used to finance the purchase of fire/rescue vehicles and is accounted for in the EMS/fire levy fund. The City reissued \$4,900,000 in municipal courthouse construction notes during 2009. The City also reissued notes in the amounts of \$1,650,000 and \$800,000 in 2009 to finance the Rt.8/Seasons Rd. interchange and Steels Corners upgrade. The \$1,200,000 note in the water fund is being used to finance the installation of the automated water meter reading system.

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

##### Compensated Absences

Compensated absences will be paid from the funds from which the employees' salaries are paid. For the City, compensated absences will be paid from the general, EMS/fire tax levy, water, and storm water utility funds.

##### Capital Lease Obligations

See Note 10 for detail on the City's capital lease obligations.

##### Legal Debt Margin

As of December 31, 2009, the City's overall legal debt margin (the ability to issue additional amounts of general obligation debt) was \$67,948,021 and the unvoted legal debt margin was \$47,149,678.

**CITY OF STOW, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 12 - LONG-TERM OBLIGATIONS - (Continued)**

The annual requirements to amortize all long-term debt outstanding as of December 31, 2009 are as follows:

Year Ended	Governmental Activities			Business-Type Activities		
	General Obligation Bonds Payable		Total	General Obligation Bonds Payable		Total
	Principal	Interest		Principal	Interest	
2010	\$ 696,327	\$ 649,657	\$ 1,345,984	\$ 158,673	\$ 248,488	\$ 407,161
2011	715,990	625,024	1,341,014	164,010	240,431	404,441
2012	750,146	599,854	1,350,000	174,854	232,101	406,955
2013	779,470	572,615	1,352,085	180,530	223,218	403,748
2014	808,880	543,400	1,352,280	186,120	214,050	400,170
2015 - 2019	3,960,452	2,153,215	6,113,667	1,044,548	932,581	1,977,129
2020 - 2024	2,365,196	1,538,762	3,903,958	1,279,804	711,759	1,991,563
2025 - 2029	2,871,901	1,032,657	3,904,558	1,558,100	436,153	1,994,253
2030 - 2034	2,983,230	395,173	3,378,403	1,131,769	99,953	1,231,722
2035	<u>255,000</u>	<u>10,838</u>	<u>265,838</u>	-	-	-
Total	<u>\$ 16,186,592</u>	<u>\$ 8,121,195</u>	<u>\$ 24,307,787</u>	<u>\$ 5,878,408</u>	<u>\$ 3,338,734</u>	<u>\$ 9,217,142</u>

Year Ended	Business-Type Activities		
	OPWC Loan Payable		
	Principal	Interest	Total
2010	\$ 11,584	\$ -	\$ 11,584
2011	11,584	-	11,584
2012	11,584	-	11,584
2013	11,584	-	11,584
2014	11,584	-	11,584
2015 - 2019	57,922	-	57,922
2020 - 2024	57,925	-	57,925
2025	<u>17,377</u>	-	<u>17,377</u>
Total	<u>\$ 191,144</u>	<u>\$ -</u>	<u>\$ 191,144</u>

**NOTE 13 - RISK MANAGEMENT**

**A. Liability Insurance**

The City is exposed to various risks of loss related to torts, theft, damage to or destruction of assets, errors and omissions, employee injuries, and natural disasters. The City has a comprehensive property and casualty policy with a deductible of \$1,000 per incident. The City's vehicle liability insurance policy limit is \$1,000,000 with a \$1,000 collision deductible; vehicles with a cost of over \$100,000 have a \$1,000 deductible. All Council members, administrators and employees are covered under a City liability policy. The limits of this coverage are \$1,000,000 per occurrence and \$1,000,000 in aggregate. The general liability aggregate is \$2,000,000. The City also carries a \$10,000,000 umbrella liability extending coverage of the general, automobile and employers/public official's liability. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a reduction of coverage from the prior year.

**CITY OF STOW, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 13 - RISK MANAGEMENT - (Continued)**

**B. Fidelity Bond**

The Finance Director, Assistant Finance Director and Tax Administrator have a \$100,000 position bond. All other City employees who are specifically bonded are covered by a \$100,000 general faithful performance and honesty blanket position bond.

**C. Workers' Compensation**

The City pays the State Workers' Compensation System, an insurance purchasing pool, a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. The City participates in a group rating plan to help control workers' compensation premium costs.

**D. Employee Health Insurance**

The City has elected to provide employee medical, prescription and dental benefits through a self-insurance program. The City maintains a self-insurance internal service fund to account for and finance its uninsured risk of loss in this program. This 2009 plan provides a medical plan with a \$650.00 family and \$325.00 single deductible and a dental plan with a \$75.00 family and \$25.00 single deductible. A third party administrator, Professional Benefits Administrators, Inc. reviews all medical and dental claims which are then paid by the City. The City has purchased stop-loss coverage of \$150,000 per employee and for claims in excess of \$3,360,144 in the aggregate from Gerber Life Insurance Company. The City pays into the self-insurance internal service fund \$828.42 per month for each employee with family medical coverage and \$265.30 per month for each employee with individual medical coverage. Premiums for dental coverage are \$92.05 monthly for each employee with family coverage and \$29.47 monthly for each employee with individual coverage. All premiums are paid by the fund that pays the salary for the employee.

The claims liability of \$707,200 reported in the self-insurance internal service fund at December 31, 2009 is based on the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Services", which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims, be reported. The claims liability is based on an estimate supplied by the City's third party administrator. The claims liability is expected to be paid within one year.

A summary of the fund's claims liability during the past two years is as follows:

	Balance at Beginning <u>of Year</u>	Current <u>Claims</u>	Claims <u>Payment</u>	Balance at <u>End of Year</u>
2009	\$ 505,000	\$ 3,610,692	\$ (3,408,492)	\$ 707,200
2008	523,336	2,363,316	(2,381,652)	505,000

## CITY OF STOW, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 14 - PENSION PLANS

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

Plan Description - The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the Combined Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the Traditional Pension Plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the Member-Directed Plan. While members in the State and local divisions may participate in all three plans, law enforcement (generally sheriffs, deputy sheriffs and township police) and public safety divisions exist only within the traditional pension plan.

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

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For 2009, member and contribution rates were consistent across all three plans. While members in the State and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Plan. The 2009 member contribution rates were 10.00% for members in State and local classifications. Public safety and law enforcement members contributed 10.10%. The City's contribution rate for 2009 was 14.00%, except for those plan members in law enforcement or public safety, for whom the City's contribution was 17.63% of covered payroll.

The City's contribution rate for pension benefits for 2009 was 7.00% from January 1 through March 31, 2009 and 8.50% from April 1 through December 31, 2009, except for those plan members in law enforcement and public safety. For those classifications, pension contributions were 10.63% from January 1 through March 31, 2009 and 12.13% from April 1 through December 31, 2009. The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2009, 2008 and 2007 were \$872,531, \$660,607 and \$697,990, respectively; 90.01% has been contributed for 2009 and 100% has been contributed for 2008 and 2007.

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

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

## CITY OF STOW, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### **NOTE 14 - PENSION PLANS - (Continued)**

Funding Policy - Plan members are required to contribute 10.0% of their annual covered salary, while the City is required to contribute 19.50% and 24.00% for police officers and firefighters, respectively. Contribution rates are established by State statute. For 2009, the portion of the City's contributions to fund pension obligations was 12.75% for police officers and 17.25% for firefighters. The City's required contributions for pension obligations to OP&F for police officers and firefighters were \$382,592 and \$617,398 for the year ended December 31, 2009, \$384,500 and \$609,637 for the year ended December 31, 2008 and \$362,858 and \$598,949 for the year ended December 31, 2007. The full amount has been contributed for 2008 and 2007. 74.36% has been contributed for police and 74.11% has been contributed for firefighters for 2009.

#### **NOTE 15 - POSTRETIREMENT BENEFIT PLANS**

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

Plan Description - 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.

To qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have ten years or more of qualifying Ohio service credit. The Ohio Revised Code permits, but not does 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.

Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by writing to OPERS, Attention: Finance Director, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy - The post-employment healthcare plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). State statute requires that public employers fund post-employment healthcare through contributions to OPERS. A portion of each employer's contribution to the Traditional or Combined Plans is set aside for the funding of post-employment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2009, local government employers contributed 14.00% of covered payroll (17.63% for public safety and law enforcement). Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The portion of employer contributions allocated to fund post-employment healthcare for 2009 was 7.00% from January 1 through March 31, 2009 and 5.50% from April 1 through December 31, 2009.

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. Active members do not make contributions to the post-employment healthcare plan.

## CITY OF STOW, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 15 - POSTRETIREMENT BENEFIT PLANS - (Continued)

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2009, 2008 and 2007 were \$631,408, \$660,607 and \$463,759, respectively; 90.01% has been contributed for 2009 and 100% has been contributed for 2008 and 2007.

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

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

Plan Description - The City contributes to the OP&F Pension Fund sponsored health care program, a cost-sharing multiple-employer defined postemployment health care 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-employment health care coverage to any person who receives or is eligible to receive a monthly service, disability or survivor benefit check or is a spouse or eligible dependent child of such person.

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 health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

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

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 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 maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Revenue Code 401(h) account, both of which are 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 into the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2009, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that the pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

## CITY OF STOW, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### **NOTE 15 - POSTRETIREMENT BENEFIT PLANS - (Continued)**

The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care 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.

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police officers and firefighters were \$202,548 and \$241,590 for the year ended December 31, 2009, \$203,559 and \$238,554 for the year ended December 31, 2008 and \$191,971 and \$234,082 for the year ended December 31, 2007. The full amount has been contributed for 2008 and 2007. 74.36% has been contributed for police and 74.11% has been contributed for firefighters for 2009.

#### **NOTE 16 - COMPENSATED ABSENCES**

Full-time City employees earn and accumulate paid vacation leave for each work hour or paid service hour completed for the City. The maximum base used for accumulation of vacation pay is eighty hours per pay period. Based upon length of service, employees can earn vacation at rates varying from two weeks to six weeks per year. Part-time employees may earn partial vacation credits while seasonal employees are ineligible for vacation benefits. Upon termination from the City, an employee is entitled to compensation at his or her current base rate of pay for all earned, but unused vacation leave to his or her credit at the time of termination, subject to the maximum amount which can be accumulated at any time, provided the 50<sup>th</sup> week of employment had been reached. In the case of death, unused vacation leave is paid in the name of the employee to his or her spouse.

Full-time City employees and certain part-time employees earn sick leave at the rate of .05769 hours for every paid service hour completed for the City. The maximum base used for accumulation of sick pay is 80 hours per pay period. Sick leave to be paid for time away from work due to illness may be accumulated without limit. For employees hired prior to July 1, 1996, an employee or his/her estate is paid upon retirement or death 100 percent of the unused amount accumulated equivalent up to 1,000 hours and 50 percent of unused sick leave up to a maximum hours of an additional 1,000 hours at the current base rate, but only to the extent such benefits have been earned as employees of the City. In the case of retirement or death of an employee hired on or after July 1, 1996, the employee or his/her estate is paid 100 percent of the unused amount accumulated to a maximum of 1,000 hours and is not eligible to receive cash payment of 50 percent of unused sick leave up to a maximum of an additional 1,000 hours. The entitlement award for firefighters is prorated according to their respective work year.

Full-time police officers, communication specialists and firefighters are permitted to accumulate holiday time. Police department employees must use their accumulated holiday time prior to April 1 of the following year and the employees of the fire department by July 1 of the following year.

As of December 31, 2009, the liability for compensated absences was \$4,913,239 for the entire City.

#### **NOTE 17 - BUDGETARY BASIS OF ACCOUNTING**

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The statement of revenues, expenditures and changes in fund balances - budget and actual (non-GAAP budgetary basis) presented for the general fund and EMS/fire tax levy fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues and other sources are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP);

**CITY OF STOW, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 17 - BUDGETARY BASIS OF ACCOUNTING - (Continued)**

2. Expenditures/expenses 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. Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis); and,
5. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.

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

**Net Change in Fund Balance**

	General	EMS/Fire Tax Levy
Budget basis	\$ (867,994)	\$ (2,662)
Net adjustment for revenue accruals	(673,750)	16,755
Net adjustment for expenditure accruals	(26,124)	(10,341)
Net adjustment for other sources/uses	(50,000)	(100,000)
Adjustment for encumbrances	445,232	18,758
GAAP basis	\$ (1,172,636)	\$ (77,490)

**NOTE 18 - CONTINGENCIES**

**A. Grants**

The City receives significant financial assistance from numerous federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the reporting units included herein or on the overall financial position of the City at December 31, 2009.

**B. Litigation**

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



**CITY OF STOW, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

**NOTE 19 - STOW COMMUNITY IMPROVEMENT CORPORATION**

The Stow Community Improvement Corporation (“CIC”) was formed pursuant to Ohio Revised Code Section 1724. The Articles of Incorporation were approved on November 8, 1985. The CIC was designated as a not-for-profit agency of the City for advancing, encouraging and promoting the industrial, economic, commercial, and civic development of Stow and the territory surrounding Stow.

The City of Stow (the “City”) is a charter municipal corporation incorporated under the laws of the State of Ohio. In accordance with the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, the City’s financial statements include all organizations, activities and functions which comprise the primary government and those legally separate entities for which the City is financially accountable. The CIC is dependent on the City for financial support and is therefore presented as a discretely presented component unit of the City. The CIC does not include any other units in its presentation.

**Summary of Significant Accounting Policies**

The basic financial statements (BFS) of the CIC have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The CIC’s significant accounting policies are described below.

**A. Basis of Accounting**

The financial statements of the CIC are prepared using the accrual basis of accounting.

**B. Federal Income Tax**

The Stow Community Improvement Corporation is exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code.

**C. Cash**

All monies received by the CIC are deposited in a demand deposit account.

**D. Net Assets**

Net assets represent the difference between assets and liabilities.

**E. Estimates**

The preparation of financial statements in conformity with GAAP 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.

**CITY OF STOW, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

**NOTE 20 - SIGNIFICANT SUBSEQUENT EVENTS**

The following notes were due and refinanced in 2010:

- The \$675,000 2009 fire/rescue vehicles notes were retired and \$575,000 was refinanced on May 6, 2010.
- The \$5,000,000 2009 municipal courthouse construction notes were retired and \$4,900,000 was refinanced on May 6, 2010.
- The \$1,000,000 2009 water meter notes were retired and \$800,000 was refinanced on May 6, 2010.
- The \$2,000,000 2009 Rt. 8/Seasons Rd. interchange notes were retired and \$1,650,000 was refinanced on May 6, 2010.
- The \$900,000 2009 Steels Corners upgrade notes were retired and \$800,000 was refinanced on May 6, 2010.

COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES

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**CITY OF STOW, OHIO**

*INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

**GENERAL FUND**

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

**SPECIAL REVENUE FUNDS**

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

**Major Special Revenue Fund**

***EMS/Fire Tax Levy Fund***

This fund accounts for proceeds of levy money that is legally restricted to expenditures to provide EMS and fire protection services.

**Nonmajor Special Revenue Funds**

***Street Construction Fund***

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

***State Highway Improvement Fund***

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

***Police Pension and Disability Fund***

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

***Fire Pension and Disability Fund***

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

***Motor Vehicle License Tax Fund***

This fund accounts for the additional motor vehicle registration fees designated for maintenance and repair of streets within the City.

***ODNR Litter Prevention Grant Fund***

This fund accounts for grants received from the Ohio Department of Natural Resources and Summit County for the City's litter prevention program.

***EMS Transport Fees Fund***

This fund accounts for EMS transport fees collected and to disburse collections in accordance with City policy.

***Police Enforcement and Education Fund***

This fund accounts for proceeds of fines imposed by the Municipal Court for alcohol related offenses involving the operation of a motor vehicle. Fines collected are used for law enforcement and educating the public of the dangers of operating a motor vehicle while under the influence of alcohol.

**CITY OF STOW, OHIO**

*INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

**Nonmajor Special Revenue Funds (Continued)**

***Special Assessment Improvements Fund***

This fund accounts for the collected taxes levied by special assessment where specified improvements were levied to specific taxpayers and expenditures to pay the related applicable debt payments and the costs associated with collection and payment.

***Tree Trust Fund***

This fund accounts for donations or restitutions for damages for planting and relocation of trees and other greenery within the City.

***Communications Tower Fund***

This fund accounts for monies received from carriers using the GTE MobilNet Communication Tower. Monies are used for park improvements.

***Cemetery Trust Fund***

This fund accounts for sale of graves, opening and closing of same, sale of monuments, tombs or vaults, burying ashes and disinterment.

***Park Improvements Fund***

This fund accounts for contributions from residents, civic groups, industries or other gratuitous donors for improvements of City parks.

**Other Nonmajor Special Revenue Funds**

Federal Law Enforcement Forfeited Fees	Community Development
Community Events	FEMA
Safety Town	Business Assistance
D.A.R.E. Program	City Lodging Tax
Youth Division Donations	Residential Snow Removal
Fire Department Emergency Equipment	Enhanced 911 Wireless
Parks Youth	Adopt a Tree/Tree City
Police Department Emergency Equipment	Police Officer Training
Youth Division Teen Center	Court Special Projects
Parks Lodge Improvement	Probation
Community Relations	Indigent Drivers
SS Ballfield Complex	Court Technology
Park and Recreation Scholarship	Court Clerk Technology
Police Explorer	IDIA Monitoring

**NONMAJOR DEBT SERVICE FUND**

***General Obligation Bond Retirement Fund***

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

**MAJOR CAPITAL PROJECTS FUND**

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

***General Capital Improvements Fund***

This fund accounts for the portion of municipal income tax designated by Council for the purpose of improving, constructing, maintaining, and purchasing the capital items necessary to enhance the operation of the City.

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 4,500,967	\$ 5,065,955	\$ 5,044,854	\$ (21,101)
Income taxes . . . . .	11,007,843	12,389,616	8,596,327	(3,793,289)
Charges for services . . . . .	201,683	227,000	320,430	93,430
Licenses and permits. . . . .	725,883	817,000	822,826	5,826
Fines and forfeitures. . . . .	1,740,558	1,959,044	2,051,183	92,139
Intergovernmental . . . . .	2,753,343	3,098,960	3,288,641	189,681
Investment income . . . . .	247,751	255,000	300,973	45,973
Rental income . . . . .	168,721	189,900	191,765	1,865
Contributions and donations. . . . .	222,207	250,100	421,410	171,310
Other . . . . .	168,904	213,956	290,410	76,454
Total revenues . . . . .	<u>21,737,860</u>	<u>24,466,531</u>	<u>21,328,819</u>	<u>(3,137,712)</u>
<b>Expenditures:</b>				
Current:				
General government				
City Council				
Personal services . . . . .	300,909	356,427	355,596	831
Other . . . . .	68,986	13,468	13,466	2
Mayor's Office				
Personal services . . . . .	187,432	193,073	191,404	1,669
Other . . . . .	27,257	21,616	20,944	672
Finance Department				
Personal services . . . . .	439,854	402,570	401,199	1,371
Other . . . . .	29,232	66,516	57,868	8,648
Law Department				
Personal services . . . . .	376,810	353,892	352,529	1,363
Other . . . . .	20,273	43,191	28,548	14,643
Civil Service Commission				
Other . . . . .	1,200	1,200	707	493
Computer Services				
Personal services . . . . .	374,424	394,022	381,798	12,224
Other . . . . .	71,260	51,662	42,705	8,957
Service-Administration				
Personal services . . . . .	520,357	562,568	551,769	10,799
Other . . . . .	81,578	39,367	35,155	4,212
Service-Engineer				
Personal services . . . . .	526,092	554,635	551,053	3,582
Other . . . . .	76,122	47,579	39,356	8,223
Service-City Hall				
Personal services . . . . .	388,623	364,235	359,935	4,300
Other . . . . .	209,550	233,938	210,359	23,579
Service-Office				
Personal services . . . . .	205,535	243,035	229,659	13,376
Other . . . . .	54,850	17,350	16,726	624
Income Tax				
Personal services . . . . .	407,383	436,058	421,176	14,882
Other . . . . .	669,639	640,964	624,398	16,566
Human Resources				
Personal services . . . . .	128,657	142,579	140,610	1,969
Other . . . . .	35,202	21,280	17,247	4,033

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**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GENERAL FUND - (CONTINUED)**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Public Defender				
Other . . . . .	\$ 11,910	\$ 11,910	\$ 11,910	\$ -
Municipal Court - Subsidy				
Other . . . . .	100,000	100,000	83,702	16,298
SC Emergency Management - Subsidy				
Other . . . . .	15,000	15,000	14,463	537
Municipal Court - Judges				
Personal services . . . . .	1,552,102	1,549,602	1,349,313	200,289
Other . . . . .	381,900	384,400	217,964	166,436
Clerk of Courts				
Personal services . . . . .	1,302,750	1,298,231	1,180,767	117,464
Other . . . . .	147,600	152,119	151,956	163
County and State Fees				
Other . . . . .	139,012	139,012	139,010	2
Miscellaneous				
Other . . . . .	2,743,177	2,743,177	565,870	2,177,307
Total general government. . . . .	<u>11,594,676</u>	<u>11,594,676</u>	<u>8,759,162</u>	<u>2,835,514</u>
Security of persons and property				
Police				
Personal services . . . . .	4,475,691	4,557,539	4,508,991	48,548
Other . . . . .	791,049	709,201	554,602	154,599
Fire				
Personal services . . . . .	3,195,578	3,100,782	3,076,757	24,025
Other . . . . .	288,332	383,128	312,218	70,910
Police/Fire Communications				
Personal services . . . . .	951,894	1,022,433	1,015,701	6,732
Other . . . . .	166,124	95,585	91,765	3,820
Public Safety Service				
Other . . . . .	85,142	85,142	77,514	7,628
Total security of persons and property. . . . .	<u>9,953,810</u>	<u>9,953,810</u>	<u>9,637,548</u>	<u>316,262</u>
Public health				
Service - Cemetery				
Personal services . . . . .	85,530	77,726	77,419	307
Other . . . . .	5,064	12,868	8,622	4,246
County Health - Subsidy				
Other . . . . .	288,951	288,951	288,951	-
Total public health. . . . .	<u>379,545</u>	<u>379,545</u>	<u>374,992</u>	<u>4,553</u>
Leisure time activities				
Parks and Recreation - Administration				
Personal services . . . . .	356,770	264,224	264,196	28
Other . . . . .	42,789	135,335	129,929	5,406
Parks and Recreation - Recreation				
Personal services . . . . .	357,694	341,438	339,778	1,660
Other . . . . .	190,051	206,307	179,621	26,686
Parks and Recreation - Facility				
Other . . . . .	19,697	19,697	17,160	2,537

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**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND - (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Parks and Recreation - Service				
Personal services . . . . .	\$ 662,210	\$ 680,183	\$ 673,535	\$ 6,648
Other . . . . .	274,379	256,406	233,030	23,376
Total leisure time activities . . . . .	<u>1,903,590</u>	<u>1,903,590</u>	<u>1,837,249</u>	<u>66,341</u>
Community and economic environment				
Planning and Development				
Personal services . . . . .	549,474	549,474	448,578	100,896
Other . . . . .	43,889	43,889	38,506	5,383
Service - Urban Forestry				
Personal services . . . . .	249,505	272,519	269,818	2,701
Other . . . . .	80,265	57,251	48,877	8,374
Service - Building Inspection				
Personal services . . . . .	468,164	480,792	477,451	3,341
Other . . . . .	37,279	24,651	18,079	6,572
Total community and economic development . . . . .	<u>1,428,576</u>	<u>1,428,576</u>	<u>1,301,309</u>	<u>127,267</u>
Transportation				
Street Repair				
Personal services . . . . .	425,804	497,485	408,673	88,812
Other . . . . .	94,475	22,794	8,346	14,448
AMATS - Subsidy				
Other . . . . .	5,500	5,500	5,412	88
Total transportation . . . . .	<u>525,779</u>	<u>525,779</u>	<u>422,431</u>	<u>103,348</u>
Total expenditures . . . . .	<u>25,785,976</u>	<u>25,785,976</u>	<u>22,332,691</u>	<u>3,453,285</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(4,048,116)</u>	<u>(1,319,445)</u>	<u>(1,003,872)</u>	<u>315,573</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	1,976,520	2,224,625	750,000	(1,474,625)
Transfers out . . . . .	(753,664)	(753,664)	(664,122)	89,542
Advance in . . . . .	-	-	50,000	50,000
Total other financing sources (uses) . . . . .	<u>1,222,856</u>	<u>1,470,961</u>	<u>135,878</u>	<u>(1,335,083)</u>
Net change in fund balance . . . . .	(2,825,260)	151,516	(867,994)	(1,019,510)
<b>Fund balance at beginning of year . . . . .</b>	4,232,287	4,232,287	4,232,287	-
<b>Prior year encumbrances appropriated. . . . .</b>	<u>277,105</u>	<u>277,105</u>	<u>277,105</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1,684,132</u>	<u>\$ 4,660,908</u>	<u>\$ 3,641,398</u>	<u>\$ (1,019,510)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
EMS/FIRE TAX LEVY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property and other local taxes . . . . .	\$ 1,707,577	\$ 1,721,311	\$ 1,758,055	\$ 36,744
Income taxes . . . . .	148,803	150,000	-	(150,000)
Intergovernmental. . . . .	3,827,428	3,858,212	610,567	(3,247,645)
Other . . . . .	1,984,042	2,000,000	8,400	(1,991,600)
Total revenues. . . . .	<u>7,667,850</u>	<u>7,729,523</u>	<u>2,377,022</u>	<u>(5,352,501)</u>
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Personal services . . . . .	1,912,791	2,218,012	2,193,489	24,523
Other. . . . .	76,636	68,513	55,652	12,861
Capital outlay				
Other . . . . .	225,080	201,223	201,222	1
Debt service:				
Principal retirement . . . . .	50,000	50,000	50,000	-
Interest and fiscal charges . . . . .	39,221	35,064	35,063	1
Total expenditures. . . . .	<u>2,303,728</u>	<u>2,572,812</u>	<u>2,535,426</u>	<u>37,386</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>5,364,122</u>	<u>5,156,711</u>	<u>(158,404)</u>	<u>(5,315,115)</u>
<b>Other financing sources (uses):</b>				
Sale of notes . . . . .	1,258,188	1,268,307	675,000	(593,307)
Refunding of notes . . . . .	(601,777)	(532,693)	(525,000)	7,693
Premium on sale of notes. . . . .	10,703	10,789	5,742	(5,047)
Total other financing sources (uses). . . . .	<u>667,114</u>	<u>746,403</u>	<u>155,742</u>	<u>(590,661)</u>
Net change in fund balance . . . . .	6,031,236	5,903,114	(2,662)	(5,905,776)
<b>Fund balance at beginning of year . . . . .</b>	8,466	8,466	8,466	-
<b>Prior year encumbrances appropriated. . . . .</b>	11,955	11,955	11,955	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 6,051,657</u>	<u>\$ 5,923,535</u>	<u>\$ 17,759</u>	<u>\$ (5,905,776)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GENERAL CAPITAL IMPROVEMENTS FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>			<b>Variance with</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<b>Final Budget Positive (Negative)</b>
<b>Revenues:</b>				
Income taxes . . . . .	\$ 1,183,388	\$ 1,183,388	\$ 866,124	\$ (317,264)
Intergovernmental. . . . .	3,291,538	3,291,538	1,230,347	(2,061,191)
Special assessments . . . . .	10,000	10,000	21,282	11,282
Other . . . . .	19,455,074	19,455,074	2,733,596	(16,721,478)
Contributions and donations . . . . .	50,000	50,000	97,422	47,422
<b>Total revenues.</b> . . . .	<u>23,990,000</u>	<u>23,990,000</u>	<u>4,948,771</u>	<u>(19,041,229)</u>
<b>Expenditures:</b>				
Capital outlay				
Other . . . . .	27,446,430	27,446,430	6,764,129	20,682,301
Debt service:				
Principal retirement. . . . .	85,000	85,000	85,000	-
Interest and fiscal charges. . . . .	570,248	570,248	487,311	82,937
Note issue costs. . . . .	49,350	49,350	48,478	872
<b>Total expenditures</b> . . . . .	<u>28,151,028</u>	<u>28,151,028</u>	<u>7,384,918</u>	<u>20,766,110</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(4,161,028)</u>	<u>(4,161,028)</u>	<u>(2,436,147)</u>	<u>1,724,881</u>
<b>Other financing sources (uses):</b>				
Transfers in. . . . .	-	-	250,000	250,000
Refunding of notes . . . . .	(8,700,000)	(8,700,000)	(8,700,000)	-
Sale of notes . . . . .	8,510,000	8,510,000	7,900,000	(610,000)
Premium on bonds and notes. . . . .	500,000	1,000,000	72,140	(927,860)
<b>Total other financing sources (uses)</b> . . . . .	<u>310,000</u>	<u>810,000</u>	<u>(477,860)</u>	<u>(1,287,860)</u>
Net change in fund balance. . . . .	(3,851,028)	(3,351,028)	(2,914,007)	437,021
<b>Fund balance at beginning of year</b> . . . . .	2,579,642	2,579,642	2,579,642	-
<b>Prior year encumbrances appropriated</b> . . . . .	<u>2,306,278</u>	<u>2,306,278</u>	<u>2,306,278</u>	<u>-</u>
<b>Fund balance at end of year.</b> . . . . .	<u>\$ 1,034,892</u>	<u>\$ 1,534,892</u>	<u>\$ 1,971,913</u>	<u>\$ 437,021</u>

**CITY OF STOW, OHIO**

*BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2009*

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Funds</b>	<b>Total Nonmajor Governmental Funds</b>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . . .	\$ 3,643,719	\$ -	\$ 3,643,719
Cash held with escrow agent . . . . .	-	24,716	24,716
Receivables:			
Property taxes . . . . .	517,238	-	517,238
Accounts . . . . .	100	-	100
Intergovernmental . . . . .	842,922	-	842,922
Accrued interest . . . . .	64	-	64
Materials and supplies . . . . .	<u>550,681</u>	<u>-</u>	<u>550,681</u>
 Total assets . . . . .	 <u>\$ 5,554,724</u>	 <u>\$ 24,716</u>	 <u>\$ 5,579,440</u>
<b>Liabilities:</b>			
Accounts payable . . . . .	\$ 192,197	\$ -	\$ 192,197
Accrued wages and benefits . . . . .	643	-	643
Intergovernmental payable . . . . .	316,226	-	316,226
Deferred revenue . . . . .	513,288	-	513,288
Unearned revenue . . . . .	462,218	-	462,218
Matured bonds payable . . . . .	<u>-</u>	<u>24,716</u>	<u>24,716</u>
 Total liabilities . . . . .	 <u>1,484,572</u>	 <u>24,716</u>	 <u>1,509,288</u>
<b>Fund Balances:</b>			
Reserved for encumbrances . . . . .	163,096	-	163,096
Reserved for materials and supplies . . . . .	550,681	-	550,681
Unreserved, undesignated, reported in:			
Special revenue funds . . . . .	<u>3,356,375</u>	<u>-</u>	<u>3,356,375</u>
 Total fund balances . . . . .	 <u>4,070,152</u>	 <u>-</u>	 <u>4,070,152</u>
 Total liabilities and fund balance . . . . .	 <u>\$ 5,554,724</u>	 <u>\$ 24,716</u>	 <u>\$ 5,579,440</u>

**CITY OF STOW, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues:</b>			
Property and other taxes . . . . .	\$ 631,014	\$ -	\$ 631,014
Income taxes . . . . .	1,200,000	937,939	2,137,939
Special assessments . . . . .	65,953	-	65,953
Charges for services . . . . .	570,515	-	570,515
Fines and forfeitures . . . . .	905,315	-	905,315
Intergovernmental . . . . .	2,038,399	-	2,038,399
Investment income . . . . .	20,590	-	20,590
Rent . . . . .	91,296	-	91,296
Contributions and donations . . . . .	19,216	-	19,216
Other . . . . .	111,270	-	111,270
Total revenues . . . . .	<u>5,653,568</u>	<u>937,939</u>	<u>6,591,507</u>
<b>Expenditures:</b>			
Current:			
General government . . . . .	673,190	-	673,190
Security of persons and property . . . . .	1,656,710	-	1,656,710
Public health . . . . .	51,217	-	51,217
Leisure time activities . . . . .	289,283	-	289,283
Community and economic development . . . . .	46,816	-	46,816
Transportation . . . . .	2,161,280	-	2,161,280
Capital outlay . . . . .	562,652	-	562,652
Debt service:			
Principal retirement . . . . .	-	532,340	532,340
Interest and fiscal charges . . . . .	86,932	405,599	492,531
Total expenditures . . . . .	<u>5,528,080</u>	<u>937,939</u>	<u>6,466,019</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>125,488</u>	<u>-</u>	<u>125,488</u>
<b>Other financing sources (uses):</b>			
Refunding of notes . . . . .	(250,000)	-	(250,000)
Capital lease transaction . . . . .	109,000	-	109,000
Transfers in . . . . .	771,307	-	771,307
Transfers out . . . . .	(1,107,185)	-	(1,107,185)
Total other financing sources (uses) . . . . .	<u>(476,878)</u>	<u>-</u>	<u>(476,878)</u>
Special item - Municipal Court . . . . .	1,778,978	-	1,778,978
Net change in fund balances . . . . .	1,427,588	-	1,427,588
<b>Fund balances at beginning of year . . . . .</b>	<u>2,642,564</u>	<u>-</u>	<u>2,642,564</u>
<b>Fund balances at end of year . . . . .</b>	<u><u>\$ 4,070,152</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,070,152</u></u>

**CITY OF STOW, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2009*

	<u>Street Construction</u>	<u>State Highway Improvement</u>	<u>Police Pension and Disability</u>	<u>Fire Pension and Disability</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 302,735	\$ 18,591	\$ -	\$ -
Receivables:				
Property taxes. . . . .	-	-	238,779	238,779
Accounts . . . . .	-	-	-	-
Intergovernmental. . . . .	637,458	51,571	21,487	21,487
Accrued interest . . . . .	-	-	-	-
Materials and supplies. . . . .	<u>550,681</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets . . . . .	<u>\$ 1,490,874</u>	<u>\$ 70,162</u>	<u>\$ 260,266</u>	<u>\$ 260,266</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 38,147	\$ -	\$ -	\$ -
Accrued wages and benefits . . . . .	-	-	-	-
Intergovernmental payable . . . . .	25,272	736	150,026	137,732
Deferred revenue . . . . .	421,033	34,137	29,059	29,059
Unearned revenue . . . . .	<u>-</u>	<u>-</u>	<u>231,109</u>	<u>231,109</u>
Total liabilities. . . . .	<u>484,452</u>	<u>34,873</u>	<u>410,194</u>	<u>397,900</u>
<b>Fund Balances:</b>				
Reserved for encumbrances. . . . .	102,808	-	-	-
Reserved for materials and supplies. . . . .	550,681	-	-	-
Unreserved, undesignated (deficit), reported in:				
Special revenue funds. . . . .	<u>352,933</u>	<u>35,289</u>	<u>(149,928)</u>	<u>(137,634)</u>
Total fund balances. . . . .	<u>1,006,422</u>	<u>35,289</u>	<u>(149,928)</u>	<u>(137,634)</u>
Total liabilities and fund balance. . . . .	<u>\$ 1,490,874</u>	<u>\$ 70,162</u>	<u>\$ 260,266</u>	<u>\$ 260,266</u>

<u>Motor Vehicle License Tax</u>	<u>ODNR Litter Prevention Grant</u>	<u>EMS Transport Fees</u>	<u>Police Enforcement and Education</u>	<u>Special Assessment Improvements</u>	<u>Tree Trust</u>
\$ 167,803	\$ 60,148	\$ 37,565	\$ 62	\$ 11,412	\$ 117,058
-	-	-	-	-	-
-	-	-	-	-	-
18,847	-	-	195	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 186,650</u>	<u>\$ 60,148</u>	<u>\$ 37,565</u>	<u>\$ 257</u>	<u>\$ 11,412</u>	<u>\$ 117,058</u>
\$ -	\$ -	\$ 5,957	\$ -	\$ -	\$ -
-	643	-	-	-	-
-	436	-	-	210	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>1,079</u>	<u>5,957</u>	<u>-</u>	<u>210</u>	<u>-</u>
-	-	11,677	-	245	-
-	-	-	-	-	-
<u>186,650</u>	<u>59,069</u>	<u>19,931</u>	<u>257</u>	<u>10,957</u>	<u>117,058</u>
<u>186,650</u>	<u>59,069</u>	<u>31,608</u>	<u>257</u>	<u>11,202</u>	<u>117,058</u>
<u>\$ 186,650</u>	<u>\$ 60,148</u>	<u>\$ 37,565</u>	<u>\$ 257</u>	<u>\$ 11,412</u>	<u>\$ 117,058</u>

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**CITY OF STOW, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2009*

	<u>Communications Tower</u>	<u>Cemetery Trust</u>	<u>Park Improvements</u>	<u>Federal Law Enforcement Forfeited Fees</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 320,763	\$ 140,726	\$ 30,097	\$ 15,100
Receivables:				
Property taxes. . . . .	-	-	-	-
Accounts . . . . .	-	-	-	-
Intergovernmental. . . . .	-	-	-	-
Accrued interest . . . . .	-	-	-	-
Materials and supplies. . . . .	-	-	-	-
Total assets. . . . .	<u>\$ 320,763</u>	<u>\$ 140,726</u>	<u>\$ 30,097</u>	<u>\$ 15,100</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 22	\$ 778	\$ -	\$ 3,666
Accrued wages and benefits . . . . .	-	-	-	-
Intergovernmental payable . . . . .	-	-	-	-
Deferred revenue . . . . .	-	-	-	-
Unearned revenue . . . . .	-	-	-	-
Total liabilities. . . . .	<u>22</u>	<u>778</u>	<u>-</u>	<u>3,666</u>
<b>Fund Balances:</b>				
Reserved for encumbrances. . . . .	6,048	908	-	488
Reserved for materials and supplies. . . . .	-	-	-	-
Unreserved, undesignated (deficit), reported in:				
Special revenue funds. . . . .	<u>314,693</u>	<u>139,040</u>	<u>30,097</u>	<u>10,946</u>
Total fund balances. . . . .	<u>320,741</u>	<u>139,948</u>	<u>30,097</u>	<u>11,434</u>
Total liabilities and fund balance. . . . .	<u>\$ 320,763</u>	<u>\$ 140,726</u>	<u>\$ 30,097</u>	<u>\$ 15,100</u>



<u>D.A.R.E. Program</u>	<u>Youth Division Donations</u>	<u>Fire Department Emergency Equipment</u>	<u>Parks Youth</u>	<u>Police Department Emergency Equipment</u>	<u>Youth Division Teen Center</u>
\$ 3,544	\$ 6,059	\$ 2,022	\$ 862	\$ 1,545	\$ 1,281
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 3,544</u>	<u>\$ 6,059</u>	<u>\$ 2,022</u>	<u>\$ 862</u>	<u>\$ 1,545</u>	<u>\$ 1,281</u>
\$ 3,325	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
248	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,573</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	100	-	-	50
-	-	-	-	-	-
<u>(29)</u>	<u>6,059</u>	<u>1,922</u>	<u>862</u>	<u>1,545</u>	<u>1,231</u>
<u>(29)</u>	<u>6,059</u>	<u>2,022</u>	<u>862</u>	<u>1,545</u>	<u>1,281</u>
<u>\$ 3,544</u>	<u>\$ 6,059</u>	<u>\$ 2,022</u>	<u>\$ 862</u>	<u>\$ 1,545</u>	<u>\$ 1,281</u>

-- Continued

**CITY OF STOW, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2009*

	<u>Parks Lodge Improvement</u>	<u>Community Relations</u>	<u>SS Ballfield Complex</u>	<u>Park and Recreation Scholarship</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 36,009	\$ 7,525	\$ 17,329	\$ 1,858
Receivables:				
Property taxes. . . . .	-	-	-	-
Accounts . . . . .	100	-	-	-
Intergovernmental. . . . .	-	-	-	-
Accrued interest . . . . .	-	-	-	-
Materials and supplies. . . . .	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets . . . . .	<u>\$ 36,109</u>	<u>\$ 7,525</u>	<u>\$ 17,329</u>	<u>\$ 1,858</u>
 <b>Liabilities:</b>				
Accounts payable. . . . .	\$ -	\$ 95	\$ -	\$ -
Accrued wages and benefits . . . . .	-	-	-	-
Intergovernmental payable . . . . .	-	-	-	-
Deferred revenue . . . . .	-	-	-	-
Unearned revenue . . . . .	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities. . . . .	<u>-</u>	<u>95</u>	<u>-</u>	<u>-</u>
 <b>Fund Balances:</b>				
Reserved for encumbrances. . . . .	-	1,655	-	-
Reserved for materials and supplies. . . . .	-	-	-	-
Unreserved, undesignated (deficit), reported in:				
Special revenue funds. . . . .	36,109	5,775	17,329	1,858
	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances. . . . .	<u>36,109</u>	<u>7,430</u>	<u>17,329</u>	<u>1,858</u>
Total liabilities and fund balance. . . . .	<u>\$ 36,109</u>	<u>\$ 7,525</u>	<u>\$ 17,329</u>	<u>\$ 1,858</u>

<u>Business Assistance</u>	<u>City Lodging Tax</u>	<u>Residential Snow Removal</u>	<u>Enhanced 911 Wireless</u>	<u>Adopt a Tree/ Tree City</u>	<u>Police Officer Training</u>
\$ 69	\$ 374,242	\$ 10,472	\$ 142,277	\$ 3,262	\$ 6,446
-	39,680	-	-	-	-
-	-	-	-	-	-
-	-	-	22,149	-	860
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 69</u>	<u>\$ 413,922</u>	<u>\$ 10,472</u>	<u>\$ 164,426</u>	<u>\$ 3,262</u>	<u>\$ 7,306</u>
\$ -	\$ -	\$ -	\$ 134,629	\$ -	\$ -
-	-	-	-	-	-
-	1,566	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>1,566</u>	<u>-</u>	<u>134,629</u>	<u>-</u>	<u>-</u>
-	-	-	6,731	-	-
-	-	-	-	-	-
<u>69</u>	<u>412,356</u>	<u>10,472</u>	<u>23,066</u>	<u>3,262</u>	<u>7,306</u>
<u>69</u>	<u>412,356</u>	<u>10,472</u>	<u>29,797</u>	<u>3,262</u>	<u>7,306</u>
<u>\$ 69</u>	<u>\$ 413,922</u>	<u>\$ 10,472</u>	<u>\$ 164,426</u>	<u>\$ 3,262</u>	<u>\$ 7,306</u>

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**CITY OF STOW, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2009*

	<u>Court Special Projects</u>	<u>Probation</u>	<u>Indigent Drivers</u>	<u>Court Technology</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 979,604	\$ 38,623	\$ 694,398	\$ 62,051
Receivables:				
Property taxes. . . . .	-	-	-	-
Accounts . . . . .	-	-	-	-
Intergovernmental. . . . .	37,924	9,161	16,937	1,122
Accrued interest . . . . .	64	-	-	-
Materials and supplies. . . . .	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets . . . . .	<u>\$ 1,017,592</u>	<u>\$ 47,784</u>	<u>\$ 711,335</u>	<u>\$ 63,173</u>
 <b>Liabilities:</b>				
Accounts payable. . . . .	\$ -	\$ 4,949	\$ -	\$ 323
Accrued wages and benefits . . . . .	-	-	-	-
Intergovernmental payable . . . . .	-	-	-	-
Deferred revenue . . . . .	-	-	-	-
Unearned revenue . . . . .	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities. . . . .	<u>-</u>	<u>4,949</u>	<u>-</u>	<u>323</u>
 <b>Fund Balances:</b>				
Reserved for encumbrances. . . . .	-	31,152	-	-
Reserved for materials and supplies. . . . .	-	-	-	-
Unreserved, undesignated (deficit), reported in:				
Special revenue funds. . . . .	1,017,592	11,683	711,335	62,850
	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances. . . . .	<u>1,017,592</u>	<u>42,835</u>	<u>711,335</u>	<u>62,850</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and fund balance. . . . .	<u>\$ 1,017,592</u>	<u>\$ 47,784</u>	<u>\$ 711,335</u>	<u>\$ 63,173</u>

<b>Court Clerk Technology</b>	<b>IDIA Monitoring</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ 8,234	\$ 23,947	\$ 3,643,719
-	-	517,238
-	-	100
3,724	-	842,922
-	-	64
-	-	550,681
<u>\$ 11,958</u>	<u>\$ 23,947</u>	<u>\$ 5,554,724</u>
\$ 306	\$ -	\$ 192,197
-	-	643
-	-	316,226
-	-	513,288
-	-	462,218
<u>306</u>	<u>-</u>	<u>1,484,572</u>
1,234	-	163,096
-	-	550,681
<u>10,418</u>	<u>23,947</u>	<u>3,356,375</u>
<u>11,652</u>	<u>23,947</u>	<u>4,070,152</u>
<u>\$ 11,958</u>	<u>\$ 23,947</u>	<u>\$ 5,554,724</u>

**CITY OF STOW, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<b>Street Construction</b>	<b>State Highway Improvement</b>	<b>Police Pension and Disability</b>	<b>Fire Pension and Disability</b>
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ -	\$ -	\$ 229,312	\$ 229,312
Income taxes . . . . .	1,175,000	-	-	-
Special assessments . . . . .	-	-	-	-
Charges for services . . . . .	-	-	-	-
Fines and forfeitures . . . . .	13,864	-	-	-
Intergovernmental . . . . .	1,297,109	104,992	42,481	42,481
Investment income . . . . .	4,511	851	-	-
Rent . . . . .	-	-	-	-
Contributions and donations. . . . .	-	-	-	-
Other . . . . .	18,226	4,366	-	-
<b>Total revenues . . . . .</b>	<b>2,508,710</b>	<b>110,209</b>	<b>271,793</b>	<b>271,793</b>
 <b>Expenditures:</b>				
Current:				
General government . . . . .	-	-	-	-
Security of persons and property. . . . .	-	-	589,070	554,694
Public health . . . . .	-	-	-	-
Leisure time activities . . . . .	-	-	-	-
Community and economic development . . . . .	-	-	-	-
Transportation . . . . .	2,004,283	156,997	-	-
Capital outlay. . . . .	20,387	-	-	-
Debt service:				
Interest and fiscal charges. . . . .	-	-	-	-
<b>Total expenditures . . . . .</b>	<b>2,024,670</b>	<b>156,997</b>	<b>589,070</b>	<b>554,694</b>
 Excess (deficiency) of revenues over (under) expenditures . . . . .	 484,040	 (46,788)	 (317,277)	 (282,901)
 <b>Other financing sources (uses):</b>				
Refunding of notes. . . . .	-	-	-	-
Capital lease transaction. . . . .	-	-	-	-
Transfers in . . . . .	-	-	330,166	289,189
Transfers out . . . . .	-	-	-	-
<b>Total other financing sources (uses) . . . . .</b>	<b>-</b>	<b>-</b>	<b>330,166</b>	<b>289,189</b>
 Special item - Municipal Court . . . . .	 -	 -	 -	 -
 Net change in fund balances. . . . .	 484,040	 (46,788)	 12,889	 6,288
 <b>Fund balances (deficits) at beginning of year . . . . .</b>	 522,382	 82,077	 (162,817)	 (143,922)
 <b>Fund balances (deficits) at end of year . . . . .</b>	 <b>\$ 1,006,422</b>	 <b>\$ 35,289</b>	 <b>\$ (149,928)</b>	 <b>\$ (137,634)</b>

<b>Motor Vehicle License Tax</b>	<b>ODNR Litter Prevention Grant</b>	<b>EMS Transport Fees</b>	<b>Police Enforcement and Education</b>	<b>Special Assessment Improvements</b>	<b>Tree Trust</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	65,953	-
-	-	543,299	-	-	-
-	-	-	1,811	-	-
237,554	28,006	-	-	-	-
3,259	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	67,411
<u>240,813</u>	<u>28,006</u>	<u>543,299</u>	<u>1,811</u>	<u>65,953</u>	<u>67,411</u>
-	-	-	-	-	-
-	-	253,306	-	55,905	-
-	9,961	-	-	-	-
-	-	-	-	-	215,354
-	-	-	-	-	-
-	-	-	-	-	-
224,711	-	83	5,338	-	-
-	-	86,932	-	-	-
<u>224,711</u>	<u>9,961</u>	<u>340,321</u>	<u>5,338</u>	<u>55,905</u>	<u>215,354</u>
-	-	-	-	-	-
16,102	18,045	202,978	(3,527)	10,048	(147,943)
-	-	(250,000)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(250,000)	-	-	-
-	-	-	-	-	-
16,102	18,045	(47,022)	(3,527)	10,048	(147,943)
170,548	41,024	78,630	3,784	1,154	265,001
<u>\$ 186,650</u>	<u>\$ 59,069</u>	<u>\$ 31,608</u>	<u>\$ 257</u>	<u>\$ 11,202</u>	<u>\$ 117,058</u>

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**CITY OF STOW, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<b>Communications Tower</b>	<b>Cemetery Trust</b>	<b>Park Improvements</b>	<b>Federal Law Enforcement Forfeited Fees</b>
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Income taxes . . . . .	-	-	-	-
Special assessments . . . . .	-	-	-	-
Charges for services . . . . .	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	-
Intergovernmental . . . . .	-	-	-	-
Investment income . . . . .	-	-	-	-
Rent . . . . .	91,296	-	-	-
Contributions and donations. . . . .	9,425	-	500	-
Other . . . . .	200	13,906	-	-
<b>Total revenues . . . . .</b>	<b>100,921</b>	<b>13,906</b>	<b>500</b>	<b>-</b>
<b>Expenditures:</b>				
Current:				
General government . . . . .	-	-	-	-
Security of persons and property. . . . .	-	-	-	2,362
Public health . . . . .	-	41,256	-	-
Leisure time activities . . . . .	-	-	200	-
Community and economic development . . . . .	45,306	-	-	-
Transportation . . . . .	-	-	-	-
Capital outlay. . . . .	110,641	32,641	-	18,083
Debt service:				
Interest and fiscal charges. . . . .	-	-	-	-
<b>Total expenditures . . . . .</b>	<b>155,947</b>	<b>73,897</b>	<b>200</b>	<b>20,445</b>
Excess (deficiency) of revenues over (under) expenditures . . . . .	(55,026)	(59,991)	300	(20,445)
<b>Other financing sources (uses):</b>				
Refunding of notes. . . . .	-	-	-	-
Capital lease transaction. . . . .	109,000	-	-	-
Transfers in . . . . .	-	-	-	-
Transfers out . . . . .	-	-	-	-
<b>Total other financing sources (uses) . . . . .</b>	<b>109,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
Special item - Municipal Court . . . . .	-	-	-	-
Net change in fund balances. . . . .	53,974	(59,991)	300	(20,445)
<b>Fund balances (deficits) at beginning of year . . . . .</b>	<b>266,767</b>	<b>199,939</b>	<b>29,797</b>	<b>31,879</b>
<b>Fund balances (deficits) at end of year . . . . .</b>	<b>\$ 320,741</b>	<b>\$ 139,948</b>	<b>\$ 30,097</b>	<b>\$ 11,434</b>



<u>Community Events</u>	<u>Safety Town</u>	<u>D.A.R.E. Program</u>	<u>Youth Division Donations</u>	<u>Fire Department Emergency Equipment</u>	<u>Parks Youth</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
9,166	-	-	-	-	-
-	-	-	-	-	-
-	-	11,951	-	-	-
-	-	-	-	-	-
240	5,610	-	-	2,013	-
-	-	-	-	600	-
<u>9,406</u>	<u>5,610</u>	<u>11,951</u>	<u>-</u>	<u>2,613</u>	<u>-</u>
-	-	-	-	-	-
-	7,779	18,712	-	2,656	-
-	-	-	-	-	-
32,603	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>32,603</u>	<u>7,779</u>	<u>18,712</u>	<u>-</u>	<u>2,656</u>	<u>-</u>
<u>(23,197)</u>	<u>(2,169)</u>	<u>(6,761)</u>	<u>-</u>	<u>(43)</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
17,000	1,267	7,500	-	-	-
-	-	-	-	-	-
<u>17,000</u>	<u>1,267</u>	<u>7,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
(6,197)	(902)	739	-	(43)	-
<u>6,197</u>	<u>902</u>	<u>(768)</u>	<u>6,059</u>	<u>2,065</u>	<u>862</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (29)</u>	<u>\$ 6,059</u>	<u>\$ 2,022</u>	<u>\$ 862</u>

-- Continued

**CITY OF STOW, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<b>Police Department Emergency Equipment</b>	<b>Youth Division Teen Center</b>	<b>Parks Lodge Improvement</b>	<b>Community Relations</b>
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Income taxes . . . . .	-	-	-	-
Special assessments . . . . .	-	-	-	-
Charges for services . . . . .	-	4,845	13,205	-
Fines and forfeitures . . . . .	-	-	-	-
Intergovernmental . . . . .	-	-	-	-
Investment income . . . . .	-	-	-	-
Rent . . . . .	-	-	-	-
Contributions and donations. . . . .	6	-	-	-
Other . . . . .	-	341	-	-
<b>Total revenues . . . . .</b>	<b>6</b>	<b>5,186</b>	<b>13,205</b>	<b>-</b>
<b>Expenditures:</b>				
Current:				
General government . . . . .	-	-	-	-
Security of persons and property. . . . .	-	-	-	-
Public health . . . . .	-	-	-	-
Leisure time activities . . . . .	-	5,638	21,990	-
Community and economic development . . . . .	-	-	-	1,510
Transportation . . . . .	-	-	-	-
Capital outlay. . . . .	-	-	21,515	-
Debt service:				
Interest and fiscal charges. . . . .	-	-	-	-
<b>Total expenditures . . . . .</b>	<b>-</b>	<b>5,638</b>	<b>43,505</b>	<b>1,510</b>
Excess (deficiency) of revenues over (under) expenditures . . . . .	6	(452)	(30,300)	(1,510)
<b>Other financing sources (uses):</b>				
Refunding of notes. . . . .	-	-	-	-
Capital lease transaction. . . . .	-	-	-	-
Transfers in . . . . .	-	-	-	-
Transfers out . . . . .	-	-	-	-
<b>Total other financing sources (uses) . . . . .</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Special item - Municipal Court . . . . .	-	-	-	-
<b>Net change in fund balances. . . . .</b>	<b>6</b>	<b>(452)</b>	<b>(30,300)</b>	<b>(1,510)</b>
<b>Fund balances (deficits) at beginning of year . . . . .</b>	<b>1,539</b>	<b>1,733</b>	<b>66,409</b>	<b>8,940</b>
<b>Fund balances (deficits) at end of year . . . . .</b>	<b>\$ 1,545</b>	<b>\$ 1,281</b>	<b>\$ 36,109</b>	<b>\$ 7,430</b>

<u>SS Ballfield Complex</u>	<u>Park and Recreation Scholarship</u>	<u>Police Explorer</u>	<u>Community Development</u>	<u>FEMA</u>	<u>Business Assistance</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	100,000	26,003	-
-	-	-	-	-	-
-	-	-	-	-	115
5,906	64	-	-	-	-
<u>5,906</u>	<u>64</u>	<u>-</u>	<u>100,000</u>	<u>26,003</u>	<u>115</u>
-	-	-	-	-	-
-	-	377	-	-	46
-	-	-	-	-	-
13,498	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	100,000	26,003	-
-	-	-	-	-	-
<u>13,498</u>	<u>-</u>	<u>377</u>	<u>100,000</u>	<u>26,003</u>	<u>46</u>
<u>(7,592)</u>	<u>64</u>	<u>(377)</u>	<u>-</u>	<u>-</u>	<u>69</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(7,592)	64	(377)	-	-	69
24,921	1,794	377	-	-	-
<u>\$ 17,329</u>	<u>\$ 1,858</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69</u>

-- Continued

**CITY OF STOW, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<b>City Lodging Tax</b>	<b>Residential Snow Removal</b>	<b>Enhanced 911 Wireless</b>	<b>Adopt a Tree/ Tree City</b>
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 172,390	\$ -	\$ -	\$ -
Income taxes . . . . .	-	-	25,000	-
Special assessments . . . . .	-	-	-	-
Charges for services . . . . .	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	-
Intergovernmental . . . . .	-	-	124,745	-
Investment income . . . . .	-	-	-	-
Rent . . . . .	-	-	-	-
Contributions and donations . . . . .	-	-	-	-
Other . . . . .	-	-	-	-
<b>Total revenues . . . . .</b>	<b>172,390</b>	<b>-</b>	<b>149,745</b>	<b>-</b>
<b>Expenditures:</b>				
Current:				
General government . . . . .	144,923	-	-	-
Security of persons and property . . . . .	-	24,408	141,361	-
Public health . . . . .	-	-	-	-
Leisure time activities . . . . .	-	-	-	-
Community and economic development . . . . .	-	-	-	-
Transportation . . . . .	-	-	-	-
Capital outlay . . . . .	-	-	-	-
Debt service:				
Interest and fiscal charges . . . . .	-	-	-	-
<b>Total expenditures . . . . .</b>	<b>144,923</b>	<b>24,408</b>	<b>141,361</b>	<b>-</b>
Excess (deficiency) of revenues over (under) expenditures . . . . .	27,467	(24,408)	8,384	-
<b>Other financing sources (uses):</b>				
Refunding of notes . . . . .	-	-	-	-
Capital lease transaction . . . . .	-	-	-	-
Transfers in . . . . .	-	19,000	-	-
Transfers out . . . . .	-	-	-	-
<b>Total other financing sources (uses) . . . . .</b>	<b>-</b>	<b>19,000</b>	<b>-</b>	<b>-</b>
Special item - Municipal Court . . . . .	-	-	-	-
Net change in fund balances . . . . .	27,467	(5,408)	8,384	-
<b>Fund balances (deficits) at beginning of year . . . . .</b>	<b>384,889</b>	<b>15,880</b>	<b>21,413</b>	<b>3,262</b>
<b>Fund balances (deficits) at end of year . . . . .</b>	<b>\$ 412,356</b>	<b>\$ 10,472</b>	<b>\$ 29,797</b>	<b>\$ 3,262</b>

<b>Police Officer Training</b>	<b>Court Special Projects</b>	<b>Probation</b>	<b>Indigent Drivers</b>	<b>Court Technology</b>	<b>Court Clerk Technology</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	605,763	138,400	20,363	45,931	48,721
6,140	-	-	16,937	-	-
-	11,969	-	-	-	-
-	-	-	-	-	-
-	1,307	-	-	-	-
-	250	-	-	-	-
<u>6,140</u>	<u>619,289</u>	<u>138,400</u>	<u>37,300</u>	<u>45,931</u>	<u>48,721</u>
-	6,944	55,057	75,000	350,000	41,266
6,034	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	3,250	-	-	-	-
-	-	-	-	-	-
<u>6,034</u>	<u>10,194</u>	<u>55,057</u>	<u>75,000</u>	<u>350,000</u>	<u>41,266</u>
<u>106</u>	<u>609,095</u>	<u>83,343</u>	<u>(37,700)</u>	<u>(304,069)</u>	<u>7,455</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	7,185	-	-	100,000	-
-	(850,000)	(250,000)	-	-	-
-	(842,815)	(250,000)	-	100,000	-
-	569,015	199,041	748,188	262,734	-
106	335,295	32,384	710,488	58,665	7,455
<u>7,200</u>	<u>682,297</u>	<u>10,451</u>	<u>847</u>	<u>4,185</u>	<u>4,197</u>
<u>\$ 7,306</u>	<u>\$ 1,017,592</u>	<u>\$ 42,835</u>	<u>\$ 711,335</u>	<u>\$ 62,850</u>	<u>\$ 11,652</u>

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**CITY OF STOW, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<b>IDIA Monitoring</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b>Revenues:</b>		
Property and other taxes . . . . .	\$ -	\$ 631,014
Income taxes . . . . .	-	1,200,000
Special assessments . . . . .	-	65,953
Charges for services . . . . .	-	570,515
Fines and forfeitures . . . . .	30,462	905,315
Intergovernmental . . . . .	-	2,038,399
Investment income . . . . .	-	20,590
Rent . . . . .	-	91,296
Contributions and donations. . . . .	-	19,216
Other . . . . .	-	111,270
Total revenues . . . . .	<u>30,462</u>	<u>5,653,568</u>
 <b>Expenditures:</b>		
Current:		
General government . . . . .	-	673,190
Security of persons and property. . . . .	-	1,656,710
Public health . . . . .	-	51,217
Leisure time activities . . . . .	-	289,283
Community and economic development . . . . .	-	46,816
Transportation . . . . .	-	2,161,280
Capital outlay. . . . .	-	562,652
Debt service:		
Interest and fiscal charges. . . . .	-	86,932
Total expenditures . . . . .	<u>-</u>	<u>5,528,080</u>
 Excess (deficiency) of revenues over (under) expenditures . . . . .	 <u>30,462</u>	 <u>125,488</u>
 <b>Other financing sources (uses):</b>		
Refunding of notes. . . . .	-	(250,000)
Capital lease transaction. . . . .	-	109,000
Transfers in . . . . .	-	771,307
Transfers out . . . . .	<u>(7,185)</u>	<u>(1,107,185)</u>
Total other financing sources (uses) . . . . .	<u>(7,185)</u>	<u>(476,878)</u>
 Special item - Municipal Court . . . . .	 -	 1,778,978
 Net change in fund balances. . . . .	 23,277	 1,427,588
 <b>Fund balances (deficits) at beginning of year . . . . .</b>	 <u>670</u>	 <u>2,642,564</u>
 <b>Fund balances (deficits) at end of year . . . . .</b>	 <u>\$ 23,947</u>	 <u>\$ 4,070,152</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STREET CONSTRUCTION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>Revenues:</b>				
Income taxes . . . . .	\$ 1,185,154	\$ 1,225,615	\$ 1,175,000	\$ (50,615)
Fines and forfeitures . . . . .	48,349	50,000	12,876	(37,124)
Intergovernmental. . . . .	1,640,378	1,696,380	1,292,567	(403,813)
Investment income . . . . .	3,868	4,000	4,511	511
Other . . . . .	51,396	53,150	18,226	(34,924)
<b>Total revenues.</b> . . . .	<u>2,929,145</u>	<u>3,029,145</u>	<u>2,503,180</u>	<u>(525,965)</u>
<b>Expenditures:</b>				
Current:				
Transportation				
Personal services . . . . .	1,441,064	1,427,907	1,414,314	13,593
Other . . . . .	1,269,298	1,282,455	1,153,444	129,011
Capital outlay				
Other . . . . .	196,553	196,553	25,908	170,645
<b>Total expenditures.</b> . . . .	<u>2,906,915</u>	<u>2,906,915</u>	<u>2,593,666</u>	<u>313,249</u>
Net change in fund balance. . . . .	22,230	122,230	(90,486)	(212,716)
<b>Fund balance at beginning of year . . . . .</b>	99,962	99,962	99,962	-
<b>Prior year encumbrances appropriated . . .</b>	<u>152,304</u>	<u>152,304</u>	<u>152,304</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 274,496</u>	<u>\$ 374,496</u>	<u>\$ 161,780</u>	<u>\$ (212,716)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STATE HIGHWAY IMPROVEMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 127,172	\$ 127,172	\$ 104,621	\$ (22,551)
Investment income . . . . .	500	500	851	351
Other . . . . .	26,828	26,828	4,366	(22,462)
Total revenues . . . . .	<u>154,500</u>	<u>154,500</u>	<u>109,838</u>	<u>(44,662)</u>
<b>Expenditures:</b>				
Current:				
Transportation				
Personal services . . . . .	33,700	33,700	32,935	765
Other . . . . .	141,421	141,421	130,561	10,860
Total expenditures . . . . .	<u>175,121</u>	<u>175,121</u>	<u>163,496</u>	<u>11,625</u>
Net change in fund balance . . . . .	(20,621)	(20,621)	(53,658)	(33,037)
<b>Fund balance at beginning of year . . . . .</b>	65,949	65,949	65,949	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>6,300</u>	<u>6,300</u>	<u>6,300</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 51,628</u>	<u>\$ 51,628</u>	<u>\$ 18,591</u>	<u>\$ (33,037)</u>



**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**POLICE PENSION AND DISABILITY FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property and other local taxes. . . . .	\$ 189,565	\$ 224,885	\$ 229,312	\$ 4,427
Intergovernmental. . . . .	39,219	46,526	42,479	(4,047)
Total revenues. . . . .	<u>228,784</u>	<u>271,411</u>	<u>271,791</u>	<u>380</u>
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Personal services . . . . .	606,689	606,689	598,026	8,663
Other . . . . .	4,130	4,130	3,931	199
Total expenditures . . . . .	<u>610,819</u>	<u>610,819</u>	<u>601,957</u>	<u>8,862</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(382,035)</u>	<u>(339,408)</u>	<u>(330,166)</u>	<u>9,242</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	358,251	425,000	330,166	(94,834)
Total other financing sources. . . . .	<u>358,251</u>	<u>425,000</u>	<u>330,166</u>	<u>(94,834)</u>
Net change in fund balance . . . . .	(23,784)	85,592	-	(85,592)
<b>Fund balance at beginning of year. . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance (deficit) at end of year . . . . .</b>	<u>\$ (23,784)</u>	<u>\$ 85,592</u>	<u>\$ -</u>	<u>\$ (85,592)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**FIRE PENSION AND DISABILITY FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property and other local taxes . . . . .	\$ 222,394	\$ 224,885	\$ 229,312	\$ 4,427
Intergovernmental . . . . .	46,011	46,526	42,479	(4,047)
Total revenues. . . . .	<u>268,405</u>	<u>271,411</u>	<u>271,791</u>	<u>380</u>
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Personal services . . . . .	585,469	585,469	557,050	28,419
Other . . . . .	4,130	4,130	3,930	200
Total expenditures . . . . .	<u>589,599</u>	<u>589,599</u>	<u>560,980</u>	<u>28,619</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(321,194)</u>	<u>(318,188)</u>	<u>(289,189)</u>	<u>28,999</u>
<b>Other financing sources:</b>				
Transfers in. . . . .	568,630	575,000	289,189	(285,811)
Total other financing sources. . . . .	<u>568,630</u>	<u>575,000</u>	<u>289,189</u>	<u>(285,811)</u>
Net change in fund balance. . . . .	247,436	256,812	-	(256,812)
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 247,436</u>	<u>\$ 256,812</u>	<u>\$ -</u>	<u>\$ (256,812)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**MOTOR VEHICLE LICENSE TAX FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 240,000	\$ 240,000	\$ 237,667	\$ (2,333)
Investment income . . . . .	2,000	2,000	3,319	1,319
Other . . . . .	67,798	67,798	-	(67,798)
<b>Total revenues.</b> . . . .	<u>309,798</u>	<u>309,798</u>	<u>240,986</u>	<u>(68,812)</u>
<b>Expenditures:</b>				
Capital outlay				
Other . . . . .	393,528	393,528	224,711	168,817
<b>Total expenditures.</b> . . . .	<u>393,528</u>	<u>393,528</u>	<u>224,711</u>	<u>168,817</u>
Net change in fund balance . . . . .	(83,730)	(83,730)	16,275	100,005
<b>Fund balance at beginning of year.</b> . . . .	<u>151,528</u>	<u>151,528</u>	<u>151,528</u>	<u>-</u>
<b>Fund balance at end of year.</b> . . . .	<u>\$ 67,798</u>	<u>\$ 67,798</u>	<u>\$ 167,803</u>	<u>\$ 100,005</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**ODNR LITTER PREVENTION GRANT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental. . . . .	\$ 38,195	\$ 38,195	\$ 28,006	\$ (10,189)
Total revenues. . . . .	<u>38,195</u>	<u>38,195</u>	<u>28,006</u>	<u>(10,189)</u>
<b>Expenditures:</b>				
Current:				
Public health				
Personal services . . . . .	8,930	10,263	10,179	84
Other . . . . .	46,412	45,079	3,521	41,558
Total expenditures . . . . .	<u>55,342</u>	<u>55,342</u>	<u>13,700</u>	<u>41,642</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(17,147)</u>	<u>(17,147)</u>	<u>14,306</u>	<u>31,453</u>
<b>Other financing sources:</b>				
Transfers in. . . . .	16,500	16,500	-	(16,500)
Total other financing sources. . . . .	<u>16,500</u>	<u>16,500</u>	<u>-</u>	<u>(16,500)</u>
Net change in fund balance . . . . .	(647)	(647)	14,306	14,953
<b>Fund balance at beginning of year. . . . .</b>	42,634	42,634	42,634	-
<b>Prior year encumbrances appropriated. . .</b>	<u>3,208</u>	<u>3,208</u>	<u>3,208</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 45,195</u>	<u>\$ 45,195</u>	<u>\$ 60,148</u>	<u>\$ 14,953</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
EMS TRANSPORT FEES FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 798,250	\$ 798,250	\$ 609,335	\$ (188,915)
Total revenues . . . . .	<u>798,250</u>	<u>798,250</u>	<u>609,335</u>	<u>(188,915)</u>
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Other . . . . .	285,462	285,462	264,983	20,479
Capital outlay				
Other. . . . .	200	200	83	117
Debt service:				
Interest and fiscal charges . . . . .	<u>86,932</u>	<u>86,932</u>	<u>86,932</u>	<u>-</u>
Total expenditures . . . . .	<u>372,594</u>	<u>372,594</u>	<u>351,998</u>	<u>20,596</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>425,656</u>	<u>425,656</u>	<u>257,337</u>	<u>(209,511)</u>
<b>Other financing uses:</b>				
Refunding of notes . . . . .	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
Total other financing uses. . . . .	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
Net change in fund balance . . . . .	175,656	175,656	7,337	(168,319)
<b>Fund balance at beginning of year . . . . .</b>	8,108	8,108	8,108	-
<b>Prior year encumbrances appropriated. . .</b>	<u>4,486</u>	<u>4,486</u>	<u>4,486</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 188,250</u>	<u>\$ 188,250</u>	<u>\$ 19,931</u>	<u>\$ (168,319)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**POLICE ENFORCEMENT AND EDUCATION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 42,436	\$ 42,436	\$ 1,701	\$ (40,735)
Total revenues. . . . .	<u>42,436</u>	<u>42,436</u>	<u>1,701</u>	<u>(40,735)</u>
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Other . . . . .	361	361	-	361
Capital outlay				
Other. . . . .	<u>5,338</u>	<u>5,338</u>	<u>5,338</u>	<u>-</u>
Total expenditures . . . . .	<u>5,699</u>	<u>5,699</u>	<u>5,338</u>	<u>361</u>
Net change in fund balance. . . . .	36,737	36,737	(3,637)	(40,374)
<b>Fund balance at beginning of year . . . . .</b>	<u>3,699</u>	<u>3,699</u>	<u>3,699</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 40,436</u>	<u>\$ 40,436</u>	<u>\$ 62</u>	<u>\$ (40,374)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SPECIAL ASSESSMENT IMPROVEMENTS FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Special assessments. . . . .	\$ 238,703	\$ 238,703	\$ 65,953	\$ (172,750)
Total revenues. . . . .	<u>238,703</u>	<u>238,703</u>	<u>65,953</u>	<u>(172,750)</u>
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Other . . . . .	57,154	57,154	56,150	1,004
Total expenditures . . . . .	<u>57,154</u>	<u>57,154</u>	<u>56,150</u>	<u>1,004</u>
Net change in fund balance. . . . .	181,549	181,549	9,803	(171,746)
<b>Fund balance at beginning of year . . . . .</b>	562	562	562	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>592</u>	<u>592</u>	<u>592</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 182,703</u>	<u>\$ 182,703</u>	<u>\$ 10,957</u>	<u>\$ (171,746)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**TREE TRUST FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Other . . . . .	\$ -	\$ -	\$ 67,411	\$ 67,411
Total revenues. . . . .	-	-	67,411	67,411
<b>Expenditures:</b>				
Current:				
Leisure time activities				
Other . . . . .	215,355	215,355	215,354	1
Total expenditures . . . . .	215,355	215,355	215,354	1
Net change in fund balance. . . . .	(215,355)	(215,355)	(147,943)	67,412
<b>Fund balance at beginning of year . . . . .</b>	<u>265,001</u>	<u>265,001</u>	<u>265,001</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 49,646</u>	<u>\$ 49,646</u>	<u>\$ 117,058</u>	<u>\$ 67,412</u>



**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COMMUNICATIONS TOWER FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Other . . . . .	\$ -	\$ -	\$ 200	\$ 200
Rental income . . . . .	471,108	471,108	91,296	(379,812)
Contributions and donations . . . . .	-	-	9,425	9,425
<b>Total revenues.</b> . . . . .	<u>471,108</u>	<u>471,108</u>	<u>100,921</u>	<u>(370,187)</u>
<b>Expenditures:</b>				
Current:				
Economic development				
Other . . . . .	615,987	615,987	49,717	566,270
Capital outlay				
Other . . . . .	5,512	5,512	5,511	1
<b>Total expenditures.</b> . . . . .	<u>621,499</u>	<u>621,499</u>	<u>55,228</u>	<u>566,271</u>
<b>Net change in fund balance.</b> . . . . .	(150,391)	(150,391)	45,693	196,084
<b>Fund balance at beginning of year . . . . .</b>	265,483	265,483	265,483	-
<b>Prior year encumbrances appropriated . .</b>	<u>3,517</u>	<u>3,517</u>	<u>3,517</u>	<u>-</u>
<b>Fund balance at end of year.</b> . . . . .	<u>\$ 118,609</u>	<u>\$ 118,609</u>	<u>\$ 314,693</u>	<u>\$ 196,084</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**CEMETERY TRUST FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Other . . . . .	\$ 35,000	\$ 35,000	\$ 13,906	\$ (21,094)
Total revenues. . . . .	<u>35,000</u>	<u>35,000</u>	<u>13,906</u>	<u>(21,094)</u>
<b>Expenditures:</b>				
Current:				
Public health				
Other . . . . .	186,006	186,006	43,526	142,480
Capital outlay . . . . .				
Other . . . . .	<u>50,000</u>	<u>50,000</u>	<u>32,640</u>	<u>17,360</u>
Total expenditures . . . . .	<u>236,006</u>	<u>236,006</u>	<u>76,166</u>	<u>159,840</u>
Net change in fund balance. . . . .	(201,006)	(201,006)	(62,260)	138,746
<b>Fund balance at beginning of year . . . . .</b>	199,939	199,939	199,939	-
<b>Prior year encumbrances appropriated . . .</b>	<u>1,361</u>	<u>1,361</u>	<u>1,361</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 294</u>	<u>\$ 294</u>	<u>\$ 139,040</u>	<u>\$ 138,746</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**PARK IMPROVEMENTS FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Contributions and donations. . . . .	\$ -	\$ 300	\$ 500	\$ 200
Total revenues. . . . .	-	300	500	200
<b>Expenditures:</b>				
Current:				
Leisure time activities				
Other . . . . .	-	300	200	100
Total expenditures . . . . .	-	300	200	100
Net change in fund balance. . . . .	-	-	300	300
<b>Fund balance at beginning of year . . . . .</b>	<u>29,797</u>	<u>29,797</u>	<u>29,797</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 29,797</u>	<u>\$ 29,797</u>	<u>\$ 30,097</u>	<u>\$ 300</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**FEDERAL LAW ENFORCEMENT FORFEITED FEES FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Other . . . . .	\$ 10,000	\$ 10,000	\$ -	\$ (10,000)
Total revenues . . . . .	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Other . . . . .	2,671	2,671	2,671	-
Capital outlay				
Other . . . . .	<u>36,404</u>	<u>36,404</u>	<u>22,107</u>	<u>14,297</u>
Total expenditures . . . . .	<u>39,075</u>	<u>39,075</u>	<u>24,778</u>	<u>14,297</u>
Net change in fund balance . . . . .	(29,075)	(29,075)	(24,778)	4,297
<b>Fund balance at beginning of year . . . . .</b>	26,649	26,649	26,649	-
<b>Prior year encumbrances appropriated . . .</b>	<u>9,075</u>	<u>9,075</u>	<u>9,075</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 6,649</u>	<u>\$ 6,649</u>	<u>\$ 10,946</u>	<u>\$ 4,297</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COMMUNITY EVENTS FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 21,931	\$ 72,970	\$ -	\$ (72,970)
Charges for services . . . . .	3,006	10,000	9,166	(834)
Licenses and permits. . . . .	1,803	6,000	-	(6,000)
Contributions and donations. . . . .	902	3,000	240	(2,760)
<b>Total revenues. . . . .</b>	<u>27,642</u>	<u>91,970</u>	<u>9,406</u>	<u>(82,564)</u>
<b>Expenditures:</b>				
Current:				
Leisure time activities				
Other . . . . .	76,675	76,675	33,081	43,594
<b>Total expenditures . . . . .</b>	<u>76,675</u>	<u>76,675</u>	<u>33,081</u>	<u>43,594</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(49,033)</u>	<u>15,295</u>	<u>(23,675)</u>	<u>(38,970)</u>
<b>Other financing sources:</b>				
Transfers in. . . . .	15,328	51,000	17,000	(34,000)
<b>Total other financing sources. . . . .</b>	<u>15,328</u>	<u>51,000</u>	<u>17,000</u>	<u>(34,000)</u>
Net change in fund balance. . . . .	(33,705)	66,295	(6,675)	(72,970)
<b>Fund balance at beginning of year . . . . .</b>	5,343	5,343	5,343	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>1,332</u>	<u>1,332</u>	<u>1,332</u>	<u>-</u>
<b>Fund balance (deficit) at end of year . . . . .</b>	<u>\$ (27,030)</u>	<u>\$ 72,970</u>	<u>\$ -</u>	<u>\$ (72,970)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SAFETY TOWN FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Contributions and donations. . . . .	\$ 9,890	\$ 9,890	\$ 5,610	\$ (4,280)
Total revenues. . . . .	<u>9,890</u>	<u>9,890</u>	<u>5,610</u>	<u>(4,280)</u>
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Personal services. . . . .	3,300	3,356	3,356	-
Other. . . . .	<u>5,902</u>	<u>5,846</u>	<u>4,423</u>	<u>1,423</u>
Total expenditures . . . . .	<u>9,202</u>	<u>9,202</u>	<u>7,779</u>	<u>1,423</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>688</u>	<u>688</u>	<u>(2,169)</u>	<u>(2,857)</u>
<b>Other financing sources:</b>				
Transfers in. . . . .	-	3,000	1,267	(1,733)
Total other financing sources. . . . .	<u>-</u>	<u>3,000</u>	<u>1,267</u>	<u>(1,733)</u>
Net change in fund balance. . . . .	688	3,688	(902)	(4,590)
<b>Fund balance at beginning of year . . . . .</b>	<u>902</u>	<u>902</u>	<u>902</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1,590</u>	<u>\$ 4,590</u>	<u>\$ -</u>	<u>\$ (4,590)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**D.A.R.E PROGRAM FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 21,650	\$ 21,650	\$ 11,951	\$ (9,699)
Total revenues. . . . .	<u>21,650</u>	<u>21,650</u>	<u>11,951</u>	<u>(9,699)</u>
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Personal services. . . . .	19,065	19,065	11,951	7,114
Other. . . . .	10,100	10,100	7,698	2,402
Total expenditures . . . . .	<u>29,165</u>	<u>29,165</u>	<u>19,649</u>	<u>9,516</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(7,515)</u>	<u>(7,515)</u>	<u>(7,698)</u>	<u>(183)</u>
<b>Other financing sources:</b>				
Transfers in. . . . .	15,000	55,000	7,500	(47,500)
Total other financing sources. . . . .	<u>15,000</u>	<u>55,000</u>	<u>7,500</u>	<u>(47,500)</u>
Net change in fund balance. . . . .	7,485	47,485	(198)	(47,683)
<b>Fund balance at beginning of year . . . . .</b>	<u>417</u>	<u>417</u>	<u>417</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 7,902</u>	<u>\$ 47,902</u>	<u>\$ 219</u>	<u>\$ (47,683)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**YOUTH DIVISION DONATIONS FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Fund balance at beginning of year . . . . .</b>	\$ 6,059	\$ 6,059	\$ 6,059	\$ -
<b>Fund balance at end of year . . . . .</b>	<u>\$ 6,059</u>	<u>\$ 6,059</u>	<u>\$ 6,059</u>	<u>\$ -</u>



**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**FIRE DEPARTMENT EMERGENCY EQUIPMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Contributions and donations. . . . .	\$ 200,000	\$ 200,000	\$ 2,013	\$ (197,987)
Other . . . . .	10,000	10,000	600	(9,400)
Total revenues. . . . .	<u>210,000</u>	<u>210,000</u>	<u>2,613</u>	<u>(207,387)</u>
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Other . . . . .	211,162	211,162	2,756	208,406
Total expenditures . . . . .	<u>211,162</u>	<u>211,162</u>	<u>2,756</u>	<u>208,406</u>
Net change in fund balance. . . . .	(1,162)	(1,162)	(143)	1,019
<b>Fund balance at beginning of year . . . . .</b>	903	903	903	-
<b>Prior year encumbrances appropriated . . .</b>	<u>1,162</u>	<u>1,162</u>	<u>1,162</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 903</u>	<u>\$ 903</u>	<u>\$ 1,922</u>	<u>\$ 1,019</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**PARKS YOUTH FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Fund balance at beginning of year . . . . .</b>	\$ 862	\$ 862	\$ 862	\$ -
<b>Fund balance at end of year . . . . .</b>	<u>\$ 862</u>	<u>\$ 862</u>	<u>\$ 862</u>	<u>\$ -</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**POLICE DEPARTMENT EMERGENCY EQUIPMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Contributions and donations. . . . .	\$ -	\$ -	\$ 6	\$ 6
Total revenues. . . . .	<u>-</u>	<u>-</u>	<u>6</u>	<u>6</u>
Net change in fund balance. . . . .	-	-	6	6
<b>Fund balance at beginning of year . . . . .</b>	<u>1,539</u>	<u>1,539</u>	<u>1,539</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1,539</u>	<u>\$ 1,539</u>	<u>\$ 1,545</u>	<u>\$ 6</u>

CITY OF STOW, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**YOUTH DIVISION TEEN CENTER FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
<b>Revenues:</b>				
Charges for services . . . . .	\$ 22,000	\$ 11,000	\$ 4,845	\$ (6,155)
Other . . . . .	30,000	15,000	341	(14,659)
Total revenues . . . . .	<u>52,000</u>	<u>26,000</u>	<u>5,186</u>	<u>(20,814)</u>
<b>Expenditures:</b>				
Current:				
Leisure time activities				
Other . . . . .	12,507	12,507	5,911	6,596
Capital outlay				
Other . . . . .	450	450	-	450
Total expenditures . . . . .	<u>12,957</u>	<u>12,957</u>	<u>5,911</u>	<u>7,046</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>39,043</u>	<u>13,043</u>	<u>(725)</u>	<u>(13,768)</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	8,000	4,000	-	(4,000)
Total other financing sources . . . . .	<u>8,000</u>	<u>4,000</u>	<u>-</u>	<u>(4,000)</u>
Net change in fund balance . . . . .	47,043	17,043	(725)	(17,768)
<b>Fund balance at beginning of year . . . . .</b>	1,749	1,749	1,749	-
<b>Prior year encumbrances appropriated . . .</b>	<u>207</u>	<u>207</u>	<u>207</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 48,999</u>	<u>\$ 18,999</u>	<u>\$ 1,231</u>	<u>\$ (17,768)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**PARKS LODGE IMPROVEMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 513,592	\$ 513,592	\$ 13,105	\$ (500,487)
Total revenues. . . . .	<u>513,592</u>	<u>513,592</u>	<u>13,105</u>	<u>(500,487)</u>
<b>Expenditures:</b>				
Current:				
Leisure time activities				
Other . . . . .	558,485	558,485	21,990	536,495
Capital outlay				
Other . . . . .	<u>21,515</u>	<u>21,515</u>	<u>21,515</u>	<u>-</u>
Total expenditures . . . . .	<u>580,000</u>	<u>580,000</u>	<u>43,505</u>	<u>536,495</u>
Net change in fund balance. . . . .	(66,408)	(66,408)	(30,400)	36,008
<b>Fund balance at beginning of year . . . . .</b>	<u>66,409</u>	<u>66,409</u>	<u>66,409</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 36,009</u>	<u>\$ 36,008</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COMMUNITY RELATIONS FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures:</b>				
Current:				
Community development				
Other . . . . .	\$ 8,503	\$ 8,503	\$ 3,165	\$ 5,338
Total expenditures . . . . .	<u>8,503</u>	<u>8,503</u>	<u>3,165</u>	<u>5,338</u>
Net change in fund balance. . . . .	(8,503)	(8,503)	(3,165)	5,338
<b>Fund balance at beginning of year . . . . .</b>	<u>8,940</u>	<u>8,940</u>	<u>8,940</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 437</u>	<u>\$ 437</u>	<u>\$ 5,775</u>	<u>\$ 5,338</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SS BALLFIELD COMPLEX FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Other . . . . .	\$ -	\$ -	\$ 5,906	\$ 5,906
Total revenues . . . . .	-	-	5,906	5,906
<b>Expenditures:</b>				
Current:				
Leisure time activities				
Other . . . . .	13,497	13,498	13,498	-
Total expenditures . . . . .	13,497	13,498	13,498	-
Net change in fund balance . . . . .	(13,497)	(13,498)	(7,592)	5,906
<b>Fund balance at beginning of year . . . . .</b>	<u>24,921</u>	<u>24,921</u>	<u>24,921</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 11,424</u>	<u>\$ 11,423</u>	<u>\$ 17,329</u>	<u>\$ 5,906</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**PARK AND RECREATION SCHOLARSHIP FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Other. . . . .	\$ -	\$ -	\$ 64	\$ 64
Total revenues. . . . .	-	-	64	64
Net change in fund balance. . . . .	-	-	64	64
<b>Fund balance at beginning of year . . . . .</b>	<u>1,794</u>	<u>1,794</u>	<u>1,794</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 1,794</u>	<u>\$ 1,794</u>	<u>\$ 1,858</u>	<u>\$ 64</u>



**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**POLICE EXPLORER FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Contributions and donations. . . . .	\$ 7,500	\$ 7,500	\$ -	\$ (7,500)
Total revenues. . . . .	<u>7,500</u>	<u>7,500</u>	<u>-</u>	<u>(7,500)</u>
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Other . . . . .	7,400	7,400	377	7,023
Total expenditures . . . . .	<u>7,400</u>	<u>7,400</u>	<u>377</u>	<u>7,023</u>
Net change in fund balance. . . . .	100	100	(377)	(477)
<b>Fund balance at beginning of year . . . . .</b>	<u>377</u>	<u>377</u>	<u>377</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 477</u>	<u>\$ 477</u>	<u>\$ -</u>	<u>\$ (477)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COMMUNITY DEVELOPMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 226,600	\$ 226,600	\$ 100,000	\$ (126,600)
Total revenues. . . . .	<u>226,600</u>	<u>226,600</u>	<u>100,000</u>	<u>(126,600)</u>
<b>Expenditures:</b>				
Capital outlay				
Other . . . . .	100,000	100,000	100,000	-
Total expenditures . . . . .	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Net change in fund balance. . . . .	126,600	126,600	-	(126,600)
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 126,600</u>	<u>\$ 126,600</u>	<u>\$ -</u>	<u>\$ (126,600)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**FEMA FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 20,000	\$ 70,000	\$ 26,003	\$ (43,997)
Total revenues. . . . .	<u>20,000</u>	<u>70,000</u>	<u>26,003</u>	<u>(43,997)</u>
<b>Expenditures:</b>				
Capital outlay				
Other . . . . .	55,000	55,000	26,003	28,997
Total expenditures . . . . .	<u>55,000</u>	<u>55,000</u>	<u>26,003</u>	<u>28,997</u>
Net change in fund balance. . . . .	(35,000)	15,000	-	(15,000)
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance (deficit) at end of year. . . . .</b>	<u>\$ (35,000)</u>	<u>\$ 15,000</u>	<u>\$ -</u>	<u>\$ (15,000)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**BUSINESS ASSISTANCE FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Contributions and donations. . . . .	\$ 10,000	\$ 10,000	\$ 115	\$ (9,885)
Total revenues. . . . .	<u>10,000</u>	<u>10,000</u>	<u>115</u>	<u>(9,885)</u>
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Other. . . . .	47	47	46	1
Total expenditures . . . . .	<u>47</u>	<u>47</u>	<u>46</u>	<u>1</u>
Net change in fund balance. . . . .	9,953	9,953	69	(9,884)
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 9,953</u>	<u>\$ 9,953</u>	<u>\$ 69</u>	<u>\$ (9,884)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**CITY LODGING TAX FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property and other local taxes . . . . .	\$ 107,917	\$ 185,000	\$ 170,831	\$ (14,169)
Other . . . . .	32,083	55,000	-	(55,000)
Total revenues. . . . .	<u>140,000</u>	<u>240,000</u>	<u>170,831</u>	<u>(69,169)</u>
<b>Expenditures:</b>				
Current:				
General government				
Personal services . . . . .	-	93,364	93,359	5
Other . . . . .	350,422	257,058	49,998	207,060
Capital outlay				
Other . . . . .	<u>181,346</u>	<u>181,346</u>	<u>-</u>	<u>181,346</u>
Total expenditures . . . . .	<u>531,768</u>	<u>531,768</u>	<u>143,357</u>	<u>388,411</u>
Net change in fund balance. . . . .	(391,768)	(291,768)	27,474	319,242
<b>Fund balance at beginning of year . . . . .</b>	<u>346,768</u>	<u>346,768</u>	<u>346,768</u>	<u>-</u>
<b>Fund balance (deficit) at end of year. . . . .</b>	<u>\$ (45,000)</u>	<u>\$ 55,000</u>	<u>\$ 374,242</u>	<u>\$ 319,242</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**RESIDENTIAL SNOW REMOVAL FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Other . . . . .	\$ 56,632	\$ 56,632	\$ 30,160	\$ 26,472
Total expenditures . . . . .	<u>56,632</u>	<u>56,632</u>	<u>30,160</u>	<u>26,472</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(56,632)</u>	<u>(56,632)</u>	<u>(30,160)</u>	<u>26,472</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	<u>55,000</u>	<u>55,000</u>	<u>19,000</u>	<u>(36,000)</u>
Total other financing sources. . . . .	<u>55,000</u>	<u>55,000</u>	<u>19,000</u>	<u>(36,000)</u>
Net change in fund balance. . . . .	(1,632)	(1,632)	(11,160)	(9,528)
<b>Fund balance at beginning of year . . . . .</b>	743	743	743	-
<b>Prior year encumbrances appropriated . .</b>	<u>20,889</u>	<u>20,889</u>	<u>20,889</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 10,472</u>	<u>\$ (9,528)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ENHANCED 911 WIRELESS FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Income taxes . . . . .	\$ -	\$ -	\$ 25,000	\$ 25,000
Intergovernmental . . . . .	1,100,000	1,100,000	109,892	(990,108)
Total revenues. . . . .	<u>1,100,000</u>	<u>1,100,000</u>	<u>134,892</u>	<u>(965,108)</u>
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Other . . . . .	120,000	120,000	6,732	113,268
Capital outlay				
Other . . . . .	<u>1,000,000</u>	<u>1,000,000</u>	<u>141,360</u>	<u>858,640</u>
Total expenditures . . . . .	<u>1,120,000</u>	<u>1,120,000</u>	<u>148,092</u>	<u>971,908</u>
Net change in fund balance. . . . .	(20,000)	(20,000)	(13,200)	6,800
<b>Fund balance at beginning of year . . . . .</b>	<u>14,117</u>	<u>14,117</u>	<u>14,117</u>	<u>-</u>
<b>Fund balance (deficit) at end of year. . . . .</b>	<u>\$ (5,883)</u>	<u>\$ (5,883)</u>	<u>\$ 917</u>	<u>\$ 6,800</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**ADOPT A TREE/TREE CITY FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Fund balance at beginning of year . . . . .</b>	\$ 3,262	\$ 3,262	\$ 3,262	\$ -
<b>Fund balance at end of year. . . . .</b>	<u>\$ 3,262</u>	<u>\$ 3,262</u>	<u>\$ 3,262</u>	<u>\$ -</u>



**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**POLICE OFFICER TRAINING FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 10,000	\$ 10,000	\$ 5,280	\$ (4,720)
Total revenues. . . . .	<u>10,000</u>	<u>10,000</u>	<u>5,280</u>	<u>(4,720)</u>
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Other . . . . .	10,000	10,000	6,034	3,966
Total expenditures . . . . .	<u>10,000</u>	<u>10,000</u>	<u>6,034</u>	<u>3,966</u>
Net change in fund balance. . . . .	-	-	(754)	(754)
<b>Fund balance at beginning of year . . . . .</b>	<u>7,200</u>	<u>7,200</u>	<u>7,200</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 7,200</u>	<u>\$ 7,200</u>	<u>\$ 6,446</u>	<u>\$ (754)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COURT SPECIAL PROJECTS FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 450,000	\$ 450,000	\$ 614,867	\$ 164,867
Investment income . . . . .	20,000	20,000	11,905	(8,095)
Contributions and donations . . . . .	-	-	1,307	1,307
Other. . . . .	4,500	4,500	250	(4,250)
<b>Total revenues.</b> . . . .	<u>474,500</u>	<u>474,500</u>	<u>628,329</u>	<u>153,829</u>
<b>Expenditures:</b>				
Current:				
General government				
Other . . . . .	806,519	806,519	6,944	799,575
Capital outlay				
Other. . . . .	3,250	3,250	3,250	-
<b>Total expenditures.</b> . . . .	<u>809,769</u>	<u>809,769</u>	<u>10,194</u>	<u>799,575</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(335,269)</u>	<u>(335,269)</u>	<u>618,135</u>	<u>953,404</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	975,500	975,500	7,185	(968,315)
Transfers out. . . . .	(850,000)	(850,000)	(850,000)	-
<b>Total other financing sources (uses)</b> . . . . .	<u>125,500</u>	<u>125,500</u>	<u>(842,815)</u>	<u>(968,315)</u>
<b>Special item:</b>				
Municipal Court funds. . . . .	550,000	550,000	569,015	19,015
Net change in fund balance. . . . .	340,231	340,231	344,335	4,104
<b>Fund balance at beginning of year</b> . . . . .	<u>635,269</u>	<u>635,269</u>	<u>635,269</u>	<u>-</u>
<b>Fund balance at end of year.</b> . . . . .	<u>\$ 975,500</u>	<u>\$ 975,500</u>	<u>\$ 979,604</u>	<u>\$ 4,104</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**PROBATION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 120,000	\$ 120,000	\$ 139,690	\$ 19,690
Total revenues. . . . .	<u>120,000</u>	<u>120,000</u>	<u>139,690</u>	<u>19,690</u>
<b>Expenditures:</b>				
Current:				
General government				
Other . . . . .	126,646	145,000	86,209	58,791
Total expenditures . . . . .	<u>126,646</u>	<u>145,000</u>	<u>86,209</u>	<u>58,791</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(6,646)</u>	<u>(25,000)</u>	<u>53,481</u>	<u>78,481</u>
<b>Other financing sources (uses):</b>				
Transfers in. . . . .	105,000	105,000	-	(105,000)
Transfers out . . . . .	(218,354)	(250,000)	(250,000)	-
Total other financing sources (uses) . . . . .	<u>(113,354)</u>	<u>(145,000)</u>	<u>(250,000)</u>	<u>(105,000)</u>
<b>Special item:</b>				
Municipal Court funds. . . . .	225,000	225,000	199,041	(25,959)
Net change in fund balance. . . . .	105,000	55,000	2,522	(52,478)
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 105,000</u>	<u>\$ 55,000</u>	<u>\$ 2,522</u>	<u>\$ (52,478)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**INDIGENT DRIVERS FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 50,000	\$ 50,000	\$ 21,210	\$ (28,790)
Total revenues. . . . .	<u>50,000</u>	<u>50,000</u>	<u>21,210</u>	<u>(28,790)</u>
<b>Expenditures:</b>				
Current:				
General government				
Other . . . . .	800,000	800,000	75,000	725,000
Total expenditures . . . . .	<u>800,000</u>	<u>800,000</u>	<u>75,000</u>	<u>725,000</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(750,000)</u>	<u>(750,000)</u>	<u>(53,790)</u>	<u>696,210</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	100,000	100,000	-	(100,000)
Total other financing sources. . . . .	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>(100,000)</u>
<b>Special item:</b>				
Municipal Court funds. . . . .	750,000	750,000	748,188	(1,812)
Net change in fund balance. . . . .	100,000	100,000	694,398	594,398
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 694,398</u>	<u>\$ 594,398</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COURT TECHNOLOGY FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 61,250	\$ 70,000	\$ 48,994	\$ (21,006)
Total revenues. . . . .	<u>61,250</u>	<u>70,000</u>	<u>48,994</u>	<u>(21,006)</u>
<b>Expenditures:</b>				
Current:				
General government				
Other . . . . .	<u>222,000</u>	<u>372,000</u>	<u>350,000</u>	<u>22,000</u>
Total expenditures . . . . .	<u>222,000</u>	<u>372,000</u>	<u>350,000</u>	<u>22,000</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(160,750)</u>	<u>(302,000)</u>	<u>(301,006)</u>	<u>994</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	<u>157,500</u>	<u>180,000</u>	<u>100,000</u>	<u>(80,000)</u>
Total other financing sources. . . . .	<u>157,500</u>	<u>180,000</u>	<u>100,000</u>	<u>(80,000)</u>
<b>Special item:</b>				
Municipal Court funds. . . . .	<u>131,250</u>	<u>150,000</u>	<u>262,734</u>	<u>112,734</u>
Net change in fund balance. . . . .	<u>128,000</u>	<u>28,000</u>	<u>61,728</u>	<u>33,728</u>
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 128,000</u>	<u>\$ 28,000</u>	<u>\$ 61,728</u>	<u>\$ 33,728</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COURT CLERK TECHNOLOGY FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ -	\$ 70,000	\$ 49,194	\$ (20,806)
Intergovernmental . . . . .	-	228,000	-	(228,000)
Investment income . . . . .	-	2,000	-	(2,000)
<b>Total revenues.</b> . . . .	<u>-</u>	<u>300,000</u>	<u>49,194</u>	<u>(250,806)</u>
<b>Expenditures:</b>				
Current:				
General government				
Other . . . . .	192,000	192,000	42,500	149,500
Capital outlay				
Other . . . . .	<u>30,000</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>
<b>Total expenditures.</b> . . . .	<u>222,000</u>	<u>222,000</u>	<u>42,500</u>	<u>179,500</u>
Net change in fund balance. . . . .	(222,000)	78,000	6,694	(71,306)
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance (deficit) at end of year. . . . .</b>	<u>\$ (222,000)</u>	<u>\$ 78,000</u>	<u>\$ 6,694</u>	<u>\$ (71,306)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**IDA MONITORING FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 300,000	\$ 100,000	\$ 31,132	\$ (68,868)
Total revenues. . . . .	<u>300,000</u>	<u>100,000</u>	<u>31,132</u>	<u>(68,868)</u>
<b>Expenditures:</b>				
Current:				
General government				
Other . . . . .	17,815	17,815	-	17,815
Total expenditures . . . . .	<u>17,815</u>	<u>17,815</u>	<u>-</u>	<u>17,815</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>282,185</u>	<u>82,185</u>	<u>31,132</u>	<u>(51,053)</u>
<b>Other financing uses:</b>				
Transfers out . . . . .	(7,185)	(7,185)	(7,185)	-
Total other financing uses. . . . .	<u>(7,185)</u>	<u>(7,185)</u>	<u>(7,185)</u>	<u>-</u>
Net change in fund balance. . . . .	275,000	75,000	23,947	(51,053)
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 275,000</u>	<u>\$ 75,000</u>	<u>\$ 23,947</u>	<u>\$ (51,053)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GENERAL OBLIGATION BOND RETIREMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Income taxes. . . . .	\$ 1,486,457	\$ 1,486,457	\$ 937,939	\$ (548,518)
Total revenues. . . . .	<u>1,486,457</u>	<u>1,486,457</u>	<u>937,939</u>	<u>(548,518)</u>
<b>Expenditures:</b>				
Debt service:				
Principal retirement. . . . .	303,495	532,340	532,340	-
Interest and fiscal charges. . . . .	<u>634,444</u>	<u>505,599</u>	<u>405,599</u>	<u>100,000</u>
Total expenditures . . . . .	<u>937,939</u>	<u>1,037,939</u>	<u>937,939</u>	<u>100,000</u>
Net change in fund balance. . . . .	548,518	448,518	-	(448,518)
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 548,518</u>	<u>\$ 448,518</u>	<u>\$ -</u>	<u>\$ (448,518)</u>



**CITY OF STOW, OHIO**

*INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - PROPRIETARY FUNDS*

**ENTERPRISE FUNDS**

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

**Major Enterprise Funds**

***Water Fund***

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

***Golf Fund***

This fund accounts for revenues generated and expenses for the Fox Den Golf Course.

***Storm Water Utility Fund***

This fund accounts for the provision of storm drainage runoff service to the residents and commercial users located within the City.

**INTERNAL SERVICE FUNDS**

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

**Nonmajor Internal Service Funds**

***Administrative Insurance Fund***

This fund accounts for the receipt and disbursement of funds to administrate the City's self-funded insurance plan for health, hospitalization and dental coverage and payment of premiums of life, accidental death and dismemberment insurance.

***Self-Insurance Fund***

This fund accounts for the operation of the City's self-insurance program for employee health benefits.

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
WATER FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 5,694,000	\$ 5,694,000	\$ 4,775,174	\$ (918,826)
Tap-in fees . . . . .	40,000	40,000	24,370	(15,630)
Other . . . . .	49,964	49,964	107,026	57,062
Total revenues . . . . .	<u>5,783,964</u>	<u>5,783,964</u>	<u>4,906,570</u>	<u>(877,394)</u>
<b>Operating expenses:</b>				
Personal services . . . . .	1,094,368	1,135,921	1,129,302	6,619
Materials and supplies . . . . .	283,641	283,641	172,264	111,377
Contractual services . . . . .	3,516,216	3,474,663	2,515,036	959,627
Capital outlay . . . . .	<u>2,527,561</u>	<u>2,527,561</u>	<u>1,007,680</u>	<u>1,519,881</u>
Total expenses . . . . .	<u>7,421,786</u>	<u>7,421,786</u>	<u>4,824,282</u>	<u>2,597,504</u>
Operating income (loss) . . . . .	<u>(1,637,822)</u>	<u>(1,637,822)</u>	<u>82,288</u>	<u>1,720,110</u>
<b>Nonoperating revenues (expenses):</b>				
Intergovernmental . . . . .	200,000	200,000	-	(200,000)
Special assessments . . . . .	24,000	24,000	23,750	(250)
Advances out . . . . .	(50,000)	(50,000)	(50,000)	-
Notes issued . . . . .	5,000,000	5,000,000	1,000,000	(4,000,000)
Premium on notes issued . . . . .	392,036	392,036	8,506	(383,530)
Debt service:				
Principal retirement . . . . .	(1,224,244)	(1,218,452)	(1,218,452)	-
Interest and fiscal charges . . . . .	(97,704)	(103,496)	(49,072)	54,424
Note issuance costs . . . . .	<u>(2,000)</u>	<u>(2,000)</u>	<u>(909)</u>	<u>1,091</u>
Total nonoperating revenues (expenses) . . . . .	<u>4,242,088</u>	<u>4,242,088</u>	<u>(286,177)</u>	<u>(4,528,265)</u>
Net change in fund equity . . . . .	2,604,266	2,604,266	(203,889)	(2,808,155)
<b>Fund equity at beginning of year . . . . .</b>	2,494,443	2,494,443	2,494,443	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>541,791</u>	<u>541,791</u>	<u>541,791</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 5,640,500</u>	<u>\$ 5,640,500</u>	<u>\$ 2,832,345</u>	<u>\$ (2,808,155)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GOLF FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 4,363,071	\$ 925,500	\$ 890,927	\$ (34,573)
Other . . . . .	815,572	173,000	137,492	(35,508)
Total revenues . . . . .	<u>5,178,643</u>	<u>1,098,500</u>	<u>1,028,419</u>	<u>(70,081)</u>
<b>Operating expenses:</b>				
Personal services . . . . .	518,277	528,822	524,511	4,311
Materials and supplies . . . . .	435,891	454,191	412,923	41,268
Contractual services . . . . .	88,671	92,394	78,784	13,610
Capital outlay . . . . .	51,044	53,187	42,182	11,005
Total expenses . . . . .	<u>1,093,883</u>	<u>1,128,594</u>	<u>1,058,400</u>	<u>70,194</u>
Operating income (loss) . . . . .	<u>4,084,760</u>	<u>(30,094)</u>	<u>(29,981)</u>	<u>113</u>
<b>Nonoperating revenues (expenses):</b>				
Income taxes . . . . .	3,071,357	651,500	354,440	(297,060)
Debt service:				
Principal retirement . . . . .	(145,000)	(145,000)	(145,000)	-
Interest and fiscal charges . . . . .	(219,151)	(234,440)	(234,440)	-
Total nonoperating revenues (expenses) . . . . .	<u>2,707,206</u>	<u>272,060</u>	<u>(25,000)</u>	<u>(297,060)</u>
Net change in fund equity . . . . .	6,791,966	241,966	(54,981)	(296,947)
<b>Fund equity at beginning of year . . . . .</b>	54,274	54,274	54,274	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>15,820</u>	<u>15,820</u>	<u>15,820</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 6,862,060</u>	<u>\$ 312,060</u>	<u>\$ 15,113</u>	<u>\$ (296,947)</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STORM WATER UTILITY FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 1,800,000	\$ 1,800,000	\$ 797,935	\$ (1,002,065)
Other . . . . .	500,000	500,000	503	(499,497)
Total revenues . . . . .	<u>2,300,000</u>	<u>2,300,000</u>	<u>798,438</u>	<u>(1,501,562)</u>
<b>Operating expenses:</b>				
Personal services . . . . .	309,685	364,712	349,635	15,077
Materials and supplies . . . . .	203,130	203,130	63,700	139,430
Contractual services . . . . .	85,588	85,588	73,744	11,844
Capital outlay . . . . .	831,221	776,194	78,766	697,428
Total expenses . . . . .	<u>1,429,624</u>	<u>1,429,624</u>	<u>565,845</u>	<u>863,779</u>
Operating income (loss) . . . . .	<u>870,376</u>	<u>870,376</u>	<u>232,593</u>	<u>(637,783)</u>
<b>Nonoperating revenues:</b>				
Special assessments . . . . .	-	-	9,548	9,548
Total nonoperating revenues . . . . .	<u>-</u>	<u>-</u>	<u>9,548</u>	<u>9,548</u>
Net change in fund equity . . . . .	870,376	870,376	242,141	(628,235)
<b>Fund equity at beginning of year . . . . .</b>	75,137	75,137	75,137	-
<b>Prior year encumbrances appropriated . . .</b>	<u>54,486</u>	<u>54,486</u>	<u>54,486</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 999,999</u>	<u>\$ 999,999</u>	<u>\$ 371,764</u>	<u>\$ (628,235)</u>

**CITY OF STOW, OHIO**

*COMBINING STATEMENT OF NET ASSETS  
NONMAJOR INTERNAL SERVICE FUNDS  
DECEMBER 31, 2009*

	<u>Administrative Insurance</u>	<u>Self-Insurance</u>	<u>Total Nonmajor Internal Service Funds</u>
<b>Assets:</b>			
Current assets:			
Equity in pooled cash and cash equivalents . . .	\$ 1,802	\$ 1,026,907	\$ 1,028,709
Receivables (net of allowance for uncollectibles):			
Accounts . . . . .	-	94,550	94,550
Total assets . . . . .	<u>1,802</u>	<u>1,121,457</u>	<u>1,123,259</u>
<b>Liabilities:</b>			
Current liabilities:			
Claims payable. . . . .	-	707,200	707,200
Total liabilities . . . . .	<u>-</u>	<u>707,200</u>	<u>707,200</u>
<b>Net assets:</b>			
Unrestricted . . . . .	1,802	414,257	416,059
Total net assets . . . . .	<u>\$ 1,802</u>	<u>\$ 414,257</u>	<u>\$ 416,059</u>

**CITY OF STOW, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS  
NONMAJOR INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<b>Administrative Insurance</b>	<b>Self-Insurance</b>	<b>Total Nonmajor Internal Service Funds</b>
<b>Operating revenues:</b>			
Charges for services . . . . .	\$ 236,311	\$ 2,991,212	\$ 3,227,523
Other . . . . .	-	147,067	147,067
Total operating revenues . . . . .	<u>236,311</u>	<u>3,138,279</u>	<u>3,374,590</u>
<b>Operating expenses:</b>			
Contract services . . . . .	236,447	-	236,447
Claims . . . . .	-	3,610,692	3,610,692
Total operating expenses . . . . .	<u>236,447</u>	<u>3,610,692</u>	<u>3,847,139</u>
Operating loss/changes in net assets . . . . .	(136)	(472,413)	(472,549)
<b>Net assets at beginning of year . . . . .</b>	<u>1,938</u>	<u>886,670</u>	<u>888,608</u>
<b>Net assets at end of year . . . . .</b>	<u>\$ 1,802</u>	<u>\$ 414,257</u>	<u>\$ 416,059</u>

**CITY OF STOW, OHIO**

*COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<b>Administrative Insurance</b>	<b>Self-Insurance</b>	<b>Total Nonmajor Internal Service Funds</b>
<b>Cash flows from operating activities:</b>			
Cash received from customers . . . . .	\$ 236,311	\$ 2,991,573	\$ 3,227,884
Cash received from other operations . . . . .	-	52,517	52,517
Cash payments for contract services . . . . .	(236,447)	-	(236,447)
Cash payments for claims. . . . .	-	(3,408,492)	(3,408,492)
Net cash used in operating activities. . . . .	<u>(136)</u>	<u>(364,402)</u>	<u>(364,538)</u>
Net decrease in cash and cash equivalents. . . . .	(136)	(364,402)	(364,538)
<b>Cash and cash equivalents at beginning of year . . . . .</b>	<u>1,938</u>	<u>1,391,309</u>	<u>1,393,247</u>
<b>Cash and cash equivalents at end of year . . .</b>	<u><u>\$ 1,802</u></u>	<u><u>\$ 1,026,907</u></u>	<u><u>\$ 1,028,709</u></u>
<b>Reconciliation of operating loss to net cash used in operating activities:</b>			
Operating loss. . . . .	\$ (136)	\$ (472,413)	\$ (472,549)
Changes in assets and liabilities:			
Increase in accounts receivable . . . . .	-	(94,189)	(94,189)
Increase in claims payable . . . . .	-	202,200	202,200
Net cash used in operating activities. . . . .	<u><u>\$ (136)</u></u>	<u><u>\$ (364,402)</u></u>	<u><u>\$ (364,538)</u></u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**ADMINISTRATIVE INSURANCE FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 550,000	\$ 550,000	\$ 236,311	\$ (313,689)
Total revenues . . . . .	<u>550,000</u>	<u>550,000</u>	<u>236,311</u>	<u>(313,689)</u>
<b>Operating expenses:</b>				
Contractual services . . . . .	285,871	285,871	236,447	49,424
Total expenses . . . . .	<u>285,871</u>	<u>285,871</u>	<u>236,447</u>	<u>49,424</u>
Operating income (loss)/net change in fund equity . . . . .	264,129	264,129	(136)	(264,265)
<b>Fund equity at beginning of year. . . . .</b>	<u>1,938</u>	<u>1,938</u>	<u>1,938</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 266,067</u>	<u>\$ 266,067</u>	<u>\$ 1,802</u>	<u>\$ (264,265)</u>



**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SELF-INSURANCE FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 2,740,000	\$ 2,740,000	\$ 2,991,573	\$ 251,573
Other . . . . .	10,000	10,000	52,517	42,517
Total revenues . . . . .	<u>2,750,000</u>	<u>2,750,000</u>	<u>3,044,090</u>	<u>294,090</u>
<b>Operating expenses:</b>				
Claims . . . . .	<u>4,130,361</u>	<u>4,130,361</u>	<u>3,413,492</u>	<u>716,869</u>
Total expenses . . . . .	<u>4,130,361</u>	<u>4,130,361</u>	<u>3,413,492</u>	<u>716,869</u>
Operating income (loss)/net change in fund equity . . . . .	(1,380,361)	(1,380,361)	(369,402)	1,010,959
<b>Fund equity at beginning of year . . . . .</b>	<u>1,391,309</u>	<u>1,391,309</u>	<u>1,391,309</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 10,948</u>	<u>\$ 10,948</u>	<u>\$ 1,021,907</u>	<u>\$ 1,010,959</u>

**CITY OF STOW, OHIO**

*INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - FIDUCIARY FUNDS*

Fiduciary funds are used to account for assets held by the City in a trustee capacity, or as an agency for individuals, private organizations, other governments and/or funds. The following are the City's fiduciary fund types:

**Private Purpose Trust Funds**

Private purpose trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The following are the City's Private Purpose Trust Funds.

***Stutler Scholarship Fund***

To account for donations in memory of Police Officer Stutler to provide scholarships.

***Wells Perkins Cemetery Fund***

To account for funds bequeathed to the City for the perpetual care of the urn on the Wells-Perkins cemetery plot.

***Stow Seniors Commision Fund***

To account for donations to the City for the Senior Center Commission.

**Agency Fund**

Agency funds maintain assets held by the City as an agent for individuals, private organizations, other governmental units and/or funds. These funds are purely custodial (assets equal liabilities) and therefore do not involve the measurement of results. The following are the City's agency funds.

***Road Construction Bonds***

To account for deposits from contractors, held by the City to ensure compliance with the contract.

***Allotment Deposits***

To account for deposits from subdivision developers for engineering oversight.

***Miscellaneous Service Deposits***

To account for various service department non-recurring deposits.

***Bond Forfeitures***

To account for forfeitures of bonds by developers and/or contractors.

***Park and Recreation Deposits***

To account for the receipt and subsequent refund of Parks and Recreation deposit monies for rentals to cover extraordinary events or damages.

***Municipal Court***

To account for fines and fees collected by the Stow Municipal Court, which are required to be disbursed to various parties.

**Other Agency Funds**

Payroll Advance Rotary	Ohio BBS 3% Surcharge
Deferred Compensation Rotary	Unclaimed Money
Well Performance Bond	Fire Bond Insurance
Police Forfeited Cash	Unclaimed Court Bonds
Police Drug Forfeiture Cash	

**CITY OF STOW, OHIO**

*COMBINING STATEMENT OF NET ASSETS  
PRIVATE PURPOSE TRUST FUNDS  
DECEMBER 31, 2009*

	<u>Stutler Scholarship Fund</u>	<u>Wells Perkins Cemetery</u>	<u>Stow Seniors Commission</u>	<u>Total Private Purpose Trust</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 450	\$ 500	\$ 336	\$ 1,286
Total assets. . . . .	<u>450</u>	<u>500</u>	<u>336</u>	<u>1,286</u>
<b>Net assets:</b>				
Held in trust. . . . .	<u>450</u>	<u>500</u>	<u>336</u>	<u>1,286</u>
Total net assets. . . . .	<u><u>\$ 450</u></u>	<u><u>\$ 500</u></u>	<u><u>\$ 336</u></u>	<u><u>\$ 1,286</u></u>

**CITY OF STOW, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND BALANCES  
PRIVATE PURPOSE TRUST FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<b>Stutler Scholarship Fund</b>	<b>Wells Perkins Cemetery</b>	<b>Stow Seniors Commission</b>	<b>Totals</b>
<b>Deductions:</b>				
Miscellaneous. . . . .	\$ -	\$ -	\$ 280	\$ 280
Total deductions. . . . .	<u>-</u>	<u>-</u>	<u>280</u>	<u>280</u>
Changes in net assets . . . . .	-	-	(280)	(280)
<b>Net assets at beginning of year. . . . .</b>	<u>500</u>	<u>450</u>	<u>616</u>	<u>1,566</u>
<b>Net assets at end of year . . . . .</b>	<u><u>\$ 500</u></u>	<u><u>\$ 450</u></u>	<u><u>\$ 336</u></u>	<u><u>\$ 1,286</u></u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STUTLER SCHOLARSHIP FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Fund equity at beginning of year . . . . .</b>	\$ 450	\$ 450	\$ 450	\$ -
<b>Fund equity at end of year. . . . .</b>	<u>\$ 450</u>	<u>\$ 450</u>	<u>\$ 450</u>	<u>\$ -</u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**WELLS PERKINS CEMETERY FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Fund equity at beginning of year . . . . .</b>	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ -</u>
<b>Fund equity at end of year. . . . .</b>	<u><u>\$ 500</u></u>	<u><u>\$ 500</u></u>	<u><u>\$ 500</u></u>	<u><u>\$ -</u></u>

**CITY OF STOW, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STOW SENIORS COMMISSION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Additions:</b>				
Other. . . . .	\$ 10,000	\$ 10,000	\$ -	\$ (10,000)
Total additions. . . . .	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>
<b>Deductions:</b>				
Contractual services . . . . .	280	280	280	-
Capital outlay. . . . .	9,883	9,883	-	9,883
Total deductions . . . . .	<u>10,163</u>	<u>10,163</u>	<u>280</u>	<u>9,883</u>
Change in net assets . . . . .	(163)	(163)	(280)	(117)
<b>Fund equity at beginning of year . . . . .</b>	406	406	406	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>210</u>	<u>210</u>	<u>210</u>	<u>-</u>
<b>Fund equity at end of year. . . . .</b>	<u>\$ 453</u>	<u>\$ 453</u>	<u>\$ 336</u>	<u>\$ (117)</u>

**CITY OF STOW, OHIO**

*STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<b>Beginning Balance 12/31/2008</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance 12/31/2009</b>
<b>Road Construction Bonds</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 329,229	\$ 6,150	\$ 13,412	\$ 321,967
Total assets . . . . .	<u>\$ 329,229</u>	<u>\$ 6,150</u>	<u>\$ 13,412</u>	<u>\$ 321,967</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 329,229	\$ 6,150	\$ 13,412	\$ 321,967
Total liabilities . . . . .	<u>\$ 329,229</u>	<u>\$ 6,150</u>	<u>\$ 13,412</u>	<u>\$ 321,967</u>
<b>Allotment Deposits</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 131,212	\$ 3,000	\$ 67,700	\$ 66,512
Total assets . . . . .	<u>\$ 131,212</u>	<u>\$ 3,000</u>	<u>\$ 67,700</u>	<u>\$ 66,512</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 131,212	\$ 3,000	\$ 67,700	\$ 66,512
Total liabilities . . . . .	<u>\$ 131,212</u>	<u>\$ 3,000</u>	<u>\$ 67,700</u>	<u>\$ 66,512</u>
<b>Miscellaneous Service Deposits</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 16,298	\$ 56,985	\$ 63,985	\$ 9,298
Total assets . . . . .	<u>\$ 16,298</u>	<u>\$ 56,985</u>	<u>\$ 63,985</u>	<u>\$ 9,298</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 16,298	\$ 56,985	\$ 63,985	\$ 9,298
Total liabilities . . . . .	<u>\$ 16,298</u>	<u>\$ 56,985</u>	<u>\$ 63,985</u>	<u>\$ 9,298</u>
<b>Bond Forfeitures</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 20,557	\$ -	\$ -	\$ 20,557
Total assets . . . . .	<u>\$ 20,557</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,557</u>
<b>Liabilities:</b>				
Deposits held and due to others . . . . .	\$ 20,557	\$ -	\$ -	\$ 20,557
Total liabilities . . . . .	<u>\$ 20,557</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,557</u>

- - Continued



**CITY OF STOW, OHIO**

*STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<b>Beginning Balance 12/31/2008</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance 12/31/2009</b>
<b>Park and Recreation Deposits</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 4,297	\$ 198,397	\$ 163,107	\$ 39,587
Receivables:				
Accounts . . . . .	-	372	-	372
Total assets . . . . .	<u>\$ 4,297</u>	<u>\$ 198,769</u>	<u>\$ 163,107</u>	<u>\$ 39,959</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 4,297	\$ 198,769	\$ 163,107	\$ 39,959
Total liabilities . . . . .	<u>\$ 4,297</u>	<u>\$ 198,769</u>	<u>\$ 163,107</u>	<u>\$ 39,959</u>
<b>Municipal Court Fund</b>				
<b>Assets:</b>				
Cash in segregated accounts . . . . .	\$ -	\$ 7,200,983	\$ 6,690,953	\$ 510,030
Total assets . . . . .	<u>\$ -</u>	<u>\$ 7,200,983</u>	<u>\$ 6,690,953</u>	<u>\$ 510,030</u>
<b>Liabilities:</b>				
Intergovernmental payable. . . . .	\$ -	\$ 589,731	\$ 369,218	\$ 220,513
Undistributed monies . . . . .	-	6,611,252	6,321,735	289,517
Total liabilities . . . . .	<u>\$ -</u>	<u>\$ 7,200,983</u>	<u>\$ 6,690,953</u>	<u>\$ 510,030</u>
<b>Payroll Advance Rotary</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ -	\$ 2,656	\$ 2,656	\$ -
Total assets . . . . .	<u>\$ -</u>	<u>\$ 2,656</u>	<u>\$ 2,656</u>	<u>\$ -</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ -	\$ 2,656	\$ 2,656	\$ -
Total liabilities . . . . .	<u>\$ -</u>	<u>\$ 2,656</u>	<u>\$ 2,656</u>	<u>\$ -</u>
<b>Deferred Compensation Rotary</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ -	\$ 250	\$ 250	\$ -
Total assets . . . . .	<u>\$ -</u>	<u>\$ 250</u>	<u>\$ 250</u>	<u>\$ -</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ -	\$ 250	\$ 250	\$ -
Total liabilities . . . . .	<u>\$ -</u>	<u>\$ 250</u>	<u>\$ 250</u>	<u>\$ -</u>
<b>Well Performance Bond</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 40,000	\$ -	\$ -	\$ 40,000
Total assets . . . . .	<u>\$ 40,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,000</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 40,000	\$ -	\$ -	\$ 40,000
Total liabilities . . . . .	<u>\$ 40,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,000</u>

-- Continued

**CITY OF STOW, OHIO**

*STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<b>Beginning Balance 12/31/2008</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance 12/31/2009</b>
<b>Police Forfeited Cash</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 929	\$ -	\$ -	\$ 929
Total assets . . . . .	<u>\$ 929</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 929</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 929	\$ -	\$ -	\$ 929
Total liabilities . . . . .	<u>\$ 929</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 929</u>
<b>Police Drug Forfeiture Cash</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 16,333	\$ 7,145	\$ 1,570	\$ 21,908
Receivables:				
Intergovernmental . . . . .	150	150	150	150
Total assets . . . . .	<u>\$ 16,483</u>	<u>\$ 7,295</u>	<u>\$ 1,720</u>	<u>\$ 22,058</u>
<b>Liabilities:</b>				
Intergovernmental payable. . . . .	\$ 150	\$ -	\$ 150	\$ -
Undistributed monies . . . . .	16,333	7,295	1,570	22,058
Total liabilities . . . . .	<u>\$ 16,483</u>	<u>\$ 7,295</u>	<u>\$ 1,720</u>	<u>\$ 22,058</u>
<b>Ohio BBS 3% Surcharge</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 56	\$ 2,239	\$ 2,295	\$ -
Receivables:				
Intergovernmental . . . . .	-	6	-	6
Total assets . . . . .	<u>\$ 56</u>	<u>\$ 2,245</u>	<u>\$ 2,295</u>	<u>\$ 6</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 56	\$ 2,245	\$ 2,295	\$ 6
Total liabilities . . . . .	<u>\$ 56</u>	<u>\$ 2,245</u>	<u>\$ 2,295</u>	<u>\$ 6</u>
<b>Unclaimed Money</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 28,511	\$ 10,055	\$ 1,921	\$ 36,645
Total assets . . . . .	<u>\$ 28,511</u>	<u>\$ 10,055</u>	<u>\$ 1,921</u>	<u>\$ 36,645</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 28,511	\$ 10,055	\$ 1,921	\$ 36,645
Total liabilities . . . . .	<u>\$ 28,511</u>	<u>\$ 10,055</u>	<u>\$ 1,921</u>	<u>\$ 36,645</u>

- - Continued

**CITY OF STOW, OHIO**

*STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<b>Beginning Balance 12/31/2008</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance 12/31/2009</b>
<b>Fire Bond Insurance</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ -	\$ 8,315	\$ -	\$ 8,315
Total assets . . . . .	<u>\$ -</u>	<u>\$ 8,315</u>	<u>\$ -</u>	<u>\$ 8,315</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ -	\$ 8,315	\$ -	\$ 8,315
Total liabilities . . . . .	<u>\$ -</u>	<u>\$ 8,315</u>	<u>\$ -</u>	<u>\$ 8,315</u>
<b>Unclaimed Court Bonds</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ -	\$ 6,536	\$ -	\$ 6,536
Total assets . . . . .	<u>\$ -</u>	<u>\$ 6,536</u>	<u>\$ -</u>	<u>\$ 6,536</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ -	\$ 6,536	\$ -	\$ 6,536
Total liabilities . . . . .	<u>\$ -</u>	<u>\$ 6,536</u>	<u>\$ -</u>	<u>\$ 6,536</u>
<b>Total Agency</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 587,422	\$ 301,728	\$ 316,896	\$ 572,254
Cash in segregated accounts . . . . .	-	7,200,983	6,690,953	510,030
Receivables:				
Accounts . . . . .	-	372	-	372
Intergovernmental . . . . .	150	156	150	156
Total assets . . . . .	<u>\$ 587,572</u>	<u>\$ 7,503,239</u>	<u>\$ 7,007,999</u>	<u>\$ 1,082,812</u>
<b>Liabilities:</b>				
Intergovernmental payable. . . . .	\$ 150	\$ 589,731	\$ 369,368	\$ 220,513
Deposits held and due to others . . . . .	20,557	-	-	20,557
Undistributed monies . . . . .	566,865	6,913,508	6,638,631	841,742
Total liabilities . . . . .	<u>\$ 587,572</u>	<u>\$ 7,503,239</u>	<u>\$ 7,007,999</u>	<u>\$ 1,082,812</u>

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# **STATISTICAL SECTION**



**CITY OF STOW, OHIO**  
**STATISTICAL SECTION**

This part of the City of Stow'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.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	<b>157</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue sources, the income tax and property tax.	<b>169</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	<b>176</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	<b>183</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	<b>187</b>

**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 2003; schedules presenting government-wide information include information beginning in that year.

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## FINANCIAL TRENDS

**CITY OF STOW, OHIO**

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

	<b>Fiscal Year</b>			
	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>Governmental activities</b>				
Invested in capital assets, net of related debt	\$ 41,237,906	\$ 34,733,562	\$ 32,776,346	\$ 29,534,790
Restricted	7,561,593	11,437,818	7,217,515	8,857,474
Unrestricted	2,481,660	2,893,903	3,145,164	4,086,986
Total governmental activities net assets	<u>\$ 51,281,159</u>	<u>\$ 49,065,283</u>	<u>\$ 43,139,025</u>	<u>\$ 42,479,250</u>
<b>Business-type activities</b>				
Invested in capital assets, net of related debt	\$ 23,644,335	\$ 23,018,961	\$ 21,095,746	\$ 18,074,614
Unrestricted	4,148,920	2,800,179	3,288,345	4,966,486
Total business-type activities net assets	<u>\$ 27,793,255</u>	<u>\$ 25,819,140</u>	<u>\$ 24,384,091</u>	<u>\$ 23,041,100</u>
<b>Primary government</b>				
Invested in capital assets, net of related debt	\$ 64,882,241	\$ 57,752,523	\$ 53,872,092	\$ 47,609,404
Restricted	7,561,593	11,437,818	7,217,515	8,857,474
Unrestricted	6,630,580	5,694,082	6,433,509	9,053,472
Total primary government net assets	<u>\$ 79,074,414</u>	<u>\$ 74,884,423</u>	<u>\$ 67,523,116</u>	<u>\$ 65,520,350</u>

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

<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 27,553,492	\$ 25,216,608	\$ 20,570,820
7,001,862	7,635,153	9,036,658
7,739,333	7,163,602	7,685,369
<u>\$ 42,294,687</u>	<u>\$ 40,015,363</u>	<u>\$ 37,292,847</u>
\$ 18,532,258	\$ 17,251,673	\$ 15,839,601
3,654,574	2,548,005	1,425,497
<u>\$ 22,186,832</u>	<u>\$ 19,799,678</u>	<u>\$ 17,265,098</u>
\$ 46,085,750	\$ 42,468,281	\$ 36,410,421
7,001,862	7,635,153	9,036,658
11,393,907	9,711,607	9,110,866
<u>\$ 64,481,519</u>	<u>\$ 59,815,041</u>	<u>\$ 54,557,945</u>

**CITY OF STOW, OHIO**

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

	Fiscal Year			
	2009	2008	2007	2006
<b>Expenses</b>				
Governmental activities:				
General government	\$ 10,154,101	\$ 6,147,957	\$ 6,578,566	\$ 6,918,887
Security of persons and property	14,418,225	13,327,278	14,252,725	15,284,191
Public health	421,832	425,367	434,833	478,870
Leisure time activities	2,286,945	2,044,492	2,208,765	2,362,474
Community and economic development	1,380,821	1,420,185	1,527,660	1,723,424
Transportation	4,429,498	3,574,568	5,164,464	3,466,779
Interest and fiscal charges	1,074,985	859,793	831,442	594,333
Depreciation - (Unallocated)	-	-	-	-
Total governmental activities expenses	<u>34,166,407</u>	<u>27,799,640</u>	<u>30,998,455</u>	<u>30,828,958</u>
Business-type activities:				
Water	3,555,964	4,073,731	4,404,703	3,980,833
Golf	1,194,315	1,328,960	1,304,665	1,361,329
Storm Water Utility	752,345	1,037,405	907,519	803,296
Total business-type activities expenses	<u>5,502,624</u>	<u>6,440,096</u>	<u>6,616,887</u>	<u>6,145,458</u>
Total primary government expenses	<u>\$ 39,669,031</u>	<u>\$ 34,239,736</u>	<u>\$ 37,615,342</u>	<u>\$ 36,974,416</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
General government	\$ 3,778,715	\$ 1,175,185	\$ 857,393	\$ 878,026
Security of persons and property	551,960	602,385	708,292	564,625
Public health	47,841	42,465	47,869	50,759
Leisure time activities	294,675	363,040	295,613	272,149
Community and economic development	166,893	235,657	243,228	252,718
Transportation	81,544	43,775	20,248	-
Operating grants and contributions				
General government	44,497	1,002,209	170,986	-
Security of persons and property	159,580	412,760	61,514	413,210
Public health	41,912	34,590	34,394	5,000
Leisure time activities	74,462	149,192	3,550	-
Community and economic development	109,625	4,547	219,517	-
Transportation	1,645,161	1,949,031	1,818,004	1,592,073
Capital grants and contributions				
General Government	464,326	831,888	1,000,000	-
Security of persons and property	-	-	-	-
Leisure time activities	552	365,276	-	-
Transportation	3,922,217	2,150,731	406,531	550,997
Total governmental program revenues	<u>11,383,960</u>	<u>9,362,731</u>	<u>5,887,139</u>	<u>4,579,557</u>
Business-type activities:				
Charges for services:				
Water	4,824,385	4,937,932	5,167,026	4,905,336
Golf	890,927	888,706	961,526	936,183
Storm Water Utility	815,747	785,235	788,270	774,892
Operating grants and contributions	-	-	-	177,876
Capital grants and contributions	-	734,860	414,871	-
Total business-type activities program revenues	<u>6,531,059</u>	<u>7,346,733</u>	<u>7,331,693</u>	<u>6,794,287</u>
Total primary government program revenue	<u>\$ 17,915,019</u>	<u>\$ 16,709,464</u>	<u>\$ 13,218,832</u>	<u>\$ 11,373,844</u>
<b>Net (Expense)/Revenue</b>				
Governmental activities	\$ (22,782,447)	\$ (18,436,909)	\$ (25,111,316)	\$ (26,249,401)
Business-type activities	1,028,435	906,637	714,806	648,829
Total primary government net expense	<u>\$ (21,754,012)</u>	<u>\$ (17,530,272)</u>	<u>\$ (24,396,510)</u>	<u>\$ (25,600,572)</u>

	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$	6,090,778	\$ 5,432,973	\$ 4,868,501
	12,048,393	11,853,463	12,358,496
	440,074	492,311	472,916
	1,951,619	2,078,775	1,734,052
	1,545,734	1,529,252	1,242,741
	3,779,144	3,815,181	2,008,079
	694,127	350,575	889,842
	-	7,428	672,634
	<u>26,549,869</u>	<u>25,559,958</u>	<u>24,247,261</u>
	3,614,891	3,647,156	3,712,059
	-	-	-
	642,835	-	-
	<u>4,257,726</u>	<u>3,647,156</u>	<u>3,712,059</u>
\$	<u>30,807,595</u>	<u>\$ 29,207,114</u>	<u>\$ 27,959,320</u>
\$	809,517	\$ 393,667	\$ 367,955
	611,180	1,258,830	1,308,313
	56,361	29,730	27,104
	351,952	152,107	145,037
	250,583	237,401	94,760
	-	61,887	64,972
	-	18,831	51,518
	522,180	109,192	115,821
	-	10,922	21,795
	-	6,229	16,584
	-	23,026	124,114
	1,404,271	2,960	9,096
	-	-	-
	-	64,810	-
	-	-	-
	1,444,831	431,525	903,400
	<u>5,450,875</u>	<u>2,801,117</u>	<u>3,250,469</u>
	4,929,505	4,441,491	4,099,615
	-	-	-
	725,359	-	-
	106,378	-	-
	856,697	958,467	83,675
	<u>6,617,939</u>	<u>5,399,958</u>	<u>4,183,290</u>
\$	<u>12,068,814</u>	<u>\$ 8,201,075</u>	<u>\$ 7,433,759</u>
\$	(21,098,994)	\$ (22,758,841)	\$ (20,996,792)
	2,360,213	1,752,802	471,231
\$	<u>(18,738,781)</u>	<u>\$ (21,006,039)</u>	<u>\$ (20,525,561)</u>

-- Continued

**CITY OF STOW, OHIO**

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

	<b>Fiscal Year</b>			
	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>General Revenues, Special Items, and Transfers</b>				
Governmental activities:				
Taxes				
Property taxes	\$ 7,414,664	\$ 7,052,140	\$ 7,639,945	\$ 7,871,452
Income taxes	11,415,940	12,504,118	12,642,876	11,579,104
Grants and entitlements not restricted to specific programs	3,881,534	3,942,230	3,890,054	3,814,628
Investment earnings	192,603	470,727	1,293,813	894,418
Other	660,823	321,544	414,403	2,274,362
Premium on debt issued	-	-	-	-
Special item - Municipal Court	1,778,978	-	-	-
Transfers	(346,219)	72,408	(110,000)	-
Total governmental activities	<u>24,998,323</u>	<u>24,363,167</u>	<u>25,771,091</u>	<u>26,433,964</u>
Business-type activities:				
Municipal income taxes	354,440	300,000	197,571	-
Investment earnings	-	-	-	-
Other	245,021	300,820	320,614	205,439
Premium on debt issued	-	-	-	-
Transfers	346,219	(72,408)	110,000	-
Total business-type activities	<u>945,680</u>	<u>528,412</u>	<u>628,185</u>	<u>205,439</u>
Total primary government	<u>\$ 25,944,003</u>	<u>\$ 24,891,579</u>	<u>\$ 26,399,276</u>	<u>\$ 26,639,403</u>
<b>Change in Net Assets</b>				
Governmental activities	\$ 2,215,876	\$ 5,926,258	\$ 659,775	\$ 184,563
Business-type activities	1,974,115	1,435,049	1,342,991	854,268
Total primary government	<u>\$ 4,189,991</u>	<u>\$ 7,361,307</u>	<u>\$ 2,002,766</u>	<u>\$ 1,038,831</u>

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

	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$	7,459,294	\$ 6,844,640	\$ 6,797,865
	11,209,387	11,422,047	11,167,214
	3,354,221	4,655,070	4,092,246
	471,060	219,668	290,877
	884,356	416,504	519,809
	-	146,083	78,919
	-	-	34,474
	-	753,480	88,196
	<u>23,378,318</u>	<u>24,457,492</u>	<u>23,069,600</u>
	-	-	-
	-	4,963	9,133
	26,941	100,622	63,272
	-	20,470	11,398
	-	(753,480)	(88,196)
	<u>26,941</u>	<u>(627,425)</u>	<u>(4,393)</u>
\$	<u>23,405,259</u>	<u>23,830,067</u>	<u>23,065,207</u>
\$	2,279,324	\$ 1,698,651	\$ 2,072,808
	2,387,154	1,125,377	466,838
\$	<u>4,666,478</u>	<u>2,824,028</u>	<u>2,539,646</u>

**CITY OF STOW, OHIO**

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Fund				
Reserved	\$ 605,178	\$ 493,673	\$ 648,662	\$ 1,003,425
Unreserved:				
Designated	1,000,000	-	-	-
Undesignated	<u>2,856,832</u>	<u>5,140,973</u>	<u>5,234,108</u>	<u>5,275,404</u>
Total general fund	<u>\$ 4,462,010</u>	<u>\$ 5,634,646</u>	<u>\$ 5,882,770</u>	<u>\$ 6,278,829</u>
All Other Governmental Funds				
Reserved	\$ 1,340,169	\$ 1,979,695	\$ 7,444,910	\$ 2,239,930
Unreserved, undesignated reported in:				
Special revenue funds	3,142,525	2,221,047	1,553,319	1,779,727
Capital projects funds	<u>1,842,344</u>	<u>6,255,297</u>	<u>4,694,850</u>	<u>4,193,828</u>
Total all other governmental funds	<u>\$ 6,325,038</u>	<u>\$ 10,456,039</u>	<u>\$ 13,693,079</u>	<u>\$ 8,213,485</u>



<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
\$ 734,620	\$ 570,919	\$ 640,154	\$ 1,803,014	\$ 2,078,401	\$ 1,987,548
-	-	-	-	-	-
4,795,925	5,226,327	5,117,349	4,549,300	3,764,897	1,773,991
<u>\$ 5,530,545</u>	<u>\$ 5,797,246</u>	<u>\$ 5,757,503</u>	<u>\$ 6,352,314</u>	<u>\$ 5,843,298</u>	<u>\$ 3,761,539</u>
\$ 1,300,045	\$ 1,138,739	\$ 3,712,841	\$ 9,310,570	\$ 2,324,308	\$ 882,489
1,554,666	2,129,062	2,030,952	(1,480,404)	1,807,376	2,614,549
3,896,066	3,730,693	4,836,697	(4,155,417)	4,351,113	5,288,575
<u>\$ 6,750,777</u>	<u>\$ 6,998,494</u>	<u>\$ 10,580,490</u>	<u>\$ 3,674,749</u>	<u>\$ 8,482,797</u>	<u>\$ 8,785,613</u>

**CITY OF STOW, OHIO**

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>Revenues</b>				
Property and other taxes	\$ 7,433,923	\$ 7,233,714	\$ 7,429,309	\$ 7,416,170
Income taxes	10,878,906	12,785,284	12,595,578	12,013,125
Special assessments	87,235	80,553	72,689	51,417
Charges for services	891,690	998,218	913,908	829,301
Licenses and permits	745,026	646,657	674,105	812,172
Fines and forfeitures	2,931,853	467,519	159,063	143,822
Intergovernmental	7,551,001	9,298,787	6,910,284	6,480,588
Investment income	198,896	465,201	1,309,078	873,755
Rent	283,061	295,768	280,274	264,570
Contributions and donations	538,048	206,791	53,714	12,593
Other	3,092,860	1,169,349	587,069	2,178,764
Total revenues	<u>34,632,499</u>	<u>33,647,841</u>	<u>30,985,071</u>	<u>31,076,277</u>
<b>Expenditures</b>				
Current:				
General government	9,327,006	6,178,362	5,682,480	5,126,246
Security of persons and property	13,342,694	12,821,027	12,211,360	11,668,726
Public health	423,408	461,549	402,885	400,521
Leisure time activities	2,057,269	1,963,730	1,967,626	1,843,051
Community and economic development	1,321,055	1,443,280	1,357,699	1,368,784
Transportation	2,561,137	3,068,690	3,479,526	2,500,585
Capital outlay	9,866,073	13,514,969	8,040,397	4,220,049
Other	-	-	-	-
Debt service:				
Principal retirement	742,348	14,955,172	10,808,200	11,656,000
Interest and fiscal charges	1,059,124	1,234,812	652,997	586,369
Bond and note issuance costs	48,478	176,146	60,040	-
Total expenditures	<u>40,748,592</u>	<u>55,817,737</u>	<u>44,663,210</u>	<u>39,370,331</u>
Excess of revenues over (under) expenditures	(6,116,093)	(22,169,896)	(13,678,139)	(8,294,054)
<b>Other Financing Sources (Uses)</b>				
Notes issued	7,925,000	9,475,000	14,565,172	10,423,200
Premium on notes	77,882	228,069	106,502	81,846
Refunding bonds issued	-	8,073,932	4,200,000	-
Accrued interest received on debt issuance	-	-	-	-
Refunding of notes	(9,475,000)	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Capital lease transaction	505,596	907,731	-	-
Loss on sale of common stock	-	-	-	-
Transfers in	1,771,307	734,445	850,341	569,879
Transfers out	(1,771,307)	(734,445)	(960,341)	(569,879)
Total other financing sources	<u>(966,522)</u>	<u>18,684,732</u>	<u>18,761,674</u>	<u>10,505,046</u>
Special item - Municipal Court	1,778,978	-	-	-
Net change in fund balances	<u>\$ (5,303,637)</u>	<u>\$ (3,485,164)</u>	<u>\$ 5,083,535</u>	<u>\$ 2,210,992</u>
Capital expenditures	8,883,818	15,435,962	6,927,367	2,722,203
Debt service as a percentage of noncapital expenditures	5.81%	40.53%	30.53%	33.41%

2005	2004	2003	2002	2001	2000
\$ 6,830,535	\$ 6,847,919	\$ 6,675,497	\$ 6,133,362	\$ 5,984,321	\$ 4,360,593
11,832,911	11,422,047	11,167,214	11,281,810	11,221,994	10,939,038
61,809	57,600	53,454	52,917	55,319	56,032
965,041	1,062,425	977,307	1,043,272	837,868	424,981
760,506	823,125	878,235	615,963	599,729	603,019
115,118	152,428	96,039	77,000	86,298	63,370
6,447,556	5,212,987	5,274,336	4,425,388	6,602,441	4,702,144
451,530	215,183	285,379	457,090	574,944	817,719
189,731	95,644	-	-	-	-
1,338	5,697	-	-	-	-
883,018	422,376	520,129	718,788	493,111	347,600
<u>28,539,093</u>	<u>26,317,431</u>	<u>25,927,590</u>	<u>24,805,590</u>	<u>26,456,025</u>	<u>22,314,496</u>
4,980,022	4,662,459	4,337,419	4,038,069	3,787,262	3,455,250
10,720,669	10,613,717	10,107,920	8,874,918	8,732,322	7,833,280
384,994	405,931	435,598	469,082	462,594	468,329
1,756,686	1,712,128	1,646,323	1,486,482	1,492,171	1,501,736
1,329,499	1,293,809	1,163,616	1,132,509	1,096,685	1,119,854
2,922,095	2,856,791	2,542,914	2,352,871	2,217,758	2,384,678
4,976,831	7,333,364	12,567,939	10,434,356	5,548,763	3,649,212
-	-	3,863	6,389	23,224	50,973
12,511,858	14,134,662	15,627,361	180,000	315,000	225,000
499,341	475,179	735,296	382,395	402,683	414,308
-	141,726	-	-	-	-
<u>40,081,995</u>	<u>43,629,766</u>	<u>49,168,249</u>	<u>29,357,071</u>	<u>24,078,462</u>	<u>21,102,620</u>
(11,542,902)	(17,312,335)	(23,240,659)	(4,551,481)	2,377,563	1,211,876
11,281,000	12,141,858	13,923,919	59,694	-	-
74,300	95,745	-	-	-	-
-	6,440,000	-	-	-	-
-	16,203	-	-	-	-
-	(6,281,301)	-	-	-	-
-	-	34,474	-	61,222	-
-	-	-	-	-	-
-	-	-	(6,122)	-	-
571,188	1,413,421	684,228	6,894,637	11,149,059	14,110,788
(571,188)	(659,941)	(596,032)	(6,894,637)	(11,652,208)	(14,110,788)
<u>11,355,300</u>	<u>13,165,985</u>	<u>14,046,589</u>	<u>53,572</u>	<u>(441,927)</u>	<u>-</u>
-	-	-	-	-	-
<u>\$ (187,602)</u>	<u>\$ (4,146,350)</u>	<u>\$ (9,194,070)</u>	<u>\$ (4,497,909)</u>	<u>\$ 1,935,636</u>	<u>\$ 1,211,876</u>
3,199,104	5,823,962	12,101,292	10,434,356	5,548,763	3,649,212
35.28%	39.02%	44.14%	2.97%	3.87%	3.66%

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## REVENUE CAPACITY

**CITY OF STOW, OHIO**

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS  
(RATE PER \$1,000 OF ASSESSED VALUE)

Collection Year	Real Property (1)		Public Utility Property (2)		Tangible Personal Property (3)	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2009	\$ 849,550,200	\$ 2,427,286,286	\$ 7,155,660	\$ 28,622,640	\$ 1,772,229	\$ 28,355,664
2008	818,636,300	2,338,960,857	6,903,620	27,614,480	13,619,113	217,905,808
2007	807,864,530	2,308,184,371	11,680,280	46,721,120	24,319,941	194,559,528
2006	785,872,830	2,245,350,943	10,062,490	40,249,960	35,360,828	188,591,083
2005	726,040,350	2,074,401,000	11,035,980	44,143,920	35,360,828	141,443,312
2004	705,710,080	2,016,314,514	10,855,300	43,421,200	47,772,680	160,005,088
2003	693,300,320	1,980,858,057	11,361,260	45,445,040	51,014,864	171,524,939
2002	611,933,190	1,748,380,543	10,647,060	42,588,240	54,307,489	186,740,648
2001	588,277,820	1,680,793,771	13,019,160	52,076,640	53,892,421	178,287,544
2000	567,191,520	1,620,547,200	14,630,840	58,523,360	53,811,583	171,353,812

**Source:** Summit County Fiscal Office

- (1) Real property is assessed at 35% of actual value. Real property taxes collected in a calendar year are levied as of January 1 of that year based on assessed values as of January 1 of the preceding year.
- (2) Public utility is assessed at 25% of actual value. Public utility real and tangible property taxes collected in a calendar year are levied in the preceding calendar year based on assessed values determined as of December 31 of the second preceding year.
- (3) For 2005 and prior, tangible personal is assessed at 25% of true value for capital assets and 23% percent of true value for inventory. For 2006, tangible personal personal property tax is assessed at 18.75% of property value, including inventory. For 2007, tangible personal personal property tax is assessed at 12.50% of property value, including inventory. For 2008, tangible personal personal property tax is assessed at 6.25% of property value, including inventory. For 2009, tangible personal personal property tax is assessed at 0.00% of property value, including inventory, except for telephone tangible personal property which is assessed at 10% of property value, including inventory. In 2009, telephone tangible is the only taxable tangible personal property.

<b>Total</b>			
<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Total Direct Rate</b>	<b>Ratio</b>
\$ 858,478,089	\$ 2,484,264,590	9.50	34.56%
839,159,033	2,584,481,145	9.50	32.47%
843,864,751	2,549,465,019	9.50	33.10%
831,296,148	2,474,191,986	9.50	33.60%
772,437,158	2,259,988,232	9.50	34.18%
764,338,060	2,219,740,802	9.50	34.43%
755,676,444	2,197,828,036	9.50	34.38%
676,887,739	1,977,709,431	9.50	34.23%
655,189,401	1,911,157,955	9.50	34.28%
635,633,943	1,850,424,372	7.20	34.35%

**CITY OF STOW, OHIO**

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

Collection Year	City Direct Rates					Overlapping Rates		
	General Operating	Police Pension	Fire Pension	EMS	Total Direct	Stow City School District	Summit County	Stow-Munroe Falls Public Library
2009	6.60	0.30	0.30	2.30	9.50	45.25	14.16	1.00
2008	6.60	0.30	0.30	2.30	9.50	45.93	14.26	1.00
2007	6.60	0.30	0.30	2.30	9.50	45.62	14.57	1.00
2006	6.60	0.30	0.30	2.30	9.50	46.73	13.07	1.00
2005	6.60	0.30	0.30	2.30	9.50	47.88	13.07	-
2004	6.60	0.30	0.30	2.30	9.50	47.93	13.07	-
2003	6.60	0.30	0.30	2.30	9.50	48.32	13.07	-
2002	6.60	0.30	0.30	2.30	9.50	45.74	13.07	-
2001	6.60	0.30	0.30	2.30	9.50	46.44	13.07	-
2000	6.60	0.30	0.30	-	7.20	46.44	13.07	-

Source: Summit County Fiscal Officer



**CITY OF STOW, OHIO**

PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS

<u>Collection Year</u>	<u>Current Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Current Tax Collections to Current Tax Levy</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Current Tax Levy</u>
2009	\$ 8,138,730	\$ 7,896,204	97.02%	\$ 232,571	\$ 8,128,775	99.88%
2008	7,846,181	7,632,381	97.28%	232,412	7,864,793	100.24%
2007	7,785,698	7,567,654	97.20%	169,539	7,737,193	99.38%
2006	7,636,480	7,449,227	97.55%	178,019	7,627,246	99.88%
2005	7,002,463	6,829,291	97.53%	170,235	6,999,526	99.96%
2004	6,817,956	6,644,645	97.46%	165,073	6,809,718	99.88%
2003	6,694,114	6,499,566	97.09%	160,251	6,659,817	99.49%
2002	6,102,629	5,791,916	94.91%	144,724	5,936,640	97.28%
2001	5,898,640	5,580,204	94.60%	127,890	5,708,094	96.77%
2000	4,278,289	4,062,677	94.96%	77,990	4,140,667	96.78%

**Source:** Summit County Fiscal Officer

(1) The City does not identify delinquent tax collections by tax year.

**CITY OF STOW, OHIO**

PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO

<b>December 31, 2009</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total City Taxable Assessed Value</b>
Wyndham Ridge, LTD	\$ 8,784,620	1	1.02%
DDR Ohio Opportunity II, LLC	8,598,290	2	1.00%
Heron Springs Associates, LLC	8,597,890	3	1.00%
JVM Hidden Lake Apartments, LLC	5,879,200	4	0.68%
Ohio Edison	5,624,040	5	0.66%
Stow Glen Properties, LLC	5,168,020	6	0.60%
Morgan Adhesive Co.	4,664,320	7	0.54%
SFC Enterprises, LTD	4,485,470	8	0.52%
Steels Corners Apartment Co, LTD	3,915,990	9	0.46%
NHF RE 2, LLC	3,600,770	10	0.42%
<b>Total</b>	<b>\$ 59,318,610</b>		<b>6.91%</b>
 Total Assessed Value of Property	 <b>\$ 858,478,089</b>		

<b>December 31, 2000</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total City Taxable Assessed Value</b>
Morgan Adhesives	\$ 13,344,280	1	2.10%
Ohio Edison	6,712,030	2	1.06%
Developers Diversified	6,439,350	3	1.01%
Ohio Bell Telephone	4,410,140	4	0.69%
Graham Square Enterprises	4,342,730	5	0.68%
Marcliff Hidden Lake Apartments Limited	3,475,530	6	0.55%
Stow Falls Retail Limited Partnership	2,332,820	7	0.37%
Stowsan LP	2,312,780	8	0.36%
Stow Hudson Investment	2,169,350	9	0.34%
East Ohio Gas	2,152,010	10	0.34%
<b>Total</b>	<b>\$ 47,691,020</b>		<b>7.50%</b>
 Total Assessed Value of Property	 <b>\$ 635,633,943</b>		

**Source:** Summit County Fiscal Office

**CITY OF STOW, OHIO**

**INCOME TAX REVENUE BASE AND COLLECTIONS  
LAST TEN YEARS**

<u>Year</u>	<u>Tax Rate</u>	<u>Total Tax Collected (1)</u>	<u>Taxes from Withholding</u>	<u>Percentage of Taxes from Withholding</u>	<u>Taxes From Net Profits</u>	<u>Percentage of Taxes from Net Profits</u>	<u>Taxes from Individuals</u>	<u>Percentage of Taxes from Individuals</u>
2009	2.00%	\$ 11,952,908	\$ 8,275,950	69.24%	\$ 1,399,666 (2)	11.71%	\$ 2,277,292	19.05%
2008	2.00%	12,936,136	8,733,340	67.51%	1,672,184 (2)	12.93%	2,530,611	19.56%
2007	2.00%	12,739,604	8,630,468	67.75%	1,572,191 (2)	12.34%	2,536,945	19.91%
2006	2.00%	11,886,629	8,102,987	68.17%	1,395,119 (2)	11.74%	2,388,523	20.09%
2005	2.00%	12,054,635	7,833,216	64.98%	1,487,884 (2)	12.34%	2,733,535	22.68%
2004	2.00%	11,463,637	7,745,451	67.57%	997,939 (2)	8.71%	2,720,247	23.73%
2003	2.00%	11,378,531	7,596,252	66.76%	1,132,905 (2)	9.96%	2,649,374	23.28%
2002	2.00%	11,340,627	7,605,139	67.06%	928,622 (2)	8.19%	2,806,866	24.75%
2001	2.00%	11,050,292	7,506,138	67.93%	841,297	7.61%	2,702,857	24.46%
2000	2.00%	10,986,687	7,436,931	67.69%	875,142	7.97%	2,674,614	24.34%

**Source:** City of Stow, Income Tax Department

**(1)** These amounts are the actual cash basis income tax collections by the City.

**(2)** Payments made by electric and telephone companies as mandated by ORC 5745 are included in these amounts.

## DEBT CAPACITY

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**CITY OF STOW, OHIO**

RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN YEARS

Fiscal Year	Governmental Activities				Business-Type Activities		
	General Obligation Bonds	Notes	Capital Lease	Land Purchase Agreement	OWDA Loans	OPWC Loans	General Obligation Bonds
2009	\$ 16,186,592	\$ 8,575,000	\$ 1,338,319	\$ -	\$ -	\$ 191,144	\$ 5,878,408
2008	16,853,932	9,475,000	907,731	-	-	196,936	6,036,068
2007	9,170,000	14,565,172	-	-	25,984	208,520	5,500,000
2006	5,355,000	10,423,200	-	-	51,516	220,104	-
2005	5,730,000	11,281,000	-	-	76,635	231,688	-
2004	6,100,000	12,141,858	-	-	99,879	195,353	-
2003	5,820,000	13,845,000	-	-	121,389	-	-
2002	6,015,000	15,505,000	-	-	141,294	-	-
2001	6,195,000	-	-	-	168,274	-	-
2000	6,360,000	-	-	75,000	-	-	-

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

(1) Population and personal income data is presented on page 185.

**Business-Type Activities**

<u>Notes</u>	<u>Capital Lease</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income (1)</u>	<u>Per Capita (1)</u>
\$ 1,000,000	\$ 359,280	\$ 33,528,743	2.50%	\$ 1,039
1,200,000	291,483	34,961,150	2.66%	919
2,579,828	-	32,049,504	2.53%	876
9,021,800	-	25,071,620	2.12%	729
2,064,000	-	19,383,323	1.74%	597
2,503,142	-	21,040,232	1.98%	678
2,000,000	-	21,786,389	2.12%	726
2,300,000	-	23,961,294	2.41%	813
2,300,000	-	8,663,274	0.87%	293
-	-	6,435,000	0.72%	230

**CITY OF STOW, OHIO**

RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN YEARS

<b>Fiscal Year</b>	<b>General Bonded Debt Outstanding</b>		<b>Percentage of Estimated Actual Taxable Value of Property</b>	<b>Per Capita</b>
	<b>General Obligation Bonds</b>	<b>Total</b>		
2009	\$ 22,065,000	\$ 22,065,000	0.89%	\$ 651
2008	22,890,000	22,890,000	0.89%	672
2007	9,170,000	9,170,000	0.36%	265
2006	5,355,000	5,355,000	0.22%	156
2005	5,730,000	5,730,000	0.25%	167
2004	6,100,000	6,100,000	0.27%	178
2003	5,820,000	5,820,000	0.26%	170
2002	6,015,000	21,520,000	1.09%	637
2001	6,195,000	6,195,000	0.32%	185
2000	6,360,000	6,360,000	0.34%	198

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



**CITY OF STOW, OHIO**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2009

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Direct:			
City of Stow	\$ 16,186,592	100.00%	\$ 16,186,592
Overlapping Debt:			
Summit County	34,090,000	6.81%	2,321,529
Stow-Munroe Falls City School District	3,355,000	87.45%	2,933,948
Akron Metro Regional Transit Authority	485,000	6.81%	<u>33,029</u>
Subtotal, overlapping debt			<u>5,288,505</u>
City direct debt			<u>16,186,592</u>
Total direct and overlapping debt			<u><u>\$ 21,475,097</u></u>

**Source:** Ohio Municipal Advisory Council

**Note:** Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

**CITY OF STOW, OHIO**

LEGAL DEBT MARGIN INFORMATION  
LAST TEN YEARS

<b>Fiscal Year</b>	<b>Debt Limit - Voted</b>	<b>Debt Limit - Unvoted</b>	<b>Net Debt Applicable to Limit</b>	<b>Legal Debt Margin - Voted</b>	<b>Legal Debt Margin - Unvoted</b>	<b>Total Net Debt Applicable to Limit as a Percentage of Debt Limit</b>
2009 (a)	\$ 90,013,021	\$ 47,149,678	\$ 22,065,000	\$ 67,948,021	\$ 47,149,678	24.51%
2008 (a)	86,681,692	45,404,696	22,890,000	63,791,692	45,404,696	26.41%
2007 (a)	85,546,487	44,810,065	9,170,000	76,376,487	44,810,065	10.72%
2006	87,286,096	45,721,288	5,355,000	81,931,096	45,721,288	6.13%
2005	81,105,902	42,484,044	5,730,000	75,375,902	42,484,044	7.06%
2004	80,255,496	42,038,593	6,100,000	74,155,496	42,038,593	7.60%
2003	79,346,027	41,562,204	5,820,000	73,526,027	41,562,204	7.33%
2002	71,073,213	37,228,826	6,015,000	65,058,213	37,228,826	8.46%
2001	68,794,887	36,035,417	6,195,000	62,599,887	36,035,417	9.01%
2000	66,741,564	34,959,867	6,360,000	60,381,564	34,959,867	9.53%

**Source:** City of Stow, Financial Records

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

Note: Ohio Bond Law sets a limit of 10.5% for voted debt and 5.5% for unvoted debt.

## DEMOGRAPHIC AND ECONOMIC INFORMATION

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**CITY OF STOW, OHIO**

DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (2) &amp; (4)</u>	<u>School Enrollment</u>	<u>Unemployment Rate (3)</u>
2009	33,873 (est.)	\$1,341,266,821 (est.)	\$32,274 (est.)	5,517	8.5%
2008	34,051 (est.)	1,314,967,472 (est.)	38,060 (est.)	5,688	5.3%
2007	34,550 (est.)	1,264,391,800 (est.)	36,596 (est.)	5,927	4.5%
2006	34,335	1,180,952,325	34,395	6,000	4.3%
2005	34,397	1,116,595,414	32,462	6,080	5.8%
2004	34,343	1,065,216,831	31,017	6,076	6.1%
2003	34,206	1,026,145,794	29,999	6,001	5.7%
2002	33,771	994,758,576	29,456	5,836	6.1%
2001	33,565	993,188,350	29,590	6,018	4.3%
2000	32,139	899,988,417	28,003	5,964	4.0%

**Sources:**

- (1) U.S. Census Estimates
- (2) Ohio Workforce Informer, Akron Metropolitan Statistical Area Data
- (3) Ohio Bureau of Employment Services, U.S. Department of Labor and Bureau of Labor Statistics
- (4) ESRI & Info USA

**CITY OF STOW, OHIO**

PRINCIPAL EMPLOYERS  
CURRENT YEAR AND SEVEN YEARS AGO

	<u>2009</u>	
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>
Stow-Munroe Falls City Schools	771	1
City of Stow	271	2
MActac - Morgan Adhesives	260	3
Matco Tools Corporation	172	4
J.D. Clunk & Associates	158	5
Akron General Health & Wellness Center	144	6
Centimark Corporation	130	7
Wrayco Industries, Inc.	116	8
Audio Technica U.S. Corporation	102	9
Saint-Gobain Norpro Corporation	<u>77</u>	10
Total	<u><u>2,201</u></u>	

	<u>2002</u>	
	<u>Employees</u>	<u>Rank</u>
Stow-Munroe Falls City Schools	639	1
MacTac - Morgan Adhesives	400	2
Goodyear Stow Mold Plant	230	3
Oak Technical Inc.	223	4
City of Stow	207	5
Matco Tools Corp.	170	6
Eagle Plastics Division - Plastics Components, In	150	7
Saint Gobain Norpro Corporation	130	8
Wrayco Industries, Inc.	115	9
Audio Technica U.S. Corporation	<u>114</u>	10
Total	<u><u>2,378</u></u>	

**Source:** City of Stow, Department of Planning & Development

**Note:** Information prior to 2002 is not available.

## OPERATING INFORMATION

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**CITY OF STOW, OHIO**

FULL TIME EQUIVALENT CITY GOVERNMENT  
EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN YEARS

**Full-time Equivalent Employees as of December 31**

<b>Function/Program</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
General government										
Management service	29	31	30	33	33	31	29	29	29	27
Finance	13	13	13	13	13	13	13	13	11	12
Planning	6	6	6	6	7	7	7	6	5	5
Building	6	6	6	6	7	7	7	7	7	6
Other - Public Utilities	13	14	14	10	10	9	8	8	7	-
Municipal court personnel (a)	33	-	-	-	-	-	-	-	-	-
Security of persons and property										
Officers	40	44	43	38	38	34	34	33	35	35
Civilians	81	83	75	74	74	73	73	73	72	58
Public health and welfare	1	1	1	1	1	1	1	1	1	1
Transportation	22	22	21	23	22	22	21	20	21	21
Community environment	3	3	3	3	3	3	3	3	3	3
Leisure time activity	14	14	14	18	14	13	13	14	13	14
<b>Total</b>	<b>261</b>	<b>237</b>	<b>226</b>	<b>225</b>	<b>222</b>	<b>213</b>	<b>209</b>	<b>207</b>	<b>204</b>	<b>182</b>

(a) The City of Stow assumed operations of the Municipal Court effective January 1, 2009.

**CITY OF STOW, OHIO**

**OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN YEARS**

<b>Function/Program</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>General Government</b>				
<b>Council</b>				
Number of Ordinances & resolutions	280	268	250	205
<b>Court</b>				
Number of court cases	18,826	4,135	4,423	4,717
Number of tickets	10,661	7,026	7,855	7,678
Number of court appearances	3,436	1,073	1,040	1,050
<b>Finance</b>				
Checks issued	6,277	6,262	6,215	6,311
Purchase orders issued	2,987	3,310	3,274	3,270
Number of W-2 forms issued	511	459	460	443
City W-2 Wages	\$ 17,590,450	\$ 15,606,792	\$ 15,048,694	\$ 14,093,448
<b>Security of persons and property</b>				
<b>Police</b>				
Physical arrests	885	1,826	1,222	1,399
Parking violations	201	457	444	150
Traffic citations	2,950	7,026	6,511	7,528
Traffic accidents	697	621	655	841
Marked patrol units	20	20	21	19
Unmarked patrol units	9	9	7	5
Calls for service answered	12,060	12,226	12,456	21,411
<b>Fire</b>				
Fire engines	4	4	4	4
Calls answered	3,352	3,433	3,387	3,354
Number of inspections by Fire Prevention Bureau	1,437	1,439	1,689	1,219
<b>Transportation</b>				
Number of bridges	13	13	13	13
Number of street lights	1,246	1,246	1,246	1,239
Number of signalized intersections	47	47	47	47
<b>Community Environment</b>				
<b>Building</b>				
Building permits issued	542	596	672	672
Inspections performed	1,024	1,288	1,006	1,415
Estimated value of construction	\$ 13,998,794	\$ 30,356,224	\$ 59,582,633	\$ 41,431,980
Number of plans examined	94	61	78	63
<b>Public Health and Welfare</b>				
Cemetery (plots sold)	49	40	60	56
<b>Water</b>				
Miles of water mains	152	152	152	151
Number of water tanks	1	1	1	1
Maximum holding capacity of water tank in gallons	2,500,000	2,500,000	2,500,000	2,500,000
Number of service connections	12,000	12,000	12,000	11,900
Number of fire hydrants	2,225	2,225	2,225	2,100
Daily average consumption in gallons	3,100,000	3,200,000	3,000,000	3,000,000

2005	2004	2003	2002	2001	2000
226	292	195	247	245	352
4,073	5,014	4,271	4,041	3,854	2,837
7,171	8,546	7,450	6,898	6,817	3,847
1,000	1,200	1,025	950	950	600
6,407	6,424	6,749	6,496	6,460	6,354
2,839	3,118	3,376	3,580	N/A	N/A
426	415	413	408	418	388
\$ 13,262,323	\$ 13,144,667	\$ 12,098,984	\$ 11,130,679	\$ 10,440,764	\$ 9,526,095
1,294	1,317	1,354	1,543	1,535	1,229
139	303	247	389	924	268
7,032	8,243	7,203	6,509	5,893	3,579
970	1,015	1,031	1,109	1,191	1,198
N/A	N/A	N/A	N/A	N/A	N/A
5	5	5	5	5	5
21,267	22,183	21,102	22,439	21,381	18,218
4	4	4	3	3	3
3,531	3,305	3,350	3,404	3,424	3,414
938	846	762	724	859	898
13	13	13	13	13	13
1,210	1,112	1,074	1,074	N/A	N/A
47	46	46	46	44	43
730	877	902	821	1,007	1,049
1,908	2,366	2,231	2,058	2,628	1,297
\$ 28,390,400	\$ 55,325,891	\$ 43,094,062	\$ 52,600,342	\$ 38,522,473	\$ 71,760,830
69	65	61	57	65	81
68	52	62	103	148	N/A
151	151	151	151	151	N/A
1	1	1	1	1	N/A
2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	N/A
11,800	11,600	11,500	10,900	10,500	N/A
2,100	2,100	2,100	2,100	2,100	N/A
2,950,000	2,900,000	2,800,000	2,700,000	N/A	N/A

**CITY OF STOW, OHIO**

CAPITAL ASSET INDICATORS  
LAST TEN YEARS

<b>Function/Program</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>Public Safety</b>				
Police:				
Stations	1.00	1.00	1.00	1.00
Fire:				
Stations	3.00	3.00	3.00	3.00
<b>Leisure Time Activities</b>				
City Parks	4.00	4.00	4.00	4.00
Neighborhood Parks	6.00	6.00	6.00	6.00
Park Acreage	407.75	407.75	407.75	407.75
Lodges	3.00	3.00	3.00	4.00
Ballfields	15.00	15.00	15.00	7.00
Tennis Courts	4.00	4.00	4.00	4.00
Volleyball Courts	-	-	-	3.00
Camp Sites	27.00	27.00	27.00	27.00
<b>Transportation</b>				
City Lanes (Paved Miles)	293.00	293.00	293.00	293.00
State Highways (Paved Miles)	48.00	48.00	48.00	48.00

<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
1.00	1.00	1.00	1.00	1.00	1.00
3.00	3.00	3.00	2.00	2.00	2.00
4.00	4.00	4.00	4.00	4.00	4.00
6.00	6.00	6.00	6.00	6.00	6.00
407.75	407.75	407.75	407.75	407.75	407.75
4.00	4.00	4.00	4.00	4.00	4.00
13.00	7.00	7.00	10.00	10.00	10.00
4.00	4.00	4.00	4.00	4.00	4.00
1.00	3.00	3.00	4.00	4.00	4.00
27.00	27.00	27.00	27.00	27.00	27.00
293.00	283.00	283.00	343.00	340.00	340.00
48.00	47.00	47.00	44.00	44.00	44.00

**CITY OF STOW, OHIO**

**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM - GOVERNMENTAL ACTIVITIES  
LAST SEVEN YEARS**

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Land	\$ 11,327,515	\$ 11,327,515	\$ 11,315,360	\$ 10,127,855
Construction in progress	13,237,375	15,820,309	3,108,666	1,071,785
Buildings and building improvements	24,271,430	15,875,007	16,517,663	17,088,395
Vehicles	3,128,593	3,897,629	3,912,139	2,931,700
Equipment, furniture and fixtures	1,490,501	1,495,720	1,003,053	1,280,437
Infrastructure	<u>13,798,954</u>	<u>13,123,310</u>	<u>12,743,822</u>	<u>12,295,937</u>
Total Capital Assets, Net	<u>\$ 67,254,368</u>	<u>\$ 61,539,490</u>	<u>\$ 48,600,703</u>	<u>\$ 44,796,109</u>

<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 10,157,855	\$ 10,076,005	\$ 9,937,445
2,755,424	3,526,044	12,102,100
17,793,185	16,446,238	5,273,199
2,931,661	3,372,545	3,096,774
1,183,759	1,025,582	641,600
9,742,608	9,652,052	9,184,702
<u>\$ 44,564,492</u>	<u>\$ 44,098,466</u>	<u>\$ 40,235,820</u>

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Mary Taylor, CPA  
Auditor of State

**CITY OF STOW**

**SUMMIT COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
AUGUST 19, 2010**