

**CITY OF BARBERTON, OHIO**  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2010

PREPARED BY:

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

*104 THIRD STREET  
BARBERTON, OHIO 44203*



# **INTRODUCTORY SECTION**

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**CITY OF BARBERTON, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

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# City of Barberton

Finance Department

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July 15, 2011

To the Citizens of Barberton,  
Honorable Mayor and Members of City Council,  
City of Barberton, Ohio

The Comprehensive Annual Financial Report (CAFR) of the City of Barberton, Ohio (City) is hereby presented. This CAFR represents the official report of the City of Barberton's operations and financial position for the year ended December 31, 2010, and has been developed to accurately detail the status of the City finances to Barberton residents and elected officials, investment banks and underwriters and all other interested parties. This report is presented in compliance with Governmental Accounting Standards Board (GASB) Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments". It is intended to provide all pertinent and necessary information to the citizens of Barberton.

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

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

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

As a part of the City's independent audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations. The results of the City's independent audit for the year ended December 31, 2010 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

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

*Finance Department*

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[www.cityofbarberton.com](http://www.cityofbarberton.com)

## **Community Profile**

The City of Barberton is located in northeast Ohio, adjacent to the City of Akron and approximately 35 miles south of Cleveland. Incorporated in 1891, Barberton operates under a charter form of government which was adopted by its voters in 1973. The City is governed by an elected Mayor and a nine-member City Council. Founded by industrialist Ohio Columbus Barber, Barberton earned the nickname of the Magic City because of its early rapid growth. Today, Barberton covers an area of approximately nine square miles and is the fourth largest city in Summit County with a population of approximately 26,800.

The City provides a full range of municipal services mandated by statute or charter, including police and fire protection, parks, recreation, street maintenance, planning, zoning and other general government services. Health services are provided by the Barberton Health District. In addition, water, sanitary sewer and solid waste disposal services are provided under the enterprise fund concept with user charges set to ensure adequate coverage of operating expenses and payments on outstanding debt.

## **Economic Condition and Outlook**

### ***Local Economy***

The City's economy has historically been associated with the manufacturing industry. Major industries with headquarters or divisions within Barberton's boundaries include manufacturers of fossil fuel and nuclear power generating equipment, automobile components, energy products management systems and producers of chemical products. The City's largest withholder accounts for approximately 27 percent of the City's total income tax collections.

Due to the continuing economic difficulties throughout Ohio and the nation, the City will continue to have difficulty balancing its budget for the near future. Income tax, the City's largest source of operating revenue, continued to remain stagnant, though showing signs of slight recovery. State of Ohio budget difficulties will result in cuts to local government support such as the local government fund subsidy. Operating costs, such as fuel and health care, continue to increase and capital replacement needs are ongoing.

Despite the challenges the declining resources have presented, there are development projects taking place that are intended to help restore Barberton's long-term economic stability. The Barberton Community Development Corporation (BCDC) is a tax exempt, non-political agency founded for the purpose of enhancing the City's tax base by providing opportunities to create or retain jobs in the City of Barberton. The BCDC, through business financing and gap loans has assisted over 130 businesses, facilitating over \$100 million in private sector investment. The Barberton Community Foundation invests up to \$6 million in a revolving loan fund administered by BCDC. The BCDC, in collaboration with the City and the Barberton Community Foundation (BCF) have retained or created more than 2,000 jobs generating more than \$1 million annually in income and property taxes.

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

The City had been able to offset the loss of revenues the last few years by using its Emergency Reserve monies as well as a number of other one-time revenues. Although the City continues to pursue grants and low-interest loans for capital improvements, with those operating reserves exhausted the City has been required to raise user charges and fees and as well as reducing expenses. An example of this effort is that the full-time staffing levels have been reduced from 283 employees in 2001 to 225 at the end of 2010. The result of the staffing reductions and other cuts has helped minimize expenditure growth in the General Fund, the City's major operating fund, since 2001.

### ***Major Initiatives***

Effective October 1, 2010 management of the Barberton Health District was transferred to the Summit County Health Department. The Citizens of Barberton will continue to be provided quality health services locally through the county.

The City was awarded a \$1.2 million Grant from the Ohio Department of Development Office of Housing to establish a Neighborhood Stabilization Program. An additional \$980,000 was added to the program through Summit County. The program is administered by the Neighborhood Development Services (NDS), a non-profit organization that specializes in revitalizing neighborhood housing. The City purchases homes with the intent to either raze or rehab in conjunction with NDS. Through December 31, 2010 the city has invested approximately \$1.2 million dollars of the grants.

With the aid of a federal stimulus grant of \$2.6 million and a low-interest loan of \$2.5 million from the Ohio Water Development Authority (OWDA) the City began renovation of the wastewater treatment facilities and processes. Total costs are estimated at approximately \$6.2 million. Other 2010 stimulus grants include \$200,000 to construct sidewalks in the Columbia Heights area and \$200,000 for cleanup of a former gas station site on the corner of Norton Avenue and Barber Road. In addition, stimulus dollars are funding two police patrolmen for approximately three years through the U.S. Department of Justice. The Police Department also purchased a cruiser and mobile communication equipment utilizing stimulus funds of approximately \$35,500.

Construction began on the 15<sup>th</sup> Street bridge replacement which is being jointly funded by the City and the Ohio Department of Transportation supplemented by another stimulus grant of \$268,000. The total cost is estimated to be approximately \$1.7 million, including design and engineering administration expenses.

Voters approved a Rental Registration Program in November of 2009. The program requires the registration and inspection of all residential rental properties in Barberton. The purpose of the program is to insure rental properties meet housing codes and improve the housing stock within the City. Fees are received in a special revenue fund for program expenditures only.

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

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Barberton, Ohio for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2009. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such a CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City of Barberton, Ohio, has received Certificates of Achievement for the last 20 consecutive years (1990-2009). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA for award consideration.

#### **Acknowledgements**

The publication of this report could not have been accomplished without the efforts of the Finance Department staff. I would like to express my appreciation to those directly involved in its preparation and to the entire City staff for their dedicated service to the Citizens of Barberton throughout the year.

Sincerely,

A handwritten signature in blue ink, reading "Raymond E. Flickinger, Jr.", is written over a light blue horizontal line.

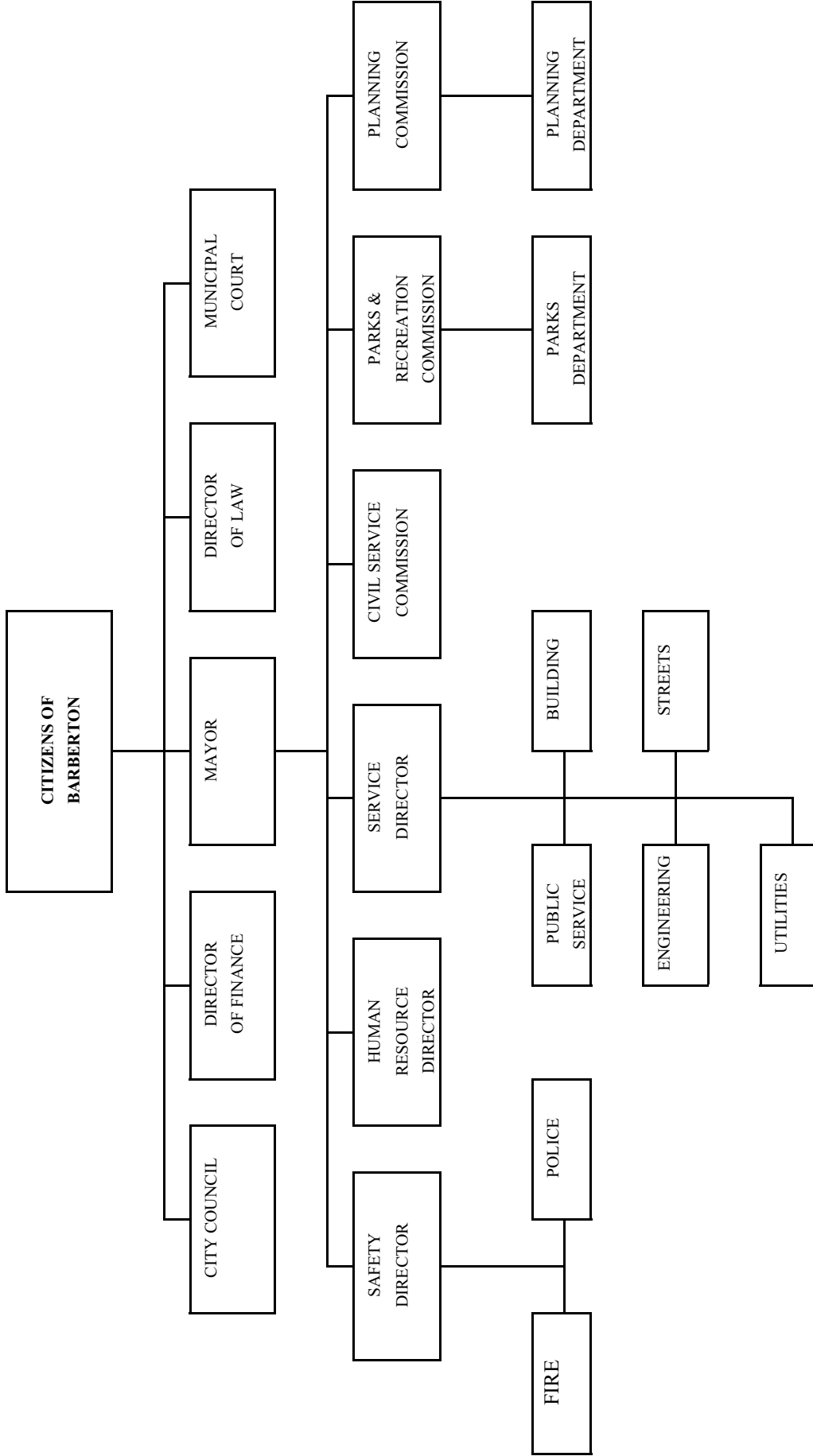
Raymond E. Flickinger, Jr., CPFA  
Director of Finance

**CITY OF BARBERTON, OHIO**

**LIST OF PRINCIPAL CITY OFFICIALS  
AS OF DECEMBER 31, 2010**

<b>Mayor</b>	(Elected: four-year term)	Robert J. Genet
<b>Cabinet of the Mayor:</b>	(Appointed)	
<b>Service Director</b>		Elwood Palmer
<b>Safety Director</b>		Raymond Todd
<b>Director of Finance</b>	(Elected: four-year term)	Raymond E. Flickinger, Jr.
<b>Director of Law</b>	(Elected: four-year term)	Lisa Okolish Miller
<b>Municipal Court Judges</b>	(Elected: six-year term)	Gregory Macko David Fish
<b>Clerk of Municipal Court</b>	(Elected: six-year term)	Christine Croce
<b>Council:</b>	(Elected: four-year term)	
President		Frederick S. Maurer
Members:		
At-Large		Michael R. Soyars
At-Large		William B. Judge
Ward 1		Paul J. Suboticki
Ward 2		John Lysenko
Ward 3		John D. Wagner
Ward 4		Craig Megyes
Ward 5		Terry L. Avant
Ward 6		Michael Anderson

**CITY OF BARBERTON, OHIO  
ORGANIZATIONAL CHART**



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Barberton  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2009

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

# **FINANCIAL SECTION**

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# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

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

To the City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Barberton, Summit County, Ohio (the City), as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Barberton, Summit County, Ohio, as of December 31, 2010, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparison for the General 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 15, 2011, 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.

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provide additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. 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 section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "Y" at the end.

**Dave Yost**  
Auditor of State

July 15, 2011

## CITY OF BARBERTON, OHIO

### *MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2010 (UNAUDITED)*

The management's discussion and analysis for the City of Barberton's financial statements provides an overview of the City's financial activities as of December 31, 2010. The intent of this discussion is to provide a narrative that helps to explain and describe the City's financial performance as a whole. To obtain a more detailed understanding, please review the transmittal letter, the notes to the basic financial statements and the basic financial statements in conjunction with this analysis. The Statistical Section can also provide valuable current and historical information.

#### **Financial Summary**

The financial summary for 2010 follows:

- The total assets of the City of Barberton exceeded its liabilities at December 31, 2010 by \$67,921,414 (net assets). Of this amount, \$5,202,429 is considered restricted for various purposes such as capital projects, debt service and other restrictions. Another \$53,061,485 is invested in capital assets and the remaining \$9,657,500 is considered unrestricted and may be used to meet the City's ongoing services and other obligations.
- Total net assets increased \$5,296,417 as a result of this year's operations. Net assets of business-type activities increased \$3,389,997, or 8.60 percent, while the net assets of governmental activities increased \$1,906,420, or 8.22 percent.
- The total cost of the City's service programs was \$33,172,623, while the total revenues were \$38,469,040. Of these amounts the governmental activities represented \$21,959,241 (66.20%) of the expenses and \$23,865,661 (62.04%) of the revenues. The business-type activities represented the remaining \$11,213,382 (33.80%) of expenses and \$14,603,379 (37.96%) of revenues.
- At the end of the current fiscal year, the fund balance for the general fund was \$3,599,902 on a modified accrual basis. This balance provides the City with the equivalent of 89 working days of expenditures.
- The City's total outstanding debt decreased \$1,852,613 during 2010.

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

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

The statement of net assets and the statement of changes in net assets provide information from a summary perspective showing the results of the operations for the year 2010 and how they impacted the financial condition of the City as a whole.

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

## CITY OF BARBERTON, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2010 (UNAUDITED)

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

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

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

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

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

##### *Fund Financial Statements*

The analysis of the City's major funds begins on page 10. Fund financial reports give a detailed accounting of the activities within the funds. The City currently has 49 funds, as presented in this report. These funds are in existence to provide a multitude of services to the citizens of Barberton. For example, some funds provide for police and fire protection, street repair and maintenance as well as water, sewer, storm water and solid waste disposal services. In addition, a number of funds serve a variety of other purposes ranging from accounting for the City's construction of capital and infrastructure assets to providing health care benefits to the City's employees. Each fund is in some ways an entity unto itself. Each fund has a designated revenue stream and restricted uses for the monies within the fund.

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

##### *Governmental Funds*

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

##### *Proprietary Funds*

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

**CITY OF BARBERTON, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(UNAUDITED)*

*Fiduciary Funds*

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

**Statement of Net Assets**

As noted earlier, the statement of net assets looks at the City as a whole and therefore, can be a useful indicator of the City's financial position. The table below provides a summary of the City's net assets for 2010 compared to 2009:

	<b>Net Assets</b>					
	Governmental Activities <u>2010</u>	Business-type Activities <u>2010</u>	Governmental Activities <u>2009</u>	Business-type Activities <u>2009</u>	2010 <u>Total</u>	2009 <u>Total</u>
<u>Assets</u>						
Current and other assets	\$ 12,784,208	\$ 12,048,140	\$ 12,073,466	\$ 10,613,085	\$ 24,832,348	\$ 22,686,551
Capital assets, net	<u>25,246,901</u>	<u>44,511,166</u>	<u>25,350,932</u>	<u>42,244,974</u>	<u>69,758,067</u>	<u>67,595,906</u>
Total assets	<u>38,031,109</u>	<u>56,559,306</u>	<u>37,424,398</u>	<u>52,858,059</u>	<u>94,590,415</u>	<u>90,282,457</u>
<u>Liabilities</u>						
Current and other liabilities	4,022,981	2,449,325	4,199,223	984,921	6,472,306	5,184,144
Long-term liabilities:						
Due within one year	1,968,699	1,241,572	1,863,946	1,194,327	3,210,271	3,058,273
Due in more than one year	<u>6,943,059</u>	<u>10,043,365</u>	<u>8,171,279</u>	<u>11,243,764</u>	<u>16,986,424</u>	<u>19,415,043</u>
Total liabilities	<u>12,934,739</u>	<u>13,734,262</u>	<u>14,234,448</u>	<u>13,423,012</u>	<u>26,669,001</u>	<u>27,657,460</u>

- - Continued

**CITY OF BARBERTON, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(UNAUDITED)*

**Net Assets**

	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities	2010 Total	2009 Total
	<u>2010</u>	<u>2010</u>	<u>2009</u>	<u>2009</u>	<u>Total</u>	<u>Total</u>
<u>Net Assets</u>						
Invested in capital assets, net of related debt	\$ 19,684,621	\$ 33,376,864	\$ 18,536,399	\$ 30,422,322	\$ 53,061,485	\$ 48,958,721
Restricted:						
Capital projects	833,231	-	1,142,832	-	833,231	1,142,832
Debt service	388,335	-	415,866	-	388,335	415,866
Street construction, maintenance and repair	1,161,967	-	881,165	-	1,161,967	881,165
Court	597,171	-	353,172	-	597,171	353,172
Recreation	226,096	-	293,671	-	226,096	293,671
Health district	221,258	-	41,123	-	221,258	41,123
Community development and improvements	720,332	-	588,994	-	720,332	588,994
Law enforcement	203,789	-	102,514	-	203,789	102,514
Emergency reserve	283	-	283	-	283	283
Police and fire pension	82,700	-	90,194	-	82,700	90,194
Fire capital	74,312	-	92,785	-	74,312	92,785
Miscellaneous grants	57,457	-	79,131	-	57,457	79,131
911 phone system	68,953	-	170,371	-	68,953	170,371
Sewer replacement and improvement	-	566,545	-	801,222	566,545	801,222
Unrestricted	<u>775,865</u>	<u>8,881,635</u>	<u>401,450</u>	<u>8,211,503</u>	<u>9,657,500</u>	<u>8,612,953</u>
Total net assets	<u>\$ 25,096,370</u>	<u>\$ 42,825,044</u>	<u>\$ 23,189,950</u>	<u>\$ 39,435,047</u>	<u>\$ 67,921,414</u>	<u>\$ 62,624,997</u>

Total assets increased in 2010 by \$4,307,958. Total current assets increased by \$2,145,797 from 2009 mainly due to increased cash fund balances and receivables for grants and various other intergovernmental revenues. Total capital assets increased by \$2,162,161 mainly as a result of business-type activities construction projects in progress.

Total liabilities decreased \$988,459 in 2010 mostly due to retirements of notes payable as well as bonded debt. The City paid portions of outstanding note issues and reissued those notes with reduced principal amounts.

As a result of the increase in total assets of \$4,307,958 and the decrease in total liabilities of \$988,459, the total net assets increased \$5,296,417.

**CITY OF BARBERTON, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(UNAUDITED)*

**Statement of Activities**

The table below shows the changes in net assets for fiscal years 2010 and 2009.

	<b>Change in Net Assets</b>					
	Governmental Activities <u>2010</u>	Business-type Activities <u>2010</u>	Governmental Activities <u>2009</u>	Business-type Activities <u>2009</u>	2010 Total	2009 Total
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 3,153,495	\$ 12,036,033	\$ 3,457,344	\$ 11,374,634	\$ 15,189,528	\$ 14,831,978
Operating grants and contributions	5,092,156	-	4,164,877	-	5,092,156	4,164,877
Capital grants and contributions	67,564	2,547,429	145,229	-	2,614,993	145,229
<b>Total program revenues</b>	<u>8,313,215</u>	<u>14,583,462</u>	<u>7,767,450</u>	<u>11,374,634</u>	<u>22,896,677</u>	<u>19,142,084</u>
General revenues:						
Property taxes	1,740,349	-	1,619,887	-	1,740,349	1,619,887
Income taxes	10,849,848	-	10,320,696	-	10,849,848	10,320,696
Grants and entitlements	2,571,074	-	2,159,444	-	2,571,074	2,159,444
Investment earnings	40,544	4,516	72,965	10,580	45,060	83,545
Other	350,631	15,401	141,724	8,716	366,032	150,440
<b>Total general revenues</b>	<u>15,552,446</u>	<u>19,917</u>	<u>14,314,716</u>	<u>19,296</u>	<u>15,572,363</u>	<u>14,334,012</u>
<b>Total revenues</b>	<u>23,865,661</u>	<u>14,603,379</u>	<u>22,082,166</u>	<u>11,393,930</u>	<u>38,469,040</u>	<u>33,476,096</u>
<b>Expenses</b>						
Program expenses:						
General government	4,259,141	-	4,554,994	-	4,259,141	4,554,994
Public safety	10,082,932	-	11,207,888	-	10,082,932	11,207,888
Health and welfare	847,498	-	1,511,973	-	847,498	1,511,973
Transportation	1,866,192	-	2,340,290	-	1,866,192	2,340,290
Community environment	3,321,424	-	2,292,939	-	3,321,424	2,292,939
Leisure time activity	1,314,014	-	1,294,285	-	1,314,014	1,294,285
Interest and fiscal charges	268,040	-	289,245	-	268,040	289,245
Water	-	4,364,080	-	4,158,746	4,364,080	4,158,746
Sewer	-	4,277,917	-	4,497,443	4,277,917	4,497,443
Solid waste	-	1,868,090	-	1,760,928	1,868,090	1,760,928
Storm water	-	703,295	-	684,083	703,295	684,083
<b>Total expenses</b>	<u>21,959,241</u>	<u>11,213,382</u>	<u>23,491,614</u>	<u>11,101,200</u>	<u>33,172,623</u>	<u>34,592,814</u>
Change in net assets before transfers and special item	\$ 1,906,420	\$ 3,389,997	\$ (1,409,448)	\$ 292,730	\$ 5,296,417	\$ (1,116,718)
Special item	-	-	-	(848,623)	-	(848,623)
Transfers	-	-	(149,385)	149,385	-	-
<b>Change in net assets</b>	1,906,420	3,389,997	(1,558,833)	(406,508)	5,296,417	(1,965,341)
Net assets at beginning of year	<u>23,189,950</u>	<u>39,435,047</u>	<u>24,748,783</u>	<u>39,841,555</u>	<u>62,624,997</u>	<u>64,590,338</u>
<b>Net assets at end of year</b>	<u>\$ 25,096,370</u>	<u>\$ 42,825,044</u>	<u>\$ 23,189,950</u>	<u>\$ 39,435,047</u>	<u>\$ 67,921,414</u>	<u>\$ 62,624,997</u>

## CITY OF BARBERTON, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2010 (UNAUDITED)

#### *Governmental Activities*

The City's funding for governmental activities comes from a variety of sources, the most significant being the municipal income tax. The City levies an income tax of 2.0 percent on all income earned within the City as well as on the income of residents earned outside of the City. In the latter case, the City allows a credit of 100 percent on the income taxes paid to another municipality by residents of Barberton, up to 2.0 percent of the income. On a full accrual basis, the City received \$10,849,848 in income tax collections, or 45.46 percent of the total governmental revenues in 2010, compared to \$10,320,696 in income tax collections received in 2009.

Intergovernmental revenue (i.e. state shared support) represents the City's second largest source of general revenue for the governmental activities. In 2010, the City received \$2,571,074 in unrestricted intergovernmental revenues or 10.77 percent of total revenue. Unrestricted intergovernmental revenues totaled \$2,159,444 or 9.78 percent of total revenue in 2009. The remaining general revenue sources represent smaller amounts and include property taxes (7.29 percent) and various others (1.64 percent).

Program restricted charges for services and operating and capital grants represent monies the City is awarded that are required to be used for very specific purposes. In 2010, the City received \$3,153,495 in charges for services and a combined total of \$5,159,720 in various operating and capital grants.

The City's governmental activity expenses totaled \$21,959,241 in 2010, with public safety (police and fire protection) and general government (city council, mayor, finance, service director, etc.) representing the largest portion of this figure at 45.92 percent and 19.40 percent, respectively. The City's total governmental activities expenses decreased \$1,532,373 from 2009.

Public safety expenses totaled \$10,082,932 and represented 45.92 percent of the City's total governmental activity expenses in 2010 compared to 47.71 percent in 2009. The public safety classification consists of the Police Department, which includes 9-1-1 dispatchers, and the Fire Department. As of December 31, 2010, the City employed 37 full-time police officers, 13 full-time 9-1-1 dispatchers and 45 full-time firefighters.

Health and welfare expenses totaled \$847,498 and represented the City's sixth largest category of governmental activity expenses with 3.86 percent of total expenses. Programs for the health district fund are included in this category.

At \$1,866,192 or 8.50 percent, transportation represents the City's fourth largest category of governmental activity expenses. The transportation classification consists of the City's Street Department and the Paint and Signal Division. In addition, the City has several funds established that are used to pay private contractors for road resurfacing and general street maintenance. The expenses for the private street resurfacing contracts are also included as transportation related expenses. As of December 31, 2010, the City employed 13 full-time employees in the Street Department and 2 full-time employees in the Signal Division.

Community environment and leisure time activities expenses make up 15.13% and 5.98% of governmental activity expenditures. Expenses for community environment include those related to the community development block grant program and the state neighborhood stabilization program. Expenses for recreation programs, parks maintenance, and the sports operating complex make up leisure time activity expenses.



**CITY OF BARBERTON, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(UNAUDITED)*

*Business-Type Activities*

The City of Barberton Utility Department provides water, sewer, storm water and solid waste disposal (garbage collection) services. Sanitary sewer services are provided to approximately 11,000 customers in and around the Barberton area. Sewer billing rates are set by City Council based on the recommendation of the Service and Utilities Directors. In 2010, the rates were established at \$3.94 per thousand gallons of metered water for residential and commercial users. The sewer treatment plant was originally constructed in 1960 and then completely overhauled in 1988. The City has made several improvements to the plant since 1988 with the most recent occurring in 2002 for various upgrades. Further improvements to the sewage treatment processes began in 2010 financed by federal grant, State of Ohio loan and customer user charges. Cost of the project is estimated to be approximately \$6,252,260.

Water distribution and treatment services are provided to approximately 12,250 customers in and around the Barberton area. Water billing rates are set by the Service Director. In 2010, the rates were established at \$5.28 per thousand gallons for residential and commercial users. In 1994, the water treatment plant was completely renovated at a cost of approximately \$4.9 million. Over the past year, improvements and upgrades to the water treatment plant have continued.

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

The City also contracts for solid waste disposal (garbage collection). The City, in addition to billing and collecting garbage user fees, acts as an agent between the successful competitive bidder for pickup service and City customers. In 2010, the monthly rate charged was \$17.38.

The revenues and expenses for all the business-type activities are reported under the business-type activities. The revenues are derived primarily from user charges. In 2010, the charges for services amount of \$12,036,033 accounted for 82.42 percent of the total revenues compared to 99.83 percent in 2009. The business-type activities received capital grants in the amount of \$2,547,429 during 2010, which helped fund the wastewater treatment upgrades. The total expenses for all the business-type activities were \$11,213,382 during 2010, compared to \$11,101,200 in 2009. Net assets of the business-type activities increased \$3,389,997 due primarily to the aforementioned grant for the wastewater treatment construction project.

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>2010</u>	Net Cost of Services <u>2010</u>	Total Cost of Services <u>2009</u>	Net Cost of Services <u>2009</u>
Program Expenses:				
General government	\$ 4,259,141	\$ 2,433,707	\$ 4,554,994	\$ 2,662,195
Public safety	10,082,932	9,022,300	11,207,888	9,907,831
Health and welfare	847,498	231,330	1,511,973	495,997
Transportation	1,866,192	712,920	2,340,290	1,190,602
Community environment	3,321,424	578,633	2,292,939	644,695
Leisure time activities	1,314,014	945,934	1,294,285	936,563
Interest and fiscal charges	<u>268,040</u>	<u>(278,798)</u>	<u>289,245</u>	<u>(113,719)</u>
Total Expenses	<u>\$ 21,959,241</u>	<u>\$ 13,646,026</u>	<u>\$ 23,491,614</u>	<u>\$ 15,724,164</u>

## CITY OF BARBERTON, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2010 (UNAUDITED)

The dependence upon general revenues for governmental activities is apparent, with 62.14 percent of expenses supported through taxes and other general revenues in 2010 and 66.94 percent in 2009.

#### **The City's Funds**

Information about the City's governmental funds begins on page 18. Governmental funds are accounted for using the modified accrual method of accounting. All governmental funds had revenues of \$23,638,102 and expenditures of \$22,491,826.

The general fund is the chief operating fund of the City of Barberton. During 2010, the City's general fund balance increased \$1,465,198. General fund revenues in 2010 increased \$522,285 or about 3.07% compared to 2009, while expenses were \$2,045,116 or 12.24% below 2009 levels. Income tax revenues were higher primarily due to increased collections from business returns. The City also experienced an increase in intergovernmental revenues in 2010, which is due to receipt of three ARRA grants as well as an increase in inheritance tax collections. The considerable decrease in expenses is a result of the City's cost-cutting measures implemented to compensate for declining cash balances. The most significant decrease in expenses for 2010 were public safety expenses which were \$1,405,026 or 13.61% lower than in 2009, a decrease attributable primarily to reduced wages and benefits costs due to the reduction in the police force.

Information concerning the proprietary funds starts on page 24. These funds are accounted for on an accrual basis. All enterprise funds had operating revenues of \$12,049,459 and operating expenses of \$10,576,119, resulting in operating income of \$1,473,340 or 12.23 percent of the total revenues compared to 6.02 percent in 2009. Operating revenues for both the water and storm water utilities were sufficient to meet the operating expenses in 2010, while the sewer fund experienced a slight operating loss. Increases in water usage and the billing rate resulted in an increase in operating revenues of 11.15 percent. Sewer revenues in 2010 were comparable to 2009, while lower expenses for contract services led to a decrease in total expenses of about seven percent. Additionally, the sewer fund received grant proceeds of \$2,547,429 in 2010 for wastewater treatment upgrades. The solid waste fund experienced slight increases in both operating revenues (3.23 percent) and expenses (5.91 percent).

#### *Budgeting Highlights*

The City's budget is prepared according to the laws of the State of Ohio and is based on accounting for certain transactions on a cash basis for receipts, expenditures and encumbrances. The most significant budgeted fund is the general fund. The legal level of control is established by City Council at the personal services and operating expenditure level for each department within the general fund and at the fund level for all other funds. Any budget modifications at these levels may only be made through an ordinance of City Council. City policy permits fund transfers within management control levels with the approval of the department head and the Finance Director. During the course of 2010, City Council amended appropriations and department managers' adjusted budgets several times as needed to provide timely services.

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

For the general fund, the 2010 original and final budgeted revenues and financing sources were \$16,908,652 and \$17,188,752, respectively. The actual revenue collections were \$18,041,503. Net income tax revenue ended approximately 9.06% above the final budgeted estimates due to substantial increases in collections from both business returns and withholding. The positive variance in other revenues of approximately 21.41% comes primarily from Barberton Community Foundation receipts which were higher than budgeted. The most significant negative variance for revenues was for investment income which decreased as interest rates continued to fall throughout the year.

**CITY OF BARBERTON, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(UNAUDITED)*

During 2010, actual expenditures and other financing uses of \$17,183,389 were \$410,879 less than the final appropriated expenditures of \$17,594,268. The City's ending unencumbered cash balance of \$1,500,546 in the general fund was \$1,263,630 higher than the final adjusted budgeted amount and represented an increase in the unencumbered balance of \$1,233,294.

**Capital Assets and Debt Administration**

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

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Land	\$ 6,314,610	\$ 6,038,884	\$ 899,541	\$ 899,541	\$ 7,214,151	\$ 6,938,425
Construction in progress	719,534	458,730	13,271,348	9,229,918	13,990,882	9,688,648
Buildings	4,929,943	5,162,791	13,459,134	14,333,417	18,389,077	19,496,208
Vehicles and equipment	3,424,709	3,367,002	1,193,292	1,300,594	4,618,001	4,667,596
Infrastructure						
Street subsystem	8,440,891	9,010,415	-	-	8,440,891	9,010,415
Storm sewer subsystem	-	-	2,956,076	3,169,039	2,956,076	3,169,039
Traffic signals subsystem	1,417,214	1,313,110	-	-	1,417,214	1,313,110
Water lines	-	-	5,144,702	5,354,936	5,144,702	5,354,936
Sewer lines	-	-	7,587,073	7,957,529	7,587,073	7,957,529
<b>Totals</b>	<b>\$25,246,901</b>	<b>\$25,350,932</b>	<b>\$44,511,166</b>	<b>\$42,244,974</b>	<b>\$69,758,067</b>	<b>\$67,595,906</b>

Total capital assets for the year ended December 31, 2010 were \$69,758,067, which is an increase from the 2009 figure by \$2,162,161. The increase is primarily the result of expenditures for a new construction project in the sewer fund. Total new asset additions of \$5,782,638 exceeded depreciation expense of \$3,444,432, and disposals, net of accumulated depreciation, of \$176,045. Please see Note 7 in the financial statements for more information regarding the City's capital assets.

*Debt*

The outstanding debt as of December 31, 2010 was \$17,142,144. This balance reflected a decrease of \$1,852,613 from the prior year's balance of \$18,994,757. Moody's Investors Service, Inc. has given the City a bond rating of A3.

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
General obligation bonds	\$ 4,347,960	\$ 5,148,101	\$ 2,590,497	\$ 3,268,796	\$ 6,938,457	\$ 8,416,897
Revenue bonds	-	-	7,983,356	8,327,677	7,983,356	8,327,677
Capital leases	354,696	397,510	64,073	125,591	418,769	523,101
Special assessment bonds	91,053	129,522	-	-	91,053	129,522
Notes payable	322,000	436,000	478,000	114,000	800,000	550,000
Other debt	910,509	1,047,560	-	-	910,509	1,047,560
<b>Total long-term obligations</b>	<b>\$ 6,026,218</b>	<b>\$ 7,158,693</b>	<b>\$ 11,115,926</b>	<b>\$ 11,836,064</b>	<b>\$ 17,142,144</b>	<b>\$ 18,994,757</b>

Please see Notes 8, 9 and 10 in the financial statements for more information regarding the City's long-term debt.

## **CITY OF BARBERTON, OHIO**

### *MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2010 (UNAUDITED)*

#### **Economic Factors and the 2011 General Fund Budget**

Some of the economic trends impacting Barberton that were considered in developing the 2011 budget include the following:

- Barberton's average annual unemployment rate during 2010 was 11.95 percent, compared to 9.9 percent for Summit County and 10.1 percent for the State of Ohio.
- 2010 income tax revenue amounted to approximately \$10.85 million compared with \$10.32 million in 2009. Income tax receipts through April 2011 are 2.4 percent ahead of April 2010 year to date collections.
- Barberton's assessed real property values have increased approximately \$110 million, or about 39.5 percent since 2001. Recent years however show a slowing of the growth rate through 2007, and assessed values have declined approximately \$6.8 million or 1.7% since 2008. The latest reappraisal occurred in 2008.

Despite the City's cost cutting efforts over the last two years, balancing the budget for the foreseeable future will continue to be difficult. Other revenues such as shared support from the State are estimated to decline while certain operating costs such as fuel continue to increase. Capital replacement continues to be difficult as federal and state grants are reduced or eliminated. As a result, it is anticipated that further cost containment efforts, service reductions, and/or revenue enhancement actions will be necessary through the remainder of 2011 and into 2012 and beyond.

#### **Request for Information**

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

**BASIC  
FINANCIAL STATEMENTS**

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**CITY OF BARBERTON, OHIO**

*STATEMENT OF NET ASSETS  
DECEMBER 31, 2010*

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . . . .	\$ 6,382,522	\$ 7,299,735	\$ 13,682,257
Investments . . . . .	-	2,432,510	2,432,510
Cash and cash equivalents in segregated accounts . .	221,899	-	221,899
Receivables (net of allowances for uncollectibles):			
Property taxes . . . . .	1,640,870	-	1,640,870
Income taxes . . . . .	1,701,406	-	1,701,406
Accounts . . . . .	38,085	1,097,415	1,135,500
Intergovernmental . . . . .	2,275,972	666,107	2,942,079
Accrued interest . . . . .	5,347	1,060	6,407
Special assessments . . . . .	91,054	-	91,054
Internal balances . . . . .	155,525	(155,525)	-
Notes receivable . . . . .	100,513	-	100,513
Prepayments . . . . .	61,846	61,918	123,764
Materials and supplies inventory . . . . .	-	351,700	351,700
Deferred charges . . . . .	109,169	293,220	402,389
Capital assets:			
Nondepreciable capital assets . . . . .	7,034,144	14,170,889	21,205,033
Depreciable capital assets, net . . . . .	18,212,757	30,340,277	48,553,034
Total capital assets, net . . . . .	<u>25,246,901</u>	<u>44,511,166</u>	<u>69,758,067</u>
<b>Total assets . . . . .</b>	<u><b>38,031,109</b></u>	<u><b>56,559,306</b></u>	<u><b>94,590,415</b></u>
<b>Liabilities:</b>			
Accounts payable . . . . .	521,273	453,882	975,155
Contracts payable . . . . .	659,945	1,364,433	2,024,378
Accrued wages and benefits payable . . . . .	20,174	47,457	67,631
Intergovernmental payable . . . . .	751,175	66,921	818,096
Unearned revenue . . . . .	1,465,878	-	1,465,878
Accrued interest payable . . . . .	30,329	38,632	68,961
Claims payable . . . . .	252,207	-	252,207
Notes payable . . . . .	322,000	478,000	800,000
Long-term liabilities:			
Due within one year . . . . .	1,968,699	1,241,572	3,210,271
Due in more than one year . . . . .	6,943,059	10,043,365	16,986,424
<b>Total liabilities . . . . .</b>	<u><b>12,934,739</b></u>	<u><b>13,734,262</b></u>	<u><b>26,669,001</b></u>
<b>Net assets:</b>			
Invested in capital assets, net of related debt . . . . .	19,684,621	33,376,864	53,061,485
Restricted for:			
Capital projects . . . . .	833,231	-	833,231
Debt service . . . . .	388,335	-	388,335
Street construction, maintenance and repair . . . .	1,161,967	-	1,161,967
Court . . . . .	597,171	-	597,171
Recreation . . . . .	226,096	-	226,096
Health district . . . . .	221,258	-	221,258
Community development and improvements . . . .	720,332	-	720,332
Law enforcement . . . . .	203,789	-	203,789
Emergency reserve . . . . .	283	-	283
Police and fire pension . . . . .	82,700	-	82,700
Fire capital . . . . .	74,312	-	74,312
Miscellaneous grants . . . . .	57,457	-	57,457
911 phone system . . . . .	68,953	-	68,953
Sewer replacement and improvement . . . . .	-	566,545	566,545
Unrestricted . . . . .	775,865	8,881,635	9,657,500
<b>Total net assets . . . . .</b>	<u><b>\$ 25,096,370</b></u>	<u><b>\$ 42,825,044</b></u>	<u><b>\$ 67,921,414</b></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF BARBERTON, OHIO**

*STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<b>Program Revenues</b>			
	<b>Expenses</b>	<b>Charges for Services and Sales</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Governmental activities:</b>				
General government . . . . .	\$ 4,259,141	\$ 1,824,354	\$ 1,080	\$ -
Public safety . . . . .	10,082,932	777,898	278,234	4,500
Health and welfare . . . . .	847,498	296,202	319,966	-
Transportation . . . . .	1,866,192	42,851	1,047,357	63,064
Community environment . . . . .	3,321,424	120,405	2,622,386	-
Leisure time activities. . . . .	1,314,014	91,785	276,295	-
Interest and fiscal charges. . . . .	268,040	-	546,838	-
Total governmental activities . . . . .	<u>21,959,241</u>	<u>3,153,495</u>	<u>5,092,156</u>	<u>67,564</u>
<b>Business-type activities:</b>				
Water . . . . .	4,364,080	5,100,123	-	-
Sewer . . . . .	4,277,917	4,163,396	-	2,547,429
Solid Waste . . . . .	1,868,090	2,002,081	-	-
Other enterprise funds:				
Storm Water. . . . .	703,295	770,433	-	-
Total business-type activities . . . . .	<u>11,213,382</u>	<u>12,036,033</u>	<u>-</u>	<u>2,547,429</u>
Totals . . . . .	<u>\$ 33,172,623</u>	<u>\$ 15,189,528</u>	<u>\$ 5,092,156</u>	<u>\$ 2,614,993</u>

**General revenues:**

Property taxes levied for:

- General purposes . . . . .
- Fire capital levy. . . . .
- Police pension. . . . .
- Fire pension. . . . .

Municipal income taxes levied for:

- General purposes . . . . .
- Grants and entitlements not restricted to specific programs . . . . .
- Investment earnings . . . . .
- Other . . . . .

Total general revenues. . . . .

Change in net assets . . . . .

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

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

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



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

<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ (2,433,707)	\$ -	\$ (2,433,707)
(9,022,300)	-	(9,022,300)
(231,330)	-	(231,330)
(712,920)	-	(712,920)
(578,633)	-	(578,633)
(945,934)	-	(945,934)
278,798	-	278,798
(13,646,026)	-	(13,646,026)
-	736,043	736,043
-	2,432,908	2,432,908
-	133,991	133,991
-	67,138	67,138
-	3,370,080	3,370,080
(13,646,026)	3,370,080	(10,275,946)
1,272,525	-	1,272,525
259,904	-	259,904
103,960	-	103,960
103,960	-	103,960
10,849,848	-	10,849,848
2,571,074	-	2,571,074
40,544	4,516	45,060
350,631	15,401	366,032
15,552,446	19,917	15,572,363
1,906,420	3,389,997	5,296,417
23,189,950	39,435,047	62,624,997
\$ 25,096,370	\$ 42,825,044	\$ 67,921,414

**CITY OF BARBERTON, OHIO**

*BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2010*

	<b>General</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . . . .	\$ 2,041,410	\$ 3,809,551	\$ 5,850,961
Cash and cash equivalents in segregated accounts . . . . .	221,899	-	221,899
Receivables (net of allowance for uncollectibles):			
Property taxes . . . . .	1,119,654	521,216	1,640,870
Income taxes . . . . .	1,701,406	-	1,701,406
Accounts . . . . .	30,313	-	30,313
Intergovernmental . . . . .	904,759	1,371,213	2,275,972
Accrued interest . . . . .	5,347	-	5,347
Due from other funds. . . . .	140,274	-	140,274
Special assessments. . . . .	-	91,054	91,054
Notes receivable . . . . .	1,777	98,736	100,513
Prepayments . . . . .	53,984	7,862	61,846
Deferred charges . . . . .	-	3,078	3,078
Total assets . . . . .	<u>\$ 6,220,823</u>	<u>\$ 5,902,710</u>	<u>\$ 12,123,533</u>
<b>Liabilities:</b>			
Accounts payable. . . . .	\$ 279,361	\$ 241,912	\$ 521,273
Contracts payable. . . . .	-	659,945	659,945
Accrued wages and benefits payable . . . . .	7,246	12,928	20,174
Intergovernmental payable . . . . .	721,946	29,229	751,175
Due to other funds . . . . .	-	140,274	140,274
Deferred revenue . . . . .	612,121	828,121	1,440,242
Unearned revenue . . . . .	1,000,247	465,631	1,465,878
Accrued interest payable . . . . .	-	747	747
Notes payable . . . . .	-	322,000	322,000
Total liabilities . . . . .	<u>2,620,921</u>	<u>2,700,787</u>	<u>5,321,708</u>
<b>Fund balances:</b>			
Reserved for encumbrances . . . . .	493,796	2,069,464	2,563,260
Reserved for prepayments . . . . .	53,984	7,862	61,846
Reserved for notes receivable . . . . .	1,777	98,736	100,513
Reserved for debt service. . . . .	-	326,863	326,863
Unreserved, undesignated, reported in:			
General fund . . . . .	3,050,345	-	3,050,345
Special revenue funds . . . . .	-	226,161	226,161
Capital projects funds . . . . .	-	472,837	472,837
Total fund balances . . . . .	<u>3,599,902</u>	<u>3,201,923</u>	<u>6,801,825</u>
Total liabilities and fund balances. . . . .	<u>\$ 6,220,823</u>	<u>\$ 5,902,710</u>	<u>\$ 12,123,533</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF BARBERTON, OHIO**

*RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET ASSETS OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2010*

<b>Total governmental fund balances</b>	\$	6,801,825
 <i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		25,246,901
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		
Delinquent property taxes receivable	\$ 174,992	
Intergovernmental receivable	1,169,803	
Special assessments receivable	91,054	
Accrued interest receivable	<u>4,393</u>	
Total		1,440,242
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	(3,207,540)	
General obligation bonds payable	(4,347,960)	
Special assessment bonds payable	(91,053)	
Section 108 loan payable	(750,000)	
State infrastructure bank loan payable	(160,509)	
Capital lease obligation	<u>(354,696)</u>	
Total		(8,911,758)
On the statement of net assets interest is accrued on outstanding bonds, notes and loans payable, whereas in governmental funds, interest is accrued when due.		(29,582)
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.		106,091
Internal service funds are used by management to charge the costs of insurance, postage and gasoline to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		287,126
An internal balance is recorded in governmental activities to reflect underpayments to the internal service fund by the business-type activities.		<u>155,525</u>
<b>Net assets of governmental activities</b>	<b>\$</b>	<b><u>25,096,370</u></b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF BARBERTON, OHIO**

*STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>			
Property and other taxes . . . . .	\$ 1,225,917	\$ 446,126	\$ 1,672,043
Municipal income taxes . . . . .	10,849,848	-	10,849,848
Charges for services . . . . .	1,843,966	362,116	2,206,082
Licenses and permits . . . . .	197,126	54,981	252,107
Fines and forfeitures . . . . .	76,057	342,254	418,311
Intergovernmental . . . . .	2,763,810	3,948,641	6,712,451
Special assessments . . . . .	-	157,474	157,474
Investment income . . . . .	33,653	4,940	38,593
Contributions and donations . . . . .	-	627,447	627,447
Other . . . . .	521,835	181,911	703,746
Total revenues . . . . .	<u>17,512,212</u>	<u>6,125,890</u>	<u>23,638,102</u>
<b>Expenditures:</b>			
Current:			
General government . . . . .	3,992,056	25,282	4,017,338
Public safety . . . . .	8,914,707	308,484	9,223,191
Health and welfare . . . . .	-	971,656	971,656
Transportation . . . . .	152,158	1,265,355	1,417,513
Community environment . . . . .	776,260	2,426,580	3,202,840
Leisure time activities . . . . .	746,732	321,580	1,068,312
Capital outlay . . . . .	41,026	1,161,628	1,202,654
Debt service:			
Principal retirement . . . . .	31,076	1,098,596	1,129,672
Interest and fiscal charges . . . . .	2,798	255,852	258,650
Total expenditures . . . . .	<u>14,656,813</u>	<u>7,835,013</u>	<u>22,491,826</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>2,855,399</u>	<u>(1,709,123)</u>	<u>1,146,276</u>
<b>Other financing sources (uses):</b>			
Sale of assets . . . . .	-	109,838	109,838
Capital lease transactions . . . . .	-	112,089	112,089
Transfers in . . . . .	25,252	1,753,827	1,779,079
Transfers out . . . . .	(1,415,453)	(363,626)	(1,779,079)
Total other financing sources (uses) . . . . .	<u>(1,390,201)</u>	<u>1,612,128</u>	<u>221,927</u>
Net change in fund balances . . . . .	1,465,198	(96,995)	1,368,203
<b>Fund balances at beginning of year . . . . .</b>	<u>2,134,704</u>	<u>3,298,918</u>	<u>5,433,622</u>
<b>Fund balances at end of year . . . . .</b>	<u>\$ 3,599,902</u>	<u>\$ 3,201,923</u>	<u>\$ 6,801,825</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF BARBERTON, OHIO**

*RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2010*

<b>Net change in fund balances - total governmental funds</b>	\$	1,368,203
<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 costs of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.		
Capital asset additions	\$	1,435,291
Current year depreciation		<u>(1,537,397)</u>
Total		(102,106)
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.		
		(1,925)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent property taxes		68,306
Intergovernmental		86,993
Special assessments		(38,469)
Interest		<u>1,951</u>
Total		118,781
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		
		1,129,672
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest is expensed when due.		
Accrued interest		4,211
Bond premium		1,720
Discount on bond issuance		(828)
Bond issuance costs		<u>(14,493)</u>
Total		(9,390)
The issuance of capital lease obligations are recorded as revenue in the funds; however, in the statement of activities, they are not reported as revenues as they increase liabilities on the statement of net assets.		
		(112,089)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of financial resources and therefore are not reported as expenditures in governmental funds.		
		38,979
Internal service funds used by management to charge the cost of insurance, postage, and gasoline to individual funds are not reported in the expenditures and related internal service fund revenues are eliminated. The net revenues (expenses) of the internal service funds are allocated among the governmental activities.		
		<u>(523,705)</u>
<b>Change in net assets of governmental activities</b>	\$	<u>1,906,420</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF BARBERTON, OHIO**

*STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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 . . . . .	\$ 1,192,053	\$ 1,211,800	\$ 1,225,917	\$ 14,117
Municipal income taxes . . . . .	9,989,518	10,155,000	11,075,057	920,057
Charges for services. . . . .	1,900,025	1,931,500	1,836,048	(95,452)
Licenses and permits . . . . .	136,784	139,050	197,126	58,076
Fines and forfeitures . . . . .	86,664	88,100	75,863	(12,237)
Intergovernmental. . . . .	2,802,342	2,848,764	2,755,549	(93,215)
Investment income. . . . .	118,045	120,000	44,203	(75,797)
Other . . . . .	653,461	664,286	806,488	142,202
Total revenues . . . . .	<u>16,878,892</u>	<u>17,158,500</u>	<u>18,016,251</u>	<u>857,751</u>
<b>Expenditures:</b>				
Current:				
General government. . . . .	4,240,088	4,324,838	4,186,402	138,436
Public safety. . . . .	9,487,184	9,406,309	9,350,637	55,672
Transportation. . . . .	156,707	156,707	157,136	(429)
Community environment . . . . .	1,135,942	1,371,707	1,257,599	114,108
Leisure time activities. . . . .	778,812	791,162	765,729	25,433
Capital outlay . . . . .	32,829	63,564	50,433	13,131
Total expenditures. . . . .	<u>15,831,562</u>	<u>16,114,287</u>	<u>15,767,936</u>	<u>346,351</u>
Excess of revenues over expenditures . . . . .	<u>1,047,330</u>	<u>1,044,213</u>	<u>2,248,315</u>	<u>1,204,102</u>
<b>Other financing sources (uses):</b>				
Sale of assets. . . . .	4,919	5,000	-	(5,000)
Transfers in . . . . .	24,841	25,252	25,252	-
Transfers out. . . . .	(1,407,006)	(1,479,981)	(1,415,453)	64,528
Total other financing sources (uses) . . . . .	<u>(1,377,246)</u>	<u>(1,449,729)</u>	<u>(1,390,201)</u>	<u>59,528</u>
Net change in fund balances . . . . .	(329,916)	(405,516)	858,114	1,263,630
<b>Fund balances at beginning of year . . . . .</b>	267,252	267,252	267,252	-
<b>Prior year encumbrances appropriated . . . . .</b>	375,180	375,180	375,180	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 312,516</u>	<u>\$ 236,916</u>	<u>\$ 1,500,546</u>	<u>\$ 1,263,630</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**CITY OF BARBERTON, OHIO**

*STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
DECEMBER 31, 2010*

**Business-type Activities - Enterprise Funds**

	<u>Water</u>	<u>Sewer</u>	<u>Solid Waste</u>	<u>Nonmajor</u>	<u>Total</u>
<b>Assets:</b>					
Current assets:					
Equity in pooled cash and cash equivalents. . .	\$ 2,722,917	\$ 2,175,505	\$ 878,404	\$ 956,364	\$ 6,733,190
Investments . . . . .	2,432,510	-	-	-	2,432,510
Receivables (net of allowances for uncollectibles):					
Accounts . . . . .	499,919	426,963	91,092	79,441	1,097,415
Intergovernmental . . . . .	-	666,107	-	-	666,107
Accrued interest . . . . .	1,060	-	-	-	1,060
Materials and supplies inventory . . . . .	318,466	33,234	-	-	351,700
Prepayments . . . . .	31,664	29,967	287	-	61,918
Total current assets . . . . .	<u>6,006,536</u>	<u>3,331,776</u>	<u>969,783</u>	<u>1,035,805</u>	<u>11,343,900</u>
Noncurrent assets:					
Restricted assets:					
Equity in pooled cash and cash equivalents .	-	566,545	-	-	566,545
Deferred charges . . . . .	263,712	29,508	-	-	293,220
Capital assets:					
Nondepreciable capital assets . . . . .	10,597,750	3,443,014	-	130,125	14,170,889
Depreciable capital assets, net . . . . .	7,259,365	19,872,490	-	3,208,422	30,340,277
Total capital assets, net . . . . .	<u>17,857,115</u>	<u>23,315,504</u>	<u>-</u>	<u>3,338,547</u>	<u>44,511,166</u>
Total noncurrent assets . . . . .	<u>18,120,827</u>	<u>23,911,557</u>	<u>-</u>	<u>3,338,547</u>	<u>45,370,931</u>
Total assets . . . . .	<u>24,127,363</u>	<u>27,243,333</u>	<u>969,783</u>	<u>4,374,352</u>	<u>56,714,831</u>
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable . . . . .	141,096	85,679	152,841	74,266	453,882
Contracts payable . . . . .	619,079	745,354	-	-	1,364,433
Accrued wages and benefits payable . . . . .	23,361	19,542	283	4,271	47,457
Intergovernmental . . . . .	32,552	28,403	779	5,187	66,921
Accrued interest payable . . . . .	36,562	2,070	-	-	38,632
Claims payable . . . . .	-	-	-	-	-
Notes payable . . . . .	478,000	-	-	-	478,000
Current portion of general obligation bonds . .	441,438	265,928	-	-	707,366
Current portion of revenue bonds . . . . .	345,000	-	-	-	345,000
Current portion of capital lease obligations. . .	3,341	3,341	169	57,222	64,073
Current portion of compensated absences . . .	57,261	61,192	433	6,247	125,133
Total current liabilities . . . . .	<u>2,177,690</u>	<u>1,211,509</u>	<u>154,505</u>	<u>147,193</u>	<u>3,690,897</u>
Long-term liabilities:					
General obligation bonds . . . . .	1,449,885	433,246	-	-	1,883,131
Revenue bonds . . . . .	7,638,356	-	-	-	7,638,356
Compensated absences . . . . .	238,810	255,209	1,805	26,054	521,878
Total long-term liabilities . . . . .	<u>9,327,051</u>	<u>688,455</u>	<u>1,805</u>	<u>26,054</u>	<u>10,043,365</u>
Total liabilities . . . . .	<u>11,504,741</u>	<u>1,899,964</u>	<u>156,310</u>	<u>173,247</u>	<u>13,734,262</u>
<b>Net assets:</b>					
Invested in capital assets, net of related debt. .	7,504,436	22,616,330	-	3,256,098	33,376,864
Restricted for:					
Replacement and improvement . . . . .	-	566,545	-	-	566,545
Unrestricted . . . . .	5,118,186	2,160,494	813,473	945,007	9,037,160
Total net assets . . . . .	<u>\$ 12,622,622</u>	<u>\$ 25,343,369</u>	<u>\$ 813,473</u>	<u>\$ 4,201,105</u>	<u>42,980,569</u>
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds.					(155,525)
Net assets of business-type activities					<u>\$ 42,825,044</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**Governmental  
Activities -  
Internal  
Service Funds**

\$ 531,561

-

7,772

-

-

-

-

539,333

-

-

-

-

539,333

-

-

-

-

-

252,207

-

-

-

-

252,207

-

-

-

-

252,207

-

-

287,126

\$ 287,126

**CITY OF BARBERTON, OHIO**  
*STATEMENT OF REVENUES, EXPENSES AND  
 CHANGES IN NET ASSETS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2010*

**Business-type Activities - Enterprise Funds**

	<u>Water</u>	<u>Sewer</u>	<u>Solid Waste</u>	<u>Nonmajor</u>	<u>Total</u>
<b>Operating revenues:</b>					
Charges for services . . . . .	\$ 5,100,123	\$ 4,163,396	\$ 2,002,081	\$ 770,433	\$ 12,036,033
Other . . . . .	8,147	3,929	69	1,281	13,426
Total operating revenues. . . . .	<u>5,108,270</u>	<u>4,167,325</u>	<u>2,002,150</u>	<u>771,714</u>	<u>12,049,459</u>
<b>Operating expenses:</b>					
Personal services . . . . .	2,074,474	1,833,474	51,109	298,125	4,257,182
Contract services. . . . .	156,580	188,577	1,812,419	9,599	2,167,175
Materials and supplies. . . . .	1,058,706	1,025,236	2,082	116,296	2,202,320
Claims. . . . .	-	-	-	-	-
Other . . . . .	29,893	11,613	664	237	42,407
Depreciation. . . . .	521,265	1,118,479	-	267,291	1,907,035
Total operating expenses. . . . .	<u>3,840,918</u>	<u>4,177,379</u>	<u>1,866,274</u>	<u>691,548</u>	<u>10,576,119</u>
Operating income (loss) . . . . .	<u>1,267,352</u>	<u>(10,054)</u>	<u>135,876</u>	<u>80,166</u>	<u>1,473,340</u>
<b>Nonoperating revenues (expenses):</b>					
Interest revenue . . . . .	4,516	-	-	-	4,516
Special assessments . . . . .	-	1,975	-	-	1,975
Interest expense and fiscal charges . . . . .	(459,489)	(42,469)	(15)	(4,624)	(506,597)
Total nonoperating revenues (expenses). . . . .	<u>(454,973)</u>	<u>(40,494)</u>	<u>(15)</u>	<u>(4,624)</u>	<u>(500,106)</u>
Income (loss) before capital contributions. . . . .	812,379	(50,548)	135,861	75,542	973,234
Capital contributions . . . . .	-	2,547,429	-	-	2,547,429
Change in net assets . . . . .	812,379	2,496,881	135,861	75,542	3,520,663
<b>Net assets at beginning of year. . . . .</b>	<u>11,810,243</u>	<u>22,846,488</u>	<u>677,612</u>	<u>4,125,563</u>	
<b>Net assets at end of year . . . . .</b>	<u>\$ 12,622,622</u>	<u>\$ 25,343,369</u>	<u>\$ 813,473</u>	<u>\$ 4,201,105</u>	
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds.					<u>(130,666)</u>
Change in net assets of business-type activities.					<u>\$ 3,389,997</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Governmental  
Activities -  
Internal  
Service Funds**

\$ 2,732,161  
9,658

---

2,741,819

-  
192,457  
384,165  
2,819,568

-  
-

---

3,396,190

---

(654,371)

-  
-  
-

---

-  
(654,371)

---

-  
(654,371)

---

941,497

---

\$ 287,126

**CITY OF BARBERTON, OHIO**

*STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2010*

**Business-type Activities - Enterprise Funds**

	<u>Water</u>	<u>Sewer</u>	<u>Solid Waste</u>	<u>Nonmajor</u>	<u>Total</u>
<b>Cash flows from operating activities:</b>					
Cash received from customers . . . . .	\$ 4,940,179	\$ 4,077,938	\$ 1,988,795	\$ 765,688	\$ 11,772,600
Cash received from other funds . . . . .	-	-	-	-	-
Cash received from other operations . . . . .	8,147	3,929	69	1,281	13,426
Cash payments for personal services . . . . .	(2,131,286)	(1,875,207)	(52,928)	(303,300)	(4,362,721)
Cash payments for contract services. . . . .	(172,906)	(208,463)	(1,811,556)	(9,599)	(2,202,524)
Cash payments for materials and supplies. . . . .	(1,069,021)	(1,032,576)	(2,074)	(117,205)	(2,220,876)
Cash payments for claims . . . . .	-	-	-	-	-
Cash payments for other expenses. . . . .	(24,794)	(14,406)	-	-	(39,200)
Net cash provided by (used in) operating activities. . . . .	<u>1,550,319</u>	<u>951,215</u>	<u>122,306</u>	<u>336,865</u>	<u>2,960,705</u>
<b>Cash flows from noncapital financing activities:</b>					
Special assessments . . . . .	-	1,975	-	-	1,975
Net cash provided by noncapital financing activities. . . . .	<u>-</u>	<u>1,975</u>	<u>-</u>	<u>-</u>	<u>1,975</u>
<b>Cash flows from capital and related financing activities:</b>					
Acquisition of capital assets . . . . .	(293,302)	(2,484,386)	-	(79,506)	(2,857,194)
Capital contributions . . . . .	-	1,881,322	-	-	1,881,322
Principal retirement . . . . .	(873,844)	(262,313)	(161)	(54,957)	(1,191,275)
Note issuance . . . . .	478,000	-	-	-	478,000
Interest and fiscal charges. . . . .	(439,293)	(32,662)	(15)	(4,624)	(476,594)
Net cash used in capital and related financing activities. . . . .	<u>(1,128,439)</u>	<u>(898,039)</u>	<u>(176)</u>	<u>(139,087)</u>	<u>(2,165,741)</u>
<b>Cash flows from investing activities:</b>					
Interest received. . . . .	3,630	-	-	-	3,630
Purchase of investments. . . . .	(832,937)	-	-	-	(832,937)
Net cash used in investing activities . . . . .	<u>(829,307)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(829,307)</u>
Net increase (decrease) in cash and cash cash equivalents. . . . .	(407,427)	55,151	122,130	197,778	(32,368)
<b>Cash and cash equivalents at beginning of year . .</b>	<u>3,130,344</u>	<u>2,686,899</u>	<u>756,274</u>	<u>758,586</u>	<u>7,332,103</u>
<b>Cash and cash equivalents at end of year . . . . .</b>	<u>\$ 2,722,917</u>	<u>\$ 2,742,050</u>	<u>\$ 878,404</u>	<u>\$ 956,364</u>	<u>\$ 7,299,735</u>

**Governmental  
Activities -  
Internal  
Service Funds**

\$ 2,348,874  
383,108  
17,314  
-  
(192,457)  
(399,785)  
(2,823,140)  
-

(666,086)

-

-

-  
-  
-  
-  
-  
-

-

-  
-  
-

-

(666,086)

1,197,647  
\$ 531,561

-- Continued

**CITY OF BARBERTON, OHIO**

*STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2010*

**Business-type Activities - Enterprise Funds**

	<u>Water</u>	<u>Sewer</u>	<u>Solid Waste</u>	<u>Nonmajor</u>	<u>Total</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>					
Operating income (loss) . . . . .	\$ 1,267,352	\$ (10,054)	\$ 135,876	\$ 80,166	\$ 1,473,340
Adjustments:					
Depreciation . . . . .	521,265	1,118,479	-	267,291	1,907,035
Changes in assets and liabilities:					
(Increase) decrease in materials and supplies inventory . . . . .	7,783	(3,040)	-	-	4,743
(Increase) decrease in accounts receivable . . . . .	(74,354)	(40,230)	(12,622)	(4,508)	(131,714)
(Increase) in prepayments. . . . .	(5,109)	(4,571)	(13)	-	(9,693)
Increase (decrease) in accounts payable. . . . .	(28,081)	(23,919)	884	(909)	(52,025)
Increase in accrued wages and benefits . . . . .	4,764	4,501	50	665	9,980
(Decrease) in due to other governments. . . . .	(144,594)	(96,641)	(1,357)	(7,353)	(249,945)
Increase (decrease) in compensated absences payable. . . . .	1,293	6,690	(512)	1,513	8,984
Decrease in claims payable . . . . .	-	-	-	-	-
Net cash provided by (used in) operating activities . . . . .	<u>\$ 1,550,319</u>	<u>\$ 951,215</u>	<u>\$ 122,306</u>	<u>\$ 336,865</u>	<u>\$ 2,960,705</u>
<b>Reconciliation of cash and cash equivalents:</b>					
Equity in pooled cash and cash equivalents. . . . .	\$ 2,722,917	\$ 2,175,505	\$ 878,404	\$ 956,364	\$ 6,733,190
Restricted equity in pooled cash and cash equivalents . . . . .	-	566,545	-	-	566,545
Total cash and cash equivalents . . . . .	<u>\$ 2,722,917</u>	<u>\$ 2,742,050</u>	<u>\$ 878,404</u>	<u>\$ 956,364</u>	<u>\$ 7,299,735</u>

At December 31, 2010 and December 31, 2009, the Water fund purchased \$695,556 and \$27,235, respectively, in capital assets on account.  
 At December 31, 2010 and December 31, 2009, the Sewer fund purchased \$763,781 and \$170,370, respectively, in capital assets on account.  
 At December 31, 2010 and December 31, 2009, the Storm Water nonmajor enterprise fund purchased \$67,001 and \$12,700, respectively, in capital assets on account.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Governmental  
Activities -  
Internal  
Service Funds**

\$ (654,371)

-

-

7,477

-

(15,620)

-

-

-

(3,572)

\$ (666,086)

\$ 531,561

-

\$ 531,561

**CITY OF BARBERTON, OHIO**

*STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
DECEMBER 31, 2010*

	<u>Agency</u>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents . . . . .	<u>\$ 155,998</u>
<b>Liabilities:</b>	
Deposits held and due to others . . . . .	<u>\$ 155,998</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



## CITY OF BARBERTON, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

#### NOTE 1 - DESCRIPTION OF THE CITY

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

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

The basic financial statements (BFS) of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City also applies Financial Accounting Standards Board (FASB) guidance issued on or before November 30, 1989, to its governmental and business-type activities and its proprietary funds provided it does 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 and agencies that are not legally separate from the City. For the City of Barberton this includes police, fire, municipal court, park and recreation department, water, sewage and sanitary services, street and sewer maintenance and any other departments or funds for which the nature and significance of their relationship with the City are such that exclusion would cause the financial statements to be misleading or incomplete. The City's health district operations were turned over to Summit County effective October 1, 2010.

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

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's Governing Board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the financial statements incomplete or misleading. The City has no component units.

## CITY OF BARBERTON, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

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

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

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

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

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

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

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

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

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

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

**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.

***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 is the City's major governmental fund:

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

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

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

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

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

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

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

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

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

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

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

**D. Measurement Focus**

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

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

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

**E. Basis of Accounting**

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

*Revenues - Exchange and Nonexchange Transactions* - Revenues 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.

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

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

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

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

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

Property taxes for which there is an enforceable legal claim as of December 31, 2010, but which were levied to finance year 2011 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, 2010, 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.

**F. Budgetary Process**

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

**CITY OF BARBERTON, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

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

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

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

**G. Cash and Investments**

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

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

During 2010, investments were limited to federal agency securities, U.S. Treasury money market accounts and STAR Ohio.

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

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's shares price which is the price the investment could be sold for on December 31, 2010.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2010 amounted to \$33,653 which includes \$30,147 assigned from other City funds.

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

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

**H. Materials and Supplies Inventory**

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

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

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

**I. Restricted Assets**

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

Restricted assets at December 31, 2010, were as follows:

Restricted assets held by the City	
Replacement and improvement	\$566,545

**J. Capital Assets**

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

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

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

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

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

**K. Compensated Absences**

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

**CITY OF BARBERTON, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

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

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

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

**L. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2010, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of the purchase and the expenditure/expense in the year in which services are consumed.

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

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

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

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

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

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

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

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



**CITY OF BARBERTON, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

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

**O. Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans to cover deficit cash balances are classified as “due to/from other funds”. These amounts are eliminated on the statement of net assets.

**P. Interfund Activity**

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

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

**Q. Fund Balance Reserves**

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

**R. 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.

**S. Net Assets**

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

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

**T. Operating Revenues and Expenses**

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

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

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

**U. Contributions of Capital**

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

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**A. Change in Accounting Principles**

For 2010, the City has implemented GASB Statement No. 51, "Accounting and Financial Reporting for Intangible Assets", GASB Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments", and GASB Statement No. 58, "Accounting and Financial Reporting for Chapter 9 Bankruptcies".

GASB Statement No. 51 addresses accounting and financial reporting standards for intangible assets, which are assets that lack physical substance, are nonfinancial in nature, and have an initial useful life extending beyond a single reporting period. Examples of intangible assets include easements, water rights, computer software, patents, and trademarks. GASB Statement No. 51 improves the quality of financial reporting by creating consistency in the recognition, initial measurement, and amortization of intangible assets. The implementation of GASB Statement No. 51 did not have an effect on the financial statements of the City.

GASB Statement No. 53 addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. Derivative instruments are financial arrangements used by governments to manage specific risks or to make investments. Common types of derivative instruments include interest rate and commodity swaps, interest rate locks, options, swaptions, forward contracts, and futures contracts. The implementation of GASB Statement No. 53 did not have an effect on the financial statements of the City.

GASB Statement No. 58 establishes accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. GASB Statement No. 58 requires governments to remeasure liabilities that are adjusted in bankruptcy when the bankruptcy court confirms a new payment plan. The implementation of GASB Statement No. 58 did not have an effect on the financial statements of the City.

**B. Deficit Fund Balances**

Fund balances at December 31, 2010 included the following individual fund deficits:

<u>Nonmajor governmental funds</u>	<u>Deficit</u>
State neighborhood stabilization program	\$ 273,992
Clean Ohio revitalization	235,103
Street improvement	160,827
Issue II improvement	158,842

All funds, except for the state neighborhood stabilization program fund (see Note 3.C for detail), complied with Ohio State law, which does not permit a cash basis deficit at year end. The general fund is liable for any deficits in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities and notes payable.

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

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

**C. Compliance**

The City had a negative cash fund balance in the state neighborhood stabilization program fund at December 31, 2010, indicating that revenues from other sources were used to pay obligations of these funds contrary to Ohio Revised Code Section 5705.10. For GAAP purposes, the negative amount has been reported as a fund liability in the fund (See Note 5.B).

**NOTE 4 - DEPOSITS AND INVESTMENTS**

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

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

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

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

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

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

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

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

6. The State Treasurer's investment pool (STAR Ohio);
7. High grade commercial paper for a period not to exceed 180 days in an amount not to exceed twenty-five percent of the City's interim monies available for investment; and,
8. Bankers acceptances for a period not to exceed 180 days and in an amount not to exceed twenty-five percent of the City's interim monies available for investment.

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

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

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

**A. Deposits with Financial Institutions**

At December 31, 2010, the carrying amount of all City deposits was \$5,962,820. As of December 31, 2010, \$1,491,099 of the City's bank balance of \$6,485,515 was exposed to custodial risk as discussed below, while \$4,994,416 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. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by Ohio Revised Code, is held in collateral pools at Federal Reserve Banks, or at member banks of the Federal Reserve System, in the name of the depository bank and pledged as a pool of collateral against all public deposits held by the depository. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

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

**B. Investments**

As of December 31, 2010, 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>
FFCB discount note	\$ 798,760	\$ -	\$ 798,760	\$ -	\$ -
FHLB	1,180,789	-	602,979	577,810	-
FHLB discount note	449,943	449,943	-	-	-
FHLMC	639,191	-	-	509,965	129,226
FHLMC discount note	2,752,293	1,874,277	878,016	-	-
FNMA	981,884	-	-	981,884	-
FNMA discount note	2,424,594	2,424,594	-	-	-
STAR Ohio	1,105,425	1,105,425	-	-	-
U.S. Treasury money market	196,965	196,965	-	-	-
Total	<u>\$ 10,529,844</u>	<u>\$ 6,051,204</u>	<u>\$ 2,279,755</u>	<u>\$ 2,069,659</u>	<u>\$ 129,226</u>

The weighted average maturity of investments is 0.52 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.

*Credit Risk:* STAR Ohio and U.S. Treasury money market funds carry 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 rating service. The City's investments in federal agency securities were rated AAA and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The City's investment policy does not specifically address credit risk beyond requiring the City to only invest in securities authorized by State statute.

*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.

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

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

*Concentration of Credit Risk:* The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities. The following table includes the percentage of each investment type held by the City at December 31, 2010:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
FFCB discount note	\$ 798,760	7.59
FHLB	1,180,789	11.21
FHLB discount note	449,943	4.27
FHLMC	639,191	6.07
FHLMC discount note	2,752,293	26.14
FNMA	981,884	9.32
FNMA discount note	2,424,594	23.03
STAR Ohio	1,105,425	10.50
U.S. Treasury money market	196,965	1.87
Total	<u>\$ 10,529,844</u>	<u>100.00</u>

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

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net assets as of December 31, 2010:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 5,962,820
Investments	<u>10,529,844</u>
Total	<u>\$ 16,492,664</u>
 <u>Cash and investments per statement of net assets</u>	
Governmental activities	\$ 6,604,421
Business type activities	9,732,245
Agency funds	<u>155,998</u>
Total	<u>\$ 16,492,664</u>

**NOTE 5 - INTERFUND TRANSACTIONS**

A. Interfund transfers for the year ended December 31, 2010, consisted of the following:

<u>Transfer to</u>	<u>Transfers from</u>	
	<u>General</u>	<u>Nonmajor Governmental</u>
General fund	\$ -	\$ 25,252
Nonmajor governmental funds	<u>1,415,453</u>	<u>338,374</u>
Total	<u>\$ 1,415,453</u>	<u>\$ 363,626</u>

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

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

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

Transfers to the general fund from nonmajor governmental funds consisted of transfers from the local law enforcement trust, project impact and city grant nonmajor special revenue funds in the amount of \$135, \$117, and \$25,000, respectively. The transfer from the project impact fund was made in order to close out the fund. In the case of the local law enforcement trust and city grant funds, the transfers were made to close-out various programs that had been completed and to return the remaining cash to the general fund.

- B.** Interfund balances at December 31, 2010 as reported on the fund financial statements consist of the following amounts due to/from other funds:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General fund	Nonmajor governmental funds	<u>\$ 140,274</u>

The primary purpose of the due to/from other funds is to cover the negative cash balance at year end in the State neighborhood stabilization program nonmajor special revenue fund. The interfund balance will be repaid once the anticipated revenues are received.

**NOTE 6 - RECEIVABLES**

Receivables at December 31, 2010, consisted primarily of municipal income taxes, property and other taxes, accounts, special assessments, interest and intergovernmental receivables arising from grants, entitlements, and shared revenues. All receivables are deemed collectible in full.

Special assessments expected to be collected amount to \$91,054 in the special assessment bond retirement debt service fund. The amount of delinquent special assessments outstanding at year end is approximately \$50,000.

**A. 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 Fiscal Officer 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.

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

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

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. 2010 public utility property taxes became a lien December 31, 2009, are levied after October 1, 2010, and are collected in 2011 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

Tangible personal property tax revenues received in calendar year 2010 (other than public utility property) represent the collection of calendar year 2010 taxes levied against local and inter-exchange telephone companies. Tangible personal property taxes received from telephone companies in calendar year 2010 were levied after October 1, 2009, on the value as of December 31, 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property was eliminated in 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 was fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

The County Fiscal Officer collects property taxes on behalf of all taxing districts in the County, including the City of Barberton. The County Fiscal Officer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, tangible personal property taxes and outstanding delinquencies which are measurable as of December 31, 2010 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 2010 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, 2010 was \$3.50 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2010 property tax receipts were based are as follows:

Real property	\$ 389,860,420
Tangible personal property	508,115
Public utility property	<u>8,746,110</u>
Total assessed value	<u><u>\$ 399,114,645</u></u>



**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

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

**B. Municipal Income Taxes**

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

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

**C. Intergovernmental Receivables**

A summary of the intergovernmental receivables follows:

<u>Governmental activities:</u>	<u>Amounts</u>
Local government State support	\$ 701,827
Motor vehicle and gas tax	378,085
Other	49,956
State grants	420,770
Community development grants	484,051
Homestead and rollback	122,131
Municipal court	115,310
Permissive license tax	<u>3,842</u>
Total	<u>\$ 2,275,972</u>
<u>Business-type activities:</u>	<u>Amounts</u>
OWDA sewer improvement grant - ARRA	<u>\$ 666,107</u>

**D. Notes Receivable**

Notes receivable represent no-interest to low-interest loans made to eligible local businesses for industrial development and exterior improvements to businesses. The outstanding balance of the notes at December 31, 2010 is \$1,777 and \$98,736 in the general fund and the nonmajor special revenue funds, respectively. The City will collect approximately \$16,000 in 2011.

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

**NOTE 7 - CAPITAL ASSETS**

A. Capital asset activity for the year ended December 31, 2010, was as follows:

<b><u>Governmental activities:</u></b>	<u>Balance</u> <u>12/31/09</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>12/31/10</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 6,038,884	\$ 275,726	\$ -	\$ 6,314,610
Construction in progress	<u>458,730</u>	<u>434,924</u>	<u>(174,120)</u>	<u>719,534</u>
Total capital assets, not being depreciated	<u>6,497,614</u>	<u>710,650</u>	<u>(174,120)</u>	<u>7,034,144</u>
<i>Capital assets, being depreciated:</i>				
Buildings	9,317,384	121,887	-	9,439,271
Vehicles and equipment	12,288,855	616,650	(29,977)	12,875,528
Infrastructure:				
Street subsystem	16,828,112	-	-	16,828,112
Traffic signals subsystem	<u>1,602,691</u>	<u>160,224</u>	<u>-</u>	<u>1,762,915</u>
Total capital assets, being depreciated	<u>40,037,042</u>	<u>898,761</u>	<u>(29,977)</u>	<u>40,905,826</u>
Less: accumulated depreciation:				
Buildings	(4,154,593)	(354,735)	-	(4,509,328)
Vehicles and equipment	(8,921,853)	(557,018)	28,052	(9,450,819)
Infrastructure:				
Street subsystem	(7,817,697)	(569,524)	-	(8,387,221)
Traffic signal subsystem	<u>(289,581)</u>	<u>(56,120)</u>	<u>-</u>	<u>(345,701)</u>
Total accumulated depreciation	<u>(21,183,724)</u>	<u>(1,537,397)</u>	<u>28,052</u>	<u>(22,693,069)</u>
Total capital assets being depreciated, net	<u>18,853,318</u>	<u>(638,636)</u>	<u>(1,925)</u>	<u>18,212,757</u>
Governmental activities capital assets, net	<u>\$ 25,350,932</u>	<u>\$ 72,014</u>	<u>\$ (176,045)</u>	<u>\$ 25,246,901</u>

Depreciation expense was charged to governmental activities as follows:

General government	\$ 147,526
Public safety	451,903
Health and welfare	5,420
Transportation	634,443
Community environment	87,067
Leisure time activities	<u>211,038</u>
Total depreciation expense	<u>\$ 1,537,397</u>

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

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

**B.** Capital asset activity for the year ended December 31, 2010 was as follows:

<b><u>Business-type activities:</u></b>	<u>Balance</u> <u>12/31/09</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>12/31/10</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 899,541	\$ -	\$ -	\$ 899,541
Construction in progress	9,229,918	4,041,430	-	13,271,348
Total capital assets, not being depreciated	<u>10,129,459</u>	<u>4,041,430</u>	<u>-</u>	<u>14,170,889</u>
<i>Capital assets, being depreciated:</i>				
Buildings	31,249,918	8,118	-	31,258,036
Vehicles and equipment	4,374,978	123,679	-	4,498,657
Infrastructure				
Water lines	10,406,947	-	-	10,406,947
Sewer lines	17,597,271	-	-	17,597,271
Storm sewer lines	6,321,821	-	-	6,321,821
Total capital assets, being depreciated	<u>69,950,935</u>	<u>131,797</u>	<u>-</u>	<u>70,082,732</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(16,916,501)	(882,401)	-	(17,798,902)
Vehicles and equipment	(3,074,384)	(230,981)	-	(3,305,365)
Infrastructure				
Water lines	(5,052,011)	(210,234)	-	(5,262,245)
Sewer lines	(9,639,742)	(370,456)	-	(10,010,198)
Storm sewer lines	(3,152,782)	(212,963)	-	(3,365,745)
Total accumulated depreciation	<u>(37,835,420)</u>	<u>(1,907,035)</u>	<u>-</u>	<u>(39,742,455)</u>
Total capital assets, being depreciated, net	<u>32,115,515</u>	<u>(1,775,238)</u>	<u>-</u>	<u>30,340,277</u>
Business-type activities capital assets, net	<u>\$ 42,244,974</u>	<u>\$ 2,266,192</u>	<u>\$ -</u>	<u>\$ 44,511,166</u>

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

Water	\$ 521,265
Sewer	1,118,479
Storm water	<u>267,291</u>
Total depreciation expense	<u>\$ 1,907,035</u>

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

**NOTE 8 - CAPITAL LEASES**

During 2010, the City entered into a capital lease agreement for an ambulance. In prior years, the City entered into capital leases for a phone system, a ladder truck, a case loader, a street sweeper and three vehicles. A portion of the principal and interest payments for the phone system capital lease will be paid from both governmental and enterprise funds. The ambulance, ladder truck and three vehicles capital lease payments will be paid from the fire capital levy nonmajor special revenue fund. The street sweeper and case loader capital lease payments will be made solely from the storm water nonmajor enterprise fund.

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

Capital assets consisting of phone system equipment and vehicles have been capitalized in the statement of net assets in the amount of \$817,001 in governmental activities. This amount represents the present value of the minimum lease payments at the time of acquisition. A liability of \$354,696 is reported on the statement of net assets at year end, which represents the amount of principal payments the general fund, health fund, and other nonmajor governmental funds will be making. The governmental funds made \$154,903 and \$16,382 in principal and interest payments, respectively, during 2010.

Equipment consisting of a street sweeper and case loader has been capitalized in the storm water nonmajor enterprise fund in the amount of \$242,335. The amount of \$64,073 represents the present value of the minimum lease payments at the time of acquisition for the leases and has been recorded as a liability in the water, sewer and nonmajor enterprise funds. Principal and interest payments in 2010 totaled \$61,518 and \$5,217, respectively.

The assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Asset:		
Equipment and vehicles	\$ 817,001	\$ 242,355
Less: accumulated depreciation	<u>(315,903)</u>	<u>(84,801)</u>
Total	<u>\$ 501,098</u>	<u>\$ 157,554</u>

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

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

Lease agreements provide for minimum, annual payments as follows:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2011	\$ 133,514	\$ 66,735
2012	96,675	-
2013	96,675	-
2014	<u>56,819</u>	<u>-</u>
Total	383,683	66,735
Less: amount representing interest	<u>(28,987)</u>	<u>(2,662)</u>
Present value of net minimum lease payments	<u>\$ 354,696</u>	<u>\$ 64,073</u>

**NOTE 9 - NOTES PAYABLE**

Changes in the City's note activity for the year ended December 31, 2010, were as follows:

	<u>Balance 12/31/2009</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance 12/31/2010</u>
<u>Governmental fund notes</u>				
Street improvement notes - 2.25%	\$ 200,000	\$ -	\$ (200,000)	\$ -
Street improvement notes - 1.625%	-	160,000	-	160,000
Street improvement notes - 2.25%	236,000	-	(236,000)	-
Street improvement notes - 1.625%	<u>-</u>	<u>162,000</u>	<u>-</u>	<u>162,000</u>
Total governmental fund notes	<u>\$ 436,000</u>	<u>\$ 322,000</u>	<u>\$ (436,000)</u>	<u>\$ 322,000</u>
	<u>Balance 12/31/2009</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance 12/31/2010</u>
<u>Enterprise fund notes</u>				
Robinson Avenue waterline notes - 2.25%	\$ 36,000	\$ -	\$ (36,000)	\$ -
Robinson Avenue waterline notes - 1.625%	-	78,000	-	78,000
Summit/Grand waterline notes - 1.60%	<u>-</u>	<u>400,000</u>	<u>-</u>	<u>400,000</u>
Total enterprise fund notes	<u>\$ 36,000</u>	<u>\$ 478,000</u>	<u>\$ (36,000)</u>	<u>\$ 478,000</u>

All notes were backed by the full faith and credit of the City. 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 bonds are issued. The 2010 notes were issued on October 13, 2010 and mature within one year.

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

**NOTE 10 - LONG-TERM OBLIGATIONS**

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

<u>Debt issue</u>	<u>Date Issued</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Date of Maturity</u>
<b>Governmental Activities</b>				
<u>General Obligation Bonds:</u>				
Construction	2003	1.15-4.00%	\$ 4,967,810	2013
Fifth Street	2004	2.00-3.55%	300,000	2014
Sports Complex	2004	2.00-3.55%	931,000	2012
Community Center	2004	2.00-3.55%	404,000	2012
Various Purpose Improvement	2009	2.00-4.70%	2,310,000	2029
<u>Special Assessment Bonds with Government Commitment:</u>				
Street Improvement	2001	4.50%	237,000	2011
Street Improvement	2005	4.00%	112,450	2015
<u>Other Debt:</u>				
HUD Section 108 loan	1994	4.57-7.18%	2,225,000	2013
<b>Business-Type Activities</b>				
<u>General Obligation Bonds:</u>				
Water Improvement	1992	3.90-6.50%	3,800,000	2012
Various Purpose	2003	1.15-4.00%	1,332,390	2013
Water Refunding	2004	2.00-3.55%	2,340,000	2012
Sanitary Sewer	2004	2.00-3.55%	1,514,000	2012
Wolf Creek Dam Repair	2004	2.00-3.55%	276,000	2012
Various Purpose Improvement	2009	2.00-4.70%	1,140,000	2029
<u>Revenue Bonds:</u>				
Waterworks System Revenue	2006	3.75-5.00%	9,305,000	2026

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

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

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

<b>Governmental activities:</b>	Balance			Balance	Amounts
	<u>12/31/09</u>	<u>Increase</u>	<u>Decrease</u>	<u>12/31/10</u>	<u>Due in</u>
					<u>One Year</u>
<u>General Obligation Bonds:</u>					
Construction Bonds	\$ 2,148,711	\$ -	\$ (512,537)	\$ 1,636,174	\$ 528,308
Fifth Street Bonds	165,000	-	(30,000)	135,000	30,000
Sports Complex Bonds	372,401	-	(120,658)	251,743	123,637
Community Center Bonds	161,600	-	(52,358)	109,242	53,652
Various Purpose Improvement Bonds	2,310,000	-	(83,696)	2,226,304	87,043
Discount on Various Purpose					
Improvement Bonds	(16,486)	-	828	(15,658)	-
Premium on Construction Bonds	6,875	-	(1,720)	5,155	-
Total General Obligation Bonds	<u>5,148,101</u>	<u>-</u>	<u>(800,141)</u>	<u>4,347,960</u>	<u>822,640</u>
<u>Special Assessment Bonds with</u>					
<u>Government Commitment:</u>					
Street Improvement	56,100	-	(27,400)	28,700	28,700
Street Improvement	73,422	-	(11,069)	62,353	11,512
Total Special Assessment Bonds	<u>129,522</u>	<u>-</u>	<u>(38,469)</u>	<u>91,053</u>	<u>40,212</u>
<u>Other Debt:</u>					
HUD Section 108 Loan	865,000	-	(115,000)	750,000	115,000
State Infrastructure Bank Loan	182,560	-	(22,051)	160,509	22,718
Capital Lease	397,510	112,089	(154,903)	354,696	120,424
Compensated Absences	3,312,532	927,383	(1,032,375)	3,207,540	847,705
Total Other Debt	<u>4,757,602</u>	<u>1,039,472</u>	<u>(1,324,329)</u>	<u>4,472,745</u>	<u>1,105,847</u>
Total Governmental Activities	<u>\$ 10,035,225</u>	<u>\$ 1,039,472</u>	<u>\$ (2,162,939)</u>	<u>\$ 8,911,758</u>	<u>\$ 1,968,699</u>

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

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

<b>Business-type activities:</b>	<u>Balance</u>			<u>Balance</u>	<u>Amounts</u>
	<u>12/31/09</u>	<u>Increase</u>	<u>Decrease</u>	<u>12/31/10</u>	<u>Due in</u>
					<u>One Year</u>
<b><u>General Obligation Bonds:</u></b>					
Water Bonds Refunding	\$ 850,000	\$ -	\$ (270,000)	\$ 580,000	\$ 285,000
Water Revenue Bonds Refunding - Deferred Amount	(6,724)	-	2,305	(4,419)	-
Various Purpose - New Haven	576,306	-	(137,468)	438,838	141,698
Sanitary Sewer Bonds	605,599	-	(196,214)	409,385	201,059
Wolf Creek Dam Repair Bonds	110,400	-	(35,770)	74,630	36,652
Various Purpose - Series 2009	1,140,000	-	(41,305)	1,098,695	42,957
Discount on Various Purpose - Series 2009	(8,086)	-	405	(7,681)	-
Premium on Various Purpose - New Haven	1,301	-	(252)	1,049	-
<b>Total General Obligation Bonds</b>	<u>3,268,796</u>	<u>-</u>	<u>(678,299)</u>	<u>2,590,497</u>	<u>707,366</u>
<b><u>Revenue Bonds:</u></b>					
Waterworks System Revenue Bonds	8,170,000	-	(335,000)	7,835,000	345,000
Waterworks System Revenue Bonds - Unamortized Premium	157,677	-	(9,321)	148,356	-
<b>Total Revenue Refunding Bonds</b>	<u>8,327,677</u>	<u>-</u>	<u>(344,321)</u>	<u>7,983,356</u>	<u>345,000</u>
<b><u>Long-Term Notes:</u></b>					
Robinson Avenue Waterline Notes	78,000	-	(78,000)	-	-
<b>Total Long-Term Notes</b>	<u>78,000</u>	<u>-</u>	<u>(78,000)</u>	<u>-</u>	<u>-</u>
Capital Leases	125,591	-	(61,518)	64,073	64,073
Compensated Absences	638,027	173,837	(164,853)	647,011	125,133
<b>Total Business-Type Activities</b>	<u>\$ 12,438,091</u>	<u>\$ 173,837</u>	<u>\$ (1,326,991)</u>	<u>\$ 11,284,937</u>	<u>\$ 1,241,572</u>

***General Obligation and Special Assessment Bonds***

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

On July 6, 2009, the City issued \$3,450,000 in various purpose general obligation bonds to provide fire and waterworks improvements. The issue is comprised of current interest bonds with an annual interest rate ranging from 2.00% to 4.70%. The scheduled maturity is December 1, 2029.



**CITY OF BARBERTON, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

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

***Loans***

Other long-term debt represents a loan from HUD for the redevelopment of the Lake Theater Building and the State Infrastructure Bank loan (SIB) for the City's share of the cost for a street resurfacing project. The SIB Loan is to be repaid over a ten-year period with revenues from motor vehicle license fees. The loan from HUD is to be repaid over a twenty-year period.

***Compensated Absences***

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

***Revenue Bonds***

On April 1, 2006, the City issued \$9,305,000 in Waterworks System Improvement Revenue Bonds. The 2006 bonds were issued with interest rates varying from 3.75% to 5.00%. At December 31, 2010 the bonds have an outstanding balance of \$7,835,000 and mature on December 1, 2026.

The City has pledged future water customer revenues, net of specified operating expenses, to finance water system improvements. The water revenue bonds are payable solely from water customer net revenues and are payable through 2027. Annual principal and interest payments on the bonds are expected to require less than 38.51 percent of net revenues. The total principal and interest remaining to be paid on the water revenue bonds is \$11,017,733. Principal and interest paid for the current year and total customer net revenues were \$688,879 and \$1,788,617, respectively.

***Refunding Bonds***

On July 14, 2004, the City issued \$2,340,000 in water improvement refunding bonds to currently refund the callable portion of the 1992 water improvement bonds (principal \$2,270,000; interest rate 3.90% - 6.50%). The refunded debt is considered defeased (insubstance) and accordingly, has been removed from the statement of net assets. The principal balance of the water improvement refunding bonds at December 31, 2010 was \$580,000.

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

***Long-term Notes***

Notes payable that were rolled over prior to the issuance of the financial statements and had a maturity beyond the end of the year were reported in long-term obligations.

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

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

***Legal Debt Margin***

The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The assessed valuation used in determining the City's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in calculating the City's legal debt margin calculation excludes tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2010, the City's total debt margin was \$34,893,735 and the unvoted debt margin was \$14,963,348.

Principal and interest requirements to retire the outstanding debt at December 31, 2010, are as follows:

Year Ending December 31,	Governmental Activities					
	General Obligation Bonds			Special Assessment Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2011	\$ 822,640	\$ 159,087	\$ 981,727	\$ 40,212	\$ 3,786	\$ 43,998
2012	853,165	133,566	986,731	11,973	2,034	14,007
2013	689,179	105,055	794,234	12,452	1,555	14,007
2014	125,391	82,267	207,658	12,949	1,057	14,006
2015	93,739	78,241	171,980	13,467	538	14,005
2016 - 2020	525,609	341,873	867,482	-	-	-
2021 - 2025	629,391	230,449	859,840	-	-	-
2026 - 2029	619,349	74,426	693,775	-	-	-
Total	<u>\$ 4,358,463</u>	<u>\$ 1,204,964</u>	<u>\$ 5,563,427</u>	<u>\$ 91,053</u>	<u>\$ 8,970</u>	<u>\$ 100,023</u>

Year Ending December 31,	Governmental Activities					
	HUD Section 108 Loans			State Infrastructure Bank Loan		
	Principal	Interest	Total	Principal	Interest	Total
2011	\$ 115,000	\$ 35,581	\$ 150,581	\$ 22,718	\$ 5,467	\$ 28,185
2012	115,000	30,475	145,475	23,404	4,780	28,184
2013	520,000	25,116	545,116	24,112	4,073	28,185
2014	-	-	-	24,840	3,344	28,184
2015	-	-	-	25,591	2,593	28,184
2016 - 2017	-	-	-	39,844	2,433	42,277
Total	<u>\$ 750,000</u>	<u>\$ 91,172</u>	<u>\$ 841,172</u>	<u>\$ 160,509</u>	<u>\$ 22,690</u>	<u>\$ 183,199</u>

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

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

Year Ending December 31,	Business-Type Activities					
	General Obligation Bonds			Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2011	\$ 707,366	\$ 94,073	\$ 801,439	\$ 345,000	\$ 341,316	\$ 686,316
2012	731,841	71,240	803,081	360,000	328,379	688,379
2013	195,820	46,062	241,882	375,000	314,879	689,879
2014	44,609	39,839	84,448	390,000	300,816	690,816
2015	46,261	38,613	84,874	405,000	281,316	686,316
2016 - 2020	259,391	168,716	428,107	2,365,000	1,080,081	3,445,081
2021 - 2025	310,609	113,728	424,337	2,935,000	508,556	3,443,556
2026 - 2029	305,651	36,730	342,381	660,000	27,390	687,390
Total	<u>\$ 2,601,548</u>	<u>\$ 609,001</u>	<u>\$ 3,210,549</u>	<u>\$ 7,835,000</u>	<u>\$ 3,182,733</u>	<u>\$ 11,017,733</u>

**Conduit Debt**

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

Since the City has acted in a fiduciary capacity related to these transactions, the payment activity has been presented within an agency fund in the accompanying financial statements. As of December 31, 2010, there were three series of housing revenue bonds outstanding. The aggregate principal amount payable at December 31, 2010 was \$2,376,084.

**NOTE 11 - RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City purchases fire and extended coverage insurance on all buildings and contents to \$74,480,550 with a variety of deductibles beginning at \$5,000. Coverage is purchased on City vehicles for a combined single limit liability of \$1,000,000. The City purchases general liability insurance coverage with a \$1,000,000 limit per occurrence. The City also has an umbrella policy which provides an additional \$5,000,000 in coverage over and above listed policies.

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

The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. The rate for 2010 payroll (payable in 2011) is 2.0421%.

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

**NOTE 11 - RISK MANAGEMENT - (Continued)**

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

The City purchases stop-loss coverage for claims in excess of \$100,000 per employee with an aggregate of \$1,000,000 per year. The City pays into the self-insurance internal service fund \$622.29 for family coverage or \$276.29 for individual coverage per employee per month which represents the entire premium required for the non-bargaining, dispatch, police and fire employees. For AFSCME and health district employees the City pays \$275.00 for single coverage and \$621.00 for family coverage. The City also pays \$213.25 for both single and family coverage for AFSCME employees for prescription, vision, hearing and dental benefits. These premiums are paid by the fund that pays the wage or salary of the employee and is based on historical cost information. At December 31, 2010, all participating employees contributed \$15.00 for single and \$25.00 for family coverage per pay towards healthcare.

The claims liability of \$252,207 reported in the internal service fund at December 31, 2010 is estimated by a third party administrator and is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. The claims liability is expected to be paid within one year. Changes in the fund's claims liability amounts in 2009 and 2010 are:

	<u>Balance at Beginning of Year</u>	<u>Current Claims</u>	<u>Claims Payment</u>	<u>Balance at End of Year</u>
2009	\$ 491,094	\$ 2,440,335	\$ (2,675,650)	\$ 255,779
2010	255,779	2,819,568	(2,823,140)	252,207

**NOTE 12 - 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.

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

**NOTE 12 - PENSION PLANS - (Continued)**

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 2010, 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 2010 member contribution rates were 10.00% for members in State and local classifications. Public safety and law enforcement members contributed 10.5% and 11.1%, respectively. The City's contribution rate for 2010 was 14.00%, except for those plan members in law enforcement or public safety, for whom the City's contribution was 17.87% of covered payroll.

The City's contribution rate for pension benefits for members in the Traditional Plan for 2010 was 8.50% from January 1 through February 28, 2010 and 9.00% from March 1 through December 31, 2010. The City's contribution rate for pension benefits for members in the Combined Plan for 2010 was 9.27% from January 1 through February 28, 2010 and 9.77% from March 1 through December 31, 2010. For those plan members in law enforcement and public safety pension contributions were 12.37% from January 1 through February 28, 2010 and 12.87% from March 1 through December 31, 2010. The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2010, 2009, and 2008 were \$705,805, \$673,853, and \$576,754, respectively; 100% has been contributed for 2010, 2009 and 2008. Contributions to the member-directed plan for 2010 were \$16,032 made by the City and \$11,451 made by the plan members.

**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.

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 2010, 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 \$340,343 and \$511,488 for the year ended December 31, 2010, \$360,242 and \$518,567 for the year ended December 31, 2009, and \$345,852 and \$517,757, for the year ended December 31, 2008. The full amount has been contributed for 2009 and 2008. 75.03% has been contributed for police and 73.38% has been contributed for firefighters for 2010. The unpaid portion for 2010 has been reported as an intergovernmental payable in the financial statements.

**CITY OF BARBERTON, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

**NOTE 13 - 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 does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

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 Section 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 2010, local government employers contributed 14.00% of covered payroll (17.87% 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 members in the Traditional Plan for 2010 was 5.50% from January 1 through February 28, 2010 and 5.00% from March 1 through December 31, 2010. The portion of employer contributions allocated to fund post-employment healthcare for members in the Combined Plan for 2010 was 4.73% from January 1 through February 28, 2010 and 4.23% from March 1 through December 31, 2010.

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.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2010, 2009, and 2008 were \$399,420, \$492,781, and \$576,754, respectively; 100% has been contributed for 2010, 2009 and 2008.

**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

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

The Health Care Preservation Plan (HCPP) adopted by the OPERS Board of Trustees on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates for state and local employers increased on January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases 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 Internal Revenue Code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Revenue Code Section 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, 2010, 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).

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.

**CITY OF BARBERTON, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

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

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police officers and firefighters were \$180,182 and \$200,148 for the year ended December 31, 2010, \$190,716 and \$202,918 for the year ended December 31, 2009, and \$183,098, \$202,601, for the year ended December 31, 2008. The full amount has been contributed for 2009 and 2008. 75.03% has been contributed for police and 73.38% has been contributed for firefighters for 2010. The unpaid portion for 2010 has been reported as an intergovernmental payable in the financial statements.

**NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS**

**A. Compensated Absences**

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

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

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

**B. Life Insurance**

The City provides a life insurance benefit for retired employees based on the negotiated rate in force at the time of their retirement. Substantially all of the City's full time employees may become eligible for this benefit if they reach normal retirement age or become eligible for total disability benefits while working for the City. The cost of retirees' life insurance is recognized as an expenditure/expense when the insurance premiums are paid.



**CITY OF BARBERTON, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

**NOTE 15 - BUDGETARY BASIS OF ACCOUNTING**

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The statement of revenues, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general 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);
2. Expenditures and other uses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP);
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP); and,
4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.

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

**Net Change in Fund Balance**

	<u>General</u>
Budget basis	\$ 858,114
Net adjustment for revenue accruals	(504,039)
Net adjustment for expenditure accruals	356,497
Adjustment for encumbrances	<u>754,626</u>
GAAP basis	<u>\$ 1,465,198</u>

**NOTE 16 - RELATED ORGANIZATIONS**

**A. Barberton Community Development Corporation**

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

**CITY OF BARBERTON, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

**NOTE 16 - RELATED ORGANIZATIONS - (Continued)**

**B. Barberton Community Foundation**

The City participates in the Barberton Community Foundation (the "Foundation"). The City initially appointed a voting majority of the Foundation. The City Council has limited veto abilities over subsequent nominees to the Foundation Board and therefore has limited influence on the Foundation's operation. In 2010, the City received \$792,870 in grants from the Foundation. During 2010, the City also acted as the issuer of bonds for conduit debt (See Note 10) in which the Foundation acts as the assignee.

**NOTE 17 - CONTINGENCIES**

**A. Grants**

The City receives significant financial assistance from numerous federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and 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 individual fund types included herein or on the overall financial position of the City at December 31, 2010.

**B. Litigation**

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

**NOTE 18 - SIGNIFICANT SUBSEQUENT EVENTS**

In April 2011, City Council passed an ordinance to close out the health district fund, a nonmajor governmental fund, and transfer the cash balance of \$206,607 to the general fund. The money will be used for repairs and renovations to the Weigard Building which houses the Summit County Health Department branch in the City.

COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES

**CITY OF BARBERTON, OHIO**

*INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

**GENERAL FUND**

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

**NONMAJOR SPECIAL REVENUE FUNDS**

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

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

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

***State Highway Improvement Fund***

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

***Permissive License Tax Fund***

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

***Residential Street Fund***

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

***Fire Capital Levy Fund***

This fund accounts for property tax collections received through a tax levy. Expenditures are for operations and capital expenditures of the fire department.

***Court Computer Fund***

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

***Court Special Projects Fund***

This fund accounts for revenues collected from the municipal court to be used on various projects of the municipal court.

***9-1-1 Phone System Fund***

This fund accounts for revenues that are designated for the replacement of the 911 phone system and computer aided dispatch records.

***Indigent Drivers Alcohol Treatment Fund***

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

***Sports Complex Operating Fund***

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

**CITY OF BARBERTON, OHIO**

*INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

**NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)**

***Parks Recreation Improvement Fund***

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

***Gas and Oil Royalty Fund***

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

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

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

***Mandatory Drug Fines Fund***

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

***Local Law Enforcement Trust Fund***

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

***Parks Revolving Loan Fund***

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

***Sidewalk Improvement Program Fund***

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

***City Grant Fund***

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

***Federal Emergency Management Agency Fund***

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

***Emergency Reserve Fund***

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

***Rental Registration Program Fund***

This fund accounts for the registration and license fees collected from the Rental Registration Program to be used exclusively for the improvement of the housing infrastructure and administration within the City.

***Neighborhood Stabilization Program Fund***

This fund accounts for monies received from the Neighborhood Stabilization Program for the purpose of stabilizing communities that have suffered from foreclosures and abandonment.

**CITY OF BARBERTON, OHIO**

*INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

**NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)**

***Clean Ohio Revitalization Fund***

This fund accounts for monies received from the Clean Ohio Fund to restore, protect, and connect Ohio's important natural and urban places by preserving green space and farmland, improving outdoor recreation, and by cleaning up brownfields to encourage redevelopment and revitalize communities.

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

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

***Rental Rehabilitation Fund***

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

***Tax Increment Financing Fund***

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

***Lake Cinema Complex Maintenance Fund***

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

***Project Impact Fund***

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

***Health District Fund***

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

***Beautification Fund***

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

***Senior Center Trust Fund***

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

***Fire Pension Fund***

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

***Police Pension Fund***

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

**CITY OF BARBERTON, OHIO**

*INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

**NONMAJOR DEBT SERVICE FUNDS**

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

***General Obligation Bond Retirement Fund***

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

***Special Assessment Bond Retirement Fund***

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

**NONMAJOR CAPITAL PROJECTS FUNDS**

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

***Fire Station Construction Fund***

This fund accounts for the revenues and expenditures associated with the construction of the fire station.

***Street Improvement Fund***

This fund accounts for revenues and expenditures for street improvements. This fund did not have any activity on cash-basis during 2010; therefore a budget and actual (non-GAAP budgetary basis) schedule has not been presented.

***Senior Center Construction Fund***

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

***Issue II Fund***

This fund accounts for projects funded by Issue II money. This fund did not have any activity on cash-basis during 2010; therefore a budget and actual (non-GAAP budgetary basis) schedule has not been presented.

***Infrastructure Improvement Reserve Fund***

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

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

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

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 1,192,053	\$ 1,211,800	\$ 1,225,917	\$ 14,117
Municipal income taxes. . . . .	9,989,518	10,155,000	11,075,057	920,057
Charges for services. . . . .	1,900,025	1,931,500	1,836,048	(95,452)
Licenses and permits . . . . .	136,784	139,050	197,126	58,076
Fines and forfeitures . . . . .	86,664	88,100	75,863	(12,237)
Intergovernmental . . . . .	2,802,342	2,848,764	2,755,549	(93,215)
Investment income . . . . .	118,045	120,000	44,203	(75,797)
Other . . . . .	653,461	664,286	806,488	142,202
<b>Total revenues. . . . .</b>	<b>16,878,892</b>	<b>17,158,500</b>	<b>18,016,251</b>	<b>857,751</b>
<b>Expenditures:</b>				
Current:				
General government				
City council				
Personal services. . . . .	197,320	197,320	195,240	2,080
Operating. . . . .	4,557	4,557	2,985	1,572
Municipal court judges				
Personal services. . . . .	404,873	408,573	408,070	503
Operating. . . . .	25,393	25,393	14,845	10,548
Clerk of court				
Personal services. . . . .	719,950	719,950	700,297	19,653
Operating. . . . .	104,797	104,797	104,037	760
Mayor				
Personal services. . . . .	70,100	70,100	67,775	2,325
Operating. . . . .	14,050	14,050	11,004	3,046
Service director				
Personal services. . . . .	36,461	36,461	35,388	1,073
Operating. . . . .	256,607	264,607	258,497	6,110
Civil service commission				
Personal services. . . . .	15,650	15,650	9,513	6,137
Operating. . . . .	26,770	26,770	24,559	2,211
Finance department				
Personal services. . . . .	342,957	342,957	340,658	2,299
Operating. . . . .	95,889	95,889	94,571	1,318
Law department				
Personal services. . . . .	327,852	327,852	318,668	9,184
Operating. . . . .	110,372	159,872	159,966	(94)
Safety director				
Personal services. . . . .	29,050	29,050	28,844	206
Operating. . . . .	15,155	15,155	14,174	981
Human resources				
Personal services. . . . .	15,325	15,825	15,088	737
Operating. . . . .	62,998	35,198	27,577	7,621
Information systems				
Personal services. . . . .	67,765	67,765	60,576	7,189
Operating. . . . .	71,025	71,025	58,206	12,819



**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GENERAL FUND (CONTINUED)**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Municipal buildings				
Personal services. . . . .	\$ 97,534	\$ 97,534	\$ 93,846	\$ 3,688
Operating. . . . .	242,617	212,467	207,012	5,455
Probation				
Personal services. . . . .	160,223	160,223	147,788	12,435
Operating. . . . .	7,221	8,221	7,693	528
Income tax				
Personal services. . . . .	54,110	54,110	53,913	197
Operating. . . . .	270,000	327,000	326,310	690
Other				
Personal services. . . . .	162,000	162,000	156,634	5,366
Operating. . . . .	231,467	254,467	242,668	11,799
Total general government. . . . .	<u>4,240,088</u>	<u>4,324,838</u>	<u>4,186,402</u>	<u>138,436</u>
Public safety				
Police department				
Personal services. . . . .	4,537,556	4,489,556	4,488,756	800
Operating. . . . .	397,065	379,065	373,339	5,726
Fire department				
Personal services. . . . .	4,251,137	4,231,137	4,219,990	11,147
Operating. . . . .	301,426	306,551	268,552	37,999
Total public safety . . . . .	<u>9,487,184</u>	<u>9,406,309</u>	<u>9,350,637</u>	<u>55,672</u>
Transportation				
Paint/signal				
Personal services. . . . .	140,239	140,239	140,411	(172)
Operating. . . . .	16,468	16,468	16,725	(257)
Total transportation. . . . .	<u>156,707</u>	<u>156,707</u>	<u>157,136</u>	<u>(429)</u>
Leisure time activities				
Parks administration				
Personal services. . . . .	171,079	171,079	163,538	7,541
Operating. . . . .	26,357	38,707	37,907	800
Senior center				
Personal services. . . . .	50,541	50,541	49,232	1,309
Operating. . . . .	39,871	39,871	36,861	3,010
Recreation programs				
Personal services. . . . .	12,400	12,400	12,140	260
Operating. . . . .	11,850	11,850	11,403	447
Parks maintenance				
Personal services. . . . .	392,279	392,279	382,953	9,326
Operating. . . . .	74,435	74,435	71,695	2,740
Total leisure time activities . . . . .	<u>778,812</u>	<u>791,162</u>	<u>765,729</u>	<u>25,433</u>

Continued

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GENERAL FUND (CONTINUED)**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Community environment				
Building inspection				
Personal services. . . . .	\$ 438,556	\$ 451,256	\$ 448,861	\$ 2,395
Operating. . . . .	105,101	105,101	93,753	11,348
Planning				
Personal services. . . . .	38,975	45,590	42,610	2,980
Operating. . . . .	553,310	769,760	672,375	97,385
Total community environment . . . . .	<u>1,135,942</u>	<u>1,371,707</u>	<u>1,257,599</u>	<u>114,108</u>
Capital outlay				
Information systems . . . . .	5,000	5,000	-	5,000
Police department. . . . .	10,381	16,116	16,116	-
Parks administration . . . . .	4,448	29,448	28,460	988
Parks maintenance . . . . .	13,000	13,000	5,857	7,143
Total capital outlay . . . . .	<u>32,829</u>	<u>63,564</u>	<u>50,433</u>	<u>13,131</u>
Total expenditures. . . . .	<u>15,831,562</u>	<u>16,114,287</u>	<u>15,767,936</u>	<u>346,351</u>
Excess of revenues over expenditures . . . . .	<u>1,047,330</u>	<u>1,044,213</u>	<u>2,248,315</u>	<u>1,204,102</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	24,841	25,252	25,252	-
Transfers out . . . . .	(1,407,006)	(1,479,981)	(1,415,453)	64,528
Sale of assets . . . . .	4,919	5,000	-	(5,000)
Total other financing sources (uses) . . . . .	<u>(1,377,246)</u>	<u>(1,449,729)</u>	<u>(1,390,201)</u>	<u>59,528</u>
Net change in fund balance . . . . .	(329,916)	(405,516)	858,114	1,263,630
<b>Fund balance at beginning of year . . . . .</b>	267,252	267,252	267,252	-
<b>Prior year encumbrances appropriated. . . . .</b>	<u>375,180</u>	<u>375,180</u>	<u>375,180</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 312,516</u>	<u>\$ 236,916</u>	<u>\$ 1,500,546</u>	<u>\$ 1,263,630</u>

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**CITY OF BARBERTON, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2010*

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Funds</u>	<u>Nonmajor Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 2,594,216	\$ 326,863	\$ 888,472	\$ 3,809,551
Receivables (net of allowances of uncollectibles):				
Property taxes . . . . .	521,216	-	-	521,216
Intergovernmental . . . . .	1,356,382	-	14,831	1,371,213
Special assessments . . . . .	-	91,054	-	91,054
Notes receivable . . . . .	98,736	-	-	98,736
Prepayments . . . . .	7,862	-	-	7,862
Deferred charges . . . . .	-	-	3,078	3,078
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets . . . . .	<u>\$ 4,578,412</u>	<u>\$ 417,917</u>	<u>\$ 906,381</u>	<u>\$ 5,902,710</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 241,912	\$ -	\$ -	\$ 241,912
Contracts payable . . . . .	589,873	-	70,072	659,945
Accrued wages and benefits . . . . .	12,928	-	-	12,928
Intergovernmental payable . . . . .	29,229	-	-	29,229
Due to other funds . . . . .	140,274	-	-	140,274
Deferred revenue . . . . .	737,067	91,054	-	828,121
Unearned revenue . . . . .	465,631	-	-	465,631
Accrued interest payable . . . . .	-	-	747	747
Notes payable . . . . .	-	-	322,000	322,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities . . . . .	<u>2,216,914</u>	<u>91,054</u>	<u>392,819</u>	<u>2,700,787</u>
<b>Fund Balances:</b>				
Reserved for encumbrances . . . . .	2,028,739	-	40,725	2,069,464
Reserved for prepayments . . . . .	7,862	-	-	7,862
Reserved for notes receivable . . . . .	98,736	-	-	98,736
Reserved for debt service . . . . .	-	326,863	-	326,863
Unreserved, undesignated reported in:				
Special revenue funds . . . . .	226,161	-	-	226,161
Capital projects funds . . . . .	-	-	472,837	472,837
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Total fund balances . . . . .	<u>2,361,498</u>	<u>326,863</u>	<u>513,562</u>	<u>3,201,923</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances . . . . .	<u>\$ 4,578,412</u>	<u>\$ 417,917</u>	<u>\$ 906,381</u>	<u>\$ 5,902,710</u>

**CITY OF BARBERTON, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 446,126	\$ -	\$ -	\$ 446,126
Charges for services . . . . .	362,116	-	-	362,116
Licenses and permits . . . . .	54,981	-	-	54,981
Fines and forfeitures . . . . .	342,254	-	-	342,254
Intergovernmental . . . . .	3,885,577	-	63,064	3,948,641
Special assessments . . . . .	69,640	87,834	-	157,474
Investment income . . . . .	2,263	-	2,677	4,940
Contributions and donations . . . . .	80,609	420,004	126,834	627,447
Other . . . . .	181,911	-	-	181,911
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Total revenues . . . . .	5,425,477	507,838	192,575	6,125,890
<b>Expenditures:</b>				
Current:				
General government . . . . .	25,282	-	-	25,282
Public safety . . . . .	308,484	-	-	308,484
Health and welfare . . . . .	971,656	-	-	971,656
Transportation . . . . .	1,265,355	-	-	1,265,355
Community environment . . . . .	2,426,580	-	-	2,426,580
Leisure time activities . . . . .	321,580	-	-	321,580
Capital outlay . . . . .	620,399	-	541,229	1,161,628
Debt service:				
Principal retirement . . . . .	407,328	691,268	-	1,098,596
Interest and fiscal charges . . . . .	76,095	171,702	8,055	255,852
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures . . . . .	6,422,759	862,970	549,284	7,835,013
Deficiency of revenues under expenditures . . . . .	(997,282)	(355,132)	(356,709)	(1,709,123)
<b>Other financing sources (uses):</b>				
Sale of assets . . . . .	109,838	-	-	109,838
Capital lease transactions . . . . .	112,089	-	-	112,089
Transfers in . . . . .	1,081,968	361,859	310,000	1,753,827
Transfers out . . . . .	(175,944)	-	(187,682)	(363,626)
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses) . . . . .	1,127,951	361,859	122,318	1,612,128
Net change in fund balances . . . . .	130,669	6,727	(234,391)	(96,995)
<b>Fund balances at beginning of year . . . . .</b>	<b>2,230,829</b>	<b>320,136</b>	<b>747,953</b>	<b>3,298,918</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund balances at end of year . . . . .</b>	<b>\$ 2,361,498</b>	<b>\$ 326,863</b>	<b>\$ 513,562</b>	<b>\$ 3,201,923</b>

**CITY OF BARBERTON, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2010*

	<u>Street Construction Maintenance and Repair</u>	<u>State Highway Improvement</u>	<u>Permissive License Tax</u>	<u>Residential Street</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 282,383	\$ 11,332	\$ 368,765	\$ 296,588
Receivables (net of allowances for uncollectibles):				
Property taxes. . . . .	-	-	-	-
Intergovernmental. . . . .	349,729	28,356	3,842	-
Notes receivable . . . . .	-	-	-	-
Prepayments . . . . .	6,854	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets . . . . .	<u>\$ 638,966</u>	<u>\$ 39,688</u>	<u>\$ 372,607</u>	<u>\$ 296,588</u>
 <b>Liabilities:</b>				
Accounts payable . . . . .	\$ 64,319	\$ -	\$ 8,454	\$ -
Contracts payable . . . . .	-	-	-	-
Accrued wages and benefits . . . . .	11,897	-	-	-
Intergovernmental payable. . . . .	12,415	-	-	-
Due to other funds . . . . .	-	-	-	-
Deferred revenue. . . . .	229,728	18,626	-	-
Unearned revenue . . . . .	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities . . . . .	<u>318,359</u>	<u>18,626</u>	<u>8,454</u>	<u>-</u>
 <b>Fund Balances:</b>				
Reserved for encumbrances . . . . .	36,042	-	16,000	-
Reserved for prepayments. . . . .	6,854	-	-	-
Reserved for notes receivable . . . . .	-	-	-	-
Unreserved, undesignated (deficit) reported in:				
Special revenue funds . . . . .	277,711	21,062	348,153	296,588
Total fund balances . . . . .	<u>320,607</u>	<u>21,062</u>	<u>364,153</u>	<u>296,588</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances . . . . .	<u>\$ 638,966</u>	<u>\$ 39,688</u>	<u>\$ 372,607</u>	<u>\$ 296,588</u>

<u>Fire Capital Levy</u>	<u>Court Computer</u>	<u>Court Special Projects</u>	<u>9-1-1 Phone System</u>	<u>Indigent Drivers Alcohol Treatment</u>	<u>Sports Complex Operating</u>
\$ 23,330	\$ 36,549	\$ 539,665	\$ 62,745	\$ 122,077	\$ 19,657
289,566	-	-	-	-	-
20,101	6,677	16,058	6,208	1,420	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 332,997</u>	<u>\$ 43,226</u>	<u>\$ 555,723</u>	<u>\$ 68,953</u>	<u>\$ 123,497</u>	<u>\$ 19,657</u>
\$ -	\$ 1,778	\$ -	\$ -	\$ 1,806	\$ 1,213
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	13
-	-	-	-	-	-
50,982	-	-	-	-	-
258,685	-	-	-	-	-
<u>309,667</u>	<u>1,778</u>	<u>-</u>	<u>-</u>	<u>1,806</u>	<u>1,226</u>
-	3,833	-	-	-	4,184
-	-	-	-	-	-
-	-	-	-	-	-
<u>23,330</u>	<u>37,615</u>	<u>555,723</u>	<u>68,953</u>	<u>121,691</u>	<u>14,247</u>
<u>23,330</u>	<u>41,448</u>	<u>555,723</u>	<u>68,953</u>	<u>121,691</u>	<u>18,431</u>
<u>\$ 332,997</u>	<u>\$ 43,226</u>	<u>\$ 555,723</u>	<u>\$ 68,953</u>	<u>\$ 123,497</u>	<u>\$ 19,657</u>

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**CITY OF BARBERTON, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2010*

	<u>Parks Recreation Improvement</u>	<u>Gas and Oil Royalty</u>	<u>D.A.R.E. Program</u>	<u>Mandatory Drug Fines</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 70,620	\$ 5,010	\$ 1,329	\$ 5,232
Receivables (net of allowances for uncollectibles):				
Property taxes. . . . .	-	-	-	-
Intergovernmental. . . . .	66,000	-	-	-
Notes receivable . . . . .	-	-	-	-
Prepayments . . . . .	-	-	-	-
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Total assets . . . . .	<u>\$ 136,620</u>	<u>\$ 5,010</u>	<u>\$ 1,329</u>	<u>\$ 5,232</u>
 <b>Liabilities:</b>				
Accounts payable . . . . .	\$ 11,952	\$ -	\$ -	\$ -
Contracts payable . . . . .	-	-	-	-
Accrued wages and benefits . . . . .	-	-	-	-
Intergovernmental payable. . . . .	-	-	-	-
Due to other funds . . . . .	-	-	-	-
Deferred revenue. . . . .	-	-	-	-
Unearned revenue . . . . .	-	-	-	-
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Total liabilities . . . . .	<u>11,952</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <b>Fund Balances:</b>				
Reserved for encumbrances . . . . .	4,708	-	265	-
Reserved for prepayments. . . . .	-	-	-	-
Reserved for notes receivable . . . . .	-	-	-	-
Unreserved, undesignated (deficit) reported in:				
Special revenue funds . . . . .	119,960	5,010	1,064	5,232
Total fund balances . . . . .	<u>124,668</u>	<u>5,010</u>	<u>1,329</u>	<u>5,232</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances . . . . .	<u>\$ 136,620</u>	<u>\$ 5,010</u>	<u>\$ 1,329</u>	<u>\$ 5,232</u>



<b>Local Law Enforcement Trust</b>	<b>Parks Revolving Loan</b>	<b>Sidewalk Improvement Program</b>	<b>City Grant</b>	<b>Federal Emergency Management Agency</b>	<b>Emergency Reserve</b>
\$ 70,527	\$ 22,119	\$ 42,345	\$ 21,515	\$ 1,492	\$ 283
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 70,527</u>	<u>\$ 22,119</u>	<u>\$ 42,345</u>	<u>\$ 21,515</u>	<u>\$ 1,492</u>	<u>\$ 283</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	568	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>568</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
15,399	262	20,056	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>55,128</u>	<u>21,289</u>	<u>22,289</u>	<u>21,515</u>	<u>1,492</u>	<u>283</u>
<u>70,527</u>	<u>21,551</u>	<u>42,345</u>	<u>21,515</u>	<u>1,492</u>	<u>283</u>
<u>\$ 70,527</u>	<u>\$ 22,119</u>	<u>\$ 42,345</u>	<u>\$ 21,515</u>	<u>\$ 1,492</u>	<u>\$ 283</u>

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**CITY OF BARBERTON, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2010*

	<u>Rental Registration Program</u>	<u>Neighborhood Stabilization Program</u>	<u>Clean Ohio Revitalization</u>	<u>Community Development Block Grant</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 102,335	\$ 807	\$ -	\$ 7,708
Receivables (net of allowances for uncollectibles):				
Property taxes. . . . .	-	-	-	-
Intergovernmental. . . . .	-	-	354,770	484,051
Notes receivable . . . . .	-	-	-	98,736
Prepayments . . . . .	-	-	-	-
Total assets . . . . .	<u>\$ 102,335</u>	<u>\$ 807</u>	<u>\$ 354,770</u>	<u>\$ 590,495</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ -	\$ 134,050	\$ -	\$ 16,551
Contracts payable . . . . .	-	-	589,873	-
Accrued wages and benefits . . . . .	-	30	-	392
Intergovernmental payable. . . . .	-	445	-	2,391
Due to other funds . . . . .	-	140,274	-	-
Deferred revenue. . . . .	-	-	-	395,677
Unearned revenue . . . . .	-	-	-	-
Total liabilities . . . . .	<u>-</u>	<u>274,799</u>	<u>589,873</u>	<u>415,011</u>
<b>Fund Balances:</b>				
Reserved for encumbrances . . . . .	-	753,488	879,891	288,259
Reserved for prepayments. . . . .	-	-	-	-
Reserved for notes receivable . . . . .	-	-	-	98,736
Unreserved, undesignated (deficit) reported in:				
Special revenue funds . . . . .	102,335	(1,027,480)	(1,114,994)	(211,511)
Total fund balances . . . . .	<u>102,335</u>	<u>(273,992)</u>	<u>(235,103)</u>	<u>175,484</u>
Total liabilities and fund balances . . . . .	<u>\$ 102,335</u>	<u>\$ 807</u>	<u>\$ 354,770</u>	<u>\$ 590,495</u>

<u>Rental Rehabilitation</u>	<u>Tax Increment Financing</u>	<u>Lake Cinema Complex Maintenance</u>	<u>Health District</u>	<u>Beautification</u>	<u>Senior Center Trust</u>	<u>Fire Pension</u>
\$ 2,000	\$ 72,361	\$ 34,450	\$ 219,374	\$ 48,075	\$ 62,897	\$ 15,109
-	-	-	-	-	-	115,825
-	-	-	1,820	-	-	8,675
-	-	-	-	-	-	-
-	-	-	411	-	597	-
<u>\$ 2,000</u>	<u>\$ 72,361</u>	<u>\$ 34,450</u>	<u>\$ 221,605</u>	<u>\$ 48,075</u>	<u>\$ 63,494</u>	<u>\$ 139,609</u>
\$ -	\$ -	\$ -	\$ 44	\$ 59	\$ 1,686	\$ -
-	-	-	-	-	-	-
-	-	-	-	486	123	-
-	-	-	12,381	777	239	-
-	-	-	-	-	-	-
-	-	-	-	-	-	21,027
-	-	-	-	-	-	103,473
<u>-</u>	<u>-</u>	<u>-</u>	<u>12,425</u>	<u>1,322</u>	<u>2,048</u>	<u>124,500</u>
-	-	-	93	2,188	4,071	-
-	-	-	411	-	597	-
-	-	-	-	-	-	-
<u>2,000</u>	<u>72,361</u>	<u>34,450</u>	<u>208,676</u>	<u>44,565</u>	<u>56,778</u>	<u>15,109</u>
<u>2,000</u>	<u>72,361</u>	<u>34,450</u>	<u>209,180</u>	<u>46,753</u>	<u>61,446</u>	<u>15,109</u>
<u>\$ 2,000</u>	<u>\$ 72,361</u>	<u>\$ 34,450</u>	<u>\$ 221,605</u>	<u>\$ 48,075</u>	<u>\$ 63,494</u>	<u>\$ 139,609</u>

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**CITY OF BARBERTON, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2010*

	<u>Police Pension</u>	<u>Total Nonmajor Special Revenue Funds</u>
<b>Assets:</b>		
Equity in pooled cash and cash equivalents . . . . .	\$ 25,537	\$ 2,594,216
Receivables (net of allowances for uncollectibles):		
Property taxes . . . . .	115,825	521,216
Intergovernmental . . . . .	8,675	1,356,382
Notes receivable . . . . .	-	98,736
Prepayments . . . . .	-	7,862
	<hr/>	<hr/>
Total assets . . . . .	<u>\$ 150,037</u>	<u>\$ 4,578,412</u>
 <b>Liabilities:</b>		
Accounts payable . . . . .	\$ -	\$ 241,912
Contracts payable . . . . .	-	589,873
Accrued wages and benefits . . . . .	-	12,928
Intergovernmental payable . . . . .	-	29,229
Due to other funds . . . . .	-	140,274
Deferred revenue . . . . .	21,027	737,067
Unearned revenue . . . . .	103,473	465,631
	<hr/>	<hr/>
Total liabilities . . . . .	<u>124,500</u>	<u>2,216,914</u>
 <b>Fund Balances:</b>		
Reserved for encumbrances . . . . .	-	2,028,739
Reserved for prepayments . . . . .	-	7,862
Reserved for notes receivable . . . . .	-	98,736
Unreserved, undesignated (deficit) reported in:		
Special revenue funds . . . . .	25,537	226,161
	<hr/>	<hr/>
Total fund balances . . . . .	<u>25,537</u>	<u>2,361,498</u>
Total liabilities and fund balances . . . . .	<u>\$ 150,037</u>	<u>\$ 4,578,412</u>

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**CITY OF BARBERTON, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<b>Street Construction Maintenance and Repair</b>	<b>State Highway Improvement</b>	<b>Permissive License Tax</b>	<b>Residential Street</b>
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Charges for services . . . . .	-	-	-	-
Licenses and permits . . . . .	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	-
Intergovernmental . . . . .	910,191	61,956	51,835	-
Special assessments . . . . .	-	-	-	42,731
Investment income . . . . .	301	63	1,139	-
Contributions and donations . . . . .	-	-	-	-
Other . . . . .	25,245	149	-	-
Total revenues . . . . .	<u>935,737</u>	<u>62,168</u>	<u>52,974</u>	<u>42,731</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	-	-	-	-
Public safety . . . . .	-	-	-	-
Health and welfare . . . . .	-	-	-	-
Transportation . . . . .	1,127,066	69,205	69,084	-
Community environment . . . . .	-	-	-	-
Leisure time activities . . . . .	-	-	-	-
Capital outlay . . . . .	-	-	-	43,909
Debt service:				
Principal retirement . . . . .	1,122	-	22,051	-
Interest and fiscal charges . . . . .	101	-	6,134	-
Total expenditures . . . . .	<u>1,128,289</u>	<u>69,205</u>	<u>97,269</u>	<u>43,909</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(192,552)</u>	<u>(7,037)</u>	<u>(44,295)</u>	<u>(1,178)</u>
<b>Other financing sources (uses):</b>				
Sale of assets . . . . .	-	-	-	-
Capital lease transactions . . . . .	-	-	-	-
Transfers in . . . . .	336,519	-	-	185,000
Transfers out . . . . .	-	-	-	-
Total other financing sources (uses) . . . . .	<u>336,519</u>	<u>-</u>	<u>-</u>	<u>185,000</u>
Net change in fund balances . . . . .	143,967	(7,037)	(44,295)	183,822
<b>Fund balances (deficit) at beginning of year . .</b>	<u>176,640</u>	<u>28,099</u>	<u>408,448</u>	<u>112,766</u>
<b>Fund balances (deficit) at end of year . . . . .</b>	<u>\$ 320,607</u>	<u>\$ 21,062</u>	<u>\$ 364,153</u>	<u>\$ 296,588</u>

<b>Fire Capital Levy</b>	<b>Court Computer</b>	<b>Court Special Projects</b>	<b>9-1-1 Phone System</b>	<b>Indigent Drivers Alcohol Treatment</b>	<b>Sports Complex Operating</b>
\$ 247,848	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	60,062
-	-	-	-	-	-
-	71,475	213,194	-	56,053	-
41,099	-	-	40,631	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	31
<u>288,947</u>	<u>71,475</u>	<u>213,194</u>	<u>40,631</u>	<u>56,053</u>	<u>60,093</u>
-	7,588	-	-	13,006	-
-	-	-	28,238	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	83,814
161,216	33,082	-	113,811	-	-
121,107	-	-	-	-	120,658
13,338	-	-	-	-	12,551
<u>295,661</u>	<u>40,670</u>	<u>-</u>	<u>142,049</u>	<u>13,006</u>	<u>217,023</u>
<u>(6,714)</u>	<u>30,805</u>	<u>213,194</u>	<u>(101,418)</u>	<u>43,047</u>	<u>(156,930)</u>
-	-	-	-	-	-
112,089	-	-	-	-	-
-	-	-	-	-	165,000
<u>(135,968)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(23,879)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>165,000</u>
(30,593)	30,805	213,194	(101,418)	43,047	8,070
<u>53,923</u>	<u>10,643</u>	<u>342,529</u>	<u>170,371</u>	<u>78,644</u>	<u>10,361</u>
<u>\$ 23,330</u>	<u>\$ 41,448</u>	<u>\$ 555,723</u>	<u>\$ 68,953</u>	<u>\$ 121,691</u>	<u>\$ 18,431</u>

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**CITY OF BARBERTON, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<b>Parks Recreation Improvement</b>	<b>Gas and Oil Royalty</b>	<b>D.A.R.E. Program</b>	<b>Mandatory Drug Fines</b>
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Charges for services . . . . .	-	-	-	-
Licenses and permits . . . . .	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	1,532
Intergovernmental . . . . .	99,000	-	-	-
Special assessments . . . . .	-	-	-	-
Investment income . . . . .	564	-	-	-
Contributions and donations . . . . .	-	-	-	-
Other . . . . .	-	1,500	-	-
Total revenues . . . . .	<u>99,564</u>	<u>1,500</u>	<u>-</u>	<u>1,532</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	-	-	-	-
Public safety . . . . .	-	-	2,550	-
Health and welfare . . . . .	-	-	-	-
Transportation . . . . .	-	-	-	-
Community environment . . . . .	-	-	-	-
Leisure time activities . . . . .	-	-	-	-
Capital outlay . . . . .	171,481	-	-	-
Debt service:				
Principal retirement . . . . .	-	-	-	-
Interest and fiscal charges . . . . .	-	-	-	-
Total expenditures . . . . .	<u>171,481</u>	<u>-</u>	<u>2,550</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(71,917)</u>	<u>1,500</u>	<u>(2,550)</u>	<u>1,532</u>
<b>Other financing sources (uses):</b>				
Sale of assets . . . . .	-	-	306	-
Capital lease transactions . . . . .	-	-	-	-
Transfers in . . . . .	-	-	-	-
Transfers out . . . . .	-	-	-	-
Total other financing sources (uses) . . . . .	<u>-</u>	<u>-</u>	<u>306</u>	<u>-</u>
Net change in fund balances . . . . .	(71,917)	1,500	(2,244)	1,532
<b>Fund balances (deficit) at beginning of year . .</b>	<u>196,585</u>	<u>3,510</u>	<u>3,573</u>	<u>3,700</u>
<b>Fund balances (deficit) at end of year . . . . .</b>	<u>\$ 124,668</u>	<u>\$ 5,010</u>	<u>\$ 1,329</u>	<u>\$ 5,232</u>



<b>Local Law Enforcement Trust</b>	<b>Parks Revolving Loan</b>	<b>Sidewalk Improvement Program</b>	<b>City Grant</b>	<b>Federal Emergency Management Agency</b>	<b>Emergency Reserve</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	15,241	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	11,569	-	3,193	-	-
-	-	26,909	-	-	-
-	-	-	-	-	1
-	-	-	-	-	-
-	58,491	3,337	-	-	-
-	85,301	30,246	3,193	-	1
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	1
-	85,927	-	-	-	-
51,957	-	44,943	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
51,957	85,927	44,943	-	-	1
(51,957)	(626)	(14,697)	3,193	-	-
109,532	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(135)	-	-	(25,000)	-	-
109,397	-	-	(25,000)	-	-
57,440	(626)	(14,697)	(21,807)	-	-
13,087	22,177	57,042	43,322	1,492	283
<u>\$ 70,527</u>	<u>\$ 21,551</u>	<u>\$ 42,345</u>	<u>\$ 21,515</u>	<u>\$ 1,492</u>	<u>\$ 283</u>

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**CITY OF BARBERTON, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<b>Rental Registration Program</b>	<b>Neighborhood Stabilization Program</b>	<b>Clean Ohio Revitalization</b>	<b>Community Development Block Grant</b>
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Charges for services . . . . .	29,360	-	-	-
Licenses and permits . . . . .	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	-
Intergovernmental . . . . .	-	716,084	397,895	1,055,572
Special assessments . . . . .	-	-	-	-
Investment income . . . . .	-	-	-	-
Contributions and donations . . . . .	-	-	-	-
Other . . . . .	-	34	-	7,810
<b>Total revenues . . . . .</b>	<b>29,360</b>	<b>716,118</b>	<b>397,895</b>	<b>1,063,382</b>
<b>Expenditures:</b>				
Current:				
General government . . . . .	-	-	-	-
Public safety . . . . .	-	-	-	-
Health and welfare . . . . .	-	-	-	-
Transportation . . . . .	-	-	-	-
Community environment . . . . .	-	822,932	632,998	905,489
Leisure time activities . . . . .	-	-	-	-
Capital outlay . . . . .	-	-	-	-
Debt service:				
Principal retirement . . . . .	-	-	-	140,792
Interest and fiscal charges . . . . .	-	-	-	43,827
<b>Total expenditures . . . . .</b>	<b>-</b>	<b>822,932</b>	<b>632,998</b>	<b>1,090,108</b>
Excess (deficiency) of revenues over (under) expenditures . . . . .	29,360	(106,814)	(235,103)	(26,726)
<b>Other financing sources (uses):</b>				
Sale of assets . . . . .	-	-	-	-
Capital lease transactions . . . . .	-	-	-	-
Transfers in . . . . .	72,975	-	-	-
Transfers out . . . . .	-	-	-	-
<b>Total other financing sources (uses) . . . . .</b>	<b>72,975</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances . . . . .	102,335	(106,814)	(235,103)	(26,726)
<b>Fund balances (deficit) at beginning of year . .</b>	<b>-</b>	<b>(167,178)</b>	<b>-</b>	<b>202,210</b>
<b>Fund balances (deficit) at end of year . . . . .</b>	<b>\$ 102,335</b>	<b>\$ (273,992)</b>	<b>\$ (235,103)</b>	<b>\$ 175,484</b>

<u>Rental Rehabilitation</u>	<u>Tax Increment Financing</u>	<u>Lake Cinema Complex Maintenance</u>	<u>Project Impact</u>	<u>Health District</u>	<u>Beautification</u>	<u>Senior Center Trust</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	241,221	-	16,232
-	-	-	-	54,981	-	-
-	84,286	-	-	319,966	25,380	-
-	-	-	-	-	-	-
-	-	-	-	-	-	195
-	-	-	-	-	80,609	-
-	-	250	-	59,642	-	25,422
-	84,286	250	-	675,810	105,989	41,849
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	971,656	-	-
-	65,160	-	-	-	-	-
-	-	-	-	-	107,759	44,080
-	-	-	-	-	-	-
-	-	-	-	799	-	799
-	-	-	-	72	-	72
-	65,160	-	-	972,527	107,759	44,951
-	19,126	250	-	(296,717)	(1,770)	(3,102)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	322,474	-	-
-	(14,724)	-	(117)	-	-	-
-	(14,724)	-	(117)	322,474	-	-
-	4,402	250	(117)	25,757	(1,770)	(3,102)
2,000	67,959	34,200	117	183,423	48,523	64,548
<u>\$ 2,000</u>	<u>\$ 72,361</u>	<u>\$ 34,450</u>	<u>\$ -</u>	<u>\$ 209,180</u>	<u>\$ 46,753</u>	<u>\$ 61,446</u>

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**CITY OF BARBERTON, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<u>Fire Pension</u>	<u>Police Pension</u>	<u>Total Nonmajor Special Revenue Funds</u>
<b>Revenues:</b>			
Property and other taxes . . . . .	\$ 99,139	\$ 99,139	\$ 446,126
Charges for services . . . . .	-	-	362,116
Licenses and permits . . . . .	-	-	54,981
Fines and forfeitures . . . . .	-	-	342,254
Intergovernmental . . . . .	33,460	33,460	3,885,577
Special assessments . . . . .	-	-	69,640
Investment income . . . . .	-	-	2,263
Contributions and donations . . . . .	-	-	80,609
Other . . . . .	-	-	181,911
	<hr/>	<hr/>	<hr/>
Total revenues . . . . .	132,599	132,599	5,425,477
	<hr/>	<hr/>	<hr/>
<b>Expenditures:</b>			
Current:			
General government . . . . .	2,344	2,344	25,282
Public safety . . . . .	135,075	142,621	308,484
Health and welfare . . . . .	-	-	971,656
Transportation . . . . .	-	-	1,265,355
Community environment . . . . .	-	-	2,426,580
Leisure time activities . . . . .	-	-	321,580
Capital outlay . . . . .	-	-	620,399
Debt service:			
Principal retirement . . . . .	-	-	407,328
Interest and fiscal charges . . . . .	-	-	76,095
	<hr/>	<hr/>	<hr/>
Total expenditures . . . . .	137,419	144,965	6,422,759
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures . . . . .	(4,820)	(12,366)	(997,282)
	<hr/>	<hr/>	<hr/>
<b>Other financing sources (uses):</b>			
Sale of assets . . . . .	-	-	109,838
Capital lease transactions . . . . .	-	-	112,089
Transfers in . . . . .	-	-	1,081,968
Transfers out . . . . .	-	-	(175,944)
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses) . . . . .	-	-	1,127,951
	<hr/>	<hr/>	<hr/>
Net change in fund balances . . . . .	(4,820)	(12,366)	130,669
	<hr/>	<hr/>	<hr/>
<b>Fund balances (deficit) at beginning of year . .</b>	19,929	37,903	2,230,829
	<hr/>	<hr/>	<hr/>
<b>Fund balances (deficit) at end of year . . . . .</b>	\$ 15,109	\$ 25,537	\$ 2,361,498
	<hr/>	<hr/>	<hr/>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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. . . . .	\$ 875,183	\$ 809,100	\$ 893,636	\$ 84,536
Investment income . . . . .	1,967	1,818	301	(1,517)
Other . . . . .	8,850	8,182	25,245	17,063
Total revenues. . . . .	<u>886,000</u>	<u>819,100</u>	<u>919,182</u>	<u>100,082</u>
<b>Expenditures:</b>				
Current:				
Transportation				
Personal services. . . . .	764,008	764,008	693,582	70,426
Operating. . . . .	<u>563,407</u>	<u>563,407</u>	<u>527,267</u>	<u>36,140</u>
Total expenditures. . . . .	<u>1,327,415</u>	<u>1,327,415</u>	<u>1,220,849</u>	<u>106,566</u>
Deficiency of revenues under expenditures . . .	<u>(441,415)</u>	<u>(508,315)</u>	<u>(301,667)</u>	<u>206,648</u>
<b>Other financing sources:</b>				
Transfers in. . . . .	435,000	435,000	336,519	(98,481)
Total other financing sources. . . . .	<u>435,000</u>	<u>435,000</u>	<u>336,519</u>	<u>(98,481)</u>
Net change in fund balance. . . . .	(6,415)	(73,315)	34,852	108,167
<b>Fund balance at beginning of year . . . . .</b>	67,607	67,607	67,607	-
<b>Prior year encumbrances appropriated . . .</b>	<u>65,432</u>	<u>65,432</u>	<u>65,432</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 126,624</u>	<u>\$ 59,724</u>	<u>\$ 167,891</u>	<u>\$ 108,167</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STATE HIGHWAY IMPROVEMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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. . . . .	\$ 54,000	\$ 54,000	\$ 58,546	\$ 4,546
Investment income . . . . .	600	600	63	(537)
Other . . . . .	-	-	149	149
Total revenues. . . . .	<u>54,600</u>	<u>54,600</u>	<u>58,758</u>	<u>4,158</u>
<b>Expenditures:</b>				
Current:				
Transportation				
Personal services. . . . .	<u>73,000</u>	<u>73,000</u>	<u>72,931</u>	<u>69</u>
Total expenditures. . . . .	<u>73,000</u>	<u>73,000</u>	<u>72,931</u>	<u>69</u>
Net change in fund balance . . . . .	(18,400)	(18,400)	(14,173)	4,227
<b>Fund balance at beginning of year. . . . .</b>	<u>25,505</u>	<u>25,505</u>	<u>25,505</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 7,105</u>	<u>\$ 7,105</u>	<u>\$ 11,332</u>	<u>\$ 4,227</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**PERMISSIVE LICENSE TAX FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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. . . . .	\$ 284,211	\$ 56,842	\$ 51,841	\$ (5,001)
Investment income . . . . .	15,789	3,158	1,139	(2,019)
Total revenues. . . . .	<u>300,000</u>	<u>60,000</u>	<u>52,980</u>	<u>(7,020)</u>
<b>Expenditures:</b>				
Current:				
Transportation				
Operating. . . . .	232,786	225,851	87,208	138,643
Debt service:				
Principal retirement. . . . .	-	22,051	22,051	-
Interest and fiscal charges. . . . .	-	6,134	6,134	-
Total expenditures. . . . .	<u>232,786</u>	<u>254,036</u>	<u>115,393</u>	<u>138,643</u>
Net change in fund balance . . . . .	67,214	(194,036)	(62,413)	131,623
<b>Fund balance at beginning of year. . . . .</b>	402,808	402,808	402,808	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>3,916</u>	<u>3,916</u>	<u>3,916</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 473,938</u>	<u>\$ 212,688</u>	<u>\$ 344,311</u>	<u>\$ 131,623</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**RESIDENTIAL STREET FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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 . . . . .	\$ 80,000	\$ 20,000	\$ 47,145	\$ 27,145
Total revenues . . . . .	<u>80,000</u>	<u>20,000</u>	<u>47,145</u>	<u>27,145</u>
<b>Expenditures:</b>				
Capital outlay . . . . .	288,939	288,939	43,909	245,030
Total expenditures . . . . .	<u>288,939</u>	<u>288,939</u>	<u>43,909</u>	<u>245,030</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(208,939)</u>	<u>(268,939)</u>	<u>3,236</u>	<u>272,175</u>
<b>Other financing sources:</b>				
Transfers in. . . . .	270,000	185,000	185,000	-
Total other financing sources. . . . .	<u>270,000</u>	<u>185,000</u>	<u>185,000</u>	<u>-</u>
Net change in fund balance. . . . .	61,061	(83,939)	188,236	272,175
<b>Fund balance at beginning of year . . . . .</b>	19,413	19,413	19,413	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>88,939</u>	<u>88,939</u>	<u>88,939</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 169,413</u>	<u>\$ 24,413</u>	<u>\$ 296,588</u>	<u>\$ 272,175</u>



**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**FIRE CAPITAL LEVY FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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 taxes . . . . .	\$ 264,432	\$ 245,401	\$ 247,848	\$ 2,447
Intergovernmental. . . . .	45,904	42,600	41,099	(1,501)
Total revenues . . . . .	<u>310,336</u>	<u>288,001</u>	<u>288,947</u>	<u>946</u>
<b>Expenditures:</b>				
Capital outlay . . . . .	61,000	103,027	80,016	23,011
Debt service:				
Principal retirement . . . . .	125,704	121,110	121,107	3
Interest and fiscal charges . . . . .	<u>13,846</u>	<u>13,340</u>	<u>13,338</u>	<u>2</u>
Total expenditures. . . . .	<u>200,550</u>	<u>237,477</u>	<u>214,461</u>	<u>23,016</u>
Excess of revenues over expenditures . . . . .	<u>109,786</u>	<u>50,524</u>	<u>74,486</u>	<u>23,962</u>
<b>Other financing uses:</b>				
Transfers out. . . . .	(172,135)	(135,968)	(135,968)	-
Total other financing uses . . . . .	<u>(172,135)</u>	<u>(135,968)</u>	<u>(135,968)</u>	<u>-</u>
Net change in fund balance . . . . .	(62,349)	(85,444)	(61,482)	23,962
<b>Fund balance at beginning of year. . . . .</b>	38,812	38,812	38,812	-
<b>Prior year encumbrances appropriated . . .</b>	<u>46,000</u>	<u>46,000</u>	<u>46,000</u>	<u>-</u>
<b>Fund balance (deficit) at end of year. . . . .</b>	<u>\$ 22,463</u>	<u>\$ (632)</u>	<u>\$ 23,330</u>	<u>\$ 23,962</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COURT COMPUTER FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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 . . . . .	\$ 55,000	\$ 55,000	\$ 68,021	\$ 13,021
Total revenues . . . . .	<u>55,000</u>	<u>55,000</u>	<u>68,021</u>	<u>13,021</u>
<b>Expenditures:</b>				
Current:				
General government				
Operating . . . . .	994	30,994	29,951	1,043
Capital outlay . . . . .	24,434	34,434	33,082	1,352
Total expenditures. . . . .	<u>25,428</u>	<u>65,428</u>	<u>63,033</u>	<u>2,395</u>
Net change in fund balance . . . . .	29,572	(10,428)	4,988	15,416
<b>Fund balance at beginning of year. . . . .</b>	522	522	522	-
<b>Prior year encumbrances appropriated . . .</b>	<u>25,428</u>	<u>25,428</u>	<u>25,428</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 55,522</u>	<u>\$ 15,522</u>	<u>\$ 30,938</u>	<u>\$ 15,416</u>

**CITY OF BARBERTON, 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, 2010*

	<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 . . . . .	\$ 200,000	\$ 245,000	\$ 213,051	\$ (31,949)
Total revenues . . . . .	<u>200,000</u>	<u>245,000</u>	<u>213,051</u>	<u>(31,949)</u>
Net change in fund balance . . . . .	200,000	245,000	213,051	(31,949)
<b>Fund balance at beginning of year. . . . .</b>	<u>326,614</u>	<u>326,614</u>	<u>326,614</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 526,614</u>	<u>\$ 571,614</u>	<u>\$ 539,665</u>	<u>\$ (31,949)</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**9-1-1 PHONE SYSTEM FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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. . . . .	\$ -	\$ 29,000	\$ 47,981	\$ 18,981
Total revenues . . . . .	-	29,000	47,981	18,981
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services . . . . .	55,440	55,441	55,441	-
Capital outlay . . . . .	108,811	113,811	113,811	-
Total expenditures. . . . .	164,251	169,252	169,252	-
Net change in fund balance . . . . .	(164,251)	(140,252)	(121,271)	18,981
<b>Fund balance at beginning of year. . . . .</b>	75,205	75,205	75,205	-
<b>Prior year encumbrances appropriated . . .</b>	108,811	108,811	108,811	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 19,765</u>	<u>\$ 43,764</u>	<u>\$ 62,745</u>	<u>\$ 18,981</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**INDIGENT DRIVERS ALCOHOL TREATMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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 . . . . .	\$ 40,000	\$ 58,510	\$ 55,858	\$ (2,652)
Total revenues . . . . .	<u>40,000</u>	<u>58,510</u>	<u>55,858</u>	<u>(2,652)</u>
<b>Expenditures:</b>				
Current:				
General government				
Operating . . . . .	125,000	125,000	11,200	113,800
Total expenditures . . . . .	<u>125,000</u>	<u>125,000</u>	<u>11,200</u>	<u>113,800</u>
Net change in fund balance. . . . .	(85,000)	(66,490)	44,658	111,148
<b>Fund balance at beginning of year . . . . .</b>	<u>77,419</u>	<u>77,419</u>	<u>77,419</u>	<u>-</u>
<b>Fund balance (deficit) at end of year . . . . .</b>	<u><u>\$ (7,581)</u></u>	<u><u>\$ 10,929</u></u>	<u><u>\$ 122,077</u></u>	<u><u>\$ 111,148</u></u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SPORTS COMPLEX OPERATING FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 60,000	\$ 62,500	\$ 60,062	\$ (2,438)
Other . . . . .	-	-	31	31
Total revenues . . . . .	60,000	62,500	60,093	(2,407)
<b>Expenditures:</b>				
Current:				
Leisure time activities				
Personal services . . . . .	23,075	23,075	22,906	169
Operating . . . . .	73,271	73,271	64,801	8,470
Debt service:				
Principal retirement . . . . .	120,658	120,658	120,658	-
Interest and fiscal charges . . . . .	12,551	12,551	12,551	-
Total expenditures . . . . .	229,555	229,555	220,916	8,639
Deficiency of revenues under expenditures . .	(169,555)	(167,055)	(160,823)	6,232
<b>Other financing sources:</b>				
Transfers in . . . . .	175,000	165,000	165,000	-
Total other financing sources . . . . .	175,000	165,000	165,000	-
Net change in fund balance . . . . .	5,445	(2,055)	4,177	6,232
<b>Fund balance at beginning of year . . . . .</b>	7,427	7,427	7,427	-
<b>Prior year encumbrances appropriated . . .</b>	3,271	3,271	3,271	-
<b>Fund balance at end of year . . . . .</b>	\$ 16,143	\$ 8,643	\$ 14,875	\$ 6,232

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**PARKS RECREATION IMPROVEMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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. . . . .	\$ -	\$ 99,000	\$ 33,000	\$ (66,000)
Investment income. . . . .	1,000	1,000	564	(436)
Total revenues. . . . .	<u>1,000</u>	<u>100,000</u>	<u>33,564</u>	<u>(66,436)</u>
<b>Expenditures:</b>				
Capital outlay . . . . .	<u>144,856</u>	<u>176,333</u>	<u>176,189</u>	<u>144</u>
Total expenditures . . . . .	<u>144,856</u>	<u>176,333</u>	<u>176,189</u>	<u>144</u>
Net change in fund balance . . . . .	(143,856)	(76,333)	(142,625)	(66,292)
<b>Fund balance at beginning of year . . . . .</b>	195,929	195,929	195,929	-
<b>Prior year encumbrances appropriated. . .</b>	<u>656</u>	<u>656</u>	<u>656</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 52,729</u>	<u>\$ 120,252</u>	<u>\$ 53,960</u>	<u>\$ (66,292)</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GAS AND OIL ROYALTY FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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 . . . . .	\$ 1,500	\$ 1,500	\$ 1,500	\$ -
Total revenues . . . . .	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>-</u>
Net change in fund balance. . . . .	1,500	1,500	1,500	-
<b>Fund balance at beginning of year . . . . .</b>	<u>3,510</u>	<u>3,510</u>	<u>3,510</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 5,010</u>	<u>\$ 5,010</u>	<u>\$ 5,010</u>	<u>\$ -</u>



**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**D.A.R.E. PROGRAM FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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:				
Public safety				
Operating . . . . .	\$ 358	\$ 2,858	\$ 2,815	\$ 43
Total expenditures . . . . .	<u>358</u>	<u>2,858</u>	<u>2,815</u>	<u>43</u>
Deficiency of revenues under expenditures . . . . .	<u>(358)</u>	<u>(2,858)</u>	<u>(2,815)</u>	<u>43</u>
<b>Other financing sources:</b>				
Sale of assets . . . . .	<u>572</u>	<u>1,072</u>	<u>306</u>	<u>(766)</u>
Total other financing sources. . . . .	<u>572</u>	<u>1,072</u>	<u>306</u>	<u>(766)</u>
Net change in fund balance. . . . .	214	(1,786)	(2,509)	(723)
<b>Fund balance at beginning of year . . . . .</b>	3,215	3,215	3,215	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>358</u>	<u>358</u>	<u>358</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 3,787</u>	<u>\$ 1,787</u>	<u>\$ 1,064</u>	<u>\$ (723)</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**MANDATORY DRUG FINES FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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 . . . . .	\$ 2,300	\$ 2,300	\$ 1,532	\$ (768)
Total revenues . . . . .	<u>2,300</u>	<u>2,300</u>	<u>1,532</u>	<u>(768)</u>
<b>Expenditures:</b>				
Capital outlay . . . . .	<u>73</u>	<u>73</u>	<u>-</u>	<u>73</u>
Total expenditures . . . . .	<u>73</u>	<u>73</u>	<u>-</u>	<u>73</u>
Net change in fund balance . . . . .	2,227	2,227	1,532	(695)
<b>Fund balance at beginning of year . . . . .</b>	3,627	3,627	3,627	-
<b>Prior year encumbrances appropriated . . .</b>	<u>73</u>	<u>73</u>	<u>73</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 5,927</u>	<u>\$ 5,927</u>	<u>\$ 5,232</u>	<u>\$ (695)</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**LOCAL LAW ENFORCEMENT TRUST FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures:</b>				
Capital outlay . . . . .	\$ 8,394	\$ 76,092	\$ 68,702	\$ 7,390
Total expenditures . . . . .	<u>8,394</u>	<u>76,092</u>	<u>68,702</u>	<u>7,390</u>
Deficiency of revenues under expenditures . .	<u>(8,394)</u>	<u>(76,092)</u>	<u>(68,702)</u>	<u>7,390</u>
<b>Other financing sources:</b>				
Transfers out . . . . .	-	(135)	(135)	-
Sale of assets . . . . .	<u>5,000</u>	<u>109,535</u>	<u>109,532</u>	<u>(3)</u>
Total other financing sources. . . . .	<u>5,000</u>	<u>109,400</u>	<u>109,397</u>	<u>(3)</u>
Net change in fund balance. . . . .	(3,394)	33,308	40,695	7,387
<b>Fund balance at beginning of year . . . . .</b>	6,039	6,039	6,039	-
<b>Prior year encumbrances appropriated . .</b>	<u>8,394</u>	<u>8,394</u>	<u>8,394</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 11,039</u>	<u>\$ 47,741</u>	<u>\$ 55,128</u>	<u>\$ 7,387</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**PARKS REVOLVING LOAN FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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. . . . .	\$ 31,295	\$ 31,295	\$ 11,569	\$ (19,726)
Charges for services. . . . .	59,657	59,657	15,241	(44,416)
Other . . . . .	59,048	59,048	58,491	(557)
Total revenues. . . . .	<u>150,000</u>	<u>150,000</u>	<u>85,301</u>	<u>(64,699)</u>
<b>Expenditures:</b>				
Current:				
Leisure time activities				
Personal services. . . . .	68,555	68,555	42,450	26,105
Operating. . . . .	<u>54,241</u>	<u>54,241</u>	<u>44,665</u>	<u>9,576</u>
Total expenditures. . . . .	<u>122,796</u>	<u>122,796</u>	<u>87,115</u>	<u>35,681</u>
Net change in fund balance. . . . .	27,204	27,204	(1,814)	(29,018)
<b>Fund balance at beginning of year . . . . .</b>	22,064	22,064	22,064	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>536</u>	<u>536</u>	<u>536</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 49,804</u>	<u>\$ 49,804</u>	<u>\$ 20,786</u>	<u>\$ (29,018)</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SIDEWALK IMPROVEMENT PROGRAM FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Special assessment . . . . .	\$ 19,250	\$ 21,000	\$ 26,909	\$ 5,909
Other . . . . .	2,750	3,000	3,337	337
Total revenues. . . . .	<u>22,000</u>	<u>24,000</u>	<u>30,246</u>	<u>6,246</u>
<b>Expenditures:</b>				
Capital outlay . . . . .	<u>79,400</u>	<u>79,400</u>	<u>64,999</u>	<u>14,401</u>
Total expenditures. . . . .	<u>79,400</u>	<u>79,400</u>	<u>64,999</u>	<u>14,401</u>
Net change in fund balance. . . . .	(57,400)	(55,400)	(34,753)	20,647
<b>Fund balance at beginning of year . . . . .</b>	7,642	7,642	7,642	-
<b>Prior year encumbrances appropriated . . .</b>	<u>49,400</u>	<u>49,400</u>	<u>49,400</u>	<u>-</u>
<b>Fund balance (deficit) at end of year . . . . .</b>	<u>\$ (358)</u>	<u>\$ 1,642</u>	<u>\$ 22,289</u>	<u>\$ 20,647</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**CITY GRANT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ -	\$ -	\$ 3,193	\$ 3,193
Total revenues . . . . .	-	-	3,193	3,193
Excess of revenues over expenditures . . . . .	-	-	3,193	3,193
<b>Other financing sources:</b>				
Transfers out . . . . .	(25,000)	(25,000)	(25,000)	-
Total other financing sources . . . . .	(25,000)	(25,000)	(25,000)	-
Net change in fund balance . . . . .	(25,000)	(25,000)	(21,807)	3,193
<b>Fund balance at beginning of year . . . . .</b>	<u>43,322</u>	<u>43,322</u>	<u>43,322</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 18,322</u>	<u>\$ 18,322</u>	<u>\$ 21,515</u>	<u>\$ 3,193</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**FEDERAL EMERGENCY MANAGEMENT AGENCY FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 58,516	\$ -	\$ -	\$ -
Total revenues . . . . .	<u>58,516</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance. . . . .	58,516	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	<u>\$ 1,492</u>	<u>\$ 1,492</u>	<u>\$ 1,492</u>	<u>\$ -</u>
<b>Fund balance at end of year. . . . .</b>	<u><u>\$ 60,008</u></u>	<u><u>\$ 1,492</u></u>	<u><u>\$ 1,492</u></u>	<u><u>\$ -</u></u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**EMERGENCY RESERVE FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Investment income . . . . .	\$ -	\$ -	\$ 1	\$ 1
Total revenues . . . . .	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
<b>Expenditures:</b>				
Current:				
General government				
Operating . . . . .	<u>2</u>	<u>2</u>	<u>1</u>	<u>1</u>
Total expenditures . . . . .	<u>2</u>	<u>2</u>	<u>1</u>	<u>1</u>
Net change in fund balance. . . . .	(2)	(2)	-	2
<b>Fund balance at beginning of year . . . . .</b>	<u>283</u>	<u>283</u>	<u>283</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 281</u>	<u>\$ 281</u>	<u>\$ 283</u>	<u>\$ 2</u>



**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**RENTAL REGISTRATION PROGRAM FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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 . . . . .	\$ -	\$ -	\$ 29,360	\$ 29,360
Total revenues . . . . .	-	-	29,360	29,360
Excess of revenues over expenditures . . . . .	-	-	29,360	29,360
<b>Other financing sources:</b>				
Transfers in . . . . .	-	72,975	72,975	-
Total other financing sources . . . . .	-	72,975	72,975	-
Net change in fund balance . . . . .	-	72,975	102,335	29,360
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ 72,975</u>	<u>\$ 102,335</u>	<u>\$ 29,360</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
NEIGHBORHOOD STABILIZATION PROGRAM FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 1,831,451	\$ 1,831,451	\$ 716,084	\$ (1,115,367)
Other . . . . .	-	-	34	34
Total revenues . . . . .	<u>1,831,451</u>	<u>1,831,451</u>	<u>716,118</u>	<u>(1,115,333)</u>
<b>Expenditures:</b>				
Current:				
Community environment . . . . .	<u>1,324,055</u>	<u>1,993,036</u>	<u>1,908,151</u>	<u>84,885</u>
Total expenditures . . . . .	<u>1,324,055</u>	<u>1,993,036</u>	<u>1,908,151</u>	<u>84,885</u>
Net change in fund balance . . . . .	507,396	(161,585)	(1,192,033)	(1,030,448)
<b>Fund balance (deficit) at beginning of year . .</b>	(1,159,834)	(1,159,834)	(1,159,834)	-
<b>Prior year encumbrances appropriated. . . .</b>	<u>1,324,055</u>	<u>1,324,055</u>	<u>1,324,055</u>	<u>-</u>
<b>Fund balance (deficit) at end of year . . . . .</b>	<u>\$ 671,617</u>	<u>\$ 2,636</u>	<u>\$ (1,027,812)</u>	<u>\$ (1,030,448)</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**CLEAN OHIO REVITALIZATION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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 . . . . .	\$ 1,512,889	\$ 1,512,889	\$ 43,125	\$ (1,469,764)
Total revenues . . . . .	<u>1,512,889</u>	<u>1,512,889</u>	<u>43,125</u>	<u>(1,469,764)</u>
<b>Expenditures:</b>				
Current:				
Community environment . . . . .	-	1,512,889	1,512,889	-
Total expenditures . . . . .	<u>-</u>	<u>1,512,889</u>	<u>1,512,889</u>	<u>-</u>
Net change in fund balance. . . . .	1,512,889	-	(1,469,764)	(1,469,764)
<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>\$ 1,512,889</u>	<u>\$ -</u>	<u>\$ (1,469,764)</u>	<u>\$ (1,469,764)</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COMMUNITY DEVELOPMENT BLOCK GRANT FUND (CDBG)  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 917,201	\$ 1,857,644	\$ 1,074,014	\$ (783,630)
Other . . . . .	62,799	127,189	127,174	(15)
Total revenues . . . . .	<u>980,000</u>	<u>1,984,833</u>	<u>1,201,188</u>	<u>(783,645)</u>
<b>Expenditures:</b>				
Current:				
Community environment				
Operating . . . . .	123,241	1,701,498	1,216,550	484,948
Debt service:				
Principal retirement . . . . .	-	140,792	140,792	-
Interest and fiscal charges . . . . .	-	43,827	43,827	-
Total expenditures . . . . .	<u>123,241</u>	<u>1,886,117</u>	<u>1,401,169</u>	<u>484,948</u>
Net change in fund balance . . . . .	856,759	98,716	(199,981)	(298,697)
<b>Fund balance (deficit) at beginning of year . .</b>	(221,957)	(221,957)	(221,957)	-
<b>Prior year encumbrances appropriated . . .</b>	<u>123,241</u>	<u>123,241</u>	<u>123,241</u>	<u>-</u>
<b>Fund balance (deficit) at end of year . . . . .</b>	<u>\$ 758,043</u>	<u>\$ -</u>	<u>\$ (298,697)</u>	<u>\$ (298,697)</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**RENTAL REHABILITATION FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2010*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures:</b>				
Current:				
General government				
Operating. . . . .	\$ -	\$ 2,000	\$ -	\$ 2,000
Total expenditures . . . . .	-	2,000	-	2,000
Net change in fund balance. . . . .	-	(2,000)	-	2,000
<b>Fund balance at beginning of year . . . . .</b>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TAX INCREMENT FINANCING FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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. . . . .	\$ 55,000	\$ 84,286	\$ 84,286	\$ -
Total revenues. . . . .	<u>55,000</u>	<u>84,286</u>	<u>84,286</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Community environment				
Personal services. . . . .	22,865	19,261	19,261	-
Operating. . . . .	<u>66,200</u>	<u>46,324</u>	<u>46,324</u>	<u>-</u>
Total expenditures . . . . .	<u>89,065</u>	<u>65,585</u>	<u>65,585</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(34,065)</u>	<u>18,701</u>	<u>18,701</u>	<u>-</u>
<b>Other financing uses:</b>				
Transfers out . . . . .	<u>(14,724)</u>	<u>(14,724)</u>	<u>(14,724)</u>	<u>-</u>
Total other financing uses . . . . .	<u>(14,724)</u>	<u>(14,724)</u>	<u>(14,724)</u>	<u>-</u>
Net change in fund balance. . . . .	(48,789)	3,977	3,977	-
<b>Fund balance at beginning of year . . . . .</b>	<u>67,959</u>	<u>67,959</u>	<u>67,959</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 19,170</u>	<u>\$ 71,936</u>	<u>\$ 71,936</u>	<u>\$ -</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**LAKE CINEMA COMPLEX MAINTENANCE FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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 . . . . .	\$ 24,000	\$ 1,000	\$ 250	\$ (750)
Total revenues . . . . .	<u>24,000</u>	<u>1,000</u>	<u>250</u>	<u>(750)</u>
Net change in fund balance. . . . .	24,000	1,000	250	(750)
<b>Fund balance at beginning of year . . . . .</b>	<u>34,200</u>	<u>34,200</u>	<u>34,200</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 58,200</u>	<u>\$ 35,200</u>	<u>\$ 34,450</u>	<u>\$ (750)</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**PROJECT IMPACT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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. . . . .	\$ 100,000	\$ 100,000	\$ -	\$ (100,000)
Total revenues . . . . .	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>(100,000)</u>
Excess of revenues over expenditures . . . . .	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>(100,000)</u>
<b>Other financing uses:</b>				
Transfers out . . . . .	\$ -	\$ (117)	\$ (117)	\$ -
Total other financing uses . . . . .	<u>-</u>	<u>(117)</u>	<u>(117)</u>	<u>-</u>
Net change in fund balance. . . . .	100,000	99,883	(117)	(100,000)
<b>Fund balance at beginning of year . . . . .</b>	<u>117</u>	<u>117</u>	<u>117</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u><u>\$ 100,117</u></u>	<u><u>\$ 100,000</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (100,000)</u></u>



**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**HEALTH DISTRICT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 369,326	\$ 326,641	\$ 239,401	\$ (87,240)
Licenses and permits . . . . .	-	-	54,981	54,981
Intergovernmental . . . . .	-	-	332,969	332,969
Other . . . . .	409,182	361,892	59,642	(302,250)
<b>Total revenues . . . . .</b>	<u>778,508</u>	<u>688,533</u>	<u>686,993</u>	<u>(1,540)</u>
<b>Expenditures:</b>				
Current:				
Health and welfare				
Personal services . . . . .	1,458,553	1,014,922	830,606	184,316
Operating . . . . .	3,010	3,010	185,910	(182,900)
<b>Total expenditures . . . . .</b>	<u>1,461,563</u>	<u>1,017,932</u>	<u>1,016,516</u>	<u>1,416</u>
Deficiency of revenues under expenditures . . . . .	<u>(683,055)</u>	<u>(329,399)</u>	<u>(329,523)</u>	<u>(124)</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	490,000	322,475	322,474	(1)
<b>Total other financing sources . . . . .</b>	<u>490,000</u>	<u>322,475</u>	<u>322,474</u>	<u>(1)</u>
Net change in fund balance . . . . .	(193,055)	(6,924)	(7,049)	(125)
<b>Fund balance at beginning of year . . . . .</b>	202,456	202,456	202,456	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>3,010</u>	<u>3,010</u>	<u>3,010</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 12,411</u>	<u>\$ 198,542</u>	<u>\$ 198,417</u>	<u>\$ (125)</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**BEAUTIFICATION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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. . . . .	\$ 19,685	\$ 25,000	\$ 25,380	\$ 380
Contributions and donations. . . . .	80,315	102,000	80,609	(21,391)
Total revenues. . . . .	<u>100,000</u>	<u>127,000</u>	<u>105,989</u>	<u>(21,011)</u>
<b>Expenditures:</b>				
Current:				
Leisure time activities				
Personal services. . . . .	61,518	61,518	52,727	8,791
Operating. . . . .	<u>78,550</u>	<u>78,550</u>	<u>59,213</u>	<u>19,337</u>
Total expenditures. . . . .	<u>140,068</u>	<u>140,068</u>	<u>111,940</u>	<u>28,128</u>
Net change in fund balance. . . . .	(40,068)	(13,068)	(5,951)	7,117
<b>Fund balance at beginning of year . . . . .</b>	47,644	47,644	47,644	-
<b>Prior year encumbrances appropriated . . .</b>	<u>4,135</u>	<u>4,135</u>	<u>4,135</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 11,711</u>	<u>\$ 38,711</u>	<u>\$ 45,828</u>	<u>\$ 7,117</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SENIOR CENTER TRUST FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income . . . . .	\$ 412	\$ 412	\$ 195	\$ (217)
Charges for services . . . . .	21,841	21,841	16,232	(5,609)
Other . . . . .	22,747	22,747	25,422	2,675
Total revenues. . . . .	<u>45,000</u>	<u>45,000</u>	<u>41,849</u>	<u>(3,151)</u>
<b>Expenditures:</b>				
Current:				
Leisure time activities				
Personal services. . . . .	5,470	13,601	9,546	4,055
Operating. . . . .	34,705	41,574	37,743	3,831
Total expenditures . . . . .	<u>40,175</u>	<u>55,175</u>	<u>47,289</u>	<u>7,886</u>
Net change in fund balance. . . . .	4,825	(10,175)	(5,440)	4,735
<b>Fund balance at beginning of year . . . . .</b>	63,427	63,427	63,427	-
<b>Prior year encumbrances appropriated . . .</b>	605	605	605	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 68,857</u>	<u>\$ 53,857</u>	<u>\$ 58,592</u>	<u>\$ 4,735</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**FIRE PENSION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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 taxes . . . . .	\$ 101,806	\$ 101,806	\$ 99,139	\$ (2,667)
Intergovernmental . . . . .	34,730	34,730	33,460	(1,270)
Total revenues . . . . .	<u>136,536</u>	<u>136,536</u>	<u>132,599</u>	<u>(3,937)</u>
<b>Expenditures:</b>				
Current:				
General government				
Operating . . . . .	2,000	2,000	2,344	(344)
Public safety				
Personal services . . . . .	<u>140,000</u>	<u>140,000</u>	<u>135,075</u>	<u>4,925</u>
Total expenditures . . . . .	<u>142,000</u>	<u>142,000</u>	<u>137,419</u>	<u>4,581</u>
Net change in fund balance. . . . .	(5,464)	(5,464)	(4,820)	644
<b>Fund balance at beginning of year . . . . .</b>	<u>19,929</u>	<u>19,929</u>	<u>19,929</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 14,465</u>	<u>\$ 14,465</u>	<u>\$ 15,109</u>	<u>\$ 644</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**POLICE PENSION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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 taxes . . . . .	\$ 101,806	\$ 101,806	\$ 99,139	\$ (2,667)
Intergovernmental . . . . .	34,730	34,730	33,460	(1,270)
Total revenues . . . . .	<u>136,536</u>	<u>136,536</u>	<u>132,599</u>	<u>(3,937)</u>
<b>Expenditures:</b>				
Current:				
General government				
Operating . . . . .	2,000	2,350	2,344	6
Public safety				
Personal services . . . . .	<u>140,000</u>	<u>142,650</u>	<u>142,621</u>	<u>29</u>
Total expenditures . . . . .	<u>142,000</u>	<u>145,000</u>	<u>144,965</u>	<u>35</u>
Net change in fund balance. . . . .	(5,464)	(8,464)	(12,366)	(3,902)
<b>Fund balance at beginning of year . . . . .</b>	<u>37,903</u>	<u>37,903</u>	<u>37,903</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 32,439</u>	<u>\$ 29,439</u>	<u>\$ 25,537</u>	<u>\$ (3,902)</u>

**CITY OF BARBERTON, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR DEBT SERVICE FUNDS  
DECEMBER 31, 2010*

	<b>General Obligation Bond Retirement</b>	<b>Special Assesment Bond Retirement</b>	<b>Total Nonmajor Debt Service Funds</b>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents. . . . .	\$ 60	\$ 326,803	\$ 326,863
Receivables (net of allowances for uncollectibles):			
Special assessments . . . . .	<u>          -</u>	<u>          91,054</u>	<u>          91,054</u>
Total assets . . . . .	<u><u>\$ 60</u></u>	<u><u>\$ 417,857</u></u>	<u><u>\$ 417,917</u></u>
 <b>Liabilities:</b>			
Deferred revenue. . . . .	<u>\$ -</u>	<u>\$ 91,054</u>	<u>\$ 91,054</u>
Total liabilities . . . . .	<u>          -</u>	<u>          91,054</u>	<u>          91,054</u>
 <b>Fund Balances:</b>			
Reserved for debt service . . . . .	<u>          60</u>	<u>          326,803</u>	<u>          326,863</u>
Total fund balances . . . . .	<u><u>          60</u></u>	<u><u>          326,803</u></u>	<u><u>          326,863</u></u>
Total liabilities and fund balance . . . . .	<u><u>\$ 60</u></u>	<u><u>\$ 417,857</u></u>	<u><u>\$ 417,917</u></u>

**CITY OF BARBERTON, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<b>General Obligation Bond Retirement</b>	<b>Special Assesment Bond Retirement</b>	<b>Total Nonmajor Debt Service Funds</b>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Revenues:</b>			
Special assessments . . . . .	\$ -	\$ 87,834	\$ 87,834
Contributions and donations . . . . .	420,004	-	420,004
	<u>420,004</u>	<u>87,834</u>	<u>507,838</u>
Total revenues . . . . .			
<b>Expenditures:</b>			
Debt service:			
Principal retirement. . . . .	622,799	68,469	691,268
Interest and fiscal charges . . . . .	159,432	12,270	171,702
	<u>782,231</u>	<u>80,739</u>	<u>862,970</u>
Total expenditures . . . . .			
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(362,227)</u>	<u>7,095</u>	<u>(355,132)</u>
<b>Other financing sources:</b>			
Transfers in. . . . .	361,859	-	361,859
	<u>361,859</u>	<u>-</u>	<u>361,859</u>
Total other financing sources . . . . .			
Net change in fund balances. . . . .	(368)	7,095	6,727
<b>Fund balances at beginning of year . . . . .</b>	<u>428</u>	<u>319,708</u>	<u>320,136</u>
<b>Fund balances at end of year . . . . .</b>	<u>\$ 60</u>	<u>\$ 326,803</u>	<u>\$ 326,863</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL OBLIGATION BOND RETIREMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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. . . . .	\$ 445,382	\$ 552,400	\$ 546,838	\$ (5,562)
Total revenues. . . . .	<u>445,382</u>	<u>552,400</u>	<u>546,838</u>	<u>(5,562)</u>
<b>Expenditures:</b>				
Debt service:				
Principal retirement. . . . .	1,058,800	1,058,800	1,058,799	1
Interest and fiscal charges. . . . .	169,282	169,282	169,188	94
Note issuance costs . . . . .	5,000	5,000	3,078	1,922
Total expenditures. . . . .	<u>1,233,082</u>	<u>1,233,082</u>	<u>1,231,065</u>	<u>2,017</u>
Deficiency of revenues under expenditures. .	<u>(787,700)</u>	<u>(680,682)</u>	<u>(684,227)</u>	<u>(3,545)</u>
<b>Other financing sources:</b>				
Transfers in. . . . .	245,000	361,800	361,859	59
Note issuance. . . . .	259,618	322,000	322,000	-
Total other financing sources. . . . .	<u>504,618</u>	<u>683,800</u>	<u>683,859</u>	<u>59</u>
Net change in fund balance . . . . .	(283,082)	3,118	(368)	(3,486)
<b>Fund balance at beginning of year . . . . .</b>	<u>428</u>	<u>428</u>	<u>428</u>	<u>-</u>
<b>Fund balance (deficit) at end of year . . . . .</b>	<u>\$ (282,654)</u>	<u>\$ 3,546</u>	<u>\$ 60</u>	<u>\$ (3,486)</u>



**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SPECIAL ASSESSMENT BOND RETIREMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Special assessment . . . . .	\$ 85,000	\$ 87,000	\$ 87,834	\$ 834
Total revenues. . . . .	<u>85,000</u>	<u>87,000</u>	<u>87,834</u>	<u>834</u>
<b>Expenditures:</b>				
Debt service:				
Principal retirement. . . . .	68,470	68,470	68,469	1
Interest and fiscal charges. . . . .	<u>12,269</u>	<u>12,269</u>	<u>12,270</u>	<u>(1)</u>
Total expenditures. . . . .	<u>80,739</u>	<u>80,739</u>	<u>80,739</u>	<u>-</u>
Net change in fund balance. . . . .	4,261	6,261	7,095	834
<b>Fund balance at beginning of year . . . . .</b>	<u>319,708</u>	<u>319,708</u>	<u>319,708</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u><u>\$ 323,969</u></u>	<u><u>\$ 325,969</u></u>	<u><u>\$ 326,803</u></u>	<u><u>\$ 834</u></u>

**CITY OF BARBERTON, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
DECEMBER 31, 2010*

	<u>Fire Station Construction</u>	<u>Street Improvement</u>	<u>Senior Center Construction</u>	<u>Issue II</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 3,568	\$ -	\$ 13,946	\$ -
Receivables (net of allowances for uncollectibles):				
Intergovernmental . . . . .	-	-	-	-
Deferred charges. . . . .	-	1,549	-	1,529
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets . . . . .	<u>\$ 3,568</u>	<u>\$ 1,549</u>	<u>\$ 13,946</u>	<u>\$ 1,529</u>
 <b>Liabilities:</b>				
Contracts payable . . . . .	\$ -	\$ -	\$ -	\$ -
Accrued interest payable. . . . .	-	376	-	371
Notes payable . . . . .	-	162,000	-	160,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities . . . . .	<u>-</u>	<u>162,376</u>	<u>-</u>	<u>160,371</u>
 <b>Fund Balances:</b>				
Reserved for encumbrances. . . . .	-	-	-	-
Unreserved, undesignated (deficit) reported in:				
Capital projects funds . . . . .	3,568	(160,827)	13,946	(158,842)
Total fund balances (deficit) . . . . .	<u>3,568</u>	<u>(160,827)</u>	<u>13,946</u>	<u>(158,842)</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and fund balance . . . . .	<u>\$ 3,568</u>	<u>\$ 1,549</u>	<u>\$ 13,946</u>	<u>\$ 1,529</u>

<b>Infrastructure Improvement Reserve</b>	<b>Total Nonmajor Capital Projects Funds</b>
\$ 870,958	\$ 888,472
14,831	14,831
-	3,078
<u>885,789</u>	<u>906,381</u>
\$ 70,072	\$ 70,072
-	747
-	322,000
<u>70,072</u>	<u>392,819</u>
40,725	40,725
774,992	472,837
<u>815,717</u>	<u>513,562</u>
<u>885,789</u>	<u>906,381</u>

**CITY OF BARBERTON, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<u>Fire Station Construction</u>	<u>Street Improvement</u>	<u>Senior Center Construction</u>	<u>Issue II</u>
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ -	\$ -	\$ -	\$ -
Investment income . . . . .	-	-	39	-
Contributions and donations . . . . .	-	80,830	-	46,004
<b>Total revenues . . . . .</b>	<u>-</u>	<u>80,830</u>	<u>39</u>	<u>46,004</u>
<b>Expenditures:</b>				
Capital outlay. . . . .	3,834	-	19	-
Debt service:				
Interest and fiscal charges . . . . .	-	4,418	-	3,637
<b>Total expenditures . . . . .</b>	<u>3,834</u>	<u>4,418</u>	<u>19</u>	<u>3,637</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(3,834)</u>	<u>76,412</u>	<u>20</u>	<u>42,367</u>
<b>Other financing sources (uses):</b>				
Transfers in. . . . .	-	-	-	-
Transfers out . . . . .	<u>(36,167)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total other financing sources (uses). . . . .</b>	<u>(36,167)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances. . . . .</b>	<u>(40,001)</u>	<u>76,412</u>	<u>20</u>	<u>42,367</u>
<b>Fund balances (deficit) at beginning of year . .</b>	<u>43,569</u>	<u>(237,239)</u>	<u>13,926</u>	<u>(201,209)</u>
<b>Fund balances (deficit) at end of year . . . . .</b>	<u>\$ 3,568</u>	<u>\$ (160,827)</u>	<u>\$ 13,946</u>	<u>\$ (158,842)</u>

<b>Infrastructure Improvement Reserve</b>	<b>Street and Storm Sewer Improvement</b>	<b>Total Nonmajor Capital Projects Funds</b>
\$ 63,064	\$ -	\$ 63,064
2,638	-	2,677
-	-	126,834
<u>65,702</u>	<u>-</u>	<u>192,575</u>
531,781	5,595	541,229
<u>-</u>	<u>-</u>	<u>8,055</u>
<u>531,781</u>	<u>5,595</u>	<u>549,284</u>
<u>(466,079)</u>	<u>(5,595)</u>	<u>(356,709)</u>
310,000	-	310,000
<u>(150,000)</u>	<u>(1,515)</u>	<u>(187,682)</u>
<u>160,000</u>	<u>(1,515)</u>	<u>122,318</u>
(306,079)	(7,110)	(234,391)
<u>1,121,796</u>	<u>7,110</u>	<u>747,953</u>
<u>\$ 815,717</u>	<u>\$ -</u>	<u>\$ 513,562</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**FIRE STATION CONSTRUCTION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income . . . . .	\$ -	\$ 293	\$ -	\$ (293)
Miscellaneous. . . . .	-	7,912	6,747	(1,165)
Total revenues. . . . .	-	8,205	6,747	(1,458)
<b>Expenditures:</b>				
Capital outlay . . . . .	26,226	26,226	21,290	4,936
Total expenditures. . . . .	26,226	26,226	21,290	4,936
Deficiency of revenues under expenditures . .	(26,226)	(18,021)	(14,543)	3,478
<b>Other financing uses:</b>				
Transfer out . . . . .	-	(36,167)	(36,167)	-
Total other financing uses . . . . .	-	(36,167)	(36,167)	-
Net change in fund balance. . . . .	(26,226)	(54,188)	(50,710)	3,478
<b>Fund balance at beginning of year . . . . .</b>	28,302	28,302	28,302	-
<b>Prior year encumbrances appropriated . . .</b>	25,976	25,976	25,976	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 28,052</u>	<u>\$ 90</u>	<u>\$ 3,568</u>	<u>\$ 3,478</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SENIOR CENTER CONSTRUCTION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income . . . . .	\$ -	\$ 110	\$ 39	\$ (71)
Total revenues. . . . .	-	110	39	(71)
<b>Expenditures:</b>				
Capital outlay . . . . .	30	30	19	11
Total expenditures. . . . .	30	30	19	11
Net change in fund balance. . . . .	(30)	80	20	(60)
<b>Fund balance at beginning of year . . . . .</b>	<u>13,926</u>	<u>13,926</u>	<u>13,926</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 13,896</u>	<u>\$ 14,006</u>	<u>\$ 13,946</u>	<u>\$ (60)</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
INFRASTRUCTURE IMPROVEMENT RESERVE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Investment income . . . . .	\$ 20,000	\$ 20,000	\$ 2,638	\$ (17,362)
Intergovernmental. . . . .	-	-	48,233	48,233
Total revenues. . . . .	<u>20,000</u>	<u>20,000</u>	<u>50,871</u>	<u>30,871</u>
<b>Expenditures:</b>				
Capital outlay . . . . .	<u>151,890</u>	<u>653,025</u>	<u>579,072</u>	<u>73,953</u>
Total expenditures. . . . .	<u>151,890</u>	<u>653,025</u>	<u>579,072</u>	<u>73,953</u>
Deficiency of revenues under expenditures . .	<u>(131,890)</u>	<u>(633,025)</u>	<u>(528,201)</u>	<u>104,824</u>
<b>Other financing sources (uses):</b>				
Transfers in. . . . .	310,000	310,000	310,000	-
Transfers out . . . . .	<u>(150,000)</u>	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>
Total other financing sources (uses) . . . . .	<u>160,000</u>	<u>160,000</u>	<u>160,000</u>	<u>-</u>
Net change in fund balance. . . . .	28,110	(473,025)	(368,201)	104,824
<b>Fund balance at beginning of year . . . . .</b>	1,007,444	1,007,444	1,007,444	-
<b>Prior year encumbrances appropriated . . .</b>	<u>150,990</u>	<u>150,990</u>	<u>150,990</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 1,186,544</u>	<u>\$ 685,409</u>	<u>\$ 790,233</u>	<u>\$ 104,824</u>



**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STREET AND STORM SEWER IMPROVEMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Expenditures:</b>				
Capital outlay . . . . .	\$ 5,595	\$ 5,595	\$ 5,595	\$ -
Total expenditures. . . . .	<u>5,595</u>	<u>5,595</u>	<u>5,595</u>	<u>-</u>
Excess of expenditures over revenues . . . . .	<u>(5,595)</u>	<u>(5,595)</u>	<u>(5,595)</u>	<u>-</u>
<b>Other financing uses:</b>				
Transfers out . . . . .	-	(1,515)	(1,515)	-
Total other financing sources. . . . .	<u>-</u>	<u>(1,515)</u>	<u>(1,515)</u>	<u>-</u>
Net change in fund balance. . . . .	(5,595)	(7,110)	(7,110)	-
<b>Fund balance at beginning of year . . . . .</b>	1,515	1,515	1,515	-
<b>Prior year encumbrances appropriated . . .</b>	<u>5,595</u>	<u>5,595</u>	<u>5,595</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1,515</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF BARBERTON, OHIO**

*INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - PROPRIETARY FUNDS*

**ENTERPRISE FUNDS**

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

**Major Enterprise Funds**

***Water Fund***

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

***Sewer Fund***

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

***Solid Waste Fund***

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

**Nonmajor Enterprise Fund**

***Storm Water Fund***

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

**INTERNAL SERVICE FUNDS**

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

**Nonmajor Internal Service Funds**

***Health Insurance Fund***

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

***Internal Allocation Fund***

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

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
WATER FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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>Operating revenues:</b>				
Charges for services . . . . .	\$ 3,522,772	\$ 5,242,500	\$ 4,940,179	\$ (302,321)
Other . . . . .	-	-	8,147	8,147
Total revenues . . . . .	<u>3,522,772</u>	<u>5,242,500</u>	<u>4,948,326</u>	<u>(294,174)</u>
<b>Operating expenses:</b>				
Personal services . . . . .	2,295,226	2,295,226	2,136,596	158,630
Contractual services . . . . .	301,804	301,804	270,412	31,392
Materials and supplies . . . . .	1,069,691	1,069,691	1,001,509	68,182
Other . . . . .	28,225	30,425	24,794	5,631
Capital outlay . . . . .	<u>6,109,064</u>	<u>6,109,064</u>	<u>2,989,948</u>	<u>3,119,116</u>
Total expenses . . . . .	<u>9,804,010</u>	<u>9,806,210</u>	<u>6,423,259</u>	<u>3,382,951</u>
Operating loss . . . . .	<u>(6,281,238)</u>	<u>(4,563,710)</u>	<u>(1,474,933)</u>	<u>3,088,777</u>
<b>Nonoperating revenues (expenses):</b>				
Investment income . . . . .	-	-	3,630	3,630
Special assessments . . . . .	3,360	5,000	-	(5,000)
Notes issued . . . . .	825,172	1,228,000	478,000	(750,000)
Loans issued . . . . .	1,075,143	1,600,000	-	(1,600,000)
Debt service:				
Principal retirement . . . . .	(870,645)	(870,645)	(870,644)	1
Interest and fiscal charges . . . . .	<u>(439,035)</u>	<u>(439,035)</u>	<u>(439,004)</u>	<u>31</u>
Total nonoperating revenues (expenses) . . . . .	<u>593,995</u>	<u>1,523,320</u>	<u>(828,018)</u>	<u>(2,351,338)</u>
Net loss before capital contributions . . . . .	(5,687,243)	(3,040,390)	(2,302,951)	737,439
Capital contributions . . . . .	<u>873,553</u>	<u>1,300,000</u>	<u>-</u>	<u>(1,300,000)</u>
Net change in fund equity . . . . .	(4,813,690)	(1,740,390)	(2,302,951)	(562,561)
<b>Fund equity at beginning of year . . . . .</b>	1,975,561	1,975,561	1,975,561	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>2,349,210</u>	<u>2,349,210</u>	<u>2,349,210</u>	<u>-</u>
<b>Fund equity (deficit) at end of year . . . . .</b>	<u>\$ (488,919)</u>	<u>\$ 2,584,381</u>	<u>\$ 2,021,820</u>	<u>\$ (562,561)</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SEWER FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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 . . . . .	\$ 4,479,071	\$ 4,479,071	\$ 4,077,938	\$ (401,133)
Other . . . . .	-	-	3,929	3,929
Total revenues . . . . .	<u>4,479,071</u>	<u>4,479,071</u>	<u>4,081,867</u>	<u>(397,204)</u>
<b>Operating expenses:</b>				
Personal services . . . . .	1,959,940	1,959,940	1,879,904	80,036
Contractual services . . . . .	362,310	362,310	238,961	123,349
Materials and supplies . . . . .	1,186,163	1,186,163	1,079,208	106,955
Other . . . . .	13,000	13,000	14,406	(1,406)
Capital outlay . . . . .	<u>1,446,206</u>	<u>6,406,867</u>	<u>3,016,468</u>	<u>3,390,399</u>
Total expenses . . . . .	<u>4,967,619</u>	<u>9,928,280</u>	<u>6,228,947</u>	<u>3,699,333</u>
Operating loss . . . . .	<u>(488,548)</u>	<u>(5,449,209)</u>	<u>(2,147,080)</u>	<u>3,302,129</u>
<b>Nonoperating revenues (expenses):</b>				
Investment income . . . . .	40,826	40,826	-	(40,826)
Special assessments . . . . .	5,103	5,103	1,975	(3,128)
Loans issued . . . . .	-	2,379,073	-	(2,379,073)
Debt service:				
Principal retirement . . . . .	(259,115)	(259,115)	(259,113)	2
Interest and fiscal charges . . . . .	<u>(32,375)</u>	<u>(32,375)</u>	<u>(32,373)</u>	<u>2</u>
Total nonoperating revenues (expenses) . . . . .	<u>(245,561)</u>	<u>2,133,512</u>	<u>(289,511)</u>	<u>(2,423,023)</u>
Net loss before capital contributions . . . . .	(734,109)	(3,315,697)	(2,436,591)	879,106
Capital contributions . . . . .	-	<u>2,597,354</u>	<u>1,881,322</u>	<u>(716,032)</u>
Net change in fund equity . . . . .	(734,109)	(718,343)	(555,269)	163,074
<b>Fund equity at beginning of year . . . . .</b>	1,698,883	1,698,883	1,698,883	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>949,042</u>	<u>949,042</u>	<u>949,042</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 1,913,816</u>	<u>\$ 1,929,582</u>	<u>\$ 2,092,656</u>	<u>\$ 163,074</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SOLID WASTE FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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 . . . . .	\$ 1,900,000	\$ 1,900,000	\$ 1,988,795	\$ 88,795
Other. . . . .	-	-	69	69
Total revenues . . . . .	<u>1,900,000</u>	<u>1,900,000</u>	<u>1,988,864</u>	<u>88,864</u>
<b>Operating expenses:</b>				
Personal services. . . . .	77,917	77,917	53,021	24,896
Contractual services . . . . .	2,281,495	2,281,495	1,961,608	319,887
Materials and supplies . . . . .	4,800	4,800	2,250	2,550
Total expenses . . . . .	<u>2,364,212</u>	<u>2,364,212</u>	<u>2,016,879</u>	<u>347,333</u>
Net change in fund equity . . . . .	(464,212)	(464,212)	(28,015)	436,197
<b>Fund equity at beginning of year. . . . .</b>	623,740	623,740	623,740	-
<b>Prior year encumbrances appropriated . . .</b>	131,495	131,495	131,495	-
<b>Fund equity at end of year . . . . .</b>	<u>\$ 291,023</u>	<u>\$ 291,023</u>	<u>\$ 727,220</u>	<u>\$ 436,197</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STORM WATER FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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 . . . . .	\$ 1,050,000	\$ 1,050,000	\$ 765,688	\$ (284,312)
Other. . . . .	-	-	1,281	1,281
Total revenues . . . . .	<u>1,050,000</u>	<u>1,050,000</u>	<u>766,969</u>	<u>(283,031)</u>
<b>Operating expenses:</b>				
Personal services. . . . .	249,160	304,160	305,184	(1,024)
Contractual services . . . . .	25,355	33,355	15,171	18,184
Materials and supplies . . . . .	194,940	198,440	135,927	62,513
Capital outlay . . . . .	654,131	701,131	464,204	236,927
Total expenses . . . . .	<u>1,123,586</u>	<u>1,237,086</u>	<u>920,486</u>	<u>316,600</u>
Operating loss . . . . .	<u>(73,586)</u>	<u>(187,086)</u>	<u>(153,517)</u>	<u>33,569</u>
<b>Nonoperating expenses:</b>				
Debt service:				
Principal retirement . . . . .	(54,981)	(54,981)	(29,730)	25,251
Interest and fiscal charges. . . . .	(4,626)	(4,626)	(2,352)	2,274
Total nonoperating expenses. . . . .	<u>(59,607)</u>	<u>(59,607)</u>	<u>(32,082)</u>	<u>27,525</u>
Net change in fund equity . . . . .	(133,193)	(246,693)	(185,599)	61,094
<b>Fund equity at beginning of year. . . . .</b>	398,976	398,976	398,976	-
<b>Prior year encumbrances appropriated . . .</b>	<u>354,006</u>	<u>354,006</u>	<u>354,006</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 619,789</u>	<u>\$ 506,289</u>	<u>\$ 567,383</u>	<u>\$ 61,094</u>

**CITY OF BARBERTON, OHIO**

*COMBINING STATEMENT OF NET ASSETS  
NONMAJOR INTERNAL SERVICE FUNDS  
DECEMBER 31, 2010*

	<u>Health Insurance</u>	<u>Internal Allocation</u>	<u>Total Nonmajor Internal Service Funds</u>
<b>Assets:</b>			
Current assets:			
Equity in pooled cash and cash equivalents . . .	\$ 492,677	\$ 38,884	\$ 531,561
Receivables (net of allowance for uncollectibles):			
Accounts . . . . .	-	7,772	7,772
Total assets . . . . .	<u>492,677</u>	<u>46,656</u>	<u>539,333</u>
<b>Liabilities:</b>			
Current liabilities:			
Claims payable . . . . .	<u>252,207</u>	-	<u>252,207</u>
Total liabilities . . . . .	<u>252,207</u>	<u>-</u>	<u>252,207</u>
<b>Net assets:</b>			
Unrestricted . . . . .	<u>240,470</u>	<u>46,656</u>	<u>287,126</u>
Total net assets . . . . .	<u>\$ 240,470</u>	<u>\$ 46,656</u>	<u>\$ 287,126</u>

**CITY OF BARBERTON, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS  
NONMAJOR INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<b>Health Insurance</b>	<b>Internal Allocation</b>	<b>Total Nonmajor Internal Service Funds</b>
<b>Operating revenues:</b>			
Charges for services . . . . .	\$ 2,348,874	\$ 383,287	\$ 2,732,161
Other . . . . .	9,658	-	9,658
Total operating revenues . . . . .	<u>2,358,532</u>	<u>383,287</u>	<u>2,741,819</u>
<b>Operating expenses:</b>			
Contract services . . . . .	192,457	-	192,457
Materials and supplies . . . . .	-	384,165	384,165
Claims . . . . .	<u>2,819,568</u>	<u>-</u>	<u>2,819,568</u>
Total operating expenses . . . . .	<u>3,012,025</u>	<u>384,165</u>	<u>3,396,190</u>
Changes in net assets . . . . .	(653,493)	(878)	(654,371)
<b>Net assets at beginning of year . . . . .</b>	<u>893,963</u>	<u>47,534</u>	<u>941,497</u>
<b>Net assets at end of year . . . . .</b>	<u><u>\$ 240,470</u></u>	<u><u>\$ 46,656</u></u>	<u><u>\$ 287,126</u></u>



**CITY OF BARBERTON, OHIO**

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

	<b>Health Insurance</b>	<b>Internal Allocation</b>	<b>Total Nonmajor Internal Service Funds</b>
<b>Cash flows from operating activities:</b>			
Cash received from customers . . . . .	\$ 2,348,874	\$ -	\$ 2,348,874
Cash received from other funds . . . . .	-	383,108	383,108
Cash received from other operations. . . . .	17,314	-	17,314
Cash payments for contract services . . . . .	(192,457)	-	(192,457)
Cash payments for materials and supplies . . . . .	-	(399,785)	(399,785)
Cash payments for claims . . . . .	(2,823,140)	-	(2,823,140)
Net decrease in cash and cash equivalents . . . . .	(649,409)	(16,677)	(666,086)
<b>Cash and cash equivalents at beginning of year</b>	<u>1,142,086</u>	<u>55,561</u>	<u>1,197,647</u>
<b>Cash and cash equivalents at end of year . . . . .</b>	<u><u>\$ 492,677</u></u>	<u><u>\$ 38,884</u></u>	<u><u>\$ 531,561</u></u>
<b>Reconciliation of operating loss to net cash used in operating activities:</b>			
Operating loss . . . . .	\$ (653,493)	\$ (878)	\$ (654,371)
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable . . . . .	7,656	(179)	7,477
(Decrease) in accounts payable . . . . .	-	(15,620)	(15,620)
(Decrease) in claims payable . . . . .	(3,572)	-	(3,572)
Net cash used in operating activities. . . . .	<u><u>\$ (649,409)</u></u>	<u><u>\$ (16,677)</u></u>	<u><u>\$ (666,086)</u></u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**HEALTH INSURANCE FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 2,500,000	\$ 2,500,000	\$ 2,348,874	\$ (151,126)
Other. . . . .	-	-	17,314	17,314
Total revenues . . . . .	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,366,188</u>	<u>(133,812)</u>
<b>Operating expenses:</b>				
Contractual services . . . . .	222,500	222,500	192,457	30,043
Claims . . . . .	<u>2,710,000</u>	<u>2,860,000</u>	<u>2,823,140</u>	<u>36,860</u>
Total expenses . . . . .	<u>2,932,500</u>	<u>3,082,500</u>	<u>3,015,597</u>	<u>66,903</u>
Net change in fund equity . . . . .	(432,500)	(582,500)	(649,409)	(66,909)
<b>Fund equity at beginning of year. . . . .</b>	1,120,486	1,120,486	1,120,486	-
<b>Prior year encumbrances appropriated . . .</b>	<u>21,600</u>	<u>21,600</u>	<u>21,600</u>	-
<b>Fund equity at end of year . . . . .</b>	<u>\$ 709,586</u>	<u>\$ 559,586</u>	<u>\$ 492,677</u>	<u>\$ (66,909)</u>

**CITY OF BARBERTON, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**INTERNAL ALLOCATION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<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 . . . . .	\$ 500,000	\$ 500,000	\$ 383,108	\$ (116,892)
Total revenues . . . . .	<u>500,000</u>	<u>500,000</u>	<u>383,108</u>	<u>(116,892)</u>
<b>Operating expenses:</b>				
Materials and supplies . . . . .	352,000	407,000	399,785	7,215
Total expenses . . . . .	<u>352,000</u>	<u>407,000</u>	<u>399,785</u>	<u>7,215</u>
Net change in fund equity . . . . .	148,000	93,000	(16,677)	(109,677)
<b>Fund equity at beginning of year. . . . .</b>	35,561	35,561	35,561	-
<b>Prior year encumbrances appropriated . . .</b>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 203,561</u>	<u>\$ 148,561</u>	<u>\$ 38,884</u>	<u>\$ (109,677)</u>

**CITY OF BARBERTON, OHIO**

*INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTION - AGENCY FUNDS*

**Agency Funds**

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

***Deposit Fund***

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

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

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

**CITY OF BARBERTON, OHIO**

*COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<b>Beginning Balance 12/31/2009</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance 12/31/2010</b>
<b>Deposit</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 151,137	\$ 5,061	\$ 200	\$ 155,998
Total assets. . . . .	<u>\$ 151,137</u>	<u>\$ 5,061</u>	<u>\$ 200</u>	<u>\$ 155,998</u>
<b>Liabilities:</b>				
Deposits held and due to others . . . . .	\$ 151,137	\$ 5,061	\$ 200	\$ 155,998
Total liabilities . . . . .	<u>\$ 151,137</u>	<u>\$ 5,061</u>	<u>\$ 200</u>	<u>\$ 155,998</u>
 <b>New Haven/Forest City</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ -	\$ 384,210	\$ 384,210	\$ -
Total assets. . . . .	<u>\$ -</u>	<u>\$ 384,210</u>	<u>\$ 384,210</u>	<u>\$ -</u>
<b>Liabilities:</b>				
Deposits held and due to others . . . . .	\$ -	\$ 384,210	\$ 384,210	\$ -
Total liabilities . . . . .	<u>\$ -</u>	<u>\$ 384,210</u>	<u>\$ 384,210</u>	<u>\$ -</u>
 <b>Total Agency Funds</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 151,137	\$ 389,271	\$ 384,410	\$ 155,998
Total assets. . . . .	<u>\$ 151,137</u>	<u>\$ 389,271</u>	<u>\$ 384,410</u>	<u>\$ 155,998</u>
<b>Liabilities:</b>				
Deposits held and due to others . . . . .	\$ 151,137	\$ 389,271	\$ 384,410	\$ 155,998
Total liabilities . . . . .	<u>\$ 151,137</u>	<u>\$ 389,271</u>	<u>\$ 384,410</u>	<u>\$ 155,998</u>

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# **STATISTICAL SECTION**

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

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

<u><b>Contents</b></u>	<u><b>Page</b></u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	<b>152-161</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue sources, income and property taxes.	<b>162-169</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>170-176</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>177-178</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>180-185</b>

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

**CITY OF BARBERTON, OHIO**

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

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Governmental Activities</b>				
Invested in capital assets, net of related debt	\$ 19,684,621	\$ 18,536,399	\$ 17,207,130	\$ 17,895,365
Restricted for:				
Capital projects	833,231	1,142,832	633,917	779,845
Debt service	388,335	415,866	299,259	506,371
Transportation projects	1,161,967	881,165	1,204,290	1,221,355
Community development projects	720,332	588,994	1,028,741	997,544
Other projects	1,532,019	1,223,244	1,269,994	1,050,941
Unrestricted	775,865	401,450	3,298,794	2,914,075
Total governmental activities net assets	<u>\$ 25,096,370</u>	<u>\$ 23,189,950</u>	<u>\$ 24,942,125</u>	<u>\$ 25,365,496</u>
<b>Business-type Activities</b>				
Invested in capital assets, net of related debt	\$ 33,376,864	\$ 30,422,322	\$ 31,995,482	\$ 31,383,963
Restricted for:				
Debt service	-	-	-	-
Other projects	566,545	801,222	1,039,101	1,008,948
Unrestricted	8,881,635	8,211,503	6,806,972	6,485,673
Total business-type activities net assets	<u>\$ 42,825,044</u>	<u>\$ 39,435,047</u>	<u>\$ 39,841,555</u>	<u>\$ 38,878,584</u>
<b>Total Primary Government</b>				
Invested in capital assets, net of related debt	\$ 53,061,485	\$ 48,958,721	\$ 49,202,612	\$ 49,279,328
Restricted for:				
Capital projects	833,231	1,142,832	633,917	779,845
Debt service	388,335	415,866	299,259	506,371
Transportation projects	1,161,967	881,165	1,204,290	1,221,355
Community development projects	720,332	588,994	1,028,741	997,544
Other projects	2,098,564	2,024,466	2,309,095	2,059,889
Unrestricted	9,657,500	8,612,953	10,105,766	9,399,748
Total primary government net assets	<u>\$ 67,921,414</u>	<u>\$ 62,624,997</u>	<u>\$ 64,783,680</u>	<u>\$ 64,244,080</u>

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

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 15,884,161	\$ 19,954,622	\$ 23,568,720	\$ 21,528,319
2,337,727	4,443,464	884,157	582,840
516,125	537,306	176,573	408,930
1,095,324	843,410	660,339	263,116
862,668	764,691	773,257	1,257,960
1,269,116	2,312,611	2,028,216	2,043,398
3,191,576	978,746	503,102	1,090,277
<u>\$ 25,156,697</u>	<u>\$ 29,834,850</u>	<u>\$ 28,594,364</u>	<u>\$ 27,174,840</u>
\$ 30,704,621	\$ 24,952,452	\$ 26,599,164	\$ 25,922,369
31,821	663,928	701,095	709,457
1,237,596	2,236,554	2,432,132	2,397,248
5,975,596	5,955,495	2,969,473	2,880,167
<u>\$ 37,949,634</u>	<u>\$ 33,808,429</u>	<u>\$ 32,701,864</u>	<u>\$ 31,909,241</u>
\$ 46,588,782	\$ 44,907,074	\$ 50,167,884	\$ 47,450,688
2,337,727	4,443,464	884,157	582,840
547,946	1,201,234	877,668	1,118,387
1,095,324	843,410	660,339	263,116
862,668	764,691	773,257	1,257,960
2,506,712	4,549,165	4,460,348	4,440,646
9,167,172	6,934,241	3,472,575	3,970,444
<u>\$ 63,106,331</u>	<u>\$ 63,643,279</u>	<u>\$ 61,296,228</u>	<u>\$ 59,084,081</u>

**CITY OF BARBERTON, OHIO**

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

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Program Revenues:</b>				
Governmental activities:				
Charges for services:				
General government	\$ 1,824,354	\$ 1,892,083	\$ 1,786,759	\$ 1,547,954
Public safety	777,898	603,223	621,327	523,684
Health and welfare	296,202	616,814	798,884	973,909
Transportation	42,851	46,636	79,507	4,520
Community environment	120,405	167,840	172,991	179,663
Leisure time activities	91,785	130,748	94,240	138,278
Operating grants and contributions	5,092,156	4,164,877	3,855,139	3,521,558
Capital grants and contributions	67,564	145,229	147,321	152,821
Total governmental activities program revenues	<u>8,313,215</u>	<u>7,767,450</u>	<u>7,556,168</u>	<u>7,042,387</u>
Business-type activities:				
Charges for services:				
Water	5,100,123	4,594,956	4,574,609	4,242,131
Sewer	4,163,396	4,096,518	4,289,991	4,347,404
Storm Water	770,433	743,787	796,332	775,680
Solid Waste	2,002,081	1,939,373	1,835,994	1,839,605
Community Center	-	-	-	80,666
Lake Cinema	-	-	-	-
Capital grants and contributions	2,547,429	-	-	-
Total business-type activities program revenues	<u>14,583,462</u>	<u>11,374,634</u>	<u>11,496,926</u>	<u>11,285,486</u>
Total primary government	<u>\$ 22,896,677</u>	<u>\$ 19,142,084</u>	<u>\$ 19,053,094</u>	<u>\$ 18,327,873</u>
<b>Expenses:</b>				
Governmental activities:				
General government	\$ 4,259,141	\$ 4,554,994	\$ 4,619,097	\$ 3,883,172
Public safety	10,082,932	11,207,888	11,339,496	10,049,252
Health and welfare	847,498	1,511,973	1,889,854	2,343,579
Transportation	1,866,192	2,340,290	2,265,378	2,025,147
Community environment	3,321,424	2,292,939	1,855,258	1,535,323
Leisure time activities	1,314,014	1,294,285	1,636,664	1,240,444
Intergovernmental	-	-	-	1,578,763
Interest and fiscal charges	268,040	289,245	253,275	265,787
Total governmental activities expenses	<u>21,959,241</u>	<u>23,491,614</u>	<u>23,859,022</u>	<u>22,921,467</u>
Business-type activities:				
Water	4,364,080	4,158,746	3,778,649	4,241,689
Sewer	4,277,917	4,497,443	4,542,875	4,284,959
Solid Waste	1,868,090	1,760,928	1,773,299	1,785,145
Storm Water	703,295	684,083	650,516	648,268
Community Center	-	-	131,104	362,163
Lake Cinema	-	-	-	2,005
Total business-type activities expenses	<u>11,213,382</u>	<u>11,101,200</u>	<u>10,876,443</u>	<u>11,324,229</u>
Total primary government	<u>\$ 33,172,623</u>	<u>\$ 34,592,814</u>	<u>\$ 34,735,465</u>	<u>\$ 34,245,696</u>
Governmental activities	\$ (13,646,026)	\$ (15,724,164)	\$ (16,302,854)	\$ (15,879,080)
Business-type activities	3,370,080	273,434	620,483	(38,743)
Total primary government net expense	<u>\$ (10,275,946)</u>	<u>\$ (15,450,730)</u>	<u>\$ (15,682,371)</u>	<u>\$ (15,917,823)</u>

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 1,600,236	\$ 1,798,314	\$ 1,129,924	\$ 1,166,821
463,696	276,556	188,715	93,042
854,293	606,666	398,654	472,620
48,592	33,203	63	53,688
233,326	145,911	209,880	148,763
80,098	93,607	67,942	56,089
3,702,419	4,278,454	3,064,285	2,362,914
160,183	476,933	1,852,649	1,148,276
<u>7,142,843</u>	<u>7,709,644</u>	<u>6,912,112</u>	<u>5,502,213</u>
4,202,919	4,102,007	3,724,170	3,340,724
4,091,632	4,113,032	3,783,899	3,557,601
498,372	-	-	-
1,467,339	1,414,758	1,402,180	1,353,257
292,976	350,454	413,842	421,153
257	850,829	995,126	1,017,078
-	-	-	-
<u>10,553,495</u>	<u>10,831,080</u>	<u>10,319,217</u>	<u>9,689,813</u>
<u>\$ 17,696,338</u>	<u>\$ 18,540,724</u>	<u>\$ 17,231,329</u>	<u>\$ 15,192,026</u>
\$ 4,097,563	\$ 3,837,242	\$ 3,733,749	\$ 4,133,258
9,745,177	9,579,081	9,077,025	9,704,268
2,384,744	2,246,143	1,903,090	2,105,425
2,218,732	2,606,966	2,543,136	5,216,097
1,303,440	1,404,166	1,526,834	1,432,849
1,742,270	1,705,276	1,505,036	1,755,276
1,328,572	-	-	-
283,305	223,084	300,427	236,121
<u>23,103,803</u>	<u>21,601,958</u>	<u>20,589,297</u>	<u>24,583,294</u>
4,295,926	3,377,859	3,490,864	3,625,367
4,017,338	3,816,607	3,379,220	4,576,124
1,500,928	1,393,999	1,359,244	1,325,266
292,441	-	-	-
547,635	544,489	702,065	688,010
2,005	946,621	1,046,021	1,080,084
<u>10,656,273</u>	<u>10,079,575</u>	<u>9,977,414</u>	<u>11,294,851</u>
<u>\$ 33,760,076</u>	<u>\$ 31,681,533</u>	<u>\$ 30,566,711</u>	<u>\$ 35,878,145</u>
\$ (15,960,960)	\$ (13,892,314)	\$ (13,677,185)	\$ (19,081,081)
(102,778)	751,505	341,803	(1,605,038)
<u>\$ (16,063,738)</u>	<u>\$ (13,140,809)</u>	<u>\$ (13,335,382)</u>	<u>\$ (20,686,119)</u>

-- Continued

**CITY OF BARBERTON, OHIO**

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

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>General Revenues and Other Changes in Net Assets:</b>				
Governmental activities				
Taxes:				
Property taxes levied for:				
General purposes	\$ 1,272,525	\$ 1,188,981	\$ 1,209,964	\$ 1,334,131
Fire capital levy	259,904	239,362	288,602	-
Police pension	103,960	95,772	104,512	116,625
Fire pension	103,960	95,772	104,512	116,911
Municipal income taxes levied for:				
General purposes	10,849,848	10,320,696	10,859,015	11,254,122
Grants and entitlements				
not restricted to specific programs	2,571,074	2,159,444	2,821,199	2,885,135
Investment earnings	40,544	72,965	398,822	681,251
Other	350,631	141,724	199,199	109,704
Special item	-	-	-	-
Transfers	-	(149,385)	(106,342)	(410,000)
Total governmental activities	<u>15,552,446</u>	<u>14,165,331</u>	<u>15,879,483</u>	<u>16,087,879</u>
Business-type activities				
Investment earnings	4,516	10,580	163,851	505,193
Other	15,401	8,716	72,295	52,500
Transfers	-	149,385	106,342	410,000
Special item - disposal of community center	-	(848,623)	-	-
Total business-type activities	<u>19,917</u>	<u>(679,942)</u>	<u>342,488</u>	<u>967,693</u>
Total primary government	<u>\$ 15,572,363</u>	<u>\$ 13,485,389</u>	<u>\$ 16,221,971</u>	<u>\$ 17,055,572</u>
<b>Change in Net Assets:</b>				
Governmental activities	\$ 1,906,420	\$ (1,558,833)	\$ (423,371)	\$ 208,799
Business-type activities	3,389,997	(406,508)	962,971	928,950
Total primary government	<u>\$ 5,296,417</u>	<u>\$ (1,965,341)</u>	<u>\$ 539,600</u>	<u>\$ 1,137,749</u>

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

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 1,248,270	\$ 1,518,135	\$ 1,452,119	\$ 1,123,725
-	-	-	-
104,339	128,942	125,841	97,813
104,053	128,942	125,841	97,813
11,391,350	9,968,415	10,263,255	9,718,674
2,552,742	2,077,635	2,448,748	2,391,699
762,314	432,745	87,309	158,020
746,914	1,104,986	813,596	826,707
(1,856,330)	-	-	970,516
(3,770,845)	(227,000)	(220,000)	(159,000)
<u>11,282,807</u>	<u>15,132,800</u>	<u>15,096,709</u>	<u>15,225,967</u>
416,614	96,244	40,695	65,027
56,524	31,816	190,125	228,615
3,770,845	227,000	220,000	159,000
-	-	-	-
<u>4,243,983</u>	<u>355,060</u>	<u>450,820</u>	<u>452,642</u>
<u>\$ 15,526,790</u>	<u>\$ 15,487,860</u>	<u>\$ 15,547,529</u>	<u>\$ 15,678,609</u>
\$ (4,678,153)	\$ 1,240,486	\$ 1,419,524	\$ (3,855,114)
4,141,205	1,106,565	792,623	(1,152,396)
<u>\$ (536,948)</u>	<u>\$ 2,347,051</u>	<u>\$ 2,212,147</u>	<u>\$ (5,007,510)</u>

**CITY OF BARBERTON, OHIO**

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

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b>General Fund:</b>						
Reserved	\$ 549,557	\$ 355,293	\$ 323,073	\$ 272,616	\$ 220,343	\$ 178,449
Unreserved	<u>3,050,345</u>	<u>1,779,411</u>	<u>3,053,359</u>	<u>3,713,078</u>	<u>3,391,929</u>	<u>1,551,627</u>
Total general fund	<u>\$ 3,599,902</u>	<u>\$ 2,134,704</u>	<u>\$ 3,376,432</u>	<u>\$ 3,985,694</u>	<u>\$ 3,612,272</u>	<u>\$ 1,730,076</u>
<b>All Other Governmental Funds:</b>						
Reserved	\$ 2,502,925	\$ 2,017,577	\$ 2,037,009	\$ 1,477,235	\$ 2,592,065	\$ 1,877,103
Unreserved, reported in:						
Special revenue funds	226,161	661,851	1,757,970	1,992,357	1,819,428	1,799,025
Capital projects funds	<u>472,837</u>	<u>619,490</u>	<u>(1,793,737)</u>	<u>(84,211)</u>	<u>532,399</u>	<u>3,572,711</u>
Total all other governmental funds	<u>\$ 3,201,923</u>	<u>\$ 3,298,918</u>	<u>\$ 2,001,242</u>	<u>\$ 3,385,381</u>	<u>\$ 4,943,892</u>	<u>\$ 7,248,839</u>



<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
\$ 208,201	\$ 259,154	\$ 648,803	\$ 809,897
<u>2,018,677</u>	<u>2,921,841</u>	<u>1,232,325</u>	<u>1,739,302</u>
<u>\$ 2,226,878</u>	<u>\$ 3,180,995</u>	<u>\$ 1,881,128</u>	<u>\$ 2,549,199</u>
\$ 1,893,382	\$ 2,424,692	\$ 3,989,023	\$ 3,891,445
2,236,562	2,271,484	3,877,995	3,353,935
<u>2,109,970</u>	<u>1,911,656</u>	<u>(4,036,155)</u>	<u>(124,592)</u>
<u>\$ 6,239,914</u>	<u>\$ 6,607,832</u>	<u>\$ 3,830,863</u>	<u>\$ 7,120,788</u>

**CITY OF BARBERTON, OHIO**

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

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>Revenues</b>					
Taxes	\$ 12,521,891	\$ 12,126,149	\$ 12,601,886	\$ 12,732,465	\$ 13,279,202
Charges for services	2,206,082	2,335,224	2,348,503	2,146,709	2,019,348
Licenses and permits	252,107	333,555	483,615	611,907	683,398
Fines and forfeitures	418,311	432,347	202,586	178,769	171,796
Intergovernmental	6,712,451	5,742,603	5,646,214	5,428,350	6,482,569
Special assessments	157,474	161,493	187,152	129,680	159,635
Investment income	38,593	76,849	434,513	669,402	736,737
Contributions and donations	627,447	623,630	981,965	177,625	144,227
Other	703,746	814,483	568,318	1,169,287	1,086,628
Total revenues	<u>23,638,102</u>	<u>22,646,333</u>	<u>23,454,752</u>	<u>23,244,194</u>	<u>24,763,540</u>
<b>Expenditures</b>					
Current:					
General government	4,017,338	4,396,948	4,177,189	3,864,219	4,081,556
Public safety	9,223,191	10,653,804	10,273,963	9,876,927	9,832,423
Health and welfare	971,656	1,472,491	1,793,038	2,397,461	2,513,403
Transportation	1,417,513	1,471,332	1,611,276	1,328,988	1,576,717
Community environment	3,202,840	2,213,192	1,680,902	1,428,273	1,841,026
Leisure time activity	1,068,312	1,217,596	1,368,699	1,084,396	922,867
Capital outlay	1,202,654	2,122,784	3,552,712	1,557,554	2,053,974
Intergovernmental	-	-	-	1,578,763	1,328,572
Debt service:					
Principal retirement	1,129,672	1,045,558	932,580	856,591	883,603
Interest and fiscal charges	258,650	278,130	253,241	252,483	280,010
Bond issuance cost	-	83,445	-	-	-
Note issuance cost	-	-	10,745	10,292	-
Total expenditures	<u>22,491,826</u>	<u>24,955,280</u>	<u>25,654,345</u>	<u>24,235,947</u>	<u>25,314,151</u>
Excess of revenues over (under) expenditures	<u>1,146,276</u>	<u>(2,308,947)</u>	<u>(2,199,593)</u>	<u>(991,753)</u>	<u>(550,611)</u>
<b>Other Financing Sources (Uses)</b>					
Notes issued	-	-	-	20,000	40,000
Bonds issued	-	2,310,000	-	-	-
Discount on bond issuance	-	(16,555)	-	-	-
Premium on notes	-	-	17,282	-	-
Premium on bonds	-	-	-	-	-
Capital lease transaction	112,089	-	300,000	211,276	160,621
Sale of capital assets	109,838	32,213	79,843	10,388	149,224
Transfers in	1,779,079	1,875,327	1,771,349	1,853,518	1,955,289
Transfers (out)	(1,779,079)	(1,836,090)	(1,962,282)	(2,288,518)	(2,177,274)
Advances in	-	-	-	-	-
Advances (out)	-	-	-	-	-
Proceeds from Sale of Park Land	-	-	-	-	-
Total other financing sources (uses)	<u>221,927</u>	<u>2,364,895</u>	<u>206,192</u>	<u>(193,336)</u>	<u>127,860</u>
Net change in fund balances	<u>\$ 1,368,203</u>	<u>\$ 55,948</u>	<u>\$ (1,993,401)</u>	<u>\$ (1,185,089)</u>	<u>\$ (422,751)</u>
Capital expenditures	1,435,291	1,904,639	2,916,887	1,571,458	1,999,901
Debt service as a percentage of noncapital expenditures.	6.59%	6.10%	5.26%	4.94%	4.99%

<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>
\$ 11,927,679	\$ 11,960,729	\$ 11,183,137	\$ 11,506,273	\$ 11,061,586
1,638,856	1,216,431	1,444,431	1,253,346	1,284,076
446,544	287,608	319,293	-	-
167,198	167,498	124,520	481,448	409,842
6,431,013	6,953,520	5,502,060	6,272,143	7,291,904
239,011	90,295	58,408	77,415	75,554
431,559	85,085	159,936	256,061	596,880
63,111	103,054	107,607	145,587	-
1,508,184	1,315,743	822,919	1,364,777	2,950,929
<u>22,853,155</u>	<u>22,179,963</u>	<u>19,722,311</u>	<u>21,357,050</u>	<u>23,670,771</u>
3,751,477	3,659,636	3,679,467	3,534,937	3,506,389
9,505,500	9,491,837	8,788,013	8,234,631	7,838,848
2,295,683	1,948,426	1,995,233	1,511,059	1,551,580
1,599,891	1,750,043	2,084,648	2,022,707	2,117,422
1,499,781	1,246,612	1,481,803	1,644,131	2,250,150
1,320,267	1,112,732	1,128,444	1,410,912	1,153,810
1,250,150	3,212,171	3,370,531	4,083,068	4,734,189
-	-	-	-	-
888,081	1,773,799	281,544	305,738	625,729
221,050	266,290	280,871	212,878	182,584
3,985	18,955	68,142	-	-
-	5,671	-	-	-
<u>22,335,865</u>	<u>24,486,172</u>	<u>23,158,696</u>	<u>22,960,061</u>	<u>23,960,701</u>
<u>517,290</u>	<u>(2,306,209)</u>	<u>(3,436,385)</u>	<u>(1,603,011)</u>	<u>(289,930)</u>
96,000	120,000	1,180,000	31,318	2,095,000
112,450	1,396,000	4,967,610	-	237,000
-	-	-	-	-
8,754	1,842	15,241	-	-
-	-	17,194	-	-
-	-	-	-	-
19,629	6,332	3,855	4,616	8,452
1,835,266	2,193,627	3,023,461	11,009,340	10,652,498
(2,077,266)	(2,733,627)	(3,182,461)	(11,305,260)	(10,870,218)
-	-	-	-	2,224,334
-	-	-	-	(2,224,334)
-	-	1,000,000	-	-
<u>(5,167)</u>	<u>984,174</u>	<u>7,024,900</u>	<u>(259,986)</u>	<u>2,122,732</u>
<u>\$ 512,123</u>	<u>\$ (1,322,035)</u>	<u>\$ 3,588,515</u>	<u>\$ (1,862,997)</u>	<u>\$ 1,832,802</u>
1,431,678	4,515,836	1,112,511	4,083,068	4,734,189
5.32%	10.34%	2.86%	2.75%	4.20%

**CITY OF BARBERTON, OHIO**

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

Year	Real Property		Public Utility Property		Tangible Personal Property	
	Assessed Value	Estimated Actual Value (a)	Assessed Value	Estimated Actual Value (b)	Assessed Value	Estimated Actual Value (c)
2010	\$ 389,860,420	\$ 1,113,886,914	\$ 8,746,110	\$ 9,938,761	\$ 508,115	\$ 8,129,840
2009	391,015,700	1,117,187,714	8,516,450	9,677,784	1,089,778	17,436,448
2008	396,658,680	1,133,310,514	8,342,960	9,480,636	15,652,615	250,441,840
2007	395,700,530	1,130,572,943	11,588,150	13,168,352	27,517,101	220,136,808
2006	394,443,500	1,126,981,429	11,919,510	13,544,898	39,558,953	210,981,083
2005	355,412,060	1,015,463,029	13,188,960	14,987,455	52,299,023	209,196,092
2004	349,333,560	998,095,886	13,290,740	15,103,114	52,299,023	209,196,092
2003	346,150,520	989,001,486	13,506,780	15,348,614	55,431,515	221,726,060
2002	293,874,030	839,640,086	13,555,340	15,403,795	61,990,815	247,963,260
2001	279,511,680	798,604,800	17,025,420	19,347,068	60,465,467	241,861,868

Source: Summit County, Ohio; Fiscal Officer

(a) Real property is assessed at 35% of actual value.

(b) Public utility is assessed at 88% percent of actual value.

(c) For 2005 and prior, tangible personal is assessed at 25% of true value for capital assets and 23% of true value for inventory included in tangible personal property.

For 2006, tangible personal is assessed at 18.75% of property value, including inventory.

For 2007, tangible personal is assessed at 12.50% of property value, including inventory.

For 2008, tangible personal is assessed at 6.25% of property value, including inventory.

For 2009 and subsequent years, tangible 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 and subsequent years, telephone tangible is the only taxable tangible personal property.

<b>Total</b>			
<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Total Direct Tax Rate</b>	<b>Ratio</b>
\$ 399,114,645	\$ 1,131,955,516	3.50	35.26%
400,621,928	1,144,301,945	3.50	35.01%
420,654,255	1,393,232,990	3.50	30.19%
434,805,781	1,363,878,103	3.50	31.88%
445,921,963	1,351,507,410	3.50	32.99%
420,900,043	1,239,646,576	3.50	33.95%
414,923,323	1,222,395,092	3.50	33.94%
415,088,815	1,226,076,160	3.50	33.86%
369,420,185	1,103,007,141	3.50	33.49%
357,002,567	1,059,813,736	3.50	33.69%

**CITY OF BARBERTON, OHIO**

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

<b>Collection Year</b>	<b>City Direct Rates</b>			<b>Overlapping Rates</b>			<b>Total Direct and Overlapping Rates</b>	
	<b>Operating</b>	<b>Police and Fire Pension</b>	<b>Total Direct Rate</b>	<b>Summit County</b>	<b>Barberton City School District</b>	<b>Barberton Public Library</b>		<b>Total Overlapping Rates</b>
2010	2.90	0.60	3.50	14.16	58.02	1.37	73.55	77.05
2009	2.90	0.60	3.50	14.16	58.11	1.37	73.64	77.14
2008	2.90	0.60	3.50	14.26	59.89	1.37	75.52	79.02
2007	2.90	0.60	3.50	14.57	58.94	1.37	74.88	78.38
2006	2.90	0.60	3.50	13.07	64.06	1.37	78.50	82.00
2005	2.90	0.60	3.50	13.07	56.90	-	69.97	73.47
2004	2.90	0.60	3.50	13.07	56.90	-	69.97	73.47
2003	2.90	0.60	3.50	13.07	56.73	-	69.80	73.30
2002	2.90	0.60	3.50	13.07	56.73	-	69.80	73.30
2001	2.90	0.60	3.50	13.07	53.36	-	66.43	69.93

Source: Summit County, Ohio; Fiscal Officer

**CITY OF BARBERTON, OHIO**

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

<b>December 31, 2010</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Assessed Value</b>
Barberton Health System LLC	\$ 7,016,670	1	1.80%
Babcock & Wilcox Power Generation Group	2,584,870	2	0.66%
LRC Magic Investors LTD	2,276,370	3	0.58%
Kimco of Ohio, Inc.	2,131,620	4	0.55%
Babcock & Wilcox Nuclear Operations	1,693,350	5	0.43%
B & C Diversified Products Inc.	1,420,310	6	0.36%
B & C Researching	1,265,250	7	0.32%
KL Morris Family Limited Liability	1,120,700	8	0.29%
Malco Products, Inc.	1,009,790	9	0.26%
Daniel L. Pohl Family Limited Partnership	1,002,660	10	0.26%
<b>Total, Top Ten Principal Real Property Taxpayers</b>	<b>\$ 21,521,590</b>		<b>5.51%</b>
<b>Total City Real Property Tax Assessed Valuation</b>	<b>\$ 389,860,420</b>		

<b>December 31, 2001</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Assessed Value</b>
Barberton Health System LLC	\$ 9,429,210	1	3.37%
B & C Industries	2,274,980	2	0.81%
Pendleton Magic LLC	1,973,990	3	0.71%
Elson Pointe Limited Partership	1,842,090	4	0.66%
Kimco of Ohio, Inc.	1,780,820	5	0.64%
BWX Technologies	1,698,760	6	0.61%
Babcock & Wilcox Co.	1,447,640	7	0.52%
KL Morris Family Limited	1,278,780	8	0.46%
Barber Knolls Development Corp.	923,710	9	0.33%
Pittsburgh Plate Glass Co.	909,330	10	0.33%
<b>Total, Top Ten Principal Real Property Taxpayers</b>	<b>\$ 23,559,310</b>		<b>8.44%</b>
<b>Total City Real Property Tax Assessed Valuation</b>	<b>\$ 279,511,680</b>		

Source: Summit County, Ohio; Fiscal Officer

**CITY OF BARBERTON, OHIO**

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

<b>December 31, 2010</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Assessed Value</b>
Ohio Edison Co.	\$ 5,787,660	1	66.2%
American Transmission	1,689,770	2	19.3%
East Ohio Gas Co.	1,268,680	3	14.5%
<b>Total, Top Three Principal Public Utility Property Taxpayers</b>	<b>\$ 8,746,110</b>		<b>100.0%</b>
<b>Total City Public Utility Property Tax Assessed Valuation</b>	<b>\$ 8,746,110</b>		

<b>December 31, 2003</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Assessed Value</b>
Ohio Edison Co.	\$ 4,461,890	1	33.0%
Ohio Bell Telephone	4,407,350	2	32.6%
American Transmission	2,097,790	3	15.5%
East Ohio Gas Co.	1,117,600	4	8.3%
Sprint	392,470	5	2.9%
<b>Total, Top Five Principal Public Utility Property Taxpayers</b>	<b>\$ 12,477,100</b>		<b>92.4%</b>
<b>Total City Public Utility Property Tax Assessed Valuation</b>	<b>\$ 13,506,780</b>		

Source: Summit County, Ohio; Fiscal Officer

Note: Information prior to 2003 was not available.



**CITY OF BARBERTON, OHIO**

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

<b>Year</b>	<b>Total Levy</b>	<b>Current Collection (1)</b>	<b>Percent of Current Collections to Tax Levy</b>	<b>Delinquent Collections</b>	<b>Total Collections</b>	<b>Percent of Total Collections to Tax Levy</b>	<b>Outstanding Delinquent Taxes (2)</b>	<b>Percentage of Delinquent Taxes to Tax Levy</b>
2010	\$ 1,696,268	\$ 1,550,759	91.42%	\$ 77,415	\$ 1,628,174	95.99%	\$ 267,786	15.79%
2009	1,697,939	1,553,653	91.50%	144,365	1,698,018	100.00%	199,692	11.76%
2008	1,721,174	1,649,458	95.83%	73,075	1,722,533	100.08%	161,862	9.40%
2007	1,535,079	1,451,556	94.56%	83,524	1,535,080	100.00%	176,270	11.48%
2006	1,570,201	1,491,083	94.96%	79,117	1,570,200	100.00%	188,607	12.01%
2005	1,481,442	1,409,638	95.15%	75,669	1,485,307	100.26%	178,381	12.04%
2004	1,459,213	1,393,023	95.46%	78,290	1,471,313	100.83%	146,910	10.07%
2003	1,592,430	1,371,921	86.15%	58,841	1,430,762	89.85%	161,668	10.15%
2002	1,404,845	1,199,874	85.41%	67,973	1,267,847	90.25%	136,998	9.75%
2001	1,374,570	1,200,777	87.36%	47,880	1,248,657	90.84%	125,913	9.16%

Source: Summit County, Ohio; Fiscal Officer

(1) Includes homestead/rollback taxes assessed locally but distributed through the State and reported as intergovernmental revenue.

(2) Includes penalties and interest, since by Ohio Law, they become part of tax obligation as assessment occurs.

Note: Summit County does not identify delinquent tax collections by tax year.

**CITY OF BARBERTON, OHIO**

*INCOME TAX REVENUE BASE AND COLLECTIONS  
LAST TEN YEARS*

<b>Year</b>	<b>Tax Rate</b>	<b>Total Tax Collected</b>	<b>Taxes from Withholding</b>	<b>Percentage of Taxes from Withholding</b>	<b>Taxes From Net Profits</b>	<b>Percentage of Taxes from Net Profits</b>
2010	2.00%	\$ 11,076,918	\$ 9,123,908	82.37%	\$ 999,404	9.02%
2009	2.00%	10,732,163	8,907,876	83.00%	887,140	8.27%
2008	2.00%	11,146,258	9,343,780	83.83%	737,551	6.62%
2007	2.00%	11,379,007	9,545,043	83.88%	813,468	7.15%
2006	2.00%	11,300,258	9,431,669	83.46%	997,931	8.83%
2005	2.00%	10,092,095	8,364,178	82.88%	897,569	8.89%
2004	2.00%	10,592,294	8,611,884	81.30%	904,487	8.54%
2003	2.00%	9,981,113	8,159,958	81.75%	752,417	7.54%
2002	2.00%	10,253,956	8,336,516	81.30%	729,306	7.11%
2001	2.00%	10,097,927	8,183,203	81.04%	755,743	7.48%

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

	<b>Taxes from Individuals</b>	<b>Percentage of Taxes from Individuals</b>
\$	804,162	7.26%
	823,855	7.68%
	983,226	8.82%
	944,752	8.30%
	870,658	7.70%
	830,348	8.23%
	1,075,923	10.16%
	1,068,738	10.71%
	1,188,134	11.59%
	1,158,981	11.48%

**CITY OF BARBERTON, OHIO**

*RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN YEARS*

Year	Governmental Activities						Business-Type Activities	
	General Obligation Bonds	Special Assessment Bonds	HUD Section 108 Loan	State Infrastructure Bank Loan	Notes	Capital Leases	General Obligation Bonds	Revenue Bonds
2010	\$ 4,358,463	\$ 91,053	\$ 750,000	\$ 160,509	\$ 322,000	\$ 354,696	\$ 2,601,548	\$ 7,835,000
2009	5,157,712	129,522	865,000	182,560	436,000	397,510	3,282,305	8,170,000
2008	3,369,659	166,466	980,000	-	2,770,000	544,771	3,010,358	8,495,000
2007	4,034,195	201,800	1,095,000	-	699,000	342,481	3,695,812	8,805,000
2006	4,672,529	235,641	1,210,000	-	838,000	160,621	4,367,472	9,105,000
2005	5,313,823	266,950	1,325,000	-	1,013,000	-	5,024,996	630,000
2004	5,944,904	176,500	1,440,000	-	1,216,000	-	5,666,896	1,235,000
2003	5,006,603	197,600	1,555,000	-	2,715,000	-	3,602,390	1,815,000
2002	190,437	217,700	1,665,000	-	7,355,000	-	2,800,000	2,370,000
2001	311,183	237,000	1,740,000	-	2,095,000	180,693	3,010,000	2,900,000

Sources:

(a) See notes to the financial statements regarding the City's outstanding debt information.

(b) See Schedule " Demographic and Economic Statistics - Last Ten Years" for personal income and population.

**Business-Type Activities, continued**

<u>Notes</u>	<u>Capital Leases</u>	<u>(a) Total Primary Government</u>	<u>(b) Total Personal Income</u>	<u>Percentage of Personal Income</u>	<u>(b) Population</u>	<u>Per Capita</u>
\$ 478,000	\$ 64,073	\$ 17,015,342	\$ 509,441,408	3.34%	26,824	\$ 634
114,000	125,591	18,860,200	495,597,836	3.81%	27,899	676
1,590,000	185,617	21,111,871	495,597,836	4.26%	27,899	757
2,066,000	125,839	21,065,127	495,597,836	4.25%	27,899	755
2,697,000	154,054	23,440,317	495,597,836	4.73%	27,899	840
4,652,000	11,187	18,236,956	495,597,836	3.68%	27,899	654
2,459,000	24,077	18,162,377	495,597,836	3.66%	27,899	651
4,700,000	50,029	19,641,622	495,597,836	3.96%	27,899	704
6,190,000	74,668	20,862,805	495,597,836	4.21%	27,899	748
4,625,000	43,346	15,142,222	495,597,836	3.06%	27,899	543

**CITY OF BARBERTON, OHIO**

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

<b>Year</b>	<b>Population (1)</b>	<b>Estimated Actual Value of Taxable Property (2)</b>	<b>Bonded Debt (3)</b>	<b>Ratio of Bonded Debt to Estimated Actual Value of Property</b>	<b>Bonded Debt Per Capita</b>
2010	26,824	\$ 1,131,955,516	\$ 6,960,011	0.61%	\$ 259
2009	27,899	1,144,301,945	8,440,017	0.74%	303
2008	27,899	1,393,232,990	6,380,017	0.46%	229
2007	27,899	1,363,878,103	7,730,007	0.57%	277
2006	27,899	1,351,507,410	9,040,001	0.67%	324
2005	27,899	1,239,646,576	10,338,819	0.83%	371
2004	27,899	1,222,395,092	11,611,800	0.95%	416
2003	27,899	1,226,076,160	8,608,993	0.70%	309
2002	27,899	1,103,007,141	2,990,437	0.27%	107
2001	27,899	1,059,813,736	3,321,183	0.31%	119

Sources:

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

**CITY OF BARBERTON, OHIO**

*DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2010*

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Direct:</b>			
City of Barberton	\$ 4,358,463	100.00%	\$ 4,358,463
Total direct debt			<u>4,358,463</u>
<b>Overlapping debt:</b>			
Barberton City School District	52,809,983	97.87%	51,685,130
Summit County	55,840,000	3.17%	1,770,128
Akron-Summit County Library District	44,065,000	0.07%	30,846
Akron Metro Regional Transit Authority	395,000	3.17%	12,522
Total overlapping debt			<u>53,498,626</u>
Total direct and overlapping debt			<u>\$ 57,857,089</u>

Source: Ohio Municipal Advisory Council

**CITY OF BARBERTON, OHIO**

*COMPUTATION OF LEGAL DEBT MARGIN  
LAST TEN YEARS*

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Assesed Value (a)	\$ 398,606,530	\$ 399,532,150	\$ 405,001,640	\$ 403,765,630
Legal debt margin:				
Debt limitation - 10.5% of Assesed Value	41,853,686	41,950,876	42,525,172	42,395,391
Debt Applicable to Limitation:				
General Obligation Bonds	6,960,011	8,440,017	6,380,017	7,730,007
Special Assessment Bond	91,053	129,522	166,466	201,800
Notes	800,000	550,000	4,360,000	2,765,000
Revenue Bonds	7,835,000	8,170,000	8,495,000	8,805,000
Gross Indebtedness				
(Total Voted and Unvoted Debt)	<u>15,686,064</u>	<u>17,289,539</u>	<u>19,401,483</u>	<u>19,501,807</u>
Less: Debt Outside Limitations				
Special Assessment Bond	(91,053)	(129,522)	(166,466)	(201,800)
Notes	(800,000)	(550,000)	(4,360,000)	(2,765,000)
Revenue Bonds	(7,835,000)	(8,170,000)	(8,495,000)	(8,805,000)
Total Debt Outside Limitations	<u>(8,726,053)</u>	<u>(8,849,522)</u>	<u>(13,021,466)</u>	<u>(11,771,800)</u>
Total Debt Applicable to Limitation - Within 10.5% Limitations	6,960,011	8,440,017	6,380,017	7,730,007
Less: Amount Available in Debt Service Fund to pay debt applicable to limitation	<u>(60)</u>	<u>(428)</u>	<u>(23,302)</u>	<u>(18,797)</u>
Net Debt Within 10.5% Limitation	<u>6,959,951</u>	<u>8,439,589</u>	<u>6,356,715</u>	<u>7,711,210</u>
Overall Debt Margin Within 10.5% Limitation	<u>\$ 34,893,735</u>	<u>\$ 33,511,287</u>	<u>\$ 36,168,457</u>	<u>\$ 34,684,181</u>
Unvoted Debt Limitation - 5.5% of Assesed Valuation	\$ 21,923,359	\$ 21,974,268	\$ 22,275,090	\$ 22,207,110
Gross Indebtedness Authorized by Council	15,686,064	17,289,539	19,401,483	19,501,807
Less: Debt Outside Limitations:				
Total Debt Outside Limitations	<u>(8,726,053)</u>	<u>(8,849,522)</u>	<u>(13,021,466)</u>	<u>(11,771,800)</u>
Debt Within 5.5% Limitations	6,960,011	8,440,017	6,380,017	7,730,007
Less Amount Available in Debt Service Fund	(60)	(428)	(23,302)	(18,797)
Net Debt Within 5.5% Limitation	<u>6,959,951</u>	<u>8,439,589</u>	<u>6,356,715</u>	<u>7,711,210</u>
Unvoted Debt Margin Within 5.5% Limitation	<u>\$ 14,963,408</u>	<u>\$ 13,534,679</u>	<u>\$ 15,918,375</u>	<u>\$ 14,495,900</u>

Source: City of Barberton financial records

(a) Beginning in 2007, the debt limit excludes the assessed valuations of tangible personal property and railroad and telephone public utility personal property as required by Ohio House Bill 530.



<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
\$ 445,921,963	\$ 420,900,043	\$ 414,923,323	\$ 415,088,815	\$ 369,420,185	\$ 357,002,567
46,821,806	44,194,505	43,566,949	43,584,326	38,789,119	37,485,270
9,040,001	10,338,819	11,611,800	8,608,993	2,990,437	3,321,183
235,641	266,950	176,500	197,600	217,700	237,000
3,535,000	5,665,000	3,675,000	7,415,000	13,545,000	6,720,000
9,105,000	630,000	1,235,000	1,815,000	2,370,000	2,900,000
<u>21,915,642</u>	<u>16,900,769</u>	<u>16,698,300</u>	<u>18,036,593</u>	<u>19,123,137</u>	<u>13,178,183</u>
(235,641)	(266,950)	(176,500)	(197,600)	(217,700)	(237,000)
(3,535,000)	(4,652,000)	(2,459,000)	(4,700,000)	(6,190,000)	(4,625,000)
(9,105,000)	(630,000)	(1,235,000)	(1,815,000)	(2,370,000)	(2,900,000)
<u>(12,875,641)</u>	<u>(5,548,950)</u>	<u>(3,870,500)</u>	<u>(6,712,600)</u>	<u>(8,777,700)</u>	<u>(7,762,000)</u>
9,040,001	11,351,819	12,827,800	11,323,993	10,345,437	5,416,183
<u>(3,189)</u>	<u>(503)</u>	<u>(21,518)</u>	<u>(181,829)</u>	<u>(40,329)</u>	<u>(2,984)</u>
<u>9,036,812</u>	<u>11,351,316</u>	<u>12,806,282</u>	<u>11,142,164</u>	<u>10,305,108</u>	<u>5,413,199</u>
<u>\$ 37,784,994</u>	<u>\$ 32,843,189</u>	<u>\$ 30,760,667</u>	<u>\$ 32,442,162</u>	<u>\$ 28,484,011</u>	<u>\$ 32,072,071</u>
\$ 24,525,708	\$ 23,149,502	\$ 22,820,783	\$ 22,829,885	\$ 20,318,110	\$ 19,635,141
21,915,642	16,900,769	16,698,300	18,036,593	19,123,137	13,178,183
<u>(12,875,641)</u>	<u>(5,548,950)</u>	<u>(3,870,500)</u>	<u>(6,712,600)</u>	<u>(8,777,700)</u>	<u>(7,762,000)</u>
9,040,001	11,351,819	12,827,800	11,323,993	10,345,437	5,416,183
(3,189)	(503)	(21,518)	(181,829)	(40,329)	(2,984)
<u>9,036,812</u>	<u>11,351,316</u>	<u>12,806,282</u>	<u>11,142,164</u>	<u>10,305,108</u>	<u>5,413,199</u>
<u>\$ 15,488,896</u>	<u>\$ 11,798,186</u>	<u>\$ 10,014,501</u>	<u>\$ 11,687,721</u>	<u>\$ 10,013,002</u>	<u>\$ 14,221,942</u>

**CITY OF BARBERTON, OHIO**

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

**SEWER REVENUE BONDS:**

<u>Year</u>	<u>Operating Revenue</u>	<u>Operating Expenses (1)</u>	<u>Net Revenue Available for Debt Service</u>	<u>Debt Service Requirements (2)</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2006 (4)	\$ 4,096,943	\$ 2,857,302	\$ 1,239,641	\$ 630,000	\$ 28,350	\$ 658,350	1.88
2005	4,087,566	2,798,713	1,288,853	605,000	55,273	660,273	1.95
2004	3,786,929	2,185,013	1,601,916	580,000	80,792	660,792	2.42
2003	3,585,759	3,231,175	354,584	555,000	104,380	659,380	0.54
2002	3,581,281	2,509,043	1,072,238	530,000	126,243	656,243	1.63
2001	3,428,571	2,315,968	1,112,603	510,000	146,643	656,643	1.69

**WATER REVENUE BONDS:**

<u>Year</u>	<u>Operating Revenue</u>	<u>Operating Expenses (1)</u>	<u>Net Revenue Available for Debt Service</u>	<u>Debt Service Requirements (2)</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2010	\$ 5,108,270	\$ 3,319,653	\$ 1,788,617	\$ 335,000	\$ 353,879	\$ 688,879	2.60
2009	4,595,933	3,212,261	1,383,672	325,000	366,066	691,066	2.00
2008	4,582,696	2,631,713	1,950,983	310,000	377,691	687,691	2.84
2007	4,246,190	3,087,191	1,158,999	300,000	388,941	688,941	1.68
2006 (3)	4,220,667	3,295,618	925,049	200,000	260,990	460,990	2.01

(1) Total operating expenses are exclusive of depreciation.

(2) Includes principal and interest of bonds only.

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

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

**CITY OF BARBERTON, OHIO**

*DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS*

<b>Year</b>	<b>Population (1)</b>	<b>Personal Income</b>	<b>Per Capita Personal Income (2)</b>	<b>Annual Average Unemployment Rates (3)</b>			
				<b>City of Barberton</b>	<b>Summit County</b>	<b>Ohio</b>	<b>United States</b>
2010	26,824	\$ 509,441,408	\$ 18,992	11.6%	9.9%	10.1%	9.6%
2009	27,899	495,597,836	17,764	12.3%	9.8%	10.2%	9.3%
2008	27,899	495,597,836	17,764	7.4%	6.1%	6.5%	5.8%
2007	27,899	495,597,836	17,764	6.7%	5.4%	5.6%	4.6%
2006	27,899	495,597,836	17,764	6.2%	5.3%	5.5%	4.6%
2005	27,899	495,597,836	17,764	6.7%	5.7%	5.9%	5.1%
2004	27,899	495,597,836	17,764	7.0%	6.1%	6.2%	5.5%
2003	27,899	495,597,836	17,764	7.1%	6.2%	6.2%	6.0%
2002	27,899	495,597,836	17,764	8.0%	6.0%	5.7%	5.8%
2001	27,899	495,597,836	17,764	6.2%	4.6%	4.4%	4.7%

Sources:

- (1) U.S. Census Bureau 2000 & 2010
- (2) Per capita personal income for 2010 is in 2009 dollars, the latest available
- (3) Ohio Job & Family Services, Ohio Labor Market Information.

**CITY OF BARBERTON, OHIO**  
*PRINCIPAL EMPLOYERS*  
*CURRENT YEAR AND SIX YEARS AGO*

<b>Employer</b>	<b>2010</b>			<b>2004</b>		
	<b>Employees (1)</b>	<b>Rank (2)</b>	<b>Percentage of Total City Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>
Babcock and Wilcox Power Generation Group	1,146	1	7.55%	1,098	2	7.04%
Summa Health Systems (b)	1,385	2	9.12%	1,361	1	8.72%
Babcock and Wilcox Nuclear Operations	671	3	4.42%	(a)	(a)	0.00%
Barberton Board of Education	821	4	5.41%	899	3	5.76%
Babcock and Wilcox Co.	191	5	1.26%	(a)	(a)	0.00%
City of Barberton	280	6	1.84%	408	7	2.62%
Preferred Compounding Corp. Deronde Acq. Corp.	94	7	0.62%	(a)	(a)	0.00%
B&C Research Inc.	324	8	2.13%	410	6	2.63%
Malco Products Inc.	162	9	1.07%	(a)	(a)	0.00%
Babcock and Wilcox Construction Co.	69	10	0.45%	(a)	(a)	0.00%
<b>Total</b>	<b>5,143</b>		<b>33.87%</b>	<b>4,176</b>		<b>26.77%</b>
<b>Total City Employment</b>	<b>15,183</b>			<b>15,600</b>		

Source: CCA Division of Taxation.

(1) Based on W-2's reported.

(2) Based on total withholding taxes.

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

(a) Number of employees was not reported in 2004.

(b) QHG of Barberton was the Hospital Administrator in 2004.

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**CITY OF BARBERTON, OHIO**

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

<b>Function/Program</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>
<b>General Government</b>								
Clerk of Council	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Municipal Court - Judges	7.00	7.00	6.00	6.00	8.00	8.00	8.00	8.00
Municipal Clerk of Courts	12.34	14.31	11.28	11.28	12.30	13.30	12.30	12.30
Mayor	0.84	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Service Director	0.34	0.84	0.84	0.84	1.30	1.30	1.30	1.30
Finance	5.00	5.00	5.20	5.20	5.20	5.20	4.60	5.60
Law	4.00	4.00	4.00	4.00	4.00	3.00	3.00	3.00
Safety Director	0.34	1.00	0.50	1.00	1.00	1.00	1.00	1.00
Human Resources	0.27	1.00	1.50	-	-	1.00	1.00	1.00
Information Systems	0.89	0.91	0.93	0.93	0.90	1.70	1.70	1.70
Income Tax	1.00	1.00	1.00	1.00	1.00	2.60	4.60	4.60
Other	4.00	4.00	3.00	3.00	2.00	2.00	2.00	2.00
<b>Public Safety</b>								
Police/Dispatch	50.00	55.00	51.00	54.00	51.00	53.00	55.00	56.00
Fire	45.00	46.00	43.00	46.00	44.00	46.00	46.00	44.00
<b>Health and Welfare</b>								
Health District (1)	-	18.00	20.00	23.00	24.00	24.00	24.00	25.00
<b>Transportation</b>								
Signal	2.00	2.00	2.00	2.00	2.00	2.00	4.00	4.00
Streets	13.00	13.00	19.00	16.00	13.00	15.00	22.00	23.00
<b>Community Environment</b>								
Engineering/Building	7.00	7.34	6.83	6.59	5.60	5.60	6.60	8.30
Planning	3.00	3.00	3.00	3.50	2.00	3.00	3.00	3.00
<b>Leisure Time Activity</b>								
Parks Administration	2.00	5.00	5.35	4.00	2.00	2.00	3.00	3.00
Parks Maintenance	6.00	6.00	5.00	4.00	5.00	6.00	7.00	7.00
Beautification	1.00	1.00	1.00	1.00	-	-	2.00	2.00
<b>Utility Services</b>								
Water	29.15	30.50	28.65	28.53	29.50	30.00	27.40	30.00
Sewer	25.95	25.30	30.12	21.33	26.40	26.00	25.20	28.00
Storm Water	3.00	3.00	3.00	3.00	-	-	-	-
Solid Waste	0.80	0.80	0.80	0.80	0.80	0.30	0.30	0.20
Community Center	-	-	-	-	2.00	2.00	2.00	3.00
<b>Total</b>	<b>224.92</b>	<b>258.00</b>	<b>256.00</b>	<b>250.00</b>	<b>246.00</b>	<b>257.00</b>	<b>270.00</b>	<b>280.00</b>

(1) The Barberton Health District was consolidated with the Summit County Health Department effective October 1, 2010.

Source: City of Barberton records

<u>2002</u>	<u>2001</u>
1.00	1.00
8.00	8.00
12.30	12.50
2.00	2.00
1.30	1.30
5.60	5.60
3.00	3.00
1.00	1.00
2.00	2.00
1.70	1.50
4.60	4.60
1.00	1.00
56.00	56.00
45.00	46.00
23.00	22.00
4.00	4.00
23.00	25.00
9.30	10.30
3.00	5.00
3.00	3.00
7.00	7.00
2.00	2.00
28.60	30.60
26.40	26.40
-	-
0.20	0.20
3.00	2.00
<u>277.00</u>	<u>283.00</u>

**CITY OF BARBERTON, OHIO**

*OPERATING INDICATORS BY FUNCTION  
LAST TEN YEARS*

<b>Function</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>General Government</b>							
Positions Filled	19	7	7	13	2	21	22
Building Permits Issued	816	772	695	629	550	504	293
Building Inspections Performed	3,264	3,072	2,780	2,516	2,200	2,016	1,593
Ordinances & Resolutions	272	214	175	202	214	250	213
<b>Public Safety</b>							
Police:							
Physical Arrests	2,018	1,972	2,073	2,040	2,170	2,381	2,062
Parking Violations	2,073	677	1,638	1,697	890	273	1,560
Traffic Violations	1,996	2,310	2,902	2,950	2,324	2,110	1,724
Fire:							
Emergency Responses	3,422	3,442	3,370	3,558	3,571	3,754	4,022
Fire Responses	663	590	576	692	599	583	749
Inspections conducted	1,063	859	828	700	685	729	124
<b>Leisure Time Activities</b>							
Recreation Center Attendance	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Recreation Center Memberships	N/A	N/A	2,909	1,883	1,459	998	701
<b>Transportation</b>							
Street Resurfacing (miles)	0.22	1.67	0	0	1.8	2.64	1.42
Tons of salt used	4,538	3,544	6,594	3,837	4,433	2,366	2,750
<b>Water</b>							
New Connections	123	152	116	90	110	81	60
Water Main Breaks	112	91	107	93	84	124	131

Source: City of Barberton Departments.

Note: Information for 10 years prior was not available for all functions.



<u>2008</u>	<u>2009</u>	<u>2010</u>
9	10	12
1,008	843	916
2,762	6,924	9,660
231	248	204
2,149	2,154	2,123
1,476	1,414	1,340
2,579	1,972	1,919
3,479	3,909	3,907
611	505	512
819	930	940
5,735	6,333	6,215
999	1,288	1,011
1.66	1.13	0.41
4,049	3,100	4,352
32	58	37
128	125	124

**CITY OF BARBERTON, OHIO**

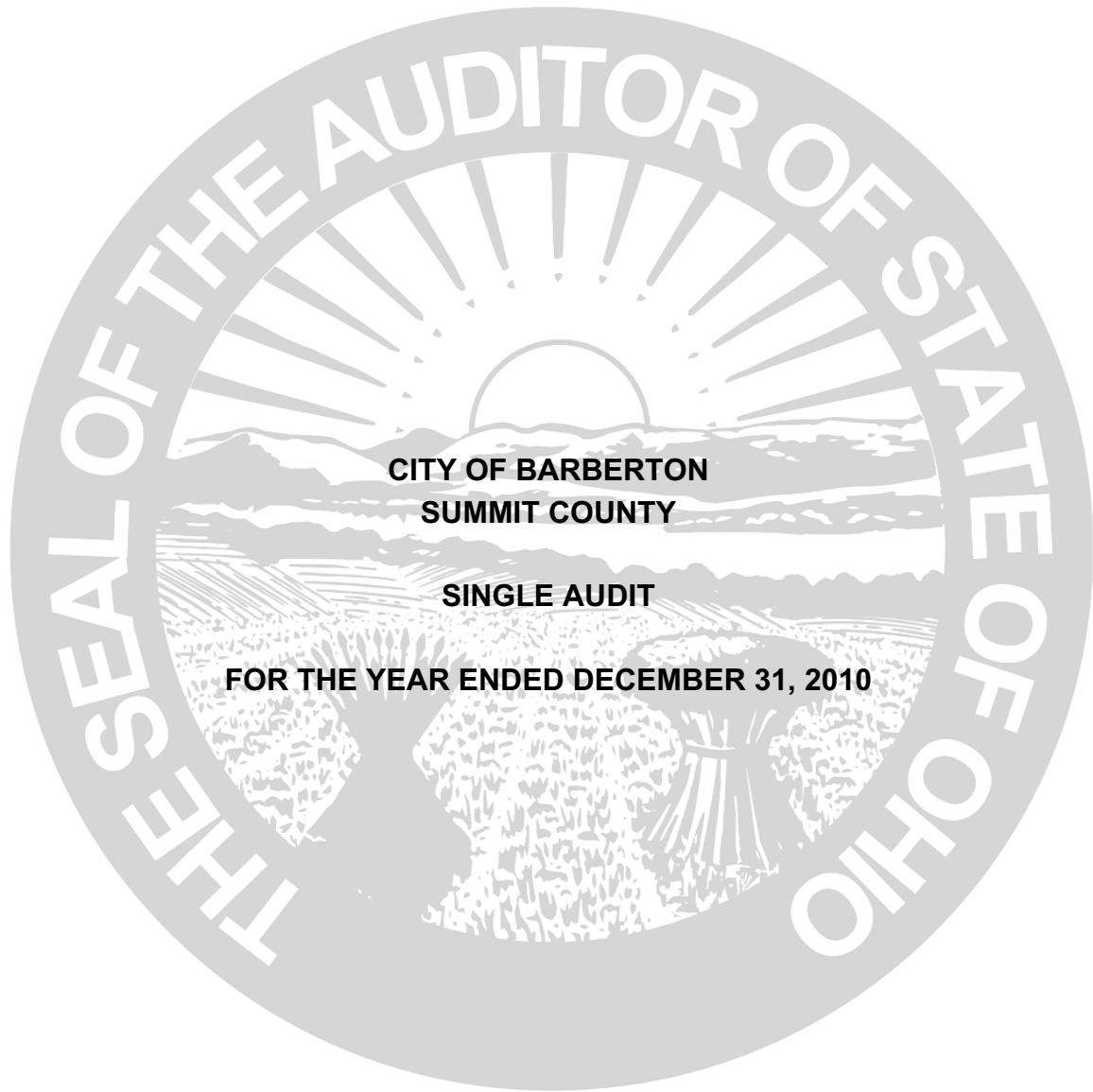
*CAPITAL ASSETS STATISTICS BY FUNCTION  
LAST TEN YEARS*

<b>Function</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Public Safety</b>						
Police:						
Stations	1.00	1.00	1.00	1.00	1.00	1.00
Fire:						
Stations	2.00	2.00	2.00	2.00	2.00	2.00
<b>Leisure Time Activities</b>						
Parks	15.00	15.00	15.00	15.00	15.00	15.00
Park Acreage	140.00	140.00	140.00	140.00	140.00	140.00
Tennis Courts	8.00	8.00	8.00	8.00	8.00	8.00
Baseball Diamonds	3.00	3.00	3.00	3.00	3.00	3.00
Softball Fields	12.00	12.00	12.00	12.00	12.00	12.00
<b>Transportation</b>						
Streets (Paved Miles)	124.88	126.55	126.55	126.55	128.35	130.99
<b>Water</b>						
Water Mains (miles)	133.28	135.97	135.97	135.97	135.97	136.37
<b>Sewer</b>						
Sanitary Sewers (miles)	87.68	91.25	91.25	91.25	91.25	91.25

Source: City of Barberton Departments.

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00
16.00	16.00	16.00	16.00
161.10	161.00	161.00	161.00
8.00	8.00	6.00	6.00
11.00	11.00	11.00	11.00
7.00	7.00	7.00	7.00
130.99	130.99	130.99	130.99
136.70	137.50	137.50	137.50
91.25	92.50	92.50	92.50

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Dave Yost • Auditor of State

CITY OF BARBERTON  
SUMMIT COUNTY

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# Dave Yost • Auditor of State

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

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

To the City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Barberton, Summit County, Ohio, (the City) as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 15, 2011. 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 opinions 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 Government'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 internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the City's financial statements 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 was not designed to identify all deficiencies in internal control over financial reporting 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.



### **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 August 4, 2011.

We intend this report solely for the information and use of management, 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.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State

July 15, 2011



# Dave Yost • 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 Barberton  
Summit County  
104 Third Street N.W.  
Barberton, Ohio 44203

To the City Council:

### Compliance

We have audited the compliance of City of Barberton, Summit County, Ohio (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of City of Barberton's major federal programs for the year ended December 31, 2010. 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 Barberton, Summit County, Ohio complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended December 31, 2010.

### 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, to determine our auditing procedures for the purpose of opining on compliance and to test and report on internal control over 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 August 4, 2011.

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

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of City of Barberton, Summit County, Ohio (the City) as of and for the year ended December 31, 2010, and have issued our report thereon dated July 15, 2011. 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 required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



**Dave Yost**  
Auditor of State

August 4, 2011, except for the Supplemental Federal Awards Expenditures Schedule which is dated July 15, 2011.

**CITY OF BARBERTON  
SUMMIT COUNTY**

**FEDERAL AWARDS EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2010**

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Expenditures
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>			
<i>Passed Through Akron City Department of Health:</i>			
Special Supplemental Food Program for Women, Infants, and Children	110	10.557	\$193,042
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>			
<i>Community Development Block Grant - Entitlement Grants Cluster:</i>			
<i>Direct</i>			
Community Development Block Grant Entitlement Grants	N/A	14.218	898,306
<i>Passed Through the County of Summit</i>			
ARRA - Community Development Block Grant Entitlement Grants	N/A	14.253	200,292
<i>Passed Through the Ohio Department of Development</i>			
Community Development Block Grants/Entitlement Grants	N/A	14.218	612,963
<i>Passed Through the County of Summit</i>			
Community Development Block Grants/Entitlement Grants	N/A	14.218	<u>407,650</u>
Total Community Development Block Grant - Entitlement Grants Cluster			<u>2,119,211</u>
Total U.S. Department of Housing and Urban Development			<u>2,119,211</u>
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>			
<i>Direct</i>			
Regional Information Sharing Systems	N/A	16.610	8,164
Bulletproof Vest Partnership Program	N/A	16.607	2,795
ARRA - Public Safety Partnership and Community Policing Grant	N/A	16.710	122,955
<i>Passed through the City of Akron</i>			
ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Program / Grants To Units Of Local Government	101	16.804	<u>13,458</u>
Total U.S. Department of Justice			<u>147,372</u>
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>			
<i>Passed through the Akron City Department of Health</i>			
Immunization Grants	101A	93.268	33,977
Maternal and Child Health Services Block Grant to the States	101Q	93.994	23,613
<i>Passed through the Area Agency on Aging</i>			
Special Programs for the Aging Title III, Part B, Grants for Supportive Services and Senior Centers	227B	93.044	<u>1,246</u>
Total U.S. Department of Health and Human Services			<u>58,836</u>
<b><u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u></b>			
<i>Direct</i>			
Brownfields Assessment and Cleanup Cooperative Agreements	N/A	66.818	26,261
ARRA - Brownfields Assessment and Cleanup Cooperative Agreements	N/A	66.818	<u>64,062</u>
Total U.S. Environmental Protection Agency			<u>90,323</u>
<b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>			
<i>Passed through Ohio Department of Transportation</i>			
ARRA - Highway Planning and Construction	N/A	20.205	<u>52,733</u>
<b>TOTAL</b>			<b><u><u>\$2,661,517</u></u></b>

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

**CITY OF BARBERTON  
SUMMIT COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE  
FISCAL YEAR ENDED DECEMBER 31, 2010**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

These loans are collateralized by mortgages on the property. At December 31, 2010, the gross amount of loans outstanding under this program was \$98,736.

**Activity in the CDBG revolving loan fund during 2010 is as follows:**

Beginning loans receivable balance as of January 1, 2010	<b>\$219,877</b>
Loans made	
Loan principal repaid	121,141
Ending loans receivable balance as of December 31, 2010	<u><b>\$ 98,736</b></u>

**NOTE C - SUBRECIPIENTS**

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

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

**CITY OF BARBERTON  
SUMMIT COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2010**

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weaknesses reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510(a)?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	CFDA #14.218 & 14.253, Community Development Block Grant – Entitlement Grants Cluster; CFDA #16.710, ARRA-Public Safety Partnership and Community Policing Grant
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	Yes

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

None

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

None



# Dave Yost • Auditor of State

**CITY OF BARBERTON**

**SUMMIT COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
AUGUST 25, 2011**