



Mary Taylor, CPA
Auditor of State

CITY OF AKRON
SUMMIT COUNTY

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Mary Taylor, CPA

Auditor of State

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

City of Akron
Summit County
166 South High Street
Akron, Ohio 44308

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 Akron, Summit County, Ohio, (the City) as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 22, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

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

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

We noted certain matters that we reported to the City's management in a separate letter dated August 25, 2009.

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 instances of noncompliance or other matters that we must report under *Government Auditing Standards* which are described in the accompanying Schedule of Findings and Questioned Costs as items 2008-001 and 2008-002.

We also noted certain noncompliance or other matters not requiring inclusion in this report that we reported to the City's management in a separate letter dated August 25, 2009.

The City's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the City's responses and, accordingly, we express no opinion on them.

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



Mary Taylor, CPA
Auditor of State

June 22, 2009



Mary Taylor, CPA

Auditor of State

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

City of Akron
Summit County
166 South High Street
Akron, Ohio 44308

To the City Council:

Compliance

We have audited the compliance of the City of Akron, Summit County, Ohio, (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to each of its major federal programs for the year ended December 31, 2008. The summary of auditor's results section of the accompanying Schedule of Findings identifies the City's major federal programs. The City's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

In our opinion, the City of Akron complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended December 31, 2008. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that OMB Circular A-133 requires us to report, which is described in the accompanying Schedule of Findings and Questioned Costs as item 2008-003.

In a separate letter to the City's management dated August 25, 2009, we reported other matters related to federal noncompliance not requiring inclusion in this report.

Internal Control Over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with 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 expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

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

We noted a matter involving the internal control over federal compliance not requiring inclusion in this report, that we reported to the City's management in a separate letter dated August 25, 2009.

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

Supplemental Schedule of Expenditures of Federal Awards

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 the City as of and for the year ended December 31, 2008, and have issued our report thereon dated June 22, 2009. Our audit was performed to form opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Supplemental Schedule of Expenditures of Federal Awards provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

August 25, 2009, except for the Supplemental Schedule of Expenditures of Federal Awards which is dated on June 22, 2009.

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CITY OF AKRON, OHIO

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED DECEMBER 31, 2008

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA No.	Federal Expenditures
DEPARTMENT OF AGRICULTURE		
<i>From the Ohio Department of Health:</i>		
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) Child Nutrition Cluster:	10.557	\$ 1,693,002
Summer Food Service Program for Children	10.559	157,006
Total Department of Agriculture		<u>1,850,008</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		
<i>Direct Programs:</i>		
CDBG - Entitlement and (HUD-Administered) Small Cities Cluster:		
Community Development Block Grants/Entitlement Grants	14.218	9,088,770
Emergency Shelter Grants Program	14.231	290,660
HOME Investment Partnership Program	14.239	3,727,584
Lead-Based Paint:		
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	1,261,104
<i>Pass-Through From Akron Metropolitan Housing Authority (AMHA):</i>		
Demolition & Revitalization of Severly Distressed Public Housing (HOPE VI)	14.866	2,398,605
Total Department of Housing and Urban Development		<u>16,766,723</u>
DEPARTMENT OF JUSTICE		
<i>Direct Programs:</i>		
Juvenile Accountability Incentive Block Grants	16.523	23,218
Byrne Memorial Juvenile Accountability Grant	16.580	598,594
<i>From the Governor's Office of Criminal Justice Services:</i>		
Bulletproof Vest Partnership Program	16.607	58,914
Northern Ohio Violent Fugitive Task Force	16.609	22,428
Public Safety Partnership and Community Policing Grants	16.710	265,942
Protecting Inmates and Safeguarding Communities Discretionary Grant Program	16.735	39,197
Edward Byrne Memorial Justice Assistance Grant Program	16.738	155,574
<i>From National Institute of Justice:</i>		
Cold Case Task Force	16.741	9,672
Total Department of Justice		<u>1,173,539</u>
ENVIRONMENTAL PROTECTION AGENCY		
<i>From the Ohio E.P.A.:</i>		
Air Pollution Control Program Support	66.001	283,353
Total Environmental Protection Agency		<u>283,353</u>

(Continued)

CITY OF AKRON, OHIO

**SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2008**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA No.	Federal Expenditures
DEPARTMENT OF TRANSPORTATION		
<i>From the Federal Aviation Administration:</i>		
Airport Improvement Program	20.106	168,688
<i>From the Ohio Department of Highway Safety:</i>		
High Visibility Enforcement Overtime	20.601	15,945
Safety Incentives to Prevent Operation of Motor Vehicles by Intoxicated Persons	20.605	97,185
<i>Highway Planning and Construction:</i>		
Akron Metropolitan Area Transportation Study	20.205	1,103,766
ODOT - South Arlington Signals		101,905
ODOT - Cascade Locks Bikeway - Phase IIA		1,060,000
ODOT - Evans Avenue		104,168
ODOT - Manchester Road		218,626
ODOT - Summit Lake and Kenmore Towpath		675,444
ODOT - Tallmadge Avenue Widening		318,135
ODOT - West Market Street-Hawkins to Pershing		1,806,007
Total CFDA No. 20.205		<u>5,388,051</u>
Total Department of Transportation		<u>5,669,869</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES		
<i>From the Ohio Department of Health:</i>		
Acquired Immunodeficiency Syndrome (AIDS) Activity	93.118	80,424
Childhood Lead Poisoning Prevention Projects - State and Local		
Strengthening Treatment Access and Retention	93.243	5,093
Immunization Grants	93.268	53,413
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	468,677
Refugee and Entrant Assistance Discretionary Grants	93.576	41,125
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	322,525
<i>HIV Prevention Activities - Health Department Based:</i>		
Federal Aids Education	93.940	386,902
Block Grants for Prevention and Treatment of Substance Abuse	93.959	355,410
Preventive Health Services - Sexually Transmitted Disease Control Grants	93.977	40,751
Preventive Health and Health Services Block Grant	93.991	36,704
<i>Maternal and Child Health Services Block Grant to the States</i>		
Child and Family Health Services	93.994	239,528
Dental Sealant Grant		2,721
Total CFDA No. 93.994		<u>242,249</u>
Total Department of Health and Human Services		<u>2,033,273</u>
DEPARTMENT OF HOMELAND SECURITY		
<i>From the Federal Emergency Management Agency</i>		
Disaster Grants - Public Assistance - Hurricane IKE	97.036	591,708
Assistance to Firefighters Grant	97.044	401,592
Buffer Zone Protection Program	97.078	171,818
Total Department of Homeland Security		<u>1,165,118</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u><u>\$ 28,941,883</u></u>

See notes to supplemental schedule of expenditures of federal awards.

CITY OF AKRON, OHIO

**NOTES TO SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2008**

1. BASIS OF PRESENTATION

The accompanying supplemental schedule of expenditures of federal awards includes the federal grant activity of the City of Akron, Ohio, and is presented on the cash basis of accounting in accordance with accounting principles generally accepted in the United States of America. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

2. SUBRECIPIENTS

Of the federal expenditures presented in this schedule, the City of Akron, Ohio, provided federal awards to subrecipients as follows:

Program Title	Federal CFDA No.	Amount Provided to Subrecipients
Special Supplemental Food Program for Women, Infants and Children CDBG- Entitlement and (HUD-Administered) Small Cities Cluster - Community Development Block Grant/Entitlement Grants	10.557	\$704,009
Emergency Shelter Grants Program	14.218	833,774
HOME Investment Partnership Program	14.231	290,660
Lead-Based Paint Hazard Control in Privately Owned Housing	14.239	2,389,498
Byrne Memorial Juvenile Accountability Grant	14.900	784,425
Protecting Inmates and Safeguarding Communities Discretionary Grant Program	16.580	41,799
Centers for Disease Control and Prevention Investigations and Technical Assistance	16.735	20,793
Outpatient Early Intervention Services - HIV Disease	93.283	285,694
HIV Prevention Activities	93.918	286,134
Preventive Health and Health Services Block Grant	93.940	230,958
Buffer Zone Protection Program	93.977	25,000
Total	97.078	<u>171,818</u> <u>\$6,064,563</u>

3. LOANS OUTSTANDING

The City of Akron, Ohio, had the following loan balances outstanding at December 31, 2008, which had continuing compliance requirements.

Program Title	Federal CFDA No.	Balance Outstanding
Community Development Block Grants/Entitlement Grants	14.218	\$ 66,898
Empowerment Zone Program	14.244	887,039
HOME Investment Partnership Program	14.239	3,502,877

4. DEMOLITION AND REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING (HOPE VI) – CFDA # 14.866

The City of Akron, Ohio was a sub-recipient of a grant from the Department of Housing and Urban Development (HUD) passed through the Akron Metropolitan Housing Authority (AMHA) to improve the living environment of those individuals living in public housing units that are considered to be severely distressed. The prior year expenses were not reported on the previous Supplemental Schedule of Expenditures of Federal Awards, therefore, all years are being reported on the 2008 schedule. Listed below are the federal expenditures reimbursed through AMHA by year:

<u>Year</u>	<u>Amount</u>
2006	\$ 500,000
2007	500,000
2008	<u>1,398,605</u>
Total	<u>\$ 2,398,605</u>

CITY OF AKRON
SUMMIT COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2008

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	Yes
(d)(1)(vii)	Major Programs (list):	Community Development Block Grants/Entitlement Grants - CFDA #14.218 HOME Investment Partnership Program- CFDA #14.239 Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) - CFDA #10.557 Demolition and Revitalization of Severely Distressed Public Housing (HOPE VI) -CFDA #14.866
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$868,256 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

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

Finding 2008-001

Noncompliance

Ohio Rev. Code Section 5705.10(H) requires that monies paid into any fund be used only for the purposes for which such fund is established. As a result, a negative fund balance indicates that money from one fund was used to cover the expenses of another fund.

At December 31, 2008, the following funds (aggregated at the level used for preparing the financial statements) had negative cash fund balances:

<u>Number</u>	<u>Name</u>	<u>Cash Balance</u>
2005	EMS	(\$1,176,983)
2035	Street Assessment	(724,150)
2080	Community Development	(3,510,247)
2127	AMATS	(129,330)
2140	Summer Lunch Program	(20,589)
2295	Police Grants	(814,035)
2300	Various Domestic Violence	(366,653)
2320	City Facilities Operating	(5,135,530)
4048	Capital Projects O/S Funding	(2,686,773)
4060	Streets	(20,280,232)
4155	Transportation	(1,622,162)
4160	Parks and Recreation	(108,381)
4165	Public Facilities and Improvement	(1,376,161)
5005	Sewer	(2,031,467)
5015	Golf Course	(653,931)
5020	Airport	(300,714)
6000	Motor Equipment	(1,352,607)
6005	Self Insurance	(6,040,070)
6010	Storeroom	(601,051)
6025	Engineering Bureau	(458,456)
6030	MIS	(591,584)

Negative cash fund balances are an indication that revenues from other sources were used to pay obligations of these funds. Additionally, money spent for purposes other than specified in grant agreements could result in the loss of future grant awards.

For reporting purposes, the deficit cash balances were reported as part of the "Due to Other Funds" liability, and funds with positive cash balances offsetting these deficits reported a "Due from Other Funds" asset. Since the City's cash is pooled, there was no method to determine which funds' cash was used to offset the deficit balances and consequently the "Due from Other Funds" amounts related to the deficit cash balances were assigned using certain assumptions.

Finding 2008-001 (Continued)

Maintaining positive cash fund balances is not only required by statute but is a key control in the cash management process to assure funds are available to pay obligations. To improve controls over cash management and disbursements and to help reduce the possibility of the City's funds not having adequate balances to pay incurred obligations, we recommend the City monitor fund activity to prevent future expenditures in excess of available resources. In those cases where additional funds are required, the resources should either be transferred or advanced to the fund in accordance with the Ohio Rev. Code. Use of formal advances, approved by the City Council, will allow management to determine exactly which funds cash is being used to offset deficit cash balances. This should help ensure compliance with grant and other funding restrictions as well as provide a reasonable basis for assigning "Due from Other Funds" receivables.

Officials' Response: The City has been working to minimize the amount of funds with negative cash balances at year-end and will continue to do so. The City has numerous reimbursable grant funds and capital project funds and at year-end there are expenditures that have been incurred that have not been reimbursed. The City's general practice is to issue debt after capital projects are complete to cover the deficit balance in those funds.

Finding 2008-002

Noncompliance

Ohio Rev. Code Section 5705.39 requires that total appropriations from each fund not exceed total estimated fund resources from each fund. This section also requires the City to obtain a County Auditor's certificate that total appropriations from each fund do not exceed the total official estimate or amended official estimate when amending estimated resources.

Total original appropriations exceeded total original estimated resources in the following funds:

<u>Fund Number</u>	<u>Fund Name</u>	<u>Original Estimated Resources</u>	<u>Original Appropriations</u>	<u>Variances</u>
1000	General	\$159,843,941	\$160,634,148	\$(790,207)
2005	Emergency Medical Service	11,480,356	12,403,394	(923,038)
2030	Street and Highway Maintenance	8,092,271	10,303,166	(2,210,895)
2035	Street Assessment	8,604,993	9,582,600	(977,607)
2080	Community Development	6,794,663	9,388,957	(2,594,294)
2127	Akron Metropolitan Area Transportation Study	1,367,957	1,582,594	(214,637)
2140	Summer Lunch Program	131,540	138,600	(7,060)
2146	H.O.M.E Program	3,608,397	5,348,612	(1,740,215)
2200	E.D.A. Revolving Loans	4,970	62,000	(57,030)
2295	Police Grants	(12,686)	1,914,198	(1,926,884)
2300	Various Domestic Violence	(117,073)	187,845	(304,918)
2315	Health Grants	6,669,698	6,820,224	(150,526)
2320	City Facilities Operating	8,212,324	12,109,411	(3,897,087)
2330	Various Purpose Funding	2,421,172	4,395,463	(1,974,291)

Finding 2008-002 (Continued)

<u>Fund Number</u>	<u>Fund Name</u>	<u>Original Estimated Resources</u>	<u>Original Appropriations</u>	<u>Variances</u>
4048	Non-appropriated Capital Projects	(902,858)	623,440	(1,526,298)
4050	Road and Bridge Improvement	9,324,041	13,285,912	(3,961,871)
4060	Streets	4,528,308	32,471,671	(27,943,363)
4150	Information Technology and Improvements	51,543	400,000	(348,457)
4155	Transportation	5,053,038	12,333,994	(7,280,956)
4160	Parks and Recreation	1,904,364	8,451,081	(6,546,717)
4175	Economic Development	19,751,610	28,298,412	(8,546,802)

Total appropriations exceeded total estimated resources at December 31, 2008 in the following funds:

<u>Fund Number</u>	<u>Fund Name</u>	<u>Estimated Resources</u>	<u>Appropriations</u>	<u>Variances</u>
1000	General	\$159,843,941	\$164,111,148	(\$4,267,207)
2005	Emergency Medical Service	11,480,356	13,007,394	(1,527,038)
2030	Street and Highway Maintenance	8,092,271	10,938,166	(2,845,895)
2035	Street Assessment	8,604,993	10,332,600	(1,727,607)
2080	Community Development	6,794,663	9,893,957	(3,099,294)
2127	Akron Metropolitan Area Transportation Study	1,367,957	1,582,594	(214,637)
2146	H.O.M.E Program	3,608,397	5,548,612	(1,940,215)
2200	E.D.A. Revolving Loans	4,970	62,000	(57,030)
2240	Joint Economic Development Districts	20,443,695	23,044,582	(2,600,887)
2295	Police Grants	(12,686)	2,464,198	(2,476,884)
2300	Various Domestic Violence	(117,073)	187,845	(304,918)
2315	Health Grants	6,669,698	6,820,224	(150,526)
2320	City Facilities Operating	8,212,324	12,559,411	(4,347,087)
2330	Various Purpose Funding	2,421,172	6,580,463	(4,159,291)
4048	Non-appropriated Capital Projects	(902,858)	623,440	(1,526,298)
4050	Road and Bridge Improvement	9,324,041	11,786,912	(2,462,871)
4060	Streets	4,528,308	26,971,671	(22,443,363)
4150	Information Technology and Improvements	51,543	400,000	(348,457)
4155	Transportation	5,053,038	10,333,994	(5,280,956)
4160	Parks and Recreation	1,904,364	8,451,081	(6,546,717)
4175	Economic Development	19,751,610	33,958,412	(14,206,802)
6005	Liability Self Insurance	22,903,866	27,693,312	(4,789,446)

In addition, the City did not obtain certificates from the County Fiscal Officer that appropriations from each fund do not exceed the total Amended Official Estimate of Resources for certain appropriation and estimated resource amendments.

Finding 2008-002 (Continued)

Ensuring that total appropriations from each fund do not exceed the total official estimate or amended official estimate is not only required by statute but is a key control in the budgetary process to assure funds are not appropriated to be spent when there are not adequate resources available for the expenditures. To improve control over the budgetary process and to help avoid overspending, we recommend the City Council monitor appropriations versus estimated resources. In addition, the Finance Director should obtain the required certificate from the County Fiscal Officer when amending appropriations and estimated resources.

Officials' Response: It used to be that property taxes collected by the County of Summit were the primary revenue source for the City. However, with the implementation of a 1% local income tax in 1963 along with several subsequent ballot increases passed by voters, income taxes are by far the largest revenue source of the City. Since property taxes are no longer the City's primary source of income, it is not our standard practice to submit an amended official estimate of resources to the County.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
--

Finding Number	2008-003
CFDA Title and Number	CFDA #10.557-Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
Federal Award Year	2008
Federal Agency	U.S. Department of Agriculture
Pass-Through Agency	Ohio Department of Health

Noncompliance/Questioned Cost

7 C.F.R. Section 246.14 sets forth allowable direct and indirect costs for the WIC program. Furthermore, **Ohio Department of Health (ODH) GAPP Manual, Section 101.5** states that obligations are allowable costs that a subgrantee may be legally required to pay out of program funds. They include not only actual liabilities, but also unliquidated encumbrances. The services and/or goods for which the obligation was incurred must benefit the program year for which budgeted funds were obligated and used.

Outstanding obligations at the end of a fiscal year include accounts payable for authorized services and/or goods incurred during the funded fiscal year, such as costs for employee services during the final pay period of a fiscal year or for equipment and supplies that have been ordered and delivered during a fiscal year and will be paid for in the following year. Furthermore, **ODH GAPP Manual, Section 400.3** defines an outstanding obligation when funds are encumbered on a valid purchase order or requisition to cover the cost of purchasing an authorized item on or after the start date and up to the last day of the program period. Any funds not properly obligated by the subgrantee within the program period will lapse and revert back to ODH. Obligations listed on the interim report (i.e., fourth quarter expenditure report) must be liquidated within forty-five (45) calendar days after the end of the program period.

The City reported expenditures for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) grant year 2008 (period October 1, 2007 through September 30, 2008) which exceeded the amount supported by documentation to determine they were allowable per the following:

Finding 2008-003 (Continued)

	Year-To-Date <u>Amount</u>	Liquidated <u>Obligations</u>	<u>Total</u>
Other Direct Costs- Reported	\$87,846	\$27,654	\$115,500
Other Direct Costs- Supported	<u>89,530</u>	<u>12,758</u>	<u>102,288</u>
Difference:	<u>\$1,684</u>	<u>(\$14,896)</u>	<u>(\$13,212)</u>

Since the City was unable to provide supporting documentation to determine the allowability of \$13,212 of actual expenditures and liquidated obligations, we are questioning \$13,212 as a known questioned cost.

Corrective Action Plan:

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2008-003	<ol style="list-style-type: none"> 1. The City recognizes the importance of liquidating obligations within the timeframe required per the grant agreement and will work with the Department of Public Health to ensure this issue does not re-occur. 2. The City has resolved this issue and reimbursed the Ohio Department of Health on April 14, 2009. 	April 14, 2009	Diane L. Miller-Dawson, Director of Finance

**CITY OF AKRON
SUMMIT COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 § .315 (b)
DECEMBER 31, 2008**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2007-001	Ohio Rev. Code Section 5705.10 (H) – Certain funds had negative cash fund balances which indicates that money from one fund was used to cover the expenditures of another fund.	No	Not Corrected, reissued as Finding 2008-001
2007-002	Ohio Rev. Code Section 5705.39 – Certain funds had total appropriations that exceeded total estimated resources.	No	Not Corrected, reissued as Finding 2008-002
2007-003	24 C.F.R. Section 58.22 - Community Development Block Grant funds were expended prior to HUD’s approval of the Request for Release of Funds and environmental certification.	No	Partially corrected, reissued in the Management Letter.

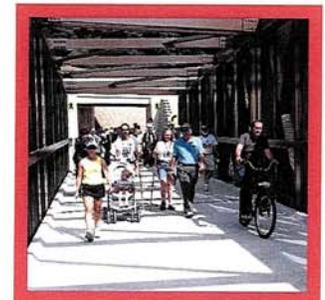
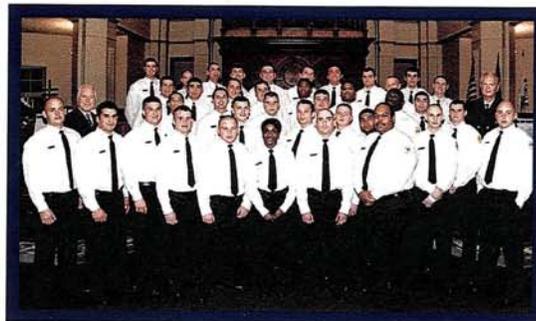
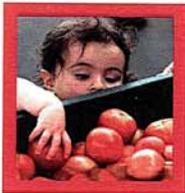
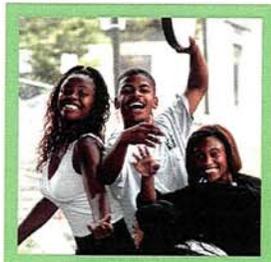
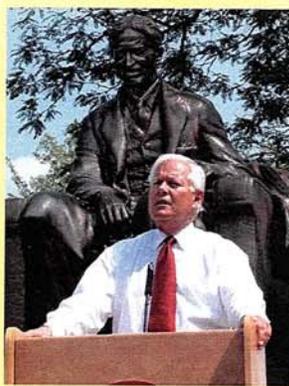
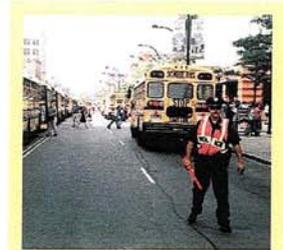
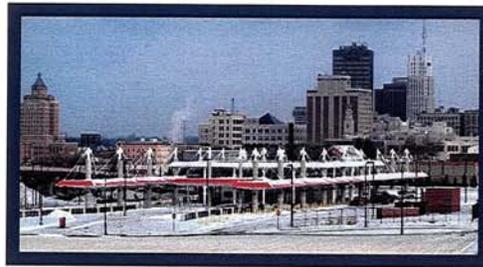
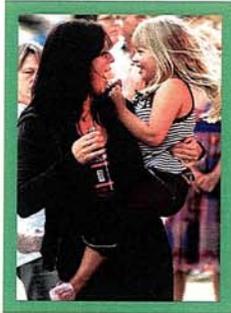
Comprehensive Annual Financial Report

City of Akron, Ohio

For the Fiscal Year Ended December 31, 2008



Donald L. Plusquellic
Mayor



City of Akron, Ohio
**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**



For the Fiscal Year Ended December 31, 2008
Donald L. Plusquellic, Mayor

Issued by The Department of Finance
Diane L. Miller-Dawson, Director



ELECTED AND APPOINTED OFFICIALS

MAYOR

Donald L. Plusquellic

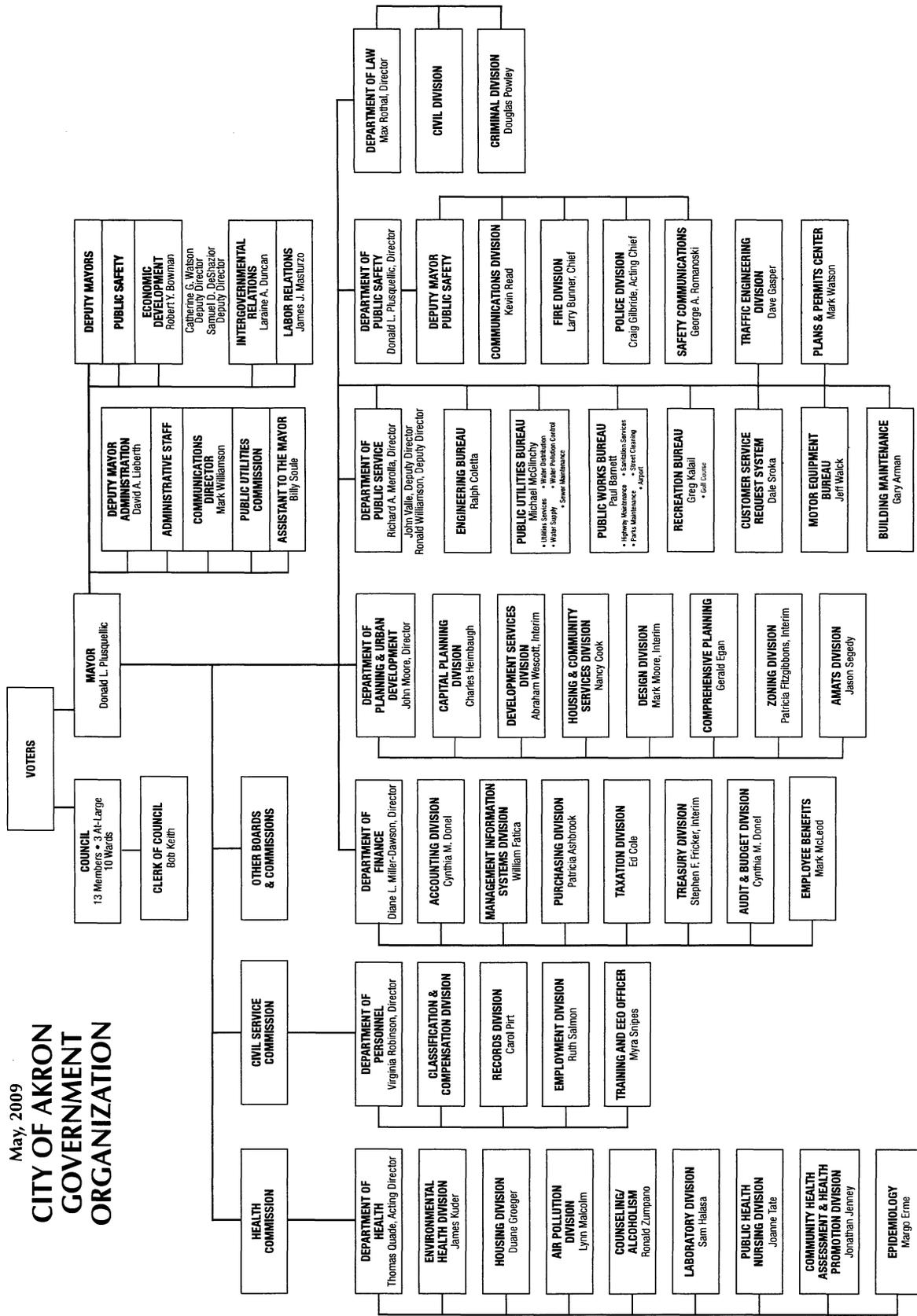
COUNCIL MEMBERS

James P. Hurley III	1st Ward
Bruce Kilby	2nd Ward
Marco S. Sommerville , Council President	3rd Ward
Reneé L. Greene , Council Vice President	4th Ward
Kenneth L. Jones	5th Ward
Dr. Teresa H. Albanese	6th Ward
Tina Merlitti	7th Ward
Raymond Cox	8th Ward
Michael N. Freeman	9th Ward
Kelli Crawford	10th Ward
John R. Conti	Councilman-at-Large
James D. Shealey	Councilman-at-Large
Michael D. Williams	Councilman-at-Large

CABINET OF THE MAYOR

Diane L. Miller-Dawson	Director of Finance
Catherine G. Watson	Deputy Director of Finance
Max Rothal	Director of Law
Richard A. Merolla	Director of Public Service
John W. Valle	Deputy Director of Public Service
Ronald Williamson	Deputy Director of Public Service
John Moore	Director of Planning and Urban Development
Samuel D. DeShazor	Deputy Director of Planning and Urban Development
David A. Lieberth	Deputy Mayor of Administration
Laraine A. Duncan	Deputy Mayor of Intergovernmental Relations
Robert Y. Bowman	Deputy Mayor of Economic Development
Mark A. Williamson	Communications Director
James J. Masturzo	Deputy Mayor of Labor Relations
Billy Soule	Assistant to the Mayor for Community Relations

May, 2009
**CITY OF AKRON
 GOVERNMENT
 ORGANIZATION**



**CITY OF AKRON, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
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Diane L. Miller-Dawson
Director of Finance
E-mail: milledia@ci.akron.oh.us



Donna M. Urdiales
Executive Assistant

Donald L. Plusquellic
Mayor

DEPARTMENT OF FINANCE

205 Municipal Building / 166 South High Street / Akron, Ohio 44308
(330) 375-2316 FAX: (330) 375-2291

June 22, 2009

The Honorable Donald L. Plusquellic
and Members of City Council
The City of Akron, Ohio

Dear Mayor Plusquellic and Council Members:

I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Akron for the year ended December 31, 2008. This report presents financial and operating information about the City's activities during 2008 that should be useful to citizens and taxpayers. The report, prepared by the Department of Finance, contains a comprehensive analysis of the City's financial position and activities for the year.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City of Akron. To the best of our knowledge and belief, the enclosed data is accurate in all material respects; it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of our various funds; and all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activities have been included.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that has been established for this purpose. The cost of internal control should not exceed anticipated benefits; therefore, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. The Audit and Budget Division prepared all of the financial statements and assisted the external independent accountants in their performance of the annual audit. The Treasurer's Office assisted in drafting the statistical section.

Generally accepted accounting principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Akron's MD&A can be found immediately following the Independent Accountants' Report.

As background for the reader of this report, the City of Akron is a charter city. The City is the fifth largest Ohio municipality in terms of population based on the 2000 Census population of 217,074. The City's land area is approximately 62 square miles and is located in the northeastern region of the state in the County of Summit.

The City is directed by a mayor and council form of government. Legislative authority is vested in a 13-member Council, three members of which are elected at-large and ten by wards. The Council determines the compensation of City officials and employees and enacts ordinances and resolutions relating to City services, tax levies, appropriation and borrowing of money, licensing and regulating businesses and trades, and other municipal purposes.

The Mayor is elected for a four-year term and has the responsibility as the City's chief executive and administrative officer. The Mayor may veto any legislation passed by Council. A veto may be overridden by a two-thirds vote of all members of Council. The Director of Finance is appointed by the Mayor and serves as the City's chief financial officer and chief accounting officer. The Director of Finance has comprehensive responsibility for the City's fiscal activities, including budget preparation and control, employee benefits, payroll and general accounting, investment and debt management, purchasing, local income tax administration, information processing, and financial reporting.

The City provides the full range of municipal services mandated by statute or charter, including police and fire protection, health, parks, recreation, street maintenance, planning, zoning, and other general government services. The City has management control of the following enterprise activities: water, sewer, oil and gas development, golf course, airport, and off-street parking.

Economic Conditions and Outlook

Major revenue sources for the City continue to be the City's income tax, property taxes, local fees, charges for services, and state-shared local government revenue. The City's cash income tax collections decreased by 1.54% in 2008. On a cash basis for 2008, property taxes in the general fund increased by .68% and the state's local government revenue to the City decreased by approximately 1.33%. Income tax receipts from the 12 largest economic sectors in the City have increased by 4.80% since 2004 and, combined, account for nearly 84.00% of total tax collections. Receipts from the 12 fastest growing economic sectors have increased by 24.61%. No one sector makes up more than 18.79% of the total collected.

Despite the economy in 2008, the City of Akron finds itself in a stable financial state and continues to see economic growth. Relative to many other U.S. cities, Akron's fiscal position is good considering it is one of only a few mid- to large-sized cities that have not been forced to lay off employees. The revenue collected from our four Joint Economic Development Districts (JEDDs) is an additional funding source to encourage and promote economic development and to secure a solid tax base.

Long-term Financial Policies

Unreserved, undesignated fund balance in the general fund (4.5% of the general fund revenues) is close to the City's 5% threshold policy guidelines set by the Administration for budgetary and planning purposes. The Administration intends to review this policy in the near future to determine if this policy meets the City's current needs.

The City completes a five-year capital budget that is updated annually. In this document, the City attempts to forecast its capital requirements for the next five years.

Relevant Financial Policies

The City has a charter requirement that the 2% income tax (the City's largest revenue source) used specifically for City services, be allocated so that 73% of net revenue is used for operations and the balance is used for capital needs.

Major Initiatives

Defining the major initiatives for the City of Akron can be summed up into three parts: creating and retaining jobs, neighborhood growth and security, and alliance with other governments.

In 2008, the City of Akron utilized more than \$38 million in residential development funds for Cascade Village South, Edgewood Homes, Spicer Village, and the Collinson Apartments to increase the total neighborhood investments for the City. The City's housing program constructed 375 affordable homes in Akron and razed 468 dilapidated residential and commercial structures. High school students in the "Education in Action" program built its 14th new home. The City also assisted 102 low-income, elderly or disabled homeowners with grants for emergency home repairs, rehabilitated and reduced lead hazards in more than 100 homes and, with FirstEnergy Corporation, provided electrical home repair to 37 low-income households. Grants were also provided to 27 low-income residents for home security, accessibility and house painting services.

Akron's Biomedical Corridor is taking shape now, holding tremendous promise, not only for the future of Akron's work force but also for the way the world looks at the City. The response has been tremendous on the part of businesses in a variety of related fields. Having an area in the central city with a concentration in this field makes Akron fertile ground for the future of biomedical-related businesses and an even stronger educational presence in the field.

The City's new Community Learning Centers continue to emerge throughout the neighborhoods, with six new schools opening last year and six more to open this year, including Akron's new Science, Technology, Engineering & Math (STEM) CLC at the National Inventor's Hall of Fame. To date, there have been 11 Community Learning Centers placed in service and they are each complete with popular after-school programs and community-centered activities. The nationally recognized after-school programs funded and operated by the City of Akron include 11 schools (Barrett, Glover, Harris, Helen Arnold, Lawndale, Leggett, Lincoln, Mason, Rankin, Robinson, Schumacher). After-school students attending regularly demonstrate higher test scores and show the greatest improvement in reading and math.

Akron was able to solidify thousands of jobs and four important companies' positions in the community. Time and energy were invested in negotiations with Bridgestone-Firestone, the Goodyear Tire and Rubber Company, Sterling Jewelers, Inc. and FirstEnergy Corporation, with each company committing that its corporate headquarters would remain in Akron.

In efforts to reduce costs, the City of Akron has consolidated services with Summit County. The City of Akron Department of Public Service has consolidated building inspection services with the Summit County Building Department and the City of Akron Finance Department's copy center has been merged with the Summit County's Department of Finance and Budget Office Services Division and is now known as Central Copy Services (CCS).

The Highway Maintenance Division has performed 11,471 customer service work requests, repaired over 45,000 potholes, resurfaced 50 miles of roadways and reduced costs by 50%, allowing Akron to expand the number of streets that can be resurfaced annually. The City's Sanitation Services Division enacted a Recycle Pilot Program for special events, such as the Hamburger Festival, the Soap Box Derby, the Akron Roadrunner Marathon, and the Akron Arts Expo, and began a program to provide curbservice/drive approach snow removal service for over 428 medical exemption customers. The 3-1-1 Call Center logged 192,079 calls from citizens seeking information and municipal services and processed 72,758 requests for a wide range of municipal services in the Customer Service Request System (CSR).

The Recreation Division hosted, for the first time, the Ohio High School Athletic Association's annual state championships in girls' softball at Firestone Stadium, attracting nearly 10,000 fans from across Ohio. The division also hosted the third annual King James Shooting Stars Classic basketball tournament with nearly 600 teams from across America playing more than 1,800 games. Also, the division programmed 1,022 events for Akron's newest Community Learning Centers.

The City of Akron launched the PeaceMakers program, sponsored by Goodyear Tire & Rubber, a youth, anti-crime program for high school students. In an eight-week orientation, students learn how government and community organizations work. The goal is to involve young people in community activities. The students meet monthly to discuss community issues that affect young people, interact with police, and learn about their rights as citizens. They conducted a Red Ribbon Week project in all of Akron's high schools, signing up more than 2,500 young people pledging to not do drugs and be involved in no violence. Six PeaceMakers classes graduated with 80 students who have dedicated themselves to making Akron a stronger and safer community.

The Public Health Department received a three-year, \$3 million dollar grant from HUD to address lead risks found in some Akron Homes. The department developed a new set of HIV prevention activities for 2009 as part of the Summit/Portage HIV Prevention Program and served a growing number of people as part of the County Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). Also, an Office of Minority Health was established to support community programs that address health disparities experienced by Akron's minority populations.

These are just a few of the initiatives that, when taken together, contribute to the strength and diversity of the City's economy.

Reporting Standards

The City's accounts are organized as funds. Each fund is a separate accounting entity with its own self-balancing set of accounts, assets, liabilities, and fund balance/equity. Following are the titles of these fund types with a brief description.

Governmental funds:

General Fund – The General Fund is the general operating fund of the City and is appropriated. It is used to account for all financial resources traditionally associated with government that are not required to be accounted for in another fund.

Special Revenue Funds – The Special Revenue Funds are used to account for revenues derived from specific taxes, grants, or other restricted revenue sources. City ordinances or federal or state statutes specify the uses and limitations of each Special Revenue Fund. During 2008, the City had 27 Special Revenue Funds.

Debt Service Funds – The Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. During 2008, the City had 11 Debt Service Funds.

Capital Projects Funds – The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital facilities other than those financed by proprietary funds. During 2008, the City had nine Capital Projects Funds.

Permanent Funds – The Permanent Funds are used for the purpose of accounting for resources that are legally restricted to the extent that earnings, and not principal, may be used for purposes that support the reporting governments. The City does not have any Permanent Funds.

Proprietary funds:

Enterprise Funds – The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, in that the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City has six Enterprise Funds.

Internal Service Funds – The Internal Service Funds are used to account for the financing of goods or services provided by one division or agency to other divisions or agencies of the government, generally on a cost-reimbursement basis. The City has eight Internal Service Funds.

Fiduciary funds:

Private Purpose Trust Funds – The Private Purpose Trust Funds are used to account for other trust arrangements which benefit individuals, private organizations, or other governments. During 2008, the City had three Private Purpose Trust Funds.

Agency Funds – The Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. The City had two Agency Funds during 2008.

Other Fiduciary Funds – The Other Fiduciary Funds include pension trust funds and investment trust funds. The City does not utilize any such Other Fiduciary Funds.

Basis of Accounting:

Except for budgetary purposes, the basis of accounting used by the City conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units and is consistent with Governmental Accounting Standards Board (GASB) Cod. Sec. 1600, “Basis of Accounting.” All governmental funds are accounted for using a current financial resources-current assets and current liabilities measurement focus. The modified accrual basis of accounting is utilized for governmental funds. Revenues are recognized when they are susceptible to accrual (both measurable and available). Expenditures are recognized when the related liability is incurred, except for interest on long-term debt which is recorded when due.

The measurement focus on the City’s proprietary and fiduciary funds is on the flow of total economic resources (all assets and liabilities). The accrual basis of accounting (revenues are recognized when earned and expenses when incurred) is utilized by the City in its proprietary funds.

The City’s basis of accounting for budgetary purposes differs from GAAP in that revenues are recognized when received rather than when susceptible to accrual (measurable and available), and encumbrances are included as expenditures rather than as reservations of fund balances.

Accounting policies are further explained in Note 1 to the basic financial statements.

Cash Management

Effective cash management is recognized as essential to good fiscal management. The primary objectives of the City’s investment activities are the preservation of capital and the protection of investment principal. The Treasurer’s Office within the Department of Finance invests all cash, following the City’s own investment ordinance, in various securities which consist of fixed-rate City bonds and notes, certificates of deposit, fully collateralized repurchase agreements, and U.S. government obligations. The City’s investment ordinance was modified in late 1986 to take advantage of State of Ohio investment opportunities. However, the local investment policy continues to be conservative with the highest priority given to safeguarding assets. For 2008,

investment interest income averaged a yield of 2.77% compared to a yield of 4.87% in 2007. The interest earnings are maximized by investing to projected payment dates on a competitive bid basis and by investing bank balances daily.

Risk Management

The City has been self-insured for liability coverage for non-auto-related incidents since 1985. This program was established in response to the dramatic rise in premiums in the mid-1980's and the increases in exclusions written into standard insurance policies. Additionally, the City is primarily self-insured for employee medical benefits, including major medical, dental, and vision care. This has proven to be the most cost-effective program for this type of coverage. The City also has in place reserve funds for workers' compensation and medical benefits. For other types of coverage, such as property insurance, airport liability, employee life, auto liability, and boiler and machinery coverage, the City has secured traditional insurance. The City is assisted in its insurance program by an independent consulting firm that writes no insurance but has expertise in the insurance industry. The City relies on the advice offered by the consultant in securing any insurance.

Pension

The City contributes to two state-administered retirement plans covering various groups of City employees. Police and firefighters participate in the statewide Ohio Police and Fire Pension Fund. Substantially, all other City employees participate in the statewide Ohio Public Employees Retirement System (OPERS). The City's total contributions to these plans were equal to 100% of the required employer contributions for the year. The financial statements of these state-mandated plans are not included in the City's financial reports as the plans are outside of our control and are independent of our financial resources or influence.

Independent Annual Audit

We appreciate the cooperation of State Auditor Mary Taylor, CPA, and her staff in completing the City's audit in a timely and highly professional manner.

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 Akron, Ohio, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2007. 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 Akron, Ohio, has received Certificates of Achievement for the last

24 consecutive years (1984 through 2007). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgments

The 2008 Comprehensive Annual Financial Report could not have been accomplished without the dedication of the professionals in the Audit and Budget Division of the Department of Finance. Special acknowledgment must go to the Audit and Budget staff for the many hours of quality service they have provided to the City in the formulation of this report. I further wish to thank you, Mayor, for continuing to provide to the department the necessary support and leadership required to enhance the City's overall fiscal position and its financial reporting practices. We trust that this timely, complete, and fully readable Comprehensive Annual Financial Report satisfies your needs and those of City Council for responsible financial planning and reporting.

Respectfully,

A handwritten signature in black ink, reading "Diane L. Miller-Dawson". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Diane L. Miller-Dawson
Director of Finance

DLMD/dmu

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Akron
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

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.



A handwritten signature in black ink, appearing to read "M. L. R. M.", written in a cursive style.

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer", written in a cursive style.

Executive Director

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

City of Akron
Summit County
166 South High Street
Akron, Ohio 44308

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 Akron, Summit County, Ohio, (the City) as of and for the year ended December 31, 2008, 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 Akron, Summit County, Ohio, as of December 31, 2008, and the respective changes in financial position and where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2009, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis and the budgetary comparisons for the General Fund, Community Learning Centers Fund, and Income Tax Capital Improvement Fund are not a required part of the basic financial statements but are supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

101 Central Plaza South / 700 Chase Tower / Canton, OH 44702-1509
Telephone: (330) 438-0617 (800) 443-9272 Fax: (330) 471-0001
www.auditor.state.oh.us

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

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

June 22, 2009

CITY OF AKRON, OHIO MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis of the City of Akron, Ohio financial performance provides an overview of Akron's financial activities for the fiscal year ended December 31, 2008. Please read it in conjunction with the transmittal letter on page 7 and the City's financial statements, which begin on page 34.

FINANCIAL HIGHLIGHTS

- The assets of the City of Akron, Ohio exceeded its liabilities at December 31, 2008 by \$729,722,855 (net assets). Of this amount \$82,198,940 is restricted for debt service.
- The City's total net assets increased by \$15,529,573 during the current year. Governmental activities' total net assets decreased by \$4,055,122 and the business-type activities' total net assets increased by \$19,584,695.
- As of the close of the current fiscal year, the City of Akron's governmental funds reported combined ending fund balances of \$160,986,623, a decrease from the prior year.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$6,827,641, or 4.41% of total general fund expenditures.
- The City of Akron's total long-term debt increased slightly by \$9,195,566 (1.34%) during the current year. During 2008, the City of Akron issued \$20,150,000 in Non-Tax Revenue Bonds and \$2,746,700 in OPWC Loans. Also during the year, the City retired \$13,266,458 of G.O. Bonds.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Akron's basic financial statements. The City of Akron's basic financial statements are comprised of the following: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Akron's finances in a manner similar to a private sector business.

The statement of net assets presents information on all of the City of Akron's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City of Akron is improving or deteriorating.

The statement of activities presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Akron that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business type activities). The governmental activities of the City of Akron include general government, public service, public safety, community environment, public health and recreation and parks. The business-type activities of the City of Akron include water, sewer, oil and gas, golf, airport and off-street parking operations.

The government-wide financial statements can be found on pages 34 – 35 of this report.

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

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

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

The City of Akron maintains 48 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Community Learning Centers Fund, Income Tax Capital Improvement Fund, CLC Bond Payment Fund Special Assessment Bond Payment Fund, and Streets Fund, which are considered to be

major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Akron adopts an annual appropriated budget for its General Fund, and for special revenue, some debt service, enterprise and internal service funds. The General Fund, Community Learning Centers Fund, and Income Tax Capital Improvement Fund budgetary schedules (non-GAAP budgetary basis) have been provided as Required Supplementary Information (RSI) to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 36-39 of this report.

Proprietary funds. The City of Akron maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Akron uses enterprise funds to account for its water, sewer, oil and gas, golf, airport, and off-street parking operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of Akron's various functions. The City of Akron uses internal service funds to account for its vehicle maintenance, medical self-insurance, workers' compensation self-insurance, other self-insurance costs, storeroom (providing City-wide copy center, mailing operation and central storeroom), management information systems (responsible for all data processing and computer operations of the City), telephone system (with outside cable plant consisting of underground and aerial wires and telephone cables), and engineering bureau (responsible for design and construction for City streets, sidewalks, sewer and water utilities, bridges, and City facilities). Because most of the internal services predominantly benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Sewer, and Off-Street Parking operations, which are considered to be major funds of the City of Akron. Conversely, the internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the nonmajor enterprise and the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 40 – 42 of this report.

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

The basic fiduciary fund financial statements can be found on pages 43 – 44 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 45-97 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information (RSI) concerning the City of Akron's General Fund, Community Learning Centers Fund, and Income Tax Capital Improvement Fund budgetary comparison. Required Supplementary Information (RSI) can be found on pages 99-103 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds, enterprise funds and internal service funds are presented immediately following the Required Supplementary Information (RSI) and can be found on pages 106-175 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Akron, assets exceeded liabilities by \$729,722,855 at the close of the most recent fiscal year.

By far the largest portion of the City of Akron's net assets reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City of Akron uses these capital assets to provide services to the citizens; consequently, these assets are not available for future spending. Although the City of Akron's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Akron's net assets (11.26%) is restricted for the payment of debt service.

The City's net assets increased by \$15,529,573 during the current year. The net assets of the governmental activities decreased by \$4,055,122 and business-type activities increased by \$19,584,695.

Summary Statement of Net Assets
as of December 31, 2007 and 2008
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2007	2008	2007	2008	2007	2008
Assets:						
Current and other assets	\$ 432,820	\$ 384,365	\$ 36,849	\$ 26,559	\$ 469,669	\$ 410,924
Capital assets	813,615	869,089	469,908	485,059	1,283,523	1,354,148
Total assets	\$ 1,246,435	\$ 1,253,454	\$ 506,757	\$ 511,618	\$ 1,753,192	\$ 1,765,072
Liabilities:						
Long-term liabilities	676,534	663,588	132,418	116,054	808,952	779,642
Other liabilities	205,084	229,105	24,962	26,602	230,046	255,707
Total liabilities	\$ 881,618	\$ 892,693	\$ 157,380	\$ 142,656	\$ 1,038,998	\$ 1,035,349
Net assets:						
Invested in capital assets						
net of related debt	350,901	352,616	331,089	361,079	681,990	713,695
Restricted	136,131	67,956	9,603	14,243	145,734	82,199
Unrestricted	(122,216)	(59,811)	8,685	(6,360)	(113,531)	(66,171)
Total net assets	\$ 364,816	\$ 360,761	\$ 349,377	\$ 368,962	\$ 714,193	\$ 729,723

Governmental activities. Expenses exceeded revenues by \$4,413,021.

For the governmental activities, the unrestricted deficit results from having insufficient assets set aside for long-term obligations such as compensated absences. The City finances such obligations on a year-to-year basis as they come due and must be paid. The deficit is also a result of having ongoing capital projects that are debt-financed.

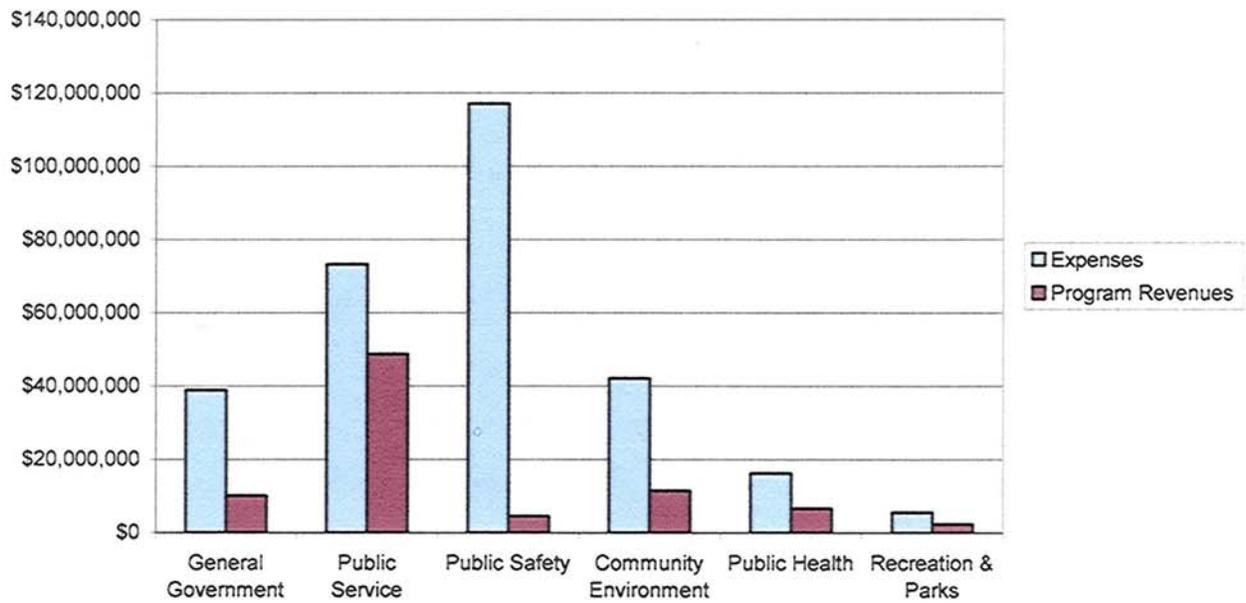
The following table shows total revenues for 2008 were \$330,679,000 and shared revenues decreased due to current global economic conditions. Property taxes increased by \$3,172,000 and JEDD revenue by \$1,280,000 there was a decrease for the remaining revenues from 2007. Expenses for 2008 were only slightly higher by \$1,699,000 from 2007. The majority of the lower expenses were in community environment which was offset by higher expenses primarily in public service and public safety. Key events contributing to the changes are as follows:

- The decrease in revenue is attributed to the current state of the economy.
- Shared revenue and community environment expenses decreased as a result of the decrease in the funding of the acquisition and construction costs associated with the Community Learning Centers.
- Property taxes typically show an increase from year to year. The 2008 increase is below the average due to tangible personal property used in business being phased out over four years by the State of Ohio. The percentages are 18.75%, 12.50%, 6.25%, and 0.00% for 2006, 2007, 2008, and 2009, respectively.
- The wage increase for 2008 was 1.00% for all employees except Police and Fire received 3.00% for all bargaining members.

Changes in Net Assets
For Fiscal Year Ended December 31, 2007 and 2008
(in thousands)

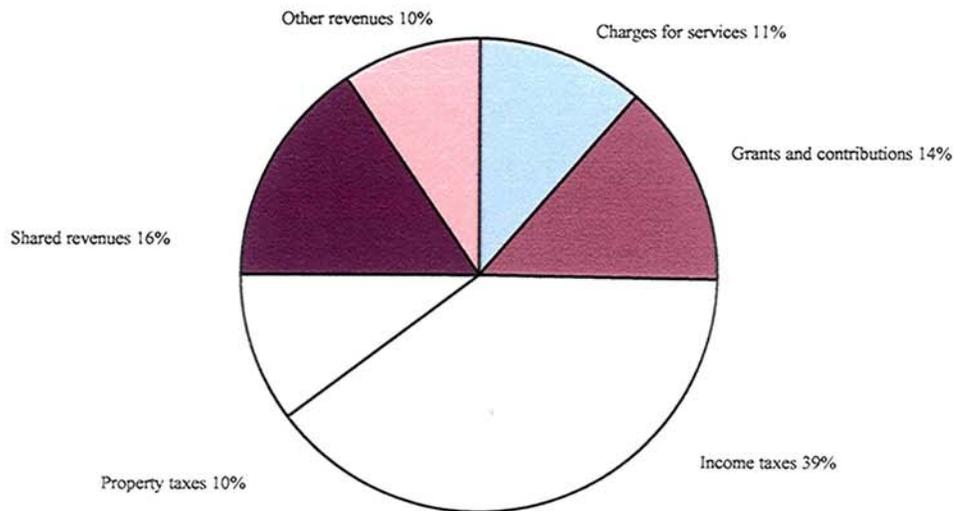
	Governmental Activities		Business-type Activities		Total	
	2007	2008	2007	2008	2007	2008
Revenues:						
Program revenues:						
Charges for services	\$ 42,478	\$ 38,027	\$ 75,463	\$ 74,054	\$ 117,941	\$ 112,081
Operating grants and contributions	21,939	23,163	-	-	21,939	23,163
Capital grants and contributions	24,823	22,906	5,918	14,089	30,741	36,995
General revenues:						
Income taxes	144,648	130,611	-	-	144,648	130,611
Property taxes	30,155	33,327	-	-	30,155	33,327
JEDD revenues	16,551	17,831	-	-	16,551	17,831
Investment earnings	4,821	3,557	504	204	5,325	3,761
Unrestricted shared revenues	65,034	51,292	-	-	65,034	51,292
Miscellaneous	10,899	9,965	2,092	4,976	12,991	14,941
Total revenues	\$ 361,348	\$ 330,679	\$ 83,977	\$ 93,323	\$ 445,325	\$ 424,002
Expenses:						
General government	\$ 40,750	\$ 38,873	\$ -	\$ -	\$ 40,750	\$ 38,873
Public service	63,896	73,263	-	-	63,896	73,263
Public safety	114,352	117,040	-	-	114,352	117,040
Community environment	50,882	42,181	-	-	50,882	42,181
Public health	17,569	16,288	-	-	17,569	16,288
Recreation and parks	5,801	5,621	-	-	5,801	5,621
Interest on debt	27,326	28,172	-	-	27,326	28,172
Unallocated depreciation	12,818	13,654	-	-	12,818	13,654
Water	-	-	33,460	29,840	33,460	29,840
Sewer	-	-	35,288	35,843	35,288	35,843
Oil & gas	-	-	204	933	204	933
Golf course	-	-	1,317	1,347	1,317	1,347
Airport	-	-	787	986	787	986
Off-street parking	-	-	5,974	4,431	5,974	4,431
Total expenses	333,394	335,092	77,030	73,380	410,424	408,472
Changes in net assets before transfers	27,954	(4,413)	6,947	19,943	34,901	15,530
Gain (loss) on sale of capital assets	224	-	-	-	224	-
Transfers	352	358	(352)	(358)	-	-
Changes in net assets	\$ 28,530	\$ (4,055)	\$ 6,595	\$ 19,585	\$ 35,125	\$ 15,530
Net assets - beginning	336,286	364,816	342,782	349,377	679,068	714,193
Net assets - ending	\$ 364,816	\$ 360,761	\$ 349,377	\$ 368,962	\$ 714,193	\$ 729,723

Expenses and Program Revenues - Governmental Activities



The above chart shows the revenue generated by the various programs of the City of Akron and the expenses relating to each program. As shown below, the primary source of revenue that funds these programs is reported in the financial statements as income taxes.

Revenues By Sources Governmental Activities



FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

As noted earlier, the City of Akron uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the City of Akron's governmental funds reported a combined ending fund balance of \$160,986,623, a decrease in comparison to the prior year. The unreserved fund balance at the end of the current year is \$122,294,436. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed (1) to liquidate contracts and purchase orders of the prior period (\$21,263,457) and (2) to reserve for loans receivable (\$17,428,730). The City's major governmental funds are the General Fund, the Community Learning Centers (CLC) Fund, Income Tax Capital Improvement Fund, Special Assessment Bond Payment Fund, the CLC Bond Payment Fund, and the Streets Fund.

The General Fund is the chief operating fund of the City of Akron. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$6,827,641, while the total fund balance is \$9,214,346. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 4.41% of total General Fund expenditures, while total fund balance represents 5.95% of that same amount.

The fund balance of the City of Akron's General Fund decreased by \$4,398,059 during the current fiscal year. Key factors in this change are as follows:

- Revenues as a whole decreased by \$2,063,225 (1.33 %) from the prior year. The decrease is mainly due to the decrease in Income Tax revenue.
- Expenditures increased by 4.38% during the current year due primarily to the increase in wages and associated benefits
- General Fund expenditures exceeded revenues for 2008 by \$1,388,009. The two significant items that attributed to the change are the decrease in Income Tax revenue and the increase in wages, both of which were previously mentioned.
- The practice of transferring monies from the General Fund, \$3,070,050 in 2008, to subsidize various operations and provide the local match for grants is a method used annually by the City to provide resources to these funds.

The Community Learning Centers Fund has a total fund balance of \$88,962,997. The net increase in the Community Learning Centers Fund from the prior year was \$4,921,645. The increase in fund balance is due mainly to the following:

- Investment earnings were \$2,409,849 less than the prior year. As previously mentioned, the Community Learning Center project costs were funded by reducing the investments held directly impacting the amount of investment earnings.
- Community environment expenditures were only \$829,000 in 2008 which reflect the decrease in Community Learning Center projects during the year.
- Debt service expenditures were \$10,927,866 in the current year.

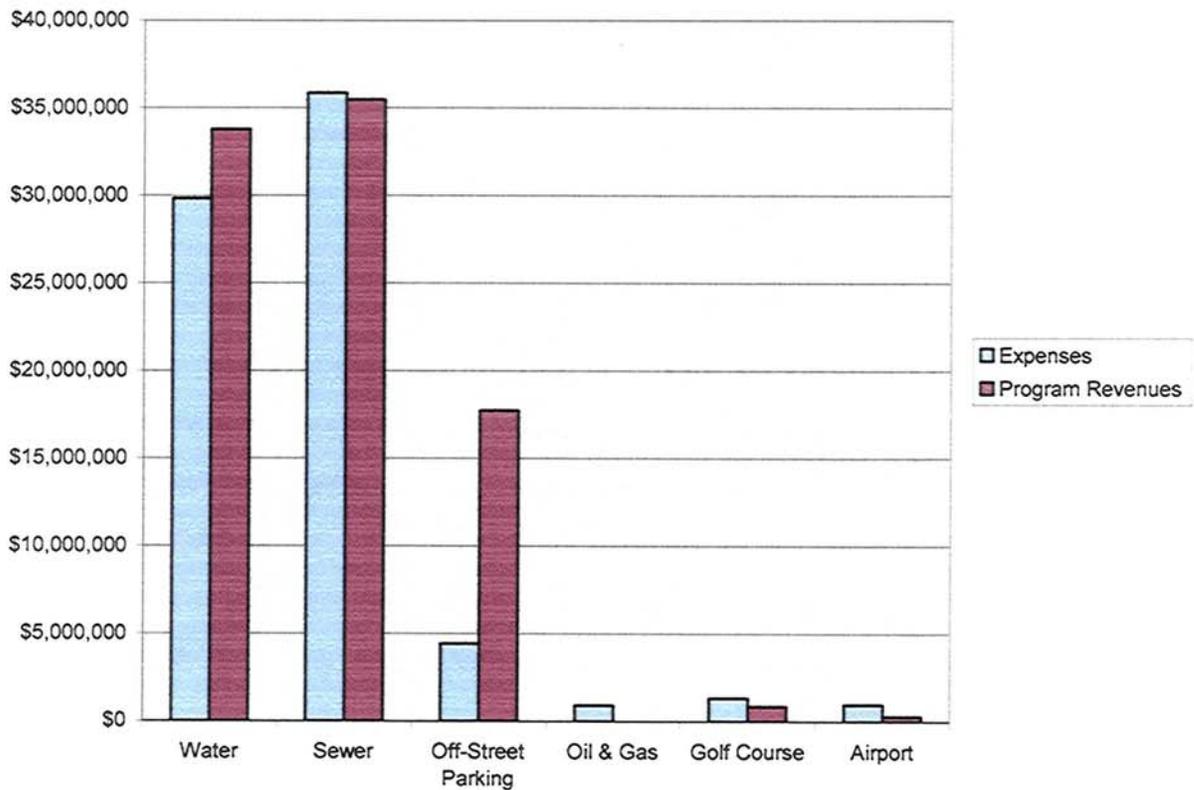
The Income Tax Capital Improvement Fund has a total fund balance of \$5,271,900. Expenditures exceeded revenue by \$4,171,379 in 2008. The change in fund balance relates to the City's policy to fund the project and then reimburse itself after a project has been completed.

For fiscal year 2008 the Special Assessment Bond Payment Fund revenues and bond proceeds exceeded expenditures by \$78,520. The City accumulates resources for the payment of debt and related costs at a balanced level.

For the current fiscal year in the CLC Bond Payment Fund, expenditures exceeded revenues by \$27,523,856. This is due to the City expending revenues on hand to pay for current projects. The City had sufficient fund balance to complete three phases of this project and even ended the year with \$64,545,906 in fund balance.

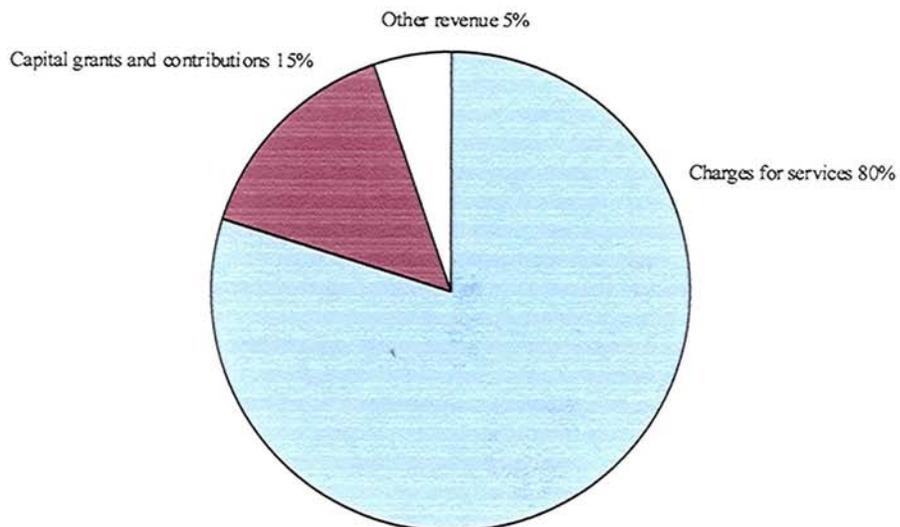
The Streets Fund accounts for numerous street projects annually that are funded primarily by special assessments and proceeds from the issuance of bonds. Expenditures exceeded revenues by \$9,028,333 during the current year due to the City's policy to fund the projects and then reimburse itself after the projects have been completed.

Expenses and Program Revenues - Business-type Activities



The above chart shows the revenue generated by the various business-type activities of the City of Akron and the expenses relating to each activity. As shown below, the majority of the revenue that funds these activities is reported in the financial statements as charges for services.

Revenues by Sources - Business-type Activities



Business-type activities. Business-type activities increased the City of Akron's net assets by \$19,584,695. Capital grants and contributions were higher than the prior year by \$8,170,532 and miscellaneous revenue increased by \$2,884,718 to account for half of the change in net assets.

Proprietary funds. The City of Akron's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The City's major enterprise funds are the Water, Sewer, and Off-Street Parking.

Unrestricted net assets of the Water fund at the end of the year was a deficit of \$1,468,564; for the Sewer fund a deficit of \$1,889,893; and \$99,031 for the Off-Street Parking fund. The change in net assets for the Water, Sewer and Off-Street Parking Funds were \$4,905,359, \$2,818,865, and \$12,450,157 respectively.

The Water Department services the City and 11 surrounding communities which account for 83,765 customer accounts and 1,221 miles of water mains. All bonds of the Water fund are paid from water enterprise revenues. A ten-year comparison of certain water enterprise data is shown in Schedule 15 of the Statistical Section. Water rates remained stable and results of operations yielded an increase in net assets due to cost containment.

The Sewer Department services the City and 12 surrounding communities which account for 79,835 customer accounts and 1,340 miles of sewer lines. All bonds of the Sewer fund are paid from sewer enterprise revenues. A ten-year comparison of certain sewer enterprise data is shown in Schedule 15 of the Statistical Section. Sewer rates remained virtually unchanged with only slight increases to a small population of non-resident customers and results of operations yielded an increase in net assets due again to cost containment.

The Off-Street Parking fund met expectations in charges for services revenue. The rates for parking were increased during 2007 and appear adequate to cover the 2008 expenses. The increase in net assets directly relates to the capital contributions for 2008.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, actual revenues and other sources exceeded conservative budgetary estimates by \$3,776,608 (2.42%). The revenue lines that were higher than budgeted were Income Taxes (\$1,468,420), Local Government (\$1,383,483), Inheritance Tax (\$1,989,706), and Property Taxes (\$1,076,202). The two revenue lines that were lower than budgeted are Other revenue (\$1,308,341) and Service Revenues (\$2,589,252).

The revised expenditures final budget amount increased by \$3,477,000 (2.16%) over the original budget amount. The actual amount of expenditures were \$3,277,644 (2.00%) less than the final amended budget. Wages/benefits for Public Service and Fire expenditure final budget was more than original budget by \$400,000 (3.04%) and \$650,000 (2.48%) respectively.

Key events contributing to the changes in the General Fund budget amounts are as follows:

- Inheritance Tax is an estimated based on historical data. During 2008, the City received \$1,989,706 more than budgeted due to an unusually high volume of receipts.
- The Department of Public Service final budget in the other category was increased by \$1,400,000. The majority of this increase was to cover interfund motor vehicle fuel costs and final year-end waste disposal invoices.
- Another significant change also related to the other category for Police where \$695,000 was added to the final budget. Similar to the Department of Public Service, the majority of the increase was to cover interfund motor vehicle fuel costs and final year-end invoices.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. The City of Akron's investment in capital assets for its government and business-type activities as of December 31, 2008, amounts to \$1,354,148,557 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements other than buildings, equipment, and infrastructure. The total increase in the City of Akron's investment in capital assets for the current fiscal year was 5.50% (a 6.82% increase for governmental activities and a 3.22% increase for business-type activities).

	City of Akron Capital Assets (net of accumulated depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2007	2008	2007	2008	2007	2008
Land	\$155,480,584	\$157,631,896	\$26,598,108	\$26,607,107	\$182,078,692	\$184,239,003
Construction in progress	72,431,297	87,274,615	33,566,109	42,053,302	105,997,406	129,327,917
Buildings	160,336,064	185,183,166	96,744,297	101,511,619	257,080,361	286,694,785
Improvements	96,971,541	96,574,067	214,825,507	207,432,562	311,797,048	304,006,629
Equipment	24,147,003	22,356,381	3,941,943	8,212,494	28,088,946	30,568,875
Infrastructure	304,248,975	320,069,356	94,231,822	99,241,992	398,480,797	419,311,348
	<u>\$813,615,464</u>	<u>\$869,089,481</u>	<u>\$469,907,786</u>	<u>\$485,059,076</u>	<u>\$1,283,523,250</u>	<u>\$1,354,148,557</u>

Additional information on the City of Akron's capital assets can be found in Note 1. G. and Note 7.

Major capital asset events during the current fiscal year included the following:

- White Pond Drive Phase 1 - \$3,029,225.
- Summit Lake and Kenmore Towpath - \$1,831,205.
- Superblock Parking Deck West Expansion – \$9,196,677.
- Brown Street, Power Street, and Kirn Street Improvements - \$1,942,229.
- Hawkins Trunk Sewer Lining - \$3,758,073.

Long-term debt. At the end of the current fiscal year, the City of Akron had total debt outstanding of \$695,915,000. All general obligation bonds are backed by the full faith and credit of the City. Special assessment bonds and notes are covered by special assessment collections and are backed by the full faith and credit of the City. The remainder of the City of Akron’s debt represents bonds secured solely by specified revenue sources.

	City of Akron Outstanding Debt (in thousands)					
	Governmental Activities		Business-type Activities		Total	
	2007	2008	2007	2008	2007	2008
General Obligation Bonds	\$216,063	\$202,923	\$801	\$674	\$ 216,864	\$ 203,597
General Obligation Notes	-	26,385	-	-	-	26,385
OPWC Loan	10,361	12,291	2,651	2,450	13,012	14,741
Ohio Department of Development Loan	1,253	1,140	-	-	1,253	1,140
Non-Tax Revenue Bonds	42,330	60,350	-	-	42,330	60,350
Income Tax Revenue Bonds	210,160	205,660	-	-	210,160	205,660
Special Revenue Bonds	42,090	39,855	-	-	42,090	39,855
Special Assessment Bonds and Notes	16,286	16,077	-	-	16,286	16,077
SIB Loan	9,358	7,253	-	-	9,358	7,253
Mortgage Revenue Bonds	-	-	51,845	45,845	51,845	45,845
Revenue Bonds	-	-	37,380	34,425	37,380	34,425
OWDA Loan	-	-	46,142	40,587	46,142	40,587
	<u>\$ 547,901</u>	<u>\$ 571,934</u>	<u>\$ 138,819</u>	<u>\$ 123,981</u>	<u>\$ 686,720</u>	<u>\$ 695,915</u>

The City of Akron’s total debt outstanding increased by \$9,195,000 (1.34%) during the current fiscal year.

During the current fiscal year the City issued \$20,150,000 in Non-Tax Revenue Bonds to pay for the cost of acquiring real property and improving it for sale or lease for economic development purposes in order to create and preserve jobs and employment opportunities.

The City of Akron’s original General Obligation bond ratings are AA- from Fitch, A1 from Moody’s, and AA- from Standard & Poor’s. The insured Water and Sewer Revenue bonds were originally rated AAA from Fitch, Aaa from Moody’s, and AAA from Standard & Poor’s.

The Ohio Revised Code provides that the outstanding general obligation bonds less self-supporting debt (e.g., income tax-backed projects) of the municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the assessed 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 total assessed value of property. The City of Akron's total debt limit (10.5%) is \$316,853,509 and the total unvoted net debt limit (5.5%) is \$165,970,886.

Additional information on the City of Akron's long-term debt can be found in Notes 10-12.

Economic Factors and Next Year's Budgets and Rates

- Akron's average annual unemployment rate at year-end was 6.7%, which increased from 5.9% compared to the prior year.
- The City of Akron budgeted income tax collections to remain stable, Local Government to decrease by approximately 7%, and Property Tax revenue to decrease by 2%.

In the 2009 budget, the General Fund unencumbered fund balance is projecting a \$219,522 increase.

Request for Information

This financial report is designed to provide a general overview of the City of Akron's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to the Office of the Finance Director, Municipal Building, Room 205, 166 South High Street, Akron, Ohio 44308.

**BASIC FINANCIAL
STATEMENTS**

City of Akron, Ohio
Statement of Net Assets
December 31, 2008

	Governmental Activities	Business-type Activities	Total
Assets			
Current assets			
Pooled cash and investments	\$ 2,315,201	\$ 4,960,931	\$ 7,276,132
Restricted cash and investments	90,341,779	11,918,674	102,260,453
Receivables, net	92,371,329	7,674,333	100,045,662
Loans receivable	2,513,605	-	2,513,605
Due from other governments	20,094,357	1,780,261	21,874,618
Internal balances	5,939,726	(5,939,726)	-
Inventories, at cost	938,645	2,969,416	3,908,061
Total current assets	<u>214,514,642</u>	<u>23,363,889</u>	<u>237,878,531</u>
Noncurrent assets:			
Receivables, net	85,268,517	-	85,268,517
Loans receivable	14,915,125	-	14,915,125
Unamortized bond costs and deferred loss	5,126,050	3,195,092	8,321,142
Deposits	64,540,016	-	64,540,016
Capital assets:			
Land and construction in progress	244,906,511	68,660,409	313,566,920
Other capital assets, net	624,182,970	416,398,667	1,040,581,637
Total noncurrent assets	<u>1,038,939,189</u>	<u>488,254,168</u>	<u>1,527,193,357</u>
Total assets	<u>1,253,453,831</u>	<u>511,618,057</u>	<u>1,765,071,888</u>
Liabilities			
Current liabilities:			
Accounts payable and other accrued liabilities	23,652,893	5,516,881	29,169,774
Customer deposits	973,929	647,804	1,621,733
Due to other governments	6,553,892	321,502	6,875,394
Unearned revenue	116,566,430	-	116,566,430
Matured bonds and interest payable	145,609	-	145,609
Accrued interest payable	2,664,643	2,437,103	5,101,746
Accrued wages	4,173,045	573,675	4,746,720
Accrued vacation and leave	11,752,959	1,315,727	13,068,686
COPs and obligations under capital lease	5,975,619	-	5,975,619
Liability for unpaid claims	4,514,337	-	4,514,337
Bonds, notes and loans payable	52,131,852	15,789,231	67,921,083
Total current liabilities	<u>229,105,208</u>	<u>26,601,923</u>	<u>255,707,131</u>
Noncurrent liabilities:			
COPs and obligations under capital lease	72,895,797	-	72,895,797
Liabilities due in more than one year	63,752,409	5,940,395	69,692,804
Deferred charges and other liabilities	16,019,416	1,923,019	17,942,435
Bonds, notes and loans payable due in more than one year	510,919,988	108,190,878	619,110,866
Total noncurrent liabilities	<u>663,587,610</u>	<u>116,054,292</u>	<u>779,641,902</u>
Total liabilities	<u>892,692,818</u>	<u>142,656,215</u>	<u>1,035,349,033</u>
Net Assets			
Invested in capital assets, net of related debt	352,615,832	361,078,967	713,694,799
Restricted for debt service	67,956,219	14,242,721	82,198,940
Unrestricted (deficit)	(59,811,038)	(6,359,846)	(66,170,884)
Total net assets	<u>\$ 360,761,013</u>	<u>\$ 368,961,842</u>	<u>\$ 729,722,855</u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Activities
For the Year Ended December 31, 2008

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating	Capital	Governmental Activities	Business-type Activities	Total
			Grants and Contributions	Grants and Contributions			
Governmental activities:							
General government	\$ 38,873,128	\$ 10,125,125	\$ -	\$ -	\$ (28,748,003)	\$ -	\$ (28,748,003)
Public service	73,262,623	25,837,733	-	22,905,722	(24,519,168)	-	(24,519,168)
Public safety	117,038,957	1,178,463	3,428,906	-	(112,431,588)	-	(112,431,588)
Community environment	42,181,020	12,583	11,523,166	-	(30,645,271)	-	(30,645,271)
Public health	16,288,130	559,903	6,108,163	-	(9,620,064)	-	(9,620,064)
Recreation and parks	5,621,234	313,784	2,102,881	-	(3,204,569)	-	(3,204,569)
Interest	28,172,429	-	-	-	(28,172,429)	-	(28,172,429)
Unallocated depreciation*	13,654,482	-	-	-	(13,654,482)	-	(13,654,482)
Total governmental activities	335,092,003	38,027,591	23,163,116	22,905,722	(250,995,574)	-	(250,995,574)
Business-type activities:							
Water	29,839,906	32,650,800	-	1,132,647	-	3,943,541	3,943,541
Sewer	35,843,446	35,355,134	-	107,016	-	(381,296)	(381,296)
Oil & gas	933,312	-	-	-	-	(933,312)	(933,312)
Golf course	1,347,435	864,188	-	-	-	(483,247)	(483,247)
Airport	985,551	188,253	-	125,742	-	(671,556)	(671,556)
Parking facilities	4,431,405	4,995,719	-	12,723,726	-	13,288,040	13,288,040
Total business-type activities	73,381,055	74,054,094	-	14,089,131	-	14,762,170	14,762,170
Total Government	\$ 408,473,058	\$ 112,081,685	\$ 23,163,116	\$ 36,994,853	\$ (250,995,574)	\$ 14,762,170	\$ (236,233,404)
General Revenues:							
Taxes:							
Income taxes					\$ 130,610,516	\$ -	\$ 130,610,516
Property taxes					33,326,060	-	33,326,060
JEDD revenues					17,831,880	-	17,831,880
Investment earnings					3,557,435	204,914	3,762,349
Unrestricted shared revenues					51,291,763	-	51,291,763
Miscellaneous					9,964,899	4,975,510	14,940,409
Transfers					357,899	(357,899)	-
Total general revenues and transfers					246,940,452	4,822,525	251,762,977
Change in net assets					(4,055,122)	19,584,695	15,529,573
Net assets - beginning					364,816,135	349,377,147	714,193,282
Net assets - ending					\$ 360,761,013	\$ 368,961,842	\$ 729,722,855

* Excludes depreciation included in program expenses.

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio

Balance Sheet - Governmental Funds

December 31, 2008

	General	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Bond Payment	CLC Bond Payment Fund	Streets	Other Governmental Funds	Total Governmental Funds
Assets								
Pooled cash and investments	\$ 1,640,615	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,182,232	\$ 6,822,847
Restricted cash and investments	-	71,316,345	-	322,320	5,890	-	18,697,224	90,341,779
Receivables, net of allowances for uncollectibles	49,631,906	77,690,680	5,248,351	22,997,807	-	52,609	19,637,537	175,258,890
Loans receivable	580,969	-	-	-	-	-	16,847,761	17,428,730
Due from other governments	-	-	-	-	-	626,827	5,094,277	5,721,104
Due from other funds	5,443,677	15,709,691	2,535,267	-	-	199,071	28,204,087	52,091,793
Deposits	-	-	-	-	64,540,016	-	-	64,540,016
Total assets	\$ 57,297,167	\$ 164,716,716	\$ 7,783,618	\$ 23,320,127	\$ 64,545,906	\$ 878,507	\$ 93,663,118	\$ 412,205,159
Liabilities								
Accounts payable	\$ 2,114,468	\$ 19,120	\$ 91,259	\$ -	\$ -	\$ 409,274	\$ 7,872,426	\$ 10,506,547
Customer deposits	-	-	-	-	-	-	973,929	973,929
Due to other governments	3,046,802	9,128	13,083	-	-	12,879	6,493,405	9,575,297
Due to other funds	1,045,345	617	16,188	-	-	20,355,873	19,508,071	40,926,094
Due to others	-	-	-	-	-	-	972,544	972,544
Deferred grant revenue	-	-	-	-	-	-	1,289,899	1,289,899
Deferred revenue	35,004,069	75,724,854	2,008,628	20,997,807	-	-	14,555,607	148,290,965
Matured bonds payable	-	-	-	-	-	-	95,000	95,000
Matured interest payable	-	-	-	-	-	-	50,609	50,609
Accrued liabilities	2,878,231	-	35,114	-	-	553,032	3,598,880	7,065,257
Accrued wages	3,029,389	-	23,891	-	-	1,957	868,283	3,923,520
Accrued vacation and leave	964,517	-	121,555	-	-	-	77,803	1,163,875
G.O. Notes	-	-	202,000	-	-	5,804,000	20,379,000	26,385,000
Total liabilities	48,082,821	75,753,719	2,511,718	20,997,807	-	27,137,015	76,735,456	251,218,536
Fund balances								
Reserved for encumbrances	1,805,736	276,710	185,363	-	-	4,042,681	14,952,967	21,263,457
Reserved for loans receivable	580,969	-	-	-	-	-	16,847,761	17,428,730
Unreserved designated for pre-encumbrances reported in general fund	230,387	-	-	-	-	-	-	230,387
Unreserved designated for pre-encumbrances reported in special revenue funds	-	-	105,691	-	-	-	226,191	331,882
Unreserved designated for pre-encumbrances reported in capital project funds	-	-	-	-	-	-	18	18
Unreserved reported in general fund	6,597,254	-	-	-	-	-	-	6,597,254
Unreserved reported in special revenue funds	-	88,686,287	4,980,846	-	-	-	(1,192,455)	92,474,678
Unreserved reported in debt service funds	-	-	-	2,322,320	64,545,906	-	14,602,636	81,470,862
Deficit reported in capital project funds	-	-	-	-	-	(30,301,189)	(28,509,456)	(58,810,645)
Total fund balances (deficits)	9,214,346	88,962,997	5,271,900	2,322,320	64,545,906	(26,258,508)	16,927,662	160,986,623
Total liabilities and fund balances	\$ 57,297,167	\$ 164,716,716	\$ 7,783,618	\$ 23,320,127	\$ 64,545,906	\$ 878,507	\$ 93,663,118	\$ 412,205,159

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Reconciliation of the Balance Sheet to the Statement of Net Assets - Governmental Funds

December 31, 2008

Total fund balances for governmental funds (Exhibit 3)		\$ 160,986,623
Total net assets reported for governmental activities in the statement of net assets is different because:		
Investments in City of Akron issued bonds and notes are eliminated in the government-wide statement of net assets.		(8,883,503)
Capital assets used in governmental activities (excluding internal service fund capital assets) are not financial resources and therefore are not reported in the funds.		864,883,302
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.		
Income taxes	8,164,218	
JEDD revenues	743,591	
Special assessments	11,825,500	
Property taxes	4,453,261	
Shared revenues	<u>7,827,864</u>	
		33,014,434
Long-term accounts receivables are not available to pay for current period expenditures.		2,307,570
The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net assets.		(12,587,724)
Long-term liabilities including bonds payable and accrued interest payable are not due and payable in the current period and therefore are not reported in the funds.		
Accounts payable and other accrued liabilities	(9,901,171)	
Due to other governments	(3,276,254)	
Accrued interest payable	(2,664,131)	
Accrued vacation and leave	(51,481,331)	
Bonds, notes and loans payable	(536,533,711)	
Obligations under capital lease	(78,582,978)	
Unamortized bond premium	(16,019,416)	
Unamortized bond issue cost	<u>5,126,050</u>	
		(693,332,942)
OPWC loan funds not drawn down, therefore, receivable not reflected in the funds.		14,373,253
		<hr/>
Total net assets of governmental activities (Exhibit 1)		<u><u>\$ 360,761,013</u></u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds

For the Year Ended December 31, 2008

	General	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Bond Payment	CLC Bond Payment Fund	Streets	Other Governmental Funds	Total Governmental Funds
Revenues								
Income taxes	\$ 80,213,321	\$ 14,915,385	\$ 35,837,062	\$ -	\$ -	\$ 21,597	\$ 2,930,484	\$ 133,917,849
Property taxes	20,914,912	-	-	-	-	-	13,094,025	34,008,937
JEDD revenues	2,400,000	-	1,500,000	-	-	-	12,120,928	16,020,928
Special assessments	84,342	-	-	3,148,476	-	454,667	10,724,548	14,412,033
Grants and subsidies:								
Community development	-	-	-	-	-	-	11,604,598	11,604,598
Other	6,176	-	-	-	-	4,125,085	15,046,546	19,177,807
Investment earnings	115,168	383,285	-	191,792	31,435	-	1,661,583	2,383,263
Shared revenues	22,749,008	-	-	-	17,598,844	-	12,062,418	52,410,270
Licenses, fees and fines	8,395,426	-	-	-	-	-	1,506,450	9,901,876
Charges for services	17,528,491	-	-	-	-	199,071	9,682,723	27,410,285
Miscellaneous	1,006,839	1,383,904	296,323	140,699	-	443,180	7,833,797	11,104,742
	<u>153,413,683</u>	<u>16,682,574</u>	<u>37,633,385</u>	<u>3,480,967</u>	<u>17,630,279</u>	<u>5,243,600</u>	<u>98,268,100</u>	<u>332,352,588</u>
Expenditures								
Current:								
General government	19,468,343	844	2,414	38,740	5,855	3,501	17,332,885	36,852,582
Public service	22,902,853	3,219	2,102,139	-	-	12,918,851	78,394,336	116,321,398
Public safety	99,003,591	-	76,379	-	-	-	18,003,570	117,083,540
Community environment	1,735,784	829,000	7,582,695	-	42,109,733	1,208,883	13,049,812	66,515,907
Public health	7,893,820	-	-	-	-	-	8,039,168	15,932,988
Recreation and parks	3,698,102	-	1,634	-	-	-	1,915,978	5,615,714
Capital outlay	-	-	-	-	-	-	1,433,944	1,433,944
Debt service:								
Principal retirement	71,325	4,165,000	19,061,598	2,957,775	-	-	4,593,717	30,849,415
Interest	27,874	6,762,866	12,977,905	405,932	3,038,547	140,698	5,522,521	28,876,343
Bond issuance expenditures	-	-	-	-	-	-	-	-
	<u>154,801,692</u>	<u>11,760,929</u>	<u>41,804,764</u>	<u>3,402,447</u>	<u>45,154,135</u>	<u>14,271,933</u>	<u>148,285,931</u>	<u>419,481,831</u>
Excess (deficiency) of revenues over (under) expenditures	(1,388,009)	4,921,645	(4,171,379)	78,520	(27,523,856)	(9,028,333)	(50,017,831)	(87,129,243)
Other financing sources (uses)								
Issuance of general obligation bonds	-	-	-	-	-	-	20,150,000	20,150,000
Issuance of special assessment notes	-	-	-	-	-	1,649,885	1,102,500	2,752,385
Transfers-in	60,000	-	-	-	-	-	3,520,999	3,580,999
Transfers-out	(3,070,050)	-	-	-	-	-	(153,050)	(3,223,100)
	<u>(3,010,050)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,649,885</u>	<u>24,620,449</u>	<u>23,260,284</u>
Net change in fund balance	(4,398,059)	4,921,645	(4,171,379)	78,520	(27,523,856)	(7,378,448)	(25,397,382)	(63,868,959)
Fund balances, January 1, 2008	13,612,405	84,041,352	9,443,279	2,243,800	92,069,762	(18,880,060)	42,325,044	224,855,582
Fund balances (deficit), December 31, 2008	<u>\$ 9,214,346</u>	<u>\$ 88,962,997</u>	<u>\$ 5,271,900</u>	<u>\$ 2,322,320</u>	<u>\$ 64,545,906</u>	<u>\$ (26,258,508)</u>	<u>\$ 16,927,662</u>	<u>\$ 160,986,623</u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
 to the Statement of Activities - Governmental Funds

For the Year Ended December 31, 2008

Net changes in fund balances - total governmental funds (Exhibit 4) \$(63,868,959)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets, which meet capitalization requirements, is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$82,829,545) exceeded depreciation (\$27,655,350) in the current period. 55,174,195

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (5,937,793)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of premiums and deferred amount on refundings when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of debt	(22,902,385)	
Payment of debt	<u>30,849,415</u>	
		7,947,030

Some of the expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. 357,676

The revenues and expenses of the internal service funds are included in the governmental activities in the statement of activities. 2,272,729

Decrease in net assets of governmental activities (Exhibit 2) \$ (4,055,122)

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Net Assets - Proprietary Funds
December 31, 2008

Exhibit 5

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities- Internal Service Funds
Assets						
Current assets						
Pooled cash and investments	\$ 4,239,415	\$ -	\$ 610,015	\$ 111,501	\$ 4,960,931	\$ 4,375,857
Restricted cash and investments	5,240,336	6,678,338	-	-	11,918,674	-
Receivables, net of allowances for uncollectibles	2,965,419	4,699,326	9,588	-	7,674,333	73,386
Due from other governments	18,114	1,573,850	-	188,297	1,780,261	-
Due from other funds	134,412	5,934	-	4,351	144,697	2,102,573
Inventories, at cost	1,761,861	1,132,504	-	75,051	2,969,416	938,645
Total current assets	14,359,557	14,089,952	619,603	379,200	29,448,312	7,490,461
Noncurrent assets						
Deferred loss on early retirement	1,165,454	811,817	-	-	1,977,271	-
Unamortized bond discount	141,521	-	-	-	141,521	-
Unamortized bond issue costs	649,907	426,393	-	-	1,076,300	-
Property, plant and equipment, net of accumulated depreciation	145,275,610	243,386,654	86,020,888	10,375,924	485,059,076	4,206,179
Total noncurrent assets	147,232,492	244,624,864	86,020,888	10,375,924	488,254,168	4,206,179
Total assets	161,592,049	258,714,816	86,640,491	10,755,124	517,702,480	11,696,640
Liabilities						
Current liabilities						
Accounts payable	1,248,676	1,284,628	269,339	139,016	2,941,659	548,949
Customer deposits	647,804	-	-	-	647,804	-
Due to other governments	99,472	30,933	190,821	276	321,502	254
Due to other funds	640,233	2,579,682	57,624	969,069	4,246,608	9,166,361
Accrued interest payable	1,483,883	950,432	2,788	-	2,437,103	512
Accrued liabilities	701,384	1,776,877	-	96,961	2,575,222	2,637,875
Accrued wages	350,241	203,362	-	20,072	573,675	249,525
Accrued vacation and leave	785,720	471,473	-	58,534	1,315,727	675,850
Obligations under capital lease	-	-	-	-	-	173,988
Liability for unpaid claims	-	-	-	-	-	4,514,337
Debt:						
General obligation bonds	-	-	35,247	-	35,247	9,639
Mortgage revenue bonds	6,220,000	560,000	-	-	6,780,000	-
Revenue bonds	-	2,955,000	-	-	2,955,000	-
OWDA loans	1,052,947	4,764,523	-	-	5,817,470	-
OPWC loans	95,958	105,556	-	-	201,514	-
Total current liabilities	13,326,318	15,682,466	555,819	1,283,928	30,848,531	17,977,290
Noncurrent liabilities						
Obligations under capital lease	-	-	-	-	-	114,450
Due in more than one year	3,179,326	2,385,681	-	375,388	5,940,395	7,906,949
Deferred charges and other liabilities	908,169	1,014,850	-	-	1,923,019	-
Bonds, notes, and loans	49,366,382	58,185,816	638,680	-	108,190,878	123,490
Total noncurrent liabilities	53,453,877	61,586,347	638,680	375,388	116,054,292	8,144,889
Total liabilities	66,780,195	77,268,813	1,194,499	1,659,316	146,902,823	26,122,179
Net assets						
Invested in capital assets net of related debt	88,540,310	176,815,772	85,346,961	10,375,924	361,078,967	3,784,612
Restricted for debt service	7,740,108	6,520,124	-	-	14,260,232	-
Unrestricted (deficit)	(1,468,564)	(1,889,893)	99,031	(1,280,116)	(4,539,542)	(18,210,151)
Total net assets	\$ 94,811,854	\$ 181,446,003	\$ 85,445,992	\$ 9,095,808		\$ (14,425,539)

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds:
Net assets of business-type activities

(1,837,815)
\$ 368,961,842

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds
For the Year Ended December 31, 2008

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities- Internal Service Funds
Operating revenues						
Charges for services	\$ 32,650,800	\$ 35,355,134	\$ 4,995,719	\$ 1,052,441	\$ 74,054,094	\$ 49,658,836
Other	1,001,513	3,151,494	47,585	774,918	4,975,510	1,493,693
	<u>33,652,313</u>	<u>38,506,628</u>	<u>5,043,304</u>	<u>1,827,359</u>	<u>79,029,604</u>	<u>51,152,529</u>
Operating expenses						
Personal services	12,734,115	7,564,871	-	1,216,724	21,515,710	9,756,289
Direct expenses	7,389,454	15,390,210	1,345,903	1,585,649	25,711,216	11,386,479
Claims	-	-	-	-	-	26,757,967
Rentals and lease	366,181	2,280	-	92,961	461,422	108,849
Utilities	1,819,887	2,321,427	638,986	119,341	4,899,641	326,572
Insurance	146,700	178,344	46,342	31,190	402,576	25,930
Depreciation, depletion and amortization	4,942,125	7,426,054	1,949,742	244,398	14,562,319	522,076
Other	29,822	19,450	413,151	3,616	466,039	8,850
	<u>27,428,284</u>	<u>32,902,636</u>	<u>4,394,124</u>	<u>3,293,879</u>	<u>68,018,923</u>	<u>48,893,012</u>
Operating income (loss)	<u>6,224,029</u>	<u>5,603,992</u>	<u>649,180</u>	<u>(1,466,520)</u>	<u>11,010,681</u>	<u>2,259,517</u>
Non-operating revenues (expenses)						
Interest income	71,838	133,076	-	-	204,914	2,385
Interest expense	(2,523,155)	(3,025,219)	(34,690)	-	(5,583,064)	(7,439)
Loss on disposal of capital assets	-	-	-	-	-	(1,708)
	<u>(2,451,317)</u>	<u>(2,892,143)</u>	<u>(34,690)</u>	<u>-</u>	<u>(5,378,150)</u>	<u>(6,762)</u>
Gain (loss) before transfers and contributions	3,772,712	2,711,849	614,490	(1,466,520)	5,632,531	2,252,755
Transfers-in	-	-	-	530,160	530,160	-
Transfers-out	-	-	(888,059)	-	(888,059)	-
Capital contributions	1,132,647	107,016	12,723,726	125,742	14,089,131	19,974
	<u>1,132,647</u>	<u>107,016</u>	<u>11,835,667</u>	<u>655,902</u>	<u>13,731,232</u>	<u>19,974</u>
Net change in net assets	4,905,359	2,818,865	12,450,157	(810,618)	19,363,763	2,272,729
Net assets, January 1, 2008	<u>89,906,495</u>	<u>178,627,138</u>	<u>72,995,835</u>	<u>9,906,426</u>		<u>(16,698,268)</u>
Net assets, December 31, 2008	<u>\$ 94,811,854</u>	<u>\$ 181,446,003</u>	<u>\$ 85,445,992</u>	<u>\$ 9,095,808</u>		<u>\$ (14,425,539)</u>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.
Change in net assets of business-type activities

220,932
\$ 19,584,695

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Cash Flows - Proprietary Funds
For the Year Ended December 31, 2008

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities Internal Service Funds
Operating activities						
Cash received from customers	\$ 33,864,005	\$ 36,030,619	\$ 5,016,505	\$ 1,088,042	\$ 75,999,171	\$ 50,103,266
Cash payments to suppliers for goods and services	(10,131,725)	(17,719,487)	(2,034,288)	(1,906,111)	(31,791,611)	(11,778,665)
Cash paid for salaries and employee benefits	(12,986,200)	(7,662,963)	-	(1,033,484)	(21,682,647)	(39,973,894)
Other revenues	1,001,513	3,151,494	47,585	774,918	4,975,510	1,493,693
Other expenses	(29,822)	(19,450)	(413,151)	(3,616)	(466,039)	(8,850)
Net cash provided by (used for) operating activities	<u>11,717,771</u>	<u>13,780,213</u>	<u>2,616,651</u>	<u>(1,080,251)</u>	<u>27,034,384</u>	<u>(164,450)</u>
Non-capital financing activities						
Transfers from other funds	-	-	-	530,160	530,160	-
Transfers in for negative cash balances	-	2,031,467	-	954,645	2,986,112	9,043,768
Transfers out for negative cash balances	-	-	-	(551,301)	(551,301)	(7,207,003)
Transfers to other funds	-	-	(888,059)	-	(888,059)	-
Net cash provided by (used for) non-capital financing activities	<u>-</u>	<u>2,031,467</u>	<u>(888,059)</u>	<u>933,504</u>	<u>2,076,912</u>	<u>1,836,765</u>
Capital and related financing activities						
Principal paid on bonds and loans	(7,187,053)	(7,618,305)	(33,633)	-	(14,838,991)	(35,085)
Interest paid on bonds and loans	(2,610,022)	(3,148,373)	(34,802)	-	(5,793,197)	(7,557)
Acquisition and construction of capital assets	(6,770,968)	(7,539,375)	(13,850,167)	(374,893)	(28,535,403)	(1,989,342)
Capital contributions	1,132,647	107,016	12,723,726	125,742	14,089,131	19,974
Net cash used for capital and related financing activities	<u>(15,435,396)</u>	<u>(18,199,037)</u>	<u>(1,194,876)</u>	<u>(249,151)</u>	<u>(35,078,460)</u>	<u>(2,012,010)</u>
Investing activities						
Purchase of investment securities	(12,397,140)	(22,912,600)	-	-	(35,309,740)	-
Proceeds from sales and maturities of investment securities	12,397,140	22,912,600	-	-	35,309,740	-
Interest on investments	71,838	133,076	-	-	204,914	2,385
Net cash provided by investing activities	<u>71,838</u>	<u>133,076</u>	<u>-</u>	<u>-</u>	<u>204,914</u>	<u>2,385</u>
Net increase (decrease) in cash and cash equivalents	(3,645,787)	(2,254,281)	533,716	(395,898)	(5,762,250)	(337,310)
Cash and cash equivalents, January 1, 2008	<u>13,125,538</u>	<u>8,932,619</u>	<u>76,299</u>	<u>507,399</u>	<u>22,641,855</u>	<u>4,713,167</u>
Cash and cash equivalents, December 31, 2008	<u>\$ 9,479,751</u>	<u>\$ 6,678,338</u>	<u>\$ 610,015</u>	<u>\$ 111,501</u>	<u>\$ 16,879,605</u>	<u>\$ 4,375,857</u>
Operating income (loss)	\$ 6,224,029	\$ 5,603,992	\$ 649,180	\$ (1,466,520)	\$ 11,010,681	\$ 2,259,517
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation, depletion and amortization	4,942,125	7,426,054	1,949,742	244,398	14,562,319	522,076
(Increase) decrease in operating assets:						
Receivables	1,155,344	674,104	20,786	22,543	1,872,777	13,199
Due from other funds	57,861	1,381	-	(412)	58,830	431,231
Due from other governments	-	-	-	13,470	13,470	-
Inventories	(357,780)	(65,160)	-	(2,494)	(425,434)	132,104
Increase (decrease) in operating liabilities:						
Accounts payable	333,370	221,996	(823)	(72,672)	481,871	(81,860)
Due to other funds	(416,711)	43,182	1,484	(2,080)	(374,125)	18,667
Due to other governments	(19,865)	(27,244)	(3,718)	276	(50,551)	254
Accrued liabilities	155,676	69,877	-	176,368	401,921	62,677
Accrued wages	19,584	4,282	-	(1,188)	22,678	1,128
Accrued vacation and leave	(375,862)	(172,251)	-	8,060	(540,053)	28,675
Estimated liability for unpaid claims	-	-	-	-	-	(3,552,118)
Net cash provided by (used for) operating activities	<u>\$ 11,717,771</u>	<u>\$ 13,780,213</u>	<u>\$ 2,616,651</u>	<u>\$ (1,080,251)</u>	<u>\$ 27,034,384</u>	<u>\$ (164,450)</u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio

Statement of Net Assets
Fiduciary Funds

December 31, 2008

	Private Purpose Trust Funds	Agency Funds
	<u> </u>	<u> </u>
Assets		
Cash and investments	\$ 8,101	\$ 905,459
	<u> </u>	<u> </u>
Total assets	<u>8,101</u>	<u>905,459</u>
Liabilities		
Due to other governments	-	890,459
Due to others	-	15,000
	<u> </u>	<u> </u>
Total liabilities	<u>-</u>	<u>905,459</u>
Net assets	<u>\$ 8,101</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio

Statement of Changes in Fiduciary Net Assets
Private Purpose Trust Funds

For the Year Ended December 31, 2008

	Private Purpose Trust Funds
	<u> </u>
Additions	
Contributions	\$ 9,121
	<u> 9,121</u>
 Deductions	
Education and awareness	<u> 5,618</u>
	<u> 5,618</u>
 Change in net assets	<u> 3,503</u>
 Net assets, January 1, 2008	<u> 4,598</u>
 Net assets, December 31, 2008	<u><u> \$ 8,101</u></u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio

Notes to the Financial Statements

Year Ended December 31, 2008

1. Summary of Significant Accounting Policies

The City of Akron (the City) was incorporated in 1836 and is a home rule municipal corporation under the laws of the State of Ohio. The City operates under a Council-Mayor form of government and provides the following services as authorized by its Charter: public safety, public service, public health, recreation and development. The accompanying financial statements comply with the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, and Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, in that the financial statements include those activities and functions for which the City is accountable. The City has no component units as defined by GASB 14 and 39. The City is associated with certain organizations which are defined as jointly governed organizations and related organizations. These organizations are presented in Notes 24 and 25 to the basic financial statements. These organizations are the Akron Metropolitan Area Transportation Study (AMATS), the Akron/Summit Convention and Visitors' Bureau and the Summit Medina Business Alliance (SMBA). The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units.

The following is a summary of the more significant policies followed during the preparation of the accompanying financial statements.

A. *Government-wide and fund financial statements*

GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* establishes requirements and a reporting model for the annual financial reports of state and local governments. The Statement was developed to make annual reports easier to understand and more useful to the people who use governmental financial information to make decisions. Financial information of the City is presented in the following format:

Basic Financial Statements:

1. *Government-wide financial statements* consist of a statement of net assets and a statement of activities.

These statements report all of the assets, liabilities, revenues, expenses, and gains and losses of the City. Governmental activities are reported separately from business-type activities. Governmental activities are normally supported by taxes and intergovernmental revenues, whereas business-type activities are normally supported by fees and charges for services and are usually intended by management to be financially self-sustaining. Fiduciary funds of the City are not included in these government-wide financial statements.

Interfund receivables and payables, and bonds and notes issued by the City and held by the City as investments, within governmental and business-type activities have been eliminated in the government-wide statement of net assets. Related interest amounts are eliminated in the government-wide statement of activities.

1. Summary of Significant Accounting Policies (Continued)

These eliminations minimize the duplicating effect on assets and liabilities within the governmental and business-type activities total column.

Internal service net assets, whether positive or negative, have been eliminated against the expenses and program revenues shown in the governmental activities statement of activities.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities.

Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

2. *Fund financial statements* consist of a series of statements focusing on information about the City's major governmental and enterprise funds. Separate statements are presented for the governmental, proprietary, and fiduciary funds.

The City's major governmental funds are the General Fund, the Community Learning Centers (CLC) Fund, Income Tax Capital Improvement Fund, Special Assessment Bond Payment Fund, CLC Bond Payment Fund, and Streets Fund. Of the City's business-type activities, the Water, Sewer, and Off-Street Parking Funds are considered major funds.

The General Fund is the primary operating fund of the City. It is used to account for all financial resources except those required to be accounted for in other funds. Its revenues consist primarily of income and property taxes, investment earnings, shared revenues, charges for services, and licenses, fees, and fines.

General Fund expenditures represent costs of general government, public service (including sanitation and recycling collection), public safety (including police and fire), community environment, public health, and recreation and parks. General Fund resources are also transferred annually to support other services which are accounted for in other separate funds.

The Community Learning Centers (CLC) Fund is used to account for the daily activity relating to the CLC project. The primary sources of revenue are City income tax, interest and funding from the Akron City School District. The CLC Bond Payment Fund relates to the same project and is used for the accumulation of resources for, and the payment of, income tax revenue, debt principal and interest and related costs.

The Income Tax Capital Improvement Fund is used to account for the accumulation of income tax revenue and the payments of costs for items specifically designated as project costs and payment of debt service. The primary revenue source is income tax revenue and some debt proceeds.

1. Summary of Significant Accounting Policies (Continued)

The Special Assessment Bond Payment Fund is used to account for the accumulation of resources for, and the payment of, special assessment debt principal and interest and related costs. Revenues consist primarily of special assessment collections.

The Streets Fund is used to account for the accumulation of resources for, and payment of street projects. Revenues consist primarily of special assessment collections and debt proceeds.

The Water Enterprise Fund accounts for financial activity related to operating the City's water supply, treatment and distribution system. In addition to over 84,000 customers in the City, the Water Enterprise Fund also serves five other municipalities and parts of six adjacent townships. Revenues consist primarily of charges for services.

The Sewer Enterprise Fund accounts for the financial activity related to operating the City's wastewater collection and treatment system that serves the City and twelve other subdivisions. Revenues consist primarily of charges for services.

The Off-Street Parking Fund accounts for the financial activity related to operating the City's parking facilities located throughout the downtown area. Revenues consist almost exclusively of charges for services.

While not considered major funds, the City maintains Internal Service Funds used to account for the financing of goods or services provided by one department or division to another department or division of the City, generally on a cost-reimbursement basis. The three largest of these funds account for the motor equipment, engineering, and management information systems services. In addition, the City also maintains Internal Service Funds to account for the financial activity relating to self-insurance. The three largest of these funds account for workers' compensation, medical, and judgment and claims self-insurance activity.

3. Notes to the financial statements provide information that is essential to a user's understanding of the basic financial statements.

Required Supplementary Information:

Required supplementary information such as Management's Discussion and Analysis and budgetary comparison schedules are also required by GASB Statement No. 34.

B. *Financial reporting presentation*

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance (equity), revenues, and expenditures (expenses). The fund types and classifications that the City reports are as follows:

1. Summary of Significant Accounting Policies (Continued)

GOVERNMENTAL FUNDS

1. **General Fund** – The General Fund is the general operating fund of the City and is appropriated. It is used to account for all financial resources except those required to be accounted for in another fund.
2. **Special Revenue Funds** – Special Revenue Funds are used to account for revenues derived from specific taxes, grants, or other restricted revenue sources. The uses and limitations of each Special Revenue Fund are specified by City ordinances or federal or state statutes.
3. **Debt Service Funds** – Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.
4. **Capital Projects Funds** - The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital projects (other than those financed by proprietary funds).
5. **Permanent Funds** – Permanent Funds are for the purpose of accounting for resources that are legally restricted to the extent that earnings, and not principal, may be used for purposes that support the reporting government's programs. The City, however, does not utilize Permanent Funds at this time.

PROPRIETARY FUNDS

1. **Enterprise Funds** - The Enterprise Funds are used to account for the operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.
2. **Internal Service Funds** - The Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments or to other governments on a cost-reimbursement basis.

FIDUCIARY FUNDS

1. **Private-Purpose Trust Funds** – Private-Purpose Trust Funds are used to account for other trust arrangements which benefit individuals, private organizations, or other governments. For accounting measurement purposes, the Private-Purpose Trust Funds are accounted for using the economic resources measurement focus (essentially the same manner as proprietary funds). The City utilizes three Private-Purpose Trust Funds. The Claire Merrix Trust was established in memory of a former City of Akron employee and is to fund tennis-related activities; the Holocaust Memorial Trust pays for annual holocaust services throughout the City; and the Police/Fire Beneficiary Trust was recently established to provide scholarships for dependents of those serving in the Police and Fire departments.
2. **Agency Funds** – Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. For accounting measurement purposes, the Agency Funds are custodial in nature (assets equal

1. Summary of Significant Accounting Policies (Continued)

liabilities) and do not involve measurement of results of operations. The City has two Agency Funds, the first one is the Municipal Court Agency Fund and it is used to account for assets held by the Municipal Court Clerk for individuals, private organizations and other governments. The second one is the Police Property Monetary Evidence Fund and is used to account for funds held by the Police Department that will be returned to other agencies.

3. **Other Fiduciary Funds** – Other Fiduciary Funds include pension trust funds and investment trust funds. The City does not utilize any such trust funds.

Fiduciary Funds are not included in the government-wide statements.

C. *Measurement focus and basis of accounting*

Except for budgetary purposes, the basis of accounting used by the City conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting, except Agency Funds because they are custodial in nature. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include income taxes, property taxes, grants, shared revenue, and donations. On a full accrual basis, revenue from income taxes is recognized in the period in which the taxpayer's liability occurs and revenue from property taxes is recognized in the fiscal year for which the taxes are levied. On a full accrual basis, revenue in the form of shared revenue is recognized when the provider government recognizes its liability to the City. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. The City generally considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are generally recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

In applying the susceptible-to-accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available (i.e., collectible within the current year or within sixty days after year-end and available to pay obligations of the current period). These include income taxes, JEDD revenues, investment earnings, shared revenues, and a portion of special assessments. Reimbursements due for federally funded projects are accrued as revenue at the time the expenditures are made or, when received in advance, deferred until expenditures are made. Property taxes and the balance of special assessments, though measurable, are not available soon enough in the subsequent year to finance current period

1. Summary of Significant Accounting Policies (Continued)

obligations. Therefore, property tax and the balance of special assessment receivables are recorded and deferred until they become available. Other revenues, including licenses, fees and fines, and charges for services are recorded as revenue when received in cash because they are generally not measurable until actually received. The City applies restricted resources first when an expenditure is incurred for purposes for which both restricted and unrestricted net assets are available.

Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting*, the City follows GASB guidance as applicable to its governmental and business-type activities, and Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB Pronouncements. The City does not apply FASB Pronouncements subsequent to November 30, 1989 to its business-type activities and Enterprise Fund statements. The City applies all applicable and effective pronouncements issued by the GASB.

Proprietary Fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as rental revenue and connection fees, result from ancillary activities. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

D. *Budgetary Procedures*

The City Council follows these procedures in establishing the budgetary data.

- (1) The Mayor submits to the City Council a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public hearings are conducted to obtain taxpayer comments.
- (3) According to state law, the budget must be enacted through passage of an ordinance by April 1.
- (4) The City Finance Director is authorized by City Council to transfer funds already appropriated within departments within any fund or category of expenditures; however, any revisions that alter the total appropriation of said department must be individually approved by the City Council. During 2008, supplemental appropriations were passed by City Council. The effects of these supplemental appropriations were not material in relation to the original appropriations.
- (5) Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are recorded as the equivalent of expenditures. Unencumbered appropriations lapse at year-end.
- (6) The majority of all funds have a legally adopted annual budget.
- (7) The City appropriates an annual budget for the Police Pension Employer's Liability Fund and the Fire Pension Employer's Liability Fund which are required due to their

1. Summary of Significant Accounting Policies (Continued)

funding source. On a GAAP basis, the two funds are combined with the General Fund.

E. *Cash, Cash Equivalents, and Investments*

Cash balances of the individual funds are combined to form a pool of cash held by the City Treasurer and invested in authorized investments (see Note 2). Earnings from these investments are credited to the General Fund in accordance with the City Charter except where the terms of a grant or regulation specify otherwise. Certain cash balances are held on behalf of the City by outside agents (see Note 2). Earnings from these investments are credited to the General Fund and certain other funds pursuant to the City Charter and federal and state requirements.

Investments are stated at fair value. Changes in fair value are recorded as a component of investment earnings.

For purposes of the Statement of Cash Flows, equity in pooled cash and investments, as well as segregated investments with original maturities of three months or less at the time they are purchased by the City, are considered to be cash equivalents. Investments with maturities of more than three months are not considered to be cash equivalents.

F. *Inventories* – Inventories are valued at cost (first-in, first-out) and adjusted to annual physical counts which are then maintained on a perpetual basis until the end of the year.

G. *Capital Assets* – Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements to the extent the City's capitalization threshold is met. The City defines capital assets as assets with an estimated useful life in excess of five years and an individual cost of more than \$5,000 for land; \$10,000 for equipment and vehicles; \$25,000 for land improvements, buildings, and improvements other than buildings; and \$100,000 for infrastructure. Assets are recorded at historical cost or estimated historical cost if historical cost is not available. Contributed capital assets are recorded at their estimated fair market value at the date contributed. Infrastructure acquired prior to fiscal years ended after June 30, 1980, is also reported as a component of the above-mentioned capital assets.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the governmental capital assets. Interest accrued during the construction of capital assets utilized by the proprietary funds is also capitalized.

Costs for maintenance and repairs are expensed when incurred. However, costs for repairs and upgrades that materially add to the value or life of an asset and meet the above criteria are capitalized.

1. **Summary of Significant Accounting Policies (Continued)**

The City depreciates capital assets on a straight-line basis, half-year convention, using the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings, bridges, and storm sewers	50
Improvements, skywalks, and paving	40
Sewer and water mains	40
Sidewalks, curbs, electrical and lighting	30
Traffic control system and bridge repairs	25
Land improvements	20
Equipment	3-20
CLC Building Equity Interest	70

H. **Compensated Absences** – Vacation, paid leave, and compensatory time benefits are accrued as liabilities as the benefits are earned if the employees’ 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, paid leave, and compensatory time when earned for all employees.

Sick leave benefits are accrued as a liability using the vesting method. An accrual for sick leave is made to the extent that it is probable that benefits will result in payments. The liability is an estimate based on the City’s past experience at making payments.

I. **Fund Balances** – In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for a specific purpose. Reservations include amounts for open encumbrances and loans receivable. Designations of fund balance represent tentative management plans that are subject to change. These designations include reservations of fund equity for pre-encumbrances (purchase requisitions that have not yet been processed into purchase orders).

J. **Interfund Transactions** – During the course of normal operations, the City records numerous transactions between funds including expenditures and transfers of resources to provide services, subsidize operations, and service debt. The City has the following types of transactions among funds:

- (1) Reciprocal interfund services provided and used – Purchases and sales of goods and services between funds for a price approximating their external exchange value.
- (2) Nonreciprocal interfund transfers – Flows of assets between funds without equivalent flows of assets in return and without a requirement for repayment. This includes operating transfers to subsidize various funds.
- (3) Nonreciprocal interfund reimbursements – Repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them.

The City’s interfund receivables and payables at December 31, 2008 are presented in Note 5. Interfund transfers are presented in Note 21.

K. **Post-retirement Benefits** – In addition to the post-retirement benefits provided by the Ohio Police and Fire Pension Fund and the Ohio Public Employees Retirement System of Ohio, the City provides post-retirement health care and life insurance benefits, in accordance with union agreements and City Council ordinances, for retired employees (see note 9).

1. Summary of Significant Accounting Policies (Continued)

- L. ***Debt Issuance Costs, Premiums, Discounts, and Losses on Refundings*** – Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Losses on advance refundings are deferred and amortized over the life of the new debt, or the life of the advance refunded debt, whichever is shorter.
- M. ***New Accounting Standards*** – In November 2006, the GASB issued Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Costs*. This statement establishes criteria that governments will use to ascertain when and how to report a liability related to pollution remediation. This statement enhances the ability of financial information users to access a government's obligation by requiring both earlier reporting of obligations and recognition of obligations that may not have been reported. For the City, this Statement is effective for periods beginning after December 15, 2007. The City's financial statements have been prepared in conformance with this Statement.

In May 2007, the GASB issued Statement No. 50, *Pension Disclosures an amendment of GASB Statements No. 25 and No. 27*. This statement amends statements No. 25 and No. 27 by requiring the City to include additional disclosures to the notes of the financial statements about funding policy for each defined benefit pension plan. Also, for each defined benefit plan the legal or contractual maximum contribution rates should be listed in the notes to the financial statements. For the City, this statement is effective for periods beginning after June 15, 2007. The City's financial statements have been prepared in conformance with this statement beginning with statements dated December 31, 2007.

In June 2007, the GASB issued Statement No. 51, *Accounting and Financial Reporting for Tangible Assets*. This statement requires that all intangible assets not specifically excluded by its scope provisions be classified as capital assets. This statement also provides authoritative guidance that specifically addresses the nature of these intangible assets. For the City, this statement is effective for periods beginning after June 15, 2009.

In February 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. This statement was developed to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. For the City, this statement is effective for periods beginning after June 15, 2010.

2. Pooled Cash and Investments

City ordinances require that all cash, with the exception of certain debt service cash and cash held by fiscal agents, be deposited with the City Treasurer. Each fund's portion of these funds is displayed on the statements of net assets or balance sheets as "pooled cash and investments." Earnings on these investments are allocated to the various funds based on City and state statutes, grant agreements and various bond agreement requirements. Investments are also held separately by the Special Revenue, Debt Service, Enterprise, and Internal Service Funds. City ordinances further authorize and direct the permitted types of deposits and investments.

2. Pooled Cash and Investments (Continued)

Deposits:

City ordinances require that all deposits be secured by collateral securities pledged at market value in an amount equal to at least 100% of the deposit, less any amount covered by federal deposit insurance. Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits might not be recovered. The City does not have a deposit policy for custodial credit risk. The Ohio Revised Code requires banks to secure all of their public deposits over and above the \$250,000 FDIC coverage.

At December 31, 2008, the carrying amount of the City's deposits was \$3,871,226 and the bank balance was \$8,844,936. The difference in the carrying amount and bank balance was composed of outstanding checks and other normal reconciling items. Of the bank balance, \$439,928 was covered by federal depository insurance, and \$8,405,008 was uninsured but collateralized with unregistered securities held by the pledging financial institution's trust department in the City's name.

Total cash and investments are reported as follows:

Balance Sheet - Governmental Funds:	
Pooled cash and investments	\$ 6,822,847
Restricted cash and investments	90,341,779
Statement of Net Assets - Proprietary Funds:	
Enterprise Funds	
Pooled cash and investments	4,960,931
Restricted cash and investments	11,918,674
Internal Service Funds	
Pooled cash and investments	4,375,857
Statement of Net Assets - Fiduciary Funds:	<u>913,560</u>
Total	<u><u>\$ 119,333,648</u></u>

Investments in City of Akron bonds and notes amounting to \$8,883,503 are eliminated in the government-wide statement of net assets at December 31, 2008.

Investments:

The City records all of its investments at fair value under the guidance set forth by Governmental Accounting Standards Board Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

Under the fair value method of recording investments, the City is required to report realized and unrealized gains and losses arising from market fluctuations as well as the sale and maturity of various investments above or below their beginning-of-the-year fair value or their purchase price, when purchased during the current fiscal year. Realized gains and losses, on investments that had been held in more than one fiscal year and sold in the current year, may have been recognized as an increase or decrease in the fair value of the investments reported in the prior year. The net effect of these realized and unrealized gains and losses (\$1,294,696 net unrealized loss in 2008) is reflected in the investment income on the operating statement of the appropriate fund.

The repurchase agreement investment maturity is less than one year.

2. Pooled Cash and Investments (Continued)

Interest Rate Risk. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rate risk.

Credit Risk. City ordinances authorize the treasurer to invest in obligations of the United States Treasury, agencies and instrumentalities and direct obligations of the State of Ohio, including any subdivisions of the state. As of December 31, 2008, the investments held by the bond trustees and STAROhio were rated AAAM by Standard & Poor's. All municipal bonds and notes are rated A2 or better by Moody's or A or better by Standard & Poor's.

The City invests funds in the State Treasury Asset Reserve of Ohio (STAROhio). STAROhio is an investment pool managed by the State Treasurer's office which allows governments within the state to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company but does operate in a manner consistent with rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31, 2008.

Bond trustees holding the investments are not registered with the SEC as an investment company but do operate in a manner consistent with rule 2a7 of the Investment Company Act of 1940. Bond trustees and Community Learning Center trustees holding the investments are not registered with the SEC as an investment company but do operate in a manner consistent with rule 2a7 of the Investment Company Act of 1940.

Investments held by bond trustees, Community Learning Centers and STAROhio are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

At December 31, 2008, \$102,260,453 of cash and investments was restricted for the following purposes: \$73,054 was restricted for lease costs for Canal Park Stadium; \$4,124,428 was restricted for Off-Street Parking Deck COPs; \$26,746,626 was restricted solely for retirement of City obligations; and the balance of \$71,316,345 was held by the trustee for payment of debt service on the Community Learning Centers' Income Tax Revenue Bonds.

2. Pooled Cash and Investments (Continued)

As of December 31, 2008 the City had the following investments.

<u>Investment Types</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years)</u>		
		<u>Less Then 1</u>	<u>1-5</u>	<u>6-10</u>
Repurchase agreement	\$ 3,205,000	\$ 3,205,000	\$ -	\$ -
U.S. Treasuries or Agencies	95,571	95,571	-	-
STAROhio	6,755,000	6,755,000	-	-
Municipal Bonds	1,087,388	422,388	180,000	485,000
City of Akron Assessment Debt	8,883,503	1,294,974	7,124,603	463,926
Investments held by bond trustees:				
U.S. Government Securities	11,344,957	11,344,957	-	-
U.S. Treasuries or Agencies	11,905,581	11,905,581	-	-
Municipal Bonds and Notes	73,054	73,054	-	-
Investments held by Community Learning Center trustees:				
U.S. Treasuries or Agencies	16,129,325	16,129,325	-	-
Municipal Bonds and Notes	55,983,043	55,316,674	666,369	-
Total	<u>\$ 115,462,422</u>	<u>\$ 106,542,524</u>	<u>\$ 7,970,972</u>	<u>\$ 948,926</u>

3. Receivables

Receivables, including water and sewer unbilled charges for services, of approximately \$3,699,000 and \$669,000, respectively, consist of the following at December 31, 2008:

	Taxes	Customer Charges, Special Assessments, and Others	Accrued Interest	Gross Receivables	Allowance for Uncol- lectibles	Net
Governmental Activities:						
Governmental Funds:						
General Fund	\$ 38,621,628	\$ 11,787,918	\$ 498,673	\$ 50,908,219	\$ (1,276,313)	\$ 49,631,906
Community Learning Centers	1,893,973	75,000,000	796,707	77,690,680	-	77,690,680
Income Tax Capital Improvement	5,248,351	-	-	5,248,351	-	5,248,351
Special Assessment Bond Payment	-	27,094,017	-	27,094,017	(4,096,210)	22,997,807
Streets Fund	-	52,609	-	52,609	-	52,609
Other Governmental Funds	11,125,845	8,511,692	-	19,637,537	-	19,637,537
Total Governmental Funds	56,889,797	122,446,236	1,295,380	180,631,413	(5,372,523)	175,258,890
Internal Service Funds	-	73,386	-	73,386	-	73,386
Total Governmental Activities	56,889,797	122,519,622	1,295,380	180,704,799	(5,372,523)	175,332,276
Business-type Activities:						
Enterprise Funds:						
Water	-	9,048,922	-	9,048,922	(6,083,503)	2,965,419
Sewer	-	12,549,025	-	12,549,025	(7,849,699)	4,699,326
Off-Street Parking	-	9,588	-	9,588	-	9,588
Total Enterprise Funds/ Business-type Activities	-	21,607,535	-	21,607,535	(13,933,202)	7,674,333
Total Receivables	\$ 56,889,797	\$ 144,127,157	\$ 1,295,380	\$ 202,312,334	\$ (19,305,725)	\$ 183,006,609

3. Receivables (Continued)

Delinquent special assessment receivables amounted to \$2,601,877 at December 31, 2008 and were fully reserved for in the allowance for uncollectibles in the Special Assessment Bond Payment fund.

Governmental Funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of deferred revenue reported in the Governmental Funds were as follows:

Governmental Funds:	
General Fund	
Property Tax Receivable	\$ 24,431,640
Intergovernmental Receivable	5,141,693
Income Tax Receivable	5,430,736
	<hr/>
	35,004,069
Community Learning Centers	
Income Tax Receivable	724,854
Community Learning Centers Receivable	75,000,000
	<hr/>
	75,724,854
Income Tax Capital Improvement	
Income Tax Receivable	2,008,628
	<hr/>
	2,008,628
Special Assessment Bond Payment	
Special Assessment Receivable	20,997,807
	<hr/>
	20,997,807
Other Governmental Funds	
Property Tax Receivable	11,125,845
Intergovernmental Receivable	2,686,171
JEDD Receivable	743,591
	<hr/>
	14,555,607
	<hr/>
	<u>\$ 148,290,965</u>

4. Due From/To Other Governments

Amounts due from other governments at December 31, 2008 primarily represent amounts related to Ohio Public Works Commission (OPWC) loans and grant activity and consist of the following:

	Federal	State	Total
Governmental Activities:			
Governmental Funds:			
Streets Fund	\$ -	\$ 626,827	\$ 626,827
Other Governmental Funds	<u>4,033,349</u>	<u>1,060,928</u>	<u>5,094,277</u>
Total Governmental Funds	4,033,349	1,687,755	5,721,104
The following amounts are also included in the government-wide statement of net assets:			
OPWC loan funds receivable	<u>-</u>	<u>14,373,253</u>	<u>14,373,253</u>
Total Governmental Activities	<u>\$ 4,033,349</u>	<u>\$ 16,061,008</u>	<u>\$ 20,094,357</u>
Business-type Activities:			
Enterprise Funds:			
Water	\$ -	\$ 18,114	\$ 18,114
Sewer	-	1,573,850	1,573,850
Other Enterprise Funds	<u>49,085</u>	<u>139,212</u>	<u>188,297</u>
Total Enterprise Funds/Business-type Activities	<u>\$ 49,085</u>	<u>\$ 1,731,176</u>	<u>\$ 1,780,261</u>

4. Due From/To Other Governments (Continued)

Amounts due to other governments at December 31, 2008 consist of the following:

	Federal	State	County	Local	Total
Governmental Activities:					
Governmental Funds:					
General Fund	\$ -	\$ 120,550	\$ 2,895,737	\$ 30,515	\$ 3,046,802
Community Learning Center	-	-	9,128	-	9,128
Income Tax Capital Improvement	-	6,487	6,596	-	13,083
Streets Fund	-	-	7,095	5,784	12,879
Other Governmental Funds	<u>2,957,050</u>	<u>1,094,458</u>	<u>622,362</u>	<u>1,819,535</u>	<u>6,493,405</u>
Total Governmental Funds	2,957,050	1,221,495	3,540,918	1,855,834	9,575,297
The following amounts are also included in the government-wide statement of net assets:					
Due to other governments	-	-	385,000	250,000	635,000
Liabilities due in more than one year (Note 14)	<u>-</u>	<u>-</u>	<u>2,641,000</u>	<u>-</u>	<u>2,641,000</u>
 Internal Service Funds	 <u>-</u>	 <u>-</u>	 <u>254</u>	 <u>-</u>	 <u>254</u>
Total Governmental Activities	<u>\$ 2,957,050</u>	<u>\$ 1,221,495</u>	<u>\$ 6,567,172</u>	<u>\$ 2,105,834</u>	<u>\$ 12,851,551</u>

Of the \$2,957,050 Federal and the \$1,221,495 State amounts shown in Other Governmental Funds, \$521,886 is shown in the government-wide statement of net assets as Due to other governments. The remaining \$3,656,659 is shown as liabilities due in more than one year.

Business-type Activities:

Enterprise Funds:					
Water	\$ -	\$ -	\$ 99,472	\$ -	\$ 99,472
Sewer	1,801	-	29,132	-	30,933
Off-Street Parking	-	-	190,821	-	190,821
Other Enterprise Funds	<u>-</u>	<u>-</u>	<u>276</u>	<u>-</u>	<u>276</u>
Total Enterprise Funds	1,801	-	319,701	-	321,502
The following amounts are also included in the government-wide and proprietary statement of net assets:					
Liabilities due in more than one year (Note 14)	<u>-</u>	<u>-</u>	<u>349,381</u>	<u>-</u>	<u>349,381</u>
Total Enterprise Funds/ Business-type Activities	<u>\$ 1,801</u>	<u>\$ -</u>	<u>\$ 669,082</u>	<u>\$ -</u>	<u>\$ 670,883</u>

The statement of fiduciary net assets also includes \$890,459 as due to other governments.

The federal amount is comprised of two separate section 108 loans from the U.S. Department of Housing and Urban Development (HUD).

The state amount is comprised of an Ohio Department of Development loan.

The county amount recorded in Governmental Activities relates to City reimbursements to Summit County for the debt service on debt issued by Summit County related directly to the cost of construction of additional jail space to house City inmates.

The local amount is related to the JEDD contract between the City, Bath Township, and the City of Fairlawn (see note 18).

The county amount recorded in Business-type Activities relates to a master meter sewer agreement in the Mud Brook service area.

5. Due From/To Other Funds

Interfund receivable and payable balances at December 31, 2008 consist of the following individual fund receivables and payables:

	Receivable	Payable
Governmental Funds:		
General Fund	\$ 5,443,677	\$ 1,045,345
Community Learning Centers	15,709,691	617
Income Tax Capital Improvement	2,535,267	16,188
Streets Fund	199,071	20,355,873
Other Governmental Funds	<u>28,204,087</u>	<u>19,508,071</u>
	<u>\$ 52,091,793</u>	<u>\$ 40,926,094</u>
Proprietary Funds:		
Enterprise Funds:		
Water	\$ 134,412	\$ 640,233
Sewer	5,934	2,579,682
Off-Street Parking	-	57,624
Other Enterprise Funds	<u>4,351</u>	<u>969,069</u>
	<u>\$ 144,697</u>	<u>\$ 4,246,608</u>
Internal Service Funds	<u>\$ 2,102,573</u>	<u>\$ 9,166,361</u>
Total	<u>\$ 54,339,063</u>	<u>\$ 54,339,063</u>

6. Deposits

On December 15, 2003, the City of Akron entered into a cooperative agreement for Community Learning Centers (CLC) with the Board of Education of the Akron City School District (District). The cooperative agreement is the foundation for all the activity associated with the City's .25% income tax and the ownership relating to the CLCs. As of December 31, 2008, the District had \$64,540,016 of unspent City funds that are recorded as Deposits on the City's Statement of Net Assets and are recorded on the District's financial statements as "due to City of Akron".

7. Capital Assets

Capital asset activity for the year ended December 31, 2008 was as follows:

	Balance January 1, 2008	Adjustments	Additions	Deletions	Balance December 31, 2008
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 155,480,584	\$ (778,523)	\$ 3,959,554	\$ 1,029,719	\$ 157,631,896
Construction in progress	42,959,546	778,522	26,138,114	15,999,154	53,877,028
CLC Building Equity Interest	29,471,751	-	28,355,172	24,429,336	33,397,587
Total capital assets, not being depreciated	227,911,881	(1)	58,452,840	41,458,209	244,906,511
Capital assets, being depreciated:					
Buildings	193,140,130	1	4,324,284	-	197,464,415
CLC Building Equity Interest	31,359,304	-	24,429,336	-	55,788,640
Improvements other than buildings	125,849,817	1	3,568,000	-	129,417,818
Equipment	99,961,477	(833,905)	3,396,234	2,129,782	100,394,024
Infrastructure	525,312,102	535,120	29,218,567	-	555,065,789
Total capital assets, being depreciated	975,622,830	(298,783)	64,936,421	2,129,782	1,038,130,686
Less accumulated depreciation for:					
Buildings	63,829,392	(972,643)	3,999,346	-	66,856,095
CLC Building Equity Interest	333,978	32,431	847,385	-	1,213,794
Improvements other than buildings	28,878,276	(283,469)	4,248,944	-	32,843,751
Equipment	75,814,474	(441,556)	4,769,251	2,104,526	78,037,643
Infrastructure	221,063,127	142,882	13,790,424	-	234,996,433
Total accumulated depreciation	389,919,247	(1,522,355)	27,655,350	2,104,526	413,947,716
Total capital assets, being depreciated, net	585,703,583	1,223,572	37,281,071	25,256	624,182,970
Governmental activities capital assets, net	<u>\$ 813,615,464</u>	<u>\$ 1,223,571</u>	<u>\$ 95,733,911</u>	<u>\$ 41,483,465</u>	<u>\$ 869,089,481</u>

The immaterial adjustments reflected in the capital assets were made to the balance as of January 1, 2008 to reflect the cumulative effect of dollar rounding and adjust for differences between the depreciation software and the financial statements.

7. Capital Assets (Continued)

	Balance January 1, 2008	Adjustments	Additions	Deletions	Balance December 31, 2008
Business-type Activities:					
Capital assets, not being depreciated:					
Land	\$ 26,598,108	\$ (1)	\$ 9,000	\$ -	\$ 26,607,107
Construction in progress	33,566,109	(3)	20,054,278	11,567,082	42,053,302
Total capital assets, not being depreciated	60,164,217	(4)	20,063,278	11,567,082	68,660,409
Capital assets, being depreciated:					
Buildings	165,954,755	-	6,272,260	-	172,227,015
Improvements other than buildings	447,367,092	-	206,375	-	447,573,467
Equipment	35,310,567	7,410	793,398	405,160	35,706,215
Infrastructure	108,489,776	(2)	7,778,127	-	116,267,901
Total capital assets, being depreciated	757,122,190	7,408	15,050,160	405,160	771,774,598
Less accumulated depreciation for:					
Buildings	69,210,458	(1,036,492)	2,541,430	-	70,715,396
Improvements other than buildings	232,541,585	(35,684)	7,635,004	-	240,140,905
Equipment	31,368,624	(5,098,605)	1,619,163	395,461	27,493,721
Infrastructure	14,257,954	1,233	2,766,722	-	17,025,909
Total accumulated depreciation	347,378,621	(6,169,548)	14,562,319	395,461	355,375,931
Total capital assets, being depreciated, net	409,743,569	6,176,956	487,841	9,699	416,398,667
Business-type activities capital assets, net	<u>\$ 469,907,786</u>	<u>\$ 6,176,952</u>	<u>\$ 20,551,119</u>	<u>\$ 11,576,781</u>	<u>\$ 485,059,076</u>

7. Capital Assets (Continued)

Depreciation expense was charged during 2008 to functions of the government as follows:

Governmental Activities:

General government	\$ 2,202,095
Public service	6,536,685
Public safety	1,777,475
Community environment	2,651,552
Public health	310,985
Unallocated depreciation	13,654,482
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>522,076</u>
Total depreciation expense charged to governmental activities	<u>\$ 27,655,350</u>

Business-type Activities:

Water	\$ 4,942,125
Sewer	7,426,054
Off-Street Parking	1,949,742
Other Business-type activities	<u>244,398</u>
Total depreciation, deletion and amortization expense charged to business-type activities	<u>\$ 14,562,319</u>

7. Capital Assets (Continued)

Construction in progress and remaining capital commitments (including capitalized interest of \$1,814,058, of which \$272,113 was capitalized in 2008) are comprised of the following:

	<u>Project Authorization</u>	<u>Expended to December 31, 2008</u>	<u>Committed</u>
Governmental Activities:			
Governmental	\$ 58,563,041	\$ 54,277,411	\$ 4,285,630
Business-type Activities:			
Water	8,530,587	6,409,392	2,121,195
Sewer	26,482,237	21,631,375	4,850,862
Off-Street Parking	<u>17,110,729</u>	<u>13,291,999</u>	<u>3,818,730</u>
	<u>\$ 110,686,594</u>	<u>\$ 95,610,177</u>	<u>\$ 15,076,417</u>

8. Accrued Vacation and Leave

GASB Statement No. 16, *Accounting for Compensated Absences*, requires a liability to be established for all compensated absences as earned by the employees.

Vacation, paid leave, sick leave and compensatory time accumulated by employees whose wages are charged to governmental fund types have been recorded as liabilities in the governmental funds only if they have matured. The balance has been recorded on the statement of net assets. Vacation, paid leave, sick leave and compensatory time accumulated by employees whose wages are charged to proprietary fund types are expensed when earned and recorded as liabilities in the government-wide statement of net assets and in the proprietary fund statement of net assets.

Sick leave is earned by substantially all employees. Unused sick leave is accumulated up to 960 hours per employee and vests upon reaching certain age and service requirements. The vested portion of accumulated sick leave and amounts earned through December 31, 2008 and expected to vest in the future has been accrued in the government-wide statement of net assets for all City employees. Amounts related to the City's proprietary fund operations are also accrued for in the proprietary fund statement of net assets due to the nature of these funds.

8. Accrued Vacation and Leave (Continued)

As of December 31, 2008, the accrued vacation, paid leave, sick leave, and compensatory time is recorded as a current liability (due within one year) in the Statement of Net Assets as follows:

	<u>Balance January 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2008</u>
Governmental Activities:				
Governmental Funds:				
General Fund	\$ 8,748,600	\$ 8,493,274	\$ (8,748,600)	\$ 8,493,274
Other Governmental Activities	2,628,079	2,583,835	(2,628,079)	2,583,835
Total Governmental Funds	11,376,679	11,077,109	(11,376,679)	11,077,109
Internal Service Funds	670,630	675,850	(670,630)	675,850
Total Governmental Activities	12,047,309	11,752,959	(12,047,309)	11,752,959
Business-type Activities:				
Enterprise Funds:				
Water	888,178	785,720	(888,178)	785,720
Sewer	533,611	471,473	(533,611)	471,473
Other Enterprise Funds	51,073	58,534	(51,073)	58,534
Total Enterprise Funds/ Business-type Activities	1,472,862	1,315,727	(1,472,862)	1,315,727
	<u>\$ 13,520,171</u>	<u>\$ 13,068,686</u>	<u>\$ (13,520,171)</u>	<u>\$ 13,068,686</u>

The following amounts are also included as long-term obligations in the government-wide statement of net assets (Note 14):

Governmental Activities:				
Other Governmental Activities	\$ 42,192,240	\$ 16,361,912	\$ (16,986,056)	\$ 41,568,096
Internal Service Funds	1,883,300	989,432	(965,977)	1,906,755
Total Governmental Activities	44,075,540	17,351,344	(17,952,033)	43,474,851
Business-type Activities:				
Water	2,948,862	1,258,956	(1,532,360)	2,675,458
Sewer	1,822,322	1,028,378	(1,138,491)	1,712,209
Other Business-type Activities	249,898	75,647	(75,048)	250,497
Total Business-type Activities	5,021,082	2,362,981	(2,745,899)	4,638,164
	<u>\$ 49,096,622</u>	<u>\$ 19,714,325</u>	<u>\$ (20,697,932)</u>	<u>\$ 48,113,015</u>

9. Pension and Other Post-Retirement Benefit Plans

Police officers and firefighters participate in the statewide Ohio Police and Fire Pension Fund (Police and Fire), a cost-sharing, multi-employer defined-benefit public employee retirement system. Substantially all other City employees participate in the statewide Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multi-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 plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan.

OPERS

OPERS provides retirement and death benefits, disability benefits, and annual cost-of-living adjustments to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to: 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085 or 1-800-222-PERS (7377).

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employees of local governments are required to contribute 10.0% of their covered payroll to OPERS. The 2008 and 2007 employer contribution rate for local government employer units was 14.00% and 13.85%, respectively, of covered payroll including 7.0 % in 2008, 5.0% from January 1 through June 30, 2007 and 6.0 % from July 1 through December 31, 2007, which is used to fund post-retirement health care benefits. The City's total contributions to OPERS for pension benefits (excluding the amount relating to post-retirement health care benefits) for the years ended December 31, 2008, 2007, and 2006 were \$5,130,768, \$6,093,645, and \$6,718,768, respectively, which were equal to 100% of the required employer contributions for each year.

In addition to the pension benefits, OPERS provides post-retirement health care coverage to age and service retirees with 10 or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is also available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered to be an "other post-employment benefit" (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of post-retirement health care based on authority granted by state statute. As noted above, the Ohio Revised Code provides statutory authority for employer contributions. During 2008 and 2007, \$5,130,768 and \$4,002,467, respectively, of the City's total contribution to OPERS was used for post-retirement benefits.

9. Pension and Other Post-Retirement Benefit Plans (Continued)

The assumptions and calculations below were based on OPERS's latest actuarial review performed as of December 31, 2007. OPEB are advanced-funded using the entry-age normal actuarial cost method. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12% corridor. Other significant actuarial assumptions include a rate of return on investments of 6.5% and a salary increase of 4.0% for inflation and between .5% and 6.3% based on seniority and merit. Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from 0.5% to 4.0% for the next 7 years. In subsequent years (8 and beyond) health care costs were assumed to increase at 4.0% (the projected wage inflation rate).

The Traditional Pension and Combined Plans had 363,503 active contributing participants as of December 31, 2008. The number of active contributing participants for both plans used in the December 31, 2007 actuarial valuation was 364,076. Actuarial contribution requirements are determined for the retirement plan as a whole, not for the individual employers. Net assets available for payment of benefits at December 31, 2007 (latest information available) were approximately \$12.8 billion. The actuarial accrued liability and the unfunded actuarial accrued liability based on the actuarial cost method used were approximately \$29.8 billion and \$17.0 billion, respectively.

In December, 2001, the Board adopted the Health Care "Choices" Plan. The Choices Plan will be offered to all persons newly hired in an OPERS-covered position after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices will incorporate a cafeteria approach, offering a broader range of health care options. The Plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present Plan.

The benefit recipients will be free to select the option that best meets their needs. Recipients will fund health care costs in excess of their monthly health care benefits. The Plan will also offer a spending account feature, enabling the benefit recipients to apply their allowances towards specific medical expenses, much like a Medical Spending Account.

Ohio Police and Fire Pension Fund

The Ohio Police and Fire Pension Fund provides retirement and death benefits, disability benefits, and annual cost-of-living adjustments 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. The Police and Fire Pension Fund issues a publicly available financial report that includes financial information and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to: Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

The Ohio Revised Code provides statutory authority for employee and employer contributions. Plan members are required to contribute 10% of their annual covered salary, while employers are required to contribute 19.5% and 24% respectively for police officers and firefighters. Required employer contributions to the Ohio Police and Fire Pension Fund are equal to the amounts actually paid by the City each year. The City's total contributed amounts for Police (excluding the amount relating to post-retirement health care benefits) for the years ended December 31, 2008, 2007, and 2006 were \$3,689,282, \$3,579,976, and \$3,261,595, respectively. The City's total contributed amounts for Fire (excluding the amount relating to post-retirement health care benefits) for the years ended December 31, 2008, 2007, and 2006 were \$4,006,558, \$3,924,754, and \$3,727,172, respectively.

9. Pension and Other Post-Retirement Benefit Plans (Continued)

In addition to pension benefits, the Police and Fire plan provides post-retirement health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending at least on a 2/3 basis. The health care coverage provided by the retirement system is considered to be an "other post-employment benefit" (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code provides the statutory authority allowing the fund's Board of Trustees to provide health care coverage to all eligible individuals. The Ohio Revised Code provides that health care costs paid from the funds of Police and Fire shall be included in the employer's contribution rate (the board-defined allocations are 6.75% in 2008 and 2007, of covered payroll). Health care funding and accounting is on a pay-as-you-go basis. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions. The total health care costs paid by the Police and Fire plan were \$93.2 million, which was net of member contributions of \$56.0 million, for the year ended December 31, 2007 (latest information available). The City's contributions for Police for 2008 and 2007 used to pay post-retirement health care were \$1,951,822 and \$1,893,993, respectively. The City's contributions for Fire for 2008 and 2007 used to pay post-retirement health care were \$1,565,845 and \$1,533,874, respectively. Eligible benefit recipients totaled 14,295 and 10,583 for uniformed police and fire personnel, respectively, for the year ended December 31, 2007 for the entire fund.

Other Post-retirement Benefits (OPEB)

In addition to the post-retirement benefits provided by the Ohio Police and Fire Pension Fund and the Ohio Public Employees Retirement System of Ohio, the City provides post-retirement health care and life insurance benefits, in accordance with union agreements and City Council ordinances, for retired employees. Substantially all of the City's employees may become eligible for those benefits if they reach normal retirement age while working for the City. Currently, 1914 retirees meet those eligibility requirements. The City pays 100% of the cost of health care and life insurance benefits. These benefits are financed on a pay-as-you go basis; as such, the cost of retiree health care and life insurance benefits is recognized as expenditure/expense as claims are incurred. For the years ended 2008, 2007 and 2006 those costs were \$4,460,330 \$3,510,910 and \$3,149,495, respectively.

Eligibility for OPEB benefits is receiving a pension benefit from OPERS, OP&F, or disability retirement. Former employees who are term-vested for pension benefits are not eligible.

The City provides lifetime supplemental health coverage to OPERS and OP&F retirees and their qualified dependents. The coverage is a single self-insured plan, administered through Medical Mutual, which provides medical, prescription drugs, dental, and vision benefits. The major medical portion of the coverage, which includes prescription drugs, ends at age 65. All other benefits continue for the lifetime of the participant. The health benefits are self-insured.

The City also provides life insurance for the participant during retirement. The life insurance amounts are dependent on age at retirement and the retiree's collective bargaining unit. All life insurance amounts are reduced by 50% after the first year of retirement. Dependents are not eligible for life insurance during retirement. The life insurance is fully insured.

Pursuant to GASB issued Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension Benefits*, the City has recorded liabilities of \$7,234,693 and \$671,069 in the government-wide statement of net assets, as liabilities due in more than one year for Governmental Activities and Business-type Activities, respectively.

10. Notes Payable

The following is a summary of note transactions for the year ended December 31, 2008 reflected in governmental activities in the government-wide financial statements:

	<u>Governmental Activities</u> Special Assessment	<u>Governmental Activities</u> Capital Projects	<u>Governmental Activities</u> Total
Notes Payable at January 1, 2008	\$ 2,778,900	\$ -	\$ 2,778,900
New notes issued	2,112,600	26,385,000	28,497,600
Notes retired	<u>-</u>	<u>-</u>	<u>-</u>
Notes Payable at December 31, 2008	<u>\$ 4,891,500</u>	<u>\$ 26,385,000</u>	<u>\$ 31,276,500</u>

The following is a summary of the City's future debt service requirements for notes payable as of December 31, 2008 (in thousands):

Fiscal Year Ending December 31	<u>Governmental Activities</u>				Total
	<u>Special Assessment Notes</u>		<u>General Obligation Notes</u>		
	Notes	Interest	Notes	Interest	
2009	\$ 259	\$ 192	\$ 26,385	\$ 696	\$ 27,532
2010	599	169	-	-	768
2011	999	155	-	-	1,154
2012	922	111	-	-	1,033
2013	<u>2,113</u>	<u>26</u>	<u>-</u>	<u>-</u>	<u>2,139</u>
	<u>\$ 4,892</u>	<u>\$ 653</u>	<u>\$ 26,385</u>	<u>\$ 696</u>	<u>\$ 32,626</u>

The following notes are backed by the full faith and credit of the City and generally mature within one to five years. The notes generally are issued in anticipation of long-term bond financing and are refinanced, if necessary, until such bonds are issued.

Special assessment notes are issued to finance the property owners' share of improvements. Upon completion of a project, owners may pay the assessments in full. Bonds are issued in the amount of any unpaid assessments and are repaid largely from levies on the property owners for principal and interest collected by the County Fiscal Officer on behalf of the City.

The weighted average interest rates on special assessment notes and general obligation notes at December 31, 2008 were 4.00% and 2.64% respectively.

10. Notes Payable (Continued)

Notes payable at December 31, 2008, are comprised of the following individual issues:

Issued	Rate %	Issue	Final Maturity	Amount
Special Assessment Notes:				
<u>Governmental Activities:</u>				
Paving Notes:				
May 10, 2004	4.00	1-04	May 10, 2009	\$ 109,900
October 22, 2004	4.00	3-04	October 22, 2009	57,100
October 22, 2004	4.00	4-04	October 22, 2009	92,300
March 14, 2005	4.00	2-05	March 14, 2010	49,600
April 27, 2005	4.00	5-05	April 27, 2010	485,900
December 8, 2006	4.00	9-06	December 8, 2011	179,200
December 8, 2006	4.00	10-06	December 8, 2011	193,500
December 8, 2006	4.00	11-06	December 8, 2011	203,000
April 18, 2007	4.00	1-07	April 18, 2012	21,000
September 26, 2007	4.00	2-07	September 26, 2012	172,000
September 26, 2007	4.00	4-07	September 26, 2012	116,700
September 26, 2007	4.00	5-07	September 26, 2012	441,700
March 14, 2008	4.00	1-08	March 14, 2013	597,700
March 14, 2008	4.00	2-08	March 14, 2013	117,700
March 14, 2008	4.00	3-08	March 14, 2013	399,700
March 14, 2008	4.00	4-08	March 14, 2013	81,600
May 7, 2008	4.00	5-08	May 7, 2013	415,500
May 7, 2008	4.00	7-08	May 7, 2013	287,300
May 28, 2008	4.00	8-08	May 28, 2013	47,500
December 24, 2008	4.00	10-08	December 24, 2013	96,800
Sidewalk Notes:				
March 14, 2005	4.00	3-05	March 14, 2010	63,500
September 26, 2007	4.00	3-07	September 26, 2012	170,300
December 24, 2008	4.00	9-08	December 24, 2013	33,600
Resurfacing Notes:				
June 5, 2006	4.00	1-06	June 5, 2011	231,700
Utilities Notes:				
December 8, 2006	4.00	7-06	December 8, 2011	160,000
December 8, 2006	4.00	8-06	December 8, 2011	31,500
May 7, 2008	4.00	6-08	May 7, 2013	35,200
Total Special Assessment Notes				\$ 4,891,500
General Obligation Notes:				
<u>Various Purpose Improvement Notes:</u>				
June 25, 2008	3.00		June 25, 2009	\$ 7,500,000
December 11, 2008	2.50		December 10, 2009	18,885,000
Total General Obligation Notes				\$ 26,385,000
				<u>\$ 31,276,500</u>

11. Long-Term Debt

The following is a summary of long-term debt transactions for the year ended December 31, 2008:

	Governmental Activities				
	General Obligation	OPWC Loans	Ohio Department of Development Loans	Non-Tax Revenue	Income Tax Revenue
Long-term debt payable at January 1, 2008	\$ 215,894,886	\$ 10,361,148	\$ 1,252,877	\$ 42,330,000	\$ 210,160,000
New Issues:					
Capital Projects	-	2,746,700	-	20,150,000	-
Street Improvements	-	-	-	-	-
Retirements	(13,104,508)	(816,875)	(112,811)	(2,130,000)	(4,500,000)
Long-term debt payable at December 31, 2008	<u>\$ 202,790,378</u>	<u>\$ 12,290,973</u>	<u>\$ 1,140,066</u>	<u>\$ 60,350,000</u>	<u>\$ 205,660,000</u>

	Governmental Activities			
	Special Revenue	Special Assessment	SIB Loans	Internal Service General Obligation
Long-term debt payable at January 1, 2008	\$ 42,090,000	\$ 13,506,503	\$ 9,358,258	\$ 168,214
New Issues:				
Capital Projects	-	-	-	-
Street Improvements	-	639,785	-	-
Retirements	(2,235,000)	(2,960,775)	(2,104,474)	(35,085)
Long-term debt payable at December 31, 2008	<u>\$ 39,855,000</u>	<u>\$ 11,185,513</u>	<u>\$ 7,253,784</u>	<u>\$ 133,129</u>

	Business-type Activities					
	General Obligation	Mortgage Revenue	Revenue	OWDA	OPWC	Total
Long-term debt payable at January 1, 2008	\$ 800,792	\$ 51,845,000	\$ 37,380,000	\$ 46,142,221	\$ 2,651,087	\$ 683,940,986
New Issues:						
Capital Projects	-	-	-	-	-	22,896,700
Street Improvements	-	-	-	-	-	639,785
Retirements	(126,865)	(6,000,000)	(2,955,000)	(5,555,613)	(201,513)	(42,838,519)
Long-term debt payable at December 31, 2008	<u>\$ 673,927</u>	<u>\$ 45,845,000</u>	<u>\$ 34,425,000</u>	<u>\$ 40,586,608</u>	<u>\$ 2,449,574</u>	<u>\$ 664,638,952</u>

Bonds and notes issued by the City of Akron and held by the City as investments at December 31, 2008 amounting to \$8,883,503 (see Note 2) are eliminated in the government-wide statement of net assets.

The Special Assessment Street Improvements new issue of \$639,785 along with the Special Assessment Notes issued for \$2,112,600 are combined (\$2,752,385) and reflected on the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.

11. Long-Term Debt (Continued)

Long-term debt at December 31, 2008 is comprised of the following individual issues:

Issued	Rate %	Issue	Final Maturity	Amount
<u>Governmental Activities:</u>				
<u>General Obligation Bonds:</u>				
Urban Renewal Public Improvement Bonds:				
February 21, 1991	8	Series 1990	December 1, 2020	\$ 825,944
December 10, 1991	8	Series 1991	December 1, 2021	1,440,000
Various Purpose Improvement Bonds:				
December 1, 1998	4.25 to 4.75	-	December 1, 2019	6,301,872
November 1, 2001	3.0 to 5.5	-	December 1, 2022	26,822,562
December 1, 2002	2.0 to 5.25	-	December 1, 2023	25,500,000
October 1, 2003	2.0 to 5.25	-	December 1, 2024	31,930,000
September 1, 2005	3.5 to 5.0	Series 2005	December 1, 2026	67,745,000
December 21, 2006	3.75 to 5.0		December 1, 2027	21,490,000
December 3, 2007	3.75 to 5.0		December 1, 2028	20,735,000
				\$ 202,790,378
 <u>OPWC Loans:</u>				
July 1, 1997	0	Boxwood Ave.	July 1, 2018	\$ 361,000
July 1, 1998	0	Lakeshore Blvd.	January 1, 2020	583,050
July 1, 1998	0	Tallmadge Ave.	July 1, 2021	500,182
July 1, 1999	0	Lakeshore Blvd.	July 1, 2022	159,118
July 1, 1999	0	Bye Street	July 1, 2022	182,813
July 1, 1999	0	Wooster/East Ave.	July 1, 2022	389,025
July 1, 2000	0	Bishop Street	July 1, 2022	82,350
July 1, 2000	0	NW Storm Outlets	July 1, 2022	313,555
July 1, 2000	0	N. Arlington Bridge	July 1, 2022	223,770
July 1, 2001	0	Darrow Road	July 1, 2023	617,842
July 1, 2003	0	US 244 Phase II	July 1, 2024	736,695
December 1, 2004	0	Bettes Corners Bridges	July 1, 2027	105,000
July 1, 2005	0	Manchester Rd Ph I	July 1, 2027	54,000
July 1, 2005	0	Arlington St Signalization	July 1, 2027	1,690,200
July 1, 2005	0	E. Market St Widening	July 1, 2027	716,903
July 1, 2006	0	W. Market Street	July 1, 2028	988,000
July 1, 2006	0	Tallmadge Ave Singalization	July 1, 2027	170,570
July 1, 2006	0	Brown and Power St.	July 1, 2027	834,000
July 1, 2007	0	Tallmadge Ave Widening	July 1, 2028	836,200
July 1, 2008	0	Mill Street Bridge	July 1, 2039	1,299,000
November 28, 2008	0	Crouse Street	January 1, 2040	361,000
November 28, 2008	0	Barbara Ave.	January 1, 2040	225,000
November 28, 2008	0	Newton Street Bridge	January 1, 2040	861,700
				\$ 12,290,973

11. Long-Term Debt (Continued)

Issued	Rate %	Issue	Final Maturity	Amount
Governmental Activities (Continued)				
<u>Ohio Department of Development Loans:</u>				
November 26, 1996	3	1997	February 1, 2012	\$ 195,034
March 1, 2003	1/2 Prime	2003 Univ Tech Pk	March 1, 2018	<u>945,032</u>
				<u>\$ 1,140,066</u>
 <u>Non-Tax Revenue Bonds:</u>				
November 1, 1997	4 to 6	1997	December 1, 2018	\$ 21,725,000
December 15, 2006	5.01 to 5.61	2006	December 1, 2026	18,475,000
September 18, 2008	7.375	2008	December 1, 2028	<u>20,150,000</u>
				<u>\$ 60,350,000</u>
 <u>Income Tax Revenue:</u>				
April 15, 1999	3.3 to 5.25	1999	December 1, 2023	\$ 7,370,000
January 1, 2004	4.0 to 5.25	2004A	December 1, 2033	165,000,000
January 1, 2004	2.0 to 6.0	2004B	December 1, 2014	<u>33,290,000</u>
				<u>\$ 205,660,000</u>
 <u>Special Revenue:</u>				
July 1, 2000	4.55 to 5.625	2000	December 1, 2020	\$ 10,035,000
August 1, 2000	4.45 to 6	2000	December 1, 2020	10,045,000
September 1, 2002	2.0 to 5.25	2002	December 1, 2022	12,100,000
November 1, 2002	2.0 to 5.25	2002	December 1, 2022	<u>7,675,000</u>
				<u>\$ 39,855,000</u>

11. Long-Term Debt (Continued)

<u>Issued</u>	<u>Rate %</u>	<u>Issue</u>	<u>Final Maturity</u>	<u>Amount</u>
<u>Governmental Activities (Continued):</u>				
<u>Special Assessment Obligations:</u>				
Street Improvement Bonds:				
September 1, 1978	7.25	Rosemary Blvd.	September 1, 2014	\$ 18,000
August 15, 1999	4.1 to 5.5	1999	December 1, 2009	80,000
April 1, 2000	6	1999	December 1, 2009	3,277
August 15, 2000	4.375 to 4.875	2000	December 1, 2010	760,000
November 1, 2001	3.0 to 5.5	2001	December 1, 2022	253,510
September 1, 2002	1.5 to 3.375	2002	December 1, 2012	885,000
September 1, 2003	2 to 4	2003	December 1, 2013	1,540,000
September 1, 2004	4	2004	December 1, 2014	2,275,000
March 1, 2004	4	2004	December 1, 2013	48,163
December 1, 2004	4	2004B	December 1, 2014	280,992
September 29, 2005	3.707	2005	December 1, 2015	1,760,000
March 1, 2006	4	2006	December 1, 2015	269,195
September 14, 2006	4.0 to 5.5	2006	December 1, 2016	1,095,000
March 1, 2007	4	2007	December 1, 2016	571,736
September 5, 2007	4.1	2007	December 1, 2017	820,000
March 1, 2008	4	2008	December 1, 2017	525,640
				<u>\$ 11,185,513</u>
<u>State Infrastructure Bank (SIB) Loans:</u>				
July 12, 2004	0.0 to 3.0	U.S. 224	September 1, 2014	\$ 2,513,932
September 30, 2004	0.0 to 3.0	Bridges	September 30, 2014	2,731,218
June 21, 2005	0.0 to 3.0	Bikeway	September 1, 2016	2,008,634
				<u>\$ 7,253,784</u>
<u>Internal Service General Obligation Bonds:</u>				
Municipal Facility Bonds:				
December 1, 1998	4.25 to 4.75	-	December 1, 2019	\$ 133,129
				<u>\$ 133,129</u>

11. Long-Term Debt (Continued)

Issued	Rate %	Issue	Final Maturity	Amount
<u>Business-type Activities:</u>				
<u>Enterprise General Obligation Bonds:</u>				
Off-Street Parking Facility Bonds:				
November 1, 2001	3.0 to 5.5	Canal/Tell	December 1, 2022	\$ 673,927
				<u>\$ 673,927</u>
<u>Enterprise Mortgage Revenue Bonds:</u>				
Waterworks System Bonds:				
January 15, 1996	3.5 to 4.875	1996	March 1, 2012	\$ 10,135,000
February 1, 1998	3.65 to 5	1998	March 1, 2018	7,140,000
July 1, 2003	2 to 5	2003	September 1, 2014	16,100,000
August 1, 2006	4 to 4.5	2006	March 1, 2026	12,470,000
				<u>\$ 45,845,000</u>
<u>Enterprise Revenue Bonds:</u>				
Sewer System Improvement Bonds:				
April 1, 1998	3.7 to 5.5	1998	December 1, 2017	\$ 4,555,000
December 1, 2005	3.5 to 5.00	2005	December 1, 2018	29,870,000
				<u>\$ 34,425,000</u>
<u>Enterprise OWDA Loans:</u>				
May 6, 1982	12	Sewer	January 1, 2010	\$ 1,242,227
March 30, 1995	4.56	Sewer	July 1, 2015	6,983,143
April 27, 1995	4.56	Sewer	July 1, 2015	8,142,292
September 30, 1999	2.01	Water	July 1, 2019	781,116
May 25, 2000	4.64	Water	July 1, 2021	5,716,185
April 26, 2001	3.9	Water	July 1, 2011	188,183
July 25, 2002	3.89	Water	July 1, 2021	1,254,841
January 29, 2004	3.5	Water	January 1, 2014	1,718,655
September 30, 2004	3.81	Sewer	July 1, 2015	6,079,440
December 16, 2004	3.35	Sewer	July 1, 2014	8,480,526
				<u>\$ 40,586,608</u>
<u>Enterprise OPWC Loans:</u>				
July 1, 1995	0	Water	July 1, 2016	\$ 537,682
December 1, 1995	0	Sewer	January 1, 2017	202,441
July 1, 1996	0	Sewer	July 1, 2017	498,996
July 1, 1997	0	Sewer	July 1, 2018	357,000
July 1, 2000	0	Water	July 1, 2021	693,625
July 1, 2005	0	Sewer	July 1, 2025	159,830
				<u>\$ 2,449,574</u>

11. Long-Term Debt (Continued)

The following is a summary of the City's future debt service requirements as of December 31, 2008 (in thousands):

Fiscal Year Ending December 31	Governmental Activities					
	General Obligation Bonds		OPWC Loan		Ohio Department of Development Loans	
	Principal	Interest	Principal	Interest	Principal	Interest
2009	\$ 13,008	\$ 9,402	\$ 559	\$ -	\$ 145	\$ 44
2010	13,168	8,920	667	-	150	38
2011	13,139	8,383	667	-	155	32
2012	13,458	7,811	667	-	107	27
2013	13,469	7,217	667	-	100	23
2014-2018	61,316	27,481	3,316	-	483	47
2019-2023	53,467	12,825	2,802	-	-	-
2024-2028	21,765	2,297	1,644	-	-	-
2029-2033	-	-	645	-	-	-
2034-2038	-	-	597	-	-	-
2039-2043	-	-	60	-	-	-
	<u>\$ 202,790</u>	<u>\$ 84,336</u>	<u>\$ 12,291</u>	<u>\$ -</u>	<u>\$ 1,140</u>	<u>\$ 211</u>

Fiscal Year Ending December 31	Non-Tax Revenue Bonds		Income Tax Revenue		Special Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
	2009	\$ 2,205	\$ 3,644	\$ 5,005	\$ 10,057	\$ 2,320
2010	2,350	3,521	5,550	9,919	2,420	1,888
2011	2,610	3,385	6,125	9,752	2,535	1,774
2012	2,750	3,234	6,220	9,448	2,650	1,659
2013	2,990	3,073	7,130	9,139	2,770	1,541
2014-2018	20,988	12,480	33,470	40,462	15,960	5,499
2019-2023	12,626	7,257	38,810	31,580	11,200	1,204
2024-2028	13,831	2,669	45,390	21,269	-	-
2029-2033	-	-	57,960	8,982	-	-
2034-2038	-	-	-	-	-	-
2039-2043	-	-	-	-	-	-
	<u>\$ 60,350</u>	<u>\$ 39,263</u>	<u>\$ 205,660</u>	<u>\$ 150,608</u>	<u>\$ 39,855</u>	<u>\$ 15,550</u>

Fiscal Year Ending December 31	Special Assessment Bonds		State Infrastructure Bank Loans		Internal Service General Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
	2009	\$ 2,458	\$ 445	\$ 1,072	\$ 231	\$ 10
2010	2,199	346	1,105	200	10	6
2011	1,743	259	1,138	167	10	5
2012	1,616	192	1,172	133	11	5
2013	1,296	128	1,208	99	11	4
2014-2018	1,874	134	1,558	79	66	13
2019-2023	-	-	-	-	15	1
2024-2028	-	-	-	-	-	-
2029-2033	-	-	-	-	-	-
2034-2038	-	-	-	-	-	-
2039-2043	-	-	-	-	-	-
	<u>\$ 11,186</u>	<u>\$ 1,504</u>	<u>\$ 7,253</u>	<u>\$ 909</u>	<u>\$ 133</u>	<u>\$ 40</u>

11. Long-Term Debt (Continued)

Fiscal Year Ending December 31	Business-type Activities					
	General Obligation Bonds		Mortgage Revenue		Revenue	
	Principal	Interest	Principal	Interest	Principal	Interest
2009	\$ 35	\$ 33	\$ 6,220	\$ 1,916	\$ 3,515	\$ 1,565
2010	37	32	6,515	1,651	3,650	1,434
2011	38	31	6,765	1,359	3,790	1,292
2012	40	29	6,220	1,044	3,955	1,125
2013	42	28	3,680	806	4,130	950
2014-2018	240	104	9,725	2,394	15,385	1,741
2019-2023	242	32	3,915	1,080	-	-
2024-2028	-	-	2,805	193	-	-
2029-2033	-	-	-	-	-	-
2034-2038	-	-	-	-	-	-
2039-2043	-	-	-	-	-	-
	<u>\$ 674</u>	<u>\$ 289</u>	<u>\$ 45,845</u>	<u>\$ 10,443</u>	<u>\$ 34,425</u>	<u>\$ 8,107</u>

Fiscal Year Ending December 31	OWDA Loans		OPWC Loans	
	Principal	Interest	Principal	Interest
	2009	\$ 5,818	\$ 1,656	\$ 202
2010	5,638	1,395	201	-
2011	5,420	1,153	202	-
2012	5,611	933	201	-
2013	5,465	708	202	-
2014-2018	11,294	1,089	997	-
2019-2023	1,341	77	400	-
2024-2028	-	-	45	-
2029-2033	-	-	-	-
2034-2038	-	-	-	-
2039-2043	-	-	-	-
	<u>\$ 40,587</u>	<u>\$ 7,011</u>	<u>\$ 2,450</u>	<u>\$ -</u>

Fiscal Year Ending December 31	Governmental Activities Total		Business-type Activities Total		Grand Total	
	Principal	Interest	Principal	Interest	Principal	Interest
	2009	\$ 26,782	\$ 25,814	\$ 15,790	\$ 5,170	\$ 42,572
2010	27,619	24,838	16,041	4,512	43,660	29,350
2011	28,122	23,757	16,215	3,835	44,337	27,592
2012	28,651	22,509	16,027	3,131	44,678	25,640
2013	29,641	21,224	13,519	2,492	43,160	23,716
2014-2018	139,031	86,195	37,641	5,328	176,672	91,523
2019-2023	118,920	52,867	5,898	1,189	124,818	54,056
2024-2028	82,630	26,235	2,850	193	85,480	26,428
2029-2033	58,605	8,982	-	-	58,605	8,982
2034-2038	597	-	-	-	597	-
2039-2043	60	-	-	-	60	-
	<u>\$ 540,658</u>	<u>\$ 292,421</u>	<u>\$ 123,981</u>	<u>\$ 25,850</u>	<u>\$ 664,639</u>	<u>\$ 318,271</u>

11. Long-Term Debt (Continued)

All bonds and notes are backed by the full faith and credit of the City except revenue bonds. Water Mortgage Revenue Bonds are collateralized by the capital assets of the Water System that had net carrying values of approximately \$145,275,610 at December 31, 2008. It is the City's policy to pay debt service of the Enterprise and Internal Service Funds from the receipts of those funds. Accordingly, such debt is reported in those funds. Any deficiency is paid from the City's General Fund. Revenue bonds and OWDA loans are retired entirely from the excess of operating revenues over operating expenses of the applicable enterprise activity. Therefore, the City is under no obligation to repay these long-term obligations from the City's General Fund.

Bond Indenture Agreements for the Waterworks System Mortgage Revenue Improvement Bond dated January 15, 1996, the Sanitary Sewer System Revenue Bonds dated June 1, 1996, the Sanitary Sewer System Revenue Bonds dated January 1, 1997, the Sanitary Sewer System Improvement and Refunding Revenue Bond dated April 1, 1998, the Waterworks System Mortgage Revenue Improvement Bonds dated February 1, 1998, the Waterworks System Mortgage Revenue Improvement and Refunding Bonds dated July 1, 2003, and the Waterworks System Mortgage Revenue Improvement Bond dated August 10, 2006 require deposits to a Debt Service Fund based on a calculation of net operating revenues. The Sewer System Revenue Bond Indenture Agreement dated April 1, 1998 requires that a Debt Service Reserve Fund be created and maintained at a minimum of \$1,217,306 for the Series 1996 Bonds, the Series 1997 Bonds, and the Series 1998 Bonds. The balances in the Debt Service Reserve Fund and the Debt Service Fund at December 31, 2008 were as follows:

	Waterworks System 1996 Issue	Waterworks System 1998 Issue	Waterworks System 2003 Issue	Waterworks System 2006 Issue	Sewer System 1996, 1997, and 1998 Issues
Minimum balance of debt service reserve fund	\$ -	\$ -	\$ -	\$ -	\$ 1,217,306
Actual balance of debt service reserve fund	<u>1,895,374</u>	<u>516,595</u>	<u>2,296,021</u>	<u>491,606</u>	<u>4,453,325</u>
Excess	<u>\$ 1,895,374</u>	<u>\$ 516,595</u>	<u>\$ 2,296,021</u>	<u>\$ 491,606</u>	<u>\$ 3,236,019</u>

The debt service and debt service reserve funds for Mortgage Revenue Bond issues are included in the applicable enterprise fund for reporting purposes.

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 assessed 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 assessed value of property. At December 31, 2008, the City's total net debt amounted to 5.08% of the total assessed value of all property within the City and unvoted net debt amounted to 5.08% of the total assessed value of all property within the City.

11. Long-Term Debt (Continued)

The City has defeased certain debt issues by placing investments in U.S. Government obligations in irrevocable escrow accounts. Such accounts will be used, together with interest earned thereon, to provide for the payment of all principal and interest on the defeased bonds on their scheduled due dates. Accordingly, the escrow accounts and the defeased bonds summarized below are not included in the accompanying financial statements at December 31, 2008:

Issue	Defeasance Date	Original Amount		Principal Outstanding at 12/31/08
		Defeased	Escrowed	
Waterworks System First Mortgage Revenue Bonds Series 1991	1996	\$ 19,090,000	\$ 20,726,104	\$ 9,760,000
Sewer System Improvement General Obligation Bonds	1998	7,800,000	8,317,677	1,200,000
Various Purpose Improvement Bonds, Series 1991	2001	1,265,000	1,330,320	345,000
Various Purpose Improvement Bonds, Series 1992	2001	10,785,000	11,869,971	2,735,000
Street Improvement Bonds, Series 1992	2001	1,940,000	2,135,164	250,000
Various Purpose Improvement Bonds, Series 1994	2001	15,825,000	18,761,930	5,925,000
Waterworks System Mortgage Revenue Bonds Series 1994	2003	19,405,000	20,820,490	12,975,000
Various Purpose Improvement Bonds, Series 1993	2005	5,555,000	-	3,195,000
Various Purpose Improvement Bonds, Series 1995-2	2005	3,855,000	-	2,280,000
Various Purpose Improvement Bonds, Series 1996	2005	2,600,000	-	2,065,000
Various Purpose Improvement Bonds, Series 1996-2	2005	7,900,000	-	5,855,000
Various Purpose Improvement Bonds, Series 1997	2005	11,960,000	-	8,450,000
Various Purpose Improvement Bonds, Series 1999	2005	14,310,000	-	11,445,000
Various Purpose Improvement Bonds, Series 2000	2005	14,265,000	-	12,400,000
		<u>60,445,000</u>	<u>40,208,751</u>	<u>45,690,000</u>
Sanitary Sewer System Revenue Bonds, Series 1996	2005	12,655,000	-	9,365,000
Sanitary Sewer System Revenue Bonds, Series 1997	2005	11,245,000	-	10,735,000
Sanitary Sewer System Improvement and Refunding Revenue Bonds, Series 1998	2005	6,165,000	-	5,910,000
		<u>30,065,000</u>	<u>30,839,036</u>	<u>26,010,000</u>
				<u><u>\$ 104,890,000</u></u>

11. Long-Term Debt (Continued)

The City of Akron's original General Obligation bond ratings are AA- from Fitch, A1 from Moody's and AA- from Standard and Poor's. The insured Water and Sewer Revenue bonds were originally rated AAA from Fitch, Aaa from Moody's and AAA from Standard and Poor's. As of December 8, 2008, the City's bond ratings are as follows:

<u>Bond Description</u>	<u>Moody's Investors</u> <u>Service</u>	<u>Standard</u> <u>and Poor's</u>	<u>Fitch Ratings</u>
	<u>Current Rating</u>	<u>Current Rating</u>	<u>Current Rating</u>
1996 Waterworks System Mortgage Revenue Improvement and Refunding Bonds	Baa1	AA	n/a
1999 Pension Refunding Income Tax Revenue Bonds	A2	n/a	Not rated
2000 Sanitary Sewer System Special Revenue Bonds	Aa3	n/a	Not rated
2000 Waterworks System Special Revenue Bonds	Aa3	n/a	Not rated
2001 Various Purpose Improvement and Refunding Bonds	A1	AA	n/a
2002 Sanitary Sewer System Special Revenue Bonds	Baa1	n/a	AA-
2002 Waterworks System Special Revenue Bonds	Baa1	n/a	AA-
2002 Various Purpose Improvement and Refunding Bonds	A1	AA	n/a
2003 Various Purpose Improvement Bonds	A1	AA-	AA-
2003 Waterworks System Mortgage Revenue Improvement and Refunding Bonds	Baa1	n/a	n/a
2004A Income Tax Revenue Bonds	A2	AA+	A+
2004B Income Tax Revenue Bonds	A2	AA+	A+
2005 Refunding Certificates of Participation	n/a	A+	A
2005 Sanitary Sewer System Improvement and Refunding Bonds	Aa3	n/a	Not rated
2005 Street Improvement Special Assessment Bonds	Baa1	AA-	Not rated
2005 Various Purpose Improving and Refunding Bonds	Baa1	AA-	Not rated
2005-A Certificates of Participation	n/a	A+	n/a
2006 Taxable Economic Development Revenue Bonds	Baa1	n/a	n/a
2006 Various Purpose Improvement Bonds	A1	AA	n/a
2007 Certificates of Participation	n/a	A+	n/a

11. Long-Term Debt (Continued)

During 2001, the City entered into an amendment and restatement of cooperative agreement among various parties to unconditionally guarantee the principal and interest payments of the Summit County Port Authority Revenue Bonds (Akron Civic Theatre Project), issued by the Summit County Port Authority. As of December 31, 2008, the principal amount outstanding was \$14,261,070. The City believes that the Summit County Port Authority is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the bonds; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2008.

During 2004, the City entered into an agreement with various parties to unconditionally guarantee the principal and interest payments on behalf of The Goodyear Tire & Rubber Company for the Summit County Port Authority Bonds, Series 2005B. As of December 31, 2008, the principal amount outstanding was \$2,750,000. The City believes that Goodyear Tire & Rubber Company is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the bonds; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2008.

During 2006, the City entered into an agreement with various parties to unconditionally guarantee the principal and interest payments on behalf of Hiney Acquico LLC for the Summit County Port Authority Bonds, Series 2006B. As of December 31, 2008, the principal amount outstanding was \$1,345,000. The City believes that Hiney Acquico LLC is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining year guarantee term of the bonds; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2008.

During 2008, the City entered into a new agreement with various parties to unconditionally guarantee the principal and interest payments on behalf of MemPro Ceramics Corporation for the loan issued by The Huntington National Bank. As of December 31, 2008, the principal amount outstanding was \$250,000. The City believes that MemPro Ceramics Corporation is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the loan; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2008.

During 2007, the City entered into an agreement with various parties to unconditionally guarantee the principal and interest payments on behalf of Akron Community Service Center and Urban League, Inc. for Summit County Port Authority Bonds, Series 2007. As of December 31, 2008, the principal amount outstanding was \$2,600,000. The City believes that the Akron Community Service Center and Urban League, Inc. is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the loan; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2008.

From time to time, the City has issued industrial revenue bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received by the bond trustees on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The bonds do not constitute a debt or pledge of the faith and credit of the City and, accordingly, have not been reported in the accompanying financial statements. As of December 31, 2008, there was one industrial revenue bond outstanding. The aggregate principal amount payable for the issue was \$695,000.

12. Obligations Under Capitalized Leases

In November, 1996, \$28.9 million Series 1996 Convertible Capital Appreciation Certificates of Participation (COPs) were issued by a bank to finance the costs of the construction of a professional baseball stadium (meeting class “AA” standards) within the City. In connection with the issuance of the Series 1996 COPs, the City entered into a capital lease agreement (as lessee) for the baseball stadium. The City will make lease payments during successive annual renewal periods through November 25, 2016, providing City Council appropriates funds each year for that purpose. If the lease is paid through November 25, 2016, the City will acquire title to the baseball stadium. The lease agreement also includes a purchase option during the years 2002 through 2016.

Unspent funds of approximately \$73,000 provided from the COPs are recorded as restricted assets in the governmental activities in the accompanying government-wide statement of net assets as of December 31, 2008. In the unlikely event the lease is terminated, the restricted funds are available for payment of the certificates.

The City has defeased certain certificate issues by placing investments in U.S. Government obligations in irrevocable escrow accounts. Such accounts will be used, together with interest earned thereon, to provide for the payment of all principal and interest on the defeased certificates on their scheduled due dates. Accordingly, the escrow accounts and the defeased certificates summarized below are not included in the accompanying financial statements at December 31, 2008:

Issue	Defeasance Date	<u>Original Amount</u>		Principal Outstanding at 12/31/08
		Defeased	Escrowed	
Certificates of Participation, Series 1996	2005	\$31,515,000	\$33,661,685	\$23,620,000

The City also has two other capital leases, one for computer hardware, software and licenses and one for the redesign of the City’s sanitation trash collection system. The cost of the computer lease agreement is \$515,964 and is included in the City’s capital assets in the Management Information Systems Fund.

The cost of the sanitation redesign equipment is \$9,050,203 and is included in the City’s capital assets in the Statement of Net Assets – Governmental Activities.

12. Obligations Under Capitalized Leases (Continued)

The following is a summary of the capital lease transactions for the year ended December 31, 2008:

	<u>Governmental Activities</u>			<u>Internal Service</u>
	<u>COPS</u>	<u>Sanitation Redesign</u>	<u>Radio Equipment</u>	<u>Computer Equipment</u>
Capital Lease at January 1, 2008	\$ 71,261,758	\$ 7,897,231	\$ 153,843	\$ 515,964
Additions	-	-	-	-
Retirements	<u>(4,215,000)</u>	<u>(1,152,972)</u>	<u>(153,843)</u>	<u>(227,526)</u>
Capital Lease at December 31, 2008	<u>\$ 67,046,758</u>	<u>\$ 6,744,259</u>	<u>\$ -</u>	<u>\$ 288,438</u>

Future lease payments are as follows as of December 31, 2008:

<u>Year</u>	<u>Governmental Activities</u>			<u>Internal Service</u>
	<u>COPS Stadium</u>	<u>COPS Parking</u>	<u>Sanitation Redesign</u>	<u>Computer Equipment</u>
2009	\$ 3,827,500	\$ 4,359,863	\$ 1,152,972	\$ 195,022
2010	3,828,000	4,331,713	1,152,972	162,519
2011	3,827,000	4,291,338	1,152,972	-
2012	3,834,250	4,259,063	1,152,972	-
2013	3,829,000	4,215,263	1,152,972	-
2014-2018	11,489,750	21,340,663	3,458,916	-
2019-2023	-	13,929,806	-	-
2024-2028	-	8,856,256	-	-
Total lease payments	30,635,500	65,583,965	9,223,776	357,541
Less amount representing interest	<u>5,885,500</u>	<u>18,753,963</u>	<u>1,616,844</u>	<u>27,085</u>
Present value of lease payments	<u>\$ 24,750,000</u>	<u>\$ 46,830,002</u>	<u>\$ 7,606,932</u>	<u>\$ 330,456</u>
Net book value of leased assets	* <u>\$ 22,495,821</u>	* <u>\$ 62,887,224</u>	* <u>\$ 6,787,652</u>	* <u>\$ 361,175</u>

*Amount represents the entire net book value of the capital lease recorded in the statement of net assets.

13. Self-Insurance Funds

The City is exposed to various risks of loss including employee health-care costs and accidents, torts and legal judgments, and damage or destruction of assets. The City purchases fire and extended coverage insurance on all buildings and contents up to \$175,000,000 per occurrence, with a variety of deductibles beginning at \$250,000. Coverage is purchased on 1,234 vehicles for combined single-limit liability of \$1,000,000. There has been no significant reduction in coverage from the prior year, and settled claims have not exceeded the City's insurance coverage in any of the past three years.

The City has a Medical Self-Insurance Fund. The purpose of this fund is to pay medical claims for City employees and their covered dependents and minimize the total cost of medical benefits of the City. The plan is internally managed and accounted for as an Internal Service Fund. This Internal Service Fund has been in existence since 1987.

The City has an Internal Service Fund entitled "Workers' Compensation Reserve Fund" to account for self-insured workers' compensation claims. Workers' compensation is administered by the State of Ohio under a retrospective rating plan. The City reimburses the Ohio Bureau of Workers' Compensation for injured workers' claims subject to a maximum annual claim limit of \$300,000 for each worker's compensation claim. All funds of the City participate in the program and make payments to the Internal Service Fund based on the experience premium that would normally be charged by the Ohio Bureau of Workers' Compensation. Future claims liabilities are actuarially determined.

The City has a Self-Insurance Settlement Fund. The purpose of this fund is to pay judgments and claims. Claims are accrued based upon estimates, past experience, and current claims outstanding. Actual claims experience may differ from the estimate.

The claims liabilities of \$2,441,697, \$7,160,353 and \$616,789 reported in the Medical, Workers' Compensation, and Self-Insurance Settlement funds, respectively, at December 31, 2008, are in accordance with the requirements of GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, and GASB Statement No. 30, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*. These GASB statements require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The liabilities recorded include the estimated incremental expenses to be incurred to settle the claims, including legal fees. Claims liabilities are based on evaluations of individual claims and a review of experience with respect to the probable number and nature of claims arising from losses that have been incurred but have not yet been reported. The claims liabilities represent the estimated ultimate cost of settling the claims, including the effects of inflation and other societal and economic factors. Estimated future recoveries on settled and unsettled claims, such as subrogations, if any, are evaluated in terms of their estimated realizable value and deducted from the liability for unpaid claims. Any adjustments resulting from the actual settlement of the claims are reflected in the financial statements at the time the adjustments are determined.

13. Self-Insurance Funds (Continued)

Changes in the funds' claims liabilities (both current and long-term) amounts in fiscal 2007 and 2008 were:

	Beginning of Year Liability	Claim Adjustments	Current Period Claims	Claim Payments	Balance at End of Year
Medical Self-Insurance Fund					
2007	\$ 2,394,681	\$ -	\$22,933,049	\$(22,553,844)	\$ 2,773,886
2008	2,773,886	-	24,586,754	(24,918,943)	2,441,697
Workers' Compensation Reserve Fund					
2007	8,481,652	-	3,840,947	(1,601,180)	10,721,419
2008	10,721,419	(3,430,376)	1,455,851	(1,586,541)	7,160,353
Self-Insurance Settlement Fund					
2007	564,315	-	1,392,848	(1,244,253)	712,910
2008	712,910	-	156,362	(252,483)	616,789

14. Long-term Liabilities

The City reports the following amounts relating to the government's long-term liabilities for the year ended December 31, 2008:

	Balance January 1, 2008	Additions	Deletions	Balance December 31, 2008
Governmental Activities:				
Governmental Funds:				
Due to other governments (Note 4)	\$ 7,152,904	\$ -	\$ (855,245)	\$ 6,297,659
Accrued vacation and leave (Note 8)	42,192,240	16,361,912	(16,986,056)	41,568,096
Accrued OPERS	1,383,414	-	(699,993)	683,421
OPEB liability	3,486,122	3,671,739	(131,318)	7,026,543
Pollution Remediation	-	269,741	-	269,741
Total Governmental Funds	54,214,680	20,303,392	(18,672,612)	55,845,460
Internal Service Funds:				
Accrued vacation and leave (Note 8)	1,883,300	989,432	(965,977)	1,906,755
Accrued OPERS	-	87,542	-	87,542
OPEB liability	-	208,150	-	208,150
Liability for unpaid claims	9,134,878	1,455,851	(4,886,227)	5,704,502
Total Internal Service Funds	11,018,178	2,740,975	(5,852,204)	7,906,949
Total Governmental Activities	65,232,858	23,044,367	(24,524,816)	63,752,409
Business-type Activities:				
Enterprise Funds:				
Water				
Accrued vacation and leave (Note 8)	2,948,862	1,258,956	(1,532,360)	2,675,458
Accrued OPERS	206,792	-	(92,871)	113,921
OPEB liability	264,306	125,641	-	389,947
Sewer				
Due to other governments (Note 4)	378,482	-	(29,101)	349,381
Accrued vacation and leave (Note 8)	1,822,322	1,028,378	(1,138,491)	1,712,209
Accrued OPERS	119,653	-	(51,789)	67,864
OPEB liability	170,031	86,196	-	256,227
Other Business-type Activities				
Accrued vacation and leave (Note 8)	249,898	75,647	(75,048)	250,497
Accrued OPERS	15,840	-	(8,344)	7,496
Pollution Remediation	-	92,500	-	92,500
OPEB liability	17,490	7,405	-	24,895
Total Enterprise Funds/ Business-type Activities	6,193,676	2,674,723	(2,928,004)	5,940,395
Total	\$ 71,426,534	\$ 25,719,090	\$ (27,452,820)	\$ 69,692,804

The above liabilities are liquidated by the various operating funds in which the liabilities exist.

See Note 4 for detailed explanations for the amounts recorded as due to other governments.

15. Compliance and Accountability

A. Legal compliance

The City incurred expenditures that were not individually appropriated, has deficit cash fund balances in certain funds, and certain funds had appropriations which exceeded the Official Certificate of Estimated Resources which are contrary to the Ohio Revised Code.

B. Deficit fund balances

The following funds have fund balance deficits or net assets deficits at December 31, 2008:

Major Fund:

Streets Fund	\$ 26,258,508
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Special Revenue Funds:

Akron Metro Area Transportation Study	169,199
Community Development	745,338
Various Purpose Funding	336,814
Health Grants	253,155
Deposits	135,698
Police Grants	956,363
Various Domestic Violence	112,265
Street Assessment Fund	2,499,356
City Facilities Operating	7,729,576
Emergency Medical Service	1,281,015

Capital Project Funds:

Non-appropriated Capital Projects	2,692,099
Transportation	3,358,439
Parks and Recreation	7,039,589
Public Facilities and Improvements	5,691,648

Internal Service Funds:

Medical Self-Insurance	8,498,511
Workers' Compensation Reserve	5,816,959
Self-Insurance Settlement	603,149
Storeroom	403,767
Engineering Bureau	2,153,215
Management Information Systems	910,662

The Special Revenue Funds that have deficit fund balances at year-end have incurred expenditures that have not yet received the revenue under federal or state grant agreements or as a reimbursement from other funds. The Community Development Fund requested grant draws are based on actual cash basis expenditures.

The Capital Project Funds that have deficit fund balances at year-end have incurred expenditures that have not yet been reimbursed from debt issuances and/or interfund transfers. The City carries out programs in its capital budget for which pooled cash is spent up front.

The Internal Service Funds, that have deficit net assets balances at year-end, have incurred expenses above charges for services. User charges will be assessed to eliminate the deficits. The Workers' Compensation Reserve Fund has budgeted an increase in charges for services for 2009. The City's policy is to transfer funds from the pertinent division's operating budget for actual claim settlements to reimburse the Self-Insurance Settlement Fund. The Engineering Bureau will review its applied overhead rate charged to capital projects to address its deficit.

16. Income Taxes

The City levies a tax at the rate of 2.25% on substantially all income earned within the City. In addition, residents of the City are required to pay City income tax on income earned outside the City. However, a credit is allowed for income taxes paid to other municipalities.

On May 6, 2003, Akron voters increased the City's income tax rate from 2% to 2.25% which took effect January 1, 2004. However, the additional .25% increase is designated exclusively for funding the Akron Public Schools' local share in obtaining State of Ohio grants for the construction and renovation of community learning centers in Akron. Therefore, the additional .25% will not be distributed according to City Charter into both operation and capital improvement funds, as described below.

The proceeds of income taxes, after payment of the expenditures incurred from collection thereof, are allocated by the City Charter as follows: 27% to capital expenditures and 73% to the General Fund. The portion allocated to capital expenditures may be utilized for payment of debt service or capital expenditures of any City fund.

Employers within the City are required to withhold income tax on employee compensation and remit this tax to the City at least quarterly. Corporations and other individual taxpayers are required to file a declaration annually and pay their estimated tax quarterly.

17. Property Taxes

Property taxes include amounts levied against all real, public utility and tangible (used in business) property located in the City.

Real property taxes are levied each October on the assessed value listed as of the prior January 1. Assessed values are established by the County Fiscal Officer at 35% of appraised market value. By law, a revaluation of all property based on current individual appraisals is required to be completed no less than every six years. The last revaluation was completed in tax year 2008 for collection in 2009. The next sexennial revaluation will be completed in 2014 for collection in 2015. In addition, the County Fiscal Officer is required to adjust (but without individual appraisal of properties except in the sexennial reappraisal) taxable real property values triennially to reflect true values.

Real estate and public utility taxes attach an enforceable lien on property as of December 31 in the year levied. Payments are scheduled in two installments in mid-February and mid-July of the succeeding year and are considered delinquent if unpaid as of December 31 of that year.

Tangible personal property used in business (except for certain public utility tangible personal property) is being phased out over four years by the State of Ohio. Previously, machinery, equipment and fixtures were generally taxed at 25% of true value and inventory was taxed at 23%. These percentages are being decreased as follows:

Tax Year	Percentage
2006	18.75%
2007	12.50%
2008	6.25%
2009	0.00%

17. Property Taxes (Continued)

To compensate for foregone revenue as the tangible personal property tax is phased out, the state will make distributions to taxing subdivisions from revenue generated by a newly enacted commercial activity tax. Generally, these distributions are expected to fully compensate taxing subdivisions for such tax losses through 2010 with gradual reductions in the reimbursement from 2011 through 2017.

The assessed value upon which the 2008 property tax was based aggregated \$3,169,362,000. The assessed value for 2008 (upon which the 2009 property tax will be based) is approximately \$3,017,652,000.

Under the current allocation method, the City's share was 1.030% (10.30 mills) of assessed value in 2008 for collection in 2009. The City's Charter limits the maximum total tax rate that could be levied without a vote of the electors to 1.05% (10.5 mills).

The Fiscal Officer collects property taxes on behalf of all taxing districts in the County including the City of Akron and periodically remits to the City its portion of the taxes collected. Current real property and tangible personal property tax collections for the year ended December 31, 2008, including delinquencies from prior years, were 98.5% and 100.1%, respectively, of the current year tax levy. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue, while the remainder of the tax receivable is deferred.

Property taxes are allocated to the various funds based upon voter authorization.

18. JEDD Revenues

In an effort to promote regional growth and economic development, the City has entered into contracts with four surrounding townships and a bordering municipality to create Joint Economic Development Districts (JEDDs). The City entered into separate contracts with Copley, Coventry, and Springfield Townships to create JEDDs in 1994. Voters in each township approved the respective JEDD contracts in the November 1994 election, which became effective January 1, 1995. In accordance with state law, each of the Districts' Board of Trustees levied a 2% income tax effective January 1, 1995. In accordance with the City of Akron's income tax increase, as of January 1, 2005, Copley, Coventry and Springfield's income tax rate increased to 2.25%. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. The City has utilized these JEDD revenues, in part, to construct water and sewer lines so that the JEDDs have access to the City's water and sewer system and to encourage and promote economic development.

In 1998 the City entered into a JEDD contract with Bath Township (Bath) and the City of Fairlawn (Fairlawn). This contract was approved by voters in November 1998 and became effective on January 1, 1999. As in the other JEDDs, a 2% income tax has been levied by the District. In accordance with the City of Akron's income tax increase, as of January 1, 2006, Bath's income tax rate increased to 2.25%. As stated in the contract, the net JEDD revenues are allocated to the City and Fairlawn, with the City providing water and sewer services. Commencing January 1, 2000, Bath Township will receive an annual payment of \$250,000 for ten years from the City. The City has recorded the \$250,000 remaining balance as of December 31, 2008 due to Bath Township on the financial statements as a current liability.

19. Pledged Revenues

Pursuant to GASB No. 48, *Accounting and Financial Reporting for Sales and Pledges of Receivables and Intra-Entity Transfers of Assets and Future Revenues*, the City holds different types of pledged revenue. Pledged revenues of the City are broken down into water system revenues, sewer system revenues, JEDD revenues, non-tax revenues, income tax revenues, and CLC income tax revenues.

Water System Revenues

The City has pledged future water customer revenues, net of specified operating expenses to repay \$96.68 million in water system revenue bonds issued at various dates ranging from January 15, 1996 thru August 10, 2006. Proceeds from the bonds provided financing for various water projects. The bonds are payable solely from water customer net revenues and are payable in various maturity dates ranging from January 1, 2011 thru March 1, 2026. The total principal and interest remaining to be paid on the bonds as of December 31, 2008 is \$68,271,793. Principal and interest paid for 2008 and total customer net revenues were \$9,619,285 and \$10,757,804 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
01/15/96	\$ 21,175,000	Various Water Projects	03/01/12	\$ 2,791,905	\$ 11,153,763
02/01/98	18,700,000	Various Water Projects	03/01/18	902,814	9,044,222
09/28/99	1,129,038	Water Mains	07/01/20	82,691	991,274
05/02/00	8,108,231	Sedimentation Basin	07/01/20	626,574	7,518,888
04/16/01	476,826	Water Force Main	01/01/11	58,041	202,593
07/10/02	2,809,223	Water Force Main	07/01/12	341,785	1,367,140
07/01/03	28,045,000	Various Water Projects	03/01/14	3,468,938	18,112,100
01/29/04	2,900,272	Post Chemical Bldg.	01/01/14	346,242	1,904,331
08/10/06	13,340,000	Various Water Projects	03/01/26	1,000,295	17,977,482
	<u>\$ 96,683,590</u>			<u>\$ 9,619,285</u>	<u>\$ 68,271,793</u>

Sewer System Revenues

The City has pledged future sewer customer revenues, net of specified operating expenses to repay \$112.9 million in sewer system revenue bonds issued at various dates ranging from May 6, 1982 thru December 1, 2005. Proceeds from the bonds provided financing for various sewer projects. The bonds are payable solely from sewer customer net revenues and are payable in various maturity dates ranging from January 1, 2010 thru December 1, 2017. The total principal and interest remaining to be paid on the bonds as of December 31, 2008 is \$78,442,151. Principal and interest paid for 2008 and total customer net revenues were \$10,610,816 and \$11,630,869, respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
05/06/82	\$ 7,544,333	Sewage Treatment	01/01/10	\$ 863,504	\$ 1,359,272
01/26/95	15,328,600	Sewage Treatment	07/01/15	1,176,439	8,235,558
03/30/95	17,873,703	Relief Sewers	07/01/15	1,371,789	9,602,523
04/01/98	19,140,000	Various Sewer Projects	12/01/13	917,060	5,365,029
09/30/04	8,231,733	Meter Replacement	07/01/15	997,645	6,983,515
12/16/04	10,951,961	Storage Basin - CSO	07/01/14	1,571,991	9,729,380
12/01/05	33,855,000	Various Sewer Projects	12/01/17	3,712,388	37,166,874
	<u>\$ 112,925,330</u>			<u>\$ 10,610,816</u>	<u>\$ 78,442,151</u>

19. Pledged Revenues (Continued)

JEDD Revenues

The City has pledged future JEDD revenues to repay \$53.2 million in JEDD revenue bonds issued at various dates ranging from July 1, 2000 thru November 1, 2002. Proceeds from the bonds provided financing for various water projects. The bonds are payable solely from JEDD revenues and are payable in various maturity dates ranging from December 1, 2020 thru December 1, 2022. The total principal and interest remaining to be paid on the bonds as of December 31, 2008 is \$55,405,402. Principal and interest paid for the 2008 and total JEDD revenues were \$4,309,274 and \$11,243,830 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
07/01/00	\$ 13,825,000	Various Water Projects	12/01/20	\$ 1,163,263	\$ 13,985,729
08/01/00	13,825,000	Various Sewer Projects	12/01/20	1,162,638	13,971,602
09/01/02	15,550,000	Various Water Projects	12/01/22	1,196,173	16,747,319
11/01/02	<u>10,000,000</u>	Various Sewer Projects	12/01/22	<u>787,200</u>	<u>10,700,752</u>
	<u>\$ 53,200,000</u>			<u>\$ 4,309,274</u>	<u>\$ 55,405,402</u>

Non-Tax Revenues

The City has pledged future non-tax revenues, to repay \$54.5 million in non-tax revenue bonds issued November 1, 1997 and December 15, 2006. Proceeds from the bonds provided financing for various economic development and renovation projects. The bonds are payable from non-tax revenue including fees of licenses, fines and interest earnings. The maturity dates are December 1, 2018 and December 1, 2026. The total principal and interest remaining to be paid on the bonds as of December 31, 2008 is \$58,165,770. Principal and interest paid for 2008 and total non-tax revenues were \$4,391,876 and \$26,484,962 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
11/01/97	\$ 35,000,000	O'Neil's Bldg. Renovation	12/01/18	\$ 2,837,440	\$ 28,351,200
12/15/06	<u>19,500,000</u>	Various Econ. Dev. Proj.	12/01/26	<u>1,554,436</u>	<u>29,814,570</u>
	<u>\$ 54,500,000</u>			<u>\$ 4,391,876</u>	<u>\$ 58,165,770</u>

19. Pledged Revenues (Continued)

Income Tax Revenues

The City has pledged future income tax revenues, to repay \$94.2 million in income tax revenue bonds issued at various dates ranging from November 1, 1992 thru December 3, 2007. Proceeds from the bonds provided financing for various liabilities, equipment, facilities, and improvements. The bonds are payable solely from income tax revenues and are payable in various maturity dates ranging from December 1, 2008 thru December 1, 2028. The total principal and interest remaining to be paid on the bonds as of December 31, 2008 is \$72,751,172. Principal and interest paid for 2008 and total income tax revenues were \$7,657,978 and \$117,549,893 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
11/01/92	\$ 900,000	Balch St. Community Ctr.	12/01/13	\$ 71,577	\$ 380,441
11/01/92	6,500,000	Convention Center	12/01/13	519,098	2,726,216
10/15/93	7,000,000	Inventors Hall of Fame	12/01/13	442,008	1,996,443
06/15/94	8,715,000	Various Community Ctrs.	12/01/14	612,850	3,149,123
12/01/96	1,060,000	Various Community Ctrs.	12/01/17	78,606	583,595
12/01/96	1,110,000	Northwest Fire Station	12/01/17	83,803	621,858
12/01/96	1,200,000	H.K. Stubbs Justice Ctr.	12/01/17	91,599	679,706
12/01/97	1,175,000	Var. Municipal Facilities	12/01/08	135,035	-
12/01/97	2,025,000	Motor Equipment	12/01/08	226,327	-
12/01/97	3,300,000	Street Improvements	12/01/18	253,663	2,104,726
12/01/98	1,275,000	Motor Equipment	12/01/09	162,963	161,587
12/01/98	1,660,000	Municipal Facilities	12/01/19	129,200	1,440,938
12/01/98	3,095,000	Street Improvements	12/01/19	240,835	2,681,615
12/01/98	4,685,000	Recreational Facilities	12/01/19	362,975	4,071,045
04/15/99	10,090,000	Pension Accrued Liability	12/01/23	709,218	10,585,992
11/01/99	765,000	Motor Equipment	12/01/10	108,036	216,754
11/01/99	2,280,000	Var. Municipal Facilities	12/01/10	325,323	652,697
11/01/99	8,165,000	Recreational Facilities	12/01/20	680,527	8,311,475
11/01/00	885,000	Var. Municipal Facilities	12/01/21	73,327	958,612
11/01/00	1,300,000	Recreational Facilities	12/01/21	106,700	1,394,903
11/01/00	2,300,000	Street Improvements	12/01/21	189,898	2,482,559
11/01/01	1,807,000	Recreational Facilities	12/01/22	144,464	2,033,109
11/01/01	3,320,000	Motor Equipment	12/01/12	407,148	1,656,192
12/01/02	2,300,000	Equipment Replacement	12/01/23	290,999	1,410,587
12/01/02	11,775,000	Recreational Facilities	12/01/23	964,791	13,831,612
12/03/07	390,000	Var. Fire Dept. Facilities	12/01/28	17,291	601,525
12/03/07	540,000	Municipal Service Center	12/01/28	23,916	834,413
12/03/07	1,745,000	Municipal Complex	12/01/28	77,418	2,704,112
12/03/07	2,895,000	Recreational Facilities	12/01/28	128,383	4,479,337
	<u>\$ 94,257,000</u>			<u>\$ 7,657,978</u>	<u>\$ 72,751,172</u>

19. Pledged Revenues (Continued)

CLC Income Tax Revenues

The City's income tax rate includes .25% Community Learning Center (CLC) income tax revenue. This is designated exclusively for funding the Akron Public Schools' local share in obtaining State of Ohio grants for the construction and renovation of community learning centers (CLC) in Akron. In 2004 the City issued bonds totaling \$215 million and are payable through 2014 and 2033. The Akron Public Schools' annual contribution towards this debt is \$3,000,000. The City has committed each year, from the supplemental income tax revenue, amounts sufficient to cover the City's portion of the principal and interest requirements. Total principal and interest remaining on bonds are \$270,682,158. For 2008 total principal and interest paid by the City was \$10,966,413 and current net revenues were \$14,542,597.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
01/01/04	\$ 50,000,000	Community Learning Centers	12/01/14	\$ 5,715,125	\$ 38,965,510
01/01/04	<u>165,000,000</u>	Community Learning Centers	12/01/33	<u>5,251,288</u> *	<u>231,716,648</u> *
	<u>\$ 215,000,000</u>			<u>\$ 10,966,413</u>	<u>\$ 270,682,158</u>

* Net of \$3,000,000 annual contribution from Akron City School District.

20. Pollution Remediation

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Cost* addresses reporting standards for pollution remediation obligations. The City is aware of only two sites that meet the requirements for disclosure. The first site is a vacant, undeveloped piece of land known as Middlebury East and an environmental assessment has been done. The City of Akron legally obligated itself by voluntarily commencing cleanup activities. The projected cost to remediate this site is estimated at approximately \$1,200,000. Of this amount, approximately \$1,000,000 is left to be expended. However, the City has obtained a \$750,000 grant to assist in the remediation clean-up and a total liability of \$983,448 is reflected in the Statement of Net Assets as of December 31, 2008.

The second site is known as the Westside Depot property where the City of Akron was compelled to take remediation action. This site used to house an underground storage tank (UST) system. During an upgrade to this system in 1991, there was evidence of residual petroleum hydrocarbons under the tank and the associated dispensing equipment. This site also had been the location of a previous UST system that may have consisted of a diesel tank, gasoline tank, and kerosene tank. The projected completion date is 2011 and the estimated cost of \$175,200 is recorded as a liability in the Airport Fund as of December 31, 2008.

21. Transfers

For the year ended December 31, 2008 transfers presented in conformity with generally accepted accounting principles (GAAP) are listed in the following table. Interfund transfers are made to cover expenditures/expenses in various funds or to consolidate inactive funds.

	Transfers In				Total
	Transfers Out	General Fund	Other Governmental Funds	Other Enterprise Funds	
Governmental Activities:					
General Fund	\$3,070,050	\$ -	\$ 2,539,890	\$ 530,160	\$ 3,070,050
Other Governmental Funds	153,050	60,000	93,050	-	153,050
	<u>3,223,100</u>	<u>60,000</u>	<u>2,632,940</u>	<u>530,160</u>	<u>3,223,100</u>
Business-type Activities:					
Off-Street Parking	888,059	-	888,059	-	888,059
	<u>\$4,111,159</u>	<u>\$ 60,000</u>	<u>\$ 3,520,999</u>	<u>\$ 530,160</u>	<u>\$ 4,111,159</u>

22. Contingencies

(1) Litigation

The City is a defendant in a number of lawsuits pertaining to matters that are incidental to performing routine governmental functions. The City Law Director is of the opinion that ultimate settlement of all outstanding litigation and claims will not result in a material adverse effect on the City's financial position.

(2) Federal and State Grants

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agencies for expenditures disallowed under the terms of the grants. The City believes that such disallowances, if any, would not have a material adverse effect on the City's financial position.

(3) Other Obligations

On December 14, 2007 City Council passed ordinance number 632-007 approving and authorizing execution of a Development Agreement among the City of Akron (City), County of Summit (County), and IRG Rubber City, LLC (Developer) and approving and authorizing a Development and Retention Agreement among the City of Akron, County of Summit and The Goodyear Tire and Rubber Company. The City shall provide \$2.5 million, which includes any costs incurred in the acquisition of property. As of December 31, 2008 the City of Akron has spent approximately \$2.3 million.

22. Contingencies (continued)

As stated in this agreement each party, (the City, County, and Developer), agrees to use their best efforts to secure different funding sources; however, these funding sources are preliminary and may not be committable or achievable. Therefore, in the event that any supplemental funding sources are not attainable, the City, per the above stated ordinance, agrees to contribute 1/3 of any unattainable funds (City maximum \$17.5 million). As of December 31, 2008 the City of Akron has not been required to provide any funds.

23. Closure and Post-Closure Care Costs

Pursuant to a ruling by the Ohio EPA, the Hardy Road Landfill officially closed on June 30, 2002. The City has begun diverting its waste to Waste Management's American Landfill located in Stark County. As part of a 1998 agreement, the City agreed to use landfill facilities controlled by Akron Regional Landfill, Inc., (a subsidiary of Waste Management) for disposal of ninety percent of the refuse collected by the City's sanitation division.

On October 4, 2004, the City entered into an Agreement with the Summit/Akron Solid Waste Management Authority (Authority) implementing a \$1.20 per ton increase in the waste management generation fee by the Authority to help fund the closure and post-closure operations of the landfill.

24. Jointly Governed Organizations

Reported as a non-major special revenue fund in the City's CAFR, the Akron Metropolitan Area Transportation Study (AMATS) is an association of various local political subdivisions in the Akron area whose purpose is to develop and implement a comprehensive and continuing transportation plan for Summit, Portage and parts of Wayne County. The operations of AMATS are financed primarily by federal and state grants and local matching contributions. AMATS is staffed by employees of the City of Akron Department of Planning and Urban Development, and support functions are performed by various departments of the City. The City also makes all disbursements on behalf of AMATS and is reimbursed by the AMATS local share and grant funds. Most of AMATS' grant funds are deposited in a trust fund with Summit County (not included in the City's books), while some funds are deposited directly with the City of Akron.

The Akron/Summit Convention and Visitors' Bureau (Convention Center) was constructed by the City of Akron along with the County of Summit and the University of Akron, with the City paying approximately 26% of the construction costs. The Convention Center contains meeting rooms, an exhibit hall, and a large ballroom-banquet facility to accommodate a wide range of seminars, trade shows, and major community events.

25. Related Organization

The City of Akron, in conjunction with Summit County, University of Akron, Medina County, and Greater Akron Chamber of Commerce, agreed to form the Summit Medina Business Alliance (SMBA). SMBA is a not-for-profit corporation which supports economic development of the region. The organization entered into an agreement with the Kent Regional Business Alliance to carry out activities in cooperation with the Ohio Department of Development and the Small Business Administration. The Mayor of the City of Akron appoints three of the five voting members of the board of trustees of the Summit Medina Business Alliance. The SMBA does not pose a financial burden on the City of Akron since it receives revenues from the City and other governments in the area. During 2008, the City paid SMBA \$134,923 for operating expenses.

26. Subsequent Event

On May 11, 2009 City Council passed ordinance #210-2009 authorizing amended preliminary financing of a portion of the costs related to IRG Rubber City LLC acquiring real estate comprising the campus of The Goodyear Tire & Rubber Company. The bonds issued will be for \$17.2 million. In this agreement entered into with the Summit County Port Authority, the County of Summit, and IRG Rubber City LLC the City guarantees to pay, from non-tax revenues, an amount equal to ½ of the annual debt service on the bonds in the event IRG defaults. The City's maximum will be \$8.6 million. The \$8.6 million will reduce the City's maximum contribution to unattainable funds as referred to in Contingencies (see Note 22).

On May 18, 2009 City Council passed ordinance #214-2009 authorizing the issuance and sale of Bonds in the estimated principal amount of \$25,300,000 for the purpose of paying costs of improving the municipal water supply, treatment and distribution system and providing the funds necessary to refund Waterworks System Mortgage Revenue Improvement Bonds, Series 1996, and Waterworks System Mortgage Revenue Improvement and Refunding Bonds, Series 1998.

On May 18, 2009 City Council passed ordinance #216-2009, 217-2009, 218-2009, 219-2009, 220-2009, 221-2009, 222-2009, and 223-2009 authorizing the issuance and sale of notes in an aggregate principal amount of \$35,315,000. The proceeds will refund \$7,500,000 of outstanding Bond Anticipation Notes and provide funds for various capital improvements.

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City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
General Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ 81,751,180	\$ 81,751,180	\$ 83,219,600
Local government	12,843,788	12,843,788	14,227,271
Inheritance Tax	3,340,670	3,340,670	5,330,376
Other revenue	10,015,210	10,015,210	8,706,869
Property taxes	22,135,971	22,135,971	23,212,173
Service Revenues	23,488,500	23,488,500	20,899,248
	<u>153,575,319</u>	<u>153,575,319</u>	<u>155,595,537</u>
Other sources:			
Interfund transfers	-	-	1,756,390
Previous year's encumbrances	2,666,038	2,666,038	2,666,038
	<u>2,666,038</u>	<u>2,666,038</u>	<u>4,422,428</u>
Total revenues and other sources	156,241,357	156,241,357	160,017,965
Expenditures and other uses			
Expenditures:			
Civil Service Commission:			
Wages/benefits	1,094,330	1,089,330	1,068,637
Other	81,517	81,517	74,168
	<u>1,175,847</u>	<u>1,170,847</u>	<u>1,142,805</u>
Finance:			
Wages/benefits	2,449,020	2,434,020	2,399,366
Other	5,357,918	5,442,918	4,848,755
	<u>7,806,938</u>	<u>7,876,938</u>	<u>7,248,121</u>
Law:			
Wages/benefits	3,542,120	3,407,120	3,352,872
Other	1,032,700	1,032,700	959,718
	<u>4,574,820</u>	<u>4,439,820</u>	<u>4,312,590</u>
Legislative:			
Wages/benefits	862,710	840,710	829,272
Other	242,031	337,031	329,452
	<u>1,104,741</u>	<u>1,177,741</u>	<u>1,158,724</u>
Municipal Court - Clerk:			
Wages/benefits	\$ 2,925,560	\$ 2,915,560	\$ 2,892,466
Other	392,620	372,620	342,087
Capital outlay	9,243	9,243	8,220
	<u>3,327,423</u>	<u>3,297,423</u>	<u>3,242,773</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
General Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2008
(continued)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Municipal Court - Judges:			
Wages/benefits	3,293,400	3,323,400	3,301,341
Other	201,587	221,587	214,156
	<u>3,494,987</u>	<u>3,544,987</u>	<u>3,515,497</u>
Office of the Mayor:			
Wages/benefits	2,676,840	2,651,840	2,604,618
Other	457,225	487,225	474,923
	<u>3,134,065</u>	<u>3,139,065</u>	<u>3,079,541</u>
Planning:			
Wages/benefits	1,524,860	1,554,860	1,532,526
Other	177,931	187,931	187,244
	<u>1,702,791</u>	<u>1,742,791</u>	<u>1,719,770</u>
Public Health:			
Wages/benefits	6,627,050	6,552,050	6,480,773
Other	1,669,761	1,669,761	1,539,925
	<u>8,296,811</u>	<u>8,221,811</u>	<u>8,020,698</u>
Public Safety:			
Wages/benefits	7,861,270	8,061,270	7,891,415
Other	11,558,475	11,458,475	11,134,490
Capital outlay	23,900	12,900	12,025
	<u>19,443,645</u>	<u>19,532,645</u>	<u>19,037,930</u>
Public Service:			
Wages/benefits	13,171,950	13,571,950	13,219,023
Other	16,313,145	17,713,145	17,359,893
	<u>29,485,095</u>	<u>31,285,095</u>	<u>30,578,916</u>
Fire:			
Wages/benefits	26,257,450	26,907,450	26,687,795
Other	1,614,994	1,864,994	1,736,538
	<u>27,872,444</u>	<u>28,772,444</u>	<u>28,424,333</u>
Police:			
Wages/benefits	\$ 45,089,050	\$ 45,089,050	\$ 44,864,441
Other	4,125,491	4,820,491	4,487,365
	<u>49,214,541</u>	<u>49,909,541</u>	<u>49,351,806</u>
Total expenditures	160,634,148	164,111,148	160,833,504
Deficiency of revenues and other sources over expenditures	(4,392,791)	(7,869,791)	(815,539)
Fund balance, January 1, 2008	<u>3,602,584</u>	<u>3,602,584</u>	<u>3,602,584</u>
Fund balance (deficit), December 31, 2008	<u>\$ (790,207)</u>	<u>\$ (4,267,207)</u>	<u>\$ 2,787,045</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance- Budget and Actual-
Community Learning Centers Fund, Non-GAAP Basis

For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ 12,008,020	\$ 12,008,020	\$ 14,982,806
Investment earnings	592,500	592,500	600,377
Miscellaneous revenue	58,950	58,950	3,904
	<u>12,659,470</u>	<u>12,659,470</u>	<u>15,587,087</u>
Other sources:			
Interfund transfers	2,274,480	2,274,480	2,808,055
Previous year's encumbrances	107,600	107,600	107,600
	<u>2,382,080</u>	<u>2,382,080</u>	<u>2,915,655</u>
Total revenues and other sources	15,041,550	15,041,550	18,502,742
Expenditures			
Department Wide:			
Wages/benefits	35,000	35,000	3,667
Other	18,061,160	18,061,160	14,988,091
Capital outlay	630,000	630,000	574,506
	<u>18,726,160</u>	<u>18,726,160</u>	<u>15,566,264</u>
Total expenditures	18,726,160	18,726,160	15,566,264
Excess (deficiency) of revenues and other sources over expenditures	(3,684,610)	(3,684,610)	2,936,478
Fund balance, January 1, 2008	<u>12,485,417</u>	<u>12,485,417</u>	<u>12,485,417</u>
Fund balance, December 31, 2008	<u>\$ 8,800,807</u>	<u>\$ 8,800,807</u>	<u>\$ 15,421,895</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Income Tax Capital Improvement Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ 27,708,210	\$ 27,708,210	\$ 29,421,792
JEDD revenues	1,826,000	1,826,000	1,500,000
Governmental revenues	3,585,750	3,585,750	-
Miscellaneous	249,430	249,430	298,513
	<u>33,369,390</u>	<u>33,369,390</u>	<u>31,220,305</u>
Other sources:			
Note/Bond proceeds	99,770	99,770	202,000
Interfund transfers	69,840	69,840	2,531
Previous year's encumbrances	505,745	505,745	505,745
	<u>675,355</u>	<u>675,355</u>	<u>710,276</u>
Total revenues and other sources	34,044,745	34,044,745	31,930,581
Expenditures			
Expenditures:			
Department Wide:			
Wages/benefits	1,008,290	1,063,290	1,049,866
Other	33,177,069	33,677,069	33,088,311
Capital outlay	2,176,756	2,176,756	1,415,232
	<u>36,362,115</u>	<u>36,917,115</u>	<u>35,553,409</u>
Total expenditures	36,362,115	36,917,115	35,553,409
Deficiency of revenues and other sources over expenditures	(2,317,370)	(2,872,370)	(3,622,828)
Fund balance, January 1, 2008	<u>5,487,852</u>	<u>5,487,852</u>	<u>5,487,852</u>
Fund balance, December 31, 2008	<u>\$ 3,170,482</u>	<u>\$ 2,615,482</u>	<u>\$ 1,865,024</u>

City of Akron, Ohio

Notes to the Budgetary Comparison Schedule

General Fund, Community Learning Centers Fund and Income Tax Capital Improvement Fund

For the Year Ended December 31, 2008

Budgetary Data

The City's budgetary process is based upon accounting for certain transactions on a basis other than on generally accepted accounting principles (GAAP). The actual results of operations are presented in the Budgetary Comparison Schedule in accordance with the City's budgetary process (budget basis) to provide a meaningful comparison of actual results with the budget. The legal level of budgetary control is by category for each department within each fund. The categories are wages/benefits, other, and capital outlay.

The major differences between budget basis and GAAP basis in the General Fund, the Community Learning Centers Fund, and Income Tax Capital Improvement are:

1. Revenues are recorded when received in cash (budget) as opposed to susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are recorded as the equivalent of expenditures (budget) as opposed to reservation of fund balances (GAAP).

Recognition of certain revenues may be reclassified between funds to facilitate matching with the related expenditures.

	<u>General</u>	<u>Community Learning Centers</u>	<u>Income Tax Capital Improvement</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses (budgetary basis)	\$ (815,539)	\$ 2,936,478	\$ (3,622,828)
Adjustments:			
To adjust revenues for accruals	(6,604,282)	(1,820,168)	5,702,804
To adjust expenditures for accruals	(753,540)	3,517,540	(6,631,594)
To adjust for encumbrances	<u>3,775,302</u>	<u>287,795</u>	<u>380,239</u>
Net change in fund balance (GAAP basis)	<u>\$ (4,398,059)</u>	<u>\$ 4,921,645</u>	<u>\$ (4,171,379)</u>

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**SUPPLEMENTARY
INFORMATION**

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - are used to account for types of resources for which specific uses are mandated by City ordinances or federal and state statutes. The title of the fund is descriptive of the activities accounted for therein. The non-major Special Revenue Funds are:

To Account for Special Purposes:

Income Tax Collection	Akron Muni. Court Information System
Emergency Medical Service	Canal Park Stadium COPs
Special Assessment	Off-Street Parking COPs
Street and Highway Maintenance	Public Health
Street Assessment	Safety Programs
Tax Equivalency	City Facilities Operating
E.D.A. Revolving Loans	Various Purpose Funding
Joint Economic Development Districts	Deposits

Federal and/or State Statutes to Account for Grants and Subsidies:

Community Development	H.O.M.E. Program
Air Pollution Control	Police Grants
Community Environment Grants	Various Domestic Violence
Akron Metro. Area Transportation Study	Health Grants
Summer Lunch Program	

NON-MAJOR GOVERNMENTAL FUNDS (Continued)

Debt Service Funds - are used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest and related costs. The non-major Debt Service Funds are as follows:

- General Bond Payment
- Debt Service Bond Payment
- Main Place Bond Payment
- Market Valley Urban Renewal Bond Payment
- Downtown Hotel Bond Payment
- Non-Tax Revenue Bond Payment
- Pension Obligation Refunding
- JEDD Bond Payment
- Taxable Revenue Bond Payment

Capital Project Funds - are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The non-major Capital Projects Funds are as follows:

To Account for Grant Revenue and Other Funding Sources:

Non-appropriated Capital Projects	Parks and Recreation
Road and Bridge Improvements	Public Facilities and Improvements
Information Technology and Improvements	Public Parking
Transportation	Economic Development

City of Akron, Ohio

Combining Balance Sheet - Non-Major Governmental Funds

December 31, 2008

Special Revenue Funds

	Income Tax Collection	Emergency Medical Service	Special Assessment	Street and Highway Maintenance	Street Assessment	Community Development	Air Pollution Control	Community Environment Grants
Assets								
Pooled cash and investments	\$ 952,439	\$ -	\$ 496,024	\$ 23,404	\$ -	\$ -	\$ -	\$ 270,408
Restricted cash and investments	-	-	-	-	-	-	-	-
Receivables, net of allowances for uncollectibles	-	10,410,870	-	3,039,933	129	-	29,340	-
Loans receivable	-	-	-	-	-	66,898	-	902,566
Due from other governments	-	-	-	-	-	2,525,797	-	-
Due from other funds	-	-	-	236,011	-	371,069	2,525,987	-
Total assets	\$ 952,439	\$ 10,410,870	\$ 496,024	\$ 3,299,348	\$ 129	\$ 2,963,764	\$ 2,555,327	\$ 1,172,974
Liabilities								
Accounts payable	\$ 218,142	\$ 61,278	\$ -	\$ 328,859	\$ 1,092,051	\$ 77,788	\$ 2,822	\$ 15,669
Customer deposits	-	-	7,567	-	-	20,497	-	-
Due to other governments	-	1,195,626	8,373	295,954	1,239,171	3,530,204	8,932	-
Due to others	-	-	-	-	-	-	-	-
Deferred grant revenue	-	-	-	1,253,564	-	-	-	1,318
Deferred revenue	-	9,662,230	-	-	-	-	-	-
Matured bonds payable	-	-	-	-	-	-	-	-
Matured interest payable	-	-	-	-	-	-	-	-
Accrued liabilities	14,870	464,463	2,276	54,139	38,357	12,451	9,153	-
Accrued wages	53,102	269,118	8,152	199,479	115,055	44,380	32,158	-
Accrued vacation and leave	-	39,170	-	-	14,851	23,782	-	-
G.O. Notes	-	-	-	-	-	-	-	-
Total liabilities	\$ 334,454	\$ 11,691,885	\$ 26,368	\$ 2,131,995	\$ 2,499,485	\$ 3,709,102	\$ 53,065	\$ 16,987
Fund balances								
Fund balance:	94,263	222,148	6,938	47,899	44,009	186,215	15,022	36,931
Reserved for encumbrances	-	-	-	-	-	66,898	-	902,566
Reserved for loans receivable	-	-	-	93,617	-	-	4,867	-
Unreserved designated for pre-encumbrances	-	-	-	-	-	(998,451)	-	-
Unreserved reported in special revenue funds	523,722	(1,503,163)	462,718	1,025,837	(2,543,365)	-	2,482,373	216,490
Unreserved reported in debt service funds	-	-	-	-	-	-	-	-
Unreserved reported in capital project funds	-	-	-	-	-	-	-	-
Total fund balances (deficits)	\$ 617,985	\$ (1,281,015)	\$ 469,656	\$ 1,167,353	\$ (2,499,356)	\$ (745,338)	\$ 2,502,262	\$ 1,155,987
Total liabilities and fund balances	\$ 952,439	\$ 10,410,870	\$ 496,024	\$ 3,299,348	\$ 129	\$ 2,963,764	\$ 2,555,327	\$ 1,172,974

City of Akron, Ohio

Combining Balance Sheet - Non-Major Governmental Funds

December 31, 2008
(continued)

Special Revenue Funds										
Akron										
Metro. Area Transportation Study	Summer Lunch Program	H.O.M.E. Program	Tax Equivalency	E.D.A. Revolving Loans	Joint Economic Development Districts	Akron Muni. Court Information System	Canal Park Stadium COPS			
\$ -	\$ -	\$ 344,391	\$ -	\$ 4,971	\$ -	\$ 743,763	\$ -			
-	-	-	-	-	-	-	73,052			
9,722	-	-	-	-	2,215,765	26,021	-			
-	-	3,502,877	-	42,521	57,000	-	-			
-	20,736	773,907	-	-	-	-	-			
-	-	-	1,575,602	-	4,937,669	-	-			
\$ 9,722	\$ 20,736	\$ 4,621,175	\$ 1,575,602	\$ 47,492	\$ 7,210,434	\$ 769,784	\$ 73,052			
Assets										
Pooled cash and investments										
Restricted cash and investments										
Receivables, net of allowances for uncollectibles										
Loans receivable										
Due from other governments										
Due from other funds										
Total assets										
Liabilities										
Accounts payable										
Customer deposits										
Due to other governments										
Due to other funds										
Due to others										
Deferred grant revenue										
Deferred revenue										
Matured bonds payable										
Matured interest payable										
Accrued liabilities										
Accrued wages										
Accrued vacation and leave										
G.O. Notes										
Total liabilities										
Fund balances										
Fund balance:										
Reserved for encumbrances										
Reserved for loans receivable										
Unreserved designated for pre-encumbrances										
Unreserved reported in special revenue funds										
Unreserved reported in debt service funds										
Unreserved reported in capital project funds										
Total fund balances (deficits)										
Total liabilities and fund balances										

City of Akron, Ohio

Combining Balance Sheet - Non-Major Governmental Funds

December 31, 2008
(continued)

Special Revenue Funds										
	Off-Street Parking COPs	Public Health	Police Grants	Various Domestic Violence	Safety Programs	Health Grants	City Facilities Operating	Various Purpose Funding		
Assets										
Pooled cash and investments	\$ -	\$ 864,051	\$ -	\$ -	\$ 3,000	\$ 1,072,204	\$ -	\$ -	\$ -	\$ 170,282
Restricted cash and investments	4,124,428	-	-	-	-	-	-	-	-	-
Receivables, net of allowances for uncollectibles	-	69,903	-	-	42,142	7,496	21,251	-	-	78,023
Loans receivable	-	-	-	-	-	-	-	-	-	-
Due from other governments	-	-	88,135	272,876	50,400	16,176	-	-	-	673,942
Due from other funds	-	-	-	-	2,835,808	-	13,209	-	-	-
Total assets	\$ 4,124,428	\$ 933,954	\$ 88,135	\$ 272,876	\$ 2,931,350	\$ 1,095,876	\$ 34,460	\$ -	\$ -	\$ 922,247
Liabilities										
Accounts payable	\$ -	\$ 11,196	\$ 44,486	\$ 17,337	\$ 55,002	\$ 18,552	\$ 263,584	\$ -	\$ -	\$ 375,682
Customer deposits	-	-	-	-	-	-	-	-	-	-
Due to other governments	-	-	91,269	-	-	319,253	101,421	-	-	3,063
Due to other funds	-	555	814,035	367,804	1,403	9,566	5,145,907	-	-	74,694
Due to others	-	-	-	-	-	-	-	-	-	-
Deferred grant revenue	-	-	82,197	-	290,812	915,572	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-	-	-	-
Matured bonds payable	-	-	-	-	-	-	-	-	-	-
Matured interest payable	-	-	-	-	-	-	-	-	-	-
Accrued liabilities	-	3,169	10,496	-	2,357	18,915	3,067	-	-	1,276
Accrued wages	-	11,588	2,015	-	8,160	67,173	10,057	-	-	4,346
Accrued vacation and leave	-	-	-	-	-	-	-	-	-	-
G.O. Notes	-	-	-	-	-	-	2,240,000	-	-	800,000
Total liabilities	\$ -	\$ 26,508	\$ 1,044,498	\$ 385,141	\$ 357,734	\$ 1,349,031	\$ 7,764,036	\$ -	\$ -	\$ 1,259,061
Fund balances										
Fund balance:										
Reserved for encumbrances	-	33,863	247,548	36,941	189,706	445,043	1,135,581	-	-	1,035,368
Reserved for loans receivable	-	-	-	-	-	-	-	-	-	-
Unreserved designated for pre-encumbrances	-	466	-	-	103,700	-	-	-	-	-
Unreserved reported in special revenue funds	4,124,428	873,117	(1,203,911)	(149,206)	2,280,210	(698,198)	(8,865,157)	-	-	(1,372,182)
Unreserved reported in debt service funds	-	-	-	-	-	-	-	-	-	-
Unreserved reported in capital project funds	-	-	-	-	-	-	-	-	-	-
Total fund balances (deficits)	\$ 4,124,428	\$ 907,446	\$ (956,363)	\$ (112,265)	\$ 2,573,616	\$ (253,155)	\$ (7,729,576)	\$ -	\$ -	\$ (336,814)
Total liabilities and fund balances	\$ 4,124,428	\$ 933,954	\$ 88,135	\$ 272,876	\$ 2,931,350	\$ 1,095,876	\$ 34,460	\$ -	\$ -	\$ 922,247

City of Akron, Ohio

Combining Balance Sheet - Non-Major Governmental Funds

December 31, 2008
(continued)

Debt Service Funds										
	Deposits	General Bond Payment	Debt Service Bond Payment	Main Place Bond Payment	Market Valley Urban Renewal Bond Payment	Downtown Hotel Bond Payment	Non-Tax Revenue Bond Payment	Pension Obligation Refunding		
Assets										
Pooled cash and investments	\$ -	\$ 207,753	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and investments	-	-	2,633,232	548,637	3,009	4	4,963,161	124,713	-	-
Receivables, net of allowances for uncollectibles	110,880	1,537,545	-	-	-	-	-	-	-	-
Loans receivable	-	-	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-	-	-
Due from other funds	2,621,607	-	-	-	-	-	-	-	-	-
Total assets	\$ 2,732,487	\$ 1,745,298	\$ 2,633,232	\$ 548,637	\$ 3,009	\$ 4	\$ 4,963,161	\$ 124,713		
Liabilities										
Accounts payable	\$ 118,156	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer deposits	973,929	-	-	-	-	-	-	-	-	-
Due to other governments	-	7,567	-	-	-	-	-	-	-	-
Due to other funds	11,352	804	-	-	-	-	-	-	-	-
Due to others	972,544	-	-	-	-	-	-	-	-	-
Deferred grant revenue	-	-	-	-	-	-	-	-	-	-
Deferred revenue	-	1,463,615	-	-	-	-	-	-	-	-
Matured bonds payable	-	-	95,000	-	-	-	-	-	-	-
Matured interest payable	-	-	50,609	-	-	-	-	-	-	-
Accrued liabilities	792,204	2,663	-	-	-	-	-	-	-	-
Accrued wages	-	9,556	-	-	-	-	-	-	-	-
Accrued vacation and leave	-	-	-	-	-	-	-	-	-	-
G.O. Notes	-	-	-	-	-	-	-	-	-	-
Total liabilities	2,868,185	1,484,205	145,609	-	-	-	-	-	-	-
Fund balances										
Fund balance:										
Reserved for encumbrances	5,200	12,592	-	-	-	-	-	-	-	-
Reserved for loans receivable	-	-	-	-	-	-	-	-	-	-
Unreserved designated for pre-encumbrances	-	-	-	-	-	-	-	-	-	-
Unreserved reported in special revenue funds	(140,898)	-	-	-	-	-	-	-	-	-
Unreserved reported in debt service funds	-	248,501	2,487,623	548,637	3,009	4	4,963,161	124,713	-	-
Unreserved reported in capital project funds	-	-	-	-	-	-	-	-	-	-
Total fund balances (deficits)	(135,698)	261,093	2,487,623	548,637	3,009	4	4,963,161	124,713		
Total liabilities and fund balances	\$ 2,732,487	\$ 1,745,298	\$ 2,633,232	\$ 548,637	\$ 3,009	\$ 4	\$ 4,963,161	\$ 124,713		

City of Akron, Ohio

Combining Balance Sheet - Non-Major Governmental Funds

December 31, 2008
(continued)

	Capital Project Funds								
	Debt Service Funds	JEDD Bond Payment	Taxable Revenue Bond Payment	Non-appropriated Capital Projects	Road and Bridge Improvements	Information Technology and Improvements	Transportation	Parks and Recreation	Public Facilities and Improvements
Assets									
Pooled cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,542	\$ -	\$ -	\$ -
Restricted cash and investments	4,477,142	1,749,846	-	-	-	-	-	-	-
Receivables, net of allowances for uncollectibles	-	-	-	2,033,212	-	-	-	-	-
Loans receivable	-	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	22,308	-	-
Due from other funds	-	-	-	5,713,971	-	-	-	-	-
Total assets	\$ 4,477,142	\$ 1,749,846	\$ -	\$ 7,747,183	\$ 29,542	\$ 22,308	\$ -	\$ -	\$ -
Liabilities									
Accounts payable	\$ -	\$ -	\$ 80	\$ 456,090	\$ 8,070	\$ 83,335	\$ 1,147,866	\$ 475,972	\$ -
Customer deposits	-	-	-	-	-	-	88,389	7,393	-
Due to other governments	-	-	2,692,019	15,420	-	1,636,287	116,460	1,405,994	-
Due to others	-	-	-	-	-	-	-	-	-
Deferred grant revenue	-	-	-	1,432,607	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-	-	-
Matured bonds payable	-	-	-	-	-	-	-	-	-
Matured interest payable	-	-	-	35,068	-	176,736	156,870	261,682	-
Accrued liabilities	-	-	-	208	-	-	-	-	-
Accrued wages	-	-	-	-	-	-	-	-	-
Accrued vacation and leave	-	-	-	-	-	-	-	-	-
G.O. Notes	-	-	-	27,000	-	1,396,000	5,611,000	3,548,000	-
Total liabilities	-	-	2,692,099	1,966,393	8,070	3,380,747	7,039,589	5,691,648	-
Fund balances									
Fund balance:									
Reserved for encumbrances	-	-	44,404	243,598	391,930	1,706,839	329,498	711,533	-
Reserved for loans receivable	-	-	-	-	-	-	-	-	-
Unreserved designated for pre-encumbrances	-	-	-	18	-	-	-	-	-
Unreserved reported in special revenue funds	-	-	-	-	-	-	-	-	-
Unreserved reported in debt service funds	4,477,142	1,749,846	-	-	-	-	-	-	-
Unreserved reported in capital project funds	-	-	(2,736,503)	5,537,174	(370,458)	(5,065,278)	(7,369,087)	(6,403,181)	-
Total fund balances (deficits)	4,477,142	1,749,846	(2,692,099)	5,780,790	21,472	(3,358,439)	(7,039,589)	(5,691,648)	-
Total liabilities and fund balances	\$ 4,477,142	\$ 1,749,846	\$ -	\$ 7,747,183	\$ 29,542	\$ 22,308	\$ -	\$ -	\$ -

City of Akron, Ohio

Combining Balance Sheet - Non-Major Governmental Funds

December 31, 2008
(continued)

<u>Capital Project Funds</u>			
	<u>Public Parking</u>	<u>Economic Development</u>	<u>Total</u>
Assets			
Pooled cash and investments	\$ -	\$ -	\$ 5,182,232
Restricted cash and investments	-	-	18,697,224
Receivables, net of allowances for uncollectibles	-	5,305	19,637,537
Loans receivable	-	12,275,899	16,847,761
Due from other governments	-	650,000	5,094,277
Due from other funds	3,527,387	3,845,767	28,204,087
Total assets	\$ 3,527,387	\$ 16,776,971	\$ 93,663,118
Liabilities			
Accounts payable	\$ 1,065,039	\$ 1,010,152	\$ 7,872,426
Customer deposits	-	-	973,929
Due to other governments	-	4,055,358	6,493,405
Due to other funds	3,005	396,848	19,508,071
Due to others	-	-	972,544
Deferred grant revenue	-	-	1,289,899
Deferred revenue	-	-	14,555,607
Matured bonds payable	-	-	95,000
Matured interest payable	-	-	50,609
Accrued liabilities	1,037,630	491,123	3,598,880
Accrued wages	-	37	868,283
Accrued vacation and leave	-	-	77,803
G.O. Notes	-	5,926,000	20,379,000
Total liabilities	2,105,674	11,879,518	76,735,456
Fund balances			
Fund balance:			
Reserved for encumbrances	1,048,750	5,096,640	14,952,967
Reserved for loans receivable	-	12,275,899	16,847,761
Unreserved designated for pre-encumbrances	-	-	226,209
Unreserved reported in special revenue funds	-	-	(1,192,455)
Unreserved reported in debt service funds	-	-	14,602,636
Unreserved reported in capital project funds	372,963	(12,475,086)	(28,509,456)
Total fund balances (deficits)	1,421,713	4,897,453	16,927,662
Total liabilities and fund balances	\$ 3,527,387	\$ 16,776,971	\$ 93,663,118

City of Akron, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds

Year Ended December 31, 2008

	Special Revenue Funds										Akron Metro. Area Transportation Study	
	Income Tax Collection	Emergency Medical Service	Special Assessment	Street and Highway Maintenance	Street Assessment	Community Development	Air Pollution Control	Community Environment Grants				
Revenues												
Income taxes	\$ 1,571,180	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	-	8,287,589	-	-	-	-	-	-	-	-	-	-
JEDD revenues	-	-	-	-	-	-	-	-	-	-	-	-
Special assessments	-	-	1,294,754	-	8,206,377	-	-	-	-	-	-	-
Grants and subsidies:												
Community development	-	-	-	-	-	7,139,402	-	-	30,727	-	-	-
Other	-	-	-	-	-	-	1,447,691	-	-	-	865,214	-
Investment earnings	-	-	-	-	-	-	-	-	-	-	-	-
Shared revenues	-	1,178,485	-	4,132,232	-	-	-	-	-	-	-	-
Licenses, fees and fines	-	-	-	34,991	765	13,367	58,312	-	-	-	-	-
Charges for services	55,999	1,349,386	-	4,585,903	59,017	230,459	1,108	-	-	-	-	-
Miscellaneous	60	119	1	98,914	45,475	87,696	313	-	21,327	-	153,356	-
	1,627,239	10,815,579	1,294,755	8,852,040	8,311,634	7,470,924	1,507,424	-	59,104	-	1,018,570	-
Expenditures												
Current:												
General government	5,930,772	12,878	1,028,526	669	-	-	-	-	-	-	-	-
Public service	3,274	11,129	5,029	9,272,368	9,698,952	337,729	1,200	-	-	-	1,586	-
Public safety	32,328	12,292,511	1,250	1,174,250	1,461	38	-	-	-	-	-	-
Community environment	-	379	4	28	-	7,070,003	-	-	223,088	-	1,458,233	-
Public health	100	-	-	41	25,265	67,140	1,560,317	-	-	-	7,222	-
Recreation and parks	-	-	-	3,384	-	20,109	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
Debt service:												
Principal Retirement	-	9,150	-	52,101	20,566	75,749	-	-	-	-	-	-
Interest	-	4,400	-	2,059	814	115,417	-	-	-	-	-	-
	5,966,474	12,330,447	1,034,809	10,504,900	9,747,058	7,686,185	1,561,517	-	223,088	-	1,467,041	-
Excess (deficiency) of revenues over expenditures	(4,339,235)	(1,514,868)	259,946	(1,652,860)	(1,435,424)	(215,261)	(54,093)	-	(163,984)	-	(448,471)	-
Other financing sources (uses)												
Issuance of general obligation bonds	-	-	-	-	-	-	-	-	-	-	-	-
Issuance of special assessment notes	-	-	-	-	-	-	-	-	-	-	-	-
Transfers-in	-	-	-	2,099,920	-	-	-	-	-	-	-	-
Transfers-out	-	-	-	-	-	(93,050)	-	-	-	-	-	-
	-	-	-	2,099,920	-	(93,050)	-	-	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(4,339,235)	(1,514,868)	259,946	447,060	(1,435,424)	(308,311)	(54,093)	-	(163,984)	-	(448,471)	-
Fund balances (deficits), January 1, 2008	4,957,220	233,853	209,710	720,293	(1,063,932)	(437,027)	2,556,355	-	1,319,971	-	279,272	-
Fund balances (deficits), December 31, 2008	\$ 617,985	\$ (1,281,015)	\$ 469,656	\$ 1,167,353	\$ (2,499,356)	\$ (745,338)	\$ 2,502,262	\$ -	\$ 1,155,987	\$ -	\$ (169,199)	\$ -

City of Akron, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds

Year Ended December 31, 2008
(continued)

Special Revenue Funds											
	Summer Lunch Program	H.O.M.E. Program	Tax Equivalency	E.D.A. Revolving Loans	Joint Economic Development Districts	Akron Muni. Court Information System	Canal Park Stadium COFs	Off-Street Parking COFs	Public Health		
Revenues	\$ -	\$ -	\$ 20,538	\$ -	\$ 228,009	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income taxes	-	-	20,538	-	228,009	-	-	-	-	-	-
Property taxes	-	-	410,861	-	-	-	-	-	-	-	-
JEDD revenues	-	-	-	-	12,120,928	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies:	-	-	-	-	-	-	-	-	-	-	-
Community development	-	3,467,824	-	-	-	-	-	-	-	-	-
Other	-	20,000	-	-	-	-	2,263	94,845	-	-	-
Investment earnings	-	-	-	-	-	-	-	-	-	-	-
Shared revenues	-	-	150,111	-	-	-	-	-	-	-	-
Licenses, fees and fines	-	-	-	-	2,500	308,013	-	-	-	-	234,073
Charges for services	-	-	-	-	540,927	-	-	-	-	-	618,710
Miscellaneous	-	108,892	213,784	-	232,032	-	16,754	-	-	-	67,227
	-	3,596,716	795,294	-	13,124,396	308,013	19,017	94,845	-	-	920,010
Expenditures											
Current:											
General government	-	-	11,694	-	6,503,067	135,386	349	-	-	-	40,000
Public service	(553)	-	3,749	-	2,753,726	-	-	-	-	-	57,104
Public safety	-	-	-	-	-	-	-	-	-	-	-
Community environment	-	2,339,948	131,072	-	14,719	-	-	-	-	-	-
Public health	-	-	-	-	80	-	-	-	-	-	603,639
Recreation and parks	-	-	-	-	344,767	1,080	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-
Debt service:											
Principal Retirement	-	-	9,508	-	2,475,191	-	-	68,584	-	-	-
Interest	-	-	100,463	-	1,921,193	-	-	921,808	-	-	-
	(553)	2,339,948	256,486	-	14,012,743	136,466	349	990,392	-	-	700,743
Excess (deficiency) of revenues over expenditures	553	1,256,768	538,808	-	(888,347)	171,547	18,668	(895,547)	-	-	219,267
Other financing sources (uses)											
Issuance of general obligation bonds	-	-	-	-	1,526,000	-	-	-	-	-	-
Issuance of special assessment notes	-	-	-	-	-	-	-	-	-	-	-
Transfers-in	-	-	-	-	-	-	-	888,059	-	-	-
Transfers-out	-	-	-	-	-	(60,000)	-	-	-	-	-
	-	-	-	-	1,526,000	(60,000)	-	888,059	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	553	1,256,768	538,808	-	637,653	111,547	18,668	(7,488)	-	-	219,267
Fund balances (deficits), January 1, 2008	(406)	2,876,690	954,140	47,492	2,523,229	653,301	54,384	4,131,916	-	-	688,179
Fund balances (deficits), December 31, 2008	147	4,133,458	1,492,948	47,492	3,160,882	764,848	73,052	4,124,428	-	-	907,446

City of Akron, Ohio
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds

Year Ended December 31, 2008
 (continued)

	Special Revenue Funds					Debt Service Funds			Debt Service Bond Payment
	Police Grants	Various Domestic Violence	Safety Programs	Health Grants	City Facilities Operating	Various Purpose Funding	Deposits	General Bond Payment	
Revenues									
Income taxes	\$ -	\$ -	\$ -	\$ -	\$ 225,000	\$ 270,947	\$ -	\$ -	\$ -
Property taxes	-	-	-	-	-	-	-	265,804	823,759
JEDD revenues	-	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	963,562	-	-	-	259,855
Grants and subsidies:									
Community development	-	-	-	966,645	-	-	-	-	-
Other	1,397,051	100,785	351,410	3,693,827	-	1,294,868	-	-	-
Investment earnings	-	-	-	-	-	-	1,042,910	-	59,835
Shared revenues	-	-	780,953	-	161,668	-	-	176,770	-
Licenses, fees and fines	-	-	70,352	81,968	674,522	-	26,264	-	-
Charges for services	-	-	908,905	17,935	321,990	992,384	-	-	-
Miscellaneous	71,994	-	233,068	492,108	2,003,475	533,289	1,379,763	-	251,860
	1,469,045	100,785	2,344,688	5,252,483	4,350,217	3,091,488	2,448,937	442,574	1,395,289
Expenditures									
Current:									
General government	-	118,606	-	7,209	215,321	1,160,834	1,201,945	551,796	60,826
Public service	-	-	7,539	46,445	5,838,796	1,406,089	-	-	-
Public safety	1,568,844	-	2,132,238	111	753,751	-	-	-	-
Community environment	415	-	-	16,045	1,043,166	433,684	1,020	-	-
Public health	-	-	-	5,571,568	203,796	-	-	-	-
Recreation and parks	-	-	-	-	581,207	822,800	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
Debt service:									
Principal Retirement	-	-	14,816	-	28,922	-	-	-	779,981
Interest	-	-	584	-	3,681	-	-	-	1,175,730
	1,569,259	118,606	2,155,177	5,641,378	8,668,640	3,823,407	1,202,965	551,796	2,016,537
	(100,214)	(17,821)	189,511	(388,895)	(4,318,423)	(731,919)	1,245,972	(109,222)	(621,248)
Excess (deficiency) of revenues over expenditures									
Other financing sources (uses)									
Issuance of general obligation bonds	-	-	-	-	-	800,000	-	-	-
Issuance of special assessment notes	-	-	-	-	-	-	-	-	-
Transfers-in	120,000	-	101,720	-	150,000	161,300	-	-	-
Transfers-out	-	-	-	-	-	-	-	-	-
	120,000	-	101,720	-	150,000	961,300	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	19,786	(17,821)	291,231	(388,895)	(4,168,423)	229,381	1,245,972	(109,222)	(621,248)
Fund balances (deficits), January 1, 2008	(976,149)	(94,444)	2,282,385	135,740	(3,561,153)	(566,195)	(1,381,670)	370,315	3,108,871
Fund balances (deficits), December 31, 2008	\$ (956,363)	\$ (112,265)	\$ 2,573,616	\$ (253,155)	\$ (7,729,576)	\$ (336,814)	\$ (135,698)	\$ 261,093	\$ 2,487,623

City of Akron, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds

Year Ended December 31, 2008
(continued)

	Debt Service Funds				Capital Project Funds			
	Main Place Bond Payment	Market Valley Urban Renewal Bond Payment	Downtown Hotel Bond Payment	Non-Tax Revenue Bond Payment	JEDD Bond Refunding Payment	Taxable Revenue Bond Payment	Non-appropriated Capital Projects	Road and Bridge Improvements
Revenues								
Income taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,582	\$ -
Property taxes	318,469	-	-	-	709,218	-	-	-
JEDD revenues	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Grants and subsidies:								
Community development	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Investment earnings	6,096	-	-	58,683	11,259	55,204	-	4,491,953
Shared revenues	-	-	-	-	-	-	-	-
Licenses, fees and fines	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	44,353	-
	324,565	-	-	58,683	720,477	55,204	53,935	4,491,953
Expenditures								
Current:								
General government	-	-	-	68,868	-	-	-	-
Public service	-	-	-	-	-	-	224,458	3,192,639
Public safety	-	-	-	-	-	-	-	-
Community environment	-	-	-	-	-	-	-	-
Public health	-	-	-	-	-	-	-	-
Recreation and parks	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	27,516
Debt service:								
Principal Retirement	182,659	-	-	-	335,000	-	-	-
Interest	20,464	-	-	-	374,218	478,617	-	-
	203,123	-	-	68,868	709,218	478,617	224,458	3,220,155
Excess (deficiency) of revenues over expenditures	121,442	-	-	(10,185)	11,259	(312,561)	(170,523)	1,271,798
Other financing sources (uses)								
Issuance of general obligation bonds	-	-	-	1,925,000	-	-	-	-
Issuance of special assessment notes	-	-	-	-	-	-	-	-
Transfers-in	-	-	-	-	-	-	-	-
Transfers-out	-	-	-	1,925,000	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	121,442	-	-	1,914,815	11,259	(312,561)	(170,523)	1,271,798
Fund balances (deficits), January 1, 2008	427,195	3,009	4	3,048,346	113,454	4,789,703	(2,521,576)	4,508,952
Fund balances (deficits), December 31, 2008	\$ 548,637	\$ 3,009	\$ 4	\$ 4,963,161	\$ 124,713	\$ 4,477,142	\$ (2,692,099)	\$ 5,780,790

City of Akron, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds

Year Ended December 31, 2008
(continued)

	Capital Project Funds						Total
	Information and Improvements	Transportation	Parks and Recreation	Public Facilities and Improvements	Public Parking	Economic Development	
Revenues	\$ -	\$ 42,420	\$ 484,460	\$ 58,760	\$ -	\$ 19,588	\$ 2,930,484
Income taxes	-	-	-	-	-	2,278,345	13,094,025
Property taxes	-	-	-	-	-	-	12,120,928
JEDDD revenues	-	-	-	-	-	-	10,724,548
Special assessments	-	-	-	-	-	-	11,604,598
Grants and subsidies:	-	-	-	-	-	-	15,046,546
Community development	-	-	-	-	-	-	1,661,583
Other	-	3,143,984	2,102,881	-	-	628,835	12,062,418
Investment earnings	-	-	-	-	-	990,246	1,506,450
Shared revenues	-	-	-	-	-	1,323	9,682,723
Licenses, fees and fines	-	-	-	-	-	-	7,833,797
Charges for services	-	4,887	-	-	4,524	1,768,526	98,268,100
Miscellaneous	-	3,191,291	2,587,341	58,760	4,524	5,844,245	
	8,070	4,658,264	7,395,411	4,587,375	13,172,648	15,711,309	17,332,885
Expenditures	-	-	-	-	-	284,139	78,394,336
Current:	-	-	-	-	-	46,788	18,003,570
General government	-	-	-	-	-	298,008	13,049,812
Public service	8,070	4,658,264	7,395,411	4,587,375	13,172,648	15,711,309	18,003,570
Public safety	-	-	-	-	-	-	8,039,168
Community environment	-	-	-	20,000	-	-	1,915,978
Public health	-	-	-	-	-	-	1,433,944
Recreation and parks	-	-	142,631	-	-	-	443,510
Capital outlay	-	57,562	-	74,553	830,803	541,490	4,593,717
Debt service:	-	-	-	-	-	291,929	5,522,521
Principal Retirement	-	-	-	-	-	-	148,285,931
Interest	-	-	-	-	-	-	(50,017,831)
	8,070	4,715,826	7,538,042	4,681,928	14,003,451	17,617,173	20,150,000
Excess (deficiency) of revenues over expenditures	(8,070)	(1,524,535)	(4,950,701)	(4,623,168)	(13,998,927)	(11,772,928)	1,102,500
Other financing sources (uses)	-	-	-	150,000	-	15,749,000	3,520,999
Issuance of general obligation bonds	-	-	-	-	-	415,500	(153,050)
Issuance of special assessment notes	-	687,000	-	-	-	-	24,620,449
Transfers-in	-	-	-	-	-	-	
Transfers-out	-	687,000	-	150,000	-	16,164,500	
	(8,070)	(837,535)	(4,950,701)	(4,473,168)	(13,998,927)	4,391,572	(25,397,382)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	29,542	(2,520,904)	(2,088,888)	(1,218,480)	15,420,640	505,881	42,325,044
Fund balances (deficits), January 1, 2008	\$ 21,472	\$ (3,358,439)	\$ (7,039,589)	\$ (5,691,648)	\$ 1,421,713	\$ 4,897,453	\$ 16,927,662
Fund balances (deficits), December 31, 2008							

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Income Tax Collection Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ 5,740,280	\$ 5,740,280	\$ 3,148,418
Miscellaneous	-	-	164,336
	<u>5,740,280</u>	<u>5,740,280</u>	<u>3,312,754</u>
Other sources:			
Previous year's encumbrances	82,424	82,424	82,424
	<u>82,424</u>	<u>82,424</u>	<u>82,424</u>
Total revenues and other sources	5,822,704	5,822,704	3,395,178
Expenditures			
Expenditures:			
General Governmental:			
Finance:			
Wages/benefits	2,305,200	2,195,200	2,160,608
Other	3,514,804	4,064,804	4,051,413
	<u>5,820,004</u>	<u>6,260,004</u>	<u>6,212,021</u>
Total expenditures	5,820,004	6,260,004	6,212,021
Excess (deficiency) of revenues and other sources over expenditures	2,700	(437,300)	(2,816,843)
Fund balance, January 1, 2008	<u>3,668,780</u>	<u>3,668,780</u>	<u>3,668,780</u>
Fund balance, December 31, 2008	<u>\$ 3,671,480</u>	<u>\$ 3,231,480</u>	<u>\$ 851,937</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Emergency Medical Service Fund,
Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Property taxes	\$ 9,564,926	\$ 9,564,926	\$ 9,477,336
Investment earnings	226,280	226,280	212,925
Non-resident billing	1,678,780	1,678,780	1,579,718
Other revenue	370	370	346
	<u>11,470,356</u>	<u>11,470,356</u>	<u>11,270,325</u>
Other sources:			
Previous year's encumbrances	210,024	210,024	210,024
Total revenues and other sources	11,680,380	11,680,380	11,480,349
Expenditures			
Expenditures:			
Emergency Medical Services:			
Fire:			
Wages/benefits	10,802,290	11,252,290	11,229,096
Other	1,331,104	1,581,104	1,343,785
Capital outlay	270,000	174,000	173,091
Total expenditures	12,403,394	13,007,394	12,745,972
Deficiency of revenues and other sources over expenditures	(723,014)	(1,327,014)	(1,265,623)
Fund deficit, January 1, 2008	(200,024)	(200,024)	(200,024)
Fund deficit, December 31, 2008	<u>\$ (923,038)</u>	<u>\$ (1,527,038)</u>	<u>\$ (1,465,647)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Special Assesment Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Special assessments	\$ 1,154,090	\$ 1,154,090	\$ 1,294,755
Other sources:			
Previous year's encumbrances	7,205	7,205	7,205
Total revenues and other sources	1,161,295	1,161,295	1,301,960
Expenditures			
Expenditures:			
General Governmental:			
Finance:			
Wages/benefits	318,680	393,680	378,248
Other	744,275	744,275	673,967
Total expenditures	1,062,955	1,137,955	1,052,215
Excess of revenues and other sources over expenditures	98,340	23,340	249,745
Fund balance, January 1, 2008	239,339	239,339	239,339
Fund balance, December 31, 2008	\$ 337,679	\$ 262,679	\$ 489,084

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Police Pension Employer's Liability Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues			
Revenues:			
Property taxes	\$ 1,024,814	\$ 1,024,814	\$ 375,429
Total revenues	1,024,814	1,024,814	375,429
Expenditures			
Expenditures:			
Public Safety:			
Police:			
Other	369,610	379,610	374,267
Total expenditures	369,610	379,610	374,267
Excess of revenues over expenditures	655,204	645,204	1,162
Fund balance, January 1, 2008	8,124	8,124	8,124
Fund balance, December 31, 2008	\$ 663,328	\$ 653,328	\$ 9,286

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Fire Pension Employer's Liability Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues			
Revenues:			
Property taxes	\$ 1,024,814	\$ 1,024,814	\$ 375,429
Total revenues	1,024,814	1,024,814	375,429
Expenditures			
Expenditures:			
Public Safety:			
Fire:			
Other	369,610	379,610	374,267
Total expenditures	369,610	379,610	374,267
Excess of revenues over expenditures	655,204	645,204	1,162
Fund balance, January 1, 2008	8,124	8,124	8,124
Fund balance, December 31, 2008	<u>\$ 663,328</u>	<u>\$ 653,328</u>	<u>\$ 9,286</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Street and Highway Maintenance Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Gasoline tax	\$ 2,574,750	\$ 2,574,750	\$ 3,106,352
Motor vehicle license tax	1,094,680	1,094,680	1,245,245
Sales and service revenue	493,360	493,360	461,482
Transfer from State of Ohio	3,405,320	3,405,320	4,556,697
	<u>7,568,110</u>	<u>7,568,110</u>	<u>9,369,776</u>
Other sources:			
Interfund transfers	1,661,130	1,661,130	2,099,920
Previous year's encumbrances	306,516	306,516	306,516
	<u>1,967,646</u>	<u>1,967,646</u>	<u>2,406,436</u>
Total revenues and other sources	9,535,756	9,535,756	11,776,212
Expenditures			
Expenditures:			
Public Safety:			
Wages/benefits	955,950	945,950	919,545
Other	289,993	294,993	288,318
	<u>1,245,943</u>	<u>1,240,943</u>	<u>1,207,863</u>
Public Service:			
Wages/benefits	5,676,420	5,866,420	5,786,320
Other	3,380,803	3,830,803	3,686,652
	<u>9,057,223</u>	<u>9,697,223</u>	<u>9,472,972</u>
Total expenditures	10,303,166	10,938,166	10,680,835
Excess (deficiency) of revenues and other sources over expenditures	(767,410)	(1,402,410)	1,095,377
Fund deficit, January 1, 2008	<u>(1,443,485)</u>	<u>(1,443,485)</u>	<u>(1,443,485)</u>
Fund deficit, December 31, 2008	<u>\$ (2,210,895)</u>	<u>\$ (2,845,895)</u>	<u>\$ (348,108)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Street Assessment Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Special assessments	\$ 7,729,770	\$ 7,729,770	\$ 8,205,617
Miscellaneous	70,230	70,230	106,688
	<u>7,800,000</u>	<u>7,800,000</u>	<u>8,312,305</u>
Other sources:			
Previous year's encumbrances	1,268,880	1,268,880	1,268,880
	<u>1,268,880</u>	<u>1,268,880</u>	<u>1,268,880</u>
Total revenues and other sources	9,068,880	9,068,880	9,581,185
Expenditures			
Expenditures:			
Public Service:			
Wages/benefits	3,084,590	3,334,590	3,334,536
Other	6,498,010	6,998,010	6,864,262
	<u>9,582,600</u>	<u>10,332,600</u>	<u>10,198,798</u>
Total expenditures	9,582,600	10,332,600	10,198,798
Deficiency of revenues and other sources over expenditures	(513,720)	(1,263,720)	(617,613)
Fund deficit, January 1, 2008	<u>(463,887)</u>	<u>(463,887)</u>	<u>(463,887)</u>
Fund deficit, December 31, 2008	<u>\$ (977,607)</u>	<u>\$ (1,727,607)</u>	<u>\$ (1,081,500)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Community Development Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Licenses and permits	\$ 920	\$ 920	\$ 13,367
Governmental revenue	7,046,230	7,046,230	6,881,587
Miscellaneous revenue	732,080	732,080	340,981
	<u>7,779,230</u>	<u>7,779,230</u>	<u>7,235,935</u>
Other sources:			
Interfund transfers	1,920,770	1,920,770	1,247,922
Previous year's encumbrances	489,257	489,257	489,257
	<u>2,410,027</u>	<u>2,410,027</u>	<u>1,737,179</u>
Total revenues and other sources	10,189,257	10,189,257	8,973,114
Expenditures			
Expenditures:			
Planning and Urban Development:			
Wages/benefits	1,855,810	1,755,810	1,705,122
Other	580,109	630,109	604,497
	<u>2,435,919</u>	<u>2,385,919</u>	<u>2,309,619</u>
Public Health:			
Wages/benefits	58,620	58,620	57,713
Other	11,220	16,220	12,704
	<u>69,840</u>	<u>74,840</u>	<u>70,417</u>
Public Service:			
Wages/benefits	6,000	6,000	2,788
Other	6,527,198	7,077,198	6,988,941
Capital Outlay	350,000	350,000	1,536
	<u>6,883,198</u>	<u>7,433,198</u>	<u>6,993,265</u>
Total expenditures	9,388,957	9,893,957	9,373,301
Excess (deficiency) of revenues and other sources over expenditures	800,300	295,300	(400,187)
Fund deficit, January 1, 2008	<u>(3,394,594)</u>	<u>(3,394,594)</u>	<u>(3,394,594)</u>
Fund deficit, December 31, 2008	<u>\$ (2,594,294)</u>	<u>\$ (3,099,294)</u>	<u>\$ (3,794,781)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Air Pollution Control Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Local emission/asbestos fees	\$ 132,890	\$ 132,890	\$ 148,574
Federal grant	369,900	369,900	322,778
State general revenue	159,730	159,730	229,119
State permit fees	989,170	989,170	838,936
Other revenue	1,280	1,280	1,421
	<u>1,652,970</u>	<u>1,652,970</u>	<u>1,540,828</u>
Other sources:			
Interfund transfers	47,030	47,030	45,000
Previous year's encumbrances	19,976	19,976	19,976
	<u>67,006</u>	<u>67,006</u>	<u>64,976</u>
Total revenues and other sources	1,719,976	1,719,976	1,605,804
Expenditures			
Expenditures:			
Public Health:			
Wages/benefits	1,270,360	1,285,360	1,270,783
Other	870,276	855,276	345,053
Total expenditures	<u>2,140,636</u>	<u>2,140,636</u>	<u>1,615,836</u>
Deficiency of revenues and other sources over expenditures	(420,660)	(420,660)	(10,032)
Fund balance, January 1, 2008	<u>2,516,008</u>	<u>2,516,008</u>	<u>2,516,008</u>
Fund balance, December 31, 2008	<u>\$ 2,095,348</u>	<u>\$ 2,095,348</u>	<u>\$ 2,505,976</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Community Environment Grants Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Governmental revenue	\$ 1,000,660	\$ 1,000,660	\$ 290,661
Miscellaneous revenue	119,340	119,340	46,597
	<u>1,120,000</u>	<u>1,120,000</u>	<u>337,258</u>
Other sources:			
Interfund transfers	-	-	99,234
Previous year's encumbrances	129,394	129,394	129,394
	<u>129,394</u>	<u>129,394</u>	<u>228,628</u>
Total revenues and other sources	1,249,394	1,249,394	565,886
Expenditures			
Expenditures:			
Department Wide:			
Other	729,394	729,394	359,253
Total expenditures	729,394	729,394	359,253
Excess of revenues and other sources over expenditures	520,000	520,000	206,633
Fund balance, January 1, 2008	<u>11,175</u>	<u>11,175</u>	<u>11,175</u>
Fund balance, December 31, 2008	<u>\$ 531,175</u>	<u>\$ 531,175</u>	<u>\$ 217,808</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Akron Metropolitan Area Transportation Study Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Grants and subsidies	\$ 1,399,150	\$ 1,399,150	\$ 1,360,426
Miscellaneous	850	850	676
	<u>1,400,000</u>	<u>1,400,000</u>	<u>1,361,102</u>
Other sources:			
Previous year's encumbrances	6,844	6,844	6,844
	<u>1,406,844</u>	<u>1,406,844</u>	<u>1,367,946</u>
Total revenues and other sources	1,406,844	1,406,844	1,367,946
Expenditures			
Expenditures:			
AMATS:			
Planning:			
Wages/benefits	1,326,880	1,326,880	1,231,357
Other	255,714	255,714	229,448
	<u>1,582,594</u>	<u>1,582,594</u>	<u>1,460,805</u>
Total expenditures	1,582,594	1,582,594	1,460,805
Deficiency of revenues and other sources over expenditures	(175,750)	(175,750)	(92,859)
Fund deficit, January 1, 2008	<u>(38,887)</u>	<u>(38,887)</u>	<u>(38,887)</u>
Fund deficit, December 31, 2008	<u>\$ (214,637)</u>	<u>\$ (214,637)</u>	<u>\$ (131,746)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Summer Lunch Program Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues			
Revenues:			
Service revenue	\$ 131,850	\$ 131,850	\$ -
Miscellaneous revenue	20,280	20,280	-
	<u>152,130</u>	<u>152,130</u>	<u>-</u>
Total revenues	152,130	152,130	-
Expenditures			
Expenditures:			
Public Service:			
Wages/benefits	36,500	-	-
Other	102,100	-	-
	<u>138,600</u>	<u>-</u>	<u>-</u>
Total expenditures	138,600	-	-
Excess of revenues over expenditures	13,530	152,130	-
Fund deficit, January 1, 2008	<u>(20,590)</u>	<u>(20,590)</u>	<u>(20,590)</u>
Fund balance (deficit), December 31, 2008	<u>\$ (7,060)</u>	<u>\$ 131,540</u>	<u>\$ (20,590)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
H.O.M.E. Program Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Governmental revenue	\$ 2,300,460	\$ 2,300,460	\$ 3,186,114
Miscellaneous revenue	254,500	254,500	123,892
	<u>2,554,960</u>	<u>2,554,960</u>	<u>3,310,006</u>
Other sources:			
Interfund transfers	407,340	407,340	115,868
Previous year's encumbrances	1,548,612	1,548,612	1,548,612
	<u>1,955,952</u>	<u>1,955,952</u>	<u>1,664,480</u>
Total revenues and other sources	4,510,912	4,510,912	4,974,486
Expenditures			
Expenditures:			
Department Wide:			
Other	5,348,612	5,548,612	4,086,635
Total expenditures	5,348,612	5,548,612	4,086,635
Excess (deficiency) of revenues and other sources over expenditures	(837,700)	(1,037,700)	887,851
Fund deficit, January 1, 2008	<u>(902,515)</u>	<u>(902,515)</u>	<u>(902,515)</u>
Fund deficit, December 31, 2008	<u>\$ (1,740,215)</u>	<u>\$ (1,940,215)</u>	<u>\$ (14,664)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Tax Equivalency Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ 24,570	\$ 24,570	\$ 20,538
Governmental revenue	-	-	468,128
Taxes and assessments	239,730	239,730	560,972
Miscellaneous revenue	366,080	366,080	213,784
	<u>630,380</u>	<u>630,380</u>	<u>1,263,422</u>
Other sources:			
Interfund transfers	-	-	5,401
Previous year's encumbrances	23,127	23,127	23,127
	<u>23,127</u>	<u>23,127</u>	<u>28,528</u>
Total revenues and other sources	653,507	653,507	1,291,950
Expenditures			
Expenditures:			
Department Wide:			
Other	473,127	733,127	261,172
Capital Outlay	-	40,000	30,800
	<u>473,127</u>	<u>773,127</u>	<u>291,972</u>
Total expenditures	473,127	773,127	291,972
Excess (deficiency) of revenues and other sources over expenditures	180,380	(119,620)	999,978
Fund balance, January 1, 2008	<u>552,946</u>	<u>552,946</u>	<u>552,946</u>
Fund balance, December 31, 2008	<u>\$ 733,326</u>	<u>\$ 433,326</u>	<u>\$ 1,552,924</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
E.D.A. Revolving Loans Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues			
Revenues:			
Miscellaneous revenue	\$ -	\$ -	\$ -
Total revenues	-	-	-
Expenditures			
Expenditures:			
Office of the Mayor			
Other	62,000	62,000	-
Total expenditures	62,000	62,000	-
Deficiency of revenues over expenditures	(62,000)	(62,000)	-
Fund balance, January 1, 2008	4,970	4,970	4,970
Fund balance (deficit), December 31, 2008	\$ (57,030)	\$ (57,030)	\$ 4,970

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Joint Economic Development Districts Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ 1,139,280	\$ 1,139,280	\$ 228,009
JEDD revenue	12,404,680	12,404,680	18,105,819
Governmental revenue	47,030	47,030	-
Service revenue	470,280	470,280	395,371
Miscellaneous revenue	846,500	846,500	211,932
	<u>14,907,770</u>	<u>14,907,770</u>	<u>18,941,131</u>
Other sources:			
Note/Bond proceeds	621,960	621,960	2,357,000
Interfund transfers	470,270	470,270	493,824
Previous year's encumbrances	733,982	733,982	733,982
	<u>1,826,212</u>	<u>1,826,212</u>	<u>3,584,806</u>
Total revenues and other sources	16,733,982	16,733,982	22,525,937
Expenditures			
Expenditures:			
Department Wide:			
Wages/benefits	60,000	160,000	127,347
Other	16,135,887	20,135,887	20,059,497
Capital Outlay	3,728,695	2,748,695	2,741,829
	<u>19,924,582</u>	<u>23,044,582</u>	<u>22,928,673</u>
Total expenditures	19,924,582	23,044,582	22,928,673
Deficiency of revenues and other sources over expenditures	(3,190,600)	(6,310,600)	(402,736)
Fund balance, January 1, 2008	<u>3,709,713</u>	<u>3,709,713</u>	<u>3,709,713</u>
Fund balance (deficit), December 31, 2008	<u>\$ 519,113</u>	<u>\$ (2,600,887)</u>	<u>\$ 3,306,977</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Akron Municipal Court Information System Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Service revenue	\$ 315,000	\$ 315,000	\$ 303,534
Other sources:			
Previous year's encumbrances	110,683	110,683	110,683
	110,683	110,683	110,683
Total revenues and other sources	425,683	425,683	414,217
Expenditures			
Expenditures:			
Court Clerk:			
Other	127,248	127,248	117,678
Judges:			
Other	289,745	289,745	165,331
Total expenditures	416,993	416,993	283,009
Excess of revenues and other sources over expenditures	8,690	8,690	131,208
Fund balance, January 1, 2008	567,221	567,221	567,221
Fund balance, December 31, 2008	\$ 575,911	\$ 575,911	\$ 698,429

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Public Health Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Licenses and permits	\$ 136,340	\$ 136,340	\$ 172,242
Governmental revenue	46,130	46,130	134,454
Service revenue	577,730	577,730	470,641
Miscellaneous revenue	62,300	62,300	66,777
	<u>822,500</u>	<u>822,500</u>	<u>844,114</u>
Other sources:			
Interfund transfers	-	-	3,808
Previous year's encumbrances	34,357	34,357	34,357
	<u>34,357</u>	<u>34,357</u>	<u>38,165</u>
Total revenues and other sources	856,857	856,857	882,279
Expenditures			
Expenditures:			
Court Clerk:			
Other	40,000	40,000	40,000
Public Health:			
Wages/benefits	622,990	622,990	474,872
Other	408,217	408,217	239,515
	<u>1,031,207</u>	<u>1,031,207</u>	<u>714,387</u>
Total expenditures	1,071,207	1,071,207	754,387
Excess (deficiency) of revenues and other sources over expenditures	(214,350)	(214,350)	127,892
Fund balance, January 1, 2008	672,112	672,112	672,112
Fund balance, December 31, 2008	<u>\$ 457,762</u>	<u>\$ 457,762</u>	<u>\$ 800,004</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Police Grants Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Governmental revenue	\$ 706,430	\$ 706,430	\$ 1,409,728
Miscellaneous revenue	-	-	1,278
	<u>706,430</u>	<u>706,430</u>	<u>1,411,006</u>
Other sources:			
Interfund transfers	146,020	146,020	221,417
Previous year's encumbrances	120,328	120,328	120,328
	<u>266,348</u>	<u>266,348</u>	<u>341,745</u>
Total revenues and other sources	972,778	972,778	1,752,751
Expenditures			
Expenditures:			
Police:			
Wages/benefits	312,690	622,690	433,673
Other	1,573,508	1,813,508	1,646,824
Capital Outlay	28,000	28,000	28,000
	<u>1,914,198</u>	<u>2,464,198</u>	<u>2,108,497</u>
Total expenditures	1,914,198	2,464,198	2,108,497
Deficiency of revenues and other sources over expenditures	(941,420)	(1,491,420)	(355,746)
Fund deficit, January 1, 2008	<u>(985,464)</u>	<u>(985,464)</u>	<u>(985,464)</u>
Fund deficit, December 31, 2008	<u>\$ (1,926,884)</u>	<u>\$ (2,476,884)</u>	<u>\$ (1,341,210)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Various Domestic Violence Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Governmental revenue	\$ 54,250	\$ 54,250	\$ 58,500
	54,250	54,250	58,500
Other sources:			
Interfund transfers	136,360	136,360	-
Previous year's encumbrances	60,485	60,485	60,485
	196,845	196,845	60,485
Total revenues and other sources	251,095	251,095	118,985
Expenditures			
Expenditures:			
Law:			
Other	187,845	187,845	171,609
Total expenditures	187,845	187,845	171,609
Excess (deficiency) of revenues and other sources over expenditures	63,250	63,250	(52,624)
Fund deficit, January 1, 2008	(368,168)	(368,168)	(368,168)
Fund deficit, December 31, 2008	\$ (304,918)	\$ (304,918)	\$ (420,792)

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Safety Programs Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Investment earnings	\$ 18,130	\$ 18,130	\$ 21,671
Governmental revenue	600,910	600,910	1,408,461
Service revenue	420,640	420,640	740,472
Miscellaneous revenue	210,320	210,320	217,441
	<u>1,250,000</u>	<u>1,250,000</u>	<u>2,388,045</u>
Other sources:			
Interfund transfers	-	-	202,521
Previous year's encumbrances	739,271	739,271	739,271
	<u>739,271</u>	<u>739,271</u>	<u>941,792</u>
Total revenues and other sources	1,989,271	1,989,271	3,329,837
Expenditures			
Expenditures:			
Public Safety:			
Wages/benefits	296,730	276,730	276,684
Other	250,994	130,994	119,722
Capital Outlay	410,011	395,011	359,594
	<u>957,735</u>	<u>802,735</u>	<u>756,000</u>
Fire:			
Other	713,285	613,285	542,226
Police:			
Wages/benefits	12,250	632,250	612,521
Other	857,660	707,660	683,872
Capital Outlay	20,000	80,000	44,900
	<u>889,910</u>	<u>1,419,910</u>	<u>1,341,293</u>
Total expenditures	2,560,930	2,835,930	2,639,519
Excess (deficiency) of revenues and other sources over expenditures	(571,659)	(846,659)	690,318
Fund balance, January 1, 2008	1,785,591	1,785,591	1,785,591
Fund balance, December 31, 2008	<u>\$ 1,213,932</u>	<u>\$ 938,932</u>	<u>\$ 2,475,909</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Health Grants Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Investment earnings	\$ 7,280	\$ 7,280	\$ 9,911
Licenses and permits	22,240	22,240	81,968
Governmental revenue	5,631,940	5,631,940	5,826,399
Service revenue	377,470	377,470	254,069
Miscellaneous revenue	96,210	96,210	406,948
	<u>6,135,140</u>	<u>6,135,140</u>	<u>6,579,295</u>
Other sources:			
Interfund transfers	191,360	191,360	37,671
Previous year's encumbrances	405,984	405,984	405,984
	<u>597,344</u>	<u>597,344</u>	<u>443,655</u>
Total revenues and other sources	6,732,484	6,732,484	7,022,950
Expenditures			
Expenditures:			
Public Health:			
Wages/benefits	2,678,890	2,678,890	2,647,837
Other	4,041,334	4,141,334	3,888,352
Capital Outlay	100,000	-	-
	<u>6,820,224</u>	<u>6,820,224</u>	<u>6,536,189</u>
Total expenditures	6,820,224	6,820,224	6,536,189
Excess (deficiency) of revenues and other sources over expenditures	(87,740)	(87,740)	486,761
Fund deficit, January 1, 2008	<u>(62,786)</u>	<u>(62,786)</u>	<u>(62,786)</u>
Fund balance (deficit), December 31, 2008	<u>\$ (150,526)</u>	<u>\$ (150,526)</u>	<u>\$ 423,975</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
City Facilities Operating Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ 39,680	\$ 39,680	\$ 225,000
Taxes and assessments	518,160	518,160	1,125,230
Licenses and permits	800,530	800,530	674,522
Governmental revenue	150,100	150,100	24,428
Service revenue	250,170	250,170	285,934
Miscellaneous revenue	3,702,450	3,702,450	1,996,321
	<u>5,461,090</u>	<u>5,461,090</u>	<u>4,331,435</u>
Other sources:			
Note/Bond proceeds	4,002,650	4,002,650	2,240,000
Interfund transfers	1,701,120	1,701,120	713,898
Interfund service revenue	210,140	210,140	2,799
Previous year's encumbrances	2,642,572	2,642,572	2,642,572
	<u>8,556,482</u>	<u>8,556,482</u>	<u>5,599,269</u>
Total revenues and other sources	14,017,572	14,017,572	9,930,704
Expenditures			
Expenditures:			
Department Wide:			
Wages/benefits	451,440	501,440	375,728
Other	4,769,348	6,169,348	5,433,940
Capital Outlay	6,888,623	5,888,623	5,847,781
	<u>12,109,411</u>	<u>12,559,411</u>	<u>11,657,449</u>
Total expenditures	12,109,411	12,559,411	11,657,449
Excess (deficiency) of revenues and other sources over expenditures	1,908,161	1,458,161	(1,726,745)
Fund deficit, January 1, 2008	<u>(5,805,248)</u>	<u>(5,805,248)</u>	<u>(5,805,248)</u>
Fund deficit, December 31, 2008	<u>\$ (3,897,087)</u>	<u>\$ (4,347,087)</u>	<u>\$ (7,531,993)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Various Purpose Funding Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ 249,700	\$ 249,700	\$ 270,947
Investment earnings	4,050	4,050	420
Governmental revenue	528,740	528,740	778,856
Service revenue	647,930	647,930	886,748
Miscellaneous revenue	568,020	568,020	656,921
	<u>1,998,440</u>	<u>1,998,440</u>	<u>2,593,892</u>
Other sources:			
Note/Bond proceeds	408,400	408,400	1,600,000
Interfund transfers	365,160	365,160	448,009
Previous year's encumbrances	1,659,073	1,659,073	1,659,073
	<u>2,432,633</u>	<u>2,432,633</u>	<u>3,707,082</u>
Total revenues and other sources	4,431,073	4,431,073	6,300,974
Expenditures			
Expenditures:			
Department Wide:			
Wages/benefits	310,840	345,840	325,114
Other	3,793,745	5,943,745	5,067,504
Capital outlay	290,878	290,878	92,238
	<u>4,395,463</u>	<u>6,580,463</u>	<u>5,484,856</u>
Total expenditures	4,395,463	6,580,463	5,484,856
Excess (deficiency) of revenues and other sources over expenditures	35,610	(2,149,390)	816,118
Fund deficit, January 1, 2008	<u>(2,009,901)</u>	<u>(2,009,901)</u>	<u>(2,009,901)</u>
Fund deficit, December 31, 2008	<u>\$ (1,974,291)</u>	<u>\$ (4,159,291)</u>	<u>\$ (1,193,783)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Deposits Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ -	\$ -	\$ 75,976
Investment earnings	87,100	87,100	1,061,123
Licenses and permits	387,100	387,100	26,264
Miscellaneous revenue	14,525,800	14,525,800	1,367,280
	<u>15,000,000</u>	<u>15,000,000</u>	<u>2,530,643</u>
Other sources:			
Previous year's encumbrances	4,220	4,220	4,220
	<u>4,220</u>	<u>4,220</u>	<u>4,220</u>
Total revenues and other sources	15,004,220	15,004,220	2,534,863
Expenditures			
Expenditures:			
Finance:			
Other	3,230,000	4,730,000	2,574,449
	<u>3,230,000</u>	<u>4,730,000</u>	<u>2,574,449</u>
Planning and Urban Development:			
Other	6,220	6,220	6,220
	<u>6,220</u>	<u>6,220</u>	<u>6,220</u>
Public Health:			
Other	83,120	83,120	-
	<u>83,120</u>	<u>83,120</u>	<u>-</u>
Public Service:			
Other	1,000	1,000	-
	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Total expenditures	3,320,340	4,820,340	2,580,669
Excess (deficiency) of revenues and other sources over expenditures	11,683,880	10,183,880	(45,806)
Fund balance, January 1, 2008	2,662,214	2,662,214	2,662,214
Fund balance, December 31, 2008	<u>\$ 14,346,094</u>	<u>\$ 12,846,094</u>	<u>\$ 2,616,408</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
General Bond Payment Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Property taxes	\$ 1,434,739	\$ 1,434,739	\$ 444,265
Other sources:			
Previous year's encumbrances	2,550	2,550	2,550
Total revenues and other sources	1,437,289	1,437,289	446,815
Expenditures			
Expenditures:			
Finance:			
Wages/benefits	358,090	478,090	463,751
Other	99,760	109,760	106,905
Total expenditures	457,850	587,850	570,656
Excess (deficiency) of revenues and other sources over expenditures	979,439	849,439	(123,841)
Fund balance, January 1, 2008	319,005	319,005	319,005
Fund balance, December 31, 2008	\$ 1,298,444	\$ 1,168,444	\$ 195,164

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Non-appropriated Capital Projects Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ 8,930	\$ 8,930	\$ 9,582
Governmental revenue	103,840	103,840	-
Miscellaneous revenue	14,830	14,830	44,354
	<u>127,600</u>	<u>127,600</u>	<u>53,936</u>
Other sources:			
Note/Bond proceeds	1,112,550	1,112,550	-
Interfund transfers	370,850	370,850	-
Previous year's encumbrances	160,441	160,441	160,441
	<u>1,643,841</u>	<u>1,643,841</u>	<u>160,441</u>
Total revenues and other sources	1,771,441	1,771,441	214,377
Expenditures			
Expenditures:			
Public Service:			
Wages/benefits	7,000	7,000	-
Other	402,594	402,594	138,278
Capital outlay	213,846	213,846	132,976
	<u>623,440</u>	<u>623,440</u>	<u>271,254</u>
Total expenditures	623,440	623,440	271,254
Excess (deficiency) of revenues and other sources over expenditures	1,148,001	1,148,001	(56,877)
Fund deficit, January 1, 2008	<u>(2,674,299)</u>	<u>(2,674,299)</u>	<u>(2,674,299)</u>
Fund deficit, December 31, 2008	<u>\$ (1,526,298)</u>	<u>\$ (1,526,298)</u>	<u>\$ (2,731,176)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Road and Bridge Improvement Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Governmental revenue	\$ 2,500,050	\$ 2,500,050	\$ 4,507,459
Investment earnings	97,630	97,630	101,198
	<u>2,597,680</u>	<u>2,597,680</u>	<u>4,608,657</u>
Other sources:			
Note/Bond proceeds	2,331,010	2,331,010	131,728
Interfund transfers	675,020	675,020	406,104
Previous year's encumbrances	137,912	137,912	137,912
	<u>3,143,942</u>	<u>3,143,942</u>	<u>675,744</u>
Total revenues and other sources	5,741,622	5,741,622	5,284,401
Expenditures			
Expenditures:			
Public Service:			
Wages/benefits	7,000	8,000	7,864
Other	10,973,307	10,973,307	2,835,126
Capital outlay	2,305,605	805,605	553,474
	<u>13,285,912</u>	<u>11,786,912</u>	<u>3,396,464</u>
Total expenditures	13,285,912	11,786,912	3,396,464
Excess (deficiency) of revenues and other sources over expenditures	(7,544,290)	(6,045,290)	1,887,937
Fund balance, January 1, 2008	<u>3,582,419</u>	<u>3,582,419</u>	<u>3,582,419</u>
Fund balance (deficit), December 31, 2008	<u>\$ (3,961,871)</u>	<u>\$ (2,462,871)</u>	<u>\$ 5,470,356</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Streets Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ 254,160	\$ 254,160	\$ 21,597
Governmental revenue	4,458,120	4,458,120	3,995,464
Taxes and assessments	342,020	342,020	454,667
Miscellaneous revenue	1,273,750	1,273,750	636,984
	<u>6,328,050</u>	<u>6,328,050</u>	<u>5,108,712</u>
Other sources:			
Note/Bond proceeds	12,737,480	12,737,480	7,453,885
Interfund transfers	3,184,420	3,184,420	4,017,921
Previous year's encumbrances	5,856,672	5,856,672	5,856,672
	<u>21,778,572</u>	<u>21,778,572</u>	<u>17,328,478</u>
Total revenues and other sources	28,106,622	28,106,622	22,437,190
Expenditures			
Expenditures:			
Public Service:			
Wages/benefits	100,000	100,000	94,566
Other	9,702,860	6,702,860	4,564,227
Capital outlay	22,668,811	20,168,811	18,924,424
			<u>18,924,424</u>
Total expenditures	32,471,671	26,971,671	23,583,217
Deficiency of revenues and other sources over expenditures	(4,365,049)	1,134,951	(1,146,027)
Fund deficit, January 1, 2008	<u>(23,578,314)</u>	<u>(23,578,314)</u>	<u>(23,578,314)</u>
Fund deficit, December 31, 2008	<u>\$ (27,943,363)</u>	<u>\$ (22,443,363)</u>	<u>\$ (24,724,341)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Information Technology and Improvements Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Other sources			
Other sources:			
Note/Bond proceeds	\$ 17,950	\$ 17,950	\$ -
Miscellaneous revenue	4,050	4,050	-
Total other sources	22,000	22,000	-
Expenditures			
Expenditures:			
Public Service:			
Capital outlay	400,000	400,000	400,000
Total expenditures	400,000	400,000	400,000
Deficiency of other sources over expenditures	(378,000)	(378,000)	(400,000)
Fund balance, January 1, 2008	29,543	29,543	29,543
Fund deficit, December 31, 2008	<u>\$ (348,457)</u>	<u>\$ (348,457)</u>	<u>\$ (370,457)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Transportation Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ 88,540	\$ 88,540	\$ 42,420
Governmental revenue	3,804,090	3,804,090	4,055,541
Miscellaneous revenue	38,710	38,710	4,887
	<u>3,931,340</u>	<u>3,931,340</u>	<u>4,102,848</u>
Other sources:			
Note/Bond proceeds	2,599,580	2,599,580	2,083,000
Interfund transfers	573,370	573,370	2,042,429
Previous year's encumbrances	4,778,994	4,778,994	4,778,994
	<u>7,951,944</u>	<u>7,951,944</u>	<u>8,904,423</u>
Total revenues and other sources	11,883,284	11,883,284	13,007,271
Expenditures			
Expenditures:			
Public Service:			
Wages/benefits	50,000	50,000	753
Other	4,261,985	4,261,985	4,244,867
Capital outlay	8,022,009	6,022,009	5,425,768
	<u>12,333,994</u>	<u>10,333,994</u>	<u>9,671,388</u>
Total expenditures	12,333,994	10,333,994	9,671,388
Excess (deficiency) of revenues and other sources over expenditures	(450,710)	1,549,290	3,335,883
Fund deficit, January 1, 2008	<u>(6,830,246)</u>	<u>(6,830,246)</u>	<u>(6,830,246)</u>
Fund deficit, December 31, 2008	<u>\$ (7,280,956)</u>	<u>\$ (5,280,956)</u>	<u>\$ (3,494,363)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Parks and Recreation Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ -	\$ -	\$ 500,395
Governmental revenue	1,234,060	1,234,060	2,344,463
Miscellaneous revenue	105,150	105,150	894
	<u>1,339,210</u>	<u>1,339,210</u>	<u>2,845,752</u>
Other sources:			
Interfund transfers	75,650	75,650	524,282
Note/Bond proceeds	3,085,140	3,085,140	5,611,000
Previous year's encumbrances	2,821,082	2,821,082	2,821,082
	<u>5,981,872</u>	<u>5,981,872</u>	<u>8,956,364</u>
Total revenues and other sources	7,321,082	7,321,082	11,802,116
Expenditures			
Expenditures:			
Public Service:			
Wages/benefits	7,000	7,000	1,501
Other	3,813,964	3,413,964	2,196,915
Capital outlay	4,630,117	5,030,117	5,027,649
	<u>8,451,081</u>	<u>8,451,081</u>	<u>7,226,065</u>
Total expenditures	8,451,081	8,451,081	7,226,065
Excess (deficiency) of revenues and other sources over expenditures	(1,129,999)	(1,129,999)	4,576,051
Fund deficit, January 1, 2008	<u>(5,416,718)</u>	<u>(5,416,718)</u>	<u>(5,416,718)</u>
Fund deficit, December 31, 2008	<u>\$ (6,546,717)</u>	<u>\$ (6,546,717)</u>	<u>\$ (840,667)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Public Facilities and Improvements Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ 373,210	\$ 373,210	\$ 58,760
Miscellaneous revenue	195,680	195,680	-
	<u>568,890</u>	<u>568,890</u>	<u>58,760</u>
Other sources:			
Interfund transfers	3,535,200	3,535,200	597,658
Note/Bond proceeds	5,895,910	5,895,910	3,698,000
Previous year's encumbrances	1,047,837	1,047,837	1,047,837
	<u>10,478,947</u>	<u>10,478,947</u>	<u>5,343,495</u>
Total revenues and other sources	11,047,837	11,047,837	5,402,255
Expenditures			
Expenditures:			
Public Service:			
Wages/benefits	5,000	5,000	854
Other	4,591,115	3,091,115	2,135,328
Capital outlay	3,491,721	3,991,721	3,956,194
	<u>8,087,836</u>	<u>7,087,836</u>	<u>6,092,376</u>
Total expenditures	8,087,836	7,087,836	6,092,376
Excess (deficiency) of revenues and other sources over expenditures	2,960,001	3,960,001	(690,121)
Fund deficit, January 1, 2008	<u>(1,745,613)</u>	<u>(1,745,613)</u>	<u>(1,745,613)</u>
Fund balance (deficit), December 31, 2008	<u>\$ 1,214,388</u>	<u>\$ 2,214,388</u>	<u>\$ (2,435,734)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Public Parking Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	Budgeted Amounts		
	Original	Final	Actual Amounts
Revenues and other sources			
Revenues:			
Income taxes	\$ 2,416,120	\$ 2,416,120	\$ -
Miscellaneous revenue	99,680	99,680	4,524
	<u>2,515,800</u>	<u>2,515,800</u>	<u>4,524</u>
Other sources:			
Interfund transfers	-	-	2,213,089
Note/Bond proceeds	11,484,200	11,484,200	-
Previous year's encumbrances	1,952,762	1,952,762	1,952,762
	<u>13,436,962</u>	<u>13,436,962</u>	<u>4,165,851</u>
Total revenues and other sources	15,952,762	15,952,762	4,170,375
Expenditures			
Expenditures:			
Public Service:			
Wages/benefits	5,000	5,000	-
Other	3,853,823	4,853,823	4,206,143
Capital outlay	17,968,939	13,368,939	12,650,182
	<u>21,827,762</u>	<u>18,227,762</u>	<u>16,856,325</u>
Total expenditures	21,827,762	18,227,762	16,856,325
Deficiency of revenues and other sources over expenditures	(5,875,000)	(2,275,000)	(12,685,950)
Fund balance, January 1, 2008	<u>14,099,548</u>	<u>14,099,548</u>	<u>14,099,548</u>
Fund balance, December 31, 2008	<u>\$ 8,224,548</u>	<u>\$ 11,824,548</u>	<u>\$ 1,413,598</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Economic Development Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ 263,920	\$ 263,920	\$ 19,588
Taxes and assessments	2,848,600	2,848,600	3,268,591
Licenses and permits	-	-	1,323
Governmental revenue	468,990	468,990	2,620,776
Miscellaneous revenue	2,344,950	2,344,950	4,633,996
	<u>5,926,460</u>	<u>5,926,460</u>	<u>10,544,274</u>
Other sources:			
Note/Bond proceeds	15,765,560	15,765,560	22,090,500
Interfund transfers	158,310	158,310	778,679
Previous year's encumbrances	6,137,712	6,137,712	6,137,712
	<u>22,061,582</u>	<u>22,061,582</u>	<u>29,006,891</u>
Total revenues and other sources	27,988,042	27,988,042	39,551,165
Expenditures			
Expenditures:			
Public Service:			
Wages/benefits	40,000	40,000	12,059
Other	14,691,120	15,851,120	15,693,689
Capital outlay	13,567,292	18,067,292	17,983,541
	<u>28,298,412</u>	<u>33,958,412</u>	<u>33,689,289</u>
Total expenditures	28,298,412	33,958,412	33,689,289
Excess (deficiency) of revenues and other sources over expenditures	(310,370)	(5,970,370)	5,861,876
Fund deficit, January 1, 2008	<u>(8,236,432)</u>	<u>(8,236,432)</u>	<u>(8,236,432)</u>
Fund deficit, December 31, 2008	<u>\$ (8,546,802)</u>	<u>\$ (14,206,802)</u>	<u>\$ (2,374,556)</u>

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NON-MAJOR ENTERPRISE FUNDS

Enterprise Funds - are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The non-major Enterprise Funds are as follows:

- Oil and Gas
- Golf Course
- Airport

City of Akron, Ohio

Statement of Net Assets - Non-Major Enterprise Funds

December 31, 2008

	Oil and Gas	Golf Course	Airport	Total
Assets				
Pooled cash and investments	\$ 111,501	\$ -	\$ -	\$ 111,501
Due from other governments	-	-	188,297	188,297
Due from other funds	4,351	-	-	4,351
Inventories, at cost	-	60,955	14,096	75,051
Property, plant and equipment, net of accumulated depreciation	395,485	1,517,859	8,462,580	10,375,924
Total assets	511,337	1,578,814	8,664,973	10,755,124
Liabilities				
Accounts payable	70,671	12,000	56,345	139,016
Due to other governments	-	276	-	276
Due to other funds	3,500	657,207	308,362	969,069
Accrued liabilities	754	8,837	87,370	96,961
Accrued wages	1,359	10,308	8,405	20,072
Accrued vacation and leave	4,016	33,538	20,980	58,534
Debt: Noncurrent liabilities				
Due in more than one year	24,895	162,690	187,803	375,388
Total liabilities	105,195	884,856	669,265	1,659,316
Net assets				
Invested in capital assets net of related debt	395,485	1,517,859	8,462,580	10,375,924
Unrestricted (deficit)	10,657	(823,901)	(466,872)	(1,280,116)
Total net assets	\$ 406,142	\$ 693,958	\$ 7,995,708	\$ 9,095,808

City of Akron, Ohio

Combining Statement of Revenues, Expenses and Changes in Net Assets - Non-Major Enterprise Funds

For the Year Ended December 31, 2008

	Oil and Gas	Golf Course	Airport	Total
Operating revenues				
Charges for services	\$ -	\$ 864,188	\$ 188,253	\$ 1,052,441
Other	456,918	30,648	287,352	774,918
	<u>456,918</u>	<u>894,836</u>	<u>475,605</u>	<u>1,827,359</u>
Operating expenses				
Personal services	56,589	821,623	338,512	1,216,724
Direct expenses	874,641	289,934	421,074	1,585,649
Rentals and lease	-	92,961	-	92,961
Utilities	233	104,648	14,460	119,341
Insurance	-	3,301	27,889	31,190
Depreciation, depletion and amortization	-	46,538	197,860	244,398
Other	1,442	574	1,600	3,616
	<u>932,905</u>	<u>1,359,579</u>	<u>1,001,395</u>	<u>3,293,879</u>
Operating loss	(475,987)	(464,743)	(525,790)	(1,466,520)
Transfers-in	-	300,000	230,160	530,160
Capital contributions	-	-	125,742	125,742
	<u>-</u>	<u>300,000</u>	<u>355,902</u>	<u>655,902</u>
Changes in net assets	(475,987)	(164,743)	(169,888)	(810,618)
Net assets, January 1, 2008	<u>882,129</u>	<u>858,701</u>	<u>8,165,596</u>	<u>9,906,426</u>
Net assets, December 31, 2008	<u>\$ 406,142</u>	<u>\$ 693,958</u>	<u>\$ 7,995,708</u>	<u>\$ 9,095,808</u>

City of Akron, Ohio
Combining Statement of Cash Flows
Non-Major Enterprise Funds
For the Year Ended December 31, 2008

	<u>Oil and Gas</u>	<u>Golf</u>	<u>Airport</u>	<u>Total Non-Major Enterprise Funds</u>
Operating activities				
Cash received from customers	\$ 18,132	\$ 864,534	\$ 205,376	\$ 1,088,042
Cash payments to suppliers for goods and services	(814,079)	(515,077)	(576,955)	(1,906,111)
Cash paid for salaries and employee benefits	(55,427)	(823,579)	(154,478)	(1,033,484)
Other revenues	456,918	30,648	287,352	774,918
Other expenses	(1,442)	(574)	(1,600)	(3,616)
Net cash used for operating activities	(395,898)	(444,048)	(240,305)	(1,080,251)
Non-capital financing activities				
Transfers from other funds	-	300,000	230,160	530,160
Transfers in for negative cash balances	-	653,931	300,714	954,645
Transfers out for negative cash balances	-	(501,543)	(49,758)	(551,301)
Net cash provided by non-capital financing activities	-	452,388	481,116	933,504
Capital and related financing activities				
Acquisition and construction of capital assets	-	(8,340)	(366,553)	(374,893)
Capital Contributions	-	-	125,742	125,742
Net cash used for capital and related financing activities	-	(8,340)	(240,811)	(249,151)
Net decrease in cash and cash equivalents	(395,898)	-	-	(395,898)
Cash and cash equivalents, January 1, 2008	507,399	-	-	507,399
Cash and cash equivalents, December 31, 2008	<u>\$ 111,501</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 111,501</u>

City of Akron, Ohio
Combining Statement of Cash Flows
Non-Major Enterprise Funds
For the Year Ended December 31, 2008

	<u>Oil and Gas</u>	<u>Golf</u>	<u>Airport</u>	<u>Total Non-Major Enterprise Funds</u>
Operating loss	\$ (475,987)	\$ (464,743)	\$ (525,790)	\$ (1,466,520)
Adjustments to reconcile operating loss to net cash used for operating activities:				
Depreciation, depletion and amortization	-	46,538	197,860	244,398
(Increase) decrease in operating assets:				
Receivables	18,544	346	3,653	22,543
Due from other funds	(412)	-	-	(412)
Due from other governments	-	-	13,470	13,470
Inventories	-	(21,457)	18,963	(2,494)
Increase (decrease) in operating liabilities:				
Accounts payable	61,074	(4,368)	(129,378)	(72,672)
Due to other funds	(279)	1,316	(3,117)	(2,080)
Due to other governments	-	276	-	276
Accrued liabilities	1,422	(1,814)	176,760	176,368
Accrued wages	13	(966)	(235)	(1,188)
Accrued vacation and leave	(273)	824	7,509	8,060
Net cash used for operating activities	<u>\$ (395,898)</u>	<u>\$ (444,048)</u>	<u>\$ (240,305)</u>	<u>\$ (1,080,251)</u>

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INTERNAL SERVICE FUNDS

Internal Service Funds - are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis. The title of the funds indicate the type of service provided. The Internal Service Funds are:

- Motor Equipment
- Medical Self-Insurance
- Workers' Compensation Reserve
- Self-Insurance Settlement
- Storeroom
- Telephone System
- Engineering Bureau
- Management Information Systems

Combining Statement of Net Assets - Internal Service Funds

December 31, 2008

	Motor Equipment	Medical Self- Insurance	Workers' Compensation Reserve
Assets			
Pooled cash and investments	\$ -	\$ -	\$ 3,846,755
Receivables, net of allowances for uncollectibles	73,386	-	-
Due from other funds	1,242,490	-	-
Inventories, at cost	862,169	-	-
Property, plant and equipment, net of accumulated depreciation	3,265,386	-	-
Total assets	5,443,431	-	3,846,755
Liabilities			
Accounts payable	302,167	14,939	6,665
Due to other governments	-	-	-
Due to other funds	1,368,928	6,041,875	371
Accrued interest payable	512	-	-
Accrued liabilities	35,494	-	2,496,325
Accrued wages	62,842	-	-
Accrued vacation and leave	120,860	-	-
Obligations under capital lease	-	-	-
Liability for unpaid claims	-	2,441,697	1,455,851
Debt:			
General obligation bonds	9,639	-	-
Noncurrent liabilities			
Obligations under capital lease	-	-	-
Due in more than one year	356,922	-	5,704,502
Bonds, notes, loans	123,490	-	-
Total liabilities	2,380,854	8,498,511	9,663,714
Net assets			
Invested in capital assets net of related debt	3,132,257	-	-
Unrestricted (deficit)	(69,680)	(8,498,511)	(5,816,959)
Total net assets	\$ 3,062,577	\$ (8,498,511)	\$ (5,816,959)

Combining Statement of Net Assets - Internal Service Funds

December 31, 2008

Self- Insurance Settlement	Storeroom	Telephone System	Engineering Bureau	Management Information Systems	Total
\$ 17,245	\$ -	\$ 511,857	\$ -	\$ -	\$ 4,375,857
-	-	-	-	-	73,386
-	178,150	107,437	303,672	270,824	2,102,573
-	76,476	-	-	-	938,645
-	28,475	297,508	184,023	430,787	4,206,179
17,245	283,101	916,802	487,695	701,611	11,696,640
3,351	8,105	18,655	69,278	125,789	548,949
254	-	-	-	-	254
-	602,356	-	545,917	606,914	9,166,361
-	-	-	-	-	512
-	3,682	-	82,091	20,283	2,637,875
-	6,049	-	143,983	36,651	249,525
-	9,743	-	384,391	160,856	675,850
-	-	-	-	173,988	173,988
616,789	-	-	-	-	4,514,337
-	-	-	-	-	9,639
-	-	-	-	114,450	114,450
-	56,933	-	1,415,250	373,342	7,906,949
-	-	-	-	-	123,490
620,394	686,868	18,655	2,640,910	1,612,273	26,122,179
-	28,475	297,508	184,023	142,349	3,784,612
(603,149)	(432,242)	600,639	(2,337,238)	(1,053,011)	(18,210,151)
\$ (603,149)	\$ (403,767)	\$ 898,147	\$ (2,153,215)	\$ (910,662)	\$ (14,425,539)

City of Akron, Ohio

Combining Statement of Revenues, Expenses and Changes in Net Assets - Internal Service Funds

For the Year Ended December 31, 2008

	Motor Equipment	Medical Self- Insurance	Workers' Compensation Reserve
Operating revenues			
Charges for services	\$ 9,611,524	\$ 25,933,037	\$ 3,886,000
Other	29,738	58,524	1,031,181
	<u>9,641,262</u>	<u>25,991,561</u>	<u>4,917,181</u>
Operating expenses			
Personal services	2,491,870	-	-
Direct expenses	5,353,617	1,948,816	10,410
Claims	-	24,918,943	1,586,541
Rentals and lease	-	-	-
Utilities	121,869	-	-
Insurance	10,755	-	-
Depreciation, depletion and amortization	279,759	-	-
Other	2,900	-	-
	<u>8,260,770</u>	<u>26,867,759</u>	<u>1,596,951</u>
Operating income (loss)	1,380,492	(876,198)	3,320,230
Non-operating revenues (expenses)			
Interest income	-	-	2,385
Interest expense	(6,710)	-	-
Capital contributions	19,974	-	-
Loss on disposal of capital assets	(1,708)	-	-
	<u>11,556</u>	<u>-</u>	<u>2,385</u>
Net change in assets	1,392,048	(876,198)	3,322,615
Net assets, January 1, 2008	<u>1,670,529</u>	<u>(7,622,313)</u>	<u>(9,139,574)</u>
Net assets, December 31, 2008	<u>\$ 3,062,577</u>	<u>\$ (8,498,511)</u>	<u>\$ (5,816,959)</u>

City of Akron, Ohio

Combining Statement of Revenues, Expenses and Changes in Net Assets - Internal Service Funds

For the Year Ended December 31, 2008

Self- Insurance Settlement	Storeroom	Telephone System	Engineering Bureau	Management Information Systems	Total
\$ -	\$ 1,513,158	\$ 553,191	\$ 5,909,523	\$ 2,252,403	\$ 49,658,836
360,005	834	1,269	11,726	416	1,493,693
360,005	1,513,992	554,460	5,921,249	2,252,819	51,152,529
-	274,678	-	5,587,981	1,401,760	9,756,289
5,686	1,274,503	645,590	540,521	1,607,336	11,386,479
252,483	-	-	-	-	26,757,967
-	108,442	-	-	407	108,849
-	4,026	170,524	25,828	4,325	326,572
-	-	-	14,065	1,110	25,930
-	1,051	37,447	10,839	192,980	522,076
-	-	-	5,950	-	8,850
258,169	1,662,700	853,561	6,185,184	3,207,918	48,893,012
101,836	(148,708)	(299,101)	(263,935)	(955,099)	2,259,517
-	-	-	-	-	2,385
-	-	-	(729)	-	(7,439)
-	-	-	-	-	19,974
-	-	-	-	-	(1,708)
-	-	-	(729)	-	13,212
101,836	(148,708)	(299,101)	(264,664)	(955,099)	2,272,729
(704,985)	(255,059)	1,197,248	(1,888,551)	44,437	(16,698,268)
\$ (603,149)	\$ (403,767)	\$ 898,147	\$ (2,153,215)	\$ (910,662)	\$ (14,425,539)

City of Akron, Ohio
Combining Statement of Cash Flows-Internal Service Funds
For the Year Ended December 31, 2008

	Motor Equipment	Medical Self - Insurance	Workers' Compensation Reserve
Operating activities			
Cash received from customers	\$ 9,677,424	\$ 25,933,037	\$ 3,886,000
Cash payments to suppliers for goods and services	(5,463,250)	(1,936,497)	(9,420)
Cash paid for salaries and employee benefits	(2,544,956)	(25,251,132)	(4,710,349)
Other revenues	29,738	58,524	1,031,181
Other expenses	(2,900)	-	-
Net cash provided by (used for) operating activities	1,696,056	(1,196,068)	197,412
Non-capital financing activities			
Transfers in for negative cash balances	1,352,607	6,040,070	-
Transfers out for negative cash balances	(1,307,776)	(4,844,002)	-
Net cash provided by (used for) non-capital financing activities	44,831	1,196,068	-
Capital and related financing activities			
Principal paid on bonds and loans	(14,977)	-	-
Interest paid on bonds and loans	(6,762)	-	-
Acquisition and construction of capital assets	(1,739,122)	-	-
Capital contributions	19,974	-	-
Net cash provided by (used for) capital and related financing activities	(1,740,887)	-	-
Investing activities			
Interest on investments	-	-	2,385
Net cash provided by investing activities	-	-	2,385
Net increase (decrease) in cash and cash equivalents	-	-	199,797
Cash and cash equivalents, January 1, 2008	-	-	3,646,958
Cash and cash equivalents, December 31, 2008	\$ -	\$ -	\$ 3,846,755

City of Akron, Ohio
Combining Statement of Cash Flows-Internal Service Funds
For the Year Ended December 31, 2008

Self - Insurance Settlement	Storeroom	Telephone System	Engineering Bureau	Management Information Systems	Total
\$ -	\$ 1,636,318	\$ 539,136	\$ 6,153,145	\$ 2,278,206	\$ 50,103,266
(11,396)	(1,398,849)	(862,432)	(575,472)	(1,521,349)	(11,778,665)
(348,604)	(272,312)	-	(5,468,842)	(1,377,699)	(39,973,894)
360,005	834	1,269	11,726	416	1,493,693
-	-	-	(5,950)	-	(8,850)
5	(34,009)	(322,027)	114,607	(620,426)	(164,450)
-	601,051	-	458,456	591,584	9,043,768
-	(567,040)	-	(488,185)	-	(7,207,003)
-	34,011	-	(29,729)	591,584	1,836,765
-	-	-	(20,108)	-	(35,085)
-	-	-	(795)	-	(7,557)
-	(2)	8,786	(63,975)	(195,029)	(1,989,342)
-	-	-	-	-	19,974
-	(2)	8,786	(84,878)	(195,029)	(2,012,010)
-	-	-	-	-	2,385
-	-	-	-	-	2,385
5	-	(313,241)	-	(223,871)	(337,310)
17,240	-	825,098	-	223,871	4,713,167
\$ 17,245	\$ -	\$ 511,857	\$ -	\$ -	\$ 4,375,857

City of Akron, Ohio
Combining Statement of Cash Flows-Internal Service Funds
For the Year Ended December 31, 2008
(continued)

	Motor Equipment	Medical Self - Insurance	Workers' Compensation
Operating income (loss)	\$ 1,380,492	\$ (876,198)	\$ 3,320,230
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation, depletion and amortization	279,759	-	-
(Increase) decrease in operating assets:			
Receivables	13,199	-	-
Due from other funds	52,701	-	-
Inventories	126,758	-	-
Increase (decrease) in operating liabilities:			
Accounts payable	(113,360)	13,803	625
Due to other funds	9,593	(1,484)	365
Due to other governments	-	-	-
Accrued liabilities	23,455	-	-
Accrued wages	(2,822)	-	-
Accrued vacation and leave	(73,719)	-	-
Estimated liability for unpaid claims	-	(332,189)	(3,123,808)
Net cash provided by (used for) operating activities	<u>\$ 1,696,056</u>	<u>\$ (1,196,068)</u>	<u>\$ 197,412</u>

City of Akron, Ohio
 Combining Statement of Cash Flows-Internal Service Funds
 For the Year Ended December 31, 2008
 (continued)

Self - Insurance Settlement	Storeroom	Telephone System	Engineering Bureau	Management Information Systems	Total
\$ 101,836	\$ (148,708)	\$ (299,101)	\$ (263,935)	\$ (955,099)	\$ 2,259,517
-	1,051	37,447	10,839	192,980	522,076
-	-	-	-	-	13,199
-	123,160	(14,055)	243,622	25,803	431,231
-	5,346	-	-	-	132,104
(5,964)	(16,108)	(46,318)	(5,517)	90,979	(81,860)
-	(1,116)	-	10,459	850	18,667
254	-	-	-	-	254
-	1,356	-	19,624	18,242	62,677
-	(959)	-	4,302	607	1,128
-	1,969	-	95,213	5,212	28,675
(96,121)	-	-	-	-	(3,552,118)
\$ 5	\$ (34,009)	\$ (322,027)	\$ 114,607	\$ (620,426)	\$ (164,450)

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FIDUCIARY FUNDS

Private Purpose Trust Funds - are used to account for other trust arrangements which benefit individuals, private organizations, or other governments. The City has the following Private Purpose Trust Funds:

Claire Merrix Trust
Holocaust Memorial Trust
Police/Fire Beneficiary Trust

Municipal Court Agency Fund - is used to account for assets held by the Municipal Court Clerk for individuals, private organizations, and other governments.

Police Property Monetary Evidence Fund - is used to account for funds held by the Police Department that will be returned to other agencies.

City of Akron, Ohio

Combining Statement of Fiduciary Net Assets
Private Purpose Trust Funds

December 31, 2008

	Claire Merrix Trust	Holocaust Memorial Trust	Police/Fire Beneficiary Trust	Total
Assets				
Cash and investments	\$ 810	\$ 3,891	\$ 3,400	\$ 8,101
Total assets	<u>810</u>	<u>3,891</u>	<u>3,400</u>	<u>8,101</u>
Liabilities				
Due to other governments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net assets	<u>\$ 810</u>	<u>\$ 3,891</u>	<u>\$ 3,400</u>	<u>\$ 8,101</u>

City of Akron, Ohio

Combining Statement of Fiduciary Net Assets
Agency Funds

December 31, 2008

	Municipal Court	Police Property Monetary Evidence	Total
Assets			
Cash and investments	\$ 890,459	\$ 15,000	\$ 905,459
Total assets	<u>890,459</u>	<u>15,000</u>	<u>905,459</u>
Liabilities			
Due to other governments	890,459	-	890,459
Due to others	-	15,000	15,000
Total liabilities	<u>890,459</u>	<u>15,000</u>	<u>905,459</u>
Net assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Akron, Ohio

Combining Statement of Changes in Fiduciary Net Assets
Private Purpose Trust Funds

For the Year Ended December 31, 2008

	Claire Merrix Trust	Holocaust Memorial Trust	Police/Fire Beneficiary Trust	Total
Additions				
Contributions	\$ -	\$ 8,621	\$ 500	\$ 9,121
	-	8,621	500	9,121
Deductions				
Education and awareness	-	5,618	-	5,618
	-	5,618	-	5,618
Excess of revenues over expenditures	-	3,003	500	3,503
Net assets, January 1, 2008	810	888	2,900	4,598
Net assets, December 31, 2008	\$ 810	\$ 3,891	\$ 3,400	\$ 8,101

City of Akron, Ohio

Combining Statement of Changes in Assets and Liabilities
Agency Funds

For the Year Ended December 31, 2008

	Balance January 1, 2008	Additions	Deductions	Balance December 31, 2008
Municipal Court				
Assets				
Cash	\$ 774,789	\$ 115,670	\$ -	\$ 890,459
Liabilities				
Due to other governments	\$ 774,789	\$ 115,670	\$ -	\$ 890,459
Police Property Monetary Evidence				
Assets				
Cash	\$ 15,000	\$ -	\$ -	\$ 15,000
Liabilities				
Due to others	\$ 15,000	\$ -	\$ -	\$ 15,000
Total All Agency Funds				
Assets				
Cash	\$ 789,789	\$ 115,670	\$ -	\$ 905,459
	\$ 789,789	\$ 115,670	\$ -	\$ 905,459
Liabilities				
Due to other governments	\$ 774,789	\$ 115,670	\$ -	\$ 890,459
Due to others	15,000	-	-	15,000
	\$ 789,789	\$ 115,670	\$ -	\$ 905,459

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Statistical Section

This part of the City of Akron's (City) comprehensive annual financial report presents detailed historical information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	179
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources are income tax and property tax.	186
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	191
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within the City.	197
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	200

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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City of Akron, Ohio
 Net Assets by Component
 Last Eight Fiscal Years
(accrual basis of accounting)

Schedule 1

	2001	2002	2003	2004	2005	2006	2007	2008
Governmental Activities								
Invested in Capital Assets, Net of Related Debt	\$ 330,404,704	\$ 322,483,517	\$ 342,937,788	\$ 347,553,024	\$ 354,911,430	\$ 343,894,860	\$ 350,900,710	\$ 352,615,832
Restricted	37,540,147	39,710,686	40,319,154	305,806,875	305,806,875	154,998,029	136,131,553	67,956,219
Unrestricted	(36,817,038)	(44,766,982)	(68,256,422)	(342,848,212)	(342,622,082)	(162,608,235)	(122,216,128)	(59,811,038)
Total Governmental Activities Net Assets	331,127,813	317,427,221	315,000,520	310,511,687	318,096,223	336,284,654	364,816,135	360,761,013
Business-Type Activities								
Invested in Capital Assets, Net of Related Debt	268,152,473	285,012,294	298,087,580	305,496,572	312,958,242	319,708,498	331,088,686	361,078,967
Restricted	8,037,590	8,017,156	9,237,606	8,890,371	8,890,371	9,762,791	9,603,496	14,242,721
Unrestricted	17,726,838	21,545,227	14,462,481	12,254,737	13,956,855	13,310,341	8,684,965	(6,359,846)
Total Business-Type Activities Net Assets	293,916,901	314,574,677	321,787,667	326,641,680	335,805,468	342,781,630	349,377,147	368,961,842
Primary Government								
Invested in Capital Assets, Net of Related Debt	598,557,177	607,495,811	641,025,368	653,049,596	667,869,672	663,603,358	681,989,396	713,694,799
Restricted	45,577,737	47,727,842	49,556,760	314,697,246	314,697,246	164,760,820	145,735,049	82,198,940
Unrestricted	(19,090,200)	(23,221,755)	(53,793,941)	(330,593,475)	(328,665,227)	(149,297,894)	(113,531,163)	(66,170,884)
Total Primary Government Net Assets	\$ 625,044,714	\$ 632,001,898	\$ 636,788,187	\$ 637,153,367	\$ 653,901,691	\$ 679,066,284	\$ 714,193,282	\$ 729,722,855

Source: City of Akron, Ohio Finance Department

Note: Information prior to 2001 is not comparable due to the implementation of GASB 34.

Schedule 2

City of Akron, Ohio
Changes in Net Assets
Last Eight Fiscal Years
(accrual basis of accounting)

	2001	2002	2003	2004	2005	2006	2007	2008
Program Revenues								
Governmental Activities								
Charges for Services:								
General Government	\$ 13,063,377	\$ 9,724,962	\$ 10,558,403	\$ 10,199,944	\$ 8,768,534	\$ 10,203,648	\$ 11,187,070	\$ 10,125,125
Public Service	15,521,690	12,758,526	12,047,537	13,685,910	24,515,742	1,221,943	28,739,656	25,837,733
Public Safety	1,856,550	1,530,128	2,088,567	4,661,113	1,079,551	634,517	1,499,758	1,178,463
Community Environment	223,243	109,080	195,500	276,244	64,412	27,488,539	13,466	12,583
Public Health	2,506,311	4,051,803	5,459,085	3,302,809	583,033	27,244	674,598	559,903
Recreation and Parks	557,324	570,920	660,897	600,501	339,674	387,161	363,552	313,784
Operating Grants and Contributions	18,173,638	16,280,190	18,489,411	18,798,602	20,736,629	20,085,504	21,939,297	23,163,116
Capital Grants and Contributions	24,937,475	24,865,553	28,011,341	26,959,413	19,497,224	22,023,997	24,822,927	22,905,722
Total Governmental Activities Program Revenues	76,839,608	69,891,162	77,510,741	78,484,536	75,584,799	82,072,553	89,240,324	84,096,429
Business-Type Activities								
Charges for Services:								
Water	32,222,070	33,641,151	26,531,458	33,897,438	32,677,553	34,203,720	33,313,008	32,650,800
Sewer	32,297,145	35,249,456	32,592,485	34,489,974	36,365,900	35,658,036	36,113,694	35,355,134
Oil & Gas	11,168	4,126	3,938	-	-	1,136	18,544	-
Parking Facilities	4,139,961	4,252,628	4,187,879	4,109,336	4,921,793	4,921,561	4,982,704	4,995,719
Golf Course	815,239	792,900	866,188	889,957	878,878	903,859	891,709	864,188
Airport	143,747	156,507	144,498	180,169	193,369	162,557	143,520	188,253
Capital Grants and Contributions	17,586,440	8,379,210	15,866,870	11,952,537	6,356,588	4,537,330	5,918,599	14,089,131
Total Business-Type Activities Program Revenues	87,215,770	82,475,978	80,193,316	85,519,411	81,394,081	80,388,199	81,381,778	88,143,225
Total Primary Government Program Revenues	\$ 164,055,378	\$ 152,367,140	\$ 157,704,057	\$ 164,003,947	\$ 156,978,880	\$ 162,460,752	\$ 170,622,102	\$ 172,239,654
Expenses								
Governmental Activities								
General Government	\$ 38,768,317	\$ 35,442,919	\$ 41,985,779	\$ 33,154,330	\$ 53,063,391	\$ 38,206,653	\$ 40,750,017	\$ 38,873,128
Public Service	55,687,143	55,103,262	56,239,734	57,321,381	54,923,173	64,832,236	63,895,682	73,262,623
Public Safety	93,139,875	102,587,713	101,498,621	106,914,744	104,848,506	109,812,346	114,350,511	117,038,957
Community Environment	16,738,817	15,284,636	17,365,752	25,985,445	21,514,112	94,412,587	50,882,056	42,181,020
Public Health	14,907,272	16,170,030	17,534,327	16,556,343	15,832,640	17,204,170	17,568,811	16,288,130
Recreation and Parks	4,859,938	5,570,393	4,895,539	5,035,419	7,603,460	2,552,319	5,800,662	5,621,234
Interest	14,205,615	15,452,328	17,723,691	27,403,295	27,077,616	26,808,875	27,325,682	28,172,429
Unallocated Depreciation	8,330,330	8,987,929	9,607,943	10,476,870	11,389,516	12,069,428	12,818,481	13,654,482
Total Governmental Activities Expenses	246,637,307	254,599,210	266,851,386	282,847,827	296,252,414	365,898,614	333,391,902	335,092,003
Business-Type Activities								
Water	30,038,479	30,785,062	35,835,251	37,959,261	30,733,296	33,312,219	33,459,745	29,839,906
Sewer	30,546,848	34,227,439	32,068,358	37,797,875	37,224,648	33,322,391	35,287,533	35,843,446
Oil & Gas	322,762	289,546	224,349	286,140	284,733	179,995	204,153	933,312
Parking Facilities	4,222,739	4,297,816	5,126,582	5,637,623	5,966,776	5,702,299	1,317,386	4,431,405
Golf Course	859,773	908,845	1,302,587	1,366,476	1,381,619	1,353,376	786,711	1,347,435
Airport	619,396	696,180	576,004	712,909	764,876	679,883	5,974,113	985,551
Total Business-Type Activities Expenses	66,609,997	71,202,888	75,133,131	83,760,284	76,355,948	74,550,163	77,029,641	73,381,055
Total Primary Government Expenses	\$ 313,247,304	\$ 325,802,098	\$ 341,984,517	\$ 366,608,111	\$ 372,608,362	\$ 440,448,777	\$ 410,421,543	\$ 408,473,058

Schedule 2

City of Akron, Ohio
Changes in Net Assets
Last Eight Fiscal Years
(accrual basis of accounting)
(continued)

	2001	2002	2003	2004	2005	2006	2007	2008
Net (Expense)/Revenue								
Governmental Activities	\$ (169,797,699)	\$ (184,708,048)	\$ (189,340,645)	\$ (204,363,291)	\$ (220,667,615)	\$ (283,826,061)	\$ (244,151,578)	\$ (250,995,574)
Business-Type Activities	20,605,773	11,273,090	5,060,185	1,759,127	5,038,133	5,838,036	4,352,137	14,762,170
Total Primary Government Net Expense	<u>\$ (149,191,926)</u>	<u>\$ (173,434,958)</u>	<u>\$ (184,280,460)</u>	<u>\$ (202,604,164)</u>	<u>\$ (215,629,482)</u>	<u>\$ (277,988,025)</u>	<u>\$ (239,799,441)</u>	<u>\$ (236,233,404)</u>
General Revenue and Other Changes in Net Assets								
Governmental Activities:								
Taxes:								
Income Taxes	\$ 97,365,573	\$ 97,066,959	\$ 101,802,168	\$ 114,352,078	\$ 126,766,520	\$ 121,875,043	\$ 144,647,307	\$ 130,610,516
Property Taxes	26,511,099	31,443,342	30,374,275	28,193,761	27,850,829	37,242,477	30,154,104	33,326,060
JEDD Revenues	14,772,847	13,945,913	12,084,490	13,607,119	13,946,982	16,550,254	16,551,588	17,831,880
Investment Earnings	3,835,238	1,625,475	1,032,073	2,620,285	6,195,543	6,546,494	4,820,973	3,557,435
Unrestricted Shared Revenues	29,654,718	27,289,295	31,105,413	32,235,453	45,169,402	106,744,240	65,033,815	51,291,763
Miscellaneous	8,540,740	7,112,663	11,109,869	9,186,760	7,662,219	12,787,733	10,899,487	9,964,899
Gain (loss) on Sale of Capital Assets	(239,961)	884,970	-	(107,274)	1,659,116	-	223,635	-
Transfers	791,379	(8,361,161)	(594,344)	(213,724)	(998,460)	268,251	352,150	357,899
Total Governmental Activities	<u>\$ 174,981,633</u>	<u>\$ 171,007,456</u>	<u>\$ 186,913,944</u>	<u>\$ 199,874,458</u>	<u>\$ 228,252,151</u>	<u>\$ 302,014,492</u>	<u>\$ 272,683,059</u>	<u>\$ 246,940,452</u>
Business-Type Activities:								
Investment Earnings	\$ 379,423	\$ 153,364	\$ 93,242	\$ 108,993	\$ 280,566	\$ 460,615	\$ 504,738	\$ 204,914
Miscellaneous	818,560	875,069	1,409,184	2,767,615	2,833,804	945,762	2,090,792	4,975,510
Gain (loss) on Sale of Capital Assets	(14,468)	(4,908)	56,035	4,554	12,825	-	-	-
Transfers	(791,379)	8,361,161	594,344	213,724	998,460	(268,251)	(352,150)	(357,899)
Total Business-Type Activities	<u>\$ 392,136</u>	<u>\$ 9,384,686</u>	<u>\$ 2,152,805</u>	<u>\$ 3,094,886</u>	<u>\$ 4,125,655</u>	<u>\$ 1,138,126</u>	<u>\$ 2,243,380</u>	<u>\$ 4,822,525</u>
Total Primary Government	<u>\$ 175,373,769</u>	<u>\$ 180,392,142</u>	<u>\$ 189,066,749</u>	<u>\$ 202,969,344</u>	<u>\$ 232,377,806</u>	<u>\$ 303,152,618</u>	<u>\$ 274,926,439</u>	<u>\$ 251,762,977</u>
Change in Net Assets								
Governmental Activities	\$ 5,183,934	\$ (13,700,592)	\$ (2,426,701)	\$ (4,488,833)	\$ 7,584,536	\$ 18,188,431	\$ 28,531,481	\$ (4,055,122)
Business-Type Activities	20,997,909	20,657,776	7,212,990	4,854,013	9,163,788	6,976,162	6,595,517	19,584,695
Total Primary Government Change in Net Assets	<u>\$ 26,181,843</u>	<u>\$ 6,957,184</u>	<u>\$ 4,786,289</u>	<u>\$ 365,180</u>	<u>\$ 16,748,324</u>	<u>\$ 25,164,593</u>	<u>\$ 35,126,998</u>	<u>\$ 15,529,573</u>

Source: City of Akron, Ohio Finance Department

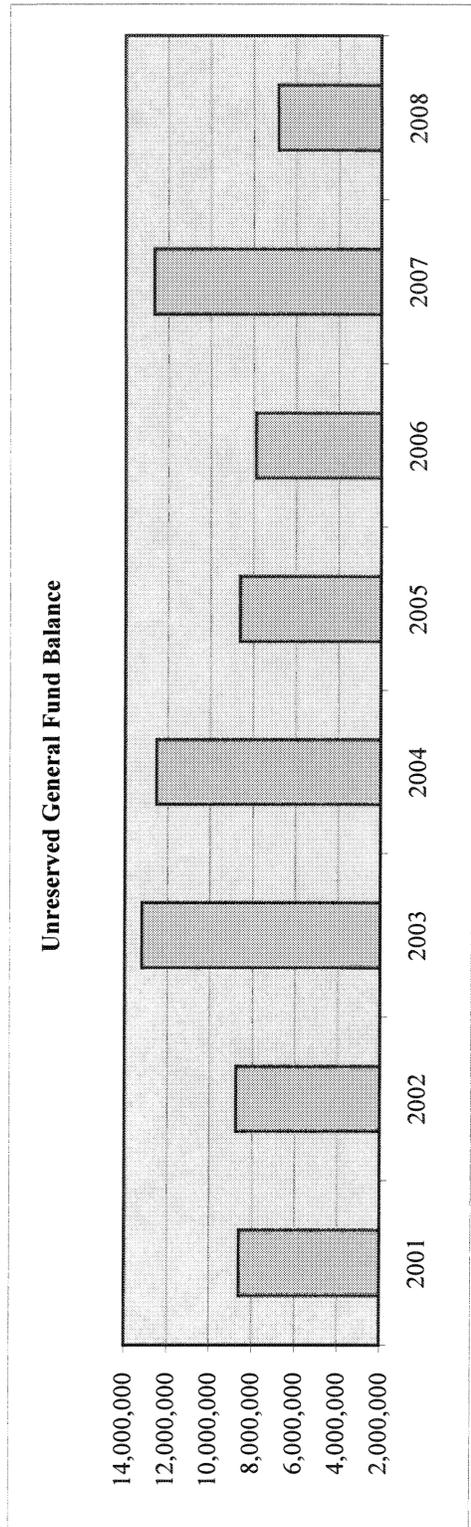
Note: Information prior to 2001 is not comparable due to the implementation of GASB 34.

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City of Akron, Ohio
Fund Balances, Governmental Funds
Last Eight Fiscal Years
(modified accrual basis of accounting)

Schedule 3

	2001	2002	2003	2004	2005	2006	2007	2008
General Fund								
Reserved	\$ 2,320,635	\$ 3,053,854	\$ 1,233,303	\$ 1,680,684	\$ 2,403,155	\$ 2,014,480	\$ 963,366	\$ 2,386,705
Unreserved	8,596,094	8,753,973	13,198,625	12,516,302	8,608,934	7,885,122	12,649,039	6,827,641
Total General Fund	10,916,729	11,807,827	14,431,928	14,196,986	11,012,089	9,899,602	13,612,405	9,214,346
All Other Governmental Funds								
Reserved	41,873,934	53,376,063	41,592,028	35,591,716	35,336,754	32,654,441	34,820,649	36,305,482
Unreserved, Reported in:								
Special Revenue funds	26,756,707	28,104,809	23,238,226	148,315,752	155,814,840	105,278,827	98,975,199	92,806,560
Debt Service funds	12,793,227	15,386,870	14,290,672	89,894,236	84,744,936	128,340,399	107,977,695	81,470,862
Capital Projects funds	(36,831,939)	(54,266,570)	(53,474,079)	(65,862,884)	(35,950,447)	(38,860,992)	(30,530,366)	(58,810,627)
Total All Other Governmental Funds	44,591,929	42,601,172	25,646,847	207,938,820	239,946,083	227,412,675	211,243,177	151,772,277
Total Governmental Funds	\$ 55,508,658	\$ 54,408,999	\$ 40,078,775	\$ 222,135,806	\$ 250,958,172	\$ 237,312,277	\$ 224,855,582	\$ 160,986,623



Source: City of Akron, Ohio Finance Department
Note: Information prior to 2001 is not comparable due to the implementation of GASB 34.

City of Akron, Ohio
 Changes in Fund Balances, Governmental Funds
 Last Eight Fiscal Years
 (modified accrual basis of accounting)

Schedule 4

	2001	2002	2003	2004	2005	2006	2007	2008
Revenues								
Income Taxes	\$ 95,960,631	\$ 97,066,581	\$ 100,774,470	\$ 112,668,881	\$ 124,572,314	\$ 127,928,669	\$ 142,933,003	\$ 133,917,849
Property Taxes	26,511,099	31,443,342	30,374,275	28,193,761	27,896,871	32,427,784	29,786,617	34,008,937
JEDD Revenues	14,682,526	13,780,721	12,532,059	13,332,783	14,057,613	16,861,380	17,829,829	16,020,928
Special Assessments	14,919,707	11,783,730	12,786,836	13,924,427	13,236,631	12,754,375	13,778,724	14,412,033
Grants and Subsidies:								
Community Development	9,553,122	10,953,866	11,589,020	14,274,362	12,861,997	11,605,228	12,478,212	11,604,598
Other	18,668,284	18,208,147	22,567,077	17,559,226	13,843,621	17,604,596	20,183,088	19,177,807
Investment Earnings	4,050,994	1,933,869	1,384,938	2,921,080	7,267,257	7,389,680	5,234,435	2,383,263
Shared Revenues	30,606,210	26,812,007	33,095,237	32,461,563	46,266,621	105,766,818	65,507,619	52,410,270
Licenses, Fees and Fines	8,832,984	8,591,874	8,473,148	8,358,074	10,642,221	9,623,800	10,142,722	9,901,876
Charges for Services	21,896,781	20,130,987	21,913,831	23,544,847	24,283,315	28,670,461	28,800,007	27,410,285
Miscellaneous	8,701,161	8,730,850	11,904,151	11,503,832	10,681,121	12,655,993	12,752,168	11,104,742
Total Revenues	\$ 254,383,499	\$ 249,435,974	\$ 267,395,042	\$ 278,742,836	\$ 305,609,582	\$ 383,288,784	\$ 359,426,424	\$ 332,352,588
Expenditures								
Current:								
General Government	32,930,527	30,884,220	34,653,886	33,314,886	38,532,903	41,985,087	40,124,206	36,852,582
Public Service	49,245,754	63,233,069	75,365,244	69,852,895	87,267,701	106,364,245	103,565,149	116,321,398
Public Safety	95,298,619	99,840,890	96,926,410	102,644,931	104,460,027	108,252,675	110,120,643	117,083,540
Community Environment	15,130,825	14,283,130	14,248,628	28,624,126	23,995,474	112,504,139	81,741,762	66,515,907
Public Health	14,860,177	15,579,230	17,088,441	16,249,087	15,753,502	16,571,533	16,916,380	15,932,988
Recreation and Parks	4,892,662	5,523,417	4,907,828	4,746,079	7,580,781	2,420,510	5,567,820	5,615,714
Capital Outlay	57,248,672	43,234,027	41,238,897	16,986,611	192,958	3,022,789	220,829	1,433,944
Debt service:								
Principal Retirement	19,164,096	21,823,043	22,808,733	29,645,607	33,847,273	24,356,115	29,352,928	30,849,415
Interest	14,177,895	15,791,971	17,116,598	26,951,543	19,064,159	27,795,926	28,311,670	28,876,343
Bond Issuance Expenditures	571,774	734,940	453,922	1,441,316	2,215,424	413,476	1,096,121	-
Total Expenditures	\$ 303,521,001	\$ 310,927,937	\$ 324,808,587	\$ 330,457,081	\$ 332,910,202	\$ 443,686,495	\$ 417,017,508	\$ 419,481,831
Excess of Revenues Under Expenditures	\$ (49,137,502)	\$ (61,491,963)	\$ (57,413,545)	\$ (51,714,245)	\$ (27,300,620)	\$ (60,397,711)	\$ (57,591,084)	\$ (87,129,243)

City of Akron, Ohio
 Changes in Fund Balances, Governmental Funds
 Last Eight Fiscal Years
(modified accrual basis of accounting)
 (continued)

Schedule 4

	2001	2002	2003	2004	2005	2006	2007	2008
Other Financing Sources (Uses)								
Issuance of General Obligation Bond	\$ -	\$ -	\$ -	\$ -	\$ 52,735,419	\$ 43,250,000	\$ 39,759,106	\$ 20,150,000
Issuance of General Obligation Notes	-	-	-	-	1,115,300	2,072,575	1,831,645	-
Issuance of Special Assessment Notes	-	-	-	-	-	-	-	2,752,385
Issuance of Loans	-	-	-	-	-	-	2,285,818	-
Issuance of COP's	-	-	-	-	-	-	1,470,894	-
Proceeds of General Obligation Bonds	23,714,000	61,285,000	41,000,540	219,049,460	-	-	-	-
Proceeds of General Obligation Notes	6,494,940	3,428,300	1,871,200	3,418,530	-	-	-	-
Proceeds of Refunding Bonds	28,185,000	-	-	-	-	-	-	-
Proceeds of Refunding Bonds Premium	1,591,482	-	-	-	-	-	-	-
Loan Proceeds	-	-	-	3,041,694	-	1,241,581	-	-
Premium on G.O. Debt	-	1,824,130	1,011,980	8,475,316	7,289,095	456,909	419,776	-
Proceeds of Refund Obligations	-	-	-	-	95,235,000	-	-	-
Payment for Refunding Obligations	-	-	-	-	(96,873,368)	-	-	-
Advance Refunding Escrow	(28,737,105)	-	-	-	-	-	-	-
Special Item - Loss on Debt Forgiveness	(6,250,000)	-	-	-	-	-	-	-
Issuance of Capital Lease	-	-	-	-	-	9,050,203	-	-
Lease - Financed Capital Assets	-	-	-	-	-	(9,050,203)	-	-
Transfers-in	38,409,368	54,033,835	2,806,868	5,756,980	16,040,091	3,231,801	5,329,997	3,580,999
Transfers-out	(35,463,472)	(60,178,961)	(3,607,267)	(5,970,704)	(19,418,551)	(3,501,050)	(5,962,847)	(3,223,100)
Total Other Financing Sources (Uses)	\$ 27,944,213	\$ 60,392,304	\$ 43,083,321	\$ 233,771,276	\$ 56,122,986	\$ 46,751,816	\$ 45,134,389	\$ 23,260,284
Net Change in Fund Balance	\$ (21,193,289)	\$ (1,099,659)	\$ (14,330,224)	\$ 182,057,031	\$ 28,822,366	\$ (13,645,895)	\$ (12,456,695)	\$ (63,868,959)

Debt Service as a Percentage of Noncapital Expenditures	13.77%	14.33%	14.24%	18.51%	16.57%	11.93%	14.10%	14.29%
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Source: City of Akron, Ohio Finance Department

Note: Information prior to 2001 is not comparable due to the implementation of GASB 34.

City of Akron, Ohio
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years
(in thousands of dollars)

Tax Collection Year	Real Property		Personal Property		Public Utilities		Total		Percent of Total Assessed Value to Total Estimated Actual Value	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2000	2,324,149	6,640,426	405,265	1,621,060	166,661	189,387	2,896,075	8,450,873	34.27	34.18
2001	2,339,016	6,682,903	403,913	1,615,652	153,577	174,518	2,896,506	8,473,073	33.83	32.91
2002	2,368,179	6,766,226	438,484	1,753,936	122,332	139,013	2,928,995	8,659,176	33.13	33.14
2003	2,743,691	7,839,117	391,104	1,564,416	126,710	506,100	3,261,505	9,909,633	33.60	33.87
2004	2,725,682	7,787,663	323,378	1,293,512	126,329	504,569	3,175,389	9,585,744	34.23	34.56
2005	2,751,773	7,862,209	321,452	1,285,808	128,371	512,763	3,201,596	9,660,780		
2006	3,004,852	8,585,291	234,182	936,728	116,085	463,549	3,355,119	9,985,568		
2007	3,006,951	8,591,289	160,595	642,380	112,615	450,190	3,280,161	9,683,859		
2008	2,991,842	8,548,120	80,493	321,972	97,027	387,821	3,169,362	9,257,913		
2009	2,921,073	8,345,923	-	-	96,579	386,009	3,017,652	8,731,932		

Source: City of Akron, Ohio Finance Department

Note: For real property, the estimated actual value is derived by dividing the assessed value by 35%; for personal property, divide the assessed value by 25%. The assessed value estimated actual value for public utilities is the combination of two figures.

City of Akron, Ohio
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

Tax Collection Year	City Direct Rates					Overlapping Rates			
	Operating	Police Pension	Fire Pension	Debt Retirement	Total Direct Rate	Akron City School District	Summit County	Akron Metro Parks	
2000	8.15	0.30	0.30	0.29	9.04	54.86	12.81	0.85	
2001	8.15	0.30	0.30	0.29	9.04	54.86	13.61	0.85	
2002	8.15	0.30	0.30	0.34	9.09	63.76	13.57	0.85	
2003	8.15	0.30	0.30	0.34	9.09	63.76	13.81	0.85	
2004	8.15	0.30	0.30	0.34	9.09	63.76	13.00	0.85	
2005	9.15	0.30	0.30	0.55	10.30	63.76	14.36	0.85	
2006	9.28	0.30	0.30	0.42	10.30	63.76	14.26	0.85	
2007	9.28	0.30	0.30	0.42	10.30	71.66	15.14	1.46	
2008	9.28	0.30	0.30	0.42	10.30	71.66	14.87	1.46	
2009	9.28	0.30	0.30	0.42	10.30	71.66	14.78	1.46	

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Principal Property Tax Payers
12/31/2008 and 12/31/1999
(in thousands of dollars)

	December 31, 2008		December 31, 1999		
	Taxpayer	Taxable Assessed Value	Taxpayer	Taxable Assessed Value	
		Percentage of Taxable Assessed Value		Percentage of Taxable Assessed Value	
First Energy	\$ 74,127	2.45 %	First Energy	\$ 96,419	3.33 %
Aircraft Braking Systems	13,747	0.46	Ameritech	56,124	1.94
Children's Hospital Medical Center	12,530	0.41	Goodyear Tire & Rubber Co.	43,570	1.50
American Transmission	11,963	0.39	East Ohio Gas	24,384	0.84
SBC	8,854	0.29	Aircraft Braking Systems	23,979	0.83
Dominion East Ohio	8,554	0.28	Bridgestone/Firestone	20,711	0.72
Bridgestone/Firestone	6,759	0.22	F. W. Albrecht Co.	15,157	0.52
Akron Centre Plaza Limited	6,122	0.20	Lockhead Martin Tactical Systems	13,071	0.45
Plaza Chapel Hill Company	5,757	0.19	Rolling Acres Properties	10,809	0.37
Busson, Bernard D.	5,280	0.18	Beacon Journal Publishing	10,571	0.37
	<u>\$153,693</u>	<u>5.07 %</u>		<u>\$314,795</u>	<u>10.87 %</u>

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
 Property Tax Levies and Collections
 Last Nine Fiscal Years

Fiscal Year Ending 12/31	Tax Levied For The Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Tax Collections	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2000	\$ 22,505,782	\$ 21,254,992	94.4 %	\$ 983,110	\$ 22,238,102	98.8 %
2001	22,651,092	21,172,023	93.5	1,048,160	22,220,183	98.1
2002	22,638,225	21,266,447	93.9	1,205,346	22,471,793	99.3
2003	26,092,082	23,970,195	91.9	1,423,773	25,393,968	97.3
2004	25,924,487	24,300,721	93.7	1,565,564	25,866,285	99.8
2005	29,665,733	27,657,423	93.2	1,528,312	29,185,735	98.4
2006	32,145,893	29,413,676	91.5	1,829,441	31,243,117	97.2
2007	32,131,608	29,150,861	90.7	1,590,480	30,741,341	95.7
2008	31,706,811	29,288,188	92.4	1,930,460	31,218,648	98.5

Source: City of Akron, Ohio Finance Department

Note: Information prior to 2000 is not available.

City of Akron, Ohio
 Income Tax Collections by Annual Collection Amount (Withholding and Direct Accounts)
 Fiscal Years 2007 and 2008
 Schedule 9

Fiscal Year 2007				
Collection Level	Number of Accounts	Percentage of Total	Total Income Tax Collections	Percentage of Total
\$1,000 and under	32,035	83.25 %	\$ 5,815,130	4.34 %
\$1,001 - \$2,500	2,956	7.68	4,668,366	3.48
\$2,501 - \$5,000	1,364	3.54	4,825,571	3.60
\$5,001 - \$10,000	852	2.21	5,990,042	4.47
\$10,001 - \$50,000	984	2.56	20,829,199	15.53
\$50,001 - \$100,000	147	0.38	10,168,727	7.58
\$100,001 - \$250,000	96	0.25	14,040,366	10.47
\$250,001 - \$1,000,000	34	0.09	13,607,126	10.14
Over \$1,000,001	17	0.04	54,181,938	40.39
	38,485	100.00 %	\$ 134,126,465	100.00 %

Fiscal Year 2008				
Collection Level	Number of Accounts	Percentage of Total	Total Income Tax Collections	Percentage of Total
\$1,000 and under	31,919	83.07 %	\$ 5,777,765	4.38 %
\$1,001 - \$2,500	2,998	7.80	4,695,236	3.55
\$2,501 - \$5,000	1,403	3.65	4,982,075	3.77
\$5,001 - \$10,000	842	2.19	5,874,314	4.45
\$10,001 - \$50,000	964	2.51	20,304,763	15.37
\$50,001 - \$100,000	149	0.39	10,319,780	7.81
\$100,001 - \$250,000	96	0.25	13,976,697	10.58
\$250,001 - \$1,000,000	38	0.10	15,849,185	12.00
Over \$1,000,001	15	0.04	50,312,676	38.09
	38,424	100.00 %	\$ 132,092,490	100.00 %

Source: City of Akron, Ohio Finance Department

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

City of Akron, Ohio
Ratios of Outstanding Debt and Capital Leases by Type
Last Ten Fiscal Years

Schedule 10

Fiscal Year	Ohio Depart. of Governmental Activities										Internal Service General Obligation
	General Obligation	OPWC Loan	Development Loans	Non-Tax Revenue	Income Tax Revenue	Special Revenue	Special Assessment	Capital Leases	SIB Loans		
1999	\$ 134,142,190	\$ 3,770,233	\$ 658,207	\$ -	\$ 9,950,000	\$ -	\$ 13,009,037	\$ -	\$ -	\$ -	\$ 12,886,327
2000	139,560,038	4,672,353	612,692	32,770,000	9,705,000	-	13,797,818	-	-	-	10,763,904
2001	152,905,041	5,475,764	565,793	31,585,000	9,450,000	27,285,000	11,796,009	25,923,095	-	-	8,593,232
2002	173,398,605	5,201,518	517,467	30,350,000	9,185,000	51,945,000	11,473,873	24,809,589	-	-	6,343,299
2003	198,325,413	5,797,627	978,212	29,065,000	8,910,000	50,260,000	11,924,332	23,666,965	-	-	4,032,034
2004	184,235,042	5,336,703	1,416,362	27,725,000	220,625,000	48,325,000	15,807,918	23,378,407	7,758,500	-	2,739,522
2005	194,652,842	8,232,378	1,363,491	26,325,000	217,585,000	46,315,000	15,582,562	59,023,039	9,955,500	-	233,610
2006	207,077,924	9,931,118	1,309,013	44,360,000	214,130,000	44,240,000	14,586,695	69,784,688	9,955,500	-	201,629
2007	215,894,886	10,361,148	1,252,877	42,330,000	210,160,000	42,090,000	13,506,503	84,418,159	9,358,258	-	168,214
2008	202,790,378	12,290,973	1,140,066	60,350,000	205,660,000	39,855,000	11,185,513	79,186,932	7,253,784	-	133,129

Fiscal Year	Business-Type Activities										Total Government Per Capita ^a
	Economic Development	JEDD Revenue	General Obligation	Mortgage Revenue	Revenue	OWDA	OPWC	Capital Leases			
1999	\$ 33,905,000	\$ -	\$ 6,534,355	\$ 62,915,000	\$ 51,980,000	\$ 44,759,413	\$ 3,000,044	\$ -	\$ 377,509,806	\$ 1,693	
2000	-	27,650,000	5,483,554	60,065,000	49,935,000	50,271,144	3,735,163	-	409,021,666	1,884	
2001	-	-	5,528,796	57,095,000	47,840,000	47,615,793	3,545,533	-	435,204,056	2,005	
2002	-	-	4,661,456	53,830,000	45,690,000	47,009,590	3,376,903	893,688	468,685,988	2,159	
2003	-	-	3,763,196	59,045,000	43,465,000	43,091,983	3,229,272	711,163	486,265,197	2,240	
2004	-	-	2,856,881	54,035,000	41,135,000	60,518,215	3,059,266	510,157	699,461,973	3,222	
2005	-	-	1,339,672	49,205,000	42,485,000	56,302,243	3,141,885	309,151	732,051,373	3,372	
2006	-	-	922,222	57,565,000	39,665,000	50,996,798	2,852,601	180,539	767,758,727	3,537	
2007	-	-	800,792	51,845,000	37,380,000	46,142,221	2,651,087	515,964	768,875,109	3,542	
2008	-	-	673,927	45,845,000	34,425,000	40,586,608	2,449,574	330,456	744,156,340	3,428	

Source: City of Akron, Finance Department
^a See Schedule 16 for population data.

City of Akron, Ohio
 Legal Debt Margin Information
 Unvoted Debt Limit (5 1/2%)
 Last Ten Fiscal Years

Schedule 11

	1999	2000	2001	2002	2003
Debt limit	\$ 159,284,125	\$ 159,307,830	\$ 161,094,725	\$ 179,382,775	\$ 174,646,395
Total net debt applicable to limit	<u>83,764,463</u>	<u>86,266,920</u>	<u>96,745,413</u>	<u>104,342,094</u>	<u>127,795,447</u>
Legal debt margin	<u>\$ 75,519,662</u>	<u>\$ 73,040,910</u>	<u>\$ 64,349,312</u>	<u>\$ 75,040,681</u>	<u>\$ 46,850,948</u>
Total net debt applicable to limit as a percentage of debt limit	52.59%	54.15%	60.05%	58.17%	73.17%
Total unvoted net debt as a percentage of total assessed value of all property	2.90%	3.00%	3.30%	3.20%	4.00%
	2004	2005	2006	2007	2008
Debt limit	\$ 176,087,780	\$ 184,531,545	\$ 180,408,855	\$ 174,314,910	\$ 165,970,886
Total net debt applicable to limit	<u>148,161,046</u>	<u>134,204,723</u>	<u>149,035,885</u>	<u>157,065,630</u>	<u>153,258,194</u>
Legal debt margin	<u>\$ 27,926,734</u>	<u>\$ 50,326,822</u>	<u>\$ 31,372,970</u>	<u>\$ 17,249,280</u>	<u>\$ 12,712,692</u>
Total net debt applicable to limit as a percentage of debt limit	84.14%	72.73%	82.61%	90.10%	92.34%
Total unvoted net debt as a percentage of total assessed value of all property	4.60%	3.90%	4.50%	4.95%	5.08%

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Legal Debt Margin Information

Schedule 12

Total Debt Limit (10 1/2%)
Last Ten Fiscal Years

	1999	2000	2001	2002	2003
Debt limit	\$ 304,087,906	\$ 304,133,130	\$ 307,544,475	\$ 342,458,025	\$ 333,415,845
Total net debt applicable to limit	89,164,463	90,266,920	99,345,413	105,942,094	128,795,447
Legal debt margin	<u>\$ 214,923,443</u>	<u>\$ 213,866,210</u>	<u>\$ 208,199,062</u>	<u>\$ 236,515,931</u>	<u>\$ 204,620,398</u>
Total net debt applicable to limit as a percentage of debt limit	29.32%	29.68%	32.30%	30.94%	38.63%
Total net debt as a percentage of total assessed value of all property	3.10%	3.10%	3.40%	3.20%	4.10%
	2004	2005	2006	2007	2008
Debt limit	\$ 336,167,580	\$ 352,287,495	\$ 344,416,905	\$ 332,783,010	\$ 316,853,509
Total net debt applicable to limit	148,561,046	134,204,723	149,035,885	157,065,630	153,258,194
Legal debt margin	<u>\$ 187,606,534</u>	<u>\$ 218,082,772</u>	<u>\$ 195,381,020</u>	<u>\$ 175,717,380</u>	<u>\$ 163,595,315</u>
Total net debt applicable to limit as a percentage of debt limit	44.19%	38.10%	43.27%	47.20%	48.37%
Total net debt as a percentage of total assessed value of all property	4.60%	3.90%	4.50%	4.95%	5.08%

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
 Computation of Direct and Overlapping Debt
 As of December 31, 2008

Political Subdivision	Amount of Debt	Percent Applicable to City	City's Share
Summit County	\$ 90,465,592	25.31 %	\$ 22,896,841
Copley-Fairlawn City School District	3,745,000	3.67	137,442
Revere Local School District	8,839,880	3.40	300,556
Akron Metro Regional Transit Authority	570,000	25.31	144,267
Woodridge Local School District	13,190,000	31.39	4,140,341
Summit County Library District	50,700,000	37.09	18,804,630
Overlapping debt			<u>\$ 46,424,077</u>
City direct debt	\$246,059,447 *	100.00	\$246,059,447
Total overlapping and direct debt			<u><u>\$292,483,524</u></u>

* Includes the following, all of which are secured by the City's ability to levy ad valorem property taxes:

General Obligation Bonds	\$214,782,947
General Obligation Notes	<u>31,276,500</u>
	<u><u>\$246,059,447</u></u>

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
 Ratios of General Bonded Debt Outstanding
 Last Ten Fiscal Years
(in thousands of dollars, except per capita amount)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of	
				Estimated Actual Taxable Value ¹ of Property	Per Capita ²
1999	\$ 164,748	\$ 3,754	\$ 160,994	1.91 %	\$ 722
2000	168,492	3,523	164,969	1.95	760
2001	178,233	3,906	174,327	2.01	803
2002	195,624	4,777	190,847	1.93	879
2003	217,948	3,458	214,490	2.24	988
2004	205,570	2,401	203,169	2.10	936
2005	211,768	2,552	209,216	2.10	964
2006	222,777	3,383	219,394	2.27	1,011
2007	230,369	2,526	227,843	2.48	1,050
2008	214,783	2,121	212,662	2.44	980

Source: City of Akron, Ohio Finance Department

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

¹ See Schedule 5, Assessed Value and Estimated Actual Value of Taxable Property, for property value data.

² See Schedule 16, Demographics and Economic Statistics, for population data.

City of Akron, Ohio
Pledged-Revenue Coverage
Last Ten Fiscal Years
(in thousands of dollars)

Schedule 15

Fiscal Year	Sewer Revenue Bonds				Special Assessment Bonds				
	Sewer Gross Revenue	Less: Operating Expenses ¹	Net Available Revenue	Debt Service	Special Assessment Collections	Debt Service	Principal	Interest	Coverage
1999	\$ 36,654	\$ 22,258	\$ 14,396	\$ 2,005	\$ 11,488	\$ 689	\$ 1,943	\$ 689	4.36
2000	30,961	19,928	11,033	2,045	11,071	599	2,118	599	4.07
2001	32,400	19,348	13,052	2,095	11,331	674	2,128	674	4.04
2002	35,296	22,458	12,838	2,150	10,946	535	2,026	535	4.27
2003	32,774	22,497	10,277	2,225	11,949	509	2,243	509	4.34
2004	34,696	26,318	8,378	2,330	11,359	547	2,204	547	4.13
2005	37,499	25,466	12,033	2,440	11,667	671	2,572	671	3.60
2006	35,800	22,730	13,070	2,820	12,152	655	2,865	655	3.45
2007	36,772	24,194	12,578	2,285	12,548	593	2,699	593	3.81
2008	38,507	25,477	13,030	2,995	13,372	546	2,845	546	3.94

Fiscal Year	Water Revenue Bonds				Special Assessment Bonds				
	Water Gross Revenue	Less: Operating Expenses ¹	Net Available Revenue	Debt Service	Special Assessment Collections	Debt Service	Principal	Interest	Coverage
1999	\$ 33,505	\$ 23,486	\$ 10,019	\$ 2,740	\$ 3,258	\$ 1,67	\$ 2,740	\$ 1,67	1.67
2000	32,452	22,767	9,685	2,850	3,139	1.62	2,850	3,139	1.62
2001	33,115	22,907	10,208	2,970	3,011	1.71	2,970	3,011	1.71
2002	34,192	23,470	10,722	3,265	2,871	1.75	3,265	2,871	1.75
2003	29,444	27,616	1,828	3,425	2,141	0.33	3,425	2,141	0.33
2004	35,616	30,151	5,465	5,010	2,530	0.72	5,010	2,530	0.72
2005	33,682	22,679	11,003	4,830	2,186	1.57	4,830	2,186	1.57
2006	34,720	25,276	9,444	4,980	2,034	1.35	4,980	2,034	1.35
2007	34,036	24,254	9,782	5,720	2,431	1.20	5,720	2,431	1.20
2008	33,652	22,486	11,166	6,000	2,164	1.37	6,000	2,164	1.37

Source: City of Akron, Ohio Finance Department

¹Net of Depreciation

City of Akron, Ohio
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population (1)	Personal Income (1)	Per Capita Personal Income (1)	Median Household Income (1)	Median Age* (1)	Education - Bachelor's Degree or Higher (1)	School Enrollment (1)	Unemployment Rate (2)
2008	217,074	\$ 3,819,634,104	\$ 17,596	\$ 31,835	34.2	18 %	59,258	6.7
2007	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	5.9
2006	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	5.9
2005	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	6.6
2004	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	6.9
2003	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	8.2
2002	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	8.1
2001	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	6.7
2000	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	6.1
1999	223,019	2,679,573,285	12,015	31,835	N/A	14.9	58,099	5.9

Source: (1) U. S. Census Bureau

(2) Ohio Department of Job and Family Services

*Median Age is not available from the 1990 Census statistical information

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City of Akron, Ohio
Principal Employers
6/1/2008 and 12/31/1999

June 1, 2008		December 31, 1999		
Employer	Full-Time Employees	Rank	Percentage of Total City Employment	Employer
Summa Health System	5,585	1	5.53 %	Goodyear Tire & Rubber Company
Akron General Health System	3,545	2	3.51	Summa Health System
County of Summit	3,470	3	3.44	County of Summit
Akron City School District	3,095	4	3.06	Akron General Medical Center
Goodyear Tire & Rubber Company	3,000	5	2.97	Akron City School District
The University of Akron	2,845	6	2.82	The City of Akron
FirstEnergy Corporate Headquarters	2,710	7	2.68	The University of Akron
Children's Hospital Medical Center	2,680	8	2.65	FirstEnergy Corporate Headquarters
Time Warner Cable	2,440	9	2.42	FirstMerit Corporation
The City of Akron	2,215	10	2.19	Children's Hospital Medical Center
First Merit Corporation	<u>31,585</u>		31.27 %	<u>27,791</u>
				26.22 %

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Schedule 18

Function/Program	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Government:										
City Council	4	4	4	4	4	3	3	2	2	2
Courts	98	96	96	93	94	91	91	92	95	95
Mayor's Office - Administration	3	3	2	2	1	1	1	1	1	1
Elected and Appointed Officials	45	44	47	49	47	51	51	51	52	54
Economic Development	10	11	12	11	11	11	10	9	8	8
Labor Relations	3	3	3	3	3	2	2	2	1	1
Human Relations	3	4	3	3	3	2	-	-	-	-
Private Industrial Council (PIC)	6	-	-	-	-	-	-	-	-	-
Public Utilities Commission	1	1	-	-	-	-	-	-	-	-
Finance Department	106	102	102	98	97	96	94	105	102	98
Health Department	1	-	-	-	-	-	-	-	-	-
Civil/Criminal	13	13	13	11	12	12	13	11	10	10
Personnel Department	24	24	23	22	22	22	19	14	15	13
Planning Department	-	-	-	1	-	-	-	1	1	1
Police Department	-	-	1	1	1	-	-	-	-	-
Engineering Bureau	-	-	-	-	-	-	-	-	-	1
Public Safety:										
Elected and Appointed Officials	1	1	1	1	1	-	-	-	-	1
Finance Department	3	2	2	2	2	2	2	1	1	1
Health Department	2.5	2.5	2.5	2.5	2.5	2	2	2	2	2
Building Inspection	25	24	23	21	21	22	20	19	20	12
Communications	20	20	19	19	19	18	19	20	19	20
Weights & Measures	4	4	4	4	4	4	3	1	-	-
Safety Communications	70	69	67	69	68	62	64	63	64	61
Fire Department	398	415	404	388	391	385	401	389	379	408
Police Department	548	526	506	542	528	521	511	494	517	514
Traffic Engineering	36	36	34	34	32	31	32	30	30	29
Customer Service	-	-	-	-	-	-	-	2	-	-
Engineering Bureau	-	-	-	-	-	-	-	-	1	1
Public Health:										
Health Department	182.5	183.5	178.5	177.5	177.5	166	158	156	154	152

City of Akron, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Years
(continued)

Schedule 18

Function/Program	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Public Service:										
City Council	-	-	-	-	-	1	1	1	-	-
Elected and Appointed Officials	5	5	5	5	5	5	5	4	4	4
Building Inspection	-	-	-	-	-	-	-	-	1	-
Planning Department	-	-	-	1	-	-	-	-	-	-
Fire Department	1	-	-	-	-	-	-	-	-	-
Public Service Administration	4	4	4	4	4	4	4	4	4	4
Customer Service	15	12	13	12	16	14	12	10	8	7
Plans and Permits Center	6	6	5	5	4	4	4	4	3	3
Customer Service Response	-	-	-	-	-	13	12	12	13	11
Engineering Bureau	80	80	78	81	79	71	68	66	60	59
Airport	6	6	6	6	6	6	5	5	5	5
Building Maintenance	34	35	37	32	30	30	27	27	32	32
Motor Equipment	46	46	45	47	44	38	39	36	35	36
Golf Course	4	4	4	4	5	6	6	6	6	5
Public Utilities Administration	3	3	3	3	4	3	3	3	3	3
Utilities Services	84	72	68	67	74	67	62	58	56	54
Water Department	280	255	229	220	272	270	260	246	251	226
Sewer Maintenance	77	70	61	67	-	-	-	-	-	-
Public Works Administration	6	6	6	6	7	7	7	7	9	9
Highway Maintenance	88	89	85	84	80	74	68	64	70	67
Sanitation Services	66	65	66	68	65	66	65	63	45	43
Street Cleaning	37	39	40	39	38	37	37	34	37	39
Parks Maintenance	33	32	34	33	30	30	30	28	29	28
Engineering Services	8	8	8	7	7	7	7	6	6	5
Community Environment:										
Elected and Appointed Officials	1	2	2	2	2	2	2	2	2	-
Economic Development	-	-	-	1	1	-	-	1	1	1
Planning Department	89	88	86	82	81	76	70	67	66	65
Recreation Bureau	20	22	21	22	23	24	24	23	23	23
Totals:	2,600	2,537	2,453	2,456	2,418	2,359	2,314	2,242	2,243	2,214

Source: City of Akron, Ohio Finance Department
Note: Data prior to 1999 is not available

City of Akron, Ohio
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Government										
Building Department:										
Commercial & Right Away Plan Review	N/A	N/A	699	717	695	701	710	876	1,229	1,001
New House Permits	N/A	N/A	202	187	137	295	300	111	114	100
Zoning Complaint Investigation	N/A	N/A	N/A	N/A	260	347	350	377	576	435
Total Number of Permits Issued	3,662	3,201	2,852	2,533	2,570	2,257	2,202	2,165	6,031	2,406
City Council Ordinances Passed	746	822	689	603	687	670	664	621	649	557
Fire										
Emergency Responses	29,620	29,735	29,859	30,274	30,945	31,373	31,112	31,533	32,422	32,941
Fire/Rescue	8,947	8,323	7,874	7,805	7,700	7,601	7,884	7,280	7,930	7,500
Police										
Calls for Service	255,995	260,072	254,768	254,367	264,008	260,113	257,085	246,202	255,135	281,489
Civil Division Cases Filed	10,781	11,117	12,030	12,807	13,602	13,651	14,846	15,088	15,435	15,582
Criminal/Traffic Division Cases Filed	44,566	50,981	46,461	44,424	45,666	43,157	42,114	40,690	38,880	39,274
Parking Division Cases Filed	19,877	21,730	25,803	20,731	20,958	22,815	26,645	23,636	20,201	15,656
Parks and Recreation										
Good Park Golf Course Attendance	44,416	42,888	39,144	38,034	34,438	31,219	33,100	32,931	31,681	31,096
*Mud Run Golf Course Attendance	-	-	-	-	6,577	9,302	9,350	10,913	10,661	10,742
Sewer										
Sewer Accounts	81,340	82,612	82,089	81,892	81,859	81,346	81,035	80,909	79,721	79,835
Sewer Amounts Billed (in thousands)	34,340	33,777	33,803	34,484	32,663	33,328	34,481	32,074	37,120	37,416
Water										
Water Accounts	83,211	83,789	82,827	82,939	83,134	82,955	82,448	82,944	84,037	83,765
Water Amounts Billed (in thousands)	29,168	28,162	28,609	30,627	27,633	27,508	30,060	29,022	28,316	28,751

*Mud Run Golf Course was not completed until 2003.

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
 Capital Asset Statistics by Function/Program
 Last Ten Fiscal Years

Function/Program	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Police										
Number of Uniformed Police Officers	505	481	461	499	484	477	468	451	474	470
Number of Districts	23	23	23	23	11	12	12	12	12	12
Fire										
Number of Firefighters and Officers	372	390		363	366	359	375	359	353	382
Number of Stations	13	13	13	13	13	13	13	13	13	13
Parks and Recreation										
City Park System (in acres)	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100
City Owned/Operated Golf Courses	1	1	1	1	1	2	2	2	2	2
Water										
Miles of Pipe	1,085	1,097	1,097	1,097	1,213	1,213	1,215	1,213	1,213	1,221
Average Daily Pumpage (in millions of gallons)	42	40	41	40	41	38	37	35	38	37
Distribution-Storage Reservoirs	15	15	15	15	15	15	15	15	15	15
Sewer										
Sanitary Sewers (miles)	832	833	833	834	835	837	649	701	649	649
Storm Sewers (miles)	257	258	258	260	262	268	269	382	382	382
Storm and Combined Sewer Inlets (miles)	95	95	95	95	96	97	286	309	309	309
Pump Stations	29	29	33	33	33	33	33	33	33	33
Other Public Works										
Oil Wells	12	12	14	14	14	13	13	13	13	13
Parking Decks	8	8	8	8	8	10	10	10	10	10

Source: City of Akron, Ohio Finance Department

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Mary Taylor, CPA
Auditor of State

CITY OF AKRON

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
SEPTEMBER 24, 2009**