

**JIM PETRO**  
**AUDITOR OF STATE**  

---

**STATE OF OHIO**



**CITY OF BARBERTON  
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STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

111 Second Street, NW  
Fourth Floor  
Canton, Ohio 44702  
Telephone 330-438-0617  
800-443-9272  
Facsimile 330-471-0001  
www.auditor.state.oh.us

**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL  
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

City of Barberton  
Summit County  
104 Third Street NW  
Barberton, Ohio 44203

To the City Council:

We have audited the general purpose financial statements of the City of Barberton, Summit County, Ohio, (the City) as of and for the year ended December 31, 1999, and have issued our report thereon dated June 16, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the City's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

However, we noted certain immaterial instances of noncompliance that we have reported to management of the City in a separate letter date June 16, 2000.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the City in a separate letter dated June 16, 2000.

This report is intended for the information and use of management, City Council, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is fluid and cursive, with a large loop at the end.

**Jim Petro**  
Auditor of State

June 16, 2000



STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

111 Second Street, NW  
Fourth Floor  
Canton, Ohio 44702  
Telephone 330-438-0617  
800-443-9272  
Facsimile 330-471-0001  
www.auditor.state.oh.us

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

City of Barberton  
Summit County  
104 Third Street NW  
Barberton, Ohio 44203

To the City Council:

**Compliance**

We have audited the compliance of the City of Barberton, Summit County, Ohio, (the City) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 1999. The City's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the City's management. 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 generally accepted auditing standards; 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 obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that 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 complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 1999.

**Internal Control Over Compliance**

The management of the City 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 have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a

timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

However, we noted other matters involving the internal control over federal compliance that do not require inclusion in this report, that we have reported to management of the City in a separate letter dated June 16, 2000.

### **Schedule of Federal Awards Receipts and Expenditures**

We have audited the general purpose financial statements of the City as of and for the year ended December 31, 1999, and have issued our report thereon dated June 16, 2000. Our audit was performed for the purpose of forming an opinion on the general purposed financial statements taken as a whole. The accompanying Schedule of Federal Awards Receipts and Expenditures is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133 and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

This report is intended for the information and use of management, City Council, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



**Jim Petro**  
Auditor of State

June 16, 2000



**CITY OF BARBERTON**  
**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES**  
**DECEMBER 31, 1999**

<b>FEDERAL GRANTOR</b> <i>Pass-Through Grantor</i> Program Title	Federal CFDA Number	Pass-Through Entity's Number	Receipts	Disbursements
<b>UNITED STATES DEPARTMENT OF AGRICULTURE</b>				
<i>Passed through the Akron City Department of Health</i>				
Special Supplemental Food Program for Women, Infants and Children	10.557	110	\$214,205	\$197,585
<b>UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				
<i>Direct</i>				
Community Development Block Grant	14.218	N/A	890,441	702,213
<i>Passed through the Ohio Department of Development</i>				
Home Investment Partnership Program	14.239	A-C-97-889-2	<u>170,220</u>	<u>170,220</u>
Total Department of Housing and Urban Development			1,274,866	872,433
<b>UNITED STATES DEPARTMENT OF JUSTICE</b>				
<i>Direct</i>				
Community Oriented Policing Services Grant	16.710	N/A		79,910
Local Law Enforcement Block Grant	16.592	N/A	<u>70,314</u>	<u>124,562</u>
Total Department of Justice			70,314	204,472
<b>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
<i>Passed through the Akron City Department of Health</i>				
Immunization Action Plan Grant	93.268	101A	33,796	33,796
Maternal and Child Health Services Grant	93.994	101Q	57,558	57,558
<i>Passed through the Area Agency on Aging</i>				
Special Programs, Title III, Parts A & B	93.044	227B	<u>5,000</u>	<u>4,000</u>
Total Department of Health and Human Services			<u>96,354</u>	<u>95,354</u>
<b>Total</b>			<b><u>\$1,441,534</u></b>	<b><u>\$1,369,844</u></b>

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

**CITY OF BARBERTON**  
**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES**  
**DECEMBER 31, 1999**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

These loans are collateralized by mortgages on the property. At December 31, 1999, the gross amount of loans outstanding under this program was \$235,769, as indicated in Note 7 of the Notes to the general purpose financial statements.

**CITY OF BARBERTON  
SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505**

**December 31, 1999**

**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 reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions 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?	No
(d)(1)(vii)	Major Programs (list):	CFDA #14.218, Community Development Block Grant.
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

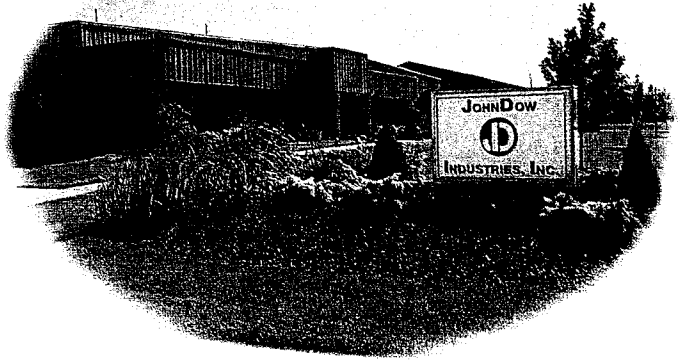
None.

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

None.



# *City of Barberton, Ohio*



## *Comprehensive Annual Financial Report*

*for the year ended December 31, 1999*



*The cover photos are representative of the changes that have occurred within the City of Barberton over the past decade. Furthermore, they are examples of how the objectives and goals of the City's Strategic Plan are being met. These goals include: developing a stronger economic base by attracting new and diversified business investment; improving the quality of Barberton's neighborhoods by upgrading existing housing and encouraging new housing; and redeveloping the downtown area into a unique shopping, residential, and entertainment area.*



*city of Barburton*

*Comprehensive Annual  
Financial Report  
for the year ended December 31, 1999*

*Prepared by The Department of Finance  
Raymond E. Flickinger, Jr., C.M.F.A.  
Director of Finance*

*Julie A. Herr, C.P.A.  
Assistant Director of Finance*

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**CITY OF BARBERTON, OHIO**  
 Comprehensive Annual Financial Report  
 For the Year Ended December 31, 1999

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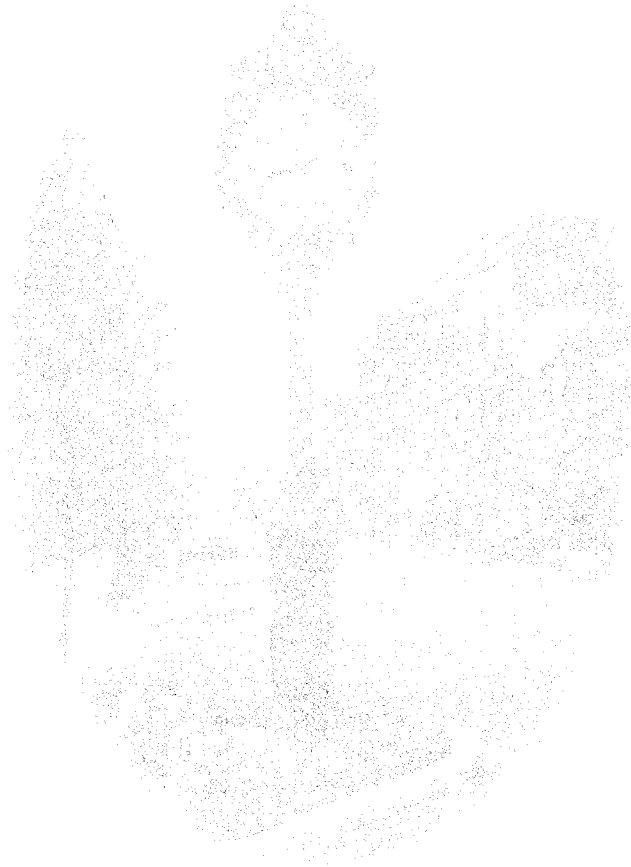
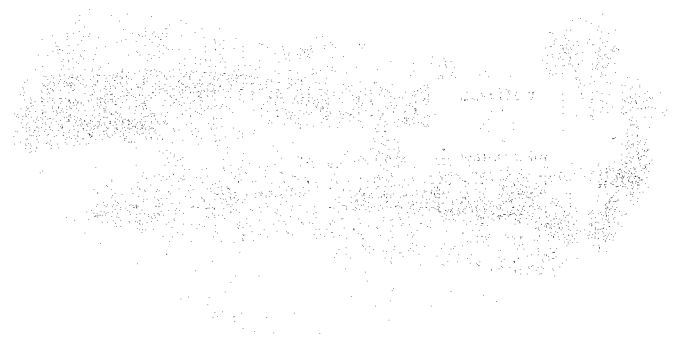
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*city of Barberton*



*Introductory  
Section*



June 16, 2000

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

It is our privilege to submit to you the 1999 Comprehensive Annual Financial Report of the City of Barberton (the City). Responsibility for both the accuracy of the data and adequacy of disclosure rests with the City. To the best of our knowledge, the enclosed data is accurate in all material respects and is reported in a manner which presents fairly the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Comprehensive Annual Financial Report is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, a list of principal officials and an organizational chart. The financial section includes the Report of Independent Accountants, general purpose financial statements, and related combining statements and schedules. This report includes all funds and account groups of the City. The statistical section provides financial, economic and demographic information which is used for comparative fiscal periods.

### **COMMUNITY PROFILE**

The City of Barberton is located in northeast Ohio, approximately 9 miles southwest of the City of Akron. Incorporated in 1891, Barberton operates under a charter form of government which was adopted by its voters in 1973. The City is governed by an elected Mayor and 9-member City Council. Founded by industrialist Ohio Columbus Barber, Barberton earned the nickname of the Magic City because of its early rapid growth. Today, Barberton covers an area of approximately 8.91 miles and is the fourth largest city in Summit County with a population of 27,548.

The City provides a full range of municipal services under the governmental fund concept. These include police and fire protection, municipal court, planning and engineering, code enforcement, street maintenance, and parks and recreation. Health services are provided by the Barberton Board of Health. In addition, water and sewer services and solid waste disposal are provided under the enterprise fund concept with user charges set to ensure adequate coverage of operating expenses and payments on outstanding debt. The Barberton Community and Fitness Center also operates under an enterprise fund with member fees covering the cost of providing programs.

- 1 -

*Finance Department*

104 Third Street, N.W. • Barberton, Ohio 44203-2502  
Office: (216) 848-6775 • Fax: (216) 848-6725

## **MAJOR INITIATIVES**

The master plan for recently annexed land was approved by City Council in 1999. Duany Plater-Zyberk & Company (DPZ), a nationally recognized architectural firm, developed the plan. DPZ is a leader in developing new town neighborhoods that reflect the past. The master plan calls for the 500-acre area to have residential, commercial and light industrial development. The City is currently negotiating with a developer for the area.

The City, in conjunction with the Barberton School System, submitted a grant application to the Barberton Community Foundation for a \$6 million sports complex. The proposed complex will be built north of the new Barberton high school on Barber Road. When complete, it will include three baseball fields, three soccer fields, six tennis courts, all weather running track, cross country trails and outdoor biology laboratories.

City Council approved Phase II of the Downtown Streetscape Project. A Transportation Enhancement Program Grant will fund the majority of this \$1.4 million project. The project will include new sidewalks, street lighting, street resurfacing and landscaping.

The City was awarded two construction grants for the Ohio-Erie Canal Corridor Project during 1999. The Barberton Community Foundation awarded a \$100,000 grant and the Ohio and Erie Canal Association awarded a \$50,000 grant. Phase I of the project includes reconstruction of 3.5 miles of towpath trail.

Net assets of the Barberton Community Foundation exceeded \$100 million as of December 31, 1999. The Foundation was created when voters approved the sale of Barberton Citizens Hospital to Quorum Health Care in 1996. The Foundation's first grant was awarded to the Barberton School System to pay the debt service for construction of a new \$32 million high school.

## **ECONOMIC CONDITION AND OUTLOOK**

The City's economy has historically been associated with industry. Major industries with headquarters or divisions within Barberton's boundaries include manufacturers of fossil fuel and nuclear power generating equipment, automobile components, energy products management systems, and producers of chemical and dairy products. The corporate headquarters for the largest producer of cut flowers in the world is located in Barberton.

During the 1970's and early 1980's employment by manufacturing companies decreased, primarily due to plant closings and down-sizing. However, Barberton's economy has stabilized and local indicators point to continued improvement. Barberton's economy is stronger today because it is no longer as dependent on several large industrial employers. Ten years ago, one of Barberton's largest employers Babcock and Wilcox (B&W), accounted for 29 percent of all income tax collections. Today, they are responsible for only 17 percent of all income tax collections. Income tax collections have increased steadily during this period (see Table 15 of the Statistical Section) due to new businesses and the growth enjoyed by other existing businesses. Smaller manufacturing companies have replaced many of the jobs lost in past years. Still, B&W has reinforced their commitment to this area by investing over \$17 million in improvements to their Barberton headquarters.

To encourage industrial development, Barberton has created two industrial parks, Stuver Place and Foundation Parkway. To date five businesses have constructed new facilities in these parks.

Annexation is one of the major tools used by cities in economic development. The City of Barberton is almost fully developed and virtually landlocked and, therefore, continues efforts to annex in order to provide for expansion of industrial and residential development in the future. During 1999, petitions were filed for annexation of over 600 acres. This land will be used for residential, commercial and light industrial development.

Barberton continues to enjoy a moderate growth in new home construction as 131 permits for new homes were issued in 1999. Construction of the \$8 million Elson Point housing development in South Barberton started in 1999. Overall, the value of permits issued for new construction and remodeling of residential and commercial structures exceeded \$26 million.

## **FINANCIAL INFORMATION**

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

## **SUMMARY OF ACCOUNTING POLICIES AND BUDGETARY CONTROLS**

The City's financial statements for its governmental and fiduciary funds have been prepared on the modified accrual basis of accounting. Under this basis, revenues are recognized in the period in which they are measurable and available to finance current City operations. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for the interest on general long-term debt which is recognized when due.

All proprietary funds are accounted for by using the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred. See Note 2 to the Combined Financial Statements for a summary of the City's significant accounting policies.

An annual appropriated budget is legally required to be prepared on the budgetary basis for all funds of the City other than agency funds; however, only governmental funds are required to be reported. The initial level of budgetary control is established at the department level within the General Fund and at the fund level for all other funds. The City maintains budgetary control by not permitting expenditures to exceed appropriations at the initial level of budgetary control

without the approval of City Council. Estimated purchase order amounts are encumbered prior to release of the order to a vendor. When an encumbrance exceeds available appropriations, the order is delayed until the budget is amended. Open encumbrances at year-end are carried forward to the following year. These encumbrances are reported as a reservation of fund balance at December 31, 1999. Unencumbered appropriations lapse at year-end.

## GOVERNMENTAL REVENUES AND EXPENDITURES

### Revenue

Revenue for the general governmental functions totaled \$20,082,400 in 1999. The amounts of revenue from various sources included in the Governmental Funds and Expendable Trust Funds are depicted in the following table:

<u>Revenue Type Classification</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Dollar Increase (Decrease) from 1998</u>	<u>Percent Increase (Decrease) from 1998</u>
Taxes	\$11,539,292	57.46%	\$486,799	4.40 %
Intergovernmental Revenues	5,102,726	25.41	(35,304)	( 0.69)
Charges for Services	1,003,184	5.00	128,139	14.64
Fines, Licenses and Permits	394,210	1.96	(30,953)	( 7.28)
Interest	640,684	3.19	(30,819)	( 4.59)
Miscellaneous	<u>1,402,304</u>	<u>6.98</u>	<u>(380,432)</u>	<u>(21.34)</u>
	<u>\$20,082,400</u>	<u>100.00%</u>	<u>\$137,430</u>	<u>0.69 %</u>

Major revenue changes occurred in the following areas: The increase in Taxes of \$486,799 is due to an increase in property tax and municipal income tax collections. The increase in Charges for Services is primarily due to an increase in criminal and civil court costs. The decrease in Miscellaneous Revenues of \$380,432 is due to two revenue sources that were received in 1998 and not in 1999. These included a Bureau of Workers Compensation policy rebate and a grant for the renovation of the Magical Theater. These decreases were partially offset by an increase in grants received from the Barberton Community Foundation.

### Expenditures

Expenditures for governmental functions totaled \$19,688,152 in 1999. The amounts of expenditure for the various functions included in the Governmental Funds and Expendable Trust Funds are depicted in the accompanying table:



<u>Functions of Expenditure</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Dollar Increase (Decrease) from 1998</u>	<u>Percent Increase (Decrease) from 1998</u>
General Government	\$3,218,512	16.35%	\$129,553	4.19%
Public Safety	7,079,716	35.96	246,698	3.61
Streets and Highways	2,147,045	10.91	261,368	13.86
Health and Welfare	1,367,907	6.95	146,822	12.02
Community Environment	1,287,598	6.54	28,877	2.29
Leisure Time Activities	1,039,420	5.28	47,687	4.81
Capital Outlay	2,945,187	14.96	926,776	45.92
Debt Service - Principal	426,264	2.17	190,645	80.91
Debt Service - Interest	<u>176,503</u>	<u>0.90</u>	<u>(11,124)</u>	<u>(5.93)</u>
	<u>\$19,688,152</u>	<u>100.00%</u>	<u>\$1,967,302</u>	<u>11.10%</u>

Major changes in governmental expenditures occurred in the following areas: The increase in General Government can be attributed to increased personnel costs primarily due to wage increases. Streets and Highways expenditures increased by \$261,368 due to increased personnel costs as well as an expansion of the City's in-house paving program. Health and Welfare expenditures increased by \$146,822 due to additional services and programs offered by the Health District. The increase in Capital Outlay is primarily due to the City entering into three new capital leases during 1999. These leases include vehicles and equipment such as a new City-wide 800 MHz radio system, a telecommunications system and a pumper truck. The increase in Debt Service - Principal is due to an increase in principal payments relating to the aforementioned capital leases.

### **General Fund**

The General Fund accounts for all financial transactions not properly accounted for in any other fund. It is the City's largest fund and provides for major City services of safety forces, governmental administration, and parks and recreation. The General Fund's balance increased by \$491,004 to \$3,494,071 in 1999. This balance provides the City with the equivalent of 69 working days of expenditures.

### **Special Revenue Funds**

Special Revenue Funds of the City are used to account for revenues derived from specific taxes or other legally restricted revenue sources. The major funds included in this class are Street Construction, Maintenance and Repair, Income Tax, Street and Storm Sewer Improvement, Infrastructure Improvement Reserve, Community Development Block Grant and other Federal Grant funds.

## Capital Projects Funds

The Capital Projects Funds include all major capital improvement projects of the City other than those accounted for in the Enterprise Funds. Proceeds for General Obligation Debt, Federal Grants and State Grants are accounted for in capital improvement funds until the improvement is complete.

## Debt Service Fund

The General Obligation Bond Retirement Fund accounts for all long-term general obligation debt service other than debt issued by an Enterprise Fund or an Internal Service Fund. The total general obligation debt as of December 31, 1999 was \$8,180,747 which consisted of \$3,965,747 in bonds and \$4,215,000 in notes. Obligations of the Enterprise Fund systems amount to \$7,645,000 of the total general obligation debt. Revenue of the enterprise systems is pledged for this debt service. The City is well within statutory limitations for unvoted debt. The ratio of general obligation debt to assessed valuation and the amount of general obligation debt per capita are useful indicators of the City's debt position. The following data is segregated by debt within the statutory debt limitation and debt exempt from the debt limitation.

	<u>Amount</u>	Ratio of Debt to Assessed <u>Value</u>	Debt per <u>Capita</u>
G.O. Bond Debt within debt limit	\$2,150,747	0.00%	\$78.07
Exempt Debt	\$9,930,000	0.03%	\$360.46

Refer to Note 11 in the Financial section of this report for complete detail of the City's long-term obligations.

## Enterprise Funds

Enterprise Funds are used to finance and account for the acquisition, operation and maintenance of City facilities and services which are intended to be entirely or predominately self-supporting from user charges. Enterprise funds of the City include Water Fund, Sewer Fund, Sewer Funds required by the Bond Indenture, Solid Waste Disposal Fund, Community Center Fund, and Downtown Sale and Rental of Property Fund. The City's water system provides for the treatment and distribution of water throughout the City as well as several areas outside the corporation limits. Sewage treatment is provided in the \$24,000,000 Sewage Treatment Plant constructed in 1987. The Community Center provides recreational swimming and a fitness center to Barberton area residents. Total 1999 operating revenues for all Enterprise funds were \$8,239,823 while expenses totaled \$7,596,458, resulting in an operating income of \$643,365, a decrease of \$344,969 from 1998.

### **Internal Service Funds**

Internal Service Funds are established to account for the financing of goods or services provided by one department of the City to other departments on a cost reimbursement basis. The City maintains internal service funds for Health Insurance, General Liability Insurance, Severance Pay and Internal Cost Allocation.

### **Trust and Agency Funds**

Trust and Agency Funds are established to account for assets held by the City in a fiduciary capacity. The City of Barberton established trust funds to account for Senior Center revenue and miscellaneous deposits held in trust. The City established an agency fund to account for the operations of the Municipal Court .

## **CASH MANAGEMENT**

Rising costs and expanding programs have placed increasing pressure on governmental revenues. Investment returns can help to reduce this pressure. The primary goal of the Finance Department's cash management program is to minimize the amount of cash on hand in order to meet daily cash requirements and simultaneously maximize the funds available for investment. This is achieved while maintaining the safety of principal and attaining a market average rate of return. The City invests in Certificates of Deposit, U.S. Government Obligations, fully collateralized Repurchase Agreements and STAR Ohio, a statewide investment pool. Levels of custodial credit risk are discussed fully in Note 4 of the Combined Financial Statements.

## **RISK MANAGEMENT**

The City has been self-insured for health care purposes since 1986. A claims administrator is retained to process claims and review medical procedures. Stop-loss insurance has been purchased by the City to pay unusual and excess medical claims. During 1992, the City joined a Preferred Provider Organization (PPO) and increased employee out-of-pocket expenses in order to slow the rate of increase in medical expenses. The Health Insurance Fund balance as of December 31, 1999 was \$825,862.

The City continues to retain insurance coverage relating to automotive liability, destruction of property, safety forces professional liability and general liability. The City also purchases an umbrella policy which provides an additional \$10,000,000 in coverage over the above listed primary policies.

## **PENSION AND POSTEMPLOYMENT BENEFIT PLANS**

Full-time, permanent employees of the City belong to one of two state operated pension plans (both are cost-sharing, defined-benefit, multiple-employer plans). Non-uniformed employees are members of the Public Employees Retirement System of Ohio (PERS). Police and fire personnel are members of the Ohio Police and Fire Pension Fund (OP&F). Elected officials participate in PERS on a voluntary basis. The plans provide pension benefits as well as postretirement health care coverage to qualifying employees. Contributions to the plans by both the City and participating employees are mandated by state statute. Because both plans operate pursuant to the Ohio Revised Code, the Ohio General Assembly could decide to amend the format of the plans and could revise contribution and benefit levels.

## **FIXED ASSETS**

The accounting for land, buildings, building improvements and equipment is essential for the complete record of assets. The General Fixed Assets Account Group includes all fixed assets of the City not used in an enterprise operation. Fixed assets of the Enterprise Funds are accounted for directly within those funds.

## **INDEPENDENT AUDIT**

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

## **REPORTING ACHIEVEMENT**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Barberton for its Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended December 31, 1998. 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 this certificate, a government must publish an easily readable and efficiently organized report. The report must satisfy Generally Accepted Accounting Principles and applicable legal requirements. A Certificate of Achievement is valid for one year only. We believe our current report continues to conform to Certificate of Achievement Program Requirements, and it is being submitted to the GFOA to determine its eligibility for another certificate.

## ACKNOWLEDGMENT

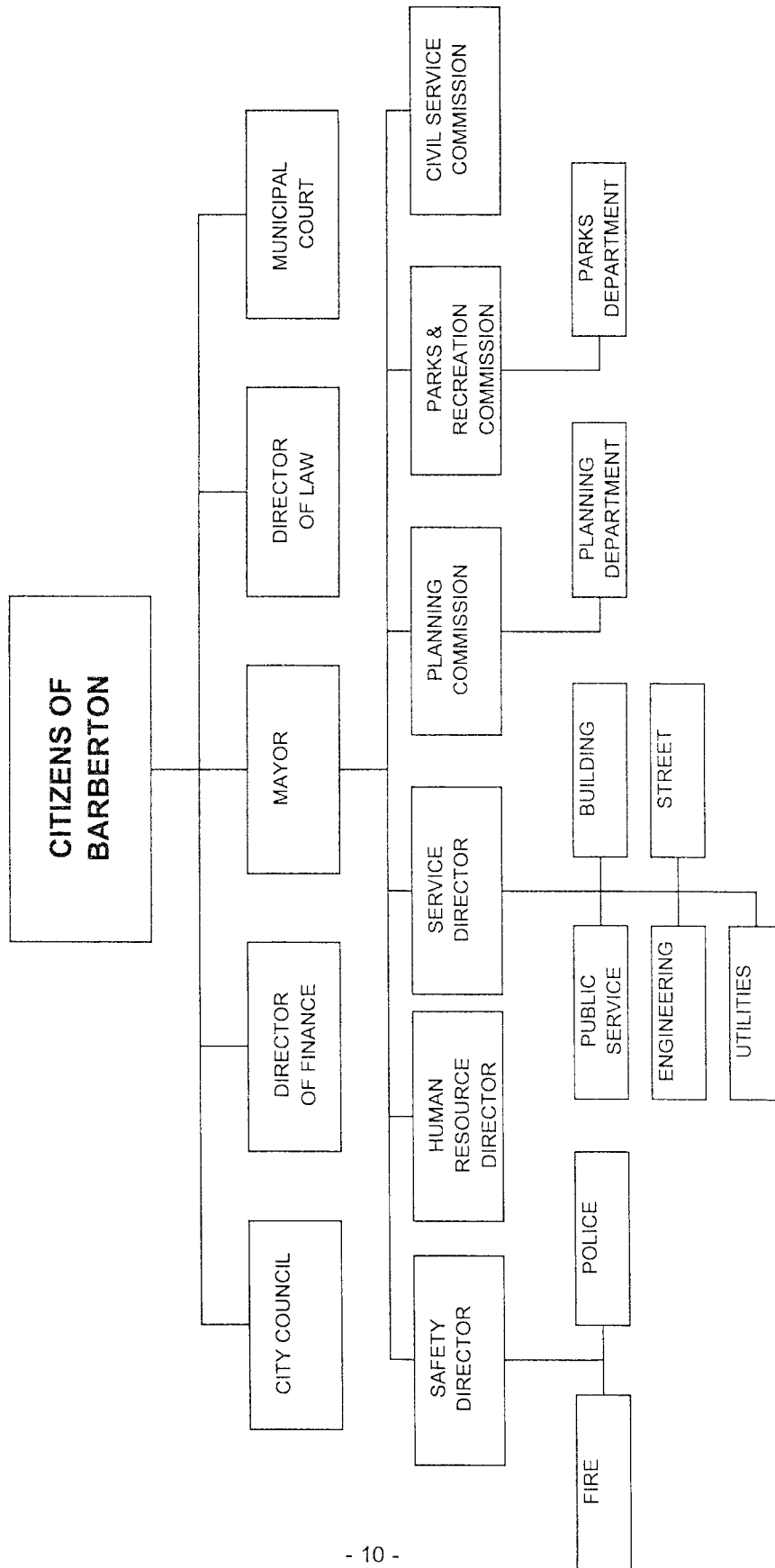
The presentation of this report could not have been accomplished without the dedicated services of the staff of the City's Finance Department. I would like to express my appreciation to those directly involved with this report and to the entire staff for their efficient service throughout the year. I would also like to express my appreciation to the Mayor and City Council for their support and commitment to responsible fiscal reporting.

Sincerely,

A handwritten signature in black ink, appearing to read "Raymond E. Flickinger, Jr.", written in a cursive style.

Raymond E. Flickinger, Jr., CMFA  
Director of Finance  
City of Barberton

**CITY OF BARBERTON, OHIO  
ORGANIZATIONAL CHART**



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CITY OF BARBERTON, OHIO

LIST OF PRINCIPAL OFFICIALS  
As of December 31, 1999

<b>Mayor</b>	<i>(Elected: four-year term)</i>	Randy Hart
<b>Cabinet of the Mayor:</b>	<i>(Appointed)</i>	
Service Director		Elwood Palmer
Safety Director		Leon T. Ricks
<b>Finance Director</b>	<i>(Elected: four-year term)</i>	Raymond E. Flickinger, Jr.
<b>Director of Law</b>	<i>(Elected: four-year term)</i>	Gregory Macko
<b>Municipal Court Judges</b>	<i>(Elected: six-year term)</i>	Michael J. McNulty Michael L. Weigand
<b>Clerk of Municipal Court</b>	<i>(Elected: six-year term)</i>	Susan K. Reilly
<b>Council:</b>	<i>(Elected: four-year term)</i>	
President		Robert J. Genet
Members:		
At-Large		Harry J. Bauschlinger
At-Large		Joseph R. Underation
Ward 1		Arthur W. Hicks
Ward 2		Tom E. Muffet
Ward 3		Frederick S. Maurer
Ward 4		Terry L. Silvester
Ward 5		David R. Brumagin
Ward 6		Elizabeth A. Fisher

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Barberton,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 1998

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.



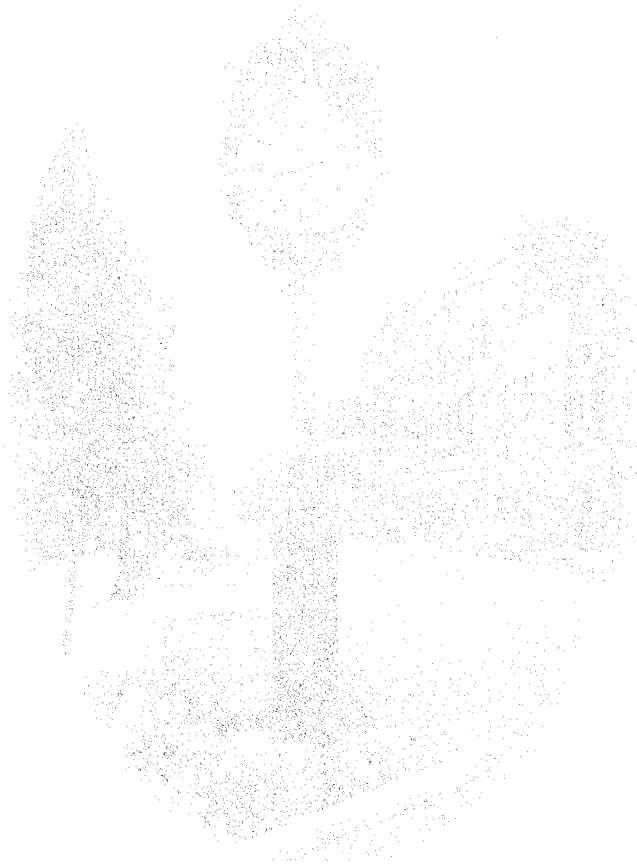
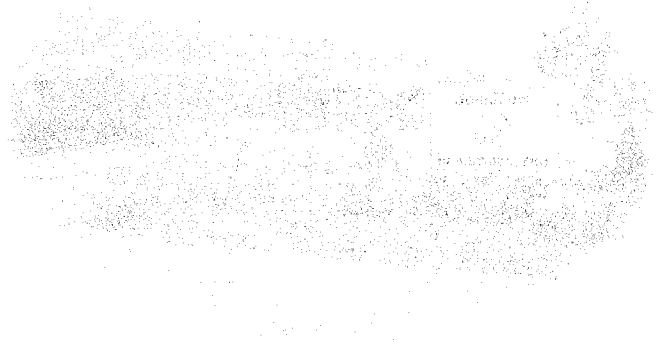
*Cary Brubaker*  
President

*Jeffrey L. Esler*  
Executive Director





*city of Barberton*



*Financial  
Section*





STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

111 Second Street, NW  
Fourth Floor  
Canton, Ohio 44702  
Telephone 330-438-0617  
800-443-9272  
Facsimile 330-471-0001  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

## REPORT OF INDEPENDENT ACCOUNTANTS

City of Barberton  
Summit County  
104 Third Street NW  
Barberton, Ohio 44203

To the City Council:

We have audited the accompanying general purpose financial statements of the City of Barberton, Summit County, Ohio (the City) as of and for the year ended December 31, 1999, as listed in the Table of Contents. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City as of December 31, 1999, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 2000 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 grants.

The combining and individual fund and account group financial statements and schedules listed in the Table of Contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the general purpose financial statements taken as a whole.

City of Barberton  
Summit County  
Report of Independent Accountants  
Page 2

We did not audit the data included in the introductory and statistical sections of this report and therefore express no opinion thereon.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is stylized with a large loop at the beginning and a horizontal line extending to the right.

**Jim Petro**  
Auditor of State

June 16, 2000

GENERAL PURPOSE  
FINANCIAL STATEMENTS

# CITY OF BARBERTON, OHIO

Combined Balance Sheet - All Fund Types and Account Groups  
 December 31, 1999  
 (With Comparative Totals at December 31, 1998)

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>ASSETS AND OTHER DEBITS</b>				
Assets:				
Equity in pooled cash and investments	\$3,540,786	\$4,213,978	\$6,211	\$374,813
Cash and cash equivalents - segregated accounts	--	--	--	--
Receivables (net, where applicable, of allowance for doubtful accounts)	1,321,305	1,511,250	--	--
Notes receivable	--	757,039	--	--
Due from other funds	74,476	6,954	--	--
Due from other governments	2,261	158,243	--	--
Inventory of supplies	--	--	--	--
Prepaid items	--	--	--	--
Advances to other funds	27,893	--	--	--
Restricted assets - cash and cash equivalents	--	--	--	--
Fixed assets (net of accumulated depreciation)	--	--	--	--
Other Debits:				
Amount available for retirement of general long-term obligations	--	--	--	--
Amount to be provided for retirement of general long-term obligations	--	--	--	--
<b>Total Assets</b>	<b>\$4,966,721</b>	<b>\$6,647,464</b>	<b>\$6,211</b>	<b>\$374,813</b>
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>				
Liabilities:				
Accounts payable	\$121,087	\$143,972	\$--	\$--
Accrued wages and benefits	101,124	39,470	--	--
Other liabilities	--	--	--	--
Due to other funds	--	--	--	--
Due to other governments	9,540	1,156	--	--
Amounts held as fiduciary	--	--	--	--
Deferred revenue	1,240,899	294,202	--	--
Advances from other funds	--	27,603	--	--
Debt:				
Capital lease obligations	--	--	--	--
General obligation notes payable	--	--	--	--
General obligation bonds payable	--	--	--	--
Revenue refunding bonds payable	--	--	--	--
Other long-term debt	--	--	--	--
Police and fire pension liabilities	--	--	--	--
<b>Total Liabilities</b>	<b>1,472,650</b>	<b>506,403</b>	<b>--</b>	<b>--</b>
Equity and Other Credits:				
Investment in general fixed assets	--	--	--	--
Contributed capital	--	--	--	--
Retained earnings	--	--	--	--
Fund balances:				
Reserved for encumbrances	736,109	1,122,629	--	--
Reserved for debt service	--	--	6,211	--
Reserved for notes receivable	--	694,840	--	--
Unreserved, undesignated	2,757,962	4,323,592	--	374,813
<b>Total Equity and Other Credits</b>	<b>3,494,071</b>	<b>6,141,061</b>	<b>6,211</b>	<b>374,813</b>
<b>Total Liabilities, Equity and Other Credits</b>	<b>\$4,966,721</b>	<b>\$6,647,464</b>	<b>\$6,211</b>	<b>\$374,813</b>

See accompanying notes to the combined financial statements

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)	
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	1999	1998
\$6,278,084	\$1,198,067	\$114,543	\$--	\$--	\$15,726,482	\$16,318,600
--	--	153,081	--	--	153,081	183,064
1,369,934	25,190	--	--	--	4,227,679	3,820,030
--	--	--	--	--	757,039	683,335
--	--	--	--	--	81,430	85,752
--	--	--	--	--	160,504	17,033
288,004	--	--	--	--	288,004	311,569
17,665	--	--	--	--	17,665	17,563
--	--	--	--	--	27,893	--
742,142	--	--	--	--	742,142	802,239
33,429,337	--	--	13,312,340	--	46,741,677	45,035,523
--	--	--	--	6,211	6,211	99,751
--	--	--	--	5,899,538	5,899,538	5,389,353
<u>\$42,125,166</u>	<u>\$1,223,257</u>	<u>\$267,624</u>	<u>\$13,312,340</u>	<u>\$5,905,749</u>	<u>\$74,829,345</u>	<u>\$72,763,812</u>
\$468,740	\$142,878	\$--	\$--	\$--	\$876,677	\$692,026
518,526	72,125	--	--	2,023,749	2,754,994	2,748,100
117,174	1,311	--	--	--	118,485	61,455
--	--	81,430	--	--	81,430	85,752
13,727	--	64,745	--	--	89,168	82,248
--	--	6,906	--	--	6,906	28,306
29,735	--	--	--	--	1,564,836	1,287,859
290	--	--	--	--	27,893	--
13,646	--	--	--	609,817	623,463	225,733
4,215,000	--	--	--	--	4,215,000	4,095,000
3,359,534	249,075	--	--	280,747	3,889,356	4,183,022
3,553,739	--	--	--	--	3,553,739	3,953,883
--	--	--	--	1,890,000	1,890,000	1,965,000
--	--	--	--	1,101,436	1,101,436	1,114,615
<u>12,290,111</u>	<u>465,389</u>	<u>153,081</u>	<u>--</u>	<u>5,905,749</u>	<u>20,793,383</u>	<u>20,522,999</u>
--	--	--	13,312,340	--	13,312,340	12,848,431
15,216,620	--	--	--	--	15,216,620	15,216,620
14,618,435	757,868	--	--	--	15,376,303	15,068,493
--	--	1,100	--	--	1,859,838	1,371,732
--	--	--	--	--	6,211	--
--	--	--	--	--	694,840	609,242
--	--	113,443	--	--	7,569,810	7,126,295
<u>29,835,055</u>	<u>757,868</u>	<u>114,543</u>	<u>13,312,340</u>	<u>--</u>	<u>54,035,962</u>	<u>52,240,813</u>
<u>\$42,125,166</u>	<u>\$1,223,257</u>	<u>\$267,624</u>	<u>\$13,312,340</u>	<u>\$5,905,749</u>	<u>\$74,829,345</u>	<u>\$72,763,812</u>

## CITY OF BARBERTON, OHIO

Combined Statement of Revenues, Expenditures and Changes in Fund Balances -  
 All Governmental Fund Types and Expendable Trust Funds  
 For the Year Ended December 31, 1999  
 (With Comparative Totals for the Year Ended December 31, 1998)

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>Revenues:</b>				
Taxes	\$1,055,880	\$10,483,412	\$--	\$--
Intergovernmental	2,645,673	2,457,053	--	--
Charges for services	841,962	161,222	--	--
Fines, licenses and permits	229,098	165,112	--	--
Interest	543,650	94,577	--	--
Miscellaneous	912,668	373,911	76,000	--
Total Revenues	6,228,931	13,735,287	76,000	--
<b>Expenditures:</b>				
Current:				
General government	2,933,755	261,534	--	--
Public safety	7,016,578	63,138	--	--
Streets and highways	316,288	1,830,757	--	--
Health and welfare	1,521	1,366,386	--	--
Community environment	594,502	693,096	--	--
Leisure time activities	697,260	324,147	--	--
Capital outlay	1,540,860	1,404,327	--	--
Debt service:				
Principal	281,113	41,255	103,896	--
Interest and fiscal charges	9,985	3,209	163,309	--
Total Expenditures	13,391,862	5,987,849	267,205	--
Excess (Deficiency) of Revenues Over Expenditures	(7,162,931)	7,747,438	(191,205)	--
<b>Other Financing Sources (Uses):</b>				
Operating transfers in	6,950,000	3,044,289	309,331	340,000
Operating transfers out	--	(10,733,373)	--	--
Capital lease financing	691,451	15,000	--	--
Sale of fixed assets	12,484	--	--	--
Total Other Financing Sources (Uses)	7,653,935	(7,674,084)	309,331	340,000
Excess of Revenues and Other Sources Over Expenditures and Other Uses	491,004	73,354	118,126	340,000
Fund Balance (Deficit) at Beginning of Year	3,003,067	6,067,707	(111,915)	34,813
Residual equity transfers in	--	--	--	--
Residual equity transfers out	--	--	--	--
Fund Balance at End of Year	\$3,494,071	\$6,141,061	\$6,211	\$374,813

See accompanying notes to the combined financial statements



Fiduciary Fund Type Expendable Trust	Totals (Memorandum Only)	
	1999	1998
\$--	\$11,539,292	\$11,052,493
--	5,102,726	5,138,030
--	1,003,184	875,045
--	394,210	425,163
2,457	640,684	671,503
39,725	1,402,304	1,782,736
42,182	20,082,400	19,944,970
23,223	3,218,512	3,088,959
--	7,079,716	6,833,018
--	2,147,045	1,885,677
--	1,367,907	1,221,085
--	1,287,598	1,258,721
18,013	1,039,420	991,733
--	2,945,187	2,018,411
--	426,264	235,619
--	176,503	187,627
41,236	19,688,152	17,720,850
946	394,248	2,224,120
--	10,643,620	9,651,959
--	(10,733,373)	(9,745,597)
--	706,451	130,687
--	12,484	11,923
--	629,182	48,972
946	1,023,430	2,273,092
113,597	9,107,269	6,834,177
--	--	34,438
--	--	(34,438)
\$114,543	\$10,130,699	\$9,107,269

## CITY OF BARBERTON, OHIO

Combined Statement of Revenues, Expenditures and Changes in Fund Balances -  
Budget and Actual (Non-GAAP Budgetary Basis) - All Governmental Fund Types  
For the Year Ended December 31, 1999

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>						
Taxes	\$1,028,940	\$1,054,180	\$25,240	\$10,339,376	\$10,366,929	\$27,553
Intergovernmental	2,193,661	2,645,264	451,603	4,391,163	2,313,991	(2,077,172)
Charges for services	715,100	840,802	125,702	153,075	161,222	8,147
Fines, licenses and permits	258,190	228,865	(29,325)	159,598	167,068	7,470
Interest	450,500	588,650	138,150	66,250	94,577	28,327
Miscellaneous	252,698	925,153	672,455	330,522	388,957	58,435
Total Revenues	4,899,089	6,282,914	1,383,825	15,439,984	13,492,744	(1,947,240)
<b>Expenditures:</b>						
<b>Current:</b>						
General government	3,308,422	2,988,721	319,701	378,966	266,721	112,245
Public safety	7,383,069	7,092,354	290,715	65,091	63,538	1,553
Streets and highways	336,660	319,631	17,029	1,901,491	1,845,551	55,940
Health and welfare	2,000	1,521	479	1,638,435	1,378,099	260,336
Community environment	706,978	600,208	106,770	1,932,683	751,767	1,180,916
Leisure time activities	784,453	718,674	65,779	350,515	322,626	27,889
Capital outlay	1,925,048	1,465,437	459,611	1,690,524	1,519,279	171,245
<b>Debt service:</b>						
Principal	--	--	--	--	--	--
Interest and fiscal charges	5,000	--	5,000	--	--	--
Total Expenditures	14,451,630	13,186,546	1,265,084	7,957,705	6,147,581	1,810,124
Excess (Deficiency) of Revenues Over Expenditures	(9,552,541)	(6,903,632)	2,648,909	7,482,279	7,345,163	(137,116)
<b>Other Financing Sources (Uses):</b>						
Operating transfers in	6,950,000	6,950,000	--	3,044,289	3,044,289	--
Operating transfers out	--	--	--	(10,733,373)	(10,733,373)	--
Total Other Financing Sources (Uses)	6,950,000	6,950,000	--	(7,689,084)	(7,689,084)	--
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(2,602,541)	46,368	2,648,909	(206,805)	(343,921)	(137,116)
Fund Balance at Beginning of Year	2,678,213	2,678,213	--	3,339,670	3,339,670	--
Unexpended prior year encumbrances	20,903	20,903	--	16,587	16,587	--
Fund Balance at End of Year	\$96,575	\$2,745,484	\$2,648,909	\$3,149,452	\$3,012,336	(\$137,116)

See accompanying notes to the combined financial statements

Debt Service Fund			Capital Projects Funds			Totals (Memorandum Only)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$--	\$--	\$--	\$--	\$--	\$--	\$11,368,316	\$11,421,109	\$52,793
--	--	--	--	--	--	6,584,824	4,959,255	(1,625,569)
--	--	--	--	--	--	868,175	1,002,024	133,849
--	--	--	--	--	--	417,788	395,933	(21,855)
--	--	--	--	--	--	516,750	683,227	166,477
76,000	76,000	--	--	--	--	659,220	1,390,110	730,890
76,000	76,000	--	--	--	--	20,415,073	19,851,658	(563,415)
--	--	--	--	--	--	3,687,388	3,255,442	431,946
--	--	--	--	--	--	7,448,160	7,155,892	292,268
--	--	--	--	--	--	2,238,151	2,165,182	72,969
--	--	--	--	--	--	1,640,435	1,379,620	260,815
--	--	--	--	--	--	2,639,661	1,351,975	1,287,686
--	--	--	--	--	--	1,134,968	1,041,300	93,668
--	--	--	340,000	--	340,000	3,955,572	2,984,716	970,856
315,562	315,562	--	--	--	--	315,562	315,562	--
164,769	163,309	1,460	--	--	--	169,769	163,309	6,460
480,331	478,871	1,460	340,000	--	340,000	23,229,666	19,812,998	3,416,668
(404,331)	(402,871)	1,460	(340,000)	--	340,000	(2,814,593)	38,660	2,853,253
309,331	309,331	--	340,000	340,000	--	10,643,620	10,643,620	--
--	--	--	--	--	--	(10,733,373)	(10,733,373)	--
309,331	309,331	--	340,000	340,000	--	(89,753)	(89,753)	--
(95,000)	(93,540)	1,460	--	340,000	340,000	(2,904,346)	(51,093)	2,853,253
99,751	99,751	--	780	780	--	6,118,414	6,118,414	--
--	--	--	--	--	--	37,490	37,490	--
\$4,751	\$6,211	\$1,460	\$780	\$340,780	\$340,000	\$3,251,558	\$6,104,811	\$2,853,253

Combined Statement of Revenues, Expenses and Changes in Fund Equity -  
 All Proprietary Fund Types  
 For the Year Ended December 31, 1999  
 (With Comparative Totals for the Year Ended December 31, 1998)

	Proprietary Fund Types		Totals (Memorandum Only)	
	Enterprise	Internal Service	1999	1998
Operating Revenues:				
Charges for sales and services	\$8,117,629	\$1,927,770	\$10,045,399	\$10,268,911
Other	122,194	116,383	238,577	211,607
Total Operating Revenues	8,239,823	2,044,153	10,283,976	10,480,518
Operating Expenses:				
Personal services	3,309,761	220,310	3,530,071	3,554,629
Contractual services	2,042,376	1,567,499	3,609,875	3,530,810
Materials and supplies	876,414	173,573	1,049,987	903,750
Depreciation	1,282,414	--	1,282,414	1,255,569
Other	85,493	--	85,493	86,724
Total Operating Expenses	7,596,458	1,961,382	9,557,840	9,331,482
Operating Income	643,365	82,771	726,136	1,149,036
Nonoperating Revenues (Expenses):				
Interest income	233,083	2,989	236,072	315,397
Interest expense	(695,807)	(21,129)	(716,936)	(776,391)
Other	(27,215)	--	(27,215)	(26,688)
Total Nonoperating Revenues (Expenses)	(489,939)	(18,140)	(508,079)	(487,682)
Income Before Operating Transfers	153,426	64,631	218,057	661,354
Operating transfers in	1,187,207	89,753	1,276,960	2,360,747
Operating transfers out	(1,187,207)	--	(1,187,207)	(2,267,109)
Net Income	153,426	154,384	307,810	754,992
Retained Earnings at Beginning of Year	14,465,009	603,484	15,068,493	14,313,501
Retained Earnings at End of Year	14,618,435	757,868	15,376,303	15,068,493
Contributed Capital at Beginning of Year	15,216,620	--	15,216,620	15,216,620
Capital Contributions	--	--	--	--
Contributed Capital at End of Year	15,216,620	--	15,216,620	15,216,620
Fund Equity at End of Year	\$29,835,055	\$757,868	\$30,592,923	\$30,285,113

See accompanying notes to the combined financial statements

Combined Statement of Cash Flows - All Proprietary Fund Types  
For the Year Ended December 31, 1999

	Enterprise	Internal Service	Totals (Memorandum Only)
<b>Cash Flows from Operating Activities:</b>			
Cash received from customers	\$8,089,498	\$1,928,935	\$10,018,433
Cash payments to suppliers for goods and services	(2,907,377)	(1,761,748)	(4,669,125)
Cash payments to employees for services	(3,320,804)	(235,117)	(3,555,921)
Other operating revenues	122,194	95,549	217,743
Other operating expenses	(32,648)	--	(32,648)
<b>Net Cash Provided by Operating Activities</b>	<b>1,950,863</b>	<b>27,619</b>	<b>1,978,482</b>
<b>Cash Flows from Noncapital Financing Activities:</b>			
Principal paid on debt	--	(75,000)	(75,000)
Interest paid on debt	--	(19,753)	(19,753)
Advances for other funds	290	--	290
Operating transfers from other funds	1,187,207	89,753	1,276,960
Operating transfers to other funds	(1,187,207)	--	(1,187,207)
<b>Net Cash Provided by (Used in) Noncapital Financing Activities</b>	<b>290</b>	<b>(5,000)</b>	<b>(4,710)</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Proceeds from sale of notes	4,215,000	--	4,215,000
Principal paid on debt	(4,553,334)	--	(4,553,334)
Interest paid on debt	(576,503)	--	(576,503)
Debt issue costs	(14,616)	--	(14,616)
Acquisition and construction of capital assets	(2,454,876)	--	(2,454,876)
<b>Net Cash Used in Capital and Related Financing Activities</b>	<b>(3,384,329)</b>	<b>--</b>	<b>(3,384,329)</b>
<b>Cash Flows from Investing Activities:</b>			
Interest on investments	233,083	2,989	236,072
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(1,200,093)</b>	<b>25,608</b>	<b>(1,174,485)</b>
Cash and Cash Equivalents at Beginning of Year	8,220,319	1,172,459	9,392,778
Cash and Cash Equivalents at End of Year	\$7,020,226	\$1,198,067	\$8,218,293

See accompanying notes to the combined financial statements

Combined Statement of Cash Flows - All Proprietary Fund Types (Continued)  
 For the Year Ended December 31, 1999

	Enterprise	Internal Service	Totals (Memorandum Only)
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income	\$643,365	\$82,771	\$726,136
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation	1,282,414	--	1,282,414
Increase (decrease) due to change in:			
Receivables	(26,871)	(19,669)	(46,540)
Inventory of supplies	23,565	--	23,565
Prepaid items	(102)	--	(102)
Accounts payable	45,889	(20,676)	25,213
Accrued wages and benefits	(11,043)	(14,807)	(25,850)
Other	(6,354)	--	(6,354)
Total Adjustments	<u>1,307,498</u>	<u>(55,152)</u>	<u>1,252,346</u>
Net Cash Provided by Operating Activities	<u>\$1,950,863</u>	<u>\$27,619</u>	<u>\$1,978,482</u>

**Noncash Investing, Capital and Financing Activities:**

Enterprise capital assets of \$229,159 were included in accounts payable as of December 31, 1999; Enterprise capital assets of \$13,646 were acquired through a capital lease during 1999.

See accompanying notes to the combined financial statements

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## CITY OF BARBERTON, OHIO

### NOTES TO THE COMBINED FINANCIAL STATEMENTS

#### NOTE 1 - REPORTING ENTITY

The City of Barberton (the City) was incorporated in 1891 under the laws of the State of Ohio. The City operates under a Mayor-Council form of government as provided by its charter adopted on November 6, 1973.

The City has adopted the provisions of Statement No. 14 of the Governmental Accounting Standards Board (GASB) regarding the definition of its financial reporting entity. For financial reporting purposes, the City's reporting entity includes all funds, account groups, agencies, boards and commissions for which the City is financially accountable. The notion of financial accountability includes not only the organizations that constitute the City's legal entity; it also can include legally separate organizations in certain instances. Legally separate organizations are included in the reporting entity if the City's officials appoint a voting majority of an organization's governing board and, as a result, the City is able to either impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific burdens on the City. On this basis, the reporting entity of the City includes the operations of the police department, fire department, municipal court, parks and recreation department, water, sewage and sanitation services, street and sewer maintenance, and any other departments or funds for which the nature and significance of their relationship with the City are such that exclusion would cause the financial statements to be misleading or incomplete.

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

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

The financial statements of the City of Barberton have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

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

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate fund types. The following categories and fund types are used by the City:

##### **Governmental Fund Types**

Governmental funds are those through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of financial position and changes in financial position.

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## CITY OF BARBERTON, OHIO

### NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued

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

The City's governmental fund types are shown as follows:

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

**Special Revenue Funds** - limited by state and/or federal law for the financing of certain governmental functions (other than those involving expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes.

**Debt Service Fund** - to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**Capital Projects Funds** - to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

#### Proprietary Fund Types

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to achieve sound financial administration. The measurement focus is based upon determination of net income, financial position and cash flows.

**Enterprise Funds** - to account for operations: (a) that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis (water, sewer, etc.) be financed or recovered primarily through user charges or (b) where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

**Internal Service Funds** - to account for the financing of goods or services provided by one department of the City to other departments on a cost reimbursement basis.

#### Fiduciary Funds

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These funds include expendable trust funds and agency funds. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent. Since agency funds are purely custodial (assets equal liabilities), the accounting for these funds does not involve the measurement of results of operations. The expendable trust funds' measurement focus is based upon determination of financial position and changes in financial position.

#### Account Groups

Account Groups are used to establish accounting control and accountability for the City's general fixed assets and general long-term obligations. The following are the City's account groups:

**General Fixed Assets Account Group** - to account for fixed assets other than those accounted for in the proprietary funds.

**General Long-Term Obligations Account Group** - to account for all long-term obligations of the City that are not a specific liability of any proprietary fund.



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## CITY OF BARBERTON, OHIO

### NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued

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

##### **B. Measurement Focus and Basis of Accounting**

The financial statements of the governmental funds and fiduciary funds are prepared using the modified accrual basis of accounting. Under this basis, revenues are recognized in the accounting period in which they become measurable and available to finance current City operations. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for interest on general long-term debt which is recognized when due.

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 period, which the City considers to be 60 days after year end): investment earnings, income taxes, fines and forfeitures and state-levied locally shared taxes (including motor vehicle fees). Reimbursements due for federally funded community development projects are recognized as revenue at the time qualified expenditures are made.

Other revenues, including licenses and permits, certain charges for services, and miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Property taxes which are levied in a year prior to when they are collected (real and public utility taxes) are recognized as a receivable and recorded as deferred revenue in the year they are levied.

All proprietary type funds are accounted for using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when they are incurred.

##### **C. Budgetary Data**

An annual appropriated budget is legally required to be prepared on the budgetary basis for all funds of the City other than agency funds; however, only governmental funds are required to be reported. The City did not expect to receive or expend money in the Rental Rehabilitation Special Revenue Fund and the Issue 2 Improvement Capital Project Fund. Therefore, no budgets were adopted by Council and none are included in the accompanying financial statements.

The initial level of budgetary control is established at the department level within the General Fund and at the fund level for all other funds of the City. The City maintains budgetary control by not permitting expenditures to exceed appropriations at the initial level of budgetary control without the approval of City Council. Reported budgeted amounts are as originally adopted and amended by appropriation ordinances passed by Council. During the year, several supplementary appropriations were necessary. Management may amend the budget at the object level without seeking the approval of City Council. Unencumbered appropriations lapse at year-end. Outstanding encumbrances and the related appropriation amounts are carried forward to the succeeding year and need not be reappropriated.

##### **D. Cash and Investments**

Cash balances of most City funds are pooled and invested in order to provide improved cash management. Monies for all funds, except the Municipal Court (which is held in segregated accounts) and Sewer Bond Retirement and Sewer Bond Reserve (which are held as restricted assets) are maintained in the pool as deposits or investments. Each fund's interest in the pool is presented as "Equity in pooled cash and investments" on the combined balance sheet. Interest earned from investments purchased with pooled cash is allocated to certain funds based on a determination of each fund's cash available for investment.

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## CITY OF BARBERTON, OHIO

### NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued

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

The City accounts for its investments at fair value and records changes in investment value through investment income.

For purposes of the Combined Statement of Cash Flows, the City considers all investments of the equity pool (including segregated accounts and restricted assets) and all investments with a maturity of three months or less when purchased to be cash equivalents. Investments with a maturity of more than three months are not considered cash equivalents.

#### E. Inventory of Supplies

Inventory is valued at lower of cost (specific identification method) or market. The proprietary fund type inventories are capitalized and expensed when used (consumption method). Inventory generally consists of utility plant and miscellaneous supplies. In governmental and expendable trust funds, the cost of inventory items is not significant and is recognized as an expenditure when purchased.

#### F. Fixed Assets and Depreciation

Fixed assets used in the governmental fund type operations are accounted for in the General Fixed Assets Account Group, rather than in governmental funds, and are valued at historical cost. Donated assets are stated at market value at the time of donation. Infrastructure fixed assets, such as streets and sidewalks, drainage systems and lighting systems, are not capitalized or reported. Depreciation is not provided for the General Fixed Assets Account Group. Fixed assets associated with enterprise fund activities are accounted for in those funds. Depreciation is calculated on enterprise fixed assets using the straight-line method over the assets' estimated useful lives. The estimated useful lives are as follows:

Land Improvements	25-40 Years
Utility Plant	40-80 Years
Buildings, Structures and Improvements	25-40 Years
Furniture, Fixtures and Equipment	3-20 Years

#### G. Capitalization of Interest

The City's policy is to capitalize interest, if material, on proprietary fund construction projects until substantially complete. Capitalized interest is amortized on the straight-line basis over the estimated useful lives of the related assets. Interest is not capitalized on General Fixed Asset Account Group construction projects.

#### H. Debt Issuance Costs

Debt issuance costs relating to the sale of sewer revenue refunding bonds, water improvement bonds and judgment bonds have been capitalized and are being amortized over the term of the obligations based on the principal amounts outstanding.

#### I. Deferred Amount on Refunding

Deferred amount on refunding represents the difference between the reacquisition price and net carrying amount of refunded debt. This amount is reported in the accompanying financial statements as a deduction from bonds payable and is being charged to operations in proportion to stated interest requirements through the final year of maturity of the new debt.

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**CITY OF BARBERTON, OHIO****NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued****NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued****J. Compensated Absences**

The City follows the provisions of GASB Statement No. 16, "Accounting for Compensated Absences". Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive the compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at year end, taking into consideration any limits in the City's termination policy. For governmental fund types, the current portion of unpaid compensated absences is the amount expected to be paid using available resources, and is reported as an accrued liability in the fund from which the employees who have accumulated unpaid leave are paid. The balance of the liability is recorded in the General Long-Term Obligations Account Group. In proprietary fund types, the entire amount of compensated absences is reported as a fund liability. The liability for compensated absences is included in "Accrued Wages and Benefits" on the Combined Balance Sheet.

**K. Encumbrances**

Encumbrances represent purchase commitments for goods or services that have not yet been received or provided. Encumbrance accounting is a form of budgetary control to ensure that appropriations are not exceeded. Encumbrances outstanding at year-end are reported as a reservation of fund balance in the governmental fund types.

**L. Reservations of Fund Equity**

Reservations of fund equity are established to identify the existence of assets that, because of their non-monetary nature or lack of liquidity, represent financial resources not available for current expenditure including amounts that are legally segregated for a specific future use. As a result, certain note receivables and encumbrances are recorded as reservations of fund balances.

**M. Interfund Transactions**

During the course of normal operations, the City has numerous transactions between funds, most of which are in the form of transfers of resources to provide services, construct assets and service debt. Transfers for current operations are recorded as operating transfers. The classification of amounts recorded as operating transfers, advances or residual equity transfers is determined by City management.

**N. Grants and Other Intergovernmental Revenues**

Federal grants and assistance awards made on the basis of entitlement programs are recorded as intergovernmental receivables and revenues when entitlement occurs. Federal reimbursement type grants for the acquisition of fixed assets of Proprietary Fund Types are recorded as intergovernmental receivables and contributed capital when the related expenses are incurred. All other federal reimbursement type grants are recorded as intergovernmental receivables and revenues when the related qualified expenditures/expenses are incurred.

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**CITY OF BARBERTON, OHIO****NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued****NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued****O. Accounting for Proprietary Activity**

Under the provisions of GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting", the City has elected not to apply Financial Accounting Standards Board Statements and Interpretations issued after November 30, 1989 to its proprietary activities.

**P. Total Columns on Combined Financial Statements**

Amounts in the "Totals (Memorandum Only)" columns in the financial statements represent a summation of the combined financial statement line items of the fund types and account groups and are presented only for analytical purposes. The summation includes fund types and account groups that use different bases of accounting, both restricted and unrestricted amounts, interfund transactions that have not been eliminated, and the caption "Amounts to be Provided", which is not an asset in the usual sense. Consequently, amounts shown in the "Totals (Memorandum Only)" columns are not comparable to a consolidation and do not represent the total resources available or total revenues and expenditures/expenses of the City.

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE****A. Expenditures and Expenses in Excess of Appropriations**

The following funds had expenditures or expenses which exceeded appropriations at the legal level of budgetary control for the year ended December 31, 1999:

<u>Fund/Program</u>	<u>Appropriations</u>	<u>Expenditures/ Expenses</u>	<u>Excess</u>
General Fund:			
Capital Outlay			
Recreation Programs	\$66,200	\$72,550	\$(6,350)

**B. Fund Deficits**

At December 31, 1999, the following had a deficit fund balance/retained earnings:

<u>Fund Type/Fund</u>	<u>Amount</u>
Enterprise:	
Sewer Bond Retirement	\$2,825,716
Downtown Sales and Rental of Property	184,364
Internal Service:	
General Liability Insurance	234,238
Internal Cost Allocation	5,422

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## CITY OF BARBERTON, OHIO

### NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued

#### NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - Continued

The deficit balances in the Sewer Bond Retirement and General Liability Insurance funds are due to the recognition of liabilities for long-term debt on the accrual basis. The deficit balance in the Downtown Sales and Rental of Property fund is due to the recognition of contributed capital on the accrual basis. The Internal Cost Allocation fund deficit is due to the recognition of liability amounts applicable to accrued payables on the accrual basis.

#### NOTE 4 - DEPOSITS AND INVESTMENTS

The City's cash and investment policy is governed by City Ordinances and certain provisions of the Ohio Revised Code. These statutes permit the City to invest its monies in the following:

- U.S. Government obligations and U.S. Government agency obligations for which the full faith and credit of the United States is pledged for payment of principal and interest;
- Repurchase agreements;
- Certificates of Deposit;
- Investment grade obligations of the State of Ohio, City of Barberton, and other local governments or public authorities;
- The State Treasury Asset Reserve (STAR Ohio); and
- Money market mutual funds regulated by the Securities and Exchange Commission with portfolios consisting of only domestic securities.

The maximum final stated maturity of the City's investments is not permitted to exceed five years.

In accordance with the above mentioned statutes, public depositories must provide security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in excess of amounts insured by the Federal Deposit Insurance Corporation or may pledge a pool of securities with a statutory value of at least 110 percent of the total uninsured amount of public monies on deposit at the institution. Certificates of deposit may also be collateralized by surety bonds in the name of the City for 100 percent of the principal and interest amount of the deposit. Repurchase agreements are secured by the specific government security acquired under the repurchase agreement which must be held by a third party for safekeeping. All other collateral, whether specific or pooled, is held by a Federal Reserve Bank or by a designated trustee as agent for the public depositories used by the City.

#### A. Deposits

At December 31, 1999, the carrying amount of the City's deposits was \$7,722,708 and the bank balance was \$8,356,255. Of the bank balance, \$266,721 was covered by federal depository insurance. The remaining deposits of \$8,089,534 were uninsured and uncollateralized. Although the securities serving as collateral were held by the pledging institution in the pledging institution's name and all State statutory requirements for the deposit of money has been followed, noncompliance with federal requirements would potentially subject the City to a successful claim by the FDIC.

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**CITY OF BARBERTON, OHIO****NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued****NOTE 4 - DEPOSITS AND INVESTMENTS - Continued****B. Investments**

GASB Statement No. 3 "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements" has established custodial credit risk categories for investments as follows:

- Category 1 Insured or registered, or securities held by the City or its agent in the City's name.
- Category 2 Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the City's name.
- Category 3 Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the City's name.

The City's investments at December 31, 1999 are categorized below to give an indication of the level of custodial credit risk assumed by the City at year-end.

	1	Category 2	3	Carrying Amount	Fair Value
<u>Categorized Investments</u>					
Repurchase Agreements	\$--	\$--	\$830,000	\$830,000	\$830,000
U.S. Treasury Obligations	--	742,809	--	742,809	742,809
Total Categorized	\$--	\$742,809	\$830,000	1,572,809	1,572,809
<u>Noncategorized Investments</u>					
STAR Ohio				7,326,188	7,326,188
Total Investments				\$8,898,997	\$8,898,997

The City's investment in STAR Ohio is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form. STAR Ohio is an investment pool created pursuant to Ohio statutes and managed by the Treasurer of the State of Ohio. STAR Ohio is not registered with the Securities and Exchange Commission as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be redeemed for on December 31, 1999.

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**CITY OF BARBERTON, OHIO****NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued****NOTE 4 - DEPOSITS AND INVESTMENTS - Continued**

A reconciliation of cash and investments as shown on the Combined Balance Sheet follows:

<u>GASB Statement No. 3</u>	<u>Amount</u>
Carrying amount of deposits	\$7,722,708
Carrying amount of investments	8,898,997
Total	<u>\$16,621,705</u>
<u>Balance Sheet</u>	<u>Amount</u>
Equity in pooled cash and cash equivalents	\$15,726,482
Cash and cash equivalents - segregated accounts	153,081
Restricted assets - cash and cash equivalents	742,142
Total	<u>\$16,621,705</u>

**NOTE 5 - BUDGETARY BASIS OF ACCOUNTING**

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

- (1) Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP);
- (2) Expenditures are recorded when paid in cash or encumbered (budget) as opposed to when the liability is incurred (GAAP);
- (3) Encumbrances are recorded as expenditures (budget) as opposed to a reservation of fund balance (GAAP).

A reconciliation of the results of operations for the year from the GAAP basis to the budgetary basis is shown on the following page.

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**CITY OF BARBERTON, OHIO****NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued****NOTE 5 - BUDGETARY BASIS OF ACCOUNTING - Continued**

	Excess of Revenues and Other Sources Over Expenditures and Other Uses				Total
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	
GAAP Basis	\$491,004	\$73,354	\$118,126	\$340,000	\$1,022,484
Increase (decrease) due to:					
Change in receivables and other assets	42,696	(339,681)	--	--	(296,985)
Change in liabilities	(61,807)	69,588	(211,666)	--	(203,885)
Change in encumbrances	(425,525)	(147,182)	--	--	(572,707)
Budget Basis	<u>\$46,368</u>	<u>\$(343,921)</u>	<u>\$(93,540)</u>	<u>\$340,000</u>	<u>\$(51,093)</u>

**NOTE 6 - TAXES****A. Property Taxes**

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Taxes collected from real property (other than public utility) in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revalued every six years with a triennial update. The last revaluation was completed in 1999. Real property taxes are payable annually or semi-annually. The first payment is due February 10, with the remainder payable by July 15.

Taxpayers become liable for tangible personal property taxes (other than public utility) on January 1 of the current calendar year based on tax rates determined in the preceding year and assessed values determined as of the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of the current calendar year. In 1999, tangible personal property used in business (except for public utilities) was assessed for ad valorem taxation purposes at 25 percent of its true value. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30 with the remainder payable by September 20.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Barberton. The County Auditor periodically remits to the City its portion of the taxes collected with final settlement in June and December for taxes payable in the first and second halves of the year, respectively.

The assessed values of real and tangible personal property upon which 1999 property tax receipts were based are as follows:

Real Property - 1998 Tax Valuation	\$243,813,600
Public Utility - 1998 Tax Valuation	19,436,410
Tangible Personal Property - 1999 Tax Valuation	<u>61,223,799</u>
Total Valuation	<u>\$324,473,809</u>



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**CITY OF BARBERTON, OHIO****NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued****NOTE 6 - TAXES - Continued**

Total property tax revenue recognized by fund type for the year ended December 31, 1999 was as follows:

<u>Fund Type</u>	<u>Amount</u>
General	\$846,458
Special Revenue	<u>175,328</u>
Total	<u>\$1,021,786</u>

**B. Income Tax**

The City levies an income tax of 2% on substantially all income earned within the City. In addition, residents are required to pay city income tax on income earned outside of the City; however, a 100% credit is allowed for income taxes paid to other municipalities. The largest income tax withholding employer in the City accounted for approximately 17% of total income tax revenue in 1999. Total income tax revenue recognized by fund type for the year ended December 31, 1999 was as follows:

<u>Fund Type</u>	<u>Amount</u>
Special Revenue	<u>\$10,308,084</u>

**NOTE 7 - RECEIVABLES**

The City's receivables by fund type consist of the following:

	<u>General</u>	<u>Special Revenue</u>	<u>Enterprise</u>	<u>Internal Service</u>
Property Taxes	\$1,142,348	\$232,003	\$29,735	\$--
City Income Taxes	--	1,279,247	--	--
Utility Billings	--	--	1,307,928	--
Interest	124,476	--	--	--
Notes Receivable	--	757,039	--	--
Other	54,481	--	32,271	25,190
Total	<u>\$1,321,305</u>	<u>\$2,268,289</u>	<u>\$1,369,934</u>	<u>\$25,190</u>

Three Special Revenue Fund notes receivable totaling \$62,199 represent sales of property to three companies for the purpose of industrial development. These ten-year non-interest bearing notes have fixed monthly payments with a final maturity of 2004 for the first two notes and 2007 for the third. Nine other Special Revenue Fund notes receivable totaling \$235,769 represent promissory notes for the purpose of improving the exteriors of local businesses. These notes are payable over a fifteen-year period, at interest rates that vary from 3.63% to 4.30% with final maturity ranging between 2012 and 2016. One other Special Revenue notes receivable of \$77,071 represents a promissory note for the purpose of stabilizing and maintaining historical structures. This note is payable over a fifteen and three-quarter year period at an interest rate of 4.38% with final maturity in 2013.

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**CITY OF BARBERTON, OHIO****NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued****NOTE 7 - RECEIVABLES - Continued**

Three Special Revenue Fund notes receivable totaling \$382,000 represent loans to a contractor for the construction of a moderate income apartment complex. Two of these loans totaling \$327,000 bear interest at 7.25% per annum and the third loan of \$55,000 bears interest at 1% per annum. Interest is deferred and becomes payable as income and cash flow of the contractor permits. The entire principal balance and all unpaid interest is due in March 2009.

**NOTE 8 - FIXED ASSETS****A. General Fixed Assets**

A summary of changes in the General Fixed Asset Account Group follows:

	Balance January 1	Additions	Disposals	Balance December 31
Land and Improvements	\$2,173,798	\$56,843	\$--	\$2,230,641
Buildings, Structures and Improvements	4,942,894	48,515	--	4,991,409
Machinery and Equipment	5,731,739	704,180	345,629	6,090,290
Total General Fixed Assets	<u>\$12,848,431</u>	<u>\$809,538</u>	<u>\$345,629</u>	<u>\$13,312,340</u>

**B. Proprietary Fund Type Fixed Assets**

A summary of proprietary fund type property, plant and equipment at December 31, 1999 follows:

	Enterprise
Land and Improvements	\$938,700
Utility Plant	37,833,016
Buildings, Structures and Improvements	11,257,956
Furniture, Fixtures and Equipment	1,892,772
Construction in Progress	2,347,694
Total	54,270,138
Less Accumulated Depreciation	(20,840,801)
Net	<u>\$33,429,337</u>

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**CITY OF BARBERTON, OHIO****NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued****NOTE 9 - INTERFUND RECEIVABLES AND PAYABLES**

The composition of interfund balances as of December 31, 1999 is as follows:

<u>Fund Type/Fund</u>	<u>Receivable</u>		<u>Payable</u>	
	<u>Due From</u>	<u>Advance</u>	<u>Due To</u>	<u>Advance</u>
General Fund	\$74,476	\$27,893	\$--	\$--
Special Revenue:				
Court Computer	4,210	--	--	--
Indigent Drivers Alcohol Treatment Program	2,744	--	--	--
Permissive License	--	--	--	27,603
Enterprise:				
Community Center	--	--	--	290
Trust and Agency:				
Municipal Court	--	--	81,430	--
Totals	<u>\$81,430</u>	<u>\$27,893</u>	<u>\$81,430</u>	<u>\$27,893</u>

**NOTE 10 - LEASES****A. Capital Leases**

Capital lease obligations recorded in the General Long-Term Obligations Account Group and the Enterprise Funds relate to vehicles and other equipment. These assets are leased under long-term agreements which meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13 "Accounting for Leases". Such agreements provide for minimum annual lease payments as follows:

<u>Year</u>	<u>General Long-Term Obligations Account Group</u>	<u>Enterprise Funds</u>
2000	\$254,577	\$5,000
2001	225,113	5,000
2002	189,694	5,000
	669,384	15,000
Less Amount Representing Interest	(59,567)	(1,354)
Present Value of Minimum Lease Payments	<u>\$609,817</u>	<u>\$13,646</u>
Capitalized Cost of Leased Assets	<u>\$824,022</u>	<u>\$20,000</u>

**B. City as Lessor**

In October 1996, the City (as Lessor) entered into a leasing agreement with Regal Cinemas, Inc (as Lessee) to operate a multi-screen motion picture theater (Lake Cinemas) which is owned by the City. The lease term is for five years with three extension options of five years each. The minimum rent is \$140,000 per year with a provision for additional rent in the event gross sales exceed a stated amount.

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**CITY OF BARBERTON, OHIO****NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued****NOTE 11 - BONDS AND OTHER LONG-TERM OBLIGATIONS**

A listing of changes in bonds and other long-term obligations of the City for the year ended December 31, 1999 follows:

	Balance January 1	Additions	Reductions	Balance December 31
<b><u>Enterprise Fund Debt</u></b>				
<b><u>General Obligation Bonds</u></b>				
3.9% to 6.5% Water Improvement Bonds	\$3,075,000	\$--	\$(145,000)	\$2,930,000
6.70% to 7.35% Community Center Bonds	550,000	--	(50,000)	500,000
	<u>3,625,000</u>	<u>--</u>	<u>(195,000)</u>	<u>3,430,000</u>
<b><u>Revenue Refunding Bonds</u></b>				
3.70% to 4.50% Sewer System Revenue Refunding Bonds	4,375,000	--	(475,000)	3,900,000
<b><u>Capital Lease Obligations</u></b>	--	18,646	(5,000)	13,646
Less:				
Unamortized Discount and Debt Issuance Costs	(199,004)	17,064	--	(181,940)
Deferred Amount on Refunding	(296,066)	61,279	--	(234,787)
<b>Total Enterprise Fund Obligations</b>	<u><u>\$7,504,930</u></u>	<u><u>\$96,989</u></u>	<u><u>\$(675,000)</u></u>	<u><u>\$6,926,919</u></u>
<b><u>Internal Service Fund Debt</u></b>				
3.9% to 6.15% Judgment Bonds	\$330,000	\$--	\$(75,000)	\$255,000
Less Unamortized Discount and Debt Issuance Costs	(7,668)	1,743	--	(5,925)
<b>Total Internal Service Fund Obligations</b>	<u><u>\$322,332</u></u>	<u><u>\$1,743</u></u>	<u><u>\$(75,000)</u></u>	<u><u>\$249,075</u></u>
<b><u>General Long-Term Obligations Account Group</u></b>				
<b><u>General Obligation Debt</u></b>				
6.5% Parking Lot Improvement Bonds	\$89,643	\$--	\$(8,896)	\$80,747
6.70% to 7.35% Series 1989-1 Bonds	220,000	--	(20,000)	200,000
	<u>309,643</u>	<u>--</u>	<u>(28,896)</u>	<u>280,747</u>
<b><u>Other Long-Term Debt</u></b>				
4.57% to 7.18% Loan Issued Under Section 108 of the Housing and Community Development Act of 1974	1,965,000	--	(75,000)	1,890,000
	<u>1,965,000</u>	<u>--</u>	<u>(75,000)</u>	<u>1,890,000</u>
<b><u>Other General Obligations</u></b>				
Capital Lease Obligations	225,733	706,451	(322,367)	609,817
Accrued Wages and Benefits	1,874,113	149,636	--	2,023,749
Police/Fire Pension Accrued Liability (Note 13)	1,114,615	--	(13,179)	1,101,436
<b>Total General Long-Term Obligations Account Group</b>	<u><u>\$5,489,104</u></u>	<u><u>\$856,087</u></u>	<u><u>\$(439,442)</u></u>	<u><u>\$5,905,749</u></u>

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**CITY OF BARBERTON, OHIO****NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued****NOTE 11 - BONDS AND OTHER LONG-TERM OBLIGATIONS - Continued**

A summary of the City's future debt service requirements to retire long-term bond obligations as of December 31, 1999 follows:

**Proprietary Funds**

Due In	Enterprise Fund Debt General Obligation Bonds		Enterprise Fund Debt Revenue Refunding Bonds		Internal Service Fund Debt	
	Principal	Interest	Principal	Interest	Principal	Interest
2000	\$220,000	\$224,278	\$490,000	\$166,243	\$80,000	\$15,440
2001	200,000	210,573	510,000	146,643	85,000	10,720
2002	210,000	197,748	530,000	126,243	90,000	5,535
2003	230,000	184,233	555,000	104,380	--	--
2004	245,000	169,308	580,000	80,792	--	--
Thereafter	2,325,000	706,099	1,235,000	83,622	--	--
	<u>\$3,430,000</u>	<u>\$1,692,239</u>	<u>\$3,900,000</u>	<u>\$707,923</u>	<u>\$255,000</u>	<u>\$31,695</u>

**General Long-Term Obligations Account Group**

Due In	General Obligation Bonds		Other Long-Term Debt	
	Principal	Interest	Principal	Interest
2000	\$29,474	\$19,949	\$75,000	\$129,917
2001	30,090	17,863	75,000	125,290
2002	30,746	15,737	75,000	120,557
2003	31,444	13,568	110,000	115,727
2004	32,188	11,355	115,000	108,544
Thereafter	126,805	24,691	1,440,000	625,490
	<u>\$280,747</u>	<u>\$103,163</u>	<u>\$1,890,000</u>	<u>\$1,225,525</u>

All notes and other bonds are backed by the full faith and credit of the City. Although the Water Improvement Bonds, Community Center Bonds, Sewer System Improvement Notes, Community Center Improvement Notes and Judgment Bonds are general obligations of the City, the practice has been to have the debt serviced by the revenues of the respective enterprise or internal service funds.

Other Long-Term Debt represents a loan from HUD for the redevelopment of the Lake Theater Building. Amounts will be repaid with Community Development Block Grant funds. The loan from HUD is to be repaid over a twenty-year period.

At December 31, 1999, the City had the ability to issue approximately \$15.7 million of additional, unvoted, general obligation debt.

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**CITY OF BARBERTON, OHIO****NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued****NOTE 11 - BONDS AND OTHER LONG-TERM OBLIGATIONS - Continued****Conduit Debt**

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 on the underlying mortgage loans provided to the public-sector entities by the City. Upon repayment of the bonds, ownership of the 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. The City has also issued hospital facilities revenue bonds to finance the cost of acquiring equipment and constructing improvements at Barberton Citizens Hospital, a separate legal entity that is not included in the City's reporting entity.

As of December 31, 1999, there were two series of industrial revenue bonds outstanding, all of which were issued prior to July 1, 1995. The aggregate principal amount payable at December 31, 1999 was \$1,710,000. The hospital facilities revenue bonds which were issued in February 1992 for a total of \$22.8 million were defeased during 1999.

**NOTE 12 - NOTES PAYABLE**

A listing of changes in notes payable for the year ended December 31, 1999 follows:

	Maturity Date	Balance January 1	Additions	(Reductions)	Balance December 31
<b><u>Enterprise Fund Debt</u></b>					
4.10% Sewage System Improvement Notes		\$600,000	\$--	\$(600,000)	\$--
3.45% Sewage System Improvement Notes	4/20/00	--	300,000	--	300,000
4.10% Utility System Improvement Notes		2,545,000	--	(2,545,000)	--
3.45% Utility System Improvement Notes	4/20/00	--	2,545,000	--	2,545,000
3.32% Various Purpose Improvement Notes		43,334	--	(43,334)	--
3.69% Community Center Improvement Notes		695,000	--	(695,000)	--
3.98% Community Center Improvement Notes	9/28/00	--	645,000	--	645,000
3.70% Various Purpose Improvement Notes	4/20/00	--	725,000	--	725,000
		<u>\$3,883,334</u>	<u>\$4,215,000</u>	<u>\$(3,883,334)</u>	<u>\$4,215,000</u>
<b><u>Short-Term Obligations</u></b>					
4.12% Various Purpose Improvement Notes		<u>\$211,666</u>	<u>\$--</u>	<u>\$(211,666)</u>	<u>\$--</u>

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**CITY OF BARBERTON, OHIO****NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued****NOTE 13 - PENSION AND RETIREMENT PLANS****A. Employees and Plans**

Full-time, permanent employees of the City and certain part-time employees belong to one of two state operated pension plans (both cost-sharing, multiple employer, defined benefit pension plans). Non-uniformed employees are members of the Public Employees Retirement System of Ohio (PERS). Police and fire personnel are members of the Ohio Police and Fire Pension Fund (OP&F). The Ohio Revised Code requires participation by the above mentioned employees. Elected officials participate in PERS on a voluntary basis. The payroll for employees covered by PERS and OP&F for the year ended December 31, 1999 was \$7,401,497 and \$4,219,912, respectively. The City's total payroll for 1999 was \$11,803,891.

**B. PERS**

All employees of the City are required to be members of the Public Employees Retirement System of Ohio (PERS), a cost-sharing, multiple employer pension plan. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. The authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code.

The Public Employees Retirement System issues a stand-alone financial report that includes financial statements and required supplementary information. Interested parties may obtain a copy by making a written request to the Public Employees Retirement System of Ohio, 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. Employees, other than law enforcement personnel, are required to contribute 8.5% of their annual covered salary to PERS. The 1999 employer contribution rate for local government employer units was 13.55% of covered payroll, including 4.2% that is used to fund postretirement health care benefits. The City's total contributions to PERS for the years ended December 31, 1999, 1998 and 1997 were \$1,002,903, \$987,231, and \$893,239, respectively, equal to the required contributions for each year.

**C. OP&F**

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

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% and 24.0%, respectively, for police officers and firefighters. The City's contributions to OP&F for the years ended December 31, 1999, 1998 and 1997 were \$977,836, \$882,782, and \$889,618, respectively, equal to the required contributions for each year.

In addition to current contributions, the City also makes installment payments on the accrued liability incurred when the State of Ohio established the state-wide pension system for police and firefighters in 1967. As of December 31, 1999, the unfunded liability of the City was \$1,101,436, payable in semi-annual payments through the year 2035. The liability is recorded in the General Long-Term Obligations Account Group. In April 2000, the City paid off this liability under a program offered by the OP&F. See Note 17 for further information.

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**CITY OF BARBERTON, OHIO****NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued****NOTE 13 - PENSION AND RETIREMENT PLANS - Continued****D. PERS Other Postemployment Benefits**

In addition to the pension benefits previously described, the Public Employees Retirement System of Ohio (PERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12.

A portion of each employer's contribution to PERS is set aside for the funding of postretirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The total employer contribution rate for PERS was 13.55% of covered payroll, of which 4.2% was the portion that was used to fund health care for the year 1999. The portion of the City's total contributions to PERS that was used to fund health care for the years ended December 31, 1999 and 1998 was \$310,863 and \$306,005, respectively.

The Ohio Revised Code provides the statutory authority requiring public employers to fund postretirement health care through their contributions to PERS. OPEB are financed through employer contributions and investment earnings there on. The contributions allocated to retiree health care, along with investment income on allocated assets and periodic adjustments in health care provisions are expected to be sufficient to sustain the program indefinitely. State-wide expenditures for OPEB during 1999 were \$523,599,349. As of December 31, 1999, the unaudited estimated net assets available, state-wide, for future OPEB payments were \$9,870,285,641. The number of benefit recipients eligible for OPEB, state-wide, at December 31, 1999 was 118,062.

**E. OP&F Other Postemployment Benefits**

OP&F also provides 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 school full time or on a 2/3 basis. 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 health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12.

The Ohio Revised Code provides that health care costs paid from the funds of the OP&F shall be included in the employers' contribution rate. The total police employer contribution rate is 19.5% of covered payroll and the total contribution rate for fire personnel is 24% of covered payroll, of which 7.0% is applied to the postemployment health care program. Health care funding and accounting is on a pay-as-you-go basis.

The total number of state-wide members of the OP&F who were eligible to receive health care benefits at December 31, 1998 (the latest information available) was 11,424 for police and 9,186 for fire personnel. The portion of the City's actual contribution to OP&F for 1999 that was used to fund postemployment benefits was \$147,844 for police and \$147,730 for fire personnel. OP&F's total health care expense for the year ended December 31, 1998 (the latest information available) was \$78,596,790.



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**CITY OF BARBERTON, OHIO****NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued****NOTE 14 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS**

The City maintains enterprise funds which provide water, sewer, sanitation and leisure time services. Segment information as of December 31, 1999 and for the year then ended for the Enterprise Funds is summarized below. The Other Enterprise Funds consists of the Solid Waste Disposal Fund and the Downtown Sales and Rental of Property Fund.

	Sewer	Water	Sewer Bond Retirement	Community Center	Other Enterprise Funds	Total
Operating Revenues	\$3,311,880	\$3,204,769	\$--	\$756,908	\$966,266	\$8,239,823
Depreciation	812,652	355,958	--	113,804	--	1,282,414
Operating Income (Loss)	213,184	385,517	--	31,354	13,310	643,365
Operating Transfers In	77,000	540,207	570,000	--	--	1,187,207
Operating Transfers Out	(647,000)	(540,207)	--	--	--	(1,187,207)
Net Income (Loss)	(260,412)	93,610	342,681	(35,763)	13,310	153,426
Restricted Assets	671,375	--	70,767	--	--	742,142
Acquisition and Construction of Assets	1,089,496	1,324,417	--	40,963	--	2,454,876
Net Working Capital	2,630,430	893,469	(433,352)	(737,117)	264,873	2,618,303
Total Assets	28,190,784	11,649,329	70,767	1,866,304	347,982	42,125,166
Bonds and Other Long-Term Liabilities Outstanding	676,031	2,864,190	2,882,364	500,000	--	6,922,585
Total Equity	24,930,249	6,793,341	(2,825,716)	672,258	264,923	29,835,055
Encumbrances Outstanding at December 31, 1999	955,165	936,807	--	19,603	79,441	1,991,016

**NOTE 15 - GRANT CONTINGENCIES AND LITIGATION**

Under the terms of the various federal grants, periodic audits are required where certain costs could be questioned as not being an eligible expenditure under the terms of the grant. At December 31, 1999, there were no questioned costs that had not been resolved with various federal agencies. Questioned costs could still be identified during audits to be conducted in the future. In the opinion of City officials, no material grant expenditures will be disallowed.

The City is party to various legal proceedings. The City's management is of the opinion that the ultimate outcome of such litigation will not result in a material adverse effect on the City's financial position.

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**CITY OF BARBERTON, OHIO****NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued****NOTE 16 - RISK MANAGEMENT**

The City is exposed to various risks of loss including employee health care costs, torts and legal judgments, errors and omissions, and damage or destruction of assets. The City purchases fire and extended coverage insurance on all buildings and contents to \$48,000,000 with a variety of deductibles beginning at \$500. Coverage is purchased on City vehicles for a combined single limit liability of \$1,000,000. The City purchases general liability insurance coverage with a \$1,000,000 limit per occurrence. The City also has an umbrella policy which provides an additional \$10,000,000 in coverage over the above listed policies. There were no changes in the insurance limits from the prior year and no settlements exceeded the insurance coverage in the last three years. The City is insured through the State of Ohio for workers' compensation.

The City has a Health Insurance Fund. The purpose of this fund is to pay medical, dental, prescription drug and vision claims for City employees and their covered dependents and minimize the total cost of annual medical insurance of the City. The plan is internally managed and accounted for as an internal service fund. The claim liability of \$131,953 reported in the Health Insurance Fund at December 31, 1999 is in accordance with the requirements of Governmental Accounting Standards Board Statement No. 10 which requires 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 claim liability at December 31, 1999 was calculated based on recent claim settlement trends including frequency and amount of pay-outs. Changes in the fund's claim liability amount during 1998 and 1999 were as follows:

	<u>Balance</u> <u>January 1</u>	<u>Current</u> <u>Period</u> <u>Claims</u>	<u>Claim</u> <u>Payments</u>	<u>Balance</u> <u>December 31</u>
1998	\$174,334	\$1,343,997	\$1,357,689	\$160,642
1999	160,642	1,421,701	1,450,390	131,953

**NOTE 17 - SUBSEQUENT EVENTS**

In April 2000, the City paid off its accrued liability to the Ohio Police and Fire Pension Fund (OP&F) under a special program which allowed entities to pay off their outstanding balance at a specified discount. The City received a total discount of \$338,685 under this program.

COMBINING AND ACCOUNT GROUP  
STATEMENTS AND SCHEDULES

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**CITY OF BARBERTON, OHIO**

**GENERAL FUND**

Description

The general fund accounts for all financial resources except those required to be accounted for in a separate fund.

## CITY OF BARBERTON, OHIO

Schedule of Revenues, Expenditures and Changes in Fund Balances -  
Budget and Actual (Non-GAAP Budgetary Basis) - General Fund  
For the Year Ended December 31, 1999

	General Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
Taxes	\$1,028,940	\$1,054,180	\$25,240
Intergovernmental	2,193,661	2,645,264	451,603
Charges for services	715,100	840,802	125,702
Fines, licenses and permits	258,190	228,865	(29,325)
Interest	450,500	588,650	138,150
Miscellaneous	252,698	925,153	672,455
Total Revenues	4,899,089	6,282,914	1,383,825
Expenditures:			
Current:			
General government:			
City council	179,245	172,056	7,189
Municipal court judges	325,385	295,642	29,743
Clerk of court	580,555	505,938	74,617
Mayor	166,977	162,360	4,617
Service director	125,879	117,422	8,457
Civil service commission	43,560	35,335	8,225
Finance department	324,177	316,169	8,008
Law department	347,836	308,104	39,732
Safety director	78,315	73,323	4,992
Human resources	162,633	151,178	11,455
Municipal buildings	474,320	450,583	23,737
Engineer	143,033	141,292	1,741
Probation	148,525	95,678	52,847
Other - unclassified	207,982	163,641	44,341
Total general government	3,308,422	2,988,721	319,701
Public safety:			
Police	3,997,001	3,804,538	192,463
Fire	3,301,568	3,207,517	94,051
Other - unclassified	84,500	80,299	4,201
Total public safety	7,383,069	7,092,354	290,715
Streets and highways:			
Paint/signal	321,460	305,760	15,700
Other - unclassified	15,200	13,871	1,329
Total streets and highways	336,660	319,631	17,029
Health and welfare:			
Other - unclassified	2,000	1,521	479
Total health and welfare	2,000	1,521	479
Community environment:			
Building	465,032	371,442	93,590
Planning	241,946	228,766	13,180
Total community environment	706,978	600,208	106,770

	General Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
Leisure time activities:			
Parks administration	190,660	174,113	16,547
Senior center	64,685	48,701	15,984
Recreation programs	137,950	129,459	8,491
Parks maintenance	391,158	366,401	24,757
Total leisure time activities	784,453	718,674	65,779
Capital outlay:			
City council	2,000	380	1,620
Municipal judges	23,000	20,600	2,400
Clerk of court	8,000	7,841	159
Service director	20,500	19,124	1,376
Finance department	16,799	15,749	1,050
Law department	5,500	5,126	374
Human resources	4,000	3,713	287
Municipal buildings	400,500	114,584	285,916
Probation	1,000	994	6
Police	808,737	766,062	42,675
Fire	214,745	210,741	4,004
Paint/signal	25,500	25,460	40
Building	2,000	2,000	--
Planning	3,500	3,500	--
Parks administration	9,000	8,984	16
Recreation programs	66,200	72,550	(6,350)
Parks maintenance	91,500	90,989	511
Other - unclassified	222,567	97,040	125,527
Total capital outlay	1,925,048	1,465,437	459,611
Debt service:			
Fiscal charges	5,000	--	5,000
 Total Expenditures	 14,451,630	 13,186,546	 1,265,084
Excess (Deficiency) of Revenues Over Expenditures	(9,552,541)	(6,903,632)	2,648,909
Other Financing Sources:			
Operating transfers in	6,950,000	6,950,000	--
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(2,602,541)	46,368	2,648,909
Fund Balance at Beginning of Year	2,678,213	2,678,213	--
Unexpended prior year encumbrances	20,903	20,903	--
Fund Balance at End of Year	\$96,575	\$2,745,484	\$2,648,909

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## CITY OF BARBERTON, OHIO

### SPECIAL REVENUE FUNDS

#### Description

Special revenue funds are used to account for types of resources (other than expendable trusts or for major capital projects) for which specific uses are mandated by City ordinances or Federal and State statutes. The title of each special revenue fund is descriptive of the activities accounted for therein. The special revenue funds are:

#### **Income Tax**

To account for income tax revenue and the expenses of administration. After operating expenses are deducted, the remaining amounts are allocated to various other funds in accordance with the current year budget.

#### **Street Construction, Maintenance and Repair**

Required by the Ohio Revised Code to account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City.

#### **State Highway Improvement**

Required by the Ohio Revised Code to account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of state highways within the City.

#### **Permissive License Tax**

Required by the Ohio Revised Code to account for local vehicle license fees designated for the maintenance of streets within the City. The majority of these funds are controlled by the county and limited to non-residential connector streets.

#### **Court Computer**

Required by the Ohio Revised Code to account for additional court fees designated for computerization of the municipal court and for the acquisition and maintenance of legal research services for the municipal court.

#### **Street and Storm Sewer Improvement**

Receives Income Tax revenue for the improvement of street and storm sewers within the City.

#### **Health District**

To account for revenues and expenditures of the City Health District utilized for delivering health and welfare services.

#### **Beautification**

To account for donations restricted for floral beautification projects within the City.

#### **Women, Infant, & Child Food Program**

To account for a federal grant received to provide dairy products to qualifying expectant mothers and children.

#### **Pre-natal Care Program**

To account for a federal grant received to provide prenatal care to qualifying expectant mothers.

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**CITY OF BARBERTON, OHIO****SPECIAL REVENUE FUNDS (continued)****Parks Revolving**

To account for parks and recreation user fees utilized for parks and recreation activities.

**Mandatory Drug Fines**

To account for fines received by the City that are restricted under the Ohio Revised Code to subsidizing law enforcement efforts that pertain to drug offenses.

**Law Enforcement Trust**

To account for proceeds from the sale of contraband that are restricted to subsidizing law enforcement efforts.

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

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

**Indigent Drivers Alcohol Treatment**

To account for fees and fines to be used for payment of the cost of attendance at an alcohol and drug addiction treatment program.

**Local Law Enforcement Block Grant**

To account for grant monies received from the U.S. Department of Justice to be used for specific law enforcement purposes.

**Community Development**

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

**Rental Rehabilitation**

To account for grant monies received from the Ohio Department of Development for the rehabilitation of rental property.

**Home Investment Partnership**

To account for monies received from the federal government under the National Affordable Housing Act, passed through the Ohio Department of Development, which are restricted to City-wide housing activities.

**Gas & Oil Royalties**

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

**Lake Cinema Complex Maintenance**

To account for the cost of maintaining a City-owned theater complex which is leased to a national cinema operator.

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**CITY OF BARBERTON, OHIO**

**SPECIAL REVENUE FUNDS** (continued)

**Tax Increment Financing**

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

**Infrastructure Improvement Reserve**

To account for monies received from the Income Tax Fund which are restricted for the purpose of funding infrastructure improvements identified in the City's Five-Year Capital Improvement Plan.

**Emergency Reserve for Public Facilities and Programs**

To account for monies received from the Income Tax Fund for the purpose of providing for the consistent delivery of public services in the case of a downturn in the City's economy.

**Police Pension**

To accumulate property taxes and other monies for the payment of the accrued liability for police disability and pension benefits.

**Fire Pension**

To accumulate property taxes and other monies for the payment of the accrued liability for fire disability and pension benefits.

**Sidewalk Improvement Program Fund**

To account for the City's Sidewalk Improvement Program whereby the City subsidizes the cost of replacing existing sidewalks for homeowners within the City.

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**CITY OF BARBERTON, OHIO**Combining Balance Sheet - Special Revenue Funds  
December 31, 1999

	Income Tax	Street Construction, Maintenance and Repair	State Highway Improvement	Permissive License Tax
<b>ASSETS</b>				
Assets:				
Equity in pooled cash and investments	\$67,689	\$247,977	\$5,348	\$--
Receivables (net, where applicable, of allowance for doubtful accounts)	1,296,881	--	--	--
Notes receivable	--	--	--	--
Due from other funds	--	--	--	--
Due from other governments	--	15,949	--	124,562
Total Assets	<u>\$1,364,570</u>	<u>\$263,926</u>	<u>\$5,348</u>	<u>\$124,562</u>
<b>LIABILITIES AND FUND EQUITY</b>				
Liabilities:				
Accounts payable	\$--	\$59,868	\$--	\$--
Accrued wages and benefits	2,504	26,362	--	--
Due to other governments	--	--	--	--
Deferred revenue	17,634	--	--	--
Advances from other funds	--	--	--	27,603
Total Liabilities	<u>20,138</u>	<u>86,230</u>	<u>--</u>	<u>27,603</u>
Equity:				
Fund balances:				
Reserved for encumbrances	11,905	78,059	--	17,808
Reserved for notes receivable	--	--	--	--
Unreserved, undesignated	1,332,527	99,637	5,348	79,151
Total Equity	<u>1,344,432</u>	<u>177,696</u>	<u>5,348</u>	<u>96,959</u>
Total Liabilities and Fund Equity	<u>\$1,364,570</u>	<u>\$263,926</u>	<u>\$5,348</u>	<u>\$124,562</u>

Court Computer	Street and Storm Sewer Improvement	Health District	Beautification	Women, Infant & Child Food Program	Pre-natal Care Program	Parks Revolving	Mandatory Drug Fines
\$49,293	\$251,381	\$247,110	\$41,636	\$44,857	\$26,396	\$41,686	\$4,962
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
4,210	--	--	--	--	--	--	--
--	--	4,132	--	--	--	--	--
<u>\$53,503</u>	<u>\$251,381</u>	<u>\$251,242</u>	<u>\$41,636</u>	<u>\$44,857</u>	<u>\$26,396</u>	<u>\$41,686</u>	<u>\$4,962</u>
\$--	\$15,310	\$2,290	\$10,560	\$--	\$1,000	\$--	\$--
--	--	6,127	2,405	574	1,498	--	--
--	--	1,156	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	15,310	9,573	12,965	574	2,498	--	--
41,482	141,856	34,411	9,486	90	300	4,200	400
--	--	--	--	--	--	--	--
12,021	94,215	207,258	19,185	44,193	23,598	37,486	4,562
53,503	236,071	241,669	28,671	44,283	23,898	41,686	4,962
<u>\$53,503</u>	<u>\$251,381</u>	<u>\$251,242</u>	<u>\$41,636</u>	<u>\$44,857</u>	<u>\$26,396</u>	<u>\$41,686</u>	<u>\$4,962</u>

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**CITY OF BARBERTON, OHIO**Combining Balance Sheet - Special Revenue Funds (Continued)  
December 31, 1999

	Law Enforcement Trust	D.A.R.E. Program	Indigent Drivers Alcohol Treatment	Local Law Enforcement Block Grant
<b>ASSETS</b>				
Assets:				
Equity in pooled cash and investments	\$10,364	\$20,211	\$226,428	\$8,501
Receivables (net, where applicable, of allowance for doubtful accounts)	--	--	--	--
Notes receivable	--	--	--	--
Due from other funds	--	--	2,744	--
Due from other governments	--	--	--	--
Total Assets	<u>\$10,364</u>	<u>\$20,211</u>	<u>\$229,172</u>	<u>\$8,501</u>
<b>LIABILITIES AND FUND EQUITY</b>				
Liabilities:				
Accounts payable	\$--	\$--	\$--	\$--
Accrued wages and benefits	--	--	--	--
Due to other governments	--	--	--	--
Deferred revenue	--	--	--	--
Advances from other funds	--	--	--	--
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Equity:				
Fund balances:				
Reserved for encumbrances	--	--	--	--
Reserved for notes receivable	--	--	--	--
Unreserved, undesignated	10,364	20,211	229,172	8,501
Total Equity	<u>10,364</u>	<u>20,211</u>	<u>229,172</u>	<u>8,501</u>
Total Liabilities and Fund Equity	<u>\$10,364</u>	<u>\$20,211</u>	<u>\$229,172</u>	<u>\$8,501</u>

<u>Community Development</u>	<u>Rental Rehab- ilitation</u>	<u>Home Investment Partnership</u>	<u>Gas &amp; Oil Royalties</u>	<u>Lake Cinema Complex Maintenance</u>	<u>Tax Increment Financing</u>	<u>Infrastructure Improvement Reserve</u>
\$146,664	\$2,000	\$--	\$101,359	\$121,132	\$3,183	\$836,507
--	--	--	--	--	--	--
490,039	--	267,000	--	--	--	--
--	--	--	--	--	--	--
--	--	13,600	--	--	--	--
<u>\$636,703</u>	<u>\$2,000</u>	<u>\$280,600</u>	<u>\$101,359</u>	<u>\$121,132</u>	<u>\$3,183</u>	<u>\$836,507</u>
\$28,549	\$--	\$26,395	\$--	\$--	\$--	\$--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
62,199	--	--	--	--	--	--
--	--	--	--	--	--	--
<u>90,748</u>	<u>--</u>	<u>26,395</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
666,392	--	--	89,940	2,906	--	--
427,840	--	267,000	--	--	--	--
(548,277)	2,000	(12,795)	11,419	118,226	3,183	836,507
<u>545,955</u>	<u>2,000</u>	<u>254,205</u>	<u>101,359</u>	<u>121,132</u>	<u>3,183</u>	<u>836,507</u>
<u>\$636,703</u>	<u>\$2,000</u>	<u>\$280,600</u>	<u>\$101,359</u>	<u>\$121,132</u>	<u>\$3,183</u>	<u>\$836,507</u>

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**CITY OF BARBERTON, OHIO**Combining Balance Sheet - Special Revenue Funds (Continued)  
December 31, 1999

	Emergency Reserve for Public Facilities and Programs	Police Pension	Fire Pension	Sidewalk Improvement Program
<b>ASSETS</b>				
Assets:				
Equity in pooled cash and investments	\$843,617	\$439,578	\$378,405	\$47,694
Receivables (net, where applicable, of allowance for doubtful accounts)	--	97,137	97,137	20,095
Notes receivable	--	--	--	--
Due from other funds	--	--	--	--
Due from other governments	--	--	--	--
Total Assets	<u>\$843,617</u>	<u>\$536,715</u>	<u>\$475,542</u>	<u>\$67,789</u>
<b>LIABILITIES AND FUND EQUITY</b>				
Liabilities:				
Accounts payable	\$--	\$--	\$--	\$--
Accrued wages and benefits	--	--	--	--
Due to other governments	--	--	--	--
Deferred revenue	--	97,137	97,137	20,095
Advances from other funds	--	--	--	--
Total Liabilities	<u>--</u>	<u>97,137</u>	<u>97,137</u>	<u>20,095</u>
Equity:				
Fund balances:				
Reserved for encumbrances	--	--	--	23,394
Reserved for notes receivable	--	--	--	--
Unreserved, undesignated	843,617	439,578	378,405	24,300
Total Equity	<u>843,617</u>	<u>439,578</u>	<u>378,405</u>	<u>47,694</u>
Total Liabilities and Fund Equity	<u>\$843,617</u>	<u>\$536,715</u>	<u>\$475,542</u>	<u>\$67,789</u>



Total

\$4,213,978

1,511,250

757,039

6,954

158,243

\$6,647,464

\$143,972

39,470

1,156

294,202

27,603

506,403

1,122,629

694,840

4,323,592

6,141,061

\$6,647,464

**CITY OF BARBERTON, OHIO**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -  
 Special Revenue Funds  
 For the Year Ended December 31, 1999

	Income Tax	Street Construction, Maintenance and Repair	State Highway Improvement	Permissive License Tax
<b>Revenues:</b>				
Taxes	\$10,308,084	\$--	\$--	\$--
Intergovernmental	--	670,120	37,959	179,425
Charges for services	--	--	--	--
Fines, licenses and permits	--	--	--	--
Interest	--	--	608	--
Miscellaneous	6,751	6,011	--	--
<b>Total Revenues</b>	<u>10,314,835</u>	<u>676,131</u>	<u>38,567</u>	<u>179,425</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	226,201	--	--	--
Public safety	--	--	--	--
Streets and highways	--	1,733,049	37,708	--
Health and welfare	--	--	--	--
Community environment	--	--	--	--
Leisure time activities	--	--	--	--
Capital outlay	912	124,654	--	164,036
<b>Debt service:</b>				
Principal	--	26,255	--	--
Interest and fiscal charges	--	3,209	--	--
<b>Total Expenditures</b>	<u>227,113</u>	<u>1,887,167</u>	<u>37,708</u>	<u>164,036</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>10,087,722</u>	<u>(1,211,036)</u>	<u>859</u>	<u>15,389</u>
<b>Other Financing Sources (Uses):</b>				
Operating transfers in	--	1,191,023	--	--
Operating transfers out	(10,245,285)	--	--	--
Capital lease financing	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<u>(10,245,285)</u>	<u>1,191,023</u>	<u>--</u>	<u>--</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<u>(157,563)</u>	<u>(20,013)</u>	<u>859</u>	<u>15,389</u>
<b>Fund Balance at Beginning of Year</b>	<u>1,501,995</u>	<u>197,709</u>	<u>4,489</u>	<u>81,570</u>
<b>Fund Balance at End of Year</b>	<u>\$1,344,432</u>	<u>\$177,696</u>	<u>\$5,348</u>	<u>\$96,959</u>

Court Computer	Street and Storm Sewer Improvement	Health District	Beautification	Women, Infant & Child Food Program	Pre-natal Care Program	Parks Revolving	Mandatory Drug Fines
\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--
--	--	203,228	22,142	214,205	91,354	9,094	--
--	--	87,503	--	--	54,611	19,108	--
52,246	--	55,359	--	--	--	--	1,684
--	--	--	--	--	--	--	--
--	60,241	65,744	49,133	--	11,878	28,696	--
52,246	60,241	411,834	71,275	214,205	157,843	56,898	1,684
15,850	--	--	--	--	--	--	--
--	--	--	--	--	--	--	60
--	60,000	--	--	--	--	--	--
--	--	962,952	--	197,943	205,491	--	--
--	--	--	--	--	--	--	--
--	--	--	286,711	--	--	37,436	--
143,120	531,270	33,919	20,696	--	1,568	7,572	5,800
15,000	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
173,970	591,270	996,871	307,407	197,943	207,059	45,008	5,860
(121,724)	(531,029)	(585,037)	(236,132)	16,262	(49,216)	11,890	(4,176)
--	360,000	510,734	213,000	--	12,000	--	--
--	--	--	--	--	--	--	--
15,000	--	--	--	--	--	--	--
15,000	360,000	510,734	213,000	--	12,000	--	--
(106,724)	(171,029)	(74,303)	(23,132)	16,262	(37,216)	11,890	(4,176)
160,227	407,100	315,972	51,803	28,021	61,114	29,796	9,138
\$53,503	\$236,071	\$241,669	\$28,671	\$44,283	\$23,898	\$41,686	\$4,962

**CITY OF BARBERTON, OHIO**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -  
 Special Revenue Funds (Continued)  
 For the Year Ended December 31, 1999

	Law Enforcement Trust	D.A.R.E. Program	Indigent Drivers Alcohol Treatment	Local Law Enforcement Block Grant
<b>Revenues:</b>				
Taxes	\$--	\$--	\$--	\$--
Intergovernmental	--	--	--	70,314
Charges for services	--	--	--	--
Fines, licenses and permits	2,988	--	52,835	--
Interest	--	--	--	3,876
Miscellaneous	--	12,176	--	--
<b>Total Revenues</b>	<b>2,988</b>	<b>12,176</b>	<b>52,835</b>	<b>74,190</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	--	--	--	--
Public safety	--	2,987	--	--
Streets and highways	--	--	--	--
Health and welfare	--	--	--	--
Community environment	--	--	--	--
Leisure time activities	--	--	--	--
Capital outlay	--	85	--	141,533
<b>Debt service:</b>				
Principal	--	--	--	--
Interest and fiscal charges	--	--	--	--
<b>Total Expenditures</b>	<b>--</b>	<b>3,072</b>	<b>--</b>	<b>141,533</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>2,988</b>	<b>9,104</b>	<b>52,835</b>	<b>(67,343)</b>
<b>Other Financing Sources (Uses):</b>				
Operating transfers in	--	--	--	14,532
Operating transfers out	--	--	--	--
Capital lease financing	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>14,532</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>2,988</b>	<b>9,104</b>	<b>52,835</b>	<b>(52,811)</b>
<b>Fund Balance at Beginning of Year</b>	<b>7,376</b>	<b>11,107</b>	<b>176,337</b>	<b>61,312</b>
<b>Fund Balance at End of Year</b>	<b>\$10,364</b>	<b>\$20,211</b>	<b>\$229,172</b>	<b>\$8,501</b>

Community Development	Rental Rehab- ilitation	Home Investment Partnership	Gas & Oil Royalties	Lake Cinema Complex Maintenance	Tax Increment Financing	Infrastructure Improvement Reserve
\$--	\$--	\$--	\$--	\$--	\$--	\$--
746,091	--	183,820	--	--	8,729	--
--	--	--	--	--	--	--
--	--	--	--	--	--	49,229
13,501	--	--	10,917	64,000	--	--
<u>759,592</u>	<u>--</u>	<u>183,820</u>	<u>10,917</u>	<u>64,000</u>	<u>8,729</u>	<u>49,229</u>
--	--	--	--	16,611	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
495,921	--	196,615	560	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	124,549
--	--	--	--	--	--	--
<u>495,921</u>	<u>--</u>	<u>196,615</u>	<u>560</u>	<u>16,611</u>	<u>--</u>	<u>124,549</u>
263,671	--	(12,795)	10,357	47,389	8,729	(75,320)
--	--	--	--	--	--	488,000
(133,365)	--	--	--	--	(14,723)	(340,000)
--	--	--	--	--	--	--
<u>(133,365)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(14,723)</u>	<u>148,000</u>
130,306	--	(12,795)	10,357	47,389	(5,994)	72,680
415,649	2,000	267,000	91,002	73,743	9,177	763,827
<u>\$545,955</u>	<u>\$2,000</u>	<u>\$254,205</u>	<u>\$101,359</u>	<u>\$121,132</u>	<u>\$3,183</u>	<u>\$836,507</u>

## CITY OF BARBERTON, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -  
Special Revenue Funds (Continued)  
For the Year Ended December 31, 1999

	Emergency Reserve for Public Facilities and Programs	Police Pension	Fire Pension	Sidewalk Improvement Program
<b>Revenues:</b>				
Taxes	\$--	\$87,664	\$87,664	\$--
Intergovernmental	--	10,286	10,286	--
Charges for services	--	--	--	--
Fines, licenses and permits	--	--	--	--
Interest	40,864	--	--	--
Miscellaneous	--	--	--	44,863
<b>Total Revenues</b>	<b>40,864</b>	<b>97,950</b>	<b>97,950</b>	<b>44,863</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	--	1,436	1,436	--
Public safety	--	25,990	34,101	--
Streets and highways	--	--	--	--
Health and welfare	--	--	--	--
Community environment	--	--	--	--
Leisure time activities	--	--	--	--
Capital outlay	--	--	--	104,613
<b>Debt service:</b>				
Principal	--	--	--	--
Interest and fiscal charges	--	--	--	--
<b>Total Expenditures</b>	<b>--</b>	<b>27,426</b>	<b>35,537</b>	<b>104,613</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>40,864</b>	<b>70,524</b>	<b>62,413</b>	<b>(59,750)</b>
<b>Other Financing Sources (Uses):</b>				
Operating transfers in	195,000	--	--	60,000
Operating transfers out	--	--	--	--
Capital lease financing	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<b>195,000</b>	<b>--</b>	<b>--</b>	<b>60,000</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>235,864</b>	<b>70,524</b>	<b>62,413</b>	<b>250</b>
<b>Fund Balance at Beginning of Year</b>	<b>607,753</b>	<b>369,054</b>	<b>315,992</b>	<b>47,444</b>
<b>Fund Balance at End of Year</b>	<b>\$843,617</b>	<b>\$439,578</b>	<b>\$378,405</b>	<b>\$47,694</b>

Total

\$10,483,412

2,457,053

161,222

165,112

94,577

373,911

13,735,287

261,534

63,138

1,830,757

1,366,386

693,096

324,147

1,404,327

41,255

3,209

5,987,849

7,747,438

3,044,289

(10,733,373)

15,000

(7,674,084)

73,354

6,067,707

\$6,141,061

**CITY OF BARBERTON, OHIO**

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget and Actual (Non-GAAP Budgetary Basis) - Special Revenue Funds  
 For the Year Ended December 31, 1999

	Income Tax			Street Construction, Maintenance and Repair		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>						
Taxes	\$10,170,000	\$10,191,601	\$21,601	\$--	\$--	\$--
Intergovernmental	--	--	--	660,000	665,200	5,200
Charges for services	--	--	--	--	--	--
Fines, licenses and permits	--	--	--	--	--	--
Interest	--	--	--	--	--	--
Miscellaneous	10,000	6,751	(3,249)	5,000	6,010	1,010
Total Revenues	10,180,000	10,198,352	18,352	665,000	671,210	6,210
<b>Expenditures:</b>						
Current:						
General government	237,966	228,675	9,291	--	--	--
Public safety	--	--	--	--	--	--
Streets and highways	--	--	--	1,803,681	1,747,843	55,838
Health and welfare	--	--	--	--	--	--
Community environment	--	--	--	--	--	--
Leisure time activities	--	--	--	--	--	--
Capital outlay	2,000	492	1,508	168,988	153,988	15,000
Total Expenditures	239,966	229,167	10,799	1,972,669	1,901,831	70,838
Excess (Deficiency) of Revenues Over Expenditures	9,940,034	9,969,185	29,151	(1,307,669)	(1,230,621)	77,048
<b>Other Financing Sources (Uses):</b>						
Operating transfers in	--	--	--	1,191,023	1,191,023	--
Operating transfers out	(10,245,285)	(10,245,285)	--	--	--	--
Total Other Financing Sources (Uses)	(10,245,285)	(10,245,285)	--	1,191,023	1,191,023	--
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(305,251)	(276,100)	29,151	(116,646)	(39,598)	77,048
Fund Balance (Deficit) at Beginning of Year	330,807	330,807	--	145,543	145,543	--
Unexpended prior year encumbrances	1,077	1,077	--	6,499	6,499	--
Fund Balance (Deficit) at End of Year	\$26,633	\$55,784	\$29,151	\$35,396	\$112,444	\$77,048



State Highway Improvement			Permissive License Tax			Court Computer		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--
35,000	37,959	2,959	180,000	59,015	(120,985)	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	48,000	53,133	5,133
450	608	158	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
<u>35,450</u>	<u>38,567</u>	<u>3,117</u>	<u>180,000</u>	<u>59,015</u>	<u>(120,985)</u>	<u>48,000</u>	<u>53,133</u>	<u>5,133</u>
--	--	--	--	--	--	17,000	15,850	1,150
--	--	--	--	--	--	--	--	--
37,810	37,708	102	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	165,000	165,000	--	183,363	183,363	--
<u>37,810</u>	<u>37,708</u>	<u>102</u>	<u>165,000</u>	<u>165,000</u>	<u>--</u>	<u>200,363</u>	<u>199,213</u>	<u>1,150</u>
(2,360)	859	3,219	15,000	(105,985)	(120,985)	(152,363)	(146,080)	6,283
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
(2,360)	859	3,219	15,000	(105,985)	(120,985)	(152,363)	(146,080)	6,283
4,489	4,489	--	60,406	60,406	--	153,391	153,391	--
--	--	--	168	168	--	500	500	--
<u>\$2,129</u>	<u>\$5,348</u>	<u>\$3,219</u>	<u>\$75,574</u>	<u>(\$45,411)</u>	<u>(\$120,985)</u>	<u>\$1,528</u>	<u>\$7,811</u>	<u>\$6,283</u>

**CITY OF BARBERTON, OHIO**

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget and Actual (Non-GAAP Budgetary Basis) - Special Revenue Funds (Continued)  
 For the Year Ended December 31, 1999

	Street and Storm Sewer Improvement			Health District		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>						
Taxes	\$--	\$--	\$--	\$--	\$--	\$--
Intergovernmental	--	--	--	199,331	199,096	(235)
Charges for services	--	--	--	74,475	87,503	13,028
Fines, licenses and permits	--	--	--	53,098	55,359	2,261
Interest	--	--	--	--	--	--
Miscellaneous	60,000	60,241	241	59,544	65,744	6,200
<b>Total Revenues</b>	<b>60,000</b>	<b>60,241</b>	<b>241</b>	<b>386,448</b>	<b>407,702</b>	<b>21,254</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	5,000	2,991	2,009	--	--	--
Public safety	--	--	--	--	--	--
Streets and highways	60,000	60,000	--	--	--	--
Health and welfare	--	--	--	1,153,476	973,529	179,947
Community environment	--	--	--	--	--	--
Leisure time activities	--	--	--	--	--	--
Capital outlay	594,944	550,033	44,911	42,510	36,199	6,311
<b>Total Expenditures</b>	<b>659,944</b>	<b>613,024</b>	<b>46,920</b>	<b>1,195,986</b>	<b>1,009,728</b>	<b>186,258</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(599,944)</b>	<b>(552,783)</b>	<b>47,161</b>	<b>(809,538)</b>	<b>(602,026)</b>	<b>207,512</b>
<b>Other Financing Sources (Uses):</b>						
Operating transfers in	360,000	360,000	--	510,734	510,734	--
Operating transfers out	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<b>360,000</b>	<b>360,000</b>	<b>--</b>	<b>510,734</b>	<b>510,734</b>	<b>--</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>(239,944)</b>	<b>(192,783)</b>	<b>47,161</b>	<b>(298,804)</b>	<b>(91,292)</b>	<b>207,512</b>
<b>Fund Balance (Deficit) at Beginning of Year</b>	<b>283,114</b>	<b>283,114</b>	<b>--</b>	<b>298,866</b>	<b>298,866</b>	<b>--</b>
<b>Unexpended prior year encumbrances</b>	<b>3,884</b>	<b>3,884</b>	<b>--</b>	<b>2,835</b>	<b>2,835</b>	<b>--</b>
<b>Fund Balance (Deficit) at End of Year</b>	<b>\$47,054</b>	<b>\$94,215</b>	<b>\$47,161</b>	<b>\$2,897</b>	<b>\$210,409</b>	<b>\$207,512</b>

Beautification			Women, Infant & Child Food Program			Pre-natal Care Program		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--
22,150	22,142	(8)	224,094	214,205	(9,889)	118,532	91,354	(27,178)
--	--	--	--	--	--	60,200	54,611	(5,589)
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
42,000	49,133	7,133	--	--	--	11,878	11,878	--
64,150	71,275	7,125	224,094	214,205	(9,889)	190,610	157,843	(32,767)
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	222,631	197,607	25,024	262,328	206,963	55,365
--	--	--	--	--	--	--	--	--
299,440	283,855	15,585	--	--	--	--	--	--
21,175	21,175	--	1,000	--	1,000	3,200	1,568	1,632
320,615	305,030	15,585	223,631	197,607	26,024	265,528	208,531	56,997
(256,465)	(233,755)	22,710	463	16,598	16,135	(74,918)	(50,688)	24,230
213,000	213,000	--	--	--	--	12,000	12,000	--
--	--	--	--	--	--	--	--	--
213,000	213,000	--	--	--	--	12,000	12,000	--
(43,465)	(20,755)	22,710	463	16,598	16,135	(62,918)	(38,688)	24,230
43,857	43,857	--	28,162	28,162	--	63,727	63,727	--
716	716	--	7	7	--	57	57	--
\$1,108	\$23,818	\$22,710	\$28,632	\$44,767	\$16,135	\$866	\$25,096	\$24,230

## CITY OF BARBERTON, OHIO

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -  
Budget and Actual (Non-GAAP Budgetary Basis) - Special Revenue Funds (Continued)  
For the Year Ended December 31, 1999

	Parks Revolving			Mandatory Drug Fines		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>						
Taxes	\$--	\$--	\$--	\$--	\$--	\$--
Intergovernmental	--	9,094	9,094	--	--	--
Charges for services	18,400	19,108	708	--	--	--
Fines, licenses and permits	--	--	--	3,000	1,684	(1,316)
Interest	--	--	--	--	--	--
Miscellaneous	27,600	28,696	1,096	--	--	--
Total Revenues	46,000	56,898	10,898	3,000	1,684	(1,316)
<b>Expenditures:</b>						
<b>Current:</b>						
General government	--	--	--	--	--	--
Public safety	--	--	--	500	460	40
Streets and highways	--	--	--	--	--	--
Health and welfare	--	--	--	--	--	--
Community environment	--	--	--	--	--	--
Leisure time activities	51,075	38,771	12,304	--	--	--
Capital outlay	8,919	7,572	1,347	5,800	5,800	--
Total Expenditures	59,994	46,343	13,651	6,300	6,260	40
Excess (Deficiency) of Revenues Over Expenditures	(13,994)	10,555	24,549	(3,300)	(4,576)	(1,276)
<b>Other Financing Sources (Uses):</b>						
Operating transfers in	--	--	--	--	--	--
Operating transfers out	--	--	--	--	--	--
Total Other Financing Sources (Uses)	--	--	--	--	--	--
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(13,994)	10,555	24,549	(3,300)	(4,576)	(1,276)
Fund Balance (Deficit) at Beginning of Year	26,902	26,902	--	9,138	9,138	--
Unexpended prior year encumbrances	29	29	--	--	--	--
Fund Balance (Deficit) at End of Year	\$12,937	\$37,486	\$24,549	\$5,838	\$4,562	(\$1,276)

Law Enforcement Trust			D.A.R.E. Program			Indigent Drivers Alcohol Treatment		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
500	2,988	2,488	--	--	--	55,000	53,904	(1,096)
--	--	--	--	--	--	--	--	--
--	--	--	5,000	12,176	7,176	--	--	--
500	2,988	2,488	5,000	12,176	7,176	55,000	53,904	(1,096)
--	--	--	--	--	--	50,000	--	50,000
--	--	--	4,500	2,987	1,513	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
2,900	--	2,900	4,200	--	4,200	--	--	--
2,900	--	2,900	8,700	2,987	5,713	50,000	--	50,000
(2,400)	2,988	5,388	(3,700)	9,189	12,889	5,000	53,904	48,904
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
(2,400)	2,988	5,388	(3,700)	9,189	12,889	5,000	53,904	48,904
7,376	7,376	--	10,620	10,620	--	172,524	172,524	--
--	--	--	402	402	--	--	--	--
\$4,976	\$10,364	\$5,388	\$7,322	\$20,211	\$12,889	\$177,524	\$226,428	\$48,904

## CITY OF BARBERTON, OHIO

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -  
Budget and Actual (Non-GAAP Budgetary Basis) - Special Revenue Funds (Continued)  
For the Year Ended December 31, 1999

	Local Law Enforcement Block Grant			Community Development		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>						
Taxes	\$--	\$--	\$--	\$--	\$--	\$--
Intergovernmental	70,000	70,314	314	2,655,339	746,091	(1,909,248)
Charges for services	--	--	--	--	--	--
Fines, licenses and permits	--	--	--	--	--	--
Interest	1,800	3,876	2,076	--	--	--
Miscellaneous	--	--	--	--	25,042	25,042
<b>Total Revenues</b>	<b>71,800</b>	<b>74,190</b>	<b>2,390</b>	<b>2,655,339</b>	<b>771,133</b>	<b>(1,884,206)</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	--	--	--	--	--	--
Public safety	--	--	--	--	--	--
Streets and highways	--	--	--	--	--	--
Health and welfare	--	--	--	--	--	--
Community environment	--	--	--	1,932,123	751,207	1,180,916
Leisure time activities	--	--	--	--	--	--
Capital outlay	146,975	141,533	5,442	--	--	--
<b>Total Expenditures</b>	<b>146,975</b>	<b>141,533</b>	<b>5,442</b>	<b>1,932,123</b>	<b>751,207</b>	<b>1,180,916</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(75,175)</b>	<b>(67,343)</b>	<b>7,832</b>	<b>723,216</b>	<b>19,926</b>	<b>(703,290)</b>
<b>Other Financing Sources (Uses):</b>						
Operating transfers in	14,532	14,532	--	--	--	--
Operating transfers out	--	--	--	(133,365)	(133,365)	--
<b>Total Other Financing Sources (Uses)</b>	<b>14,532</b>	<b>14,532</b>	<b>--</b>	<b>(133,365)</b>	<b>(133,365)</b>	<b>--</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>(60,643)</b>	<b>(52,811)</b>	<b>7,832</b>	<b>589,851</b>	<b>(113,439)</b>	<b>(703,290)</b>
<b>Fund Balance (Deficit) at Beginning of Year</b>	<b>61,312</b>	<b>61,312</b>	<b>--</b>	<b>(434,838)</b>	<b>(434,838)</b>	<b>--</b>
<b>Unexpended prior year encumbrances</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Fund Balance (Deficit) at End of Year</b>	<b>\$669</b>	<b>\$8,501</b>	<b>\$7,832</b>	<b>\$155,013</b>	<b>(\$548,277)</b>	<b>(\$703,290)</b>

Home Investment Partnership			Gas & Oil Royalties			Lake Cinema Complex Maintenance		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--
196,615	170,220	(26,395)	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
196,615	170,220	(26,395)	13,500	11,979	(1,521)	64,000	64,000	--
196,615	170,220	(26,395)	13,500	11,979	(1,521)	64,000	64,000	--
--	--	--	--	--	--	64,000	16,333	47,667
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	560	560	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	560	560	--	64,000	16,333	47,667
196,615	170,220	(26,395)	12,940	11,419	(1,521)	--	47,667	47,667
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
196,615	170,220	(26,395)	12,940	11,419	(1,521)	--	47,667	47,667
(196,615)	(196,615)	--	89,941	89,941	--	70,146	70,146	--
--	--	--	--	--	--	413	413	--
\$--	(\$26,395)	(\$26,395)	\$102,881	\$101,360	(\$1,521)	\$70,559	\$118,226	\$47,667

## CITY OF BARBERTON, OHIO

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -  
Budget and Actual (Non-GAAP Budgetary Basis) - Special Revenue Funds (Continued)  
For the Year Ended December 31, 1999

	Tax Increment Financing			Infrastructure Improvement Reserve		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>						
Taxes	\$--	\$--	\$--	\$--	\$--	\$--
Intergovernmental	9,700	8,729	(971)	--	--	--
Charges for services	--	--	--	--	--	--
Fines, licenses and permits	--	--	--	--	--	--
Interest	--	--	--	40,000	49,229	9,229
Miscellaneous	--	--	--	--	--	--
Total Revenues	9,700	8,729	(971)	40,000	49,229	9,229
<b>Expenditures:</b>						
<b>Current:</b>						
General government	--	--	--	--	--	--
Public safety	--	--	--	--	--	--
Streets and highways	--	--	--	--	--	--
Health and welfare	--	--	--	--	--	--
Community environment	--	--	--	--	--	--
Leisure time activities	--	--	--	--	--	--
Capital outlay	--	--	--	209,550	124,549	85,001
Total Expenditures	--	--	--	209,550	124,549	85,001
Excess (Deficiency) of Revenues Over Expenditures	9,700	8,729	(971)	(169,550)	(75,320)	94,230
<b>Other Financing Sources (Uses):</b>						
Operating transfers in	--	--	--	488,000	488,000	--
Operating transfers out	(14,723)	(14,723)	--	(340,000)	(340,000)	--
Total Other Financing Sources (Uses)	(14,723)	(14,723)	--	148,000	148,000	--
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(5,023)	(5,994)	(971)	(21,550)	72,680	94,230
Fund Balance (Deficit) at Beginning of Year	9,176	9,176	--	763,827	763,827	--
Unexpended prior year encumbrances	--	--	--	--	--	--
Fund Balance (Deficit) at End of Year	<u>\$4,153</u>	<u>\$3,182</u>	<u>(\$971)</u>	<u>\$742,277</u>	<u>\$836,507</u>	<u>\$94,230</u>



Emergency Reserve for Public Facilities and Programs			Police Pension			Fire Pension		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$--	\$--	\$--	\$84,688	\$87,664	\$--	\$84,688	\$87,664	\$2,976
--	--	--	10,201	10,286	85	10,201	10,286	85
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
24,000	40,864	16,864	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
24,000	40,864	16,864	94,889	97,950	85	94,889	97,950	3,061
--	--	--	--	--	--	--	--	--
--	--	--	2,500	1,436	1,064	2,500	1,436	1,064
--	--	--	25,990	25,990	--	34,101	34,101	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	28,490	27,426	1,064	36,601	35,537	1,064
24,000	40,864	16,864	66,399	70,524	1,149	58,288	62,413	4,125
195,000	195,000	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
195,000	195,000	--	--	--	--	--	--	--
219,000	235,864	16,864	66,399	70,524	1,149	58,288	62,413	4,125
607,753	607,753	--	369,054	369,054	--	315,992	315,992	--
--	--	--	--	--	--	--	--	--
<u>\$826,753</u>	<u>\$843,617</u>	<u>\$16,864</u>	<u>\$435,453</u>	<u>\$439,578</u>	<u>\$1,149</u>	<u>\$374,280</u>	<u>\$378,405</u>	<u>\$4,125</u>

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget and Actual (Non-GAAP Budgetary Basis) - Special Revenue Funds (Continued)  
 For the Year Ended December 31, 1999

	Sidewalk Improvement Program			Totals		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Taxes	\$--	\$--	\$--	\$10,339,376	\$10,366,929	\$27,553
Intergovernmental	--	--	--	4,391,163	2,313,991	(2,077,172)
Charges for services	--	--	--	153,075	161,222	8,147
Fines, licenses and permits	--	--	--	159,598	167,068	7,470
Interest	--	--	--	66,250	94,577	28,327
Miscellaneous	32,000	47,307	15,307	330,522	388,957	58,435
Total Revenues	32,000	47,307	15,307	15,439,984	13,492,744	(1,947,240)
Expenditures:						
Current:						
General government	--	--	--	378,966	266,721	112,245
Public safety	--	--	--	65,091	63,538	1,553
Streets and highways	--	--	--	1,901,491	1,845,551	55,940
Health and welfare	--	--	--	1,638,435	1,378,099	260,336
Community environment	--	--	--	1,932,683	751,767	1,180,916
Leisure time activities	--	--	--	350,515	322,626	27,889
Capital outlay	130,000	128,007	1,993	1,690,524	1,519,279	171,245
Total Expenditures	130,000	128,007	1,993	7,957,705	6,147,581	1,810,124
Excess (Deficiency) of Revenues Over Expenditures	(98,000)	(80,700)	17,300	7,482,279	7,345,163	(137,116)
Other Financing Sources (Uses):						
Operating transfers in	60,000	60,000	--	3,044,289	3,044,289	--
Operating transfers out	--	--	--	(10,733,373)	(10,733,373)	--
Total Other Financing Sources (Uses)	60,000	60,000	--	(7,689,084)	(7,689,084)	--
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(38,000)	(20,700)	17,300	(206,805)	(343,921)	(137,116)
Fund Balance (Deficit) at Beginning of Year	45,000	45,000	--	3,339,670	3,339,670	--
Unexpended prior year encumbrances	--	--	--	16,587	16,587	--
Fund Balance (Deficit) at End of Year	\$7,000	\$24,300	\$17,300	\$3,149,452	\$3,012,336	(\$137,116)

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## CITY OF BARBERTON, OHIO

### CAPITAL PROJECTS FUNDS

#### Description

Capital project funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). The capital projects funds are:

**Street Improvement**

To account for other financing sources segregated for street improvements.

**Issue 2 Improvement**

Required by the State to account for projects funded by Issue 2 money.

Combining Balance Sheet - Capital Projects Funds  
December 31, 1999

	<u>Street Improvement</u>	<u>Issue 2 Improvement</u>	<u>Total</u>
<b>ASSETS</b>			
Assets:			
Equity in pooled cash and investments	<u>\$340,780</u>	<u>\$34,033</u>	<u>\$374,813</u>
Total Assets	<u>\$340,780</u>	<u>\$34,033</u>	<u>\$374,813</u>
<b>FUND EQUITY</b>			
Equity:			
Fund balances:			
Unreserved, undesignated	<u>\$340,780</u>	<u>\$34,033</u>	<u>\$374,813</u>
Total Fund Equity	<u>\$340,780</u>	<u>\$34,033</u>	<u>\$374,813</u>

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -  
Capital Projects Funds  
For the Year Ended December 31, 1999

	<u>Street</u> <u>Improvement</u>	<u>Issue 2</u> <u>Improvement</u>	<u>Total</u>
Other Financing Sources:			
Operating transfers in	\$340,000	\$--	\$340,000
Total Other Financing Sources	<u>340,000</u>	<u>--</u>	<u>340,000</u>
Fund Balance at Beginning of Year	<u>780</u>	<u>34,033</u>	<u>34,813</u>
Fund Balance at End of Year	<u>\$340,780</u>	<u>\$34,033</u>	<u>\$374,813</u>

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget and Actual (Non-GAAP Budgetary Basis) - Capital Projects Funds  
 For the Year Ended December 31, 1999

	Street Improvement		
	Budget	Actual	Variance Favorable (Unfavorable)
Expenditures:			
Capital outlay	\$340,000	\$--	\$340,000
Total Expenditures	<u>340,000</u>	<u>--</u>	<u>340,000</u>
Other Financing Sources:			
Operating transfers in	340,000	340,000	--
Total Other Financing Sources	<u>340,000</u>	<u>340,000</u>	<u>--</u>
Excess of Other Financing Sources Over Expenditures	--	340,000	340,000
Fund Balance at Beginning of Year	<u>780</u>	<u>780</u>	<u>--</u>
Fund Balance at End of Year	<u>\$780</u>	<u>\$340,780</u>	<u>\$340,000</u>

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## CITY OF BARBERTON, OHIO

### ENTERPRISE FUNDS

#### Description

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered through user charges or (b) where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for either capital maintenance, public policy, management control, accountability or other purposes. The enterprise funds are:

#### **Water**

To account for the provision of water treatment and distribution to residential and commercial users within the City.

#### **Water Replacement and Improvement**

To account for monies restricted from the Water Fund to be used to replace obsolete and worn out equipment or to make other improvements to the City's water system or to pay debt service on the same.

#### **Sewer**

To account for sanitary sewer service provided to residential and commercial users within the City.

#### **Sewer Improvement Reserve**

To account for monies received from the Sewer Fund to be used to make up any deficiencies in the Sewer Bond Retirement Fund, to pay principal and interest on any notes issued to pay costs of improvement to the utility or any other lawful utility purpose.

#### **Sewer Replacement and Improvement**

To account for quarterly payments from the Sewer Fund to be used to make up deficiencies in the Sewer Bond Retirement Fund or for capital projects including replacing obsolete or worn out equipment or other improvements to the sewage system.

#### **Sewer Bond Retirement**

To account for monies received from the Sewer Fund for the retirement of principal and interest payments related to the Revenue Refunding Bonds.

#### **Sewer Bond Reserve**

Required by the City's Debt Indenture to hold the highest year's debt service requirement related to the Revenue Refunding Bonds.

#### **Solid Waste Disposal**

To account for refuse and recycling collection services provided to residential users within the City.

#### **Community Center**

To account for the revenues and expenses of an indoor natatorium and fitness center.

#### **Downtown Sales and Rental of Property**

To account for revenue received from sale of property and rental income. Monies are used for property maintenance and capital improvement to the downtown area.

# CITY OF BARBERTON, OHIO

Combining Balance Sheet - Enterprise Funds  
December 31, 1999

	Water	Water Replacement & Improvement	Sewer	Sewer Improvement Reserve
<b>ASSETS</b>				
Current Assets:				
Equity in pooled cash and investments	\$1,446,104	\$712,604	\$1,383,373	\$300,967
Receivables (net, where applicable, of allowance for doubtful accounts)	637,810	--	682,103	--
Inventory of supplies	252,222	--	29,120	--
Prepaid items	6,527	--	8,131	--
Restricted assets - cash and cash equivalents	--	--	--	--
<b>Total Current Assets</b>	<b>2,342,663</b>	<b>712,604</b>	<b>2,102,727</b>	<b>300,967</b>
Fixed Assets:				
Land and land improvement	850,719	--	25,242	--
Utility plant	6,360,253	524,581	33,045,079	44,368
Buildings, structures and improvements	6,574,054	--	1,502,670	--
Furniture, fixtures and equipment	708,038	--	1,007,929	--
	14,493,064	524,581	35,580,920	44,368
Less accumulated depreciation	(6,410,854)	(12,729)	(12,843,864)	(11,643)
<b>Net</b>	<b>8,082,210</b>	<b>511,852</b>	<b>22,737,056</b>	<b>32,725</b>
<b>Total Assets</b>	<b>\$10,424,873</b>	<b>\$1,224,456</b>	<b>\$24,839,783</b>	<b>\$333,692</b>
<b>LIABILITIES AND FUND EQUITY</b>				
Liabilities:				
Current Liabilities:				
Accounts payable	\$73,400	\$65,173	\$71,637	\$--
Accrued wages and benefits	275,269	--	220,884	--
Other liabilities	52,790	--	37,648	--
Due to other governments	8,858	--	2,660	--
Deferred revenue	11,641	--	18,094	--
Advance from other funds - general fund	--	--	--	--
Capital lease obligations - current portion	2,167	--	2,167	--
General obligation notes payable	1,502,500	--	1,572,500	--
General obligation bonds payable - current portion	170,000	--	--	--
Revenue refunding bonds payable - current portion	--	--	--	--
<b>Total Current Liabilities</b>	<b>2,096,625</b>	<b>65,173</b>	<b>1,925,590</b>	<b>--</b>
Long-Term Liabilities:				
Capital lease obligations	4,656	--	4,656	--
General obligation bonds payable	2,689,534	--	--	--
Revenue refunding bonds payable	--	--	--	--
<b>Total Long-Term Liabilities</b>	<b>2,694,190</b>	<b>--</b>	<b>4,656</b>	<b>--</b>
<b>Total Liabilities</b>	<b>4,790,815</b>	<b>65,173</b>	<b>1,930,246</b>	<b>--</b>
Fund Equity:				
Contributed capital	1,232,208	118,770	13,645,584	--
Retained earnings	4,401,850	1,040,513	9,263,953	333,692
<b>Total Fund Equity</b>	<b>5,634,058</b>	<b>1,159,283</b>	<b>22,909,537</b>	<b>333,692</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$10,424,873</b>	<b>\$1,224,456</b>	<b>\$24,839,783</b>	<b>\$333,692</b>



Sewer Replacement & Improvement	Sewer Bond Retirement	Sewer Bond Reserve	Solid Waste Disposal	Community Center	Downtown Sales and Rental of Property	Total
\$2,139,865	\$--	\$--	\$294,322	\$--	\$849	\$6,278,084
--	--	--	50,021	--	--	1,369,934
--	--	--	2,595	4,067	--	288,004
--	--	--	91	2,862	54	17,665
--	70,767	671,375	--	--	--	742,142
2,139,865	70,767	671,375	347,029	6,929	903	8,695,829
--	--	--	--	62,739	--	938,700
206,429	--	--	--	--	--	40,180,710
--	--	--	--	3,181,232	--	11,257,956
--	--	--	16,509	160,296	--	1,892,772
206,429	--	--	16,509	3,404,267	--	54,270,138
(360)	--	--	(16,459)	(1,544,892)	--	(20,840,801)
206,069	--	--	50	1,859,375	--	33,429,337
\$2,345,934	\$70,767	\$671,375	\$347,079	\$1,866,304	\$903	\$42,125,166
\$160,941	\$--	\$--	\$77,223	\$20,366	\$--	\$468,740
--	--	--	3,627	18,746	--	518,526
2,973	14,119	--	--	9,644	--	117,174
--	--	--	--	--	2,209	13,727
--	--	--	--	--	--	29,735
--	--	--	--	290	--	290
--	--	--	--	--	--	4,334
495,000	--	--	--	645,000	--	4,215,000
--	--	--	--	50,000	--	220,000
--	490,000	--	--	--	--	490,000
658,914	504,119	--	80,850	744,046	2,209	6,077,526
--	--	--	--	--	--	9,312
--	--	--	--	450,000	--	3,139,534
--	2,392,364	671,375	--	--	--	3,063,739
--	2,392,364	671,375	--	450,000	--	6,212,585
658,914	2,896,483	671,375	80,850	1,194,046	2,209	12,290,111
37,000	--	--	--	--	183,058	15,216,620
1,650,020	(2,825,716)	--	266,229	672,258	(184,364)	14,618,435
1,687,020	(2,825,716)	--	266,229	672,258	(1,306)	29,835,055
\$2,345,934	\$70,767	\$671,375	\$347,079	\$1,866,304	\$903	\$42,125,166

## CITY OF BARBERTON, OHIO

Combining Statement of Revenues, Expenses and Changes in Fund Equity -  
Enterprise Funds  
For the Year Ended December 31, 1999

	Water	Water Replacement & Improvement	Sewer	Sewer Improvement Reserve
<b>Operating Revenues:</b>				
Charges for sales and services	\$3,184,430	\$--	\$3,232,595	\$--
Other	20,339	--	79,285	--
<b>Total Operating Revenues</b>	<b>3,204,769</b>	<b>--</b>	<b>3,311,880</b>	<b>--</b>
<b>Operating Expenses:</b>				
Personal services	1,617,614	--	1,350,990	--
Contractual services	366,921	--	535,573	--
Materials and supplies	426,267	--	372,131	--
Depreciation	343,229	12,729	811,183	1,109
Other	52,492	--	27,350	--
<b>Total Operating Expenses</b>	<b>2,806,523</b>	<b>12,729</b>	<b>3,097,227</b>	<b>1,109</b>
<b>Operating Income (Loss)</b>	<b>398,246</b>	<b>(12,729)</b>	<b>214,653</b>	<b>(1,109)</b>
<b>Nonoperating Revenues (Expenses):</b>				
Interest income	--	--	96,668	13,934
Interest expense	(284,722)	--	(97,877)	--
Other	(7,185)	--	(5,314)	--
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(291,907)</b>	<b>--</b>	<b>(6,523)</b>	<b>13,934</b>
<b>Income (Loss) Before Operating Transfers</b>	<b>106,339</b>	<b>(12,729)</b>	<b>208,130</b>	<b>12,825</b>
Operating transfers in	50,000	490,207	--	77,000
Operating transfers out	(490,207)	(50,000)	(647,000)	--
<b>Net Income (Loss)</b>	<b>(333,868)</b>	<b>427,478</b>	<b>(438,870)</b>	<b>89,825</b>
<b>Retained Earnings (Deficit) at Beginning of Year</b>	<b>4,735,718</b>	<b>613,035</b>	<b>9,702,823</b>	<b>243,867</b>
<b>Retained Earnings (Deficit) at End of Year</b>	<b>4,401,850</b>	<b>1,040,513</b>	<b>9,263,953</b>	<b>333,692</b>
<b>Contributed Capital at Beginning of Year</b>	<b>1,232,208</b>	<b>118,770</b>	<b>13,645,584</b>	<b>--</b>
Capital Contributions	--	--	--	--
<b>Contributed Capital at End of Year</b>	<b>1,232,208</b>	<b>118,770</b>	<b>13,645,584</b>	<b>--</b>
<b>Fund Equity at End of Year</b>	<b>\$5,634,058</b>	<b>\$1,159,283</b>	<b>\$22,909,537</b>	<b>\$333,692</b>

Sewer Replacement & Improvement	Sewer Bond Retirement	Sewer Bond Reserve	Solid Waste Disposal	Community Center	Downtown Sales and Rental of Property	Total
\$--	\$--	\$--	\$966,189	\$734,415	\$--	\$8,117,629
--	--	--	77	22,493	--	122,194
--	--	--	966,266	756,908	--	8,239,823
--	--	--	43,732	297,425	--	3,309,761
--	--	--	900,269	239,504	109	2,042,376
--	--	--	4,297	73,719	--	876,414
360	--	--	--	113,804	--	1,282,414
--	--	--	840	1,102	3,709	85,493
360	--	--	949,138	725,554	3,818	7,596,458
(360)	--	--	17,128	31,354	(3,818)	643,365
91,751	30,730	--	--	--	--	233,083
(2,758)	(245,315)	--	--	(65,135)	--	(695,807)
--	(12,734)	--	--	(1,982)	--	(27,215)
88,993	(227,319)	--	--	(67,117)	--	(489,939)
88,633	(227,319)	--	17,128	(35,763)	(3,818)	153,426
--	570,000	--	--	--	--	1,187,207
--	--	--	--	--	--	(1,187,207)
88,633	342,681	--	17,128	(35,763)	(3,818)	153,426
1,561,387	(3,168,397)	--	249,101	708,021	(180,546)	14,465,009
1,650,020	(2,825,716)	--	266,229	672,258	(184,364)	14,618,435
37,000	--	--	--	--	183,058	15,216,620
--	--	--	--	--	--	--
37,000	--	--	--	--	183,058	15,216,620
<u>\$1,687,020</u>	<u>(\$2,825,716)</u>	<u>\$--</u>	<u>\$266,229</u>	<u>\$672,258</u>	<u>(\$1,306)</u>	<u>\$29,835,055</u>

## CITY OF BARBERTON, OHIO

Combining Statement of Cash Flows - Enterprise Funds  
For the Year Ended December 31, 1999

	Water	Water Replacement & Improvement	Sewer	Sewer Improvement Reserve
<b>Cash Flows from Operating Activities:</b>				
Cash received from customers	\$3,178,636	\$--	\$3,212,777	\$--
Cash payments to suppliers for goods and services	(781,919)	--	(905,788)	--
Cash payments to employees for services	(1,625,062)	--	(1,354,927)	--
Other operating revenues	20,339	--	79,285	--
Other operating expenses	(19,158)	--	(10,888)	--
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>772,836</b>	<b>--</b>	<b>1,020,459</b>	<b>--</b>
<b>Cash Flows from Noncapital Financing Activities:</b>				
Advance from other funds - general fund	--	--	--	--
Operating transfers from other funds	50,000	490,207	--	77,000
Operating transfers to other funds	(490,207)	(50,000)	(647,000)	--
<b>Net Cash Provided by (Used in) Noncapital Financing Activities</b>	<b>(440,207)</b>	<b>440,207</b>	<b>(647,000)</b>	<b>77,000</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Proceeds from sale of notes	1,502,500	--	1,572,500	--
Principal paid on debt	(1,439,167)	--	(1,894,167)	--
Interest paid on debt	(248,610)	--	(77,277)	--
Debt issue costs	(3,698)	--	(5,314)	--
Acquisition and construction of capital assets	(865,009)	(459,408)	(1,043,033)	--
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<b>(1,053,984)</b>	<b>(459,408)</b>	<b>(1,447,291)</b>	<b>--</b>
<b>Cash Flows from Investing Activities:</b>				
Interest on investments	--	--	96,668	13,934
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(721,355)</b>	<b>(19,201)</b>	<b>(977,164)</b>	<b>90,934</b>
Cash and Cash Equivalents at Beginning of Year	2,167,459	731,805	2,360,537	210,033
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$1,446,104</b>	<b>\$712,604</b>	<b>\$1,383,373</b>	<b>\$300,967</b>

Sewer Replacement & Improvement	Sewer Bond Retirement	Sewer Bond Reserve	Solid Waste Disposal	Community Center	Downtown Sales and Rental of Property	Total
\$--	\$--	\$--	\$963,670	\$734,415	\$--	\$8,089,498
--	--	--	(904,672)	(314,889)	(109)	(2,907,377)
--	--	--	(41,263)	(299,552)	--	(3,320,804)
--	--	--	77	22,493	--	122,194
--	--	--	--	(1,102)	(1,500)	(32,648)
--	--	--	17,812	141,365	(1,609)	1,950,863
--	--	--	--	290	--	290
--	570,000	--	--	--	--	1,187,207
--	--	--	--	--	--	(1,187,207)
--	570,000	--	--	290	--	290
495,000	--	--	--	645,000	--	4,215,000
--	(475,000)	--	--	(745,000)	--	(4,553,334)
--	(184,767)	--	--	(65,849)	--	(576,503)
--	(1,060)	--	--	(4,544)	--	(14,616)
(46,463)	--	--	--	(40,963)	--	(2,454,876)
448,537	(660,827)	--	--	(211,356)	--	(3,384,329)
91,751	30,730	--	--	--	--	233,083
540,288	(60,097)	--	17,812	(69,701)	(1,609)	(1,200,093)
1,599,577	130,864	671,375	276,510	69,701	2,458	8,220,319
<u>\$2,139,865</u>	<u>\$70,767</u>	<u>\$671,375</u>	<u>\$294,322</u>	<u>\$--</u>	<u>\$849</u>	<u>\$7,020,226</u>

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**CITY OF BARBERTON, OHIO**Combining Statement of Cash Flows - Enterprise Funds (Continued)  
For the Year Ended December 31, 1999

	Water	Water Replacement & Improvement	Sewer	Sewer Improvement Reserve
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Operating Income (Loss)	\$398,246	(\$12,729)	\$214,653	(\$1,109)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Depreciation	343,229	12,729	811,183	1,109
Increase (decrease) due to change in:				
Accounts receivable	(5,505)	--	(18,973)	--
Inventory of supplies	24,516	--	(3,336)	--
Prepaid items	(2)	--	(98)	--
Accounts payable	22,977	--	24,144	--
Accrued wages and benefits	(7,448)	--	(3,937)	--
Other	(3,177)	--	(3,177)	--
Total Adjustments	<u>374,590</u>	<u>12,729</u>	<u>805,806</u>	<u>1,109</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$772,836</u>	<u>\$--</u>	<u>\$1,020,459</u>	<u>\$--</u>

**Noncash Investing, Capital and Financing Activities:**

Enterprise capital assets of \$229,159 were included in accounts payable as of December 31, 1999; Enterprise capital assets of \$13,646 were acquired through a capital lease during 1999.

Sewer Replacement & Improvement	Sewer Bond Retirement	Sewer Bond Reserve	Solid Waste Disposal	Community Center	Downtown Sales and Rental of Property	Total
(\$360)	\$--	\$--	\$17,128	\$31,354	(\$3,818)	\$643,365
360	--	--	--	113,804	--	1,282,414
--	--	--	(2,393)	--	--	(26,871)
--	--	--	3,036	(651)	--	23,565
--	--	--	--	(2)	--	(102)
--	--	--	(2,428)	(1,013)	2,209	45,889
--	--	--	2,469	(2,127)	--	(11,043)
--	--	--	--	--	--	(6,354)
360	--	--	684	110,011	2,209	1,307,498
\$--	\$--	\$--	\$17,812	\$141,365	(\$1,609)	\$1,950,863

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## CITY OF BARBERTON, OHIO

### INTERNAL SERVICE FUNDS

#### Description

Internal service funds are used to account for the financing of goods or services provided by one department of the City to other departments of the City on a cost reimbursement basis. The title of the fund indicates the type of service provided. The internal service funds are:

**Health Insurance**

To account for the cost of medical benefits provided to the City's employees.

**General Liability**

To account for the cost of public liability claims.

**Severance Pay**

To account for the cost of severance pay for employees retiring in the current year.

**Internal Cost Allocation**

To account for the cost of postage and gasoline used by City departments.

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**CITY OF BARBERTON, OHIO**Combining Balance Sheet - Internal Service Funds  
December 31, 1999

	<u>Health Insurance</u>	<u>General Liability</u>	<u>Severance Pay</u>	<u>Internal Cost Allocation</u>
<b>ASSETS</b>				
Assets:				
Equity in pooled cash and investments	\$935,895	\$16,148	\$243,791	\$2,233
Accounts receivable	21,920	--	--	3,270
Total Assets	<u>\$957,815</u>	<u>\$16,148</u>	<u>\$243,791</u>	<u>\$5,503</u>
<b>LIABILITIES AND FUND EQUITY</b>				
Liabilities:				
Current Liabilities:				
Accounts payable	\$131,953	\$--	\$--	\$10,925
Accrued wages and benefits	--	--	72,125	--
Other liabilities	--	1,311	--	--
General obligation bonds payable - current portion	--	80,000	--	--
Total Current Liabilities	<u>131,953</u>	<u>81,311</u>	<u>72,125</u>	<u>10,925</u>
Long-Term Liabilities:				
General obligation bonds payable	--	169,075	--	--
Total Long-Term Liabilities	<u>--</u>	<u>169,075</u>	<u>--</u>	<u>--</u>
Total Liabilities	<u>131,953</u>	<u>250,386</u>	<u>72,125</u>	<u>10,925</u>
Fund Equity:				
Retained earnings	825,862	(234,238)	171,666	(5,422)
Total Fund Equity	<u>825,862</u>	<u>(234,238)</u>	<u>171,666</u>	<u>(5,422)</u>
Total Liabilities and Fund Equity	<u>\$957,815</u>	<u>\$16,148</u>	<u>\$243,791</u>	<u>\$5,503</u>

Total

\$1,198,067  
25,190

\$1,223,257

\$142,878  
72,125  
1,311  
80,000

296,314

169,075

169,075

465,389

757,868

757,868

\$1,223,257

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**CITY OF BARBERTON, OHIO**

Combining Statement of Revenues, Expenses and Changes in Fund Equity -  
Internal Service Funds  
For the Year Ended December 31, 1999

	<u>Health Insurance</u>	<u>General Liability</u>	<u>Severance Pay</u>	<u>Internal Cost Allocation</u>
Operating Revenues:				
Charges for sales and services	\$1,483,202	\$--	\$287,093	\$157,475
Other	116,383	--	--	--
Total Operating Revenues	<u>1,599,585</u>	<u>--</u>	<u>287,093</u>	<u>157,475</u>
Operating Expenses:				
Personal services	--	--	220,310	--
Contractual services	1,566,353	1,146	--	--
Materials and supplies	--	--	--	173,573
Total Operating Expenses	<u>1,566,353</u>	<u>1,146</u>	<u>220,310</u>	<u>173,573</u>
Operating Income (Loss)	<u>33,232</u>	<u>(1,146)</u>	<u>66,783</u>	<u>(16,098)</u>
Nonoperating Revenues (Expenses):				
Interest income	--	2,989	--	--
Interest and fiscal charges	--	(21,129)	--	--
Total Nonoperating Revenues (Expenses)	<u>--</u>	<u>(18,140)</u>	<u>--</u>	<u>--</u>
Income (Loss) Before Operating Transfers	<u>33,232</u>	<u>(19,286)</u>	<u>66,783</u>	<u>(16,098)</u>
Operating transfers in	<u>--</u>	<u>89,753</u>	<u>--</u>	<u>--</u>
Net Income (Loss)	<u>33,232</u>	<u>70,467</u>	<u>66,783</u>	<u>(16,098)</u>
Fund Equity (Deficit) at Beginning of Year	<u>792,630</u>	<u>(304,705)</u>	<u>104,883</u>	<u>10,676</u>
Fund Equity (Deficit) at End of Year	<u>\$825,862</u>	<u>(\$234,238)</u>	<u>\$171,666</u>	<u>(\$5,422)</u>

Total

\$1,927,770

116,383

---

2,044,153

220,310

1,567,499

173,573

---

1,961,382

---

82,771

2,989

(21,129)

---

(18,140)

64,631

---

89,753

154,384

---

603,484

---

\$757,868

---

**CITY OF BARBERTON, OHIO**Combining Statement of Cash Flows - Internal Service Funds  
For the Year Ended December 31, 1999

	Health Insurance	General Liability	Severance Pay	Internal Cost Allocation
<b>Cash Flows from Operating Activities:</b>				
Cash received from customers	\$1,483,202	\$--	\$287,093	\$158,640
Cash payments to suppliers for goods and services	(1,595,042)	(1,146)	--	(165,560)
Cash payments to employees for services	--	--	(235,117)	--
Other operating revenues	95,549	--	--	--
Net Cash Provided by (Used in) Operating Activities	(16,291)	(1,146)	51,976	(6,920)
<b>Cash Flows from Noncapital Financing Activities:</b>				
Principal paid on debt	--	(75,000)	--	--
Interest paid on debt	--	(19,753)	--	--
Operating transfers from other funds	--	89,753	--	--
Net Cash Provided by (Used in) Noncapital Financing Activities	--	(5,000)	--	--
<b>Cash Flows from Investing Activities:</b>				
Interest on investments	--	2,989	--	--
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(16,291)	(3,157)	51,976	(6,920)
Cash and Cash Equivalents at Beginning of Year	952,186	19,305	191,815	9,153
Cash and Cash Equivalents at End of Year	<u>\$935,895</u>	<u>\$16,148</u>	<u>\$243,791</u>	<u>\$2,233</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:</b>				
Operating Income (Loss)	\$33,232	(\$1,146)	\$66,783	(\$16,098)
<b>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:</b>				
Increase (decrease) due to change in:				
Accounts receivable	(20,834)	--	--	1,165
Accounts payable	(28,689)	--	--	8,013
Accrued wages and benefits	--	--	(14,807)	--
Total Adjustments	(49,523)	--	(14,807)	9,178
Net Cash Provided by (Used in) Operating Activities	<u>(\$16,291)</u>	<u>(\$1,146)</u>	<u>\$51,976</u>	<u>(\$6,920)</u>

Total

\$1,928,935

(1,761,748)

(235,117)

95,549

27,619

(75,000)

(19,753)

89,753

(5,000)

2,989

25,608

1,172,459

\$1,198,067

\$82,771

(19,669)

(20,676)

(14,807)

(55,152)

\$27,619

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**CITY OF BARBERTON, OHIO****TRUST AND AGENCY FUNDS**

## Description

Trust and agency funds are used to account for assets held by the City in a trustee capacity and/or as an agent for individuals, private organizations, other governmental units and/or other funds. These include (a) expendable trust funds and (b) agency funds.

**EXPENDABLE TRUST FUNDS****Trust**

To account for refundable deposits.

**Senior Center Trust**

To account for monies received and expended for Senior Center operations.

**Eathel Gottwalt**

To account for monies received as a bequest from the named decedent to be used for establishing and maintaining floral arrangements around Lake Anna with a request for a suitable marker of acknowledgment.

**AGENCY FUNDS****Municipal Court**

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

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**CITY OF BARBERTON, OHIO**Combining Balance Sheet - All Fiduciary Funds  
December 31, 1999

	Expendable Trust Funds			Agency Fund
	Trust	Senior Center Trust	Eathel Gottwalt	Municipal Court
<b>ASSETS</b>				
Assets:				
Equity in pooled cash and investments	\$50,401	\$55,121	\$9,021	\$--
Cash and cash equivalents - segregated accounts	--	--	--	153,081
Total Assets	<u>\$50,401</u>	<u>\$55,121</u>	<u>\$9,021</u>	<u>\$153,081</u>
<b>LIABILITIES AND FUND EQUITY</b>				
Liabilities:				
Due to other funds	\$--	\$--	\$--	\$81,430
Due to other governments	--	--	--	64,745
Amounts held as fiduciary	--	--	--	6,906
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>153,081</u>
Fund Equity:				
Fund balances:				
Reserved for encumbrances	--	1,100	--	--
Unreserved, undesignated	50,401	54,021	9,021	--
Total Fund Equity	<u>50,401</u>	<u>55,121</u>	<u>9,021</u>	<u>--</u>
Total Liabilities and Fund Equity	<u>\$50,401</u>	<u>\$55,121</u>	<u>\$9,021</u>	<u>\$153,081</u>

Total

\$114,543

153,081

\$267,624

\$81,430

64,745

6,906

153,081

1,100

113,443

114,543

\$267,624

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -  
 Expendable Trust Funds  
 For the Year Ended December 31, 1999

	Trust	Senior Center Trust	Eathel Gottwalt Trust	Total
Revenues:				
Interest	\$--	\$2,457	\$--	\$2,457
Miscellaneous	13,408	26,317	--	39,725
Total Revenues	<u>13,408</u>	<u>28,774</u>	<u>--</u>	<u>42,182</u>
Expenditures:				
Current:				
General government	23,223	--	--	23,223
Leisure time activities	--	18,013	--	18,013
Total Expenditures	<u>23,223</u>	<u>18,013</u>	<u>--</u>	<u>41,236</u>
Excess (Deficiency) of Revenues Over Expenditures	(9,815)	10,761	--	946
Fund Balance at Beginning of Year	<u>60,216</u>	<u>44,360</u>	<u>9,021</u>	<u>113,597</u>
Fund Balance at End of Year	<u>\$50,401</u>	<u>\$55,121</u>	<u>\$9,021</u>	<u>\$114,543</u>

Combining Statement of Changes in Assets and Liabilities -  
 Agency Fund  
 For the Year Ended December 31, 1999

	January 1, 1999	Additions	Deductions	December 31, 1999
<b>Municipal Court</b>				
Assets:				
Cash and cash equivalents - segregated accounts	\$183,064	\$--	(\$29,983)	\$153,081
Total Assets	<u>\$183,064</u>	<u>\$--</u>	<u>(\$29,983)</u>	<u>\$153,081</u>
Liabilities:				
Due to other funds	\$85,752	\$81,430	(\$85,752)	\$81,430
Due to other governments	69,006	64,745	(69,006)	64,745
Amounts held as fiduciary	28,306	6,906	(28,306)	6,906
Total Liabilities	<u>\$183,064</u>	<u>\$153,081</u>	<u>(\$183,064)</u>	<u>\$153,081</u>

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**CITY OF BARBERTON, OHIO**

**ACCOUNT GROUP SCHEDULES**

Description

**General Fixed Assets Account Group**

To account for the general fixed assets of the City other than those accounted for in the proprietary funds.

Comparative Schedule of General Fixed Assets - By Source  
 December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
General Fixed Assets:		
Land and land improvements	\$2,230,641	\$2,173,798
Buildings, structures and improvements	4,991,409	4,942,894
Machinery and equipment	<u>6,090,290</u>	<u>5,731,739</u>
Total General Fixed Assets	<u>\$13,312,340</u>	<u>\$12,848,431</u>

Investment in General Fixed Assets by Source:

General fund	\$7,222,680	\$6,937,704
Special revenue funds	3,385,274	3,206,341
Capital project funds	2,641,017	2,641,017
Expendable trust funds	<u>63,369</u>	<u>63,369</u>
Total Investment in General Fixed Assets	<u>\$13,312,340</u>	<u>\$12,848,431</u>



Schedule of General Fixed Assets - By Function and Activity  
December 31, 1999

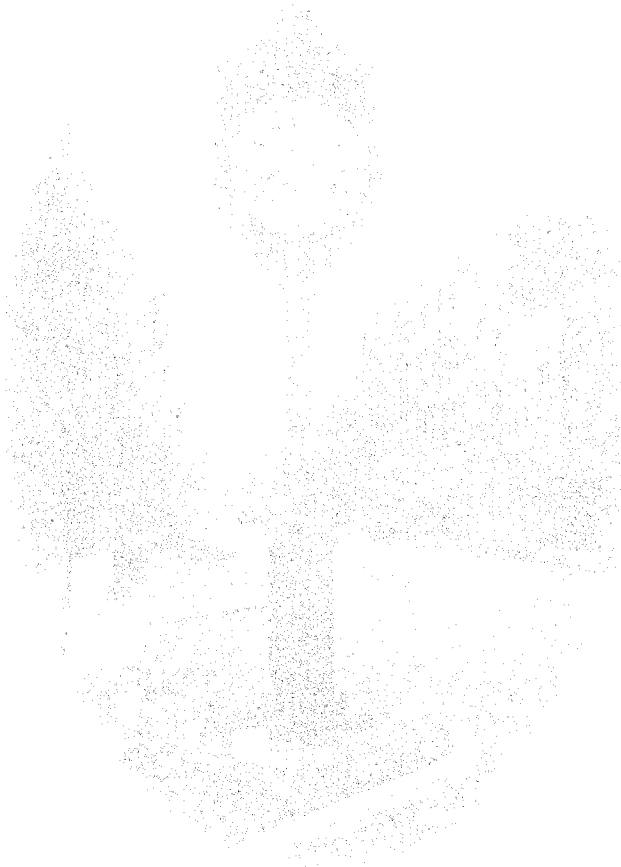
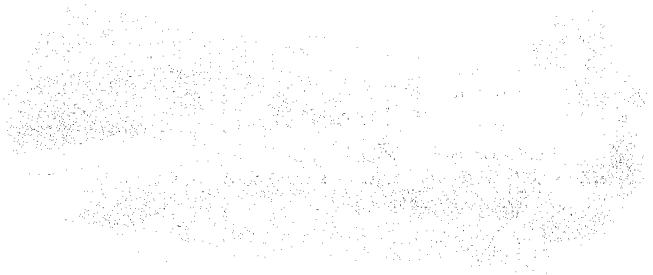
<u>Function and Activity</u>	<u>Land and Land Improvements</u>	<u>Buildings, Structures and Improvements</u>	<u>Machinery and Equipment</u>	<u>Total</u>
General Government:				
Municipal court	\$--	\$--	\$120,716	\$120,716
Finance administration	--	--	42,575	42,575
Safety/personnel administration	--	--	86,242	86,242
Engineering	--	--	48,250	48,250
Land and buildings	561,565	1,441,578	291,807	2,294,950
Other	29,084	--	97,926	127,010
<b>Total General Government</b>	<b>590,649</b>	<b>1,441,578</b>	<b>687,516</b>	<b>2,719,743</b>
Public Safety:				
Police protection	--	4,885	756,167	761,052
Fire safety	23,560	1,031,447	1,515,070	2,570,077
<b>Total Public Safety</b>	<b>23,560</b>	<b>1,036,332</b>	<b>2,271,237</b>	<b>3,331,129</b>
Streets and Highways:				
Street maintenance and repair	83,645	334,132	1,765,069	2,182,846
Health and Welfare:				
Health department	--	125,231	306,428	431,659
Community Environment:				
Building inspection	--	--	36,950	36,950
Planning	743,923	1,663,600	566,726	2,974,249
<b>Total Community Environment</b>	<b>743,923</b>	<b>1,663,600</b>	<b>603,676</b>	<b>3,011,199</b>
Culture and Recreation:				
Parks and recreation	788,864	390,536	456,364	1,635,764
<b>Total General Fixed Assets</b>	<b>\$2,230,641</b>	<b>\$4,991,409</b>	<b>\$6,090,290</b>	<b>\$13,312,340</b>

Schedule of Changes in General Fixed Assets - By Function and Activity  
For the Year Ended December 31, 1999

<u>Function and Activity</u>	<u>January 1, 1999</u>	<u>Additions</u>	<u>Deductions</u>	<u>December 31, 1999</u>
General Government:				
Municipal court	\$176,960	\$77,957	\$134,201	\$120,716
Finance administration	42,575	--	--	42,575
Safety/personnel administration	99,916	19,566	33,240	86,242
Engineering	63,125	--	14,875	48,250
Land and buildings	2,042,460	252,490	--	2,294,950
Other	86,987	40,023	--	127,010
Total General Government	<u>2,512,023</u>	<u>390,036</u>	<u>182,316</u>	<u>2,719,743</u>
Public Safety:				
Police protection	639,360	174,274	52,582	761,052
Fire safety	2,655,024	37,808	122,755	2,570,077
Total Public Safety	<u>3,294,384</u>	<u>212,082</u>	<u>175,337</u>	<u>3,331,129</u>
Streets and Highways:				
Street maintenance and repair	2,142,307	82,567	42,028	2,182,846
Health and Welfare:				
Health department	388,931	42,728	--	431,659
Community Environment:				
Building inspection	36,950	--	--	36,950
Planning	2,974,249	--	--	2,974,249
Total Community Environment	<u>3,011,199</u>	<u>--</u>	<u>--</u>	<u>3,011,199</u>
Culture and Recreation:				
Parks and recreation	1,499,587	136,177	--	1,635,764
Total General Fixed Assets	<u>\$12,848,431</u>	<u>\$863,590</u>	<u>\$399,681</u>	<u>\$13,312,340</u>



*city of Barberton*



*Statistical  
Section*

**GOVERNMENTAL AND EXPENDABLE TRUST FUND REVENUES BY SOURCE  
LAST TEN YEARS**

	1990	1991	1992	1993	1994
Taxes	\$8,158,283	\$8,474,932	\$8,843,393	\$9,065,715	\$9,572,459
Intergovernmental	2,806,169	3,020,636	3,344,890	3,462,780	4,349,917
Charges for services	406,613	417,938	502,210	706,601	755,763
Fines, licenses & permits	336,650	334,146	405,931	434,409	433,460
Interest	387,431	299,536	271,813	242,256	269,682
Miscellaneous	645,700	229,523	295,018	285,287	691,429
<b>Total</b>	<b>\$12,740,846</b>	<b>\$12,776,711</b>	<b>\$13,663,255</b>	<b>\$14,197,048</b>	<b>\$16,072,710</b>
	1995	1996	1997	1998	1999
Taxes	\$9,884,660	\$9,919,755	\$10,580,497	\$11,052,493	\$11,539,292
Intergovernmental	5,269,647	3,936,699	4,723,561	5,138,030	5,102,726
Charges for services	788,802	836,352	980,880	875,045	1,003,184
Fines, licenses & permits	405,287	446,520	463,223	425,163	394,210
Interest	391,794	449,786	598,645	671,503	640,684
Miscellaneous	450,014	360,208	685,536	1,782,736	1,402,304
<b>Total</b>	<b>\$17,190,204</b>	<b>\$15,949,320</b>	<b>\$18,032,342</b>	<b>\$19,944,970</b>	<b>\$20,082,400</b>

Note: The amounts displayed in Table 1 were determined in accordance with generally accepted accounting principles.

**GOVERNMENTAL AND EXPENDABLE TRUST FUND EXPENDITURES BY FUNCTION  
LAST TEN YEARS**

	1990	1991	1992	1993	1994
General government	\$2,415,772	\$2,632,831	\$2,493,617	\$2,505,980	\$2,578,975
Public safety	5,240,106	5,266,544	5,608,209	5,657,298	5,793,434
Streets & highways	1,379,521	1,324,329	1,373,808	1,391,831	1,386,613
Health & welfare	660,596	660,179	695,651	766,024	845,956
Community environment	1,400,680	1,053,434	1,309,391	1,114,424	1,568,348
Leisure time activities	664,339	493,130	583,597	558,706	566,100
Capital outlay	921,237	1,320,516	649,958	1,193,823	822,217
Debt service	325,077	291,455	307,637	277,546	387,519
<b>Total</b>	<b>\$13,007,328</b>	<b>\$13,042,418</b>	<b>\$13,021,868</b>	<b>\$13,465,632</b>	<b>\$13,949,162</b>
	1995	1996	1997	1998	1999
General government	\$2,737,476	\$2,807,536	\$2,949,337	\$3,088,959	\$3,218,512
Public safety	5,877,806	6,127,709	6,742,610	6,833,018	7,079,716
Streets & highways	1,628,066	1,895,962	1,942,627	1,885,677	2,147,045
Health & welfare	934,327	999,829	1,125,893	1,221,085	1,367,907
Community environment	3,916,053	1,635,883	1,434,088	1,258,721	1,287,598
Leisure time activities	637,826	623,502	794,608	991,733	1,039,420
Capital outlay	2,252,210	1,428,997	2,038,957	2,018,411	2,945,187
Debt service	485,806	382,597	744,697	423,246	602,767
<b>Total</b>	<b>\$18,469,570</b>	<b>\$15,902,015</b>	<b>\$17,772,817</b>	<b>\$17,720,850</b>	<b>\$19,688,152</b>

Note: The amounts displayed in Table 2 were determined in accordance with generally accepted accounting principles.

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

Collection Year	Real Property		Public Utility Property Assessed Value	Personal Tangible Property Assessed Value	Total Assessed Value
	Estimated Value	Assessed Value			
1990	\$406,293,286	\$142,202,650	\$19,883,990	\$46,410,962	\$208,497,602
1991	470,840,314	164,794,110	21,477,310	44,173,560	230,444,980
1992	475,545,085	166,440,780	21,672,390	43,902,818	232,015,988
1993	481,253,857	168,438,850	22,075,580	39,356,446	229,870,876
1994	530,282,627	187,720,050	22,386,910	41,615,396	251,722,356
1995	544,938,857	190,728,600	22,237,610	44,345,572	257,311,782
1996	553,334,029	193,666,910	19,975,950	48,479,382	262,122,242
1997	653,428,629	228,700,020	19,722,570	52,932,255	301,354,845
1998	678,247,829	237,386,740	19,365,010	52,047,203	308,798,953
1999	696,610,286	243,813,600	19,436,410	61,223,799	324,473,809

Source: Summit County Auditor

Note: The current assessed valuation is computed at approximately the following percentages of estimated value: real property 35% public utilities 100% and tangible personal property 25%.

Table 4

**PROPERTY TAX RATES  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN YEARS**

Collection Year	City Levy	County Levy	School Levy (1)	AMRTA (2)	Total
1990	3.50	12.34	45.61	1.90	63.35
1991	3.50	12.59	44.56	-- (3)	60.65
1992	3.50	12.59	45.06	--	61.15
1993	3.50	12.31	53.76	--	69.57
1994	3.50	12.31	53.76	--	69.57
1995	3.50	14.16	53.61	--	71.27
1996	3.50	13.99	53.61	--	71.10
1997	3.50	11.39	53.46	--	68.35
1998	3.50	11.65	53.36	--	68.51
1999	3.50	12.27	53.44	--	69.21

Source: Summit County Auditor

Notes:

- (1) Barberton City School District
- (2) Akron Metropolitan Regional Transit Authority
- (3) A .25% sales tax increase was approved by the voters in 1990, replacing 1991 tax millage

**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST 10 YEARS**

Year	Net Tax Levy	Current Collections	Percent of Current Tax Collected	Outstanding Delinquencies Current & Accumulated
1990	\$759,470	\$727,042	95.73 %	\$40,037
1991	853,696	805,753	94.38	47,917
1992	858,560	800,426	93.23	58,134
1993	849,222	790,894	93.13	58,328
1994	915,240	883,371	96.52	31,869
1995	947,677	884,917	93.38	62,760
1996	984,980	906,791	92.06	108,973
1997	1,153,569	1,051,683	91.17	101,886
1998	1,201,379	1,095,151	91.16	106,228
1999	1,239,390	1,148,724	92.68	90,666

Table 6

**SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS  
LAST TEN YEARS**

Year	Special Assessment Billing	Special Assessment Collections	Collection Percentage
1990	\$21,622	\$8,990	41.58 %
1991	24,666	15,463	62.69
1992	33,188	23,026	69.38
1993	17,336	9,390	54.16
1994	15,636	10,012	64.03
1995	62,213	41,218	66.25
1996	37,721	22,421	59.44
1997	55,074	33,073	60.05
1998	48,139	19,532	40.57
1999	89,618	49,261	54.97

Source: Summit County Auditor

**PRINCIPAL PROPERTY TAXPAYERS  
REAL PROPERTY**

December 31, 1998			December 31, 1999		
Name of Taxpayer	Assessed Valuation	Percent of Total Assessed Valuation	Name of Taxpayer	Assessed Valuation	Percent of Total Assessed Valuation
Barberton Health System LLC	\$9,340,540	3.0 %	Barberton Health System LLC	\$9,369,690	2.9 %
B&C Industries	3,577,150	1.2	B&C Industries	3,587,700	1.1
Babcock & Wilcox Company	1,718,170	0.6	Pendleton Magic LLC	1,883,670	0.6
BWX Technologies	1,688,620	0.5	Babcock & Wilcox Company	1,718,200	0.5
PPG Industries	1,106,620	0.4	BWX Technologies	1,688,480	0.5
Reiter Foods	944,420	0.3	PPG Industries	1,110,410	0.3
Littman, et al	822,730	0.3	Heritage Place LP	886,700	0.3
Bergit Realty Co	803,390	0.3	Littman, et al	830,790	0.3
Donald Cameron, et al	770,890	0.2	Bergit Realty Co	809,160	0.2
Wright Tool & Forge Co	693,420	0.2	Kimco of Ohio	643,210	0.2
<b>Total Principal Taxpayers</b>	<b>\$21,465,950</b>	<b>7.0 %</b>	<b>Total Principal Taxpayers</b>	<b>\$22,528,010</b>	<b>6.9 %</b>
<b>Total Assessed Valuation - Real Property</b>	<b>\$237,386,740</b>	<b>76.9 %</b>	<b>Total Assessed Valuation - Real Property</b>	<b>\$243,813,600</b>	<b>75.1 %</b>
<b>Total Assessed Value</b>	<b>\$308,798,953</b>	<b>100.0 %</b>	<b>Total Assessed Value</b>	<b>\$324,473,809</b>	<b>100.0 %</b>

Source: Summit County Auditor



**PRINCIPAL PROPERTY TAXPAYERS  
TANGIBLE PROPERTY**

December 31, 1998			December 31, 1999		
Name of Taxpayer	Assessed Valuation	Percent of Total Assessed Valuation	Name of Taxpayer	Assessed Valuation	Percent of Total Assessed Valuation
Mc Dermott Incorporated	\$8,374,920	2.7 %	Mc Dermott Incorporated	\$8,976,390	2.8 %
B&C Corporation	4,692,090	1.5	B&C Corporation	5,240,850	1.6
B&C Research	3,449,700	1.1	Machining Corp of America	3,989,060	1.2
Wright Tool Co	2,903,950	0.9	B&C Research	3,341,270	1.0
Machining Corp of America	2,791,160	0.9	Aluminum Company of America	3,048,330	0.9
Aluminum Company of America	2,310,970	0.7	Reiter Dairy	3,031,270	0.9
Quoram Health Group	2,108,470	0.7	Wright Tool Co.	2,789,290	0.9
PPG Industries	1,795,080	0.6	Quoram Health Group	2,371,250	0.7
Malco Products	1,514,560	0.5	PPG Industries	1,716,590	0.5
First Machine Group	1,137,990	0.4	Malco Products	1,326,890	0.4
<b>Total Principal Taxpayers</b>	<b>\$31,078,890</b>	<b>10.1 %</b>	<b>Total Principal Taxpayers</b>	<b>\$35,831,190</b>	<b>11.0 %</b>
<b>Total Assessed Valuation</b>			<b>Total Assessed Valuation</b>		
- Tangible Property	\$52,047,203	16.9 %	- Tangible Property	\$61,223,799	18.9 %
<b>Total Assessed Value</b>			<b>Total Assessed Value</b>		
- All Property	\$308,798,953	100.0 %	- All Property	\$324,473,809	100.0 %

Source: Summit County Auditor

**LEGAL DEBT MARGIN**  
December 31, 1999

**Overall Debt Limitation**

Overall debt limitation 10 1/2% of assessed valuation		\$34,069,750
Amount available in debt service fund		6,211
Total indebtedness (all bonds and notes outstanding)	\$12,080,747	
Less: Debt exempt from limitation	<u>9,930,000</u>	
Debt subject to 10 1/2% limitation		<u>2,150,747</u>
Legal debt margin within 10 1/2% limitation		<u><u>\$31,925,214</u></u>

**Unvoted Debt Limitation**

Unvoted debt limitation 5 1/2% of assessed valuation		\$17,846,060
Amount available in debt service fund		6,211
Total indebtedness (all bonds and notes outstanding)	\$12,080,747	
Less: Debt exempt from limitation	<u>9,930,000</u>	
Debt subject to 5 1/2% limitation		<u>2,150,747</u>
Legal debt margin within 5 1/2% limitation		<u><u>\$15,701,524</u></u>

**REVENUE BOND COVERAGE  
LAST TEN YEARS**

Year(1)	Operating Revenue(2)	Operating Expenses(2)	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage
1990	\$3,009,637	\$2,024,158	\$985,479	\$270,000	\$461,954	\$731,954	1.35
1991	3,023,965	1,958,209	1,065,756	285,000	451,647	736,647	1.45
1992	2,979,864	1,920,339	1,059,525	300,000	437,370	737,370	1.44
1993	3,026,111	1,902,044	1,124,067	315,000	421,770	736,770	1.53
1994	3,206,681	1,744,075	1,462,606	330,000	404,760	734,760	1.99
1995	3,217,130	2,178,131	1,038,999	350,000	386,610	736,610	1.41
1996	3,176,097	2,113,327	1,062,770	370,000	367,010	737,010	1.44
1997	3,371,594	2,214,709	1,156,885	390,000	345,920	735,920	1.57
1998	3,389,776	2,233,113	1,156,663	535,000	136,375	671,375	1.72
1999	3,311,880	2,286,044	1,025,836	475,000	184,768	659,768	1.55

Notes: (1) Mortgage revenue bonds were issued in 1987; Revenue refunding bonds were issued in 1998

(2) Represents Sewer Enterprise Fund, excluding expense for depreciation

Table 11

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

Year	Population	Assessed Value	Gross Bonded Debt	Less Debt Service Fund	Debt Payable from Enterprise Revenues	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
1990	27,623	\$208,497,602	\$2,330,000	\$49,979	\$1,490,000	\$790,021	0.38 %	\$28.60
1991	27,623	230,444,980	2,185,000	63,121	1,345,000	776,879	0.34	28.12
1992	27,623	232,015,988	6,402,709	66,977	5,000,000	1,335,732	0.58	48.36
1993	27,623	229,870,876	5,951,612	78,010	4,745,000	1,128,602	0.49	40.86
1994	27,623	251,722,356	5,500,119	95,305	4,490,000	914,814	0.36	33.12
1995	27,623	257,311,782	5,143,204	95,306	4,220,000	827,898	0.32	29.97
1996	27,623	262,122,242	4,820,839	101,259	3,990,000	729,580	0.28	26.41
1997	27,623	301,354,845	4,547,996	99,357	3,810,000	638,639	0.21	23.12
1998	27,623	308,798,953	4,264,463	99,751	3,625,000	539,712	0.17	19.54
1999	27,623	324,473,809	3,965,747	6,211	3,430,000	529,536	0.16	19.17

Note: Population data for 1991 through 1999 was assumed to be the same as the 1990 census, as interim data was not available.

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL  
OBLIGATION BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES  
LAST TEN YEARS**

Year	Principal	Interest	Total Debt Service	Total General Governmental Expenditures	Ratio of Debt Service to General Governmental Expenditures
1990	\$135,000	\$97,125	\$232,125	\$13,007,328	1.78 %
1991	135,000	59,040	194,040	13,042,418	1.49
1992	137,291	62,261	199,552	13,021,868	1.53
1993	141,097	54,649	195,746	13,465,632	1.45
1994	141,493	127,559	269,052	13,949,162	1.93
1995	26,915	29,528	56,443	18,469,570	0.31
1996	27,365	27,678	55,043	15,902,015	0.35
1997	27,843	25,800	53,643	17,772,817	0.30
1998	28,353	23,890	52,243	17,929,882	0.29
1999	28,896	21,937	50,833	19,688,152	0.26

Table 13

**COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT  
GENERAL OBLIGATION BONDS  
December 31, 1999**

	Assessed Valuation	Net General Tax Supported Debt	Percent Overlapping	Amount Applicable to City of Barberton
City of Barberton	\$324,473,809	\$8,180,747	100.00 %	\$8,180,747
Summit County	10,246,462,854	137,850,000	3.46	4,775,186

Source: Summit County Auditor

**PROPERTY VALUES, BANK DEPOSITS AND CONSTRUCTION  
LAST TEN YEARS**

Year	Total Assessed Values	Financial Institution Deposits (in thousands)	Value of Building Permits Issued
1990	\$208,497,602	\$3,468,298	\$11,975,456
1991	230,444,980	3,610,033	9,367,235
1992	232,015,988	3,737,694	14,213,783
1993	229,870,876	3,792,255	11,884,165
1994	251,722,356	4,199,905	20,529,000
1995	257,311,782	4,267,009	11,090,623
1996	262,122,242	4,342,660	17,318,000
1997	301,354,845	4,421,560	25,887,000
1998	308,798,953	4,486,230	46,438,895
1999	324,473,809	4,629,280	26,225,000

## Sources:

Total Assessed Value - Summit County Auditor

Financial Institution Deposits within Summit County - Akron Clearing House

Building Permits - City of Barberton Building Department

Table 15

**INCOME TAX COLLECTIONS  
LAST TEN YEARS**

Year	Amount
1990	\$7,330,255
1991	7,559,112
1992	7,926,921
1993	8,185,128
1994	8,616,970
1995	8,935,143
1996	8,928,547
1997	9,409,957
1998	9,875,815
1999	10,308,084

Note: The above amounts were determined in accordance with generally accepted accounting principles.

## DEMOGRAPHIC STATISTICS

Year	Population	
1960	33,805	
1970	33,052	
1980	29,751	
1990	27,623	
<b><u>Selected Population Characteristics</u></b>	<u>1990</u>	<u>1980</u>
<b>Gender</b>		
Males	12,923	14,106
Females	14,700	15,645
<b>Age Distribution</b>		
Under 5 years	1,977	2,225
5 to 17 years	4,988	4,332
18 to 20 years	1,157	2,462
21 to 24 years	1,476	2,843
25 to 44 years	8,262	7,375
45 to 54 years	2,393	3,094
55 to 59 years	1,176	1,845
60 to 64 years	1,526	1,614
65 to 74 years	2,750	2,369
75 to 84 years	1,461	1,221
85 years and older	457	372
Percent of population under 18	25.20 %	26.87 %
Percent of population 65 and older	16.90	13.29
<b>Median Age</b>	34.2 years	31.1 years
<b>Income</b>		
Median family income	\$27,543	\$17,918
Per capital income	10,366	6,391

Source: U.S. Bureau of the Census

**MISCELLANEOUS STATISTICS**  
December 31, 1999

Date of Incorporation	1891
Form of Government	Charter, strong mayor-council
Population	27,623 1990 Census 11,731 dwelling units
Area	8.9985 square miles 5,759.02 acres
Altitude:	
Highest point	1,113.93 feet above sea level
Lowest point	947 feet above sea level
Streets & highways	123.90 miles of roadways Immediate access to I-76, I-277 and U.S. 21
Police protection:	
Stations	1
Number of police officers	42
Fire protection:	
Stations	2
Number of fire officers	42
Municipal utilities	11,011 water customers 10,505 sewer customers
Infrastructure:	
Water mains	130.81 miles
Sanitary sewers	86.45 miles
Recreation:	
Number of parks	15 parks - 140 acres
Fitness center	1
Swimming pools	1
Wading pools	5
Tennis courts	8
Baseball diamonds	3
Softball fields	12
Education:	
Elementary schools	6 K-5
Middle schools	2 6-8
High school	1 9-12
Parochial	1 1-8
Libraries	1 104,906 volumes
Medical	1 363-bed hospital
Churches	44 total - 14 denominations



*city of Barberton*

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**STATE OF OHIO**  
**OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140

Telephone 614-466-4514  
800-282-0370

Facsimile 614-466-4490

**CITY OF BARBERTON**

**SUMMIT COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED**  
**AUGUST 22, 2000**