

CITY OF CUYAHOGA FALLS, OHIO

SINGLE AUDIT REPORT

DECEMBER 31, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

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The Honorable Don L. Robart, Mayor
and Members of City Council
City of Cuyahoga Falls, Ohio

We have reviewed the Independent Auditor's Report of the City of Cuyahoga Falls, Summit County, prepared by James G. Zupka, CPA, Inc., for the audit period January 1, 2000 to December 31, 2000. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink, which appears to be "Jim Petro", with a large red "X" drawn over the signature.

JIM PETRO
Auditor of State

August 1, 2001

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CITY OF CUYAHOGA FALLS, OHIO
AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2000

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JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

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

Honorable Mayor, Finance Director,
and Members of City Council
City of Cuyahoga Falls, Ohio

We have audited the general purpose financial statements of the City of Cuyahoga Falls, Ohio (the City), as of and for the year ended December 31, 2000, and have issued our report thereon dated June 22, 2001. 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 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.

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 financial statements and not 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 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.

We noted other matters involving the internal control and noncompliance over financial reporting that we have reported to the management of the City in a separate letter dated June 22, 2001.

This report is intended for the information and use of the members of City Council, management, 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.

June 22, 2001

James G. Zupka
Certified Public Accountant

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

Honorable Mayor, Finance Director,
and Members of City Council
City of Cuyahoga Falls, Ohio

Compliance

We have audited the compliance of the City of Cuyahoga Falls, Ohio, 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, 2000. The City of Cuyahoga Falls, Ohio's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City of Cuyahoga Falls, Ohio's management. Our responsibility is to express an opinion on the City of Cuyahoga Falls, Ohio'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 with the types of compliance requirements referred to above could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Cuyahoga Falls, Ohio'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 of Cuyahoga Falls, Ohio's compliance with those requirements.

In our opinion, the City of Cuyahoga Falls, Ohio, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2000.

Internal Control Over Compliance

The management of the City of Cuyahoga Falls, Ohio, 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 of Cuyahoga Falls, Ohio’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 the 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. We noted other matters involving the internal control over federal compliance that do not require inclusion in this report that we have reported to the management of the City in a separate letter dated

Schedule of Expenditures of Federal Awards

We have audited the general purpose financial statements of the City of Cuyahoga Falls, Ohio, as of and for the year ended December 31, 2000, and have issued our report thereon dated June 22, 2001. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements of the City of Cuyahoga Falls, Ohio. 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 solely for the information and use of the members of the City Council, management, 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.

June 22, 2001

James G. Zupka
Certified Public Accountant

CITY OF CUYAHOGA FALLS, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2000

Federal Grantor/ Pass Through Grantor/ Program Title	CFDA Number	Grant Number	Revenues/ Receipts	Expenditures/ Disbursements
<u>United States Department of Justice</u>				
<i>Direct Payment to the City</i>				
COPS Universal Hiring Program	16.710	98ULWX066	\$ 216,819	\$ 216,819
Law Enforcement Block Grant	16.592	99LBVX8745	34,606	19,036
Law Enforcement Block Grant	16.592	00LBVX142	19,627	151
Bullet Proof Vests Reimbursement	16.607	00001803	2,805	2,805
Subtotal Direct Programs			273,857	238,811
<i>Passed through the State of Ohio</i>				
Juvenile Accountability Incentive Block Grant	16.523	99-JB002-A096	84,244	84,244
Total U.S. Department of Justice			358,101	323,055
<u>U.S. Department of Housing and Urban Development</u>				
<i>Passed through the Summit County Department Of Community Development</i>				
Community Development Block Grant	14.218	B00UC390006	280,497	302,041*
Total U.S. Department of Housing and Urban Development			280,497	302,041
<u>U. S. Department of Interior</u>				
<i>Direct Payment to the City</i>				
Road Project Assistance	15.XXX	1443CA616098003	20,000	20,000
Total U.S. Department of Interior			20,000	20,000
<u>U. S. Department of Energy</u>				
<i>Passed through the State of Ohio</i>				
State Energy Plan	81.041	00-27	3,000	3,000
Total U.S. Department of Transportation			3,000	3,000
Total Expenditures of Federal Awards			\$ 661,598	\$ 648,096

*Expenditures were reported net of \$155,533 in program income earned through reimbursement of 1999 loan payment received by the City.

See accompanying notes to the Schedule of Expenditures of Federal Awards.

CITY OF CUYAHOGA FALLS, OHIO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2000

NOTE 1: **GENERAL**

The accompanying Schedule of Expenditures of Federal Awards of the City of Cuyahoga Falls, Ohio, presents the activity of all federal financial assistance programs of the City. The City's reporting entity is defined in Note 1 to the City's general purpose financial statements. Federal financial assistance received directly from federal agencies as well as financial assistance passed through other government agencies are included on this schedule.

NOTE 2: **BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards is presented on the accrual basis of accounting and has been reconciled to the program's federal financial reports. The following is a reconciliation by grant from the cash basis to the accrual basis at December 31, 2000.

	<u>Receipt Recognized</u>	<u>Direct Program Expenditures</u>
<u>Department of Justice</u>		
Cash Basis	\$ 327,287	\$ 292,241
Accrual Adjustment	30,814	30,814
Department of Justice - Accrual Basis	\$ 358,101	\$ 323,055
<u>Department of Housing and Urban Development</u>		
Cash Basis	\$ 280,497	\$ 425,007
Accrual Adjustment	0	(122,966)
Community Development Accrual Basis	\$ 280,497	\$ 302,041
<u>Department of Interior</u>		
Cash Basis	\$ 20,000	\$ 20,000
Accrual Adjustment	0	0
Department of Interior - Accrual Basis	\$ 20,000	\$ 20,000
<u>Department of Energy</u>		
Cash Basis	\$ 3,000	\$ 3,000
Accrual Adjustment	0	0
Department of Justice - Accrual Basis	\$ 3,000	\$ 3,000

CITY OF CUYAHOGA FALLS, OHIO
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 OMB CIRCULAR A-133 & .505
 DECEMBER 31, 2000

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

2000(i)	Type of Financial Statement Opinion	Unqualified
2000(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
2000(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
2000(iii)	Was there any reported noncompliance at the financial statement level (GAGAS)?	No
2000(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
2000(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
2000(v)	Type of Major Programs' Compliance Opinions	Unqualified
2000(vi)	Are there any reportable findings under .510?	No
2000(vii)	Major Programs (list):	1. COPS Universal Hiring Program 2. Community Development Block Grant
2000(viii)	Dollar Threshold: A/B Programs	Type A: \$300,000 Type B: All Others
2000(ix)	Low Risk Auditee?	No

CITY OF CUYAHOGA FALLS, OHIO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 & .505
DECEMBER 31, 2000

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

None.

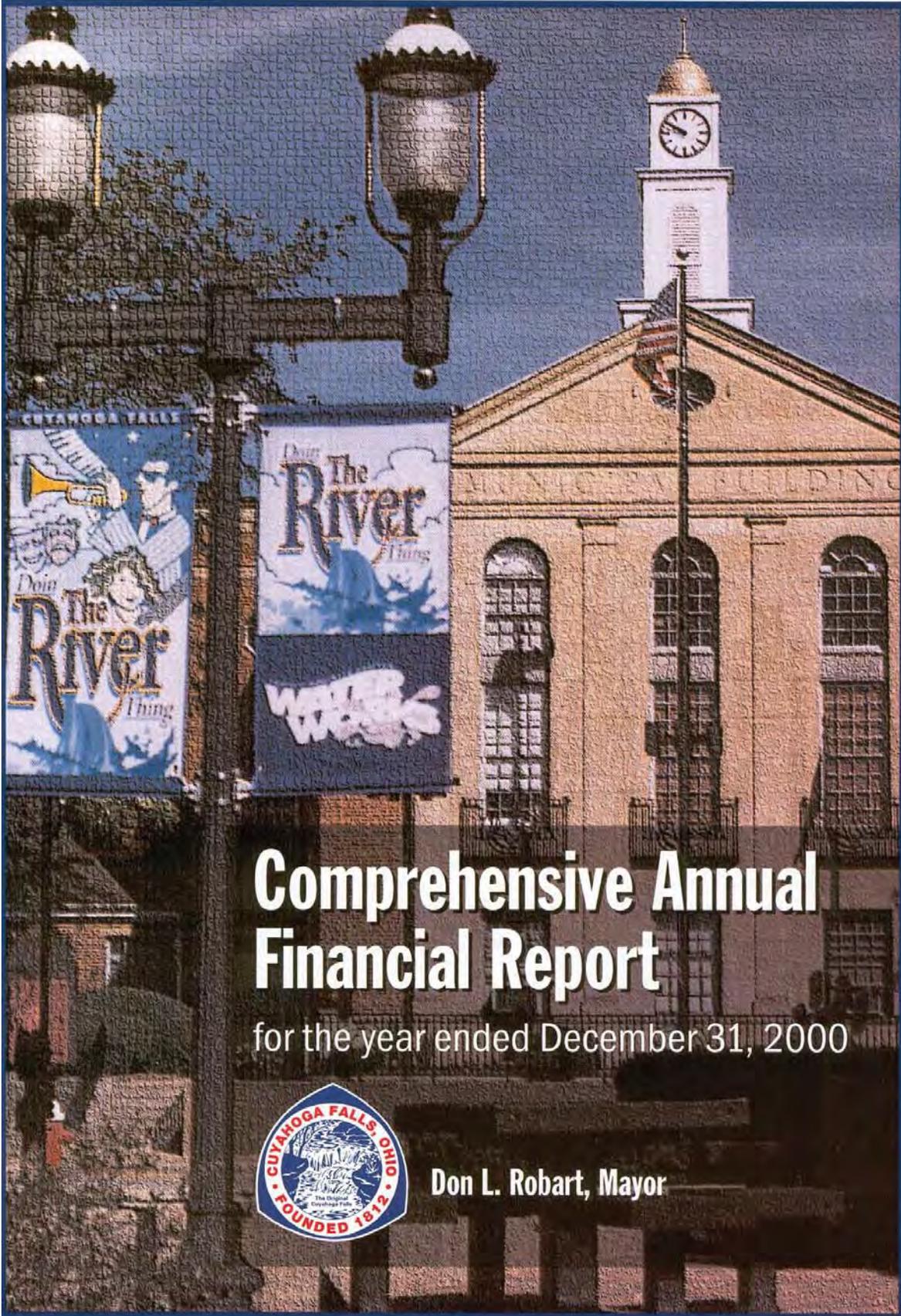
3. **FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None.

CITY OF CUYAHOGA FALLS, OHIO
STATUS OF PRIOR CITATIONS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2000

The prior audit report, as of December 31, 1999, included no citations. Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

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CITY OF CUYAHOGA FALLS, OHIO

Comprehensive Annual Financial Report

for the year ended December 31, 2000



Don L. Robart, Mayor

Cover Picture:

The Cuyahoga Falls Municipal Building was dedicated in 1952 and is situated between the City's Riverfront Centre Mall and the Donald C. Hulick Natatorium. The building is easily accessible to its citizens and provides free parking to City employees and all who do business there. The beautiful landscaping and the maintenance of City Hall are provided by the City's Building & Grounds Department. The Municipal Building has undergone many improvements in its almost 50 years of existence with the latest being the security system put in place for the Municipal Court. The City Building houses the offices for the Mayor, Service Director, Finance, Engineering, Community Development, Income Tax, Utility Billing, Parks & Recreation, Law, Building, Print Shop, Cemetery/Building & Grounds, Police, Municipal Court, Clerk of Courts and Information Services.

***Special thanks to the following
employees for their assistance
in the preparation of this report:***

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AlphaGraphics

Comprehensive Annual Financial Report

For Fiscal Year Ended December 31, 2000



City of Cuyahoga Falls, Ohio

Don L. Robart, Mayor

Issued by the Department of Finance

Joseph F. Brodzinski, Finance Director



Printed on Recycled Paper

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City of Cuyahoga Falls
FINANCE DEPARTMENT
2310 Second Street
Cuyahoga Falls, Ohio 44221-2583

Joseph F. Brodzinski
Finance Director

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June 22, 2001

Honorable Mayor Don L. Robart,
Members of City Council and the
Citizens of the City of Cuyahoga Falls, Ohio

The Finance Department of the City of Cuyahoga Falls (the "City") has prepared this Comprehensive Annual Financial Report (CAFR) which includes all of the City's funds and financial transactions during the current year as well as selected comparative financial information from previous years. The 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 fairly presents the financial position and results of operations of the various funds and account groups. All disclosures necessary to gain an understanding of the City's financial activities have been included.

The CAFR is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, an organization chart and a list of principal City officials. The financial section includes the general purpose financial statements and related combining statements and schedules, as well as the related Report of Independent Accountants. The statistical section includes selected financial and demographic information generally presented on a multi-year basis.

The financial statements, schedules, and statistical tables included herein pertain to those functions, which are under the jurisdiction of the City Council and administered by the Mayor. These functions encompass all activities considered by the City to be a part of (controlled by or dependent on) the financial reporting entity. This is determined on the basis of the City's financial accountability for such operations. Financial accountability includes budget adoption, taxing authority, the existence of outstanding debt secured by the City or the obligation of the City to finance any deficits that might occur and selection of governing authority and influence of operations.

In accordance with these criteria, the financial statements do not include the financial activities of the Cuyahoga Falls and Woodridge School Districts (or any other school districts, which fall within the boundaries of the City). In addition, they do not contain financial information pertaining to the Taylor Memorial Public Library, Cuyahoga Falls General Hospital, and the Community Improvement Corporation. The City does not have financial accountability for any of the aforementioned entities.

The City provides an extensive range of services including police and fire protection, emergency medical service, administration of justice, community planning and development, recreational and cultural activities, street maintenance and environmental services. Outside of the normal governmental services, the City also provides entrepreneurial activities such as sanitation, electric service, sewage disposal and water distribution.

The City operates under and is governed by its Charter (first adopted by the voters in 1959). The Charter may be and has been amended by the voters. The City is also subject to certain general laws applicable to all cities. Under the Ohio Constitution the City may exercise all powers of local self-government, and police powers to an extent that is not in conflict with applicable general laws. The Charter provides for a Mayor-Council form of government.

The City's chief executive and administrative officer is the Mayor, who is elected by the voters specifically to that office for a four-year term. The Mayor also serves as the Public Safety Director. All elected officials, except the Mayor, Clerk of Courts, and both Judges, serve on a part-time basis. The Mayor may veto any legislation passed by the Council. However, a veto may be overridden by a two-thirds vote of all members of the Council.

Subject to the approval of Council, the Mayor appoints the Directors of Finance, Public Service, Law and Community Development. The Superintendent of Parks and Recreation is appointed by the Parks and Recreation Board. This Board consists of City residents, three appointed by the Mayor and two appointed by the Cuyahoga Falls City School District Board of Education. The Mayor also appoints members to a number of other boards and commissions and appoints and removes, in accordance with Civil Service requirements, all appointed officers and employees, except Council officers and employees.

Legislative authority is vested in an eleven-member Council. Three members are elected at-large for four-year terms, and eight members are elected from wards for two-year terms. The presiding officer is the President, who is elected by the Council for a one-year term. The Charter establishes certain administrative departments and Council may establish divisions of those departments and additional departments.

The City is home to the Cuyahoga Falls Municipal Court, which serves 16 communities in the northeastern part of Summit County. The Municipal Court employs two Judges and a Clerk of Courts, all of whom are elected for a six-year term by the voters of the 16 communities.

ECONOMIC CONDITION AND OUTLOOK

Summary of Local Economy

The City is located in Summit County in northeastern Ohio, approximately 30 miles south of the City of Cleveland and lies on the northern border of the City of Akron. The City was incorporated as a village in 1868 and organized as a city after the 1920 census.

The Cleveland-Akron Consolidated Metropolitan Statistical Area (CMSA), which is the 16th most populous CMSA of 19 in the United States with a population of 2,945,813. (Rankings are based on 2000 census figures.)

The City's 2000 population of 49,374 placed it as the second largest city in Summit County and the twentieth largest in the State of Ohio. In January 1986, the City merged with Northampton Township. This merger between Northampton Township and the City was the first merger of its type in the State. The merger increased the City's population by more than 16 percent and tripled the City's total land area to 27.8 square miles.

Transportation services are provided by diversified venues through the City. Immediate access is available to one state highway (State Route 8) which also offers access to the Ohio Turnpike (Interstate 80) and Interstate Highways 76 and 77. The City is adjacent to areas served by Conrail and Amtrak, and is served by passenger air services at three airports, Cleveland-Hopkins International Airport, Akron-Canton Regional Airport and Akron Fulton International Airport. Public mass transit for the area is provided by the METRO Regional Transit Authority (a separate political subdivision) and long distance bus travel can be obtained from Greyhound bus lines.

Major Influences Affecting the Local Economy

The City is not subject to swift or erratic economic downturns because of its diversified income tax base, in which no single employer dominates the local economy. During 2000, the ten major employers in the City collectively accounted for approximately 25 percent of the \$11,827,038 withholding taxes remitted to the City.

City of Cuyahoga Falls

The 1990 Census reports that the median income for families who live in Cuyahoga Falls is slightly higher than other nationwide averages. The following is a comparative breakout of those medians. (The City has attempted to obtain the following information from one reliable source. Unable to accomplish this, the City continues to use the 1990 Census data since the 2000 Census data for wealth statistics will not be available until next year. While the numbers will decrease, the City believes the relationships will remain similar.)

<u>Census Population</u>	<u>Median Income</u>
City of Cuyahoga Falls	\$36,740
County	\$35,060
State	\$34,351
National	\$35,225

An analysis of the 2001 Harris Ohio Industrial Directory reveals that 101 firms in the City employ 3,944 people in fields ranging from rubber and plastics to skin care products. Of these manufacturing facilities, 21 employ 50 or more employees. The Directory further reveals that the remaining 79 facilities manufacture various products such as lift trucks, electronic assemblies, surgical garments, tire molds, offset printing, draperies, pressure sensitive tape, screen printing, as well as many machine shop applications.

While the Harris Ohio Industrial Directory showed a slight decrease in the number of jobs in 2000 compared to 1999, companies are also in the process of moving into Cuyahoga Falls in 2001 and will generate over 140 new jobs within the City.

The 1986 merger between the City and Northampton Township (now Ward 8) has become a win-win situation for both parties. Due to increased land availability, the City has realized many new opportunities for industrial, commercial, and residential development. This growth continues to be stimulated by the expansion of water and sewer lines into Ward 8. At the same time, the residents of Ward 8 are benefiting by receiving city-based services, which should ultimately have a positive impact on current property values.

The City is experiencing an accelerated pace of growth and development throughout the community. Much of this successful development can be attributed to the merger. New building and redevelopment permit valuation, a reliable indicator of a community's condition, totaled \$55,669,110 in 2000.

In September 1994, Ohio's 20 largest cities were rated on their local government policies by The Buckeye Center for Public Policy Solutions, a Dayton-based public policy think tank. The study ranked each of the cities and gave them letter grades based on a comparison of their levels of taxes, crime and government overhead and bureaucracy. The City was one of only four cities that received the highest rating of "A".

Future Economic Outlook

The City's vision is to keep Cuyahoga Falls a vibrant, healthy, attractive, and always growing City. City officials continue in their visions of physical improvements and new tax revenues for the City as well as its school systems, jobs, shopping, and recreational opportunities for residents and visitors alike. In March of 2000, the City contracted with the International Waterfront Group from San Antonio, Texas to create a comprehensive development implementation plan for the entire riverfront area. The study involved approximately three miles of riverfront and, after numerous meetings to formulate a general consensus of opinion, was completed in October 2000. The completed report defined goals, objectives and gave an overall vision intended to guide in the redevelopment of the Cuyahoga River corridor and its cultural and entertainment district. The plan provided a framework that will guide the City's efforts over the next several years. Recommendations are in place and the City's Administration is currently working with its Council to complete the core area during 2002-2003 and the surrounding areas by 2005.

The City continues to remain optimistic regarding economic growth due to a decreasing trend in the unemployment rates since the beginning of the year. Employment within the area is expected to remain positive with wage increases slightly higher than inflation levels. Reduced unemployment rates coupled with new development and business opportunities created in 2000 will have a positive effect on income tax collections. Local home sales and the real estate market, in general, are ahead of national trends. Cuyahoga Falls continues to be a positive place to work and live and the redevelopment of the downtown district will only further the City's vision.

Since 1982, the City lost significant income tax revenues from non-resident employees to surrounding communities that had a 2 percent income tax rate while the City of Cuyahoga Falls maintained a 1.5 percent rate. On March 19, 1996, 70 percent of the city voters approved increasing the municipal income tax rate from 1.5 percent to 2 percent effective July 1, 1996. Taxpayers who work in Cuyahoga Falls but reside outside the City limits pay no additional income tax to their communities due to the 100 percent credit allowed by most northeast Ohio communities. During 2000, the City recognized over \$2 million in additional withholding income tax from non-residents working in the City. Most of the \$2 million would have been lost to neighboring communities if the City tax had remained at 1.5 percent. The vote to increase the income tax rate has had positive effects for the City's capital infrastructure program since the City has earmarked the proceeds of the tax increase solely for capital improvements. This foresight is due to strong beliefs within the administration that strong city infrastructure is a cornerstone of a strong community.

MAJOR INITIATIVES

Current Year

The City collaborated with various state and federal agencies and the local school system to launch the Roberts Middle School "Solar Celebration" in which the City's Electric Department helped the school install a photovoltaic solar array so it could generate its own solar power. The project's value will benefit environmentally and educationally for years to come.

A massive \$5.7 million Water Treatment Plant rehabilitation project is over 50 percent complete. It includes an upgrade to the existing 40-year old iron filters, installation of three new filters and installing bulk feed chemical facilities to the plant. These upgrades will continue to allow the City to provide its residents and businesses good quality, low cost water. Emergency generators were installed at five sewer pump stations which will activate in the event of a power outage. These generators will help to prevent sewage back-ups in basements during severe thunderstorms.

The year 2000 allowed the City to spend in excess of \$2 million on the paving of 56 streets consisting of 13 miles of roads. The Administration's commitment to the taxpayers was to triple the Street Program with the passage of the increased income tax. Through 2000, the amount spent on street work exceeded the promise by over \$7 million.

Three years ago, the City implemented a "Senior Snow Program" to plow the driveways of senior citizens within the community. The program started with fewer than 200 participants and in 2000 has grown to 1,150 seniors who enjoyed the benefit of having their driveways plowed.

Over the last several years, the City built six new wading pools at various parks throughout the community. Two parks received new wading pools in 2000. Valley Vista Park, which received one of those wading pools, also received new play equipment, storm water drainage, sidewalks, landscaping and new resurfaced tennis courts. The new enhancements to Valley Vista Park have increased activity throughout the Park.

The Administration with the assistance of the City's Fire Department launched a proactive "Smoke Detector Program" in 2000. Approximately 6,000 people lose their lives annually in the United States because there are no working smoke detectors present in their homes. Fire Department members installed 1,600 (10-year lithium powered) smoke detectors, free

City of Cuyahoga Falls

of charge, in 2000. A database was created and will be maintained to track these installations and the related Home-Fire-Safety inspections.

Future Projects

The City's State Road Revitalization Project will be completed in 2002. This project on one of the City's main corridors will include buried power lines, new traffic signalization, new light poles, expansion of selected intersections and the addition of landscaping. Improvements to State Road will stimulate commerce in the area. The estimated cost of this project is expected to be around \$4.2 million.

Another main corridor within the City is the "Front Street Corridor". This corridor will receive a very similar renaissance but will also include the rebuild of the Hudson Drive Bridge. The \$4.7 million project will greatly enhance the area and also improve the traffic flow of 20,000 vehicles per day.

A fire station relocation study was completed in 1999 under the premise of increasing response times within the City to provide residents with the best possible coverage. One recommendation was to add a fifth fire station within the City's limits. This new station would provide extraordinary coverage to the northeast quadrant of the City along with quicker response time within some of the older sections of the City. Ideally, enough land would be available to construct a training complex on-site to be used by the City's police and fire departments.

The City is in the final phase of its financial analysis for the potential rebuild of the Donald C. Hulick Natatorium Health and Fitness Center. The final phase will examine the costs, review projections and demographics of the project with a critical eye as to its business feasibility. A new facility would include a leisure/recreational pool, larger fitness area, babysitting section, gymnasium, track and, the most unique feature, a hospital-operated wellness center. The partnering with the local hospital to make a wellness center a reality appears to be the future of the health care and health club industry.

In conjunction with the study from the International Waterfront Group, who was commissioned to create a comprehensive development implementation plan for the entire riverfront area, the City is in the final stages of determining its vision for the largest available parcel within the riverfront area. Parcel 108, also known as the City's "Festival Site", will be designed to include a permanent staging area for the festivals, a festival pavilion, an area for festival tents, brick pavers and a summer water feature for young and old alike. This water feature will convert into an ice skating rink for winter and early spring use. An area will also be constructed with sloping grass which will lead to an amphitheater.

The City of Cuyahoga Falls and Cuyahoga Falls General Hospital will finalize a joint cooperative program designed to save lives using Automated External Defibrillators (AED) public access system. These AEDs will be placed in strategic locations throughout the City to be used when a victim of sudden cardiac arrest is in need. Sudden cardiac arrest strikes 250,000 to 350,000 people annually. Police cruisers will also be equipped with these devices and may reduce response time to a potential victim. By placing the AEDs throughout the City, Cuyahoga Falls becomes a safer place to live, work, and visit.

In 2001, the Parks and Recreation Department will open a new 10,000 square foot skateboard park complete with rails, benches, ramps and half pipes. Also, a new 18-hole miniature golf course will replace the City's existing course. The new course will have more appeal to it than its predecessor and will attract more residents to the Downview Sports Complex. The City expects all activities at the complex to receive a boost including the driving range and batting cages. The final piece to the Downview Sports Complex will be completed in the near future to include a new administration building from which all complex activities can be viewed and monitored.

Department Focus

Generally, the Service Director's Office provides leadership to various service-oriented departments within the City (e.g., Electric, Water, Sanitation). In 2001, the Service Director's Office, under the leadership and guidance of the City's mayor, took on a new task of tackling gas deregulation. Last winter's high heating costs hit many Cuyahoga Falls residents hard as it did to many residents throughout the Midwest. As summer days roll in, winter temperatures seem far away, however, the 2001-2002 winter heating costs could be higher than last year. New electric generating facilities are coming on line in 2001 which are powered by natural gas. Hot summers in California and Texas could have a major impact on the price of natural gas this winter. The City of Cuyahoga Falls has partnered with AMPO, Inc., a subsidiary of AMP-Ohio, in the purchasing of natural gas. Currently, the City's partnership with AMP-Ohio, who is a wholesale power supplier, has allowed the City's Electric Department to provide its residents and businesses electrical power 38 percent below the charges of the area's local investor-owned utility.

Due to the assistance of the Service Director's Office, Cuyahoga Falls residents now have an alternative to the high heating prices. AMPO, Inc. and the City of Cuyahoga Falls have teamed up with NewPower and are making a new natural gas choice program available for a limited time to residential and small commercial customers served by Dominion East Ohio. Enrolling in the program could save customers over \$100 or more through the winter season.

The initial term of the program is two years which means customers do not have to worry about price changes until 2003. At the end of the two year period, customers have the option of continuing in the program under the terms and conditions offered at that time, selecting another natural gas supplier or returning to Dominion East Ohio. Gas will start flowing under this arrangement as early as September 2001's meter reading date.

The Service Director's Office has set up an advertised community meeting to explain the program as well as review any resident's bill to determine if there will be a savings. City officials will also be available throughout the process to assist residents with this important decision. The City of Cuyahoga Falls is not in the natural gas business, however, this is another example of how the City is willing to assist whenever possible to increase the quality of life for the community.

FINANCIAL INFORMATION

Internal Control Structure

The City is responsible for establishing and maintaining an internal control system 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 (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuations of costs and benefits require estimates and judgments by management. Management believes the internal control system is effective.

Budgeting Controls

The objective of budgetary controls is to ensure compliance with both the annual appropriated budget approved by City Council and the legal restrictions imposed by state and federal statutes as well. City Council must adopt an annual appropriations ordinance and budget resolution by December 31, of the preceding year.

Appropriations may not exceed amounts certified by the County Budget Commission. The Finance Director may transfer appropriated amounts between accounts within funds, but City Council authorization is necessary to make interfund transfers. City Council authorizes appropriation amounts by fund and may amend appropriation levels during the year. As a management tool, budgetary control is maintained in all funds at the department level by the encumbrance of estimated purchase amounts before the release of purchase orders to vendors. The City continually evaluates its accounting and reporting system in an effort to improve internal accounting controls.

City of Cuyahoga Falls

General Governmental Functions

Revenues for all Governmental Fund Type operations amounted to \$43,174,504 for 2000. The amount of revenues from various sources, percentages of the total amount and the amounts of increases and decreases in relation to prior year revenues are shown in the following table:

	2000 Amount	Percent of Total	1999 Amount	Increase (Decrease) From 1999	Percent of Increase (Decrease)
Revenues:					
Property taxes	\$ 8,567,797	19.84%	\$ 7,714,820	852,977	11.06%
Municipal income tax	15,820,981	36.64	16,156,494	(335,513)	(2.08)
Other local tax	199,866	.46	194,272	5,594	2.88
State levied shared taxes	6,549,177	15.17	6,131,671	417,506	6.81
Intergovernmental	748,440	1.73	1,360,746	(612,306)	(45.00)
Charges for services	6,255,286	14.49	5,567,613	687,673	12.35
Fees, licenses and permits	871,507	2.02	856,187	15,320	1.79
Interest earning	2,445,416	5.66	1,521,632	923,784	60.71
Fines and forfeitures	455,627	1.06	385,094	70,533	18.32
Special assessments	947,264	2.19	219,473	727,791	331.61
Other	313,143	.73	326,587	(13,444)	(4.12)
Total Revenues	<u>\$43,174,504</u>	<u>100.00%</u>	<u>\$40,434,589</u>	<u>\$ 2,739,915</u>	<u>6.78%</u>

The rise in property taxes is due to 2000 being a triennial year in which various properties are reviewed. The City generally receives a substantial increase in revenue due to this increased valuation. State levied shared taxes in 2000 increased due to revenues being received from the State for credits on owner-occupied property; senior citizen discounts were greater due to increases in property valuation; the City's portion of corporate franchise taxes, state income taxes, public utility excise taxes, and sales and use taxes were greater in 2000 than in 1999 by \$115,000; \$48,000 from liquor and beer permits which normally should have been received in 1999 were not received until 2000 and, finally, the accrual in 2000 was \$80,000 greater than the accrual in 1999.

Intergovernmental revenue decreased in 2000 compared to 1999 due to the numerous grants received in 1999. The grants were received from the Ohio Public Works Commission, National Park Service and the Ohio Department of Transportation to name a few. Charges for services increased in 2000 due to more revenue received from emergency medical service transport and internal service charges.

Interest revenue increased in 2000 due to more favorable interest rates in 2000, more money on hand to invest and the accrual entries for the City's IDRB's and other investments. The increase in fines and forfeitures in 2000 is due to fines received in the Law Enforcement Trust Fund and Indigent Drivers' Alcohol Treatment Fund. Special assessment revenue increased in 2000 due to residents paying off their assessments on a major street project completed early in 2000 as well as the accrual of revenue for the Cuyahoga Falls Industrial Parkway which was paid off by the developer.

Expenditures for all Governmental Fund Type operations amounted to \$41,374,621 for 2000. The amount of expenditures by function, percentages of the total amount and the amounts of increases and decreases in relation to prior year expenditures are shown in the following table:

	2000 Amount	Percent of Total	1999 Amount	Increase (Decrease) From 1999	Percent of Increase (Decrease)
Expenditures:					
Current					
Security of persons and property	\$16,410,061	39.66%	\$15,251,595	\$ 1,158,466	7.60%
Leisure time activities	2,051,907	4.96	1,914,306	137,601	7.19
Community development	954,197	2.31	835,905	118,292	14.15
Street maintenance	3,252,985	7.86	3,371,078	(118,093)	(3.50)
General government	7,512,854	18.16	7,130,996	381,858	5.35
Capital outlay	8,603,181	20.79	7,453,286	1,149,895	15.43
Debt Service					
Principal	1,720,660	4.16	1,488,706	231,954	15.58
Interest	868,776	2.10	830,977	37,799	4.55
Total Expenditures	<u>\$41,374,621</u>	<u>100.00%</u>	<u>\$38,276,849</u>	<u>\$ 3,097,772</u>	<u>8.09%</u>

Security of persons and property is higher in 2000 than in 1999 mainly due to the fact that the Police, Dispatchers and Fire union contracts went into affect on July 1, 1999. The contract for the Dispatchers included a one-time substantial increase to bring their salaries more in line with other area departments. The Police and Fire contracts included items that were not in their last contracts. The affects to security of persons and property were an entire year in 2000 compared to half of a year in 1999. Leisure time activities increased in 2000 due to increased payroll and other operational expenditures within the Parks and Recreation Department.

The increase in community environment can be attributed to available fund balances from prior program years and more loan repayment monies being used in 2000 than in 1999. Capital Outlay costs increased in 2000 due to more projects within the Capital Projects Fund. In 2000, the City spent more in its street resurfacing and reconstruction program. The Fire Department purchased a new ladder truck and squad in 2000. The Police Department replaced its communication consoles in 2000 at a cost of approximately \$150,000. Also, the City purchased a worn-down motel which was razed in anticipation of future economic development. Principal expenditures increased in 2000 due to the fact that the City paid off a fire equipment lease one year early.

Enterprise Operations

The City's enterprise operations consist of five separate and distinct funds: Sewage and Disposal, Water, Electric, Sanitation and Leisure Time. The philosophy of the City with regard to enterprise operations is to provide the best service to the user at a low cost without utilizing general governmental resources. The collective retained earnings of the enterprise funds reduce the potential of utilizing General Fund resources to subsidize user fee operations.

Sewage and Disposal

The City's Sewage and Disposal Department is responsible for the network of sanitary sewers which collect industrial, commercial and residential wastewater and transports it to the Akron Water Pollution Control Facility. The City has three outlets directly connected to the City of Akron and three outlets connected to the Summit County Mud Brook System. This Department maintains, cleans, repairs, and improves the entire sanitary sewer system and is also responsible for the maintenance of catch basins and storm sewers, which redirect precipitation to the nearest water course.

Water

The City's Water Department is responsible for treating, pumping and distributing potable water to residents in the City, the Village of Silver Lake, the City of Munroe Falls and the City of Stow. The City obtains its water from 18 drilled wells located in Water Works Park on the south bank of the Cuyahoga River. Water is furnished free of charge to the Taylor

City of Cuyahoga Falls

Memorial Public Library and to all public, parochial, sectarian and all other private nonprofit schools within the territorial limits of the City. Approximately 95 percent of the City population had access to City water.

Electric

The City owns and operates its own electric utility that provides electric service to residential, commercial and industrial customers within the service area. Being the third largest municipal electric system in the State of Ohio, the City is able to offer low rates due to its affiliation with American Municipal Power-Ohio, Incorporated (AMP-Ohio), a non-profit trade association and wholesale power supplier for most of Ohio's 85 municipal electric systems. Electricity is purchased by the City through AMP-Ohio which in turn purchases inexpensive electricity on short and intermediate term contracts with privately owned electric utilities such as First Energy and the New York Power Authority.

First Energy, the nearest private electric utility, charges its customers up to 51 percent more than what the City charges. The average monthly residential electric bill (based on 500 kilowatt hours) shows that the City's charge for electrical service was \$39.94 monthly, compared to the \$60.25 charged by First Energy for the same service.

Sanitation

The primary function of the City's Sanitation Department is to provide weekly collection and disposal of residential solid waste, co-mingled recyclables and yard waste. Although there is competition from rivals Waste Management, the Sanitation Department claims over 92 percent of potential customers in the City. The City also provides weekly collection and disposal services of commercial and industrial solid waste and recyclables. In 2000, all solid waste collected by the City was hauled directly to the Hardy Road Landfill and the Akron Central Transfer Station. Effective July 9, 2001, all solid waste will be disposed of at the Akron Central Transfer Station. Recyclables, which are collected from residents of the City are processed at the Oakwood, Ohio Material Recovery Facility.

Leisure Time

The City's Leisure Time Fund, operated by the Parks and Recreation Department, includes five facilities, which are actively supported by its citizens and the citizens of surrounding communities. These five facilities are:

- Water Works Family Aquatic Center, an outdoor pool and recreation area (officially opened May 23, 1998);
- Brookledge Golf Club, an 18-hole municipal golf course complemented by a golf academy and practice facility;
- The Natatorium, an indoor swimming and fitness facility;
- Quirk Cultural Center, a community civic center; and
- Downview Sports Center, a driving range, miniature golf course, batting cages and skateboard park (opening Summer 2001).

Debt Administration

The City's debt is currently assigned a rating of A1 by Moody's Investors Service. The A1 rating indicates that there is adequate security to principal and interest, and that investment in the City is considered "favorable" to investors (mostly individuals and mutual funds) who purchase the City's notes and bonds. The A1 rating history of the City is as follows:

Rating History	
December 1939	B
December 1944	Ba
December 1949	Baa
February 1956	A
August 1976	A1
July 1997	A1
December 1998	A1

The City can issue an unlimited amount of debt, which is to be paid from user fees and special assessments. There is, however, limitations on debt that is issued without the support of user fees (enterprise operations) or special assessments (property owners). Ohio law permits that such debt has a limitation of 10.5 percent of a municipality's valuation. The City is well within these limitations.

On December 5, 2000, the City issued notes in the amount of \$6,510,000. Of this amount \$4,775,000 was issued in anticipation of the issuance of bonds for the purpose of improving the municipal waterworks system in the High Pressure Water District and installing new iron filters and improving the City's water plant. The remaining \$1,735,000 was issued in anticipation of the issuance of bonds for the purpose of paying, in anticipation of the levy and collection of special assessments for the improvement of Falls Avenue, construction of the Cuyahoga Falls Industrial Parkway, reconstruction of a portion of Steels Corners Road and construction of a portion of Buckingham Gate Boulevard.

Municipal management, citizens and investors consider the ratio of net general bonded debt to assessed valuation and the amount of bonded debt per capita to be valuable indicators of the City's debt position. Net general bonded debt is defined as total general bonded debt supported by taxes less amounts available in the Debt Service Fund. The City's modest amount of debt results in debt ratios well below Moody's medians. An illustration of key statistics concerning the City's debt as of December 31, 2000 is as follows:

<u>Net General Bonded Debt</u>	<u>Ratio of Net General Bonded Debt to Assessed Valuation</u>	<u>Net General Bonded Debt Per Capita</u>
\$14,689,079	1.67%	\$297.51

Cash Management

Recognizing its responsibility to the public for sound fiscal management, the City administers a prudent cash management and investment program. The primary goals of the program are to minimize the amount of idle cash on hand to meet daily cash requirements and simultaneously maximize the funds available for investment. Our investment policy strives for the maximum return available through secure investments, while providing for the preservation of capital. Accordingly, deposits are either insured by federal depository insurance or collateralized. Collateral is held by the City or by its agent in the City's name.

To ensure the most competitive rates on investments, the cash resources of the individual funds (excluding the Debt Service, Municipal Court and Cemetery Perpetual Care funds) are combined to form a pool of cash and investments. The average investment portfolio in 2000 was approximately \$40.9 million. During 2000, the City earned interest income on its pooled funds at an average rate of return of 6.20 percent. Focusing on safety and liquidity, the City continues to invest only in the highest quality investments.

City of Cuyahoga Falls

Risk Management

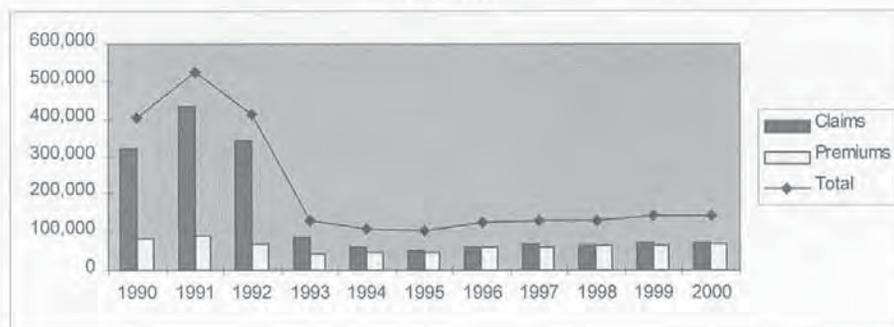
The City maintains a variety of liability insurance coverages with varying deductibles. Among these coverages are general liability with limits of \$2 million annually in the aggregate and \$1 million per occurrence, with a \$100,000 self-insurance retention. In addition, the City has umbrella liability coverage with limits of \$10 million in the aggregate and \$10 million per occurrence. The City added public officials liability coverage in 1998 with limits of \$1 million in the aggregate and \$1 million per occurrence.

The City completed its ninth consecutive year of the Retrospective Rating Plan with regard to insuring itself for all workers' compensation claims and liabilities. The Ohio Bureau of Workers' Compensation permits governmental entities to pay only a fraction of the annual premium and to assume the responsibility for paying all claims incurred during the policy period for the next ten years. Under this plan the City carries both individual and aggregate stop-loss coverage.

The City also maintains a self-insured hospitalization program. Prevention of catastrophic losses on the City's part is maintained through both individual and aggregate stop-loss coverage. The City's cost during the year for this program is for the payment of claims, third party claims administration and stop-loss coverage.

The City has saved well over \$2 million since shifting the primary responsibility for retiree hospitalization from the City to the two public employees retirement systems. Prior to 1993, the City provided primary medical coverage for all retirees who had a minimum of 12 continuous, permanent, full-time service years with the City. The enabling legislation which passed in December 1991 relieved the City of primary medical reimbursement and only required the City to reimburse the retirees for all out-of-pocket medical expenses, which approximate \$100,000 annually. Since 1993, the elimination of double spending has been conservatively estimated at approximately \$350,000 to \$400,000 annually in savings as indicated by the following chart:

RETIREE HOSPITALIZATION COSTS
1990 - 2000



OTHER INFORMATION

Independent Audit

In accordance with Ohio law, annual independent audits must be performed on all financial operations of the City. These audits are conducted by either the Auditor of the State, or if the Auditor permits, an independent public accounting firm. This year's audit was completed by James G. Zupka, CPA, Inc. The auditor's report on the general purpose financial statements

and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's remaining reports related to the compliance and internal control are presented in a separate document.

Awards

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 Cuyahoga Falls for its comprehensive annual financial report for the fiscal year ended December 31, 1999. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

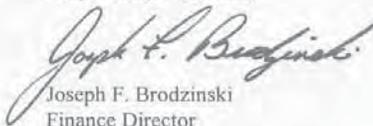
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report (CAFR), whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City has received a Certificate of Achievement for the last 16 consecutive years (fiscal years ended 1984-1999). We believe our current report continues to conform to the Certificate of Achievement program requirements and are therefore submitting it to the GFOA. Receipt of these awards is an outstanding sign of the City's active effort to anticipate and provide for the needs of its citizens.

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. The preparation of the CAFR requires a major effort from the accounting staff and we express our appreciation to all who assisted and contributed to the presentation of this year's report. We also thank the Mayor, his cabinet and the members of City Council for their thoughtful support and encouragement throughout the year.

Respectfully submitted,



Joseph F. Brodzinski
Finance Director

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Cuyahoga Falls,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 1999

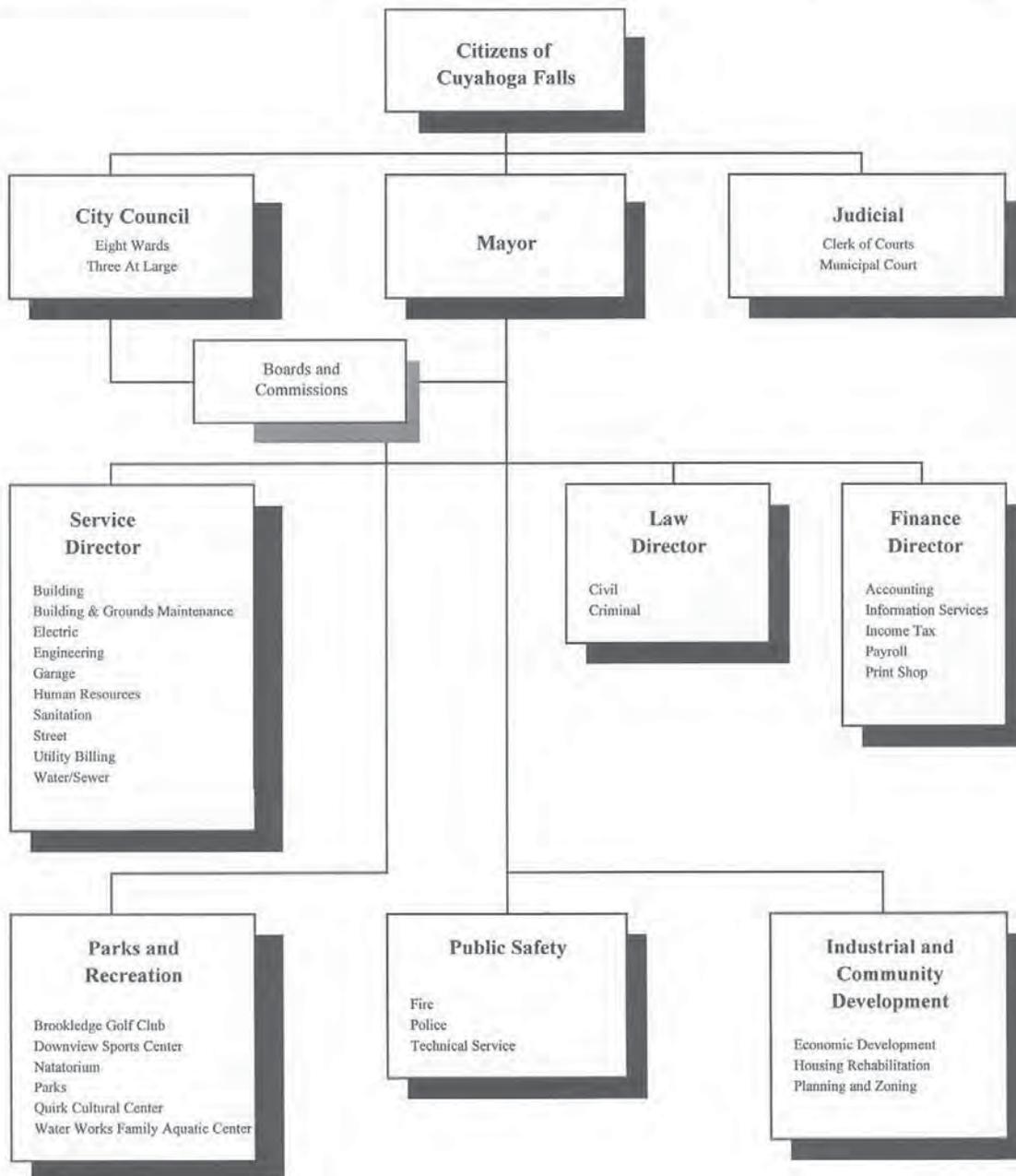
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Anne Spray Kinney
President

Jeffrey L. Esser
Executive Director

City of Cuyahoga Falls



City Officials

Mayor Don L. Robart

Cabinet of the Mayor:

Barbara Hahn	Service Director
Joseph F. Brodzinski	Finance Director
Virgil E. Arrington	Law Director
Susan L. Truby	Community Development Director

Municipal Court:

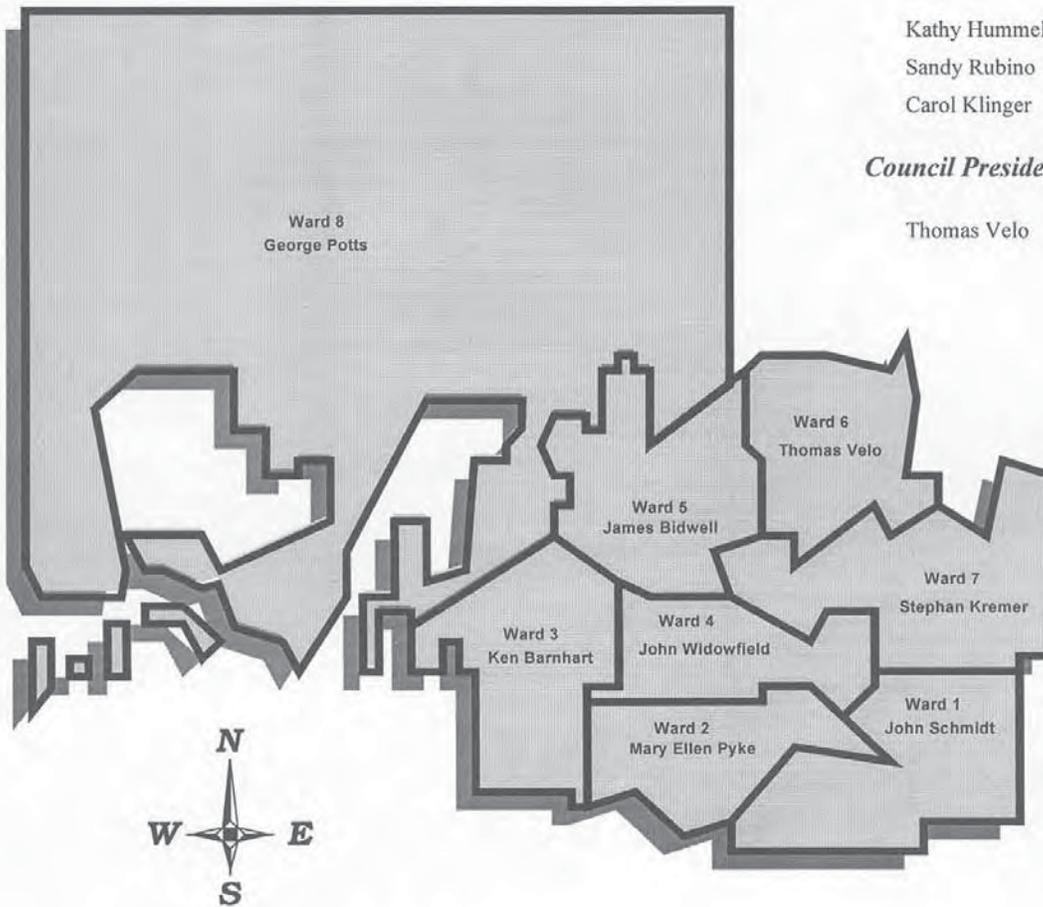
Kim R. Hoover	Judge
Linda Tucci Teodosio	Judge
Eric Czetli	Clerk of Courts

At Large Council:

Kathy Hummel
Sandy Rubino
Carol Klinger

Council President:

Thomas Velo



FINANCIAL SECTION

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JAMES G. ZUPKA, C.P.A., INC.

*Certified Public Accountants
5240 East 98th Street
Garfield Heights, Ohio 44125*

er American Institute of Certified Public Accountants

(216) 475-6136

Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable Don L. Robart, Mayor
and Members of City Council
City of Cuyahoga Falls, Ohio

The Honorable Jim Petro
Auditor of State
State of Ohio

We have audited the accompanying general purpose financial statements of the City of Cuyahoga Falls, Ohio, as of and for the year ended December 31, 2000, as listed in the Table of Contents. These general purpose financial statements are the responsibility of the City of Cuyahoga Falls, Ohio'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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

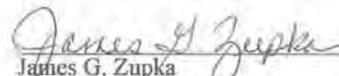
In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Cuyahoga Falls, Ohio as of December 31, 2000, and the results of its operations and cash flows of its proprietary fund types and nonexpendable trust funds for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated June 22, 2001 on our consideration of the City of Cuyahoga Falls, Ohio's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the City of Cuyahoga Falls, Ohio, taken as a whole. 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 of the City of Cuyahoga Falls, Ohio. 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.

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

June 22, 2001


James G. Zupka
Certified Public Accountant

City of Cuyahoga Falls, Ohio
Combined Balance Sheet - All Fund Types and Account Groups
December 31, 2000

(With Comparative Totals for the Year Ended December 31, 1999)

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
ASSETS AND OTHER DEBITS				
Assets				
Equity in pooled cash and cash equivalents	\$ 4,398,694	\$ 2,175,976	\$ 0	\$ 4,977,482
Investments	228,149	112,862	0	262,751
Cash and cash equivalents - restricted accounts	0	0	122,121	0
Investments - restricted accounts	0	0	74,000	2,298,176
Receivables				
Taxes	8,433,900	2,057,967	0	0
Accounts (net, where applicable, of allowance for doubtful accounts)	11,027	102,562	0	119,031
Loans	0	1,602,267	0	0
Special assessments	74,394	0	845,661	952,179
Accrued interest	482	0	765	1,177,685
Due from other funds	1,516,494	228,124	0	698,063
Due from other governments	634,227	133,895	0	76,949
Inventory of supplies	149,324	145,152	0	0
Prepaid items	65,178	12,112	0	0
Advances to other funds	0	0	0	1,189,383
Deferred charges	0	0	0	0
Unamortized bond discount	0	0	0	0
Investment in joint venture	0	0	0	0
Fixed assets (net, where applicable, of accumulated depreciation)	0	0	0	0
Other Debits				
Amount available in Debt Service Fund	0	0	0	0
Amount to be provided for retirement of general long-term obligations	0	0	0	0
TOTAL ASSETS AND OTHER DEBITS	\$ 15,511,869	\$ 6,570,917	\$ 1,042,547	\$ 11,751,699
LIABILITIES, FUND EQUITY AND OTHER CREDITS				
Liabilities				
Accounts payable	\$ 172,085	\$ 257,894	\$ 0	\$ 271,871
Accrued salaries, wages and benefits	1,013,133	98,765	0	0
Accrued interest payable	0	0	0	0
Deferred revenue	8,636,873	486,568	846,363	1,210,454
Due to other funds	659,549	1,940,129	0	0
Due to other governments	1,825	0	0	0
Claims and judgments payable	0	0	0	0
Deposits held and due to others	0	0	0	0
Capital lease obligations	0	0	0	0
Advances from other funds	178,500	175,000	0	510,383
Unamortized bond premium	0	0	0	0
Construction Loan Payable	0	0	0	0
General obligation notes payable	0	0	0	1,735,000
General obligation bonds payable	0	0	0	0
Special assessment debt with government commitment	0	0	0	0
Total Liabilities	10,661,965	2,958,356	846,363	3,727,708
Fund Equity and Other Credits				
Investment in general fixed assets	0	0	0	0
Contributed capital	0	0	0	0
Retained earnings - Unreserved	0	0	0	0
Fund Balance				
Reserved for encumbrances	202,338	199,222	0	1,605,132
Reserved for prepaid items	65,178	12,112	0	0
Reserved for advances	0	0	0	1,189,383
Reserved for investments	0	0	0	2,298,176
Reserved for inventory of supplies	149,324	145,152	0	0
Reserved for loans receivable	0	1,602,267	0	0
Reserved for debt service	0	0	196,184	0
Reserved for cemetery perpetual care	0	0	0	0
Unreserved - undesignated	4,433,064	1,653,808	0	2,931,300
Total Fund Equity and other credits	4,849,904	3,612,561	196,184	8,023,991
TOTAL LIABILITIES, FUND EQUITY AND OTHER CREDITS	\$ 15,511,869	\$ 6,570,917	\$ 1,042,547	\$ 11,751,699

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 Obligation	2000	1999	
\$ 17,620,451	\$ 7,197,455	\$ 1,993,025	\$ 0	\$ 0	\$ 38,363,083	\$ 34,216,580	
913,927	373,313	103,373	0	0	1,994,375	1,975,000	
0	0	401,665	0	0	523,786	504,606	
0	0	95,000	0	0	2,467,176	2,470,950	
0	0	0	0	0	10,491,867	10,583,463	
6,011,235	5,612	0	0	0	6,249,467	6,596,386	
0	0	0	0	0	1,602,267	1,344,871	
81,988	0	0	0	0	1,954,222	1,504,650	
0	0	0	0	0	1,178,932	1,019,183	
963,472	467,139	184,884	0	0	4,058,176	4,100,995	
1,716	358,489	0	0	0	1,205,276	738,201	
3,043,170	436,422	0	0	0	3,774,068	3,308,206	
62,006	7,227	0	0	0	146,523	124,293	
0	0	178,500	0	0	1,367,883	862,383	
44,319	0	0	0	0	44,319	40,191	
71,070	0	0	0	0	71,070	75,018	
15,123,241	0	0	0	0	15,123,241	12,352,003	
52,347,591	652,245	0	37,069,065	0	90,068,901	82,387,131	
0	0	0	0	196,184	196,184	185,039	
0	0	0	0	18,653,586	18,653,586	20,141,416	
\$ 96,284,186	\$ 9,497,902	\$ 2,956,447	\$ 37,069,065	\$ 18,849,770	\$ 199,534,402	\$ 184,530,565	
\$ 3,935,013	\$ 136,616	\$ 0	\$ 0	\$ 0	\$ 4,773,479	\$ 2,682,324	
2,136,844	501,563	0	0	5,093,537	8,843,842	8,314,221	
91,981	0	0	0	0	91,981	78,151	
1,272,331	0	0	0	0	12,452,589	11,252,150	
1,060,106	41,106	357,286	0	0	4,058,176	4,100,995	
426,310	127,700	1,247,252	0	0	1,803,087	1,953,569	
0	1,939,154	0	0	0	1,939,154	1,939,064	
247,420	0	1,191,798	0	0	1,439,218	1,240,230	
312,589	0	0	0	605,970	918,559	1,661,885	
504,000	0	0	0	0	1,367,883	862,383	
12,804	0	0	0	0	12,804	1,775	
39,483	0	0	0	0	39,483	54,471	
4,775,000	0	0	0	0	6,510,000	2,410,000	
18,324,521	0	0	0	12,473,824	30,798,345	32,319,898	
0	0	0	0	676,439	676,439	789,195	
33,138,402	2,746,139	2,796,336	0	18,849,770	75,725,039	69,660,311	
0	0	0	37,069,065	0	37,069,065	34,276,951	
9,564,824	224,939	0	0	0	9,789,763	9,778,322	
53,580,960	6,526,824	0	0	0	60,107,784	55,022,530	
0	0	0	0	0	2,006,692	1,778,417	
0	0	0	0	0	77,290	63,389	
0	0	0	0	0	1,189,383	624,383	
0	0	0	0	0	2,298,176	2,248,950	
0	0	0	0	0	294,476	306,730	
0	0	0	0	0	1,602,267	1,344,871	
0	0	0	0	0	196,184	185,039	
0	0	160,111	0	0	160,111	153,031	
0	0	0	0	0	9,018,172	9,087,641	
63,145,784	6,751,763	160,111	37,069,065	0	123,809,363	114,870,254	
\$ 96,284,186	\$ 9,497,902	\$ 2,956,447	\$ 37,069,065	\$ 18,849,770	\$ 199,534,402	\$ 184,530,565	

City of Cuyahoga Falls, Ohio
Combined Statement of Revenues, Expenditures and Changes in Fund Balances -
All Governmental Fund Types
Year Ended December 31, 2000

(With Comparative Totals Year Ended December 31, 1999)

	Governmental Fund Types				Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects	2000	1999
Revenues						
Property taxes	\$ 8,100,463	\$ 467,334	\$ 0	\$ 0	\$ 8,567,797	\$ 7,714,820
Municipal income taxes	0	15,820,981	0	0	15,820,981	16,156,494
Other local taxes	199,456	410	0	0	199,866	194,272
State levied shared taxes	4,841,825	1,707,352	0	0	6,549,177	6,131,671
Intergovernmental	447,943	280,497	0	20,000	748,440	1,360,746
Charges for services	4,863,494	47,295	0	1,344,497	6,255,286	5,567,613
Fees, licenses and permits	446,090	425,417	0	0	871,507	856,187
Interest earnings	7,084	1,647	27,102	2,409,583	2,445,416	1,521,632
Fines and forfeitures	343,800	111,827	0	0	455,627	385,094
Special assessments	15,154	0	151,052	781,058	947,264	219,473
Other	213,687	28,561	0	70,895	313,143	326,587
Total Revenues	19,478,996	18,891,321	178,154	4,626,033	43,174,504	40,434,589
Expenditures						
Current:						
Security of persons and property	14,412,126	1,997,935	0	0	16,410,061	15,251,595
Leisure time activities	1,877,763	174,144	0	0	2,051,907	1,914,306
Community environment	841,995	112,202	0	0	954,197	835,905
Street maintenance	84,398	3,168,587	0	0	3,252,985	3,371,078
General government	6,617,672	854,362	97	40,723	7,512,854	7,130,996
Capital outlay	657,744	1,010,944	0	6,934,493	8,603,181	7,453,286
Debt Service						
Principal	163,971	349,893	505,455	701,341	1,720,660	1,488,706
Interest	9,020	284,244	441,457	134,055	868,776	830,977
Total Expenditures	24,664,689	7,952,311	947,009	7,810,612	41,374,621	38,276,849
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	(5,185,693)	10,939,010	(768,855)	(3,184,579)	1,799,883	2,157,740
Other Financing Sources (Uses)						
Bond/note proceeds	0	0	0	0	0	0
Inception of capital leases	0	0	0	0	0	0
Operating transfers in	9,387,130	4,305,221	780,000	6,271,222	20,743,573	19,026,320
Operating transfers out	(4,651,775)	(15,070,108)	0	(1,780,000)	(21,501,883)	(19,713,950)
Total Other Financing Sources (Uses)	4,735,355	(10,764,887)	780,000	4,491,222	(758,310)	(687,630)
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(450,338)	174,123	11,145	1,306,643	1,041,573	1,470,110
Fund Balance at Beginning of Year	5,275,376	3,461,657	185,039	6,717,348	15,639,420	14,200,220
Change in reserve for inventory	12,727	(24,981)	0	0	(12,254)	(32,875)
Change in reserve for prepaid items	12,139	1,762	0	0	13,901	1,965
Fund Balance at End of Year	\$ 4,849,904	\$ 3,612,561	\$ 196,184	\$ 8,023,991	\$ 16,682,640	\$ 15,639,420

See accompanying notes to the combined financial statements

City of Cuyahoga Falls, Ohio
Combined Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Non-GAAP Budgetary Basis) -
All Governmental Fund Types
Year Ended December 31, 2000

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues						
Property taxes	\$ 8,101,438	\$ 8,100,463	\$ (975)	\$ 474,456	\$ 467,334	\$ (7,122)
Municipal income taxes	0	0	0	15,917,500	15,950,151	32,651
Other local taxes	205,500	206,312	812	420	388	(32)
State levied shared taxes	4,797,330	4,801,649	4,319	1,658,304	1,690,012	31,708
Intergovernmental	435,303	435,620	317	261,900	280,497	18,597
Charges for services	4,682,449	4,884,275	201,826	45,000	47,725	2,725
Fees, licenses, and permits	403,100	445,677	42,577	412,600	415,066	2,466
Interest earnings	7,000	7,126	126	0	1,647	1,647
Fines and forfeitures	353,000	344,179	(8,821)	86,500	97,481	10,981
Special assessments	12,750	15,154	2,404	0	0	0
Other	208,440	216,178	7,738	104,630	100,555	(4,075)
Total Revenues	19,206,310	19,456,633	250,323	18,961,310	19,050,856	89,546
Expenditures						
Current						
Security of persons and property	14,716,123	14,244,585	471,538	2,356,471	1,976,604	379,867
Leisure time activities	1,964,260	1,886,792	77,468	200,465	187,604	12,861
Community environment	902,102	839,449	62,653	423,107	418,918	4,189
Street maintenance	85,729	84,453	1,276	3,306,245	3,227,736	78,509
General government	7,120,788	6,556,197	564,591	882,620	856,929	25,691
Capital outlay	756,460	688,371	68,089	1,257,382	1,123,683	133,699
Debt Service						
Principal	163,997	163,971	26	349,909	349,893	16
Interest	9,023	9,020	3	284,255	284,244	11
Total Expenditures	25,718,482	24,472,838	1,245,644	9,060,454	8,425,611	634,843
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	(6,512,172)	(5,016,205)	1,495,967	9,900,856	10,625,245	724,389
Other Financing Sources (Uses)						
Bond/note proceeds	0	0	0	0	0	0
Operating transfers in	9,550,841	9,551,570	729	4,394,763	4,344,621	(50,142)
Operating transfers out	(4,675,604)	(4,670,184)	5,420	(15,332,498)	(15,332,498)	0
Advances in	0	0	0	175,000	175,000	0
Advances out	(59,500)	(59,500)	0	0	0	0
Total Other Financing Sources (Uses)	4,815,737	4,821,886	6,149	(10,762,735)	(10,812,877)	(50,142)
Excess (Deficiency) of Revenues and						
Other Sources Over (Under) Expenditures and Other Uses	(1,696,435)	(194,319)	1,502,116	(861,879)	(187,632)	674,247
Fund Balance at Beginning of Year	4,426,930	4,426,930	0	1,946,160	1,946,160	0
Decertification of prior year						
encumbrances	45,299	45,299	0	85,691	85,691	0
Fund Balance at End of Year	\$ 2,775,794	\$ 4,277,910	\$ 1,502,116	\$ 1,169,972	\$ 1,844,219	\$ 674,247

See accompanying notes to the combined financial statements

(continued)

(continued)

City of Cuyahoga Falls, Ohio
Combined Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Non-GAAP Budgetary Basis) -
All Governmental Fund Types
Year Ended December 31, 2000

	Debt Service Fund			Capital Projects Funds		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues						
Property taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Municipal income taxes	0	0	0	0	0	0
Other local taxes	0	0	0	0	0	0
State levied shared taxes	0	0	0	5,800	0	(5,800)
Intergovernmental	0	0	0	72,690	20,000	(52,690)
Charges for services	0	0	0	1,275,000	1,246,145	(28,855)
Fees, licenses, and permits	0	0	0	0	0	0
Interest earnings	8,428	27,143	18,715	1,977,963	2,196,901	218,938
Fines and forfeitures	0	0	0	0	0	0
Special assessments	153,915	151,052	(2,863)	155,678	155,869	191
Other	0	0	0	66,600	64,425	(2,175)
Total Revenues	162,343	178,195	15,852	3,553,731	3,683,340	129,609
Expenditures						
Current						
Security of persons and property	0	0	0	0	0	0
Leisure time activities	0	0	0	0	0	0
Community environment	0	0	0	0	0	0
Street maintenance	0	0	0	0	0	0
General government	500	97	403	40,000	38,692	1,308
Capital outlay	0	0	0	8,284,765	7,405,557	879,208
Debt Service						
Principal	505,455	505,455	0	2,527,788	2,436,341	91,447
Interest	452,207	441,457	10,750	137,932	139,399	(1,467)
Total Expenditures	958,162	947,009	11,153	10,990,485	10,019,989	970,496
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	(795,819)	(768,814)	27,005	(7,436,754)	(6,336,649)	1,100,105
Other Financing Sources (Uses)						
Bond/note proceeds	0	0	0	1,735,000	1,737,239	2,239
Operating transfers in	780,000	780,000	0	6,348,043	6,348,181	138
Operating transfers out	0	0	0	(1,780,000)	(1,780,000)	0
Advances in	0	0	0	560,000	560,000	0
Advances out	0	0	0	(665,000)	(665,000)	0
Total Other Financing Sources (Uses)	780,000	780,000	0	6,198,043	6,200,420	2,377
Excess (Deficiency) of Revenues and						
Other Sources Over (Under) Expenditures and Other Uses	(15,819)	11,186	27,005	(1,238,711)	(136,229)	1,102,482
Fund Balance at Beginning of Year	184,935	184,935	0	5,220,217	5,220,217	0
Decertification of prior year						
encumbrances	0	0	0	317,894	317,894	0
Fund Balance at End of Year	\$ 169,116	\$ 196,121	\$ 27,005	\$ 4,299,400	\$ 5,401,882	\$ 1,102,482

See accompanying notes to the combined financial statements

Totals (Memorandum Only)			
	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues			
Property taxes	\$ 8,575,894	\$ 8,567,797	\$ (8,097)
Municipal income taxes	15,917,500	15,950,151	32,651
Other local taxes	205,920	206,700	780
State levied shared taxes	6,461,434	6,491,661	30,227
Intergovernmental	769,893	736,117	(33,776)
Charges for services	6,002,449	6,178,145	175,696
Fees, licenses, and permits	815,700	860,743	45,043
Interest earnings	1,993,391	2,232,817	239,426
Fines and forfeitures	439,500	441,660	2,160
Special assessments	322,343	322,075	(268)
Other	379,670	381,158	1,488
Total Revenues	41,883,694	42,369,024	485,330
Expenditures			
Current			
Security of persons and property	17,072,594	16,221,189	851,405
Leisure time activities	2,164,725	2,074,396	90,329
Community environment	1,325,209	1,258,367	66,842
Street maintenance	3,391,974	3,312,189	79,785
General government	8,043,908	7,451,915	591,993
Capital outlay	10,298,607	9,217,611	1,080,996
Debt Service			
Principal	3,547,149	3,455,660	91,489
Interest	883,417	874,120	9,297
Total Expenditures	46,727,583	43,865,447	2,862,136
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(4,843,889)	(1,496,423)	3,347,466
Other Financing Sources (Uses)			
Bond/note proceeds	1,735,000	1,737,239	2,239
Operating transfers in	21,073,647	21,024,372	(49,275)
Operating transfers out	(21,788,102)	(21,782,682)	5,420
Advances in	735,000	735,000	0
Advances out	(724,500)	(724,500)	0
Total Other Financing Sources (Uses)	1,031,045	989,429	(41,616)
Excess (Deficiency) of Revenues and			
Other Sources Over (Under) Expenditures			
and Other Uses	(3,812,844)	(506,994)	3,305,850
Fund Balance at Beginning of Year	11,778,242	11,778,242	0
Decertification of prior year			
encumbrances	448,884	448,884	0
Fund Balance at End of Year	\$ 8,414,282	\$ 11,720,132	\$ 3,305,850

See accompanying notes to the combined financial statements

City of Cuyahoga Falls, Ohio
**Combined Statement of Revenues, Expenses and Changes in Retained Earnings/
Fund Balance - All Proprietary Fund Types and Non-expendable Trust Fund**
Year Ended December 31, 2000

(With Comparative Totals for Year Ended December 31, 1999)

	Proprietary Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)	
	Enterprise	Internal Service	Non- expendable Trust	2000	1999
Operating Revenues					
Charges for services	\$ 40,252,986	\$ 8,160,681	\$ 0	\$ 48,413,667	\$ 51,533,947
Other	686,630	388,205	0	1,074,835	931,181
Total Operating Revenues	40,939,616	8,548,886	0	49,488,502	52,465,128
Operating Expenses					
Personal services	6,243,091	1,727,198	0	7,970,289	7,742,034
Fringe benefits	1,606,014	4,074,890	0	5,680,904	5,457,965
Purchased power	15,071,641	0	0	15,071,641	14,068,303
Materials and supplies	1,512,066	710,579	0	2,222,645	3,549,557
Utilities	489,960	24,730	0	514,690	565,846
Contractual services	3,491,362	268,411	0	3,759,773	3,819,759
Internal charges	3,916,909	450,304	0	4,367,213	3,765,521
Other	2,012,637	455,240	0	2,467,877	2,180,090
Depreciation	2,319,589	215,017	0	2,534,606	2,534,467
Total Operating Expenses	36,663,269	7,926,369	0	44,589,638	43,683,542
Operating Income	4,276,347	622,517	0	4,898,864	8,781,586
Nonoperating Revenues (Expenses)					
Interest revenue	0	356,129	0	356,129	259,016
Interest expense	(976,394)	(236)	0	(976,630)	(978,386)
Gain (loss) from sale of fixed assets	0	0	0	0	10,506
Grants	55,661	0	0	55,661	14,761
Net Nonoperating Revenues (Expenses)	(920,733)	355,893	0	(564,840)	(694,103)
Income Before Operating Transfers	3,355,614	978,410	0	4,334,024	8,087,483
Operating Transfers In	751,230	0	7,080	758,310	687,630
Net Income	4,106,844	978,410	7,080	5,092,334	8,775,113
Retained Earnings at Beginning of Year	49,474,116	5,548,414	0	55,022,530	46,259,922
Retained Earnings at End of Year	\$ 53,580,960	\$ 6,526,824	0	60,107,784	55,022,530
Fund Balance at Beginning of Year			153,031	153,031	140,526
Fund Balance at End of Year			\$ 160,111	\$ 160,111	\$ 153,031

See accompanying notes to the combined financial statements

City of Cuyahoga Falls, Ohio
Combined Statement of Cash Flows
All Proprietary Fund Types and Non-expendable Trust Fund
Year Ended December 31, 2000

(With Comparative Totals for Year Ended December 31, 1999)

	Proprietary Fund Types		Fiduciary	Totals (Memorandum Only)	
	Enterprise	Internal Service	Fund Type Non-expendable Trust	2000	1999
Cash Flows From Operating Activities					
Cash received from customers and users	\$ 42,680,536	\$ 8,081,812	\$ 0	\$ 50,762,348	\$ 50,602,601
Cash payments to employees for services	(6,246,610)	(1,718,997)	0	(7,965,607)	(7,720,874)
Cash payments for employee benefits	(1,494,938)	(3,945,210)	0	(5,440,148)	(5,917,734)
Cash payments to suppliers for goods and services	(28,679,133)	(1,879,045)	0	(30,558,178)	(29,913,327)
Net Cash Provided By Operating Activities	6,259,855	538,560	0	6,798,415	7,050,666
Cash Flows From Non-Capital Financing Activities					
Grant proceeds	55,661	0	0	55,661	14,761
Transfers in	751,230	0	7,080	758,310	687,630
Advance repayment	(70,000)	0	0	(70,000)	0
Net Cash Provided By Non-Capital Financing Activities	736,891	0	7,080	743,971	702,391
Cash Flows From Capital and Related Financing Activities					
Activities					
Acquisition of capital assets	(6,483,454)	(187,605)	0	(6,671,059)	(3,647,887)
Capital lease proceeds	312,589	0	0	312,589	0
Bond/note proceeds	4,781,161	0	0	4,781,161	676,775
Bond/note issuance costs	0	0	0	0	0
Proceeds from the sale of capital assets	0	0	0	0	0
Debt service					
Principal	(1,663,951)	(4,292)	0	(1,668,243)	(958,246)
Interest	(962,294)	(236)	0	(962,530)	(978,434)
Net Cash Used In Capital and Related Financing Activities	(4,015,949)	(192,133)	0	(4,208,082)	(4,907,792)
Cash Flows From Investing Activities					
Interest revenue	0	356,129	0	356,129	259,016
Sale of investments	(59,149)	4,143	95,000	39,994	(1,137,234)
Purchase of investments	0	0	(95,000)	(95,000)	(95,000)
Net Cash Provided By Investing Activities	(59,149)	360,272	0	301,123	(973,218)
Net Increase in Cash and Cash Equivalents	2,921,648	706,699	7,080	3,635,427	1,872,047
Cash and Cash Equivalents at Beginning of Year	14,698,803	6,490,756	58,031	21,247,590	19,375,543
Cash and Cash Equivalents at End of Year	\$ 17,620,451	\$ 7,197,455	\$ 65,111	\$ 24,883,017	\$ 21,247,590

See accompanying notes to the combined financial statements

(continued)

(continued)

City of Cuyahoga Falls
Combined Statement of Cash Flows -
All Proprietary Fund Types and Non-expendable Trust Fund
Year Ended December 31, 2000

(With Comparative Totals for Year Ended December 31, 1999)

	Proprietary Fund Types		Fiduciary	Totals (Memorandum Only)	
	Enterprise	Internal Service	Fund Type Non-expendable Trust	2000	1999
Reconciliation of Operating Income to Net Cash					
Provided By Operating Activities:					
Operating Income	\$ 4,276,347	\$ 622,517	\$ 0	\$ 4,898,864	\$ 8,781,586
Adjustments to Reconcile Operating Income to Net Cash Provided By Operating Activities:					
Depreciation	2,319,589	215,017	0	2,534,606	2,534,467
Amortization Expense	13,108	0	0	13,108	59,953
Change in assets and liabilities					
Decrease (increase) in receivables	396,809	5,810	0	402,619	(732,800)
Decrease (increase) in due from other funds	(47,052)	(114,400)	0	(161,452)	64,459
Decrease (increase) in due from other governments	7,430	(358,484)	0	(351,054)	7,097
Decrease (increase) in inventory of supplies	(439,401)	(38,715)	0	(478,116)	(34,362)
Decrease (increase) in prepaids	(7,699)	(630)	0	(8,329)	(308)
(Increase) in investment in joint ventures	(2,771,238)	0	0	(2,771,238)	(2,182,140)
Increase (decrease) in accounts payable					
- net of items affecting fixed assets	1,173,665	67,147	0	1,240,812	126,884
Increase (decrease) in accrued salaries, wages and benefits	88,944	80,580	0	169,524	57,234
Increase (decrease) in due to other funds	65,800	11,731	0	77,531	(5,107)
Increase (decrease) in due to other governments	(54,094)	47,897	0	(6,197)	(33,034)
Increase (decrease) in deposits held and due to others	54,136	0	0	54,136	23,408
Increase in claims and judgements payable	0	90	0	90	(249,406)
Increase in deferred revenue	1,183,511	0	0	1,183,511	(1,367,265)
Total Adjustments	1,983,508	(83,957)	0	1,899,551	(1,730,920)
Net Cash Provided By Operating Activities	\$ 6,259,855	\$ 538,560	\$ 0	\$ 6,798,415	\$ 7,050,666

Cash and Cash Equivalents

	Cash and Cash Equivalents		
	Pooled	Restricted	Total
Reconciliation of Cash and Cash Equivalents at End of Year - Non-expendable Trust Fund:			
Trust and Agency Funds	\$ 1,993,025	\$ 401,665	\$ 2,394,690
Less Agency Funds:			
Treasury	(577,145)	0	(577,145)
State Cases Fines and Forfeitures	(4,154)	0	(4,154)
Employee Withholding	(226,144)	0	(226,144)
Guarantee Deposits	(1,147,879)	0	(1,147,879)
Unclaimed Monies	(37,703)	0	(37,703)
Municipal Court	0	(336,554)	(336,554)
Non-expendable Trust Fund	\$ 0	\$ 65,111	\$ 65,111

During 2000 the Leisure Time Enterprise Fund received capital assets from the Recreation Levy Special Revenue Fund in the amount of \$11,441.

See accompanying notes to the combined financial statements

City of Cuyahoga Falls, Ohio
**Combined Statement of Revenues, Expenses and Changes in Retained Earnings/
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) -
All Proprietary Fund Types and Non-expendable Trust Fund
Year Ended December 31, 2000**

	Enterprise Funds			Internal Service Funds		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Operating Revenues						
Charges for services	\$ 42,018,955	\$ 41,709,612	\$ (309,343)	\$ 8,392,851	\$ 8,046,261	\$ (346,590)
Other	645,650	970,924	325,274	8,250	35,551	27,301
Total Operating Revenues	42,664,605	42,680,536	15,931	8,401,101	8,081,812	(319,289)
Operating Expenses						
Personal services	6,308,522	6,246,610	61,912	1,758,741	1,718,997	39,744
Fringe benefits	1,593,616	1,494,938	98,678	4,044,703	3,945,210	99,493
Purchased power	17,895,000	14,686,143	3,208,857	0	0	0
Materials and supplies	1,716,218	4,681,729	(2,965,511)	871,180	846,664	24,516
Utilities	637,310	427,355	209,955	33,950	22,240	11,710
Contractual services	4,472,563	3,494,618	977,945	377,274	247,058	130,216
Internal charges	3,767,887	3,865,324	(97,437)	494,677	451,664	43,013
Other	2,148,890	2,213,459	(64,569)	519,334	386,614	132,720
Capital outlay	8,053,325	7,204,012	849,313	239,695	128,362	111,333
Total Operating Expenses	46,593,331	44,314,188	2,279,143	8,339,554	7,746,809	592,745
Operating Income (Loss)	(3,928,726)	(1,633,652)	2,295,074	61,547	335,003	273,456
Nonoperating Revenues (Expenses)						
Bond/note proceeds	4,776,000	4,781,161	5,161	0	0	0
Capital lease proceeds	320,000	312,589	(7,411)	0	0	0
Grants	56,600	55,661	(939)	0	0	0
Interest earnings	0	0	0	260,000	356,129	96,129
Advances out	(70,000)	(70,000)	0	0	0	0
Debt Service						
Principal	(1,665,246)	(1,663,951)	1,295	(4,168)	(4,292)	(124)
Interest	(968,591)	(962,294)	6,297	(360)	(236)	124
Total Nonoperating Revenues/ Expenses	2,448,763	2,453,166	4,403	255,472	351,601	96,129
Income (loss) before operating transfers	(1,479,963)	819,514	2,299,477	317,019	686,604	369,585
Operating Transfers In	751,230	751,230	0	0	0	0
Net Income (Loss)	(728,733)	1,570,744	2,299,477	317,019	686,604	369,585
Retained Earnings at Beginning of Year	10,802,068	10,802,068	0	6,555,273	6,555,273	0
Decertification of prior year encumbrances						
	316,515	316,515	0	115,857	115,857	0
Retained Earnings at End of Year	\$ 10,389,850	\$ 12,689,327	\$ 2,299,477	\$ 6,988,149	\$ 7,357,734	\$ 369,585
Fund Balance at Beginning of Year						
Fund Balance at End of Year						

See accompanying notes to the combined financial statements

(continued)

(continued)

City of Cuyahoga Falls, Ohio
Combined Statement of Revenues, Expenses and Changes in Retained Earnings/
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) -
All Proprietary Fund Types and Non-expendable Trust Fund
Year Ended December 31, 2000

	Non-expendable Trust Fund			Totals (Memorandum Only)		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Operating Revenues						
Charges for services	\$ 0	\$ 0	\$ 0	\$ 50,411,806	\$ 49,755,873	\$ (655,933)
Other	0	0	0	653,900	1,006,475	352,575
Total Operating Revenues	0	0	0	51,065,706	50,762,348	(303,358)
Operating Expenses						
Personal services	0	0	0	8,067,263	7,965,607	101,656
Fringe benefits	0	0	0	5,638,319	5,440,148	198,171
Purchased power	0	0	0	17,895,000	14,686,143	3,208,857
Materials and supplies	0	0	0	2,587,398	5,528,393	(2,940,995)
Utilities	0	0	0	671,260	449,595	221,665
Contractual services	0	0	0	4,849,837	3,741,676	1,108,161
Internal charges	0	0	0	4,262,564	4,316,988	(54,424)
Other	0	0	0	2,668,224	2,600,073	68,151
Capital outlay	0	0	0	8,293,020	7,332,374	960,646
Total Operating Expenses	0	0	0	54,932,885	52,060,997	2,871,888
Operating Income (Loss)	0	0	0	(3,867,179)	(1,298,649)	2,568,530
Nonoperating Revenue/Expenses						
Bond/note proceeds	0	0	0	4,776,000	4,781,161	5,161
Capital lease proceeds	0	0	0	320,000	312,589	(7,411)
Grants	0	0	0	56,600	55,661	(939)
Interest earnings	0	0	0	260,000	356,129	96,129
Advances out				(70,000)	(70,000)	0
Debt Service						
Principal	0	0	0	(1,669,414)	(1,668,243)	1,171
Interest	0	0	0	(968,951)	(962,530)	6,421
Total Nonoperating Revenues/Expenses	0	0	0	2,704,235	2,804,767	100,532
Income (loss) before operating transfers	0	0	0	(1,162,944)	1,506,118	2,669,062
Operating Transfers In	0	7,080	7,080	751,230	758,310	7,080
Net Income (Loss)	0	7,080	7,080	(411,714)	2,264,428	2,676,142
Retained Earnings at Beginning of Year	0	0	0	17,357,341	17,357,341	0
Decertification of prior year encumbrances						
	0	0	0	432,372	432,372	0
Retained Earnings at End of Year	\$ 0	\$ 0	\$ 0	\$ 17,377,999	\$ 20,047,061	\$ 2,669,062
Fund Balance at Beginning of Year	153,031	153,031	0	153,031	153,031	0
Fund Balance at End of Year	\$ 153,031	\$ 160,111	\$ 7,080	\$ 153,031	\$ 160,111	\$ 7,080

(continued)

City of Cuyahoga Falls, Ohio
Combined Statement of Revenues, Expenses and Changes in Retained Earnings/
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) -
All Proprietary Fund Types and Non-expendable Trust Fund
Year Ended December 31, 2000

	Non-expendable Trust Fund			Totals (Memorandum Only)		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Operating Revenues						
Charges for services	\$ 0	\$ 0	\$ 0	\$ 50,411,806	\$ 49,755,873	\$ (655,933)
Other	0	0	0	653,900	1,006,475	352,575
Total Operating Revenues	0	0	0	51,065,706	50,762,348	(303,358)
Operating Expenses						
Personal services	0	0	0	8,067,263	7,965,607	101,656
Fringe benefits	0	0	0	5,638,319	5,440,148	198,171
Purchased power	0	0	0	17,895,000	14,686,143	3,208,857
Materials and supplies	0	0	0	2,587,398	5,528,393	(2,940,995)
Utilities	0	0	0	671,260	449,595	221,665
Contractual services	0	0	0	4,849,837	3,741,676	1,108,161
Internal charges	0	0	0	4,262,564	4,316,988	(54,424)
Other	0	0	0	2,668,224	2,600,073	68,151
Capital outlay	0	0	0	8,293,020	7,332,374	960,646
Total Operating Expenses	0	0	0	54,932,885	52,060,997	2,871,888
Operating Income (Loss)	0	0	0	(3,867,179)	(1,298,649)	2,568,530
Nonoperating Revenue/Expenses						
Bond/note proceeds	0	0	0	4,776,000	4,781,161	5,161
Capital lease proceeds	0	0	0	320,000	312,589	(7,411)
Grants	0	0	0	56,600	55,661	(939)
Interest earnings	0	0	0	260,000	356,129	96,129
Advances out				(70,000)	(70,000)	0
Debt Service						
Principal	0	0	0	(1,669,414)	(1,668,243)	1,171
Interest	0	0	0	(968,951)	(962,530)	6,421
Total Nonoperating Revenues/Expenses	0	0	0	2,704,235	2,804,767	100,532
Income (loss) before operating transfers	0	0	0	(1,162,944)	1,506,118	2,669,062
Operating Transfers In	0	7,080	7,080	751,230	758,310	7,080
Net Income (Loss)	0	7,080	7,080	(411,714)	2,264,428	2,676,142
Retained Earnings at Beginning of Year	0	0	0	17,357,341	17,357,341	0
Decertification of prior year encumbrances						
	0	0	0	432,372	432,372	0
Retained Earnings at End of Year	\$ 0	\$ 0	\$ 0	\$ 17,377,999	\$ 20,047,061	\$ 2,669,062
Fund Balance at Beginning of Year	153,031	153,031	0	153,031	153,031	0
Fund Balance at End of Year	\$ 153,031	\$ 160,111	\$ 7,080	\$ 153,031	\$ 160,111	\$ 7,080

Notes to the General Purpose Financial Statements

City of Cuyahoga Falls December 31, 2000

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Cuyahoga Falls (the "City") operates as a political subdivision of the State of Ohio. The community was founded in 1812, became a township in 1851, was incorporated as a village in 1868 and became a city in 1920. The City Charter was first adopted on November 3, 1959, and became effective on January 1, 1960. The Charter establishes a strong Mayor-Council form of government.

The City provides municipal services such as police and fire protection, emergency medical service, administration of justice, community planning and development, recreational and cultural activities, street maintenance, cemetery operations, environmental services and other functions necessary for general government. The City also operates certain enterprise operations such as water and sewer service, refuse collection, electric distribution and recreation facilities that include a natatorium, a golf course, driving range/batting cages, an outdoor water park and a community center.

A. Reporting Entity

The accompanying general purpose financial statements comply with the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 14 in that the financial statements include those activities and functions in which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the City. Based on this criteria, the City does not have any component units.

B. 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 and attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The following fund types and account groups are used for financial statement presentation purposes:

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 based upon determination of financial position and changes in financial position. The following are the City's governmental fund types:

General Fund

This fund accounts for the financial resources of the City that are not required to be accounted for in another fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the Charter of the City of Cuyahoga Falls and/or the general laws of Ohio.

Special Revenue Funds

These funds are limited by City ordinances, state and/or federal law for the financing of certain governmental functions (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes.

Notes to the General Purpose Financial Statements

(continued)

City of Cuyahoga Falls December 31, 2000

Debt Service Fund

This fund accounts for the accumulation of resources for, and the payment of, bond anticipation notes and general long-term debt principal and interest.

Capital Projects Funds

These funds 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).

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 changes in cash flows. The City has elected to apply only Financial Accounting Standards Board Statements, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on Accounting Procedures issued on or before November 30, 1989 to the proprietary funds so long as they do not conflict with or contradict GASB pronouncements. This treatment is in accordance with GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*. The following are the City's proprietary fund types.

Enterprise Funds

These funds 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

These funds account for the financing of goods or services provided by one department of the City to other departments on a cost-reimbursement basis.

Fiduciary Fund Types

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 governmental units and/or other funds. These funds include a Non-expendable Trust Fund and Agency Funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. The Non-expendable Trust Fund's measurement focus is based upon determination of net income, financial position and changes in cash flows.

Account Groups

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

General Fixed Assets Account Group

This account group is established to account for fixed assets other than those accounted for in any proprietary fund or non-expendable trust fund.

General Long-Term Debt Account Group

This account group is established to account for all unmatured long-term indebtedness of the City that is not a specific liability of any proprietary fund or non-expendable trust fund.

Notes to the General Purpose Financial Statements

City of Cuyahoga Falls December 31, 2000

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. The City uses the following basis of accounting by generic fund type:

Governmental Fund Types and Agency Funds

All governmental fund types and agency funds are accounted for using a 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: investment earnings, income taxes, and state-levied locally shared taxes including motor vehicle license fees and gasoline taxes. Reimbursements due for federally funded community development projects are accrued as revenue at the time qualified expenditures are made.

Property taxes, though measurable and in some cases collectible within 60 days after year-end, are not intended to finance current period obligations; therefore, property taxes receivable are recorded and deferred. The revenue will be recognized in the year for which it was levied.

Levied special assessments are measurable and have therefore been recorded as a receivable. Since the amounts recognized as a receivable will not be available to be used to pay obligations of the current period, equal amounts are recorded as deferred revenue.

Other revenues, including licenses and permits, fines and forfeitures, park and recreation facility rental and program activity fees and charges for services at Oakwood Cemetery are recorded as revenue when received in cash because they are generally not measurable or available until received.

Proprietary Fund Types and Non-Expendable Trust Fund

All proprietary fund types and the non-expendable trust fund are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. Unbilled utility service receivables are recorded at each year end.

D. Budget Requirements and Budgetary Accounting

The budgetary process is prescribed by Charter and by the provisions of the Ohio Revised Code (ORC) and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the Tax Budget, the Certificate of Estimated Resources and the Appropriation Ordinances, all of which are prepared using the cash basis of accounting. Under the cash basis of accounting, revenues and expenditures are recognized when actually received or disbursed. These budgetary documents are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources as certified by the County Budget Commission (the "Commission"). The initial level of budgetary control is passed by Council at the fund level for all the City's funds. The City Finance Director is authorized by Charter to transfer funds already appropriated between departments or categories within any fund; however, any revisions that alter the total fund appropriation must be approved by Council.

(continued)

Notes to the General Purpose Financial Statements

(continued)

City of Cuyahoga Falls December 31, 2000

Tax Budget

The City shall adopt a Tax Budget (preliminary financial plan) for the next succeeding fiscal year on or before July 15. The City's Tax Budget is based on estimates prepared by and submitted to the Mayor by the Finance Director. The adopted budget is submitted to the County Auditor by July 20 for presentation to the Commission. The Commission ascertains that specific levies have been properly authorized and are within legal limitations. This tax budget, which includes all funds, is based on:

1. The necessary current operating expenditures and the expenditures necessary for permanent improvements (capital projects) by fund.
2. An estimate of receipts by fund from sources other than the general property tax during the ensuing fiscal year, along with an estimate of unencumbered balances at the end of the current fiscal year and the amount each fund will derive from the general property tax.
3. The amount required for current debt retirement from sources other than a tax levy and the amount, if any, required from tax levies.
4. An estimate of amounts to be received from property taxes authorized under voted levies, and the fund to which such amounts will be credited.

Estimated Resources

The Commission certifies its actions regarding the Tax Budget to the City by September 1. As part of this certification, the City receives the Official Certificate of Estimated Resources, which states the projected receipts of each fund. On or about January 1, this certificate is amended to include any balances from the preceding year. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the annual appropriation measure.

Appropriations

A temporary Appropriation Ordinance to control cash disbursements must be passed on or about January 1 of each year for the period January 1 to March 31. An annual Appropriation Ordinance must be passed by April 1 of each year for the period January 1 to December 31. The Appropriation Ordinance may be amended during the year as new information becomes available provided that total appropriations do not exceed estimated resources, as certified by the Commission. The budget amounts which appear in the accompanying financial statements represent the final appropriations, including the final amendment incorporated in December 2000. Unencumbered appropriations lapse at year end.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental funds. Encumbrances outstanding at year end are reported as reservations of fund balances in governmental fund types since they do not constitute expenditures or liabilities.

Notes to the General Purpose Financial Statements

City of Cuyahoga Falls December 31, 2000

Budgetary Basis of Accounting

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for transactions on a basis of cash receipts and disbursements. The ORC prohibits expenditures plus encumbrances from exceeding appropriations.

The Combined Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual (Non-GAAP Budgetary Basis)-All Governmental Fund Types and the Combined Statement of Revenues, Expenses and Changes in Retained Earnings-Budget and Actual (Non-GAAP Budgetary Basis)-All Proprietary Fund Types and Nonexpendable Trust Fund are presented on the budgetary basis to provide a meaningful comparison of actual results within the budget. The major differences between the budget basis as provided by law and the GAAP (generally accepted accounting principles) basis are as follows:

- A. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- B. Expenditures are recorded when paid in cash or encumbered (budget basis) as opposed to when the liability is incurred (GAAP basis).
- C. Encumbrances are recorded as expenditures (budget basis) as opposed to a reservation of a fund balance (GAAP basis), for governmental fund types, and as a note disclosure for proprietary fund types.

The adjustments necessary to convert the results of operations for the year on the GAAP basis to the budget basis for the governmental fund types are as follows:

	Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses				
	General	Special Revenue	Debt Service	Capital Projects	Total (Memorandum Only)
GAAP basis	\$ (450,338)	\$ 174,123	\$ 11,145	\$ 1,306,643	\$ 1,041,573
Increase (decrease) due to:					
Change in receivables and other assets not recognized on a budget basis - January 1 to December 31	55,616	(110,785)	153,955	(1,511,528)	(1,412,742)
Change in liabilities not recognized on a budget basis - January 1 to December 31	347,763	42,777	(153,914)	408,283	644,909
Encumbrances recognized as expenditures on a budget basis	(147,360)	(293,747)	0	(339,627)	(780,734)
Budget Basis	\$ (194,319)	\$ (187,632)	\$ 11,186	\$ (136,229)	\$ (506,994)

(continued)

Notes to the General Purpose Financial Statements

(continued)

City of Cuyahoga Falls December 31, 2000

The adjustments necessary to convert the results of operations for the year from the GAAP basis to the budget basis for the proprietary fund types and non-expendable trust funds are as follows:

	Net Income			Total (Memorandum Only)
	Enterprise	Internal Service	Non-Expendable Trust	
GAAP basis	\$ 4,106,844	\$ 978,410	\$ 7,080	\$ 5,092,334
Increase (decrease) due to:				
Change in receivables and other assets not recognized on a budget basis January 1 to December 31	(7,844,543)	(412,863)	0	(8,257,406)
Change in liabilities and equity not recognized on a budget basis - January 1 to December 31,	6,718,496	137,009	0	6,855,505
Encumbrances recognized as expenses on a budget basis	(1,410,053)	(15,952)	0	(1,426,005)
Budget Basis	\$ 1,570,744	\$ 686,604	\$ 7,080	\$ 2,264,428

E. Equity in Pooled Cash and Cash Equivalents and Investments

Cash balances of the City's funds, except for the Municipal Court Agency Fund, Capital Improvement Reserve Capital Projects Fund, the Debt Service Fund and the Cemetery Perpetual Care Non-expendable Trust Fund which have restricted cash and investments, are pooled and invested in short-term investments in order to provide improved cash management. Interest earned on the cash balance of the Cemetery Perpetual Care Non-expendable Trust Fund is directly deposited in the General Fund. These short-term investments consist of repurchase agreements, U.S. Treasury Notes, money market accounts and other governmental bonds. Investments maturing within three months of purchase and investments of the pool are included in "Equity in Pooled Cash and Cash Equivalents." Investments with maturities of greater than three months are shown as "Investments" on the balance sheet. For purposes of the statements of cash flows, cash and cash equivalents consist of cash and highly liquid short-term investments with original maturities of three months or less.

All invested monies are stated at fair value. For reporting purposes, interest earned by the cash and investment pool has been reported as interest income by the Capital Improvement Reserve Capital Projects Fund in accordance with local ordinance.

F. Inventory of Supplies

Inventories are stated at cost on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased and as an expense in the proprietary fund types when used. Reported supplies inventory is equally offset by a fund balance reserve in the governmental funds which indicates that it does not constitute "available spendable resources" even though it is a component of net current assets.

Notes to the General Purpose Financial Statements

City of Cuyahoga Falls December 31, 2000

G. Advances to Other Funds

Noncurrent portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute available financial resources and therefore are not available for appropriation. City management believes that all advances are collectible.

H. Fixed Assets and Depreciation

Fixed assets are recorded at historical cost or, if donated, at fair market value at the date received. When purchased, such assets are recorded as expenditures in the governmental fund types and capitalized (recorded and accounted for) in the General Fixed Assets Account Group. Infrastructure pertaining to Governmental Fund Type activities, including streets, bridges, storm sewers and drains, and traffic signals and signs, are not capitalized by the City and are not reported as part of the General Fixed Assets Account Group. Fixed assets used in proprietary fund type operations are capitalized in the fund in which they are utilized.

The City has elected not to record depreciation in the General Fixed Assets Account Group. Depreciation for the proprietary funds is determined by allocating the cost of the fixed assets over their estimated useful lives on a straight-line basis. Interest incurred in capital leases or during construction periods is not capitalized. The estimated useful lives are as follows:

Assets	Years
Buildings	10-50
Improvements other than buildings	5-50
Equipment	3-30

I. Interfund Transactions

During the course of its 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 equity contributions is determined by City management.

The Internal Service Fund departments and various departments of the General Fund provide support and/or administrative services. Because the services provided by these departments are also available from organizations external to the City, the interfund billings for the services provided are accounted for as quasi-external transactions. As such, the amounts are recorded as revenues in the fund/department providing the service and as expenditures or expenses in the funds receiving the services.

J. Fund Balances (Governmental Funds)

Fund balances are reserved for encumbrances, prepaid items, advances, certain investments, inventories of supplies, loans receivable, debt service and cemetery perpetual care. The fund balance in the debt service fund is restricted to retirement of general obligation and special assessment long-term debt.

(continued)

Notes to the General Purpose Financial Statements

(continued)

City of Cuyahoga Falls December 31, 2000

K. Receivables

Receivables consist primarily of taxes, accounts (billings for utility services including a provision for unbilled amounts), special assessments and accrued interest on investments. Utility accounts receivable billed to customers prior to year end are recorded net of an allowance for doubtful accounts, based on management's estimate.

L. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2000, are recorded as prepaid items. The actual payment for these services is recorded as an expenditure in the governmental fund types when purchased and as an expense in the proprietary fund types when used. Reported prepaid items are equally offset by a fund balance reserve in the governmental fund types which indicates that it does not constitute "available spendable resources" even though it is a component of net current assets.

M. Use of Estimates

The preparation of general purpose financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the general purpose financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

N. Reclassification

Certain amounts shown for 1999 have been reclassified to conform to the current year presentation.

O. Total Columns on General Purpose Financial Statements

The total columns on the accompanying General Purpose Financial Statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with GAAP. No consolidating entries or other eliminations were made in arriving at totals; thus, they do not represent consolidated information.

NOTE 2 - COMPENSATED ABSENCES

The City has implemented the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*, relating to compensated absences. Vacation and compensatory time benefits are accrued as a liability as the benefits are earned, since these amounts are attributable to services already rendered and the probability exists that the City will compensate employees for these benefits through paid time off or compensation. Sick leave benefits are accrued as a liability using the termination method. An accrual is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the City's past experience of making termination payments.

For Governmental Funds, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are included in accrued salaries, wages and benefits in the funds from which employees are paid. The remainder is reported in the general long-term debt account group. In proprietary fund types, the entire amount of compensated absences is reported as a fund liability.

Notes to the General Purpose Financial Statements

City of Cuyahoga Falls December 31, 2000

Sick leave is earned by substantially all full-time employees and a portion of such sick leave may be paid in cash upon termination, retirement, or death, if certain service requirements are met. Specific sick leave cash-outs are based on formulas contained in union contracts and/or ordinances as follows:

Cash-out Limits	Employee Class	Affiliation
100% of accumulated sick leave up to a maximum of 960 hours	Non-bargaining employees	None
	Municipal Court employees	None
	Patrol Officers	Fraternal Order of Police-Blue (FOP-Blue)
	Community Service Officers	American Federation of State, County, and Municipal Employees (AFSCME)
	Various government employees	Utility Workers of America Local #399
100% of accumulated sick leave up to a maximum of 1,500 hours	Electric employees	Fraternal Order of Police-Ohio Labor Council, Inc. (FOP-OLC)
	Dispatchers	
100% of accumulated sick leave up to a maximum of 1,500 hours	Police Sergeants/Lieutenants	Fraternal Order of Police-(FOP-Gold)
46.67% of accumulated sick leave up to a maximum of 56, 24-hour days	Firefighters	International Association of Firefighters Local #494 (IAFF)

Sick leave may be accumulated beyond these cash-out limits, but can only be used when employees are absent from work due to illness. Compensatory time is earned by substantially all regular non-management employees. Compensatory time that is not used per union contracts and/or City ordinances is paid in cash to the appropriate employees in accordance with the Fair Labor Standards Act.

In compliance with union contracts, the City has established an Internal Service-Compensated Absence Fund to fund the sick leave and vacation cash out payments.

NOTE 3 - 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. If paid annually, payment is due January 20; if paid semiannually, the first payment is due January 20, with the remainder payable by June 20. In certain circumstances, state statute permits earlier or later payment dates to be established.

Tangible personal property taxes (for tangible property other than public utility property) attach as a lien and are levied on January 1 of the current calendar year. Tax collections for the current year are therefore based upon assessed values as of January 1 of the current year. Tangible personal property used in business (except for public utilities) is currently 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 semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

Public utility tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain

(continued)

Notes to the General Purpose Financial Statements

(continued)

City of Cuyahoga Falls December 31, 2000

public utility tangible personal property currently is assessed at 100 percent of its true value. Public utility property taxes are payable on the same date as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including the City of Cuyahoga Falls. 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 amounts of \$8,433,900 and \$486,568 have been recorded in the General Fund and Special Revenue Fund, respectively, as taxes receivable to reflect property taxes receivable as of December 31, 2000.

The assessed values of real public utility and tangible personal property upon which 2000 property tax receipts were based are as follows:

Property Types	Valuation
Real Property - 1999 Tax Valuation	\$ 769,438,120
Public Utility Property - 1998 Tax Valuation	23,838,100
Tangible Personal Property - 2000 Tax Valuation	84,544,555
Total Valuation	<u>\$ 877,820,775</u>

NOTE 4 - INCOME TAXES

The City levies a tax at the rate of 2 percent on substantially all income earned within the City. In addition, residents of the City are required to pay City income tax on income earned outside the City; however, a 100 percent credit is allowed for income taxes paid to other municipalities with a limitation of 2 percent. The proceeds of the income tax, after payment of the expenses of collection, are allocated by ordinance as follows: 8 percent to the Recreation Levy Fund, 29.33 percent to the Capital Projects Fund and 62.67 percent to the General Fund. The portion allocated to the Recreation Levy Fund and the Capital Projects Fund may be utilized for the acquisition of capital items or the payment of debt service thereon.

Municipal income tax revenue for 2000 was \$15,820,981. The amount of \$1,571,399 has been recorded in the Special Revenue Fund as taxes receivable (net of refunds) to reflect income taxes receivable recorded as of December 31, 2000.

Employers within the City are required to withhold income tax on employee compensation, remit this tax to the City at least quarterly and file a declaration annually. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. Withheld income taxes and other various income tax collections for 2000 received within 60 days after year end, net of estimated refunds, have been recognized as revenue in 2000.

NOTE 5 - DEPOSITS AND INVESTMENTS

A. Policies and Practices

The Charter of the City of Cuyahoga Falls specifies that the Finance Director is responsible for the safekeeping and investment of all public funds. It is also the Finance Director's responsibility to deposit and invest the City's idle funds. Periodically, the Finance Director consults with the other members of the Treasury Investment Board (Mayor and Law Director) concerning investment decisions.

The investment and deposit of City monies is governed by the provisions of the Charter and Codified Ordinances of the City and the ORC. In accordance with the provisions of these items, only banks located in Ohio and domestic building and loan associations are eligible to hold public deposits. These provisions restrict the investment of the City's monies to certificates of deposit, savings accounts, money market accounts, the State Treasurer's investment pool, obligations of the United States

Notes to the General Purpose Financial Statements

City of Cuyahoga Falls December 31, 2000

government or certain agencies thereof and certain industrial revenue bonds issued by other governmental entities, and repurchase agreements with any eligible depository for a period not exceeding thirty days. The City's practice is to limit investments to U.S. Treasury Notes and Bills, collateralized certificates of deposit and repurchase agreements, insured and/or collateralized demand deposit accounts or obligations of other U.S. agencies.

Public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the Federal Deposit Insurance Corporation or may pledge a pool of government securities the face value of which is at least 110 percent of the total value of public monies on deposit at the institution. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within five years of the date of the related repurchase agreement. State law does not require security for public deposits and investments to be maintained in the City's name.

During 2000 the City believes it has complied with the revisions of these statutes pertaining to the types of investments held and institutions in which deposits were made. The City was also in compliance with the provisions of the statutes concerning security requirements. The City will continue to monitor compliance with applicable statutes pertaining to public deposits and investments.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, *"Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements."*

B. Deposits

At year end, the carrying amount of the City's deposits was \$34,946,869 and the bank balance was \$36,327,417. Of the bank balance, \$165,251 was covered by federal depository insurance, \$36,162,166 was covered by collateral held by the counterparty's trust department or agent in the City's name. The equity in pooled cash and cash equivalents and the cash and cash equivalents-restricted accounts include repurchase agreements of \$3,635,000 and \$305,000, respectively.

C. Investments

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

Category 1	Investments that are insured or registered or for which the securities are held by the City or its agent in the City's name.
Category 2	Uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name.
Category 3	Uninsured and unregistered investments for which the securities are held by the counterparty, or by their trust department or agent but not in the City's name. The City currently does not hold any investments in this category.

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Notes to the General Purpose Financial Statements

(continued)

City of Cuyahoga Falls December 31, 2000

A summary of the total City investments as of December 31, 2000 is as follows:

	Category		Carrying Amount	Fair Value
	1	2		
Repurchase agreements	\$ 0	\$ 3,940,000	\$ 3,940,000	\$ 3,940,000
U. S. government securities	2,092,770	0	2,092,770	2,089,375
Other government bonds	2,104,191	0	2,104,191	2,372,176
Total City investments	<u>\$ 4,196,961</u>	<u>\$ 3,940,000</u>	<u>8,136,961</u>	<u>8,401,551</u>

The City has an investment in an Industrial Development Revenue Bond (IDRB) issued by the County of Summit, Ohio on behalf of an urban redevelopment corporation. The bond is held by the City and has been classified as Category 1, Other Government Bonds, in the table. As of December 31, 2000, \$2,298,176 has been reserved in the fund balance of the Capital Improvement Reserve Capital Projects Fund. This amount represents the fair value of the IDRB at \$2,298,176.

The classification of cash and cash equivalents, and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting."

A reconciliation between the classification of cash and cash equivalents and investments on the combined financial statements and the classification of deposits and investments presented above per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents/Deposits	Investments
GASB Statement No. 9	\$38,886,869	\$4,461,551
Investments of the cash management pool:		
Repurchase agreements	<u>(3,940,000)</u>	<u>3,940,000</u>
GASB Statement No. 3	<u>\$34,946,869</u>	<u>\$8,401,551</u>

NOTE 6 - FIXED ASSETS AND DEPRECIATION

A. Changes in General Fixed Assets

The changes in general fixed assets during 2000 were as follows:

	January 1, 2000	Additions	Deductions	December 31, 2000
Land	\$ 5,165,723	\$ 1,568,896	\$ 0	\$ 6,734,619
Buildings	13,716,567	107,729	0	13,824,296
Equipment	15,394,661	2,224,696	1,109,207	16,510,150
Total	<u>\$ 34,276,951</u>	<u>\$ 3,901,321</u>	<u>\$ 1,109,207</u>	<u>\$ 37,069,065</u>

Notes to the General Purpose Financial Statements

City of Cuyahoga Falls December 31, 2000

B. Proprietary Fund Type Fixed Assets

Proprietary fund fixed assets and accumulated depreciation at December 31, 2000, were as follows:

	Enterprise	Internal Service	Total
Land	\$ 2,284,298	\$ 7,959	\$ 2,292,257
Buildings	13,244,366	304,418	13,548,784
Improvements other than buildings	52,913,575	266,525	53,180,100
Equipment	7,389,121	1,920,732	9,312,351
Construction in progress	6,342,817	0	6,342,817
	<u>82,174,177</u>	<u>2,499,634</u>	<u>84,676,309</u>
Less: Accumulated depreciation	29,826,586	1,847,389	31,676,473
Net	<u>\$ 52,347,591</u>	<u>\$ 652,245</u>	<u>\$ 52,999,836</u>

NOTE 7 - DEFINED BENEFIT PENSION PLANS

A. Public Employees Retirement System of Ohio (PERS)

All City employees except non-administrative full-time uniformed police officers and firefighters, participate in the Public Employees Retirement System of Ohio (PERS), a cost-sharing multiple-employer public employee retirement system operated by the State of Ohio. The payroll for employees covered by PERS was \$16,489,618 for the period January 1 to December 31, 2000. The City's total payroll for the year was \$25,751,731.

Employer and employees' required contributions to PERS are established by the ORC and are based on percentages of covered employees' gross salaries, as defined.

PERS has provided the following information to the City.

- A. PERS is a cost-sharing multiple-employer defined benefit pension plan.
- B. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries.
- C. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code.
- D. PERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to PERS at 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085 or 1-800-222-PERS (7377).
- E. The Retirement Board instituted a temporary employer contribution rate rollback for calendar year 2000. The rate rollback was 20 percent for state and local government divisions and 6 percent for law enforcement divisions. The 2000 employer contribution rate for state employers was 10.65 percent of covered payroll. For local employer units, the rate was 10.84 percent of covered payroll. For law enforcement, the employer rate was 15.70 percent of covered payroll.
- F. Required employer contributions are equal to 100 percent of the dollar amount billed to each employer. Those required amounts for the past five years have been:

Year	Employee Share	Employer Share
2000	\$1,401,618	\$1,826,922
1999	1,334,573	2,127,467
1998	1,254,665	2,000,084
1997	1,201,393	1,915,161
1996	1,151,427	1,835,511

(continued)

Notes to the General Purpose Financial Statements

(continued)

City of Cuyahoga Falls December 31, 2000

Benefits fully vest upon reaching five years of service and are established by state statute. Employees may retire at any age with 30 years of service credit, or at age 60 with a minimum of five years of credited service, or at age 55 with a minimum of 25 years of service credit. Those individuals retiring with less than 30 years of service or less than age 65 receive reduced retirement benefits. Eligible employees are entitled to a retirement benefit, payable monthly for life, equal to 2.2 percent of their final average salary for each year of credited service up to 30 years. Employees are entitled to 2.5 percent of their final average salary for each year of service in excess of 30 years. Final average salary is the employee's average salary over the highest three years of earnings. PERS also provides death and disability benefits. Benefits are established by ORC.

B. Ohio Police and Fire Pension Fund (the "OP&F Fund")

All City non-administrative full-time uniformed police officers and firefighters are required to participate in the OP&F Fund, a cost-sharing multiple-employer public employee retirement system operated by the State of Ohio. This is a single retirement system with one administration that provides retirement benefits to two classes of employees. The payroll for employees covered by the OP&F Fund for the year ended December 31, 2000 was \$4,317,626 for police officers and \$4,440,864 for firefighters. The City's total payroll for the year was \$25,751,731.

The following information obtained from the OP&F Fund is presented below in the manner prescribed by GASB Statement No. 27.

- A. The Fund is a cost-sharing multiple-employer defined benefit pension plan.
- B. The Fund provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries.
- C. Authority to establish and amend benefits is provided by state statute per Chapter 742 of the ORC.
- D. The OP&F Fund issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to the OP&F Fund at 140 East Town Street, Columbus, Ohio 43215-5164 or by calling (614) 228-2975. The ORC provides statutory authority for employee and employer contributions. The required contributions are:

	<u>Employees</u>	<u>Employer</u>
Police	10.0%	19.5%
Firefighters	10.0%	24.0%

- E. Required employer contributions are equal to 100 percent of the dollar amount billed to each employer. The required amounts for the past five years have been:

	<u>Year</u>	<u>Employee Share</u>	<u>Employer Share</u>
Police:	2000	\$427,026	\$827,277
	1999	396,579	773,329
	1998	373,572	728,465
	1997	352,106	686,607
	1996	330,630	644,729
Firefighters:	2000	\$438,763	\$1,059,858
	1999	414,424	994,617
	1998	369,991	887,979
	1997	360,011	864,027
	1996	340,076	816,183

Notes to the General Purpose Financial Statements

City of Cuyahoga Falls December 31, 2000

Members may retire at age 48 with at least 25 years of credited service or at age 62 with at least 15 years of credited service and are entitled to an annual retirement benefit, payable in monthly installments for life, equal to 2.5 percent of annual earnings for each of the first 20 years of credited service, 2.0 percent for each of the new five years of credited service, and 1.5 percent for each year of service thereafter. However, this normal retirement benefit is not to exceed 72 percent of the member's average annual salary of the three years during which the total earnings were greatest. Members become vested in certain benefits after 15 years of service and become vested in full normal retirement benefits after 25 years of service. The Fund also provides a \$1,000 lump sum death benefits payment in addition to survivor and disability benefits. Benefits are established by the ORC.

NOTE 8 - HEALTH CARE AND LIFE INSURANCE BENEFITS PROVIDED TO RETIREES

Post-retirement health care benefits are established by City ordinance. The City reimburses all hospitalization insurance premiums necessary to allow retirees who have had a minimum of 12 years continuous permanent, full-time service with the City and who retire under the Public Employees Retirement System or the Police and Firemen's Disability and Pension System and the spouses and eligible dependents of retirees to be covered by the hospitalization program provided by either retirement system. The City reimburses premiums necessary to allow the surviving spouse and eligible dependents of eligible retirees to continue to be covered by the hospitalization program provided through the retirement systems until the surviving spouse reaches age 65. The City's total premiums paid during 2000 for retiree health insurance coverage through the two retirement systems totaled \$69,660.

The City also reimburses deductible and co-payments, including those attributable to prescription drugs, so that between the coverage provided by the retirement system and the City payment, the retiree receives 100 percent reimbursement up to the UCR (usual, customary, reasonable) established by the hospitalization carrier of each of the retirement systems. The City's total deductible and co-payments, including prescription drugs, paid during 2000 totaled \$75,399. The number and class of retirees eligible to receive health care benefits as of December 31, 2000 were 31 police officers, 25 firefighters, and 52 PERS employees.

A. Public Employees Retirement System of Ohio (PERS)

PERS provides post-retirement health care coverage to age and service retirees with 10 years or more 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 post retirement health care. During 2000, the City's portion that was used to fund health care was 4.3 percent of covered payroll.

Other Postemployment Benefits (OPEB) are advance-funded on actuarially determined contribution requirements for PERS. The number of active contributing participants was 401,339. The rates stated in A are the actuarially determined contribution requirements for PERS. As part of this disclosure it will be necessary for the employer to disclose the employer contributions actually made to fund postemployment benefits. The portion of your employer contributions that were used to fund post employment benefits can be determined by multiplying actual employer contributions times .4038 for state employers, .3967 for local government employers, and .2739 for law enforcement employers. \$10,805.5 million represents the actuarial value of the Retirement System's net assets available for OPEB at December 31, 1999. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$12,473.6 million and \$1,668.1 million, respectively. During 2000, the Retirement Board enacted a temporary employer contribution rate rollback for calendar year 2000. The decision to roll back rates was based on the December 31, 1998 actuarial study, which indicated that actuarial assets exceeded actuarial liabilities. The temporary rate rollback was 20 percent for both the state and local government divisions and 6 percent for law enforcement divisions. The Board reallocated employer contributions from 4.20

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Notes to the General Purpose Financial Statements

(continued)

City of Cuyahoga Falls December 31, 2000

percent to 4.30 percent at the beginning of the year to improve health care financing. The proportion of contributions dedicated to funding OPEB increased during the year for those reasons.

B. Ohio Police and Fire Pension Fund (the "OP&F Fund")

The OP&F Fund provides post-retirement health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22 if attending school full-time or on a two-thirds basis. The health care coverage provided by the retirement system is considered an Other Post-employment Benefit (OPEB) as described in GASB Statement No. 12. Post-retirement health care coverage is funded by a portion of the City's contribution (7.25 percent) and is determined on a pay-as-you-go basis. During 2000, the City's portion that was used to fund health care was \$313,201 for police officers and \$321,873 for firefighters. The number of participants eligible to receive health care benefits as of December 31, 1999 (the date of the last actuarial valuation available) are 12,467 and 9,807 for police and firefighters, respectively. Post-retirement health care benefits are established by ORC. The Fund's total health care expense for the year ended December 31, 1999, the date of the last actuarial valuation available, was \$95,004,633, which was net of member contributions of \$5,518,098.

NOTE 9 - COMMITMENTS AND CONTINGENCIES

A. Litigation

The City is involved in legal actions arising in the ordinary course of business. In the opinion of management, the ultimate outcome of such litigation will not materially affect the City's results of operations or financial position.

B. Federal and State Grants

The City participates in state and federally assisted grant programs. The programs are subject to review and audit by the grantor agency or their representatives. It is not anticipated that any audit of federal or state grant programs, if conducted, would result in a material disallowance of grant expenditures. Therefore, no provision for possible refunds has been recorded.

C. Insurance Coverage

The City maintains a variety of liability insurance coverages with varying deductibles. Among these coverages are general liability with limits of \$2 million annually in the aggregate and \$1 million per occurrence, with a \$100,000 self-insurance retention. In addition, the City has umbrella liability coverage with limits of \$10 million in the aggregate and \$10 million per occurrence.

Notes to the General Purpose Financial Statements

**City of Cuyahoga Falls
December 31, 2000**

NOTE 10 - CAPITAL LEASES

The City has entered into agreements to lease equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date in the General Fixed Assets Account Group, Enterprise Funds and the Internal Service Funds. The assets acquired through capital leases are as follows:

Asset	General Fixed Assets	Enterprise	Internal Service	Total
Equipment	\$ 1,629,852	\$ 312,589	\$ 0	\$ 1,942,441
Less: Accumulated Depreciation	0	(52,098)	0	(52,098)
Total	\$ 1,629,852	\$ 260,491	\$ 0	\$ 1,890,343

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2000, were as follows:

	General Long-Term Debt	Enterprise	Internal Service	Total
2001	\$ 491,403	\$ 110,016	\$ 0	\$ 601,419
2002	149,112	110,016	0	259,128
2003	0	110,016	0	110,016
Total	640,515	330,048	0	970,563
Less: Amount representing interest	(34,545)	(17,459)	0	(52,004)
Present value of minimum lease payments	\$ 605,970	\$ 312,589	\$ 0	\$ 918,559

NOTE 11 - SHORT-TERM OBLIGATIONS

A summary of the changes in the City's short-term obligations for the year ended December 31, 2000 are as follows:

	Balance January 1, 2000	Issued	Retired	Balance December 31, 2000
<u>General Obligation Bond Anticipation Notes</u>				
<u>Proprietary Funds:</u>				
Enterprise Fund Obligations:				
4.375% Water Improvement Notes due 12/20/00	\$ 675,000	\$ 0	\$ 675,000	\$ 0
4.875% Water Improvement Notes due 9/5/01	0	4,775,000	0	4,775,000
<u>Governmental Funds:</u>				
Capital Projects Funds Obligations:				
4.375% Various Purpose Notes due 12/20/00	1,735,000	0	1,735,000	0
4.875% Various Purpose Notes due 9/5/01	0	1,735,000	0	1,735,000
Total	\$ 2,410,000	\$ 6,510,000	\$ 2,410,000	\$ 6,510,000

(continued)

Notes to the General Purpose Financial Statements

(continued)

City of Cuyahoga Falls December 31, 2000

NOTE 12 - LONG-TERM OBLIGATIONS

A summary of the changes in the City's long-term obligations for the year ended December 31, 2000, is as follows:

	Balance January 1, 2000	Issued	Retired	Balance December 31, 2000
Proprietary Funds:				
Enterprise Fund Obligations:				
3.00% 1992 OPWC Construction Loan Storm Sewer	\$ 54,471	\$ 0	\$ 14,988	\$ 39,483
4.0% - 5.6% Recreation Refunding Issue	2,018,258	0	181,405 ²	1,836,853
4.0% - 5.6% Electric Refunding Issue	3,031,639	0	210,149 ³	2,821,490
4.4% - 6.0% 1995 Recreation Facilities	2,988,414	0	122,301	2,866,113
3.8% - 5.25% 1997 Sewer Improvement	2,178,183	0	79,273	2,098,910
3.8% - 5.25% 1997 Water Improvement	1,936,162	0	70,465	1,865,697
3.05% - 4.70% 1998 Sewer Improvement	2,332,720	0	83,724	2,248,996
3.05% - 4.70% 1998 Water Improvement	4,757,203	0	170,741	4,586,462
Capital lease obligations (Note 10)	47,215	312,589	47,215	312,589
	<u>19,344,265</u>	<u>312,589</u>	<u>980,261</u>	<u>18,676,593</u>
Internal Service Fund Obligations:				
Capital lease obligations (Note 10)	4,292	0	4,292	0
	<u>4,292</u>	<u>0</u>	<u>4,292</u>	<u>0</u>
Total	\$ 19,348,557	\$ 312,589	\$ 984,553	\$ 18,676,593
General Long-Term Obligation Account Group:				
Special Assessment General Obligation Bonds:				
7.25% 1991 Street Improvement	\$ 23,000	\$ 0	\$ 1,000	\$ 22,000
6.50% 1991 Street Improvement	104,000	0	52,000	52,000
4.00% - 5.60% 1995 Street & Sewer Refunding Issue	662,195	0	59,756	602,439
	<u>789,195</u>	<u>0</u>	<u>112,756</u>	<u>676,439</u>
Other General Obligations:				
4.00% - 5.60% 1995 Various Purpose Refunding Issue	1,830,000	0	170,000	1,660,000
4.40% - 6.00% 1995 Various Purpose Improvement	5,441,587	0	222,698	5,218,889
3.80% - 5.25% 1997 Various Purpose Improvement	4,815,654	0	175,262	4,640,392
3.05% - 4.70% 1998 Various Purpose Improvement	990,078	0	35,535	954,543
	<u>13,077,319</u>	<u>0</u>	<u>603,495</u>	<u>12,473,824</u>
Other Obligations:				
Capital lease obligations (Note 10)	1,610,378	0	1,004,408	605,970
Compensated absences (Note 2)	4,849,563	243,974 ¹	0	5,093,537
	<u>6,459,941</u>	<u>243,974</u>	<u>1,004,408</u>	<u>5,699,507</u>
Total	\$ 20,326,455	\$ 243,974	\$ 1,720,659	\$ 18,849,770

¹Amount issued represents net additions.

²This amount represents principal payment of \$185,244 less amortization expense of \$3,839.

³This amount represents principal payment of \$215,000 less amortization expense of \$4,851.

Notes to the General Purpose Financial Statements

City of Cuyahoga Falls December 31, 2000

During 1995, the City advance refunded both general obligation and enterprise bonds by placing \$8,023,157 of government obligations in an irrevocable escrow account to be used together with interest thereon to provide amounts sufficient for payment of all principal and interest on the defeased bonds on each scheduled due date. Accordingly, the escrow account and the defeased bonds are not included in the financial statements. The principal outstanding on the defeased bonds is zero at December 31, 2000.

As of December 31, 2000, the City's legal debt margin (the ability to issue additional amounts of general obligation bonded debt without a vote of the electors) was \$36,002,503. Principal and interest requirements to retire the long-term obligations outstanding at December 31, 2000 (excluding capital leases), are as follows:

Year	Enterprise Fund Obligations		Special Assessment Bonds		Other General Obligations	
	Principal	Interest	Principal	Interest	Principal	Interest
2001	\$ 980,528	\$ 890,337	\$ 116,195	\$ 35,615	\$ 624,029	\$ 648,770
2002	1,029,816	847,180	69,073	29,135	640,329	619,875
2003	1,062,985	800,915	70,293	25,737	658,166	589,599
2004	1,105,665	752,280	75,171	22,212	667,474	557,848
2005	1,155,942	700,295	78,829	18,372	698,539	525,133
2006-2010	6,113,942	2,618,116	264,878	30,516	4,065,409	2,059,673
2011-2015	4,731,787	1,270,618	2,000	145	4,138,213	968,687
2016-2018	2,183,339	196,711	0	0	981,665	81,202
Total	\$ 18,364,004	\$ 8,076,452	\$ 676,439	\$ 161,732	\$ 12,473,824	\$ 6,050,787

All general obligation bonds and notes issued by the City are backed by its full faith and credit. This includes the general property taxing power permitted within the tax limitation of the City Charter. In addition, special assessments have been levied to pay the debt service of the special assessment bonds. In the event of a default by a benefitted property owner, the City would be responsible for paying the special assessment obligation. The amount of \$845,661 of special assessments receivable recorded in the Debt Service Fund does not represent any delinquent special assessments. Although the obligations of the enterprise funds are general obligations of the City, the practice has been to have the debt serviced by the revenues derived from the operations of the respective funds.

On December 5, 2000, the City issued notes in the amount of \$6,510,000. Of this amount \$4,775,000 was issued in anticipation of the issuance of bonds for the purpose of improving the municipal waterworks system in the High Pressure Water District and installing new iron filters and improving the City's water plant. The remaining \$1,735,000 was issued in anticipation of the issuance of bonds for the purpose of paying, in anticipation of the levy and collection of special assessments for the improvement of Falls Avenue, construction of the Cuyahoga Falls Industrial Parkway, reconstruction of a portion of Steels Corners Road and construction of a portion of Buckingham Gate Boulevard.

Compensated Absences are paid from the fund in which employees' salaries are paid.

(continued)

Notes to the General Purpose Financial Statements

(continued)

City of Cuyahoga Falls December 31, 2000

NOTE 13 - ENTERPRISE FUNDS - SEGMENT INFORMATION

The City maintains enterprise funds for City operations which provide services for sewage and disposal (water pollution control), water, electric, sanitation and leisure time. Segment information for the enterprise funds for the year ended December 31, 2000 is summarized as follows:

	Sewage and Disposal	Water	Electric	Sanitation	Leisure Time	Total
Operating Revenues	\$ 4,111,896	\$ 3,551,060	\$ 26,699,348	\$ 3,483,254	\$ 3,094,058	\$ 40,939,616
Depreciation Expense	380,015	439,429	767,134	266,037	466,974	2,319,589
Amortization Expense	674	3,744	4,851	0	3,839	13,108
Operating Income (Loss)	93,568	187,475	4,321,215	229,713	(555,624)	4,276,347
Grants	0	0	3,000	52,661	0	55,661
Operating Transfers In	0	0	0	0	751,230	751,230
Net Income (Loss)	(113,635)	(151,443)	4,164,993	281,713	(74,784)	4,106,844
Current Capital Contributions	0	0	0	0	11,441	11,441
Property, Plant, and Equipment Additions-net	927,707	3,799,542	2,803,621	380,891	224,062	8,135,823
Property, Plant, and Equipment Deductions-net	377,499	172,098	755,377	244,216	119,957	1,669,147
Net Working Capital	1,744,230	649,522	26,136,905	349,642	(91,414)	28,788,885
Total Assets	13,739,707	22,260,269	43,758,553	1,754,806	14,770,851	96,284,186
Bonds and Other Long-Term Liabilities Outstanding	4,199,742	6,197,785	2,601,341	607,215	4,384,609	17,990,692
Total Fund Equity	7,907,987	8,797,579	36,674,328	392,621	9,373,269	63,145,784
December 31, 2000	7,907,987	8,797,579	36,674,328	392,621	9,373,269	63,145,784
Outstanding Encumbrances	238,915	3,079,548	2,368,556	19,222	138,810	5,845,051

Notes to the General Purpose Financial Statements

**City of Cuyahoga Falls
December 31, 2000**

NOTE 14 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances, including advances, at December 31, 2000 are as follows:

Fund	Due from Other Funds	Due to Other Funds	Advances to Other Funds	Advances from Other Funds
General Fund	\$1,516,494	\$ 659,549	\$ 0	\$ 178,500
Special Revenue Funds:				
Municipal Income Tax	41,744	1,824,515	0	0
Street Construction, Maintenance and Repair	0	38,649	0	0
Police Pension	12,518	34,187	0	0
Fire Pension	22,436	42,778	0	0
Drug Law Enforcement	300	0	0	0
Recreation Levy	145,564	0	0	175,000
Probation	757	0	0	0
Indigent Drivers Alcohol Treatment	950	0	0	0
Enforcement and Education	461	0	0	0
Court Computer	3,394	0	0	0
	<u>228,124</u>	<u>1,940,129</u>	<u>0</u>	<u>175,000</u>
Capital Projects Funds:				
Capital Projects	697,027	0	0	510,383
Capital Improvement Reserve	1,036	0	1,189,383	0
	<u>698,063</u>	<u>0</u>	<u>1,189,383</u>	<u>510,383</u>
Enterprise Funds:				
Sewage and Disposal	2,890	194,566	0	0
Water	0	201,359	0	0
Electric	940,214	82,060	0	0
Sanitation	20,368	172,478	0	504,000
Leisure Time	0	409,643	0	0
	<u>963,472</u>	<u>1,060,106</u>	<u>0</u>	<u>504,000</u>
Internal Service Funds:				
Garage	0	12,814	0	0
Utility Billing	63,891	19,142	0	0
Self-Insurance	390,668	0	0	0
Information Services	0	9,150	0	0
Workers' Compensation	12,580	0	0	0
	<u>467,139</u>	<u>41,106</u>	<u>0</u>	<u>0</u>
Agency Funds:				
Treasury	175,048	0	178,500	0
State Cases - Fines and Forfeitures	887	0	0	0
Employee Withholding	8,949	41,744	0	0
Guarantee Deposits	0	163,355	0	0
Municipal Court	0	152,187	0	0
	<u>184,884</u>	<u>357,286</u>	<u>178,500</u>	<u>0</u>
Total All Funds	<u>\$4,058,176</u>	<u>\$4,058,176</u>	<u>\$1,367,883</u>	<u>\$ 1,367,883</u>

Advances are considered to be long-term and therefore will be repaid in the following manner:

Year	General Fund	Recreation Levy	Capital Projects	Enterprise	Total
2001	\$ 59,500	\$175,000	\$490,000	\$100,800	\$ 825,300
2002	59,500		15,000	100,800	175,300
2003	59,500		5,383	100,800	165,683
2004				100,800	100,800
2005				100,800	100,800
Total	<u>\$178,500</u>	<u>\$175,000</u>	<u>\$510,383</u>	<u>\$504,000</u>	<u>\$1,367,883</u>

(continued)

Notes to the General Purpose Financial Statements

**City of Cuyahoga Falls
December 31, 2000**

NOTE 14 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances, including advances, at December 31, 2000 are as follows:

Fund	Due from Other Funds	Due to Other Funds	Advances to Other Funds	Advances from Other Funds
General Fund	\$1,516,494	\$ 659,549	\$ 0	\$ 178,500
Special Revenue Funds:				
Municipal Income Tax	41,744	1,824,515	0	0
Street Construction, Maintenance and Repair	0	38,649	0	0
Police Pension	12,518	34,187	0	0
Fire Pension	22,436	42,778	0	0
Drug Law Enforcement	300	0	0	0
Recreation Levy	145,564	0	0	175,000
Probation	757	0	0	0
Indigent Drivers Alcohol Treatment	950	0	0	0
Enforcement and Education	461	0	0	0
Court Computer	3,394	0	0	0
	<u>228,124</u>	<u>1,940,129</u>	<u>0</u>	<u>175,000</u>
Capital Projects Funds:				
Capital Projects	697,027	0	0	510,383
Capital Improvement Reserve	1,036	0	1,189,383	0
	<u>698,063</u>	<u>0</u>	<u>1,189,383</u>	<u>510,383</u>
Enterprise Funds:				
Sewage and Disposal	2,890	194,566	0	0
Water	0	201,359	0	0
Electric	940,214	82,060	0	0
Sanitation	20,368	172,478	0	504,000
Leisure Time	0	409,643	0	0
	<u>963,472</u>	<u>1,060,106</u>	<u>0</u>	<u>504,000</u>
Internal Service Funds:				
Garage	0	12,814	0	0
Utility Billing	63,891	19,142	0	0
Self-Insurance	390,668	0	0	0
Information Services	0	9,150	0	0
Workers' Compensation	12,580	0	0	0
	<u>467,139</u>	<u>41,106</u>	<u>0</u>	<u>0</u>
Agency Funds:				
Treasury	175,048	0	178,500	0
State Cases - Fines and Forfeitures	887	0	0	0
Employee Withholding	8,949	41,744	0	0
Guarantee Deposits	0	163,355	0	0
Municipal Court	0	152,187	0	0
	<u>184,884</u>	<u>357,286</u>	<u>178,500</u>	<u>0</u>
Total All Funds	\$4,058,176	\$4,058,176	\$1,367,883	\$ 1,367,883

Advances are considered to be long-term and therefore will be repaid in the following manner:

Year	General Fund	Recreation Levy	Capital Projects	Enterprise	Total
2001	\$ 59,500	\$175,000	\$490,000	\$100,800	\$ 825,300
2002	59,500		15,000	100,800	175,300
2003	59,500		5,383	100,800	165,683
2004				100,800	100,800
2005				100,800	100,800
Total	<u>\$178,500</u>	<u>\$175,000</u>	<u>\$510,383</u>	<u>\$504,000</u>	<u>\$1,367,883</u>

(continued)

Notes to the General Purpose Financial Statements

(continued)

City of Cuyahoga Falls December 31, 2000

NOTE 15 - RISK MANAGEMENT

It is the policy of the City to purchase commercial insurance for the risk of losses in the following areas: comprehensive general liability, auto liability, property and boiler, law enforcement professional liability, umbrella excess liability and public officials errors and omissions. The City believes in minimizing its risk through the procurement of the aforementioned coverages. These policies maintain the same level of coverage that was provided in previous years with the exception of the public officials errors and omissions coverage which was newly acquired in 2000.

Liabilities exceeding the umbrella excess liability amount and deductible amounts are recorded when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Management believes that incurred, but not reported claims, if any, are immaterial. Settlements for the past three fiscal years have not exceeded the insurance coverage/policy limits during those years.

A. Self Insurance Internal Service Fund

On April 1, 2000, the City entered its seventh year of major health insurance coverage with Professional Claims Management. Premiums are fully paid by the City for full-time employees through the City's Self-Insurance Internal Service Fund which provides funding for health-care coverage. Professional Claims Management reviews all claims which are then paid by the Self-Insurance Fund. For the fiscal coverage year April 1, 2000 through March 31, 2001, the City has purchased annual stop-loss coverage of \$150,000 per person, and aggregate stop-loss coverage of \$3,691,036.

The Self-Insurance Fund generates revenues by charging an actuarially determined premium to each fund based on the number of full-time employees opting for health-care coverage. The Self-Insurance Fund pays for all claims, stop-loss coverages and retention fees for health-care coverage. A liability in the amount of \$494,444 has been recorded to reflect the outstanding claims as of December 31, 2000. Most health insurance claims are presented for payment to the City within several months after occurrence.

B. Workers' Compensation Internal Service Fund

As of December 31, 2000, the City completed its seventh consecutive year of participating with the Ohio Bureau of Workers' Compensation (Bureau) Retrospective Rating Plan. The self insurance program requires the City to pay only administrative charges to the Bureau, and in turn the City assumes the responsibility of paying all claims incurred during the policy period for up to ten years. After the tenth year, the Bureau will assume any existing claim for its duration. The City will be charged an actuarial amount for the claims transferred to the Bureau. The City's stop-loss coverage through the plan is limited to \$300,000 per claim and aggregate stop-loss coverage of \$1,281,976 for the 2000 policy year.

The City's Workers' Compensation Internal Service Fund pays for all claims, claim reserves and administrative costs of the program. The Workers' Compensation Internal Service Fund generates revenues by charging each fund a percentage rate determined by the management for the payroll during the reporting period. The claims liability is recorded based on an actuarial determination of future claims, review of five years of claim liabilities and claim payment trends including the settlement to the Bureau after the tenth year.

Notes to the General Purpose Financial Statements

City of Cuyahoga Falls December 31, 2000

Changes in the balances of claims liabilities during the past two years for the Self Insurance and Workers' Compensation Internal Funds are as follows:

	1999		2000	
	Self Insurance	Workers' Compensation	Self Insurance	Workers' Compensation
Unpaid claims-January 1	\$ 488,242	\$ 1,700,228	\$ 497,171	\$ 1,441,893
Incurred claims (including IBNRs)	3,053,450	49,499	3,426,066	42,076
Claim payments made during the year	(3,044,521)	(307,834)	(3,428,793)	(39,259)
Unpaid claims-December 31	<u>\$ 497,171</u>	<u>\$ 1,441,893</u>	<u>\$ 494,444</u>	<u>\$ 1,444,710</u>

NOTE 16 - INVESTMENTS IN JOINT VENTURES

The City's Electric Enterprise Fund participates in a joint venture agreement with 20 other municipal electric systems who have formed the Ohio Municipal Electric Generation Agency Joint Venture 1 (OMEGA JV1) for the purpose of providing electric power and energy to its participants on a cooperative basis. The electric generating facilities of OMEGA JV1, known as the Engle Units, are currently located in the City. Title to these six diesel-powered generating units was transferred to the 21 municipal electric systems from American Municipal Power-Ohio, Incorporated (AMP-Ohio), a non-profit trade association and wholesale power supplier for most of Ohio's 85 municipal electric systems. Each member has a contract which provides for AMP-Ohio to purchase the right to each participant's share of power and energy that is made available through the joint venture contract. The units performed at an excellent availability during 2000 to complete a successful year of operation for OMEGA JV1.

The City's Electric Enterprise Fund also participates in a joint venture agreement with 41 other municipal electric systems who have formed the Ohio Municipal Electric Generation Agency Joint Venture 5 (OMEGA JV5), a 42 megawatt run-of-the-river hydroelectric generating facility located at the Bellville Locks and Dam on the Ohio River. The first of the two 21MW units was declared commercially available in May 1999, with the second unit online later in the year. The units performed at an excellent availability rate once becoming commercially available. Back-up generation is distributed throughout the state that can be used when the hydroelectric facility is not able to generate, or to provide additional generation during peak periods of need.

The OMEGA JV5 is managed by AMP-Ohio and acts as the joint venture's agent. The participants are obligated by the joint venture agreement to remit monthly for those costs incurred by using electricity generated by the joint venture and a portion of the \$153,415,000 certificates of beneficial interest debt that was issued to construct the facility. In accordance with the joint venture agreement, the City remitted \$2,509,878 to the joint venture for 2000. With a 50-year license, the project is expected to be a source of clean, reliable power well into the 21st century.

The following is a summary of audited financial information of OMEGA JV1 and OMEGA JV5 as of and for the year ended December 31, 2000:

	OMEGA JV1	OMEGA JV5
Total Assets	\$402,822	\$231,008,207
Total Liabilities	24,448	226,864,378
Members Equity	378,374	4,143,829
Total Revenues	176,756	22,557,871
Total Expenses	192,506	20,970,135
Excess Income over (under) Expenses	(15,750)	1,587,736

The City's undivided ownership of OMEGA JV1 and OMEGA JV5 is 21.05 and 16.67 percent, respectively. OMEGA JV1 does not have any debt outstanding. In the event of a shortfall, the JV participants would be billed for their respective shares

(continued)

Notes to the General Purpose Financial Statements

(continued)

City of Cuyahoga Falls December 31, 2000

of the estimated shortfall. Separate financial statements for both joint ventures are available through either the City or AMP-Ohio.

The following tables show the major participants and percentage of ownership for the JV1 and JV5 projects:

OMEGA JV1		OMEGA JV5	
Participants	Percentage of Ownership	Participants	Percentage of Ownership
Cuyahoga Falls	21.05%	Cuyahoga Falls	16.67%
Niles	17.71	Bowling Green	15.73
Wadsworth	11.24	Niles	10.63
Hudson	10.37	Napoleon	7.35
Galion	6.53	Jackson	7.14
Oberlin	5.52	Hudson	5.69
Amherst	5.42	Wadsworth	5.62
Hubbard	3.79	Oberlin	3.02
Columbiana	3.03	New Bremen	2.38
Wellington	2.95	Bryan	2.19
Other	12.39	Other	23.58
Total	100.00%	Total	100.00%

NOTE 17 - FUND EQUITY/RETAINED EARNINGS DEFICIT

At December 31, 2000, the following fund had deficit retained earnings:

Fund Type/Fund	Amount
Internal Service/Office Supply Fund	\$ 86

The deficit in the above fund is mainly due to the accrual accounting methods the City incorporates. Accrued expenses in the Office Supply Fund will be charged out to the appropriate funds in January of 2001.

COMBINING FINANCIAL SECTION

CITY OF CUYAHOGA FALLS, OHIO

Special Revenue Funds

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:

Municipal Income Tax	To account for income tax revenue and the expenses of the administration of the income tax. After operating expenses are deducted, allocation is made to the General Fund and the Capital Projects Fund at 85 percent and 15 percent, respectively.
State Highway Improvement	Required by the Ohio Revised Code to account for that portion of the state gasoline tax and motor vehicle registration fees for maintenance of state highways within the City.
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 for maintenance of streets within the City.
Municipal Motor Vehicle License Tax	Required by the Ohio Revised Code to account for local vehicle license fees designated for the maintenance of certain streets within the City.
Police Pension	To accumulate property taxes and other monies for the payment of the current and accrued liability for police disability and pension benefits.
Fire Pension	To accumulate property taxes and other monies for the payment of the current and accrued liability for fire disability and pension benefits.
Permissive Tax	Required by the Ohio Revised Code to account for local vehicle license fees designated for the maintenance of streets within the City. These funds are controlled by the county and limited to non-residential connector streets.
Recreation Levy	To account for property tax and income tax collections received through a recreation levy. The revenue must be used for the Parks and Recreation Department.
Community and Economic Development	To account for monies received from the sale of City-owned properties in an urban renewal area.

Community Development Block Grant	To account for monies passed through Summit County from the federal government under the Community Development Block Grant Program which are restricted for City-wide development projects such as the Housing Rehabilitation Program and Economic Development Revolving Loan Program.
Probation	To account for fees received from Municipal Court probationers to offset the cost of probation services.
Enterprise Zone/Community Reinvestment Area	To account for fees collected from enterprises receiving a tax incentive through an enterprise zone agreement for the purpose of administering and monitoring the Enterprise Zone Agreement.
Drug Law Enforcement	To account for fines received by the City that are restricted under the Ohio Revised Code to subsidize 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.
Indigent Drivers Alcohol Treatment	To account for proceeds realized from fines to pay the cost of an alcohol and drug addiction treatment program attended by an offender who is ordered to attend such a program by a county or municipal court judge and who is determined by such county or municipal court judge not to have the means to pay for his attendance at such program.
Enforcement and Education	To account for proceeds realized from fines to pay only those costs incurred in enforcing Section 4511.19 of the Ohio Revised Code or a substantially similar municipal ordinance and in educating the public of laws governing the operation of a motor vehicle and the dangers of operation of a motor vehicle while under the influence of alcohol and other information relating to the operation of a motor vehicle and the consumption of alcoholic beverages.
Court Computer	To account for the portion of court costs received by the City for the computerization and use of Computerized Legal Research for the operations of the Cuyahoga Falls Municipal Court.
Federal Law Enforcement	To account for the subsidy received by the Police Department for its efforts pertaining to (1) complex investigations/prosecutions by the City's Police/Law Departments; (2) provision of technical training or expertise of a law enforcement nature for Police Department members; (3) provision of matching funds to obtain federal grants; and (4) for such other law enforcement purposes that are deemed appropriate.

**City of Cuyahoga Falls, Ohio
Combining Balance Sheet
All Special Revenue Funds
December 31, 2000**

	Municipal Income Tax	State Highway Improvement	Street Construction, Maintenance and Repair	Municipal Motor Vehicle License Tax	Police Pension	Fire Pension
ASSETS						
Equity in pooled cash and cash equivalents	\$ 220,329	\$ 11,240	\$ 827,078	\$ 9,250	\$ 20,417	\$ 19,155
Investments	11,428	583	42,898	480	1,059	994
Receivables						
Taxes	1,571,399	0	0	0	243,284	243,284
Accounts	0	0	102,562	0	0	0
Loans	0	0	0	0	0	0
Due from other funds	41,744	0	0	0	12,518	22,436
Due from other governments	0	3,176	52,209	9,332	193	193
Inventory of supplies	964	0	144,188	0	0	0
Prepaid items	119	0	11,993	0	0	0
TOTAL ASSETS	\$ 1,845,983	\$ 14,999	\$ 1,180,928	\$ 19,062	\$ 277,471	\$ 286,062
LIABILITIES AND FUND BALANCE						
Liabilities						
Accounts payable	\$ 4,229	\$ 0	\$ 174,265	\$ 0	\$ 0	\$ 0
Accrued salaries, wages and benefits	7,455	0	91,310	0	0	0
Deferred revenue	0	0	0	0	243,284	243,284
Due to other funds	1,824,515	0	38,649	0	34,187	42,778
Advances from other funds	0	0	0	0	0	0
Total Liabilities	1,836,199	0	304,224	0	277,471	286,062
Fund Balance						
Reserved for encumbrances	8,701	0	37,884	0	0	0
Reserved for prepaid items	119	0	11,993	0	0	0
Reserved for inventory of supplies	964	0	144,188	0	0	0
Reserved for loans receivable	0	0	0	0	0	0
Unreserved - undesignated	0	14,999	682,639	19,062	0	0
Total Fund Balance	9,784	14,999	876,704	19,062	0	0
TOTAL LIABILITIES AND FUND BALANCE	\$ 1,845,983	\$ 14,999	\$ 1,180,928	\$ 19,062	\$ 277,471	\$ 286,062

Permissive Tax	Recreation Levy	Community and Economic Development	Community Development Block Grant	Probation	Enterprise Zone/Community Reinvestment Area	Drug Law Enforcement	Law Enforcement Trust
\$ 2	\$ 531,344	\$ 3,322	\$ 17,691	\$ 15,309	482	\$ 72,171	\$ 25,307
0	27,559	172	918	794	25	3,743	1,313
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	1,602,267	0	0	0	0
0	145,564	0	0	757	0	300	0
53,992	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
\$ 53,994	\$ 704,467	\$ 3,494	\$ 1,620,876	\$ 16,860	\$ 507	\$ 76,214	\$ 26,620
\$ 0	\$ 46,433	\$ 0	\$ 32,568	\$ 0	26	\$ 373	\$ 0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	175,000	0	0	0	0	0	0
0	221,433	0	32,568	0	26	373	0
0	137,556	0	73	0	0	526	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	1,602,267	0	0	0	0
53,994	345,478	3,494	(14,032)	16,860	481	75,315	26,620
53,994	483,034	3,494	1,588,308	16,860	481	75,841	26,620
\$ 53,994	\$ 704,467	\$ 3,494	\$ 1,620,876	\$ 16,860	\$ 507	\$ 76,214	\$ 26,620

(continued)

City of Cuyahoga Falls, Ohio
Combining Balance Sheet
All Special Revenue Funds
December 31, 1999

	Indigent Drivers Alcohol Treatment	Enforcement and Education	Court Computer	Federal Law Enforcement	Total
ASSETS					
Equity in pooled cash and cash equivalents	\$ 329,169	\$ 14,768	\$ 38,246	\$ 20,696	\$ 2,175,976
Investments	17,073	766	1,984	1,073	112,862
Receivables					
Taxes	0	0	0	0	2,057,967
Accounts	0	0	0	0	102,562
Loans	0	0	0	0	1,602,267
Due from other funds	950	461	3,394	0	228,124
Due from other governments	14,800	0	0	0	133,895
Inventory of supplies	0	0	0	0	145,152
Prepaid items	0	0	0	0	12,112
TOTAL ASSETS	\$ 361,992	\$ 15,995	\$ 43,624	\$ 21,769	\$ 6,570,917
LIABILITIES AND FUND BALANCE					
Liabilities					
Accounts payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 257,894
Accrued salaries, wages and benefits	0	0	0	0	98,765
Deferred revenue	0	0	0	0	486,568
Due to other funds	0	0	0	0	1,940,129
Advances from other funds	0	0	0	0	175,000
Total Liabilities	0	0	0	0	2,958,356
Fund Balance					
Reserved for encumbrances	0	0	14,325	157	199,222
Reserved for prepaid items	0	0	0	0	12,112
Reserved for inventory of supplies	0	0	0	0	145,152
Reserved for loans receivable	0	0	0	0	1,602,267
Unreserved - undesignated	361,992	15,995	29,299	21,612	1,653,808
Total Fund Balance	361,992	15,995	43,624	21,769	3,612,561
TOTAL LIABILITIES AND FUND BALANCE	\$ 361,992	\$ 15,995	\$ 43,624	\$ 21,769	\$ 6,570,917

City of Cuyahoga Falls, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
All Special Revenue Funds
Year Ended December 31, 2000

	Municipal Income Tax	State Highway Improvement	Street Construction, Maintenance and Repair	Municipal Motor Vehicle License Tax	Police Pension
Revenues					
Property taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 233,667
Municipal income taxes	15,820,981	0	0	0	0
Other local taxes	0	0	0	0	205
State levied shared taxes	0	96,913	1,198,904	115,286	28,692
Intergovernmental	0	0	0	0	0
Charges for services	0	0	0	0	0
Fees, licenses, and permits	0	0	412,036	0	0
Interest earnings	0	0	0	0	0
Fines and forfeitures	0	0	0	0	0
Other	554	0	15,290	0	0
Total Revenues	15,821,535	96,913	1,626,230	115,286	262,564
Expenditures					
Current					
Security of persons and property	0	0	0	0	852,073
Leisure time activities	0	0	0	0	0
Community environment	0	0	0	0	0
Street maintenance	0	96,500	2,961,087	111,000	0
General government	822,390	0	0	0	0
Capital outlay	10,236	0	129,861	0	0
Debt service					
Principal	0	0	139,096	0	0
Interest	0	0	7,762	0	0
Total Expenditures	832,626	96,500	3,237,806	111,000	852,073
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	14,988,909	413	(1,611,576)	4,286	(589,509)
Other Financing Sources (Uses)					
Operating transfers in	0	0	1,700,000	0	589,509
Operating transfers out	(14,978,666)	0	(91,442)	0	0
Total Other Financing Sources (Uses)	(14,978,666)	0	1,608,558	0	589,509
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses					
	10,243	413	(3,018)	4,286	0
Fund Balance at Beginning of Year	0	14,586	902,482	14,776	0
Increase (decrease) in:					
Reserve for inventory	(466)	0	(24,515)	0	0
Reserve for prepaid items	7	0	1,755	0	0
Fund Balance at End of Year	\$ 9,784	\$ 14,999	\$ 876,704	\$ 19,062	\$ 0

(continued)

City of Cuyahoga Falls, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
All Special Revenue Funds
Year Ended December 31, 2000

	Fire Pension	Permissive Tax	Recreation Levy	Community and Economic Development	Community Development Block Grant	Probation
Revenues						
Property taxes	\$ 233,667	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Municipal income taxes	0	0	0	0	0	0
Other local taxes	205	0	0	0	0	0
State levied shared taxes	28,692	238,865	0	0	0	0
Intergovernmental	0	0	0	0	280,497	0
Charges for services	0	0	0	0	0	0
Fees, licenses, and permits	0	0	0	0	0	12,185
Interest earnings	0	0	0	0	0	0
Fines and forfeitures	0	0	0	0	0	0
Other	0	0	5,500	0	2,212	0
Total Revenues	262,564	238,865	5,500	0	282,709	12,185
Expenditures						
Current						
Security of persons and property	1,079,983	0	0	0	0	0
Leisure time activities	0	0	174,144	0	0	0
Community environment	0	0	0	193	110,808	0
Street maintenance	0	0	0	0	0	0
General government	0	0	0	0	0	0
Capital outlay	0	225,000	519,432	0	0	0
Debt service						
Principal	0	0	210,797	0	0	0
Interest	0	0	276,482	0	0	0
Total Expenditures	1,079,983	225,000	1,180,855	193	110,808	0
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	(817,419)	13,865	(1,175,355)	(193)	171,901	12,185
Other Financing Sources (Uses)						
Operating transfers in	817,419	0	1,198,293	0	0	0
Operating transfers out	0	0	0	0	0	0
Total Other Financing Sources (Uses)	817,419	0	1,198,293	0	0	0
Excess (Deficiency) of Revenues						
Expenditures and Other (Under) Uses	0	13,865	22,938	(193)	171,901	12,185
Fund Balance at Beginning of Year	0	40,129	460,096	3,687	1,416,407	4,675
Increase (decrease) in:						
Reserve for inventory	0	0	0	0	0	0
Reserve for prepaid items	0	0	0	0	0	0
Fund Balance at End of Year	\$ 0	\$ 53,994	\$ 483,034	\$ 3,494	\$ 1,588,308	\$ 16,860

Enterprise Zone/ Community Reinvestment Area	Drug Law Enforcement	Law Enforcement Trust	Indigent Drivers Alcohol Treatment	Enforcement and Education	Court Computer	Federal Law Enforcement	Total
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 467,334
0	0	0	0	0	0	0	15,820,981
0	0	0	0	0	0	0	410
0	0	0	0	0	0	0	1,707,352
0	0	0	0	0	0	0	280,497
0	0	0	0	0	47,295	0	47,295
1,196	0	0	0	0	0	0	425,417
0	0	0	0	0	0	1,647	1,647
0	18,373	28,857	60,586	4,011	0	0	111,827
486	224	0	0	4,200	0	95	28,561
1,682	18,597	28,857	60,586	8,211	47,295	1,742	18,891,321
0	38,663	14,932	0	0	0	12,284	1,997,935
0	0	0	0	0	0	0	174,144
1,201	0	0	0	0	0	0	112,202
0	0	0	0	0	0	0	3,168,587
0	0	0	0	0	31,972	0	854,362
0	19,065	0	0	0	99,560	7,790	1,010,944
0	0	0	0	0	0	0	349,893
0	0	0	0	0	0	0	284,244
1,201	57,728	14,932	0	0	131,532	20,074	7,952,311
481	(39,131)	13,925	60,586	8,211	(84,237)	(18,332)	10,939,010
0	0	0	0	0	0	0	4,305,221
0	0	0	0	0	0	0	(15,070,108)
0	0	0	0	0	0	0	(10,764,887)
481	(39,131)	13,925	60,586	8,211	(84,237)	(18,332)	174,123
0	114,972	12,695	301,406	7,784	127,861	40,101	3,461,657
0	0	0	0	0	0	0	(24,981)
0	0	0	0	0	0	0	1,762
\$ 481	\$ 75,841	\$ 26,620	\$ 361,992	\$ 15,995	\$ 43,624	\$ 21,769	\$ 3,612,561

City of Cuyahoga Falls, Ohio
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Non-GAAP Budgetary Basis) - All Special Revenue Funds
Year Ended December 31, 2000

	Municipal Income Tax			State Highway Improvement		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues						
Property taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Municipal income taxes	15,917,500	15,950,151	32,651	0	0	0
Other local taxes	0	0	0	0	0	0
State levied shared taxes	0	0	0	94,800	96,815	2,015
Intergovernmental	0	0	0	0	0	0
Charges for services	0	0	0	0	0	0
Fees, licenses, and permits	0	0	0	0	0	0
Interest earnings	0	0	0	0	0	0
Fines and forfeitures	0	0	0	0	0	0
Other	0	554	554	0	0	0
Total Revenues	15,917,500	15,950,705	33,205	94,800	96,815	2,015
Expenditures						
Current						
Security of persons and property	0	0	0	0	0	0
Leisure time activities	0	0	0	0	0	0
Community environment	0	0	0	0	0	0
Street maintenance	0	0	0	96,500	96,500	0
General government	847,620	824,957	22,663	0	0	0
Capital outlay	0	0	0	0	0	0
Debt service						
Principal	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Total Expenditures	847,620	824,957	22,663	96,500	96,500	0
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	15,069,880	15,125,748	55,868	(1,700)	315	2,015
Other Financing Sources (Uses)						
Bond/note proceeds	0	0	0	0	0	0
Operating transfers in	0	0	0	0	0	0
Operating transfers out	(15,241,056)	(15,241,056)	0	0	0	0
Advances in	0	0	0	0	0	0
Total Other Financing Sources (Uses)	(15,241,056)	(15,241,056)	0	0	0	0
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses						
	(171,176)	(115,308)	55,868	(1,700)	315	2,015
Fund Balance at Beginning of Year	331,095	331,095	0	11,508	11,508	0
Decertification of prior year encumbrances						
	2,973	2,973	0	0	0	0
Fund Balance at End of Year	\$ 162,892	\$ 218,760	\$ 55,868	\$ 9,808	\$ 11,823	\$ 2,015

	Street Construction, Maintenance and Repair			Municipal Motor Vehicle License Tax		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues						
Property taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Municipal income taxes	0	0	0	0	0	0
Other local taxes	0	0	0	0	0	0
State levied shared taxes	1,174,500	1,196,833	22,333	113,500	113,980	480
Intergovernmental	0	0	0	0	0	0
Charges for services	0	0	0	0	0	0
Fees, licenses, and permits	400,000	401,648	1,648	0	0	0
Interest earnings	0	0	0	0	0	0
Fines and forfeitures	0	0	0	0	0	0
All other revenues	15,000	15,277	277	0	0	0
Total Revenues	1,589,500	1,613,758	24,258	113,500	113,980	480
Expenditures						
Current						
Security of persons and property	0	0	0	0	0	0
Leisure time activities	0	0	0	0	0	0
Community environment	0	0	0	0	0	0
Street maintenance	3,094,745	3,020,236	74,509	115,000	111,000	4,000
General government	0	0	0	0	0	0
Capital outlay	138,000	128,161	9,839	0	0	0
Debt service						
Principal	139,097	139,096	1	0	0	0
Interest	7,763	7,762	1	0	0	0
Total Expenditures	3,379,605	3,295,255	84,350	115,000	111,000	4,000
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	(1,790,105)	(1,681,497)	108,608	(1,500)	2,980	4,480
Other Financing Sources (Uses)						
Bond/note proceeds	0	0	0	0	0	0
Operating transfers in	1,700,000	1,700,000	0	0	0	0
Operating transfers out	(91,442)	(91,442)	0	0	0	0
Advances in	0	0	0	0	0	0
Total Other Financing Sources (Uses)	1,608,558	1,608,558	0	0	0	0
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses						
	(181,547)	(72,939)	108,608	(1,500)	2,980	4,480
Fund Balance at Beginning of Year	691,343	691,343	0	6,750	6,750	0
Decertification of prior year encumbrances						
	21,408	21,408	0	0	0	0
Fund Balance at End of Year	\$ 531,204	\$ 639,812	\$ 108,608	\$ 5,250	\$ 9,730	\$ 4,480

(continued)

City of Cuyahoga Falls, Ohio
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Non-GAAP Budgetary Basis) - All Special Revenue Funds
Year Ended December 31, 2000

	Police Pension			Fire Pension		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues						
Property taxes	\$ 237,228	\$ 233,667	\$ (3,561)	\$ 237,228	\$ 233,667	\$ (3,561)
Municipal income taxes	0	0	0	0	0	0
Other local taxes	210	194	(16)	210	194	(16)
State levied shared taxes	25,252	28,692	3,440	25,252	28,692	3,440
Intergovernmental	0	0	0	0	0	0
Charges for services	0	0	0	0	0	0
Fees, licenses, and permits	0	0	0	0	0	0
Interest earnings	0	0	0	0	0	0
Fines and forfeitures	0	0	0	0	0	0
Other	0	520	520	0	0	0
Total Revenues	262,690	263,073	383	262,690	262,553	(137)
Expenditures						
Current						
Security of persons and property	853,350	845,390	7,960	1,079,153	1,069,255	9,898
Leisure time activities	0	0	0	0	0	0
Community environment	0	0	0	0	0	0
Street maintenance	0	0	0	0	0	0
General government	0	0	0	0	0	0
Capital outlay	0	0	0	0	0	0
Debt service						
Principal	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Total Expenditures	853,350	845,390	7,960	1,079,153	1,069,255	9,898
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	(590,660)	(582,317)	8,343	(816,463)	(806,702)	9,761
Other Financing Sources (Uses)						
Bond/note proceeds	0	0	0	0	0	0
Operating transfers in	600,169	600,169	0	825,168	825,168	0
Operating transfers out	0	0	0	0	0	0
Advances in	0	0	0	0	0	0
Total Other Financing Sources (Uses)	600,169	600,169	0	825,168	825,168	0
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses						
	9,509	17,852	8,343	8,705	18,466	9,761
Fund Balance at Beginning of Year	3,624	3,624	0	1,683	1,683	0
Decertification of prior year encumbrances						
	0	0	0	0	0	0
Fund Balance at End of Year	\$ 13,133	\$ 21,476	\$ 8,343	\$ 10,388	\$ 20,149	\$ 9,761

	Permissive Tax			Recreation Levy		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues						
Property taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Municipal income taxes	0	0	0	0	0	0
Other local taxes	0	0	0	0	0	0
State levied shared taxes	225,000	225,000	0	0	0	0
Intergovernmental	0	0	0	0	0	0
Charges for services	0	0	0	0	0	0
Fees, licenses, and permits	0	0	0	0	0	0
Interest earnings	0	0	0	0	0	0
Fines and forfeitures	0	0	0	0	0	0
Other	0	0	0	5,500	5,500	0
Total Revenues	225,000	225,000	0	5,500	5,500	0
Expenditures						
Current						
Security of persons and property	0	0	0	0	0	0
Leisure time activities	0	0	0	200,465	187,604	12,861
Community environment	0	0	0	0	0	0
Street maintenance	0	0	0	0	0	0
General government	0	0	0	0	0	0
Capital outlay	225,000	225,000	0	744,917	630,012	114,905
Debt service						
Principal	0	0	0	210,812	210,797	15
Interest	0	0	0	276,492	276,482	10
Total Expenditures	225,000	225,000	0	1,432,686	1,304,895	127,791
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	0	0	0	(1,427,186)	(1,299,395)	127,791
Other Financing Sources (Uses)						
Bond/note proceeds	0	0	0	0	0	0
Operating transfers in	0	0	0	1,269,426	1,219,284	(50,142)
Operating transfers out	0	0	0	0	0	0
Advances in	0	0	0	175,000	175,000	0
Total Other Financing Sources (Uses)	0	0	0	1,444,426	1,394,284	(50,142)
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses						
	0	0	0	17,240	94,889	77,649
Fund Balance at Beginning of Year	2	2	0	245,905	245,905	0
Decertification of prior year encumbrances						
	0	0	0	31,732	31,732	0
Fund Balance at End of Year	\$ 2	\$ 2	\$ 0	\$ 294,877	\$ 372,526	\$ 77,649

(continued)

City of Cuyahoga Falls, Ohio
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Non-GAAP Budgetary Basis) - All Special Revenue Funds
Year Ended December 31, 2000

	Community and Economic Development			Community Development Block Grant		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues						
Property taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Municipal income taxes	0	0	0	0	0	0
Other local taxes	0	0	0	0	0	0
State levied shared taxes	0	0	0	0	0	0
Intergovernmental	0	0	0	261,900	280,497	18,597
Charges for services	0	0	0	0	0	0
Fees, licenses, and permits	0	0	0	0	0	0
Interest earnings	0	0	0	0	0	0
Fines and forfeitures	0	0	0	0	0	0
Other	0	0	0	80,130	72,699	(7,431)
Total Revenues	0	0	0	342,030	353,196	11,166
Expenditures						
Current						
Security of persons and property	0	0	0	0	0	0
Leisure time activities	0	0	0	0	0	0
Community environment	3,687	193	3,494	418,245	417,550	695
Street maintenance	0	0	0	0	0	0
General government	0	0	0	0	0	0
Capital outlay	0	0	0	0	0	0
Debt service						
Principal	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Total Expenditures	3,687	193	3,494	418,245	417,550	695
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	(3,687)	(193)	3,494	(76,215)	(64,354)	11,861
Other Financing Sources (Uses)						
Bond/note proceeds	0	0	0	0	0	0
Operating transfers in	0	0	0	0	0	0
Operating transfers out	0	0	0	0	0	0
Advances in	0	0	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0	0	0
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses						
	(3,687)	(193)	3,494	(76,215)	(64,354)	11,861
Fund Balance at Beginning of Year	3,687	3,687	0	58,645	58,645	0
Decertification of prior year encumbrances						
	0	0	0	24,245	24,245	0
Fund Balance at End of Year	\$ 0	\$ 3,494	\$ 3,494	\$ 6,675	\$ 18,536	\$ 11,861

	Probation			Enterprise Zone/Community Reinvestment Area		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues						
Property taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Municipal income taxes	0	0	0	0	0	0
Other local taxes	0	0	0	0	0	0
State levied shared taxes	0	0	0	0	0	0
Intergovernmental	0	0	0	0	0	0
Charges for services	0	0	0	0	0	0
Fees, licenses, and permits	11,400	12,222	822	1,200	1,196	(4)
Interest earnings	0	0	0	0	0	0
Fines and forfeitures	0	0	0	0	0	0
Other	0	0	0	0	486	486
Total Revenues	11,400	12,222	822	1,200	1,682	482
Expenditures						
Current						
Security of persons and property	8,000	0	8,000	0	0	0
Leisure time activities	0	0	0	0	0	0
Community environment	0	0	0	1,175	1,175	0
Street maintenance	0	0	0	0	0	0
General government	0	0	0	0	0	0
Capital outlay	0	0	0	0	0	0
Debt service				0	0	
Principal	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Total Expenditures	8,000	0	8,000	1,175	1,175	0
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	3,400	12,222	8,822	25	507	482
Other Financing Sources (Uses)						
Bond/note proceeds	0	0	0	0	0	0
Operating transfers in	0	0	0	0	0	0
Operating transfers out	0	0	0	0	0	0
Advances in	0	0	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0	0	0
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses						
	3,400	12,222	8,822	25	507	482
Fund Balance at Beginning of Year	3,881	3,881	0	0	0	0
Decertification of prior year encumbrances						
	0	0	0	0	0	0
Fund Balance at End of Year	\$ 7,281	\$ 16,103	\$ 8,822	\$ 25	\$ 507	\$ 482

(continued)

City of Cuyahoga Falls, Ohio
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Non-GAAP Budgetary Basis) - All Special Revenue Funds
Year Ended December 31, 2000

	Drug Law Enforcement			Law Enforcement Trust		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues						
Property taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Municipal income taxes	0	0	0	0	0	0
Other local taxes	0	0	0	0	0	0
State levied shared taxes	0	0	0	0	0	0
Intergovernmental	0	0	0	0	0	0
Charges for services	0	0	0	0	0	0
Fees, licenses, and permits	0	0	0	0	0	0
Interest earnings	0	0	0	0	0	0
Fines and forfeitures	15,000	18,356	3,356	24,000	29,499	5,499
Other	0	224	224	1,500	0	(1,500)
Total Revenues	15,000	18,580	3,580	25,500	29,499	3,999
Expenditures						
Current						
Security of persons and property	60,236	34,586	25,650	22,710	14,932	7,778
Leisure time activities	0	0	0	0	0	0
Community environment	0	0	0	0	0	0
Street maintenance	0	0	0	0	0	0
General government	0	0	0	0	0	0
Capital outlay	19,250	19,065	185	3,000	0	3,000
Debt service	0	0	0	0	0	0
Principal	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Total Expenditures	79,486	53,651	25,835	25,710	14,932	10,778
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	(64,486)	(35,071)	29,415	(210)	14,567	14,777
Other Financing Sources (Uses)						
Bond/note proceeds	0	0	0	0	0	0
Operating transfers in	0	0	0	0	0	0
Operating transfers out	0	0	0	0	0	0
Advances in	0	0	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0	0	0
Excess (Deficiency) of Revenues and						
Other Sources Over (Under) Expenditures and Other Uses	(64,486)	(35,071)	29,415	(210)	14,567	14,777
Fund Balance at Beginning of Year	108,561	108,561	0	12,053	12,053	0
Decertification of prior year						
encumbrances	1,898	1,898	0	0	0	0
Fund Balance at End of Year	\$ 45,973	\$ 75,388	\$ 29,415	\$ 11,843	\$ 26,620	\$ 14,777

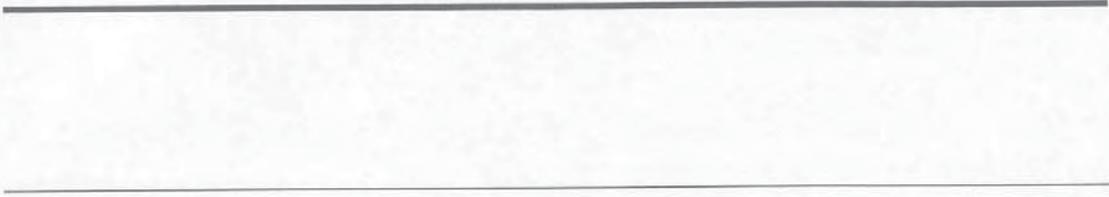
	Indigent Drivers Alcohol Treatment			Enforcement and Education		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues						
Property taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Municipal income taxes	0	0	0	0	0	0
Other local taxes	0	0	0	0	0	0
State levied shared taxes	0	0	0	0	0	0
Intergovernmental	0	0	0	0	0	0
Charges for services	0	0	0	0	0	0
Fees, licenses, and permits	0	0	0	0	0	0
Interest earnings	0	0	0	0	0	0
Fines and forfeitures	44,500	45,896	1,396	3,000	3,730	730
Other	0	0	0	2,500	5,200	2,700
Total Revenues	44,500	45,896	1,396	5,500	8,930	3,430
Expenditures						
Current						
Security of persons and property	300,000	0	300,000	8,000	0	8,000
Leisure time activities	0	0	0	0	0	0
Community environment	0	0	0	0	0	0
Street maintenance	0	0	0	0	0	0
General government	0	0	0	0	0	0
Capital outlay	0	0	0	0	0	0
Debt service						
Principal	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Total Expenditures	300,000	0	300,000	8,000	0	8,000
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	(255,500)	45,896	301,396	(2,500)	8,930	11,430
Other Financing Sources (Uses)						
Bond/note proceeds	0	0	0	0	0	0
Operating transfers in	0	0	0	0	0	0
Operating transfers out	0	0	0	0	0	0
Advances in	0	0	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0	0	0
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses						
	(255,500)	45,896	301,396	(2,500)	8,930	11,430
Fund Balance at Beginning of Year	300,346	300,346	0	6,604	6,604	0
Decertification of prior year encumbrances						
	0	0	0	0	0	0
Fund Balance at End of Year	\$ 44,846	\$ 346,242	\$ 301,396	\$ 4,104	\$ 15,534	\$ 11,430

(continued)

City of Cuyahoga Falls, Ohio
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Non-GAAP Budgetary Basis) - All Special Revenue Funds
Year Ended December 31, 2000

	Court Computer			Federal Law Enforcement		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues						
Property taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Municipal income taxes	0	0	0	0	0	0
Other local taxes	0	0	0	0	0	0
State levied shared taxes	0	0	0	0	0	0
Intergovernmental	0	0	0	0	0	0
Charges for services	45,000	47,725	2,725	0	0	0
Fees, licenses, and permits	0	0	0	0	0	0
Interest earnings	0	0	0	0	1,647	1,647
Fines and forfeitures	0	0	0	0	0	0
Other	0	0	0	0	95	95
Total Revenues	45,000	47,725	2,725	0	1,742	1,742
Expenditures						
Current						
Security of persons and property	0	0	0	25,022	12,441	12,581
Leisure time activities	0	0	0	0	0	0
Community environment	0	0	0	0	0	0
Street maintenance	0	0	0	0	0	0
General government	35,000	31,972	3,028	0	0	0
Capital outlay	119,425	113,655	5,770	7,790	7,790	0
Debt service						
Principal	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Total Expenditures	154,425	145,627	8,798	32,812	20,231	12,581
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	(109,425)	(97,902)	11,523	(32,812)	(18,489)	14,323
Other Financing Sources (Uses)						
Bond/note proceeds	0	0	0	0	0	0
Operating transfers in	0	0	0	0	0	0
Operating transfers out	0	0	0	0	0	0
Advances in	0	0	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0	0	0
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses						
	(109,425)	(97,902)	11,523	(32,812)	(18,489)	14,323
Fund Balance at Beginning of Year	120,372	120,372	0	40,101	40,101	0
Decertification of prior year encumbrances						
	3,435	3,435	0	0	0	0
Fund Balance at End of Year	\$ 14,382	\$ 25,905	\$ 11,523	\$ 7,289	\$ 21,612	\$ 14,323

Total - All Special Revenue Funds			
	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues			
Property taxes	\$ 474,456	\$ 467,334	\$ (7,122)
Municipal income taxes	15,917,500	15,950,151	32,651
Other local taxes	420	388	(32)
State levied shared taxes	1,658,304	1,690,012	31,708
Intergovernmental	261,900	280,497	18,597
Charges for services	45,000	47,725	2,725
Fees, licenses, and permits	412,600	415,066	2,466
Interest earnings	0	1,647	1,647
Fines and forfeitures	86,500	97,481	10,981
Other	104,630	100,555	(4,075)
Total Revenues	18,961,310	19,050,856	89,546
Expenditures			
Current			
Security of persons and property	2,356,471	1,976,604	379,867
Leisure time activities	200,465	187,604	12,861
Community environment	423,107	418,918	4,189
Street maintenance	3,306,245	3,227,736	78,509
General government	882,620	856,929	25,691
Capital outlay	1,257,382	1,123,683	133,699
Debt service	0	0	
Principal	349,909	349,893	16
Interest	284,255	284,244	11
Total Expenditures	9,060,454	8,425,611	634,843
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	9,900,856	10,625,245	724,389
Other Financing Sources (Uses)			
Bond/note proceeds	0	0	0
Operating transfers in	4,394,763	4,344,621	(50,142)
Operating transfers out	(15,332,498)	(15,332,498)	0
Advances in	175,000	175,000	0
Total Other Financing Sources (Uses)	(10,762,735)	(10,812,877)	(50,142)
Excess (Deficiency) of Revenues and			
Other Sources Over (Under) Expenditures and Other Uses	(861,879)	(187,632)	674,247
Fund Balance at Beginning of Year	1,946,160	1,946,160	0
Decertification of prior year encumbrances	85,691	85,691	0
Fund Balance at End of Year	\$ 1,169,972	\$ 1,844,219	\$ 674,247



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CITY OF CUYAHOGA FALLS, OHIO

Capital Projects Funds

Capital projects 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:

Capital Projects

To account for income tax revenue which must be used to fund capital projects in accordance with local law.

Capital Improvement Reserve

To account for interest income which must be used to fund capital projects in accordance with local law and to account for interfund charges for the use of City-owned oil and gas wells.

**City of Cuyahoga Falls, Ohio
Combining Balance Sheet
All Capital Projects Funds
December 31, 2000**

	Capital Projects	Capital Improvement Reserve	Totals
ASSETS			
Equity in pooled cash and cash equivalents	\$ 2,602,805	\$ 2,374,677	\$ 4,977,482
Investments	135,001	127,750	262,751
Investments - Restricted accounts	0	2,298,176	2,298,176
Receivables			
Accounts	111,221	7,810	119,031
Special assessments	952,179	0	952,179
Accrued interest	0	1,177,685	1,177,685
Due from other funds	697,027	1,036	698,063
Due from other governments	76,949	0	76,949
Advances to other funds	0	1,189,383	1,189,383
TOTAL ASSETS	\$ 4,575,182	\$ 7,176,517	\$ 11,751,699
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 271,871	\$ 0	\$ 271,871
Deferred revenue	299,117	911,337	1,210,454
Advances from other funds	510,383	0	510,383
General obligation notes payable	600,000	1,135,000	1,735,000
Total Liabilities	1,681,371	2,046,337	3,727,708
Fund Balance			
Reserved for encumbrances	1,605,132	0	1,605,132
Reserved for advances	0	1,189,383	1,189,383
Reserved for investments	0	2,298,176	2,298,176
Unreserved - undesignated	1,288,679	1,642,621	2,931,300
Total Fund Balance	2,893,811	5,130,180	8,023,991
TOTAL LIABILITIES AND FUND BALANCE	\$ 4,575,182	\$ 7,176,517	\$ 11,751,699

City of Cuyahoga Falls, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
All Capital Projects Funds
Year Ended December 31, 2000

	Capital Projects	Capital Improvement Reserve	Total
Revenues			
Intergovernmental Revenue	\$ 20,000	\$ 0	\$ 20,000
Charges for Services	1,344,497	0	1,344,497
Interest earnings	0	2,409,583	2,409,583
Special assessments	781,058	0	781,058
Other	13,093	57,802	70,895
Total Revenues	2,158,648	2,467,385	4,626,033
Expenditures			
General government	0	40,723	40,723
Capital Outlay	6,934,493	0	6,934,493
Debt Service:			
Principal	701,341	0	701,341
Interest	89,560	44,495	134,055
Total Expenditures	7,725,394	85,218	7,810,612
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(5,566,746)	2,382,167	(3,184,579)
Other Financing Sources (Uses)			
Operating transfers in	6,271,222	0	6,271,222
Operating transfers out	0	(1,780,000)	(1,780,000)
Total Other Financing			
Sources (Uses)	6,271,222	(1,780,000)	4,491,222
Excess (Deficiency) of Revenues			
and Other Sources Over (Under)			
Expenditures and Other Uses	704,476	602,167	1,306,643
Fund Balance at Beginning of Year	2,189,335	4,528,013	6,717,348
Fund Balance at End of Year	\$ 2,893,811	\$ 5,130,180	\$ 8,023,991

City of Cuyahoga Falls, Ohio
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Non-GAAP Budgetary Basis) - All Capital Projects Funds
Year Ended December 31, 2000

	Capital Projects			Capital Improvement Reserve		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues						
Other local taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
State levied shared taxes	0	0	0	5,800	0	(5,800)
Intergovernmental	72,690	20,000	(52,690)	0	0	0
Charges for services	1,275,000	1,246,145	(28,855)	0	0	0
Interest earnings	0	0	0	1,977,963	2,196,901	218,938
Special assessments	155,678	155,869	191	0	0	0
Other	16,000	13,003	(2,997)	50,600	51,422	822
Total Revenues	1,519,368	1,435,017	(84,351)	2,034,363	2,248,323	213,960
Expenditures						
General government	0	0	0	40,000	38,692	1,308
Capital outlay	8,284,765	7,405,557	879,208	0	0	0
Debt Service						
Principal	1,427,788	1,336,341	91,447	1,100,000	1,100,000	0
Interest	89,932	91,408	(1,476)	48,000	47,991	9
Total Expenditures	9,802,485	8,833,306	969,179	1,188,000	1,186,683	1,317
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	(8,283,117)	(7,398,289)	884,828	846,363	1,061,640	215,277
Other Financing Sources (Uses)						
Bond/note proceeds	635,000	600,774	(34,226)	1,100,000	1,136,465	36,465
Operating transfers in	6,348,043	6,348,181	138	0	0	0
Operating transfers out	0	0	0	(1,780,000)	(1,780,000)	0
Advances in	475,000	475,000	0	85,000	85,000	0
Advances out	(15,000)	(15,000)	0	(650,000)	(650,000)	0
Total Other Financing Sources (Uses)	7,443,043	7,408,955	(34,088)	(1,245,000)	(1,208,535)	36,465
Excess (Deficiency) of Revenues and						
Other Sources Over (Under) Expenditures	(840,074)	10,666	850,740	(398,637)	(146,895)	251,742
Fund Balance at Beginning of Year	545,286	545,286	0	4,674,931	4,674,931	0
Decertification of prior year						
encumbrances	317,894	317,894	0	0	0	0
Fund Balance at End of Year	\$ 23,106	\$ 873,846	\$ 850,740	\$ 4,276,294	\$ 4,528,036	\$ 251,742

City of Cuyahoga Falls, Ohio
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Non-GAAP Budgetary Basis) - All Capital Projects Funds
Year Ended December 31, 2000

	Total - All Capital Projects Funds		
	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues			
Other local taxes	\$ 0	\$ 0	\$ 0
State levied shared taxes	5,800	0	(5,800)
Intergovernmental	72,690	20,000	(52,690)
Charges for services	1,275,000	1,246,145	(28,855)
Interest earnings	1,977,963	2,196,901	218,938
Special assessments	155,678	155,869	191
Other	66,600	64,425	(2,175)
Total Revenues	3,553,731	3,683,340	129,609
Expenditures			
General government	40,000	38,692	1,308
Capital outlay	8,284,765	7,405,557	879,208
Debt Service			
Principal	2,527,788	2,436,341	91,447
Interest	137,932	139,399	(1,467)
Total Expenditures	10,990,485	10,019,989	970,496
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(7,436,754)	(6,336,649)	1,100,105
Other Financing Sources (Uses)			
Bond/note proceeds	1,735,000	1,737,239	2,239
Operating transfers in	6,348,043	6,348,181	138
Operating transfers out	(1,780,000)	(1,780,000)	0
Advances in	560,000	560,000	0
Advances out	(665,000)	(665,000)	0
Total Other Financing Sources (Uses)	6,198,043	6,200,420	2,377
Excess (Deficiency) of Revenues and			
Other Sources Over (Under) Expenditures			
and Other Uses	(1,238,711)	(136,229)	1,102,482
Fund Balance at Beginning of Year	5,220,217	5,220,217	0
Decertification of prior year			
encumbrances	317,894	317,894	0
Fund Balance at End of Year	\$ 4,299,400	\$ 5,401,882	\$ 1,102,482

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CITY OF CUYAHOGA FALLS, OHIO

Enterprise Funds

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:

Sewage and Disposal	To account for sanitary sewer service provided to residential and commercial users within the County.
Water	To account for the provision of water treatment and distribution to residential and commercial users within the City, the Village of Munroe Falls, the Village of Silver Lake and certain other residents within the County.
Electric	To account for the distribution of electricity to residential and commercial users within the County.
Sanitation	To account for refuse and recycling collection services provided to residential and commercial users within the County.
Leisure Time	To account for the revenues and expenses of an outdoor swimming pool, an indoor natatorium, a municipal golf course and a civic cultural center.

City of Cuyahoga Falls, Ohio
Combining Balance Sheet
All Enterprise Funds
December 31, 2000

	Sewage and Disposal	Water	Electric	Sanitation	Leisure Time	Total
ASSETS						
Current Assets						
Equity in pooled cash and						
cash equivalents	\$ 2,158,661	\$ 5,864,853	\$ 7,829,060	\$ 951,243	\$ 816,634	\$ 17,620,451
Investments	111,964	304,195	406,073	49,338	42,357	913,927
Receivables						
Accounts	1,024,227	1,238,941	3,691,624	54,240	2,203	6,011,235
Special assessments	0	81,988	0	0	0	81,988
Due from other funds	2,890	0	940,214	20,368	0	963,472
Due from other governments	491	61	184	978	2	1,716
Inventory of supplies	35,370	333,391	2,609,237	22,159	43,013	3,043,170
Prepaid items	7,088	11,126	20,156	6,286	17,350	62,006
Deferred charges	12,134	32,185	0	0	0	44,319
Unamortized bond discount	23,383	47,687	0	0	0	71,070
Investment in joint venture	0	0	15,123,241	0	0	15,123,241
Total Current Assets	3,376,208	7,914,427	30,619,789	1,104,612	921,559	43,936,595
Fixed Assets						
Land	68,931	100,894	373,189	138,780	1,602,504	2,284,298
Buildings	129,068	400,138	681,355	108,691	11,925,114	13,244,366
Improvements other than buildings	14,191,843	14,083,263	21,661,140	60,700	2,916,629	52,913,575
Equipment	785,522	1,226,572	2,580,810	2,087,337	708,880	7,389,121
CIP	349,615	3,188,530	2,793,231	0	11,441	6,342,817
Total Fixed Assets	15,524,979	18,999,397	28,089,725	2,395,508	17,164,568	82,174,177
Less-Accumulated depreciation	(5,161,480)	(4,653,555)	(14,950,961)	(1,745,314)	(3,315,276)	(29,826,586)
Net	10,363,499	14,345,842	13,138,764	650,194	13,849,292	52,347,591
TOTAL ASSETS	\$ 13,739,707	\$ 22,260,269	\$ 43,758,553	\$ 1,754,806	\$ 14,770,851	\$ 96,284,186
LIABILITIES AND FUND EQUITY						
Current Liabilities						
Account payable	\$ 105,978	\$ 705,091	\$ 2,930,365	\$ 65,705	\$ 127,874	\$ 3,935,013
Accrued salaries, wages, & benefits	227,383	465,406	1,001,305	307,388	135,362	2,136,844
Accrued interest payable	17,562	40,579	12,434	0	21,406	91,981
Deferred revenue	475,388	796,943	0	0	0	1,272,331
Due to other funds	194,566	201,359	82,060	172,478	409,643	1,060,106
Due to other governments	423,454	2,500	0	25	331	426,310
Deposits held and due to others	0	10,849	236,571	0	0	247,420
Capital lease obligations	0	0	0	108,574	0	108,574
Advances from other funds	0	0	0	100,800	0	100,800
Unamortized bond premium	0	12,804	0	0	0	12,804
Construction loan payable	15,441	0	0	0	0	15,441
General obligation notes payable	0	4,775,000	0	0	0	4,775,000
General obligation bonds payable	172,206	254,374	220,149	0	318,357	965,086
Long Term Liabilities						
Capital lease obligations	0	0	0	204,015	0	204,015
Advances from other funds	0	0	0	403,200	0	403,200
Construction loan payable	24,042	0	0	0	0	24,042
General obligation bonds payable	4,175,700	6,197,785	2,601,341	0	4,384,609	17,359,435
Total Liabilities	5,831,720	13,462,690	7,084,225	1,362,185	5,397,582	33,138,402
Fund Equity						
Contributed capital	1,119,983	427,231	5,994	223,666	7,787,950	9,564,824
Retained earnings - unreserved	6,788,004	8,370,348	36,668,334	168,955	1,585,319	53,580,960
Total Fund Equity	7,907,987	8,797,579	36,674,328	392,621	9,373,269	63,145,784
TOTAL LIABILITIES AND FUND EQUITY	\$ 13,739,707	\$ 22,260,269	\$ 43,758,553	\$ 1,754,806	\$ 14,770,851	\$ 96,284,186

City of Cuyahoga Falls, Ohio
Combining Statement of Revenues, Expenses and Changes in Retained Earnings -
All Enterprise Funds
Year Ended December 31, 2000

	Sewage and Disposal	Water	Electric	Sanitation	Leisure Time	Total
Operating Revenues						
Charges for services	\$ 4,108,083	\$ 3,484,665	\$ 26,523,018	\$ 3,319,775	\$ 2,817,445	\$ 40,252,986
Other	3,813	66,395	176,330	163,479	276,613	686,630
Total Operating Revenues	4,111,896	3,551,060	26,699,348	3,483,254	3,094,058	40,939,616
Operating Expenses						
Personal services	503,861	1,001,814	2,267,639	1,073,024	1,396,753	6,243,091
Fringe benefits	144,141	266,129	665,949	312,649	217,146	1,606,014
Purchased power	0	0	15,071,641	0	0	15,071,641
Materials and supplies	45,498	264,060	943,244	98,488	160,776	1,512,066
Utilities	26,564	279,357	36,988	28,933	118,118	489,960
Contractual services	2,227,969	296,654	56,081	695,540	215,118	3,491,362
Internal charges	541,421	583,675	1,752,043	570,371	469,399	3,916,909
Other	148,859	232,467	817,414	208,499	605,398	2,012,637
Depreciation	380,015	439,429	767,134	266,037	466,974	2,319,589
Total Operating Expenses	4,018,328	3,363,585	22,378,133	3,253,541	3,649,682	36,663,269
Operating Income (Loss)	93,568	187,475	4,321,215	229,713	(555,624)	4,276,347
Nonoperating Revenues (Expenses)						
Interest expense	(207,203)	(338,918)	(159,222)	(661)	(270,390)	(976,394)
Gain (loss) from sale of fixed assets	0	0	0	0	0	0
Grants	0	0	3,000	52,661	0	55,661
Net nonoperating Revenues (Expenses)	(207,203)	(338,918)	(156,222)	52,000	(270,390)	(920,733)
Income (Loss) before Operating Transfers						
Transfers	(113,635)	(151,443)	4,164,993	281,713	(826,014)	3,355,614
Operating transfers in	0	0	0	0	751,230	751,230
Net Income (Loss)	(113,635)	(151,443)	4,164,993	281,713	(74,784)	4,106,844
Retained Earnings (Deficit) at Beginning of Year						
	6,901,639	8,521,791	32,503,341	(112,758)	1,660,103	49,474,116
Retained Earnings (Deficit) at End of Year						
	<u>\$ 6,788,004</u>	<u>\$ 8,370,348</u>	<u>\$ 36,668,334</u>	<u>\$ 168,955</u>	<u>\$ 1,585,319</u>	<u>\$ 53,580,960</u>

City of Cuyahoga Falls, Ohio
Combining Statement of Cash Flows -
All Enterprise Funds
Year Ended December 31, 2000

	Sewage and Disposal	Water	Electric	Sanitation	Leisure Time	Total
Cash Flows From Operating Activities						
Cash received from customers	\$ 4,748,516	\$ 4,425,652	\$ 26,934,384	\$ 3,479,622	\$ 3,092,362	\$ 42,680,536
Cash payments to employees for services	(504,034)	(1,001,057)	(2,276,778)	(1,072,119)	(1,392,622)	(6,246,610)
Cash payments to employees for benefits	(133,050)	(266,468)	(591,632)	(282,601)	(221,187)	(1,494,938)
Cash payments to suppliers for goods and services	(3,138,912)	(1,687,507)	(20,809,113)	(1,580,348)	(1,463,253)	(28,679,133)
Net Cash Provided By Operating Activities	972,520	1,470,620	3,256,861	544,554	15,300	6,259,855
Cash Flows From Non-Capital Financing Activities						
Grant proceeds	0	0	3,000	52,661	0	55,661
Transfers in	0	0	0	0	751,230	751,230
Advance repayment	0	0	0	(70,000)	0	(70,000)
Net Cash Provided By Non-Capital Financing Activities	0	0	3,000	(17,339)	751,230	736,891
Cash Flows From Capital and Related Financing Activities						
Acquisition of capital assets	(593,651)	(3,142,466)	(2,171,206)	(358,698)	(217,433)	(6,483,454)
Capital lease proceeds	0	0	0	312,589	0	312,589
Bond/note proceeds	0	4,781,161	0	0	0	4,781,161
Debt service						
Principal	(187,223)	(925,444)	(230,377)	(12,024)	(308,883)	(1,663,951)
Interest	(206,105)	(323,860)	(160,056)	(661)	(271,612)	(962,294)
Net Cash Used In Capital and Related Financing Activities	(986,979)	389,391	(2,561,639)	(58,794)	(797,928)	(4,015,949)
Cash Flows from Investing Activities						
Purchase of investments	13,617	(67,383)	8,133	(20,092)	6,576	(59,149)
Net Cash Provided By Investing Activities	13,617	(67,383)	8,133	(20,092)	6,576	(59,149)
Net Increase (Decrease) in Cash and Cash Equivalents	(842)	1,792,628	706,355	448,329	(24,822)	2,921,648
Cash and Cash Equivalents At Beginning of Year	2,159,503	4,072,225	7,122,705	502,914	841,456	14,698,803
Cash and Cash Equivalents at End of Year	\$ 2,158,661	\$ 5,864,853	\$ 7,829,060	\$ 951,243	\$ 816,634	\$ 17,620,451

	Sewage and Disposal	Water	Electric	Sanitation	Leisure Time	Total
Reconciliation of Operating						
Income (Loss) to Net Cash Provided By						
Operating Activities:						
Operating Income (Loss)	\$ 93,568	\$ 187,475	\$ 4,321,215	\$ 229,713	\$ (555,624)	\$ 4,276,347
Adjustments to Reconcile Operating						
Income (loss) to Net Cash Provided By						
Operating Activities:						
Depreciation	380,015	439,429	767,134	266,037	466,974	2,319,589
Amortization Expense	674	3,744	4,851	0	3,839	13,108
Change in assets and liabilities:						
Decrease (increase) in receivables	161,655	157,967	78,992	282	(2,087)	396,809
Decrease (increase) in due from other funds	(195)	0	(35,522)	(11,335)	0	(47,052)
(Increase) decrease in due from other governments	(228)	17	(171)	7,421	391	7,430
(Increase) decrease in inventory of supplies	20,614	17,257	(493,898)	21,706	(5,080)	(439,401)
(Increase) decrease in prepaids	(930)	(1,285)	(2,375)	(1,033)	(2,076)	(7,699)
(Increase) in joint ventures	0	0	(2,771,238)	0	0	(2,771,238)
Increase (decrease) in accounts payable - net of items affecting fixed assets	(120,827)	(77,475)	1,262,382	(340)	109,925	1,173,665
Increase (decrease) in accrued salaries, wages and benefits	8,673	(3,070)	56,870	26,026	445	88,944
Increase in due to other funds	10,494	35,962	15,030	6,052	(1,738)	65,800
Increase (decrease) in due to other governments	(56,381)	1,931	0	25	331	(54,094)
(Decrease) in deposits held and due to others	0	545	53,591	0	0	54,136
(Decrease) Increase in deferred revenue	475,388	708,123	0	0	0	1,183,511
Total Adjustments	878,952	1,283,145	(1,064,354)	314,841	570,924	1,983,508
Net Cash Provided By Operating Activities	\$ 972,520	\$ 1,470,620	\$ 3,256,861	\$ 544,554	\$ 15,300	\$ 6,259,855

City of Cuyahoga Falls, Ohio
Combining Schedule of Revenues, Expenses and Changes in Retained Earnings -
Budget and Actual (Non-GAAP Budgetary Basis) - All Enterprise Funds
Year Ended December 31, 2000

	Sewage and Disposal			Water		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Operating Revenues						
Charges for services	\$ 4,754,595	\$ 4,744,931	\$ (9,664)	\$ 4,244,550	\$ 4,350,755	\$ 106,205
Other	2,000	3,585	1,585	68,500	74,897	6,397
Total Operating Revenues	4,756,595	4,748,516	(8,079)	4,313,050	4,425,652	112,602
Operating Expenses						
Personal services	508,851	504,034	4,817	1,023,862	1,001,057	22,805
Fringe benefits	143,502	133,050	10,452	266,885	266,468	417
Purchased power	0	0	0	0	0	0
Materials and supplies	35,746	26,150	9,596	287,866	279,792	8,074
Utilities	27,600	21,251	6,349	377,150	249,126	128,024
Contractual services	2,906,294	2,103,197	803,097	297,145	300,739	(3,594)
Internal charges	539,500	538,296	1,204	586,917	612,875	(25,958)
Other	126,066	156,805	(30,739)	258,829	237,199	21,630
Capital outlay	437,758	419,219	18,539	6,149,662	5,890,633	259,029
Total Operating Expenses	4,725,317	3,902,002	823,315	9,248,316	8,837,889	410,427
Operating Income (Loss)	31,278	846,514	815,236	(4,935,266)	(4,412,237)	523,029
Nonoperating Revenues (Expenses)						
Bond/note proceeds	0	0	0	4,776,000	4,781,161	5,161
Capital lease proceeds	0	0	0	0	0	0
Grants	0	0	0	0	0	0
Advances out	0	0	0	0	0	0
Debt Service						
Principal	(187,253)	(187,223)	30	(926,705)	(925,444)	1,261
Interest	(206,126)	(206,105)	21	(328,133)	(323,860)	4,273
Total Nonoperating Revenues	(393,379)	(393,328)	51	3,521,162	3,531,857	10,695
Income (loss) before operating transfers	(362,101)	453,186	815,287	(1,414,104)	(880,380)	533,724
Operating Transfers In	0	0	0	0	0	0
Net Income (Loss)	(362,101)	453,186	815,287	(1,414,104)	(880,380)	533,724
Retained Earnings at Beginning of Year	1,521,031	1,521,031	0	3,873,039	3,873,039	0
Decertification of prior year encumbrances						
	57,493	57,493	0	96,841	96,841	0
Retained Earnings at End of Year	\$ 1,216,423	\$ 2,031,710	\$ 815,287	\$ 2,555,776	\$ 3,089,500	\$ 533,724

	Electric			Sanitation		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Operating Revenues						
Charges for services	\$ 26,934,510	\$ 26,493,033	\$ (441,477)	\$ 3,301,000	\$ 3,303,448	\$ 2,448
Other	186,750	441,351	254,601	121,300	176,174	54,874
Total Operating Revenues	27,121,260	26,934,384	(186,876)	3,422,300	3,479,622	57,322
Operating Expenses						
Personal services	2,308,445	2,276,778	31,667	1,116,781	1,072,119	44,662
Fringe benefits	599,488	591,632	7,856	304,109	282,601	21,508
Purchased power	17,895,000	14,686,143	3,208,857	0	0	0
Materials and supplies	1,120,987	4,151,472	(3,030,485)	93,739	75,849	17,890
Utilities	51,400	33,851	17,549	16,875	13,562	3,313
Contractual services	158,934	71,125	87,809	863,459	780,810	82,649
Internal charges	1,632,567	1,745,620	(113,053)	551,896	499,134	52,762
Other	963,452	1,043,026	(79,574)	219,300	211,034	8,266
Capital outlay	903,512	402,804	500,708	355,444	354,063	1,381
Total Operating Expenses	25,633,785	25,002,451	631,334	3,521,603	3,289,172	232,431
Operating Income (Loss)	1,487,475	1,931,933	444,458	(99,303)	190,450	289,753
Nonoperating Revenues (Expenses)						
Bond/note proceeds	0	0	0	0	0	0
Capital lease proceeds	0	0	0	320,000	312,589	(7,411)
Grants	0	3,000	3,000	56,600	52,661	(3,939)
Advances out	0	0	0	(70,000)	(70,000)	0
Debt Service						
Principal	(230,377)	(230,377)	0	(12,025)	(12,024)	1
Interest	(160,056)	(160,056)	0	(662)	(661)	1
Total Nonoperating Revenues (Expenses)	(390,433)	(387,433)	3,000	293,913	282,565	(11,348)
Income (loss) before operating transfers	1,097,042	1,544,500	447,458	194,610	473,015	278,405
Operating Transfers In	0	0	0	0	0	0
Net Income (Loss)	1,097,042	1,544,500	447,458	194,610	473,015	278,405
Retained Earnings at Beginning of Year	4,273,529	4,273,529	0	446,617	446,617	0
Decertification of prior year encumbrances						
	48,548	48,548	0	61,727	61,727	0
Retained Earnings at End of Year	\$ 5,419,119	\$ 5,866,577	\$ 447,458	\$ 702,954	\$ 981,359	\$ 278,405

(continued)

City of Cuyahoga Falls, Ohio
Combining Schedule of Revenues, Expenses and Changes in Retained Earnings -
Budget and Actual (Non-GAAP Budgetary Basis) - All Enterprise Funds
Year Ended December 31, 2000

	Leisure Time			Total - All Enterprise Funds		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Operating Revenues						
Charges for services	\$ 2,784,300	\$ 2,817,445	\$ 33,145	\$ 42,018,955	\$ 41,709,612	\$ (309,343)
Other	267,100	274,917	7,817	645,650	970,924	325,274
Total Operating Revenues	3,051,400	3,092,362	40,962	42,664,605	42,680,536	15,931
Operating Expenses						
Personal services	1,350,583	1,392,622	(42,039)	6,308,522	6,246,610	61,912
Fringe benefits	279,632	221,187	58,445	1,593,616	1,494,938	98,678
Purchased power	0	0	0	17,895,000	14,686,143	3,208,857
Materials and supplies	177,880	148,466	29,414	1,716,218	4,681,729	(2,965,511)
Utilities	164,285	109,565	54,720	637,310	427,355	209,955
Contractual services	246,731	238,747	7,984	4,472,563	3,494,618	977,945
Internal charges	457,007	469,399	(12,392)	3,767,887	3,865,324	(97,437)
Other	581,243	565,395	15,848	2,148,890	2,213,459	(64,569)
Capital outlay	206,949	137,293	69,656	8,053,325	7,204,012	849,313
Total Operating Expenses	3,464,310	3,282,674	181,636	46,593,331	44,314,188	2,279,143
Operating Income (Loss)	(412,910)	(190,312)	222,598	(3,928,726)	(1,633,652)	2,295,074
Nonoperating Revenues (Expenses)						
Bond/note proceeds	0	0	0	4,776,000	4,781,161	5,161
Capital lease proceeds	0	0	0	320,000	312,589	(7,411)
Grants	0	0	0	56,600	55,661	(939)
Advances out	0	0	0	(70,000)	(70,000)	0
Debt Service						
Principal	(308,886)	(308,883)	3	(1,665,246)	(1,663,951)	1,295
Interest	(273,614)	(271,612)	2,002	(968,591)	(962,294)	6,297
Total Nonoperating Revenues (Expenses)	(582,500)	(580,495)	2,005	2,448,763	2,453,166	4,403
Income (loss) before operating transfers						
	(995,410)	(770,807)	224,603	(1,479,963)	819,514	2,299,477
Operating Transfers In	751,230	751,230	-	751,230	751,230	0
Net Income (Loss)	(244,180)	(19,577)	224,603	(728,733)	1,570,744	2,299,477
Retained Earnings at Beginning of Year	687,852	687,852	0	10,802,068	10,802,068	0
Decertification of prior year encumbrances						
	51,906	51,906	0	316,515	316,515	0
Retained Earnings at End of Year	\$ 495,578	\$ 720,181	\$ 224,603	\$ 10,389,850	\$ 12,689,327	\$ 2,299,477

CITY OF CUYAHOGA FALLS, OHIO

Internal Service Funds

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 funds indicates the type of service provided.

The internal service funds are:

Garage	To account for the cost of maintenance facility for automotive equipment used by various City departments. The costs of services provided are billed to the various user departments.
Office Supply	To account for the cost of operating a central store facility used by various City departments. The goods are purchased and held in inventory until used.
Utility Billing	To account for the cost of operating a billing and collection service for the water, sewer, electric and sanitation departments. The funds using the utility billing service are charged for the cost of the operation.
Self-Insurance	To account for the cost of medical benefits and life insurance provided to the City's employees.
Information Services	Formerly known as Data Processing, this fund provides, maintains and supports information technology to various City departments. The actual costs of services are reimbursed to this fund by the user departments.
Workers' Compensation	To account for the cost of workers' compensation claims and administrative costs incurred by City employees.
Compensated Absences	To accumulate sums sufficient to defray anticipated employee benefit payments

**City of Cuyahoga Falls, Ohio
Combining Balance Sheet
All Internal Service Funds
December 31, 2000**

	Garage	Office Supply	Utility Billing	Self- Insurance	Information Services
ASSETS					
Current Assets					
Equity in pooled cash and cash equivalents	\$ 130,353	\$ 7,327	\$ 60,057	\$ 89,277	\$ 132,361
Investments	6,761	380	3,115	4,631	6,865
Receivables					
Accounts	0	0	364	5,248	0
Due from other funds	0	0	63,891	390,668	0
Due from other governments	3	0	0	0	0
Inventory of supplies	407,221	783	13,471	0	14,947
Prepaid items	1,064	0	734	5,310	119
Total Current Assets	545,402	8,490	141,632	495,134	154,292
Fixed Assets					
Land	7,959	0	0	0	0
Buildings	109,209	0	59,974	0	135,235
Improvements other than buildings	266,525	0	0	0	0
Equipment	231,672	0	262,266	0	1,426,794
Total Fixed Assets	615,365	0	322,240	0	1,562,029
Less-Accumulated Depreciation	(436,724)	0	(204,369)	0	(1,206,296)
Net	178,641	0	117,871	0	355,733
TOTAL ASSETS	\$ 724,043	\$ 8,490	\$ 259,503	\$ 495,134	\$ 510,025
LIABILITIES AND FUND EQUITY					
Current Liabilities					
Accounts payable	\$ 89,395	\$ 8,576	\$ 3,240	\$ 690	\$ 33,007
Accrued salaries, wages and benefits	154,033	0	222,761	0	124,769
Deferred Revenue	0	0	0	0	0
Due to other funds	12,814	0	19,142	0	9,150
Due to other governments	0	0	0	0	3,078
Claims and judgments payable	0	0	0	494,444	0
Capital lease obligations	0	0	0	0	0
Total Liabilities	256,242	8,576	245,143	495,134	170,004
Fund Equity					
Contributed capital	16,455	0	14,360	0	194,124
Retained earnings (deficit) -unreserved	451,346	(86)	0	0	145,897
Total Fund Equity (Deficit)	467,801	(86)	14,360	0	340,021
TOTAL LIABILITIES AND FUND EQUITY	\$ 724,043	\$ 8,490	\$ 259,503	\$ 495,134	\$ 510,025

Workers' Compensation	Compensated Absences	Total
\$ 5,722,745	\$ 1,055,335	\$ 7,197,455
296,824	54,737	373,313
0	0	5,612
12,580	0	467,139
358,486	0	358,489
0	0	436,422
0	0	7,227
6,390,635	1,110,072	8,845,657
0	0	7,959
0	0	304,418
0	0	266,525
0	0	1,920,732
0	0	2,499,634
0	0	(1,847,389)
0	0	652,245
\$ 6,390,635	\$ 1,110,072	\$ 9,497,902
\$ 1,708	\$ 0	\$ 136,616
0	0	501,563
0	0	0
0	0	41,106
124,622	0	127,700
1,444,710	0	1,939,154
0	0	0
1,571,040	0	2,746,139
0	0	224,939
4,819,595	1,110,072	6,526,824
4,819,595	1,110,072	6,751,763
\$ 6,390,635	\$ 1,110,072	\$ 9,497,902

City of Cuyahoga Falls, Ohio
Combining Statement of Revenues, Expenses and Changes in Retained Earnings -
All Internal Service Funds
Year Ended December 31, 2000

	Garage	Office Supply	Utility Billing	Self- Insurance	Information Services
Operating Revenues					
Charges for services	\$ 1,419,782	\$ 59,113	\$ 1,409,035	\$ 3,451,580	\$ 799,283
Other	191	0	8,010	7,920	133
Total Operating Revenues	1,419,973	59,113	1,417,045	3,459,500	799,416
Operating Expenses					
Personal services	374,875	0	658,981	0	371,302
Fringe benefits	120,709	0	223,822	3,425,708	137,646
Materials and supplies	594,001	58,630	12,855	0	45,093
Utilities	15,592	0	4,944	0	4,194
Contractual services	10,660	0	26,869	33,292	101,327
Internal charges	72,843	0	370,423	0	7,038
Other	237,562	0	70,069	500	104,525
Depreciation	51,378	0	48,976	0	114,663
Total Operating Expenses	1,477,620	58,630	1,416,939	3,459,500	885,788
Operating Income (Loss)	(57,647)	483	106	0	(86,372)
Nonoperating Revenues (Expenses)					
Interest revenue	0	0	0	0	0
Interest expense	(130)	0	(106)	0	0
Gain (loss) from sale of fixed assets	0	0	0	0	0
Total Nonoperating Revenues (Expenses)	(130)	0	(106)	0	0
Net Income (Loss)	(57,777)	483	0	0	(86,372)
Retained Earnings at Beginning of Year	509,123	(569)	0	0	232,269
Retained Earnings (Deficit) at End of Year	\$ 451,346	\$ (86)	\$ 0	\$ 0	\$ 145,897

Workers' Compensation	Compensated Absences	Totals
\$ 0	\$ 1,021,888	\$ 8,160,681
371,951	0	388,205
371,951	1,021,888	8,548,886
0	322,040	1,727,198
167,005	0	4,074,890
0	0	710,579
0	0	24,730
96,263	0	268,411
0	0	450,304
42,584	0	455,240
0	0	215,017
305,852	322,040	7,926,369
66,099	699,848	622,517
356,129	0	356,129
0	0	(236)
0	0	0
356,129	0	355,893
422,228	699,848	978,410
4,397,367	410,224	5,548,414
\$ 4,819,595	\$ 1,110,072	\$ 6,526,824

City of Cuyahoga Falls, Ohio
Combining Statement of Cash Flows -
All Internal Service Funds
Year Ended December 31, 2000

	Garage	Office Supply	Utility Billing	Self- Insurance	Information Services
Cash Flows From Operating Activities					
Activities					
Cash received from users	\$ 1,419,975	\$ 59,113	\$ 1,404,517	\$ 3,363,234	\$ 799,416
Cash payments to employees for services	(372,704)	0	(656,930)	0	(367,323)
Cash payments to employees for benefits	(102,131)	0	(200,511)	(3,428,793)	(94,406)
Cash payments to suppliers for goods and services	(904,286)	(56,729)	(494,583)	(37,968)	(246,467)
Net Cash Provided By Operating Activities	40,854	2,384	52,493	(103,527)	91,220
Cash Flows From Capital and Related Financing Activities					
Acquisition of capital assets	(38,044)	0	(38,776)	0	(110,785)
Debt Service					
Principal	(2,369)	0	(1,923)	0	0
Interest	(130)	0	(106)	0	0
Net Cash Used In Capital and Related Financing Activities	(40,543)	0	(40,805)	0	(110,785)
Cash Flows From Investing Activities					
Interest revenue	0	0	0	0	0
Purchase of investments	757	(88)	(285)	6,219	1,862
Net Cash Provided (Used) By Investing Activities	757	(88)	(285)	6,219	1,862
Net Increase (Decrease) in Cash and Cash Equivalents	1,068	2,296	11,403	(97,308)	(17,703)
Cash and Cash Equivalents At Beginning of Year	129,285	5,031	48,654	186,585	150,064
Cash and Cash Equivalents at End of Year	\$ 130,353	\$ 7,327	\$ 60,057	\$ 89,277	\$ 132,361

Workers' Compensation	Compensated Absences	Totals
\$ 13,669	\$ 1,021,888	\$ 8,081,812
0	(322,040)	(1,718,997)
(119,369)	0	(3,945,210)
(139,012)	0	(1,879,045)
(244,712)	699,848	538,560
0	0	(187,605)
0	0	(4,292)
0	0	(236)
0	0	(192,133)
356,129	0	356,129
27,870	(32,192)	4,143
383,999	(32,192)	360,272
139,287	667,656	706,699
5,583,458	387,679	6,490,756
<u>\$ 5,722,745</u>	<u>\$ 1,055,335</u>	<u>\$ 7,197,455</u>

(Continued)

City of Cuyahoga Falls, Ohio
Combining Statement of Cash Flows -
All Internal Service Funds
Year Ended December 31, 2000

	Garage	Office Supply	Utility Billing	Self - Insurance	Information Services
Reconciliation of Operating					
Income (Loss) to Net Cash					
Provided (Used) By Operating					
Activities:					
Operating Income (Loss)	\$ (57,647)	\$ 483	\$ 106	\$ 0	\$ (86,372)
Adjustments to Reconcile Operating					
Income (Loss) to Net Cash					
Provided By Operating Activities:					
Depreciation	51,378	0	48,976	0	114,663
Change in assets and liabilities:					
(Increase) in accounts receivable	0	0	1,258	4,552	0
Decrease (increase) in due from other funds	0	0	(13,786)	(100,818)	0
Decrease (increase) in due from other governments	2	0	0	0	0
(Increase) decrease in inventory of supplies	(27,589)	(19)	(9,464)	0	(1,643)
(Increase) decrease in prepaids	(164)	0	(101)	(358)	(7)
(Decrease) increase in accounts payable					
- net of items affecting fixed assets	52,066	1,920	142	(4,176)	17,360
(Decrease) increase in accrued salaries, wages					
and benefits	18,894	0	20,323	0	41,363
Increase in due to other funds	3,914	0	5,039	0	2,778
Increase in due to other governments	0	0	0	0	3,078
Increase in claims payable	0	0	0	(2,727)	0
(Decrease) in deferred revenue	0	0	0	0	0
Total Adjustments	98,501	1,901	52,387	(103,527)	177,592
Net Cash Provided Operating Activities	\$ 40,854	\$ 2,384	\$ 52,493	\$ (103,527)	\$ 91,220

Workers' Compensation	Compensated Absences	Totals
66,099	699,848	\$ 622,517
0	0	215,017
0	0	5,810
204	0	(114,400)
(358,486)	0	(358,484)
0	0	(38,715)
0	0	(630)
(165)	0	67,147
0	0	80,580
0	0	11,731
44,819	0	47,897
2,817	0	90
0	0	0
(310,811)	0	(83,957)
<u>\$ (244,712)</u>	<u>\$ 699,848</u>	<u>\$ 538,560</u>

City of Cuyahoga Falls, Ohio
Combining Schedule of Revenues, Expenses and Changes in Retained Earnings -
Budget and Actual (Non-GAAP Budgetary Basis) - All Internal Service Funds
Year Ended December 31, 2000

	Garage			Office Supply		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Operating Revenues						
Charges for services	\$ 1,659,636	\$ 1,419,782	\$ (239,854)	\$ 61,700	\$ 59,113	\$ (2,587)
Other	0	193	193	0	0	0
Total Operating Revenues	1,659,636	1,419,975	(239,661)	61,700	59,113	(2,587)
Operating Expenses						
Personal services	378,263	372,704	5,559	0	0	0
Fringe benefits	110,625	102,131	8,494	0	0	0
Materials and supplies	736,243	724,329	11,914	61,124	58,605	2,519
Utilities	20,750	13,326	7,424	0	0	0
Contractual services	22,264	12,882	9,382	0	0	0
Internal charges	129,103	72,843	56,260	750	680	70
Other	239,352	168,429	70,923	0	0	0
Capital outlay	48,022	34,956	13,066	0	0	0
Total Operating Expenses	1,684,622	1,501,600	183,022	61,874	59,285	2,589
Operating Income (Loss)	(24,986)	(81,625)	(56,639)	(174)	(172)	2
Nonoperating Revenues (Expenses)						
Interest earnings	0	0	0	0	0	0
Debt Service						
Principal	(2,245)	(2,369)	(124)	0	0	0
Interest	(254)	(130)	124	0	0	0
Total Nonoperating Revenues (Expenses)	(2,499)	(2,499)	0	0	0	0
Net Income (Loss)	(27,485)	(84,124)	(56,639)	(174)	(172)	2
Retained Earnings at Beginning of Year	25,719	25,719	0	1	1	0
Decertification of prior year encumbrances	75,590	75,590	0	174	174	0
Retained Earnings at End of Year	\$ 73,824	\$ 17,185	\$ (56,639)	\$ 1	\$ 3	\$ 2

	Utility Billing			Self Insurance		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Operating Revenues						
Charges for services	\$ 1,441,977	\$ 1,395,433	\$ (46,544)	\$ 3,348,360	\$ 3,350,762	\$ 2,402
Other	0	9,084	9,084	8,250	12,472	4,222
Total Operating Revenues	1,441,977	1,404,517	(37,460)	3,356,610	3,363,234	6,624
Operating Expenses						
Personal services	661,669	656,930	4,739	0	0	0
Fringe benefits	214,131	200,511	13,620	3,393,860	3,428,793	(34,933)
Materials and supplies	25,957	24,977	980	0	0	0
Utilities	6,650	4,867	1,783	0	0	0
Contractual services	30,000	11,959	18,041	72,896	35,313	37,583
Internal charges	359,444	370,423	(10,979)	0	0	0
Other	101,415	71,968	29,447	500	500	0
Capital outlay	48,475	9,801	38,674	0	0	0
Total Operating Expenses	1,447,741	1,351,436	96,305	3,467,256	3,464,606	2,650
Operating Income (Loss)	(5,764)	53,081	58,845	(110,646)	(101,372)	9,274
Nonoperating Revenues (Expenses)						
Interest earnings	0	0	0	0	0	0
Debt Service				0		
Principal	(1,923)	(1,923)	0	0	0	0
Interest	(106)	(106)	0	0	0	0
Total Nonoperating Revenues (Expenses)	(2,029)	(2,029)	0	0	0	0
Net Income (Loss)	(7,793)	51,052	58,845	(110,646)	(101,372)	9,274
Retained Earnings at Beginning of Year	71	71	0	186,774	186,774	0
Decertification of prior year encumbrances	3,818	3,818	0	7,896	7,896	0
Retained Earnings at End of Year	\$ (3,904)	\$ 54,941	\$ 58,845	\$ 84,024	\$ 93,298	\$ 9,274

(continued)

City of Cuyahoga Falls, Ohio
Combining Schedule of Revenues, Expenses and Changes in Retained Earnings -
Budget and Actual (Non-GAAP Budgetary Basis) - All Internal Service Funds
Year Ended December 31, 2000

	Information Services			Workers' Compensation		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Operating Revenues						
Charges for services	\$ 859,290	\$ 799,283	\$ (60,007)	\$ 0	\$ 0	\$ 0
Other	0	133	133	0	13,669	13,669
Total Operating Revenues	859,290	799,416	(59,874)	0	13,669	13,669
Operating Expenses						
Personal services	368,809	367,323	1,486	0	0	0
Fringe benefits	106,087	94,406	11,681	220,000	119,369	100,631
Materials and supplies	47,856	38,753	9,103	0	0	0
Utilities	6,550	4,047	2,503	0	0	0
Contractual services	109,664	102,362	7,302	142,450	84,542	57,908
Internal charges	5,380	7,718	(2,338)	0	0	0
Other	115,679	104,704	10,975	62,388	41,013	21,375
Capital outlay	143,198	83,605	59,593	0	0	0
Total Operating Expenses	903,223	802,918	100,305	424,838	244,924	179,914
Operating Income (Loss)	(43,933)	(3,502)	40,431	(424,838)	(231,255)	193,583
Nonoperating Revenues (Expenses)						
Interest earnings	0	0	0	260,000	356,129	96,129
Debt Service						
Principal	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Total Nonoperating Revenues (Expenses)	0	0	0	260,000	356,129	96,129
Net Income (Loss)	(43,933)	(3,502)	40,431	(164,838)	124,874	289,712
Retained Earnings at Beginning of Year	63,120	63,120	0	5,869,364	5,869,364	0
Decertification of prior year encumbrances	8,541	8,541	0	19,838	19,838	0
Retained Earnings at End of Year	\$ 27,728	\$ 68,159	\$ 40,431	\$ 5,724,364	\$ 6,014,076	\$ 289,712

	Compensated Absences			Totals - All Internal Service Funds		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Operating Revenues						
Charges for services	\$ 1,021,888	\$ 1,021,888	\$ 0	\$ 8,392,851	\$ 8,046,261	\$ (346,590)
Other	0	0	0	8,250	35,551	27,301
Total Operating Revenues	1,021,888	1,021,888	0	8,401,101	8,081,812	(319,289)
Operating Expenses						
Personal services	350,000	322,040	27,960	1,758,741	1,718,997	39,744
Fringe benefits	0	0	0	4,044,703	3,945,210	99,493
Materials and supplies	0	0	0	871,180	846,664	24,516
Utilities	0	0	0	33,950	22,240	11,710
Contractual services	0	0	0	377,274	247,058	130,216
Internal charges	0	0	0	494,677	451,664	43,013
Other	0	0	0	519,334	386,614	132,720
Capital outlay	0	0	0	239,695	128,362	111,333
Total Operating Expenses	350,000	322,040	27,960	8,339,554	7,746,809	592,745
Operating Income (Loss)	671,888	699,848	27,960	61,547	335,003	273,456
Nonoperating Revenues (Expenses)						
Interest earnings	0	0	0	260,000	356,129	96,129
Debt Service						
Principal	0	0	0	(4,168)	(4,292)	(124)
Interest	0	0	0	(360)	(236)	124
Total Nonoperating Revenues (Expenses)	0	0	0	255,472	351,601	96,129
Net Income (Loss)	671,888	699,848	27,960	317,019	686,604	369,585
Retained Earnings at Beginning of Year	410,224	410,224	0	6,555,273	6,555,273	0
Decertification of prior year encumbrances	0	0	0	115,857	115,857	0
Retained Earnings at End of Year	\$ 1,082,112	\$ 1,110,072	\$ 27,960	\$ 6,988,149	\$ 7,357,734	\$ 369,585

CITY OF CUYAHOGA FALLS, OHIO

Trust and Agency Funds

Trust and agency funds are established to account for assets received and held by the City acting in a trustee capacity and/or in the capacity of an agent or custodian. These include a non-expendable trust fund and agency funds.

The trust and agency funds are:

NON-EXPENDABLE TRUST FUND

Cemetery Perpetual Care

To account for monies received for the perpetual care of cemetery lots. The amounts received are held as a permanent fund, and the interest received on the invested monies is available for care of the cemetery lots.

AGENCY FUNDS

Treasury

To account for the cost of workers' compensation claims and administrative costs incurred by City employees

State Cases-Fines and Forfeitures

To account for the portion of Municipal Court fines and forfeitures forwarded to the City which must be remitted to the County Law Library Association.

Employee Withholding

To account for amounts withheld from the payroll of the City's employees.

Guarantee Deposits

To account for funds received from a contractor, developer or individual to ensure compliance with the ordinances of the City. Upon satisfactory completion of the project, the deposit is returned to the individual, developer or contractor.

Unclaimed Monies

To account for monies held by the City and Municipal Court pending identification of the individual or organization entitled to the money.

Municipal Court

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

**City of Cuyahoga Falls, Ohio
Combining Balance Sheet
Trust and Agency Funds
December 31, 2000**

	Non-expendable Trust Fund	Agency Funds						Totals
	Cemetery Perpetual Care	Treasury	State Cases Fines and Forfeitures	Employee Withholding	Guarantee Deposits	Unclaimed Monies	Municipal Court	
ASSETS								
Equity in pooled cash and cash equivalents	\$ 0	\$ 577,145	\$ 4,154	\$ 226,144	\$ 1,147,879	\$ 37,703	\$	\$ 1,993,025
Investments		29,935	215	11,730	59,538	1,955		103,373
Cash and cash equivalents - restricted accounts	65,111						336,554	401,665
Investments - restricted accounts	95,000							95,000
Due from other funds		175,048	887	8,949				184,884
Advances to other funds		178,500						178,500
TOTAL ASSETS	\$ 160,111	\$ 960,628	\$ 5,256	\$ 246,823	\$ 1,207,417	\$ 39,658	\$ 336,554	\$ 2,956,447
LIABILITIES AND FUND EQUITY								
Liabilities								
Due to other funds	\$	\$	\$	\$ 41,744	\$ 163,355	\$	\$ 152,187	\$ 357,286
Due to other governments		960,628	5,256	203,965			77,403	1,247,252
Deposits held and due to others				1,114	1,044,062	39,658	106,964	1,191,798
Total Liabilities	0	960,628	5,256	246,823	1,207,417	39,658	336,554	2,796,336
Fund Equity								
Fund Balance:								
Reserved for cemetery perpetual care	160,111							160,111
Total Fund Equity	160,111	0	0	0	0	0	0	160,111
TOTAL LIABILITIES AND FUND EQUITY	\$ 160,111	\$ 960,628	\$ 5,256	\$ 246,823	\$ 1,207,417	\$ 39,658	\$ 336,554	\$ 2,956,447

City of Cuyahoga Falls, Ohio
Combining Statement of Changes in Assets and Liabilities -
All Agency Funds
for the Year Ended December 31, 2000

	January 1, 2000	Additions	Deductions	December 31, 2000
Treasury				
Assets				
Equity in pooled cash and cash equivalents	\$ 671,219	\$ 577,145	\$ (671,219)	\$ 577,145
Investments	39,033	29,935	(39,033)	29,935
Due from other funds	160,257	3,919,961	(3,905,170)	175,048
Advances to other funds	238,000	0	(59,500)	178,500
Total Assets	<u>\$ 1,108,509</u>	<u>\$ 4,527,041</u>	<u>\$ (4,674,922)</u>	<u>\$ 960,628</u>
Liabilities				
Due to other governments	\$ 1,108,509	\$ 3,924,754	\$ (4,072,635)	\$ 960,628
Total Liabilities	<u>\$ 1,108,509</u>	<u>\$ 3,924,754</u>	<u>\$ (4,072,635)</u>	<u>\$ 960,628</u>
State Cases Fines and Forfeitures:				
Assets				
Equity in pooled cash and cash equivalents	\$ 2,869	\$ 4,154	\$ (2,869)	\$ 4,154
Investments	167	215	(167)	215
Due from other funds	1,286	18,789	(19,188)	887
Total Assets	<u>\$ 4,322</u>	<u>\$ 23,158</u>	<u>\$ (22,224)</u>	<u>\$ 5,256</u>
Liabilities				
Due to other governments	\$ 4,322	\$ 18,789	\$ (17,855)	\$ 5,256
Total Liabilities	<u>\$ 4,322</u>	<u>\$ 18,789</u>	<u>\$ (17,855)</u>	<u>\$ 5,256</u>
Employee Withholding:				
Assets				
Equity in pooled cash and cash equivalents	\$ 208,755	\$ 226,144	\$ (208,755)	\$ 226,144
Investments	12,140	11,730	(12,140)	11,730
Due from other funds	0	8,949	0	8,949
Total Assets	<u>\$ 220,895</u>	<u>\$ 246,823</u>	<u>\$ (220,895)</u>	<u>\$ 246,823</u>
Liabilities				
Due to other funds	\$ 39,110	\$ 510,073	\$ (507,439)	\$ 41,744
Due to other governments	181,785	7,740,048	(7,717,868)	203,965
Deposits held and due to others	0	997,756	(996,642)	1,114
Total Liabilities	<u>\$ 220,895</u>	<u>\$ 9,247,877</u>	<u>\$ (9,221,949)</u>	<u>\$ 246,823</u>
Guarantee Deposits				
Assets				
Equity in pooled cash and cash equivalents	\$ 935,631	\$ 1,147,879	\$ (935,631)	\$ 1,147,879
Investments	54,410	59,538	(54,410)	59,538
Total Assets	<u>\$ 990,041</u>	<u>\$ 1,207,417</u>	<u>\$ (990,041)</u>	<u>\$ 1,207,417</u>
Liabilities				
Due to other funds	\$ 91,856	71,499	0	\$ 163,355
Deposits held and due to others	898,185	554,335	(408,458)	1,044,062
Total Liabilities	<u>\$ 990,041</u>	<u>\$ 625,834</u>	<u>\$ (408,458)</u>	<u>\$ 1,207,417</u>

(Continued)

City of Cuyahoga Falls, Ohio
Combining Statement of Changes in Assets and Liabilities -
All Agency Funds
for the Year Ended December 31, 2000

	January 1, 2000	Additions	Deductions	December 31, 2000
Unclaimed Monies:				
Assets				
Equity in pooled cash and cash equivalents	\$ 29,759	\$ 37,703	\$ (29,759)	\$ 37,703
Investments	1,730	1,955	(1,730)	1,955
Total Assets	<u>\$ 31,489</u>	<u>\$ 39,658</u>	<u>\$ (31,489)</u>	<u>\$ 39,658</u>
Liabilities				
Deposits held and due to others	\$ 31,489	\$ 8,486	\$ (317)	\$ 39,658
Total Liabilities	<u>\$ 31,489</u>	<u>\$ 8,486</u>	<u>\$ (317)</u>	<u>\$ 39,658</u>
Municipal Court:				
Assets				
Cash and cash equivalents - restricted accounts	\$ 388,640	\$ 336,554	\$ (388,640)	\$ 336,554
Total Assets	<u>\$ 388,640</u>	<u>\$ 336,554</u>	<u>\$ (388,640)</u>	<u>\$ 336,554</u>
Liabilities				
Due to other funds	\$ 173,487	\$ 2,184,771	\$ (2,206,071)	\$ 152,187
Due to other governments	97,836	1,149,960	(1,170,393)	77,403
Deposits held and due to others	117,317	1,347,088	(1,357,441)	106,964
Total Liabilities	<u>\$ 388,640</u>	<u>\$ 4,681,819</u>	<u>\$ (4,733,905)</u>	<u>\$ 336,554</u>
Total - All Agency Funds:				
Assets				
Equity in pooled cash and cash equivalents	\$ 1,848,233	\$ 1,993,025	\$ (1,848,233)	\$ 1,993,025
Investments	107,480	103,373	(107,480)	103,373
Cash and cash equivalents - restricted accounts	388,640	336,554	(388,640)	336,554
Due from other funds	161,543	3,947,699	(3,924,358)	184,884
Advances to other funds	238,000	0	(59,500)	178,500
Total Assets	<u>\$ 2,743,896</u>	<u>\$ 6,380,651</u>	<u>\$ (6,328,211)</u>	<u>\$ 2,796,336</u>
Liabilities				
Due to other funds	\$ 304,453	\$ 2,766,343	\$ (2,713,510)	\$ 357,286
Due to other governments	1,392,452	12,833,551	(12,978,751)	1,247,252
Deposits held and due to others	1,046,991	2,907,665	(2,762,858)	1,191,798
Total Liabilities	<u>\$ 2,743,896</u>	<u>\$ 18,507,559</u>	<u>\$ (18,455,119)</u>	<u>\$ 2,796,336</u>

CITY OF CUYAHOGA FALLS, OHIO

General Fixed Assets Account Group

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

City of Cuyahoga Falls, Ohio
Schedule of General Fixed Assets by Source
December 31, 2000

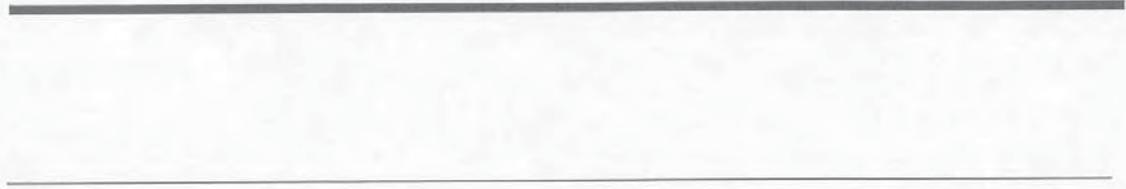
General Fixed Assets:	2000
Land	\$ 6,734,619
Buildings	13,824,296
Equipment	16,510,150
Total General Fixed Assets	\$ 37,069,065
Investment in General Fixed Assets from:	
Capital Projects Funds:	
General Obligation Bonds/Notes	\$ 9,528,027
Federal Grants	1,711,692
Capital Project Levy	11,555,725
General Fund Revenues	8,350,282
Special Revenue Fund Revenues	4,923,193
Gifts	998,946
Other	1,200
Total Investment in General Fixed Assets	\$ 37,069,065

City of Cuyahoga Falls, Ohio
Schedule of General Fixed Assets by Function and Activity
December 31, 2000

	<u>Land</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Total</u>
Security of Persons and Property				
Fire safety	\$ 20,222	\$ 2,159,937	\$ 3,831,870	\$ 6,012,029
Police protection	0	2,755,539	3,430,378	6,185,917
Safety communications and traffic control	0	27,498	253,592	281,090
Building security	0	1,315	130,420	131,735
Total Security of Persons and Property	20,222	4,944,289	7,646,260	12,610,771
Leisure Time Activities				
Parks and recreation	2,667,243	825,399	2,406,809	5,899,451
Community Development				
Mall	378,591	236,602	12,295	627,488
Community and economic development	0	0	95,542	95,542
Total Community Development	378,591	236,602	107,837	723,030
Transportation				
Street construction, maintenance and repair	109,821	484,985	4,367,457	4,962,263
General Government				
Mayor's office	0	3,200	28,578	31,778
Finance administration	0	0	52,496	52,496
Legal administration	0	0	63,649	63,649
Service administration	0	0	22,588	22,588
Court administration	0	152,836	453,917	606,753
Engineering	0	0	200,948	200,948
Other administration	3,558,742	7,176,985	1,159,611	11,895,338
Total General Government	3,558,742	7,333,021	1,981,787	12,873,550
Total General Fixed Assets	\$ 6,734,619	\$ 13,824,296	\$ 16,510,150	\$ 37,069,065

City of Cuyahoga Falls, Ohio
Schedule of Changes in General Fixed Assets by Function and Activity
for the Year Ended December 31, 2000

	Balance January 1, 2000	Additions	Deductions	Balance December 31, 2000
Security of Persons and Property				
Fire safety	\$ 6,149,066	\$ 147,497	\$ 284,534	\$ 6,012,029
Police protection	6,091,197	586,519	491,798	6,185,918
Safety communications and traffic control	237,910	52,534	9,355	281,089
Building security	92,830	46,202	7,297	131,735
Total Security of Persons and Property	12,571,003	832,752	792,984	12,610,771
Leisure Time Activities				
Parks and recreation	5,274,502	685,638	60,689	5,899,451
Community Development				
Mall	530,333	97,155	0	627,488
Community and economic development	56,248	44,292	4,998	95,542
Total Community Development	586,581	141,447	4,998	723,030
Transportation				
Street construction, maintenance and repair	4,556,043	588,726	182,505	4,962,264
General Government				
Mayor's office	29,460	2,318	0	31,778
Finance administration	49,096	3,400	0	52,496
Legal administration	60,712	2,937	0	63,649
Service administration	22,588	0	0	22,588
Court administration	500,601	112,684	6,533	606,752
Engineering	225,210	6,129	30,388	200,951
Other administration	10,401,155	1,525,290	31,110	11,895,335
Total General Government	11,288,822	1,652,758	68,031	12,873,549
Total General Fixed Assets	\$ 34,276,951	\$ 3,901,321	\$ 1,109,207	\$ 37,069,065



STATISTICAL SECTION

City of Cuyahoga Falls, Ohio
Governmental and Expendable Trust Fund Revenues
by Source and Expenditures by Function
Last Ten Years

	1991	1992	1993	1994
Revenues:				
Property taxes	\$ 5,578,759	\$ 5,688,189	\$ 5,755,357	\$ 6,344,680
Municipal income taxes	7,609,758	7,780,597	8,759,066	8,933,714
Other local taxes	157,280	161,842	212,524	425,597
State levied shared taxes	3,571,109	3,853,217	3,986,054	4,057,787
Intergovernmental	487,603	611,464	503,524	458,929
Charges for services	1,858,606	2,926,144	4,165,026	3,910,632
Fees, licenses, and permits	449,811	480,697	503,498	650,455
Interest earnings	939,352	1,175,280	858,876	724,634
Fines and forfeitures	1,180,753	730,592	468,581	486,152
Special assessments	361,308	245,637	289,355	302,309
Reimbursement from library	135,375	123,335	161,790	156,625
All other revenues	397,741	440,720	516,949	191,441
Total Revenues	\$ 22,727,455	\$ 24,217,714	\$ 26,180,600	\$ 26,642,955
Expenditures:				
Current				
Security of persons and property	\$ 10,259,850	\$ 11,077,786	\$ 11,942,600	\$ 11,985,570
Leisure time activities	1,393,371	1,254,749	1,410,708	1,254,404
Community environment	1,043,810	1,013,633	929,217	892,479
Street maintenance	2,707,661	2,655,718	2,691,178	2,607,416
General government	4,838,514	5,566,771	5,253,420	5,858,561
Capital outlay	7,238,572	2,179,525	4,066,920	2,241,450
Debt service				
Principal	201,995	6,934,869	6,980,055	7,002,360
Interest	493,519	573,311	542,048	454,153
Total Expenditures	\$ 28,177,292	\$ 31,256,362	\$ 33,816,146	\$ 32,296,393

Table 1

	1995	1996	1997	1998	1999	2000
\$	6,567,339	\$ 6,536,994	\$ 7,857,144	\$ 8,031,254	\$ 7,714,820	\$ 8,567,797
	9,339,556	11,120,550	13,446,137	14,500,651	16,156,494	15,820,981
	226,938	240,381	198,924	298,904	194,272	199,866
	5,329,327	5,291,384	5,237,468	6,060,321	6,131,671	6,549,177
	532,700	320,618	2,281,223	268,258	1,360,746	748,440
	3,940,334	4,087,755	4,035,989	4,486,240	5,567,613	6,255,286
	689,178	737,115	799,855	806,471	856,187	871,507
	2,072,120	1,536,728	1,789,252	1,694,422	1,521,632	2,445,416
	493,416	546,949	499,955	462,875	385,094	455,627
	367,271	260,868	252,243	230,496	219,473	947,264
	104,150	0	0	0	0	0
	216,670	285,059	279,666	782,317	326,587	313,143
\$	<u>29,878,999</u>	<u>\$ 30,964,401</u>	<u>\$ 36,677,856</u>	<u>\$ 37,622,209</u>	<u>\$ 40,434,589</u>	<u>\$ 43,174,504</u>
\$	12,141,098	\$ 12,488,478	\$ 13,715,574	\$ 14,117,870	\$ 15,251,595	\$ 16,410,061
	1,436,819	1,530,117	1,708,791	1,861,194	1,914,306	2,051,907
	1,181,449	872,339	839,459	983,711	835,905	954,197
	2,836,136	2,985,201	3,109,479	2,762,226	3,371,078	3,252,985
	5,705,428	6,187,188	6,579,934	6,918,540	7,130,996	7,512,854
	2,682,565	4,052,839	13,222,482	11,100,828	7,453,286	8,603,181
	12,882,962	818,698	892,396	1,127,844	1,488,706	1,720,660
	859,774	613,098	603,696	928,230	830,977	868,776
\$	<u>39,726,231</u>	<u>\$ 29,547,958</u>	<u>\$ 40,671,811</u>	<u>\$ 39,800,443</u>	<u>\$ 38,276,849</u>	<u>\$ 41,374,621</u>

Table 2

**City of Cuyahoga Falls, Ohio
Property Tax Levies and Collections
Real and Public Utility Property
Last Ten Years**

Collection Year	Current Levy	Delinquent Levy	Total Levy	Current Collections	Current Collections to Current Levy	Delinquent Collections	Total Collections	Total Collections to Total Levy
1991	\$ 5,568,299	\$ 381,762	\$ 5,950,061	\$ 5,303,685	95.25	\$ 139,296	\$ 5,442,981	91.48 %
1992	5,623,208	437,388	6,060,596	5,425,186	96.48	182,536	5,607,722	92.53
1993	5,685,058	421,917	6,106,975	5,535,347	97.37	179,404	5,714,751	93.58
1994	6,323,587	387,073	6,710,660	6,151,819	97.28	206,501	6,358,320	94.75
1995	6,437,786	276,844	6,714,630	6,280,729	97.56	183,838	6,464,567	96.28
1996	6,485,885	280,842	6,766,727	6,308,563	97.27	143,001	6,451,564	95.34
1997	7,960,459	303,852	8,264,311	7,745,412	97.30	210,340	7,955,752	96.27
1998	8,054,733	305,165	8,359,898	7,826,491	97.17	184,898	8,011,389	95.83
1999	7,762,075	276,739	8,038,814	7,552,558	97.30	205,177	7,757,735	96.50
2000	8,736,019	280,758	9,016,777	8,479,687	97.07	201,625	8,681,312	96.28

Source: Summit County Auditor's Office

Table 3

**City of Cuyahoga Falls, Ohio
Property Tax Levies and Collections
Tangible Personal Property
Last Ten Years**

Collection Year	Current Levy	Delinquent Levy	Total Levy	Current Collections	Current Collections to Current Levy	Delinquent Collections	Total Collections	Total Collections to Total Levy
1991	\$ 718,030	\$ 207,545	\$ 925,575	\$ 692,855	96.49 %	\$ 45,824	\$ 738,679	79.81 %
1992	686,594	241,782	928,376	671,270	97.77	65,608	736,878	79.37
1993	686,577	180,849	867,426	633,803	92.31	65,265	699,068	80.59
1994	707,434	128,285	835,719	694,385	98.16	24,939	719,324	86.07
1995	824,652	131,793	956,445	810,753	98.31	33,982	844,735	88.32
1996	836,101	96,838	932,939	828,075	99.04	36,464	864,539	92.67
1997	858,325	68,027	926,352	843,364	98.26	24,502	867,866	93.69
1998	937,970	103,057	1,041,027	928,229	98.96	50,300	978,529	94.00
1999	906,831	80,556	987,387	891,560	98.32	35,722	927,282	93.91
2000	885,990	69,771	955,761	873,802	98.62	20,286	894,088	93.55

Source: Summit County Auditor's Office

Table 4

City of Cuyahoga Falls, Ohio
Special Assessments Levied and Collected
Last Ten Years

Year	Assessments	Current	Current	Delinquent	Total
	Levied	Assessments	Collections to	Assessments	Assessments
		Collected	Assessments	Collected	Collected
			Levied		
1991	\$ 185,832	\$ 174,901	94.12 %	\$ 9,647	\$ 184,548
1992	400,432	244,005	60.94	3,118	247,123
1993	229,590	225,484	98.21	63,578	289,062
1994	225,589	220,315	97.66	75,068	295,383
1995	228,805	225,042	98.36	71,204	296,246
1996	240,583	233,162	96.92	15,948	249,110
1997	266,684	261,422	98.03	7,884	269,306
1998	226,096	223,606	98.90	5,548	229,154
1999	216,396	213,152	98.50	4,603	217,755
2000	217,886	214,785	98.58	2,800	217,585

Note: Assessment of \$157,554 in 1992 was amended to a payment plan.
This schedule reflects only those assessments levied/collected through Summit County.

Table 5

City of Cuyahoga Falls, Ohio
Assessed and Estimated Actual
Value of Taxable Property
Last Ten Years

Collection Year	Real Property		Public Utility	Tangible Personal	Total Assessed Value
	Estimated Value	Assessed Value	Assessed Value	Assessed Value	
1991	\$ 1,282,361,286	\$ 448,826,450	\$ 25,477,660	\$ 59,367,973	\$ 533,672,083
1992	1,308,878,600	458,107,510	26,870,410	57,046,477	542,024,397
1993	1,298,825,286	454,588,850	26,944,080	57,073,666	538,606,596
1994	1,459,496,686	510,823,840	27,417,670	58,811,798	597,053,308
1995	1,479,535,000	517,837,250	30,573,390	68,584,628	616,995,268
1996	1,499,319,914	524,761,970	25,298,060	69,549,946	619,609,976
1997	1,883,647,943	659,276,780	24,102,670	71,362,159	754,741,609
1998	1,915,310,686	670,358,740	23,803,960	78,015,398	772,178,098
1999	1,963,624,971	687,268,740	23,638,670	82,647,099	793,554,509
2000	2,198,394,629	769,438,120	23,838,100	84,544,555	877,820,775

Notes: The current assessed valuation is computed at approximately the following percentages of estimated true value;
real property - 35 percent; public utilities - 100 percent; tangible personal property - 25 percent.

Source: Summit County Auditor's Office

Table 6

City of Cuyahoga Falls, Ohio
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Years

SCHOOL DISTRICT	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
CUYAHOGA FALLS CITY										
City of Cuyahoga Falls										
General Fund	\$ 10.40	\$ 10.40	\$ 10.40	\$ 10.40	\$ 10.40	\$ 10.40	\$ 10.40	\$ 10.40	\$ 10.40	\$ 10.40
Police Pension	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Fire Pension	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Parks and Recreation	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00
Total City of Cuyahoga Falls	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	11.00	11.00
Cuyahoga Falls City School District	48.34	54.16	54.18	54.10	53.98	53.98	53.83	53.83	57.63	57.23
Summit County	12.59	12.59	12.59	12.31	14.16	13.99	11.65	11.65	12.27	13.07
Total	\$ 72.93	\$ 78.75	\$ 78.77	\$ 78.41	\$ 80.14	\$ 79.97	\$ 77.48	\$ 77.48	\$ 80.90	\$ 81.30
WOODRIDGE LOCAL										
City of Cuyahoga Falls										
General Fund	\$ 10.40	\$ 10.40	\$ 10.40	\$ 10.40	\$ 10.40	\$ 10.40	10.40	10.40	10.40	10.40
Police Pension	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Fire Pension	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Parks and Recreation	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00
Total City of Cuyahoga Falls	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	11.00	11.00
Woodridge Local School District	39.91	39.91	43.56	43.46	48.96	46.81	46.41	46.41	50.46	49.86
Summit County	12.59	12.59	12.59	12.31	14.16	13.99	11.65	11.65	12.27	13.07
Akron Summit County Library District	0.89	0.89	0.89	0.89	0.89	0.89	1.87	1.87	1.39	1.39
Total	\$ 65.39	\$ 65.39	\$ 69.04	\$ 68.66	\$ 76.01	\$ 73.69	\$ 71.93	\$ 71.93	\$ 75.12	\$ 75.32

Notes: The City's Parks and Recreation levies are listed at the maximum rate, subject to Ohio House Bill 920.
 Levies for other school districts (2000): Hudson LSD-99.80; Stow CSD-70.51; Revere LSD-81.77.
 The Cuyahoga Valley Joint Vocational School District levies an additional 2.00 for Revere LSD.

Source: Summit County Auditor's Office

Table 7

City of Cuyahoga Falls, Ohio
Ratio of General Bonded Debt to Assessed
Value and Net Bonded Debt Per Capita
Last Ten Years

Year	Population *	Assessed Value	Gross General Bonded Debt **	Less Balance In Debt Service Fund	Less Debt Payable from Enterprise Revenue	Net General Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1991	48,950	\$ 533,672,083	\$ 21,175,314	\$ 1,085,291	\$ 9,505,854	\$ 10,584,169	1.98 %	216.22
1992	48,950	542,024,197	21,894,000	548,170	10,636,341	10,709,489	1.98	218.78
1993	48,950	538,606,596	20,940,000	448,995	10,279,268	10,211,737	1.90	208.62
1994	48,950	597,053,308	19,985,000	431,896	9,888,415	9,664,689	1.62	197.44
1995	48,950	616,995,268	20,045,000	437,439	10,079,266	9,528,295	1.54	194.65
1996	48,950	619,609,976	22,953,267	387,090	13,443,290	9,122,887	1.47	186.37
1997	48,950	754,741,609	31,430,597	297,333	17,246,270	13,886,994	1.84	283.70
1998	48,950	772,178,098	34,627,926	290,686	20,078,287	14,258,953	1.85	291.30
1999	48,950	793,554,509	35,519,093	185,039	19,917,579	15,416,475	1.94	314.94
2000	49,374	877,820,775	37,984,784	196,184	23,099,521	14,689,079	1.67	297.51

Notes: * All figures estimated by the City's Planning Department, except for U.S. Census in 2000.

** Includes bond anticipation notes.

Table 8

City of Cuyahoga Falls, Ohio
Computation of Direct and Overlapping Debt
December 31, 2000

Political Subdivision	Assessed Valuation	Values Within City Boundary	Percent Overlapping	Net Debt Outstanding	Applicable Amount to City
Municipal Corporation:					
City of Cuyahoga Falls	\$ 877,820,775	\$ 877,820,775	100.00 %	\$ 34,003,483	\$ 34,003,483
School Districts:					
Cuyahoga Falls City School District	715,089,003	640,608,441	89.58	1,910,000	1,711,063
Woodridge Local School District	389,632,932	224,446,725	57.60	347,204	200,006
Stow City School District	739,755,932	846,100	0.11	2,423,000	2,771
Hudson Local School District	764,616,863	3,673,679	0.48	1,269,034	6,097
Revere Local School District	653,253,549	8,245,830	1.26	0	0
Cuyahoga Valley Joint Vocational School District	2,175,040,764	8,245,830	0.38	0	0
County Unit:					
Summit County	10,258,240,444	877,820,775	8.56	123,769,183	10,591,208
Other Units:					
Akron Metro Regional Transit Authority	10,258,240,444	877,820,775	8.56	2,000,000	171,145
Akron-Summit County Library District	6,891,500,440	232,692,555	3.38	0	0
Metro Parks	9,535,165,637	877,820,775	9.21	0	0
Total Direct and Overlapping Debt	\$ 43,258,356,783	\$ 4,630,042,260	10.70 %	\$ 165,721,904	\$ 46,685,773

Note: The percentage of debt outstanding applicable to the City was determined by dividing each jurisdiction's assessed valuation with the City by the jurisdiction's total assessed valuation.

Source: Summit County Auditor's Office

Table 9

**City of Cuyahoga Falls, Ohio
Computation of Legal Debt Margin
December 31, 2000**

Total of all City Debt Outstanding*	\$ 38,024,267
Debt exempt from calculation:	
Self-supporting as defined in R.C. 133.05	
General Sewer and Sanitary Sewer Improvements	\$ 4,387,389
Water Utility	11,227,159
Electric Utility	2,821,490
Recreation Facilities	4,702,966
Special Assessment bonds and notes issued in anticipation	
of the levy or collection of special assessments	2,411,439
Total exempt Debt	25,550,443
Net indebtedness (voted and unvoted) subject to 10.5% debt limitation	12,473,824
Less applicable Debt Service Fund	196,184
Net indebtedness subject to 10.5% debt limitation	\$ 12,277,640
Net indebtedness (unvoted) subject to 5.5% debt limitation	12,473,824
Less applicable Debt Service Fund	196,184
Net indebtedness subject to 5.5% debt limitation	\$ 12,277,640
Assessed valuation of City (based on 1998 collections)	\$ 877,820,775
Legal 10.5% Debt Margin	
10.5% of valuation (maximum voted and unvoted general obligation debt limitation)	\$ 92,171,181
Net indebtedness outstanding subject to 10.5% debt limitation	(12,277,640)
Legal 10.5% Margin	\$ 79,893,541
Legal 5.5% Debt Margin	
5.5% of valuation (maximum unvoted general obligation debt allowed)	\$ 48,280,143
Net indebtedness outstanding subject to 5.5% debt limitation	(12,277,640)
Legal 5.5% Margin	\$ 36,002,503

*Includes OPWC Loan of \$54,471.

Note: Compensation of Legal Debt Margin is based on Section 133, the Uniform Public Securities Law of the Ohio Revised Code.

Table 10

City of Cuyahoga Falls, Ohio
Ratio of Annual Debt Service Expenditures for General Bonded Debt to
Total Governmental and Expendable Trust Fund Type Expenditures
Last Ten Years

Year	Principal	Interest	Debt Service on General Bonded Debt	Total Governmental and Expendable Trust Fund Type Expenditures	Ratio
1991	\$ 1,269,912	\$ 495,656	\$ 1,765,568	\$ 28,177,292	6.27
1992	411,802	576,962	988,764	31,256,362	3.16
1993	596,927	539,838	1,136,765	33,816,146	3.36
1994	564,146	414,950	979,096	32,296,393	3.03
1995	615,244	943,236	1,558,480	39,726,231	3.92
1996	455,757	548,736	1,004,493	29,547,958	3.40
1997	475,650	523,421	999,072	40,670,566	2.46
1998	659,688	830,292	1,489,980	39,800,443	3.74
1999	683,124	752,184	1,435,308	38,276,849	3.75
2000	716,251	717,939	1,434,190	41,374,621	3.47

Notes: Includes all general obligation bonds except for bonds intended to be paid from enterprise revenues.
Debt service amounts were determined on a cash basis.

Table 11

City of Cuyahoga Falls, Ohio
Property Values and Construction Activity
Last Ten Years

Year	Estimated Property Value	Value of Building Permits Issued
1991	\$ 1,282,361,286	\$ 25,006,923
1992	1,308,878,600	25,307,671
1993	1,298,825,286	31,583,968
1994	1,439,496,686	38,578,165
1995	1,479,535,000	39,370,553
1996	1,499,319,914	40,328,297
1997	1,883,647,943	66,395,696
1998	1,915,310,686	45,248,360
1999	1,963,624,971	59,986,495
2000	2,198,394,629	55,669,110

Sources: Building Permits-City of Cuyahoga Falls, Building Department.
Estimated Property Value - Summit County Auditor's Office.

Table 12

City of Cuyahoga Falls, Ohio
Enterprise Fund Bond Coverage
Last Ten Years

SEWAGE AND DISPOSAL FUND							
Year	Operating Revenue	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1991	\$ 3,481,219	\$ 2,754,400	\$ 726,819	\$ 130,000	\$ 59,775	\$ 189,775	3.83
1992	3,053,632	3,256,540	(202,908)	130,000	49,100	179,100	(1.13)
1993	3,676,340	3,839,470	(163,130)	130,000	38,425	168,425	(0.97)
1994	3,795,395	3,864,878	(69,483)	100,000	27,750	127,750	(0.54)
1995	3,885,171	3,926,643	(41,472)	100,000	18,500	118,500	(0.35)
1996	4,403,640	3,818,349	585,291	100,000	9,250	109,250	5.36
1997	4,195,043	4,121,156	73,887	0	59,500	59,500	1.24
1998	4,275,018	3,812,478	462,540	74,395	149,578	223,973	2.07
1999	5,405,172	4,198,092	1,207,080	159,114	209,657	368,771	3.27
2000	4,111,896	4,018,328	93,568	162,997	204,074	367,071	0.25

ELECTRIC FUND							
Year	Operating Revenue	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1991	\$ 19,099,877	\$ 17,347,488	\$ 1,752,389	\$ 100,000	\$ 284,192	\$ 384,192	4.56
1992	17,282,537	16,875,725	406,812	110,000	278,142	388,142	1.05
1993	18,262,029	17,831,668	430,361	115,000	271,378	386,378	1.11
1994	19,456,039	17,294,790	2,161,249	120,000	264,190	384,190	5.63
1995	20,207,042	19,001,535	1,205,507	145,000	245,719	390,719	3.09
1996	22,269,656	19,199,774	3,069,882	170,000	211,260	381,260	8.05
1997	22,604,783	19,087,733	3,517,050	180,000	201,055	381,055	9.23
1998	25,026,429	21,152,014	3,874,415	190,000	188,125	378,125	10.25
1999	27,091,588	22,522,038	4,569,550	205,000	174,190	379,190	12.05
2000	26,699,348	22,378,133	4,321,215	215,000	159,210	374,210	11.55

LEISURE TIME FUND							
Year	Operating Revenue	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1991	\$ 1,735,172	\$ 1,674,291	\$ 60,881	\$ 96,951	\$ 320,898	\$ 417,849	0.19
1992	2,237,315	2,299,647	(62,332)	104,512	283,974	388,486	(0.16)
1993	2,391,938	2,405,415	(13,477)	112,073	318,799	430,872	0.00
1994	2,500,552	2,378,623	121,929	170,854	283,678	454,532	0.27
1995	2,257,133	2,322,281	(65,148)	134,756	318,527	453,283	(0.14)
1996	2,283,626	2,353,667	(70,041)	260,243	332,335	592,578	(0.12)
1997	2,457,632	2,537,248	(79,616)	271,349	317,691	589,040	(0.14)
1998	3,007,942	3,208,048	(200,106)	281,788	301,922	583,710	(0.34)
1999	3,127,357	3,282,275	(154,918)	294,667	285,355	580,022	(0.27)
2000	3,094,058	3,649,682	(555,624)	307,545	271,538	579,083	(0.96)

WATER							
Year	Operating Revenue	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1993	\$ 2,929,633	\$ 2,280,972	\$ 648,661	\$ 0	\$ 0	\$ 0	N/A
1994	3,018,444	2,684,285	334,159	0	0	0	N/A
1995	2,955,553	2,764,267	191,286	0	0	0	N/A
1996	3,086,075	2,487,104	598,971	0	0	0	N/A
1997	3,473,579	2,731,122	742,457	0	52,889	52,889	14.04
1998	3,573,260	3,042,858	530,402	66,129	132,957	199,086	2.66
1999	5,099,136	3,284,575	1,814,561	236,094	301,752	537,846	3.37
2000	3,551,060	3,363,585	187,475	241,206	293,902	535,108	0.35

Notes:

The Water Fund did not incur debt service for the years 1993 through 1996.
Debt Service requirements are reported on a cash basis.
Operating revenues and expenses are reported on a GAAP basis.

Table 13

**City of Cuyahoga Falls, Ohio
Principal Property Taxpayers
December 31, 2000**

Name of Taxpayer	Nature of Business	Assessed Valuation	Percentage of Assessed Valuation by Category
Real Property:			
Newpart LP	Residential real estate holdings	7,186,370	0.93
Yorkshire Woods Apartments	Real estate holdings	5,783,820	0.75
State Road Associates	Real estate holdings	4,697,550	0.61
Portage Towers	Real estate holdings	3,711,310	0.48
Heslop, Inc.	Real estate holdings	3,626,680	0.47
Plaza Chapel Hill	Shopping Plaza	3,129,530	0.41
Dayton Hudson Corp.	Retail	2,974,000	0.39
Commercial Net Lease Realty Inc.	Real estate holdings	2,359,230	0.31
Chateau Investment	Real estate holdings	2,325,970	0.30
532 Investment Co.	Real estate investment	1,796,340	0.23
Total		\$ 37,590,800	4.89 %
Total Assessed Valuation - Real		\$ 769,438,120	87.65 %
Tangible Personal Property (other than Public Utilities):			
Go Jo Industries	Chemical specialists	\$ 7,386,780	8.74 %
Associated Building Supplies	Aluminum products	3,588,850	4.24
Americhem	Chemical specialists	3,330,910	3.94
JPS Packaging	Food packaging products	3,280,070	3.88
Prospect Mold & Die Co.	Manufacturer	2,625,630	3.11
AKWLP	Manufacturer of aluminum wheels	2,611,680	3.09
Lambert Buick	Car dealer	2,579,630	3.05
SGS Tool	Carbide cutting tools	2,479,370	2.93
Home Depot USA	Retail/home improvement	1,877,800	2.22
Struktol Co. Of America	Specialty chemicals	1,631,600	1.93
Total		\$ 31,392,320	37.13 %
Total Assessed Valuation - Tangible Personal		\$ 84,544,555	9.63 %
Public Utilities (tangible personal property):			
Ohio Bell Telephone	Telephone utility	\$ 6,811,850	28.58 %
Ohio Edison	Electric utility	5,103,650	21.41
East Ohio Gas	Natural gas utility	4,934,880	20.70
Total		\$ 16,850,380	70.69 %
Total Assessed Valuation - Public Utilities		\$ 23,838,100	2.72 %
Total Assessed Valuation - All Categories		\$ 877,820,775	100.00 %

Source: Summit County Auditor's Office

Table 14

**City of Cuyahoga Falls, Ohio
Income Tax Collections
Last Ten Years**

Year	City Wage Tax Collected	City Personal Tax Collected	Total Tax Collected	Percent Increase (Decrease)
1991	\$ 5,655,644	\$ 2,035,034	\$ 7,690,678	4.72 %
1992	6,028,567	1,892,831	7,921,398	3.00
1993	6,551,121	2,022,579	8,573,700	8.23
1994	7,009,546	2,095,322	9,104,868	6.20
1995	7,104,465	2,307,153	9,411,618	3.37
1996	8,358,245	2,612,035	10,970,280	16.56
1997	10,256,890	2,943,964	13,200,854	20.33
1998	10,845,293	3,603,877	14,449,170	9.46
1999	11,378,940	4,611,426	15,990,366	10.66
2000	11,827,038	4,124,965	15,952,003	(0.24)

Source: Cuyahoga Falls Income Tax Department

Notes: All amounts were determined on a cash basis and represent gross collections.
1991 through 1995 tax collections were reflective of 1.5 percent municipal tax rate.
The municipal tax rate increased to 2.0 percent effective July 1, 1996.

Table 15

**City of Cuyahoga Falls, Ohio
Income Tax Collections
Largest Employers for 2000**

Employer	Type of Business	2000 City Wage Tax Collected	Percent of Total Wage Collections
City of Cuyahoga Falls	Government	\$ 479,908	4.06 %
Cuyahoga Falls General Hospital	Hospital	462,465	3.91
Cuyahoga Falls Board of Education	Education	432,596	3.66
GoJo Industries	Manufacturer	376,958	3.19
Alside	Manufacturer	367,507	3.11
Americhem	Chemical specialists	253,707	2.15
Manufacturer's Group International	Manufacturer	194,521	1.64
Jaite Packaging	Manufacturer	178,143	1.51
Woodridge Local School District	Education	132,517	1.12
Ultra Forge	Manufacturer	117,070	0.99
Top Ten Withholding		\$ 2,995,392	25.34 %
Total Withholding		\$ 11,827,038	100.00 %

Note: All numbers were determined on a cash basis and represent gross collections.

Source: Cuyahoga Falls Income Tax Department

Table 16

**City of Cuyahoga Falls, Ohio
Salaries of Principal Officials
and Union Agreements
December 31, 2000**

SALARIES OF PRINCIPAL OFFICIALS

Title	Annual Salary
Mayor	\$ 84,349
President of Council	13,496
Council Members (11)	12,652
Director of Law	75,987
Director of Finance	75,987
Director of Public Service	75,987
Director of Industrial & Community Development	75,987
Municipal Judge (\$94,400)	
(\$32,650 paid by State)	
(Remainder 40% paid by County)	
(Remainder 60% paid by City)	37,050
Presiding Judge (\$95,900)	
(\$32,650 paid by State)	
(Remainder 40% paid by County)	
(Remainder 60% paid by City)	37,950
Clerk of Courts (\$80,240)	
(40% paid by County)	
(60% paid by City)	48,144

UNION AGREEMENTS

Union	Members	Representing
American Federation of State, County and Municipal Employees (AFSCME)	169 Members	Cleaning/Maintenance Personnel Clerical Personnel Equipment Operators Inspectors/Aides Laborers
Effective: January 1, 2000		Mechanics Meter Readers Refuse Collectors Technicians Water Utility Workers
Expiration: December 31, 2002		
Agreement Signed: May 17, 2000		
Fraternal Order of Police - Ohio Labor Council, Inc.	12 Members	Dispatchers
Effective: July 1, 1999		
Expiration: June 30, 2002		
Agreement Signed: September 29, 1999		
International Association of Firefighters Local #494	81 Members	Captains Firefighters Lieutenants
Effective: July 1, 1999		
Expiration: June 30, 2002		
Agreement Signed: September 17, 1999		
Fraternal Order of Police - Ohio Labor Council, Inc.	15 Members	Lieutenants Sergeants
Effective: July 1, 1999		
Expiration: June 30, 2002		
Agreement Signed: September 29, 1999		
Fraternal Order of Police - Ohio Labor Council, Inc.	78 Members	Community Service Officers Patrol Officers
Effective: July 1, 1999		
Expiration: June 30, 2002		
Agreement Signed: September 29, 1999		
Utility Workers of America Local #399	37 Members	Draftsmen Electricians Equipment Operator Groundmen Linemen
Effective: July 1, 1999		Metermen Stockkeeper Technician Utility Men
Expiration: June 30, 2002		
Agreement Signed: November 10, 1999		

Table 17

**City of Cuyahoga Falls, Ohio
Summary of Building Permits
Last Ten Years**

Year	Residential		Commercial		Miscellaneous		Total	
	Number	Value	Number	Value	Number	Value	Number	Value
1991	1,490	\$ 9,391,134	195	\$ 14,831,421	2,974	\$ 784,368	4,659	\$ 25,006,923
1992	1,705	15,966,885	173	8,479,054	3,094	861,732	4,972	25,307,671
1993	1,592	15,776,283	196	15,083,884	3,154	723,801	4,942	31,583,968
1994	1,752	23,928,880	172	13,960,827	3,541	688,458	5,465	38,578,165
1995	1,572	16,569,711	181	21,745,059	3,044	1,055,783	4,797	39,370,553
1996	1,815	26,765,077	221	12,626,965	3,200	936,255	5,236	40,328,297
1997	1,722	30,450,552	203	33,775,487	3,121	2,169,657	5,046	66,395,696
1998	1,821	25,295,632	205	19,126,178	3,415	826,550	5,441	45,248,360
1999	1,860	34,649,869	245	24,038,050	3,540	1,298,576	5,645	59,986,495
2000	1,729	22,586,174	186	31,263,305	3,201	1,819,631	5,116	55,669,110

Source: City of Cuyahoga Falls, Building Department

Table 18

**City of Cuyahoga Falls, Ohio
Schedule of Insurance Coverage
December 31, 2000**

Name of Carrier	Type of Coverage	Policy Period		Liability Limit	Annual Premium	Deductible
		From	To			
CNA Insurance Co.	Auto Liability and Comprehensive	10/22/00	10/22/01	\$ 1,000,000 combined single limit	\$ 47,961	\$ 500
CNA Insurance Co.	Property-all locations	10/22/00	10/22/01	\$ 70,240,246	\$ 22,462	\$ 5,000
Selective Insurance Co.	Comprehensive General Liability	10/22/00	10/22/01	\$ 1,000,000	\$ 28,743	\$ 100,000 self-insured retention
National Casualty Co.	Law Enforcement Liability-wrongful acts with regard to law enforcement	10/22/00	10/22/01	\$ 1,000,000	\$ 31,099	\$ 10,000
Selective Insurance Co.	Umbrella Excess Liability-bodily injury and property damage (follows general and auto liability)	10/22/00	10/22/01	\$ 10,000,000	\$ 26,067	Subject to underlying policy limits
CNA Insurance	Boiler and Machinery-all locations	10/22/00	10/22/01	\$ 20,000,000	\$ 6,053	\$ 1,000
Continental Casualty Co.	Public Officials Liability	10/22/00	10/22/01	\$ 1,000,000	\$ 12,930	\$ 50,000

Table 19

City of Cuyahoga Falls, Ohio
Demographic Statistics
1950 - 2000

Year	Population	Dwelling Units	Occupied Dwelling Units/ Households	Persons Per Households	Owner occupied Housing Units Percentages	Median Family Income
1950	29,195	8,985	8,693	3.40	81.80%	\$ N/A
1960	47,922	14,192	13,732	3.37	83.18	7,738
1970	49,678	15,686	15,379	3.23	75.14	13,002
1980	43,890	17,371	16,749	2.62	69.80	22,466
1990	48,950	21,269	20,383	2.38	66.60	36,740
2000	49,374	22,727	21,655	2.26	65.70	50,300

Notes: Population figures were provided by the U.S. Census Bureau.
Median family income is not available for 1950.
The median family income for 2000 is an estimate provided by HUD.

Table 20

City of Cuyahoga Falls, Ohio
Age Distribution and Population
1970, 1980, 1990 and 2000

Age Bracket	1970		1980		1990		2000	
	Population	Percent	Population	Percent	Population	Percent	Population	Percent
0 - 4	4,316	8.70 %	2,812	6.40 %	3,525	7.20 %	3,221	6.5 %
5 - 9	5,065	10.20	2,873	6.60	3,377	6.90	3,087	6.3
10 - 14	5,280	10.60	3,213	7.30	3,230	6.60	3,014	6.1
15 - 19	4,683	9.40	3,713	8.50	3,329	6.80	2,729	5.5
20 - 24	3,695	7.40	4,145	9.40	4,015	8.20	2,928	5.9
25 - 34	6,289	12.70	7,757	17.70	4,503	9.20	7,871	15.9
35 - 44	5,990	12.10	4,347	9.90	8,566	17.50	7,932	16.1
45 - 54	6,161	12.40	4,687	10.70	4,650	9.50	6,500	13.2
55 - 64	4,072	8.20	5,013	11.40	4,944	10.10	4,129	8.4
65 - 74	2,716	5.50	3,130	7.10	5,433	11.10	4,014	8.1
75 and over	1,411	2.80	2,200	5.00	3,378	6.90	3,949	8.0
Total	49,678	100.00 %	43,890	100.00 %	48,950	100.00 %	49,374	100.00 %

Source: U.S. Census Bureau

Table 21

**City of Cuyahoga Falls, Ohio
Miscellaneous Statistics
December 31, 2000**

GENERAL INFORMATION	
Date of incorporation.....	1920
Form of Government.....	Strong Mayor-Council
Council Members.....	11
Area (<i>square miles</i>).....	27.8
Highest Elevation (<i>feet above sea level</i>).....	1,180
Streets (miles).....	285
Street Lights.....	5,045
Traffic Lights.....	77
FIRE PROTECTION	
Fire Stations.....	4
Firefighters and Officers.....	82
Fire Hydrants.....	2,146
POLICE PROTECTION	
Police Stations.....	1
Policepersons and Officers.....	92
INFRASTRUCTURE (<i>in miles</i>)	
Sanitary Sewers.....	152
Storm Sewers.....	85
Water Mains.....	197
Electric Lines.....	252
RECREATION AND CULTURE	
Parks.....	24
Acres of City Parks.....	510.2
Swimming Pools.....	2
Tennis Courts.....	16
Baseball Diamonds.....	30
PARKING FACILITIES	
City Lots and Decks.....	11
Square Feet.....	296,536
Spaces.....	1,468
Recreation Lots.....	22
Square Feet.....	337,080
Spaces.....	1,412
Parking Meters.....	24

Source: The following City departments: Community Development, Electric, Engineering, Finance, Parks and Recreation, Technical Services and Water/Sewer.



STATE OF OHIO
OFFICE OF THE AUDITOR

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CITY OF CUYAHOGA FALLS

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 28, 2001**