



**CITY OF BARBERTON
SUMMIT COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2001



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

CITY OF BARBERTON
SUMMIT COUNTY

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

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

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

To the City Council:

We have audited the general purpose financial statements of City of Barberton, Summit County, (the City) as of and for the year ended December 31, 2001, and have issued our report thereon dated June 14, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether 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 instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying Schedule of Findings as items 2001-20977-001 and 2001-20977-002.

We also certain immaterial instances of noncompliance that we have reported to management of the City in a separate letter dated June 14, 2002.

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

However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the City in a separate letter dated June 14, 2002.

City of Barberton
Summit County
Report of Independent Accountants on Compliance and on
Internal Control Required By *Government Auditing Standards*
Page 2

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

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

Jim Petro
Auditor of State

June 14, 2002



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

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

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

To the City Council:

Compliance

We have audited the compliance of the City of Barberton, Summit County, (the City) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 2001. The City's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2001.

Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Federal Awards Expenditures

We have audited the general purpose financial statements of the City as of and for the year ended December 31, 2001, and have issued our report thereon dated June 14, 2002. 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 Receipts and 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. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

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



Jim Petro
Auditor of State

June 14, 2002

**CITY OF BARBERTON
SUMMIT COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2001**

FEDERAL GRANTOR/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity's Number	Receipts	Disbursements
UNITED STATES DEPARTMENT OF AGRICULTURE				
<i>Passed through the Akron City Department of Health</i>				
Special Supplemental Nutrition Program for Women	10.557	110	\$210,069	\$179,225
UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
<i>Direct</i>				
Community Development Block Grants/Entitlement Grants	14.218	N/A	1,420,249	1,276,360
UNITED STATES DEPARTMENT OF JUSTICE				
<i>Direct</i>				
Public Safety Partnership and Community Policing Grants	16.710	N/A	12,670	12,670
Bulletproof Vest Partnership Program	16.607	N/A	10,404	10,404
Juvenile Diversion	16.540	2001-JB-013-A041	5,616	5,616
Byrne Formula Grant Program	16.579	1999-DG-G01-9075	12,478	12,478
Local Law Enforcement Block Grants Program	16.592	N/A	<u>56,879</u>	<u>109,434</u>
Total United States Department of Justice			<u>98,047</u>	<u>150,602</u>
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES				
<i>Passed through the Akron City Department of Health</i>				
Immunization Grants	93.268	101A	37,553	37,553
Maternal and Child Health Services Block Grant	93.994	101Q	94,217	94,217
<i>Passed through the Area Agency on Aging</i>				
Special Programs for the Aging Title III, Parts B Grants	93.044	227B	4,000	4,000
<i>Passed through the Ohio Department of Health</i>				
Tobacco Prevention Project	93.283	77-2-02-CJ-292100	<u> </u>	<u>37,034</u>
Total United States Department of Health and Human Services			<u>135,770</u>	<u>172,804</u>
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY				
<i>Direct</i>				
Brownfield Pilots Cooperative Agreements	66.811	N/A	82,270	75,166
UNITED STATES DEPARTMENT OF INTERIOR				
<i>Passed through the Ohio & Erie Canal Association</i>				
Barberton Towpath Reconstruction Project	15.XXX	N/A	<u>15,792</u>	<u>15,792</u>
Total			<u><u>\$1,962,197</u></u>	<u><u>\$1,869,949</u></u>

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

**CITY OF BARBERTON
SUMMIT COUNTY**

**NOTES TO THE SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2001**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - COMMUNITY DEVELOPMENT BLOCK GRANT REVOLVING LOAN PROGRAMS

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

These loans are collateralized by mortgages on the property. At December 31, 2001, the gross amount of loans outstanding under this program was \$361,778, as indicated in Note 7 of the notes to the general purpose financial statements.

**CITY OF BARBERTON
SUMMIT COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2001**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported non-compliance at the financial statement level (GAGAS)?	Yes
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Program (list):	CFDA #14.228, Community Development Block Grant (Entitlement Grants)
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

FINDING NUMBER 2001-20977-001

Material Noncompliance

Ohio Rev. Code Section 5705.41(D) requires no orders or contracts involving the expenditure of money are to be made unless there is a certificate of the fiscal officer attached that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances.

The following exceptions to this basic requirement are provided by statute:

- A. Then and Now Certificate: This exception provides that, if the fiscal officer can certify that both at the time that the contract or order was made and at the time that he is completing his certification, sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the taxing authority can authorize the drawing of a warrant. The taxing authority has 30 days from the receipt of such certificate to approve payment by resolution or ordinance. If approval is not made within 30 days, there is no legal obligation on the part of the subdivision or taxing district to make payment.

FINDING NUMBER 2001-20977-001

**Material Noncompliance
(Continued)**

- B. Amounts of less than \$1,000 may be paid by the Finance Director without such affirmation of the taxing authority upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirements for approval of expenditures by the taxing authority.

During the audit period, 23% of the transactions tested were not certified by the Finance Director prior to incurring the obligation. In addition, neither of the two exceptions were utilized. Failure to certify the availability of funds prior to entering into the commitment could result in making commitments in excess of available funds. The City should establish procedures to ensure that all expenditures are certified prior to their obligation. These procedures could include the implementation of the use of Then and Now certificates and Blanket Certificates as further permitted by Ohio Rev. Code Section 5705.41.

FINDING NUMBER 2001-20977-002

Material Noncompliance

Ohio Rev. Code Section 5705.39, states total appropriations from each fund should not exceed total estimated resources. No appropriation measure is to become effective until the County Auditor files a certificate that the total appropriations from each fund do not exceed the total official estimate or amended official estimate of resources.

At December 31, 2001, appropriations exceeded estimated resources in the following funds:

<u>Fund Type/Fund</u>	<u>Appropriations</u>	<u>Estimated Resources</u>	<u>Excess</u>
Special Revenue:			
Income Tax	\$10,042,713	\$10,025,644	(\$17,069)
Street Construction, Maintenance & Repair	1,966,108	1,962,202	(3,906)
Pre-natal Care Program	266,967	257,943	(9,024)
Local Law Enforcement Block Grant	315,379	240,470	(74,909)
Community Development Block Grant	3,128,117	1,498,438	(1,629,679)
Lake Cinema Complex Maintenance	89,000	79,799	(9,201)
Sidewalk Improvement Program	160,000	158,358	(1,642)
Capital Projects:			
Street Improvement	1,138,683	847,535	(291,148)
Issue II Improvement	3,127,938	2,571,182	(556,756)
Sports Complex Construction	3,584,334	3,267,167	(317,167)

City Council should monitor appropriations compared with the City's estimated fund resources to help avoid potential overspending.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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None

CITY OF BARBERTON

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED

DECEMBER 31, 2001

CITY OF BARBERTON, OHIO
 Comprehensive Annual Financial Report
 For the Year Ended December 31, 2001

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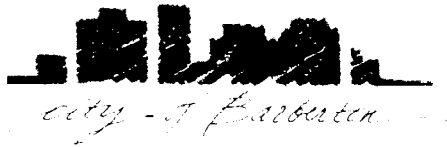
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June 14, 2002

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

It is our privilege to submit to you the 2001 Comprehensive Annual Financial Report of the City of Barberton (the City). Responsibility for both the accuracy of the data and the adequacy of disclosure rests with the City. To the best of our knowledge, the enclosed data is accurate in all material respects and is reported in a manner which presents fairly the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

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

COMMUNITY PROFILE

The City of Barberton is located in northeast Ohio, adjacent to the southwest corner of the City of Akron. Incorporated in 1891, Barberton operates under a charter form of government which was adopted by its voters in 1973. The City is governed by an elected Mayor and 9-member City Council. Founded by industrialist Ohio Columbus Barber, Barberton earned the nickname of the Magic City because of its early rapid growth. Today, Barberton covers an area of approximately 9.0 miles and is the fourth largest city in Summit County with a population of 27,899.

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

- 1 -

Finance Department

100 Third Street, N.W. • Barberton, Ohio 44203
Office: (330) 818-0775 • Fax: (330) 818-0725

MAJOR INITIATIVES

Construction was completed on Phase II of the Downtown Streetscape Project. A Transportation Enhancement Program Grant funded \$975,000 of the \$1.3 million project. The project includes new sidewalks, street lighting, street resurfacing and landscaping in the Downtown area.

Improvement projects on two major corridors, Wooster Road North and Fourth Street, were completed in 2001. The projects, totaling approximately \$1.2 million include new sidewalks, curbs, street lighting and street resurfacing. The projects were funded by a combination of Issue II Funds, Infrastructure Improvement Reserve Funds and special assessments.

The City received notification that it was awarded a \$712,000 Surface Transportation grant from the Ohio Department of Transportation. The grant will pay approximately one half the cost of the Robinson Avenue improvement project. The project entails reconstructing approximately 5,200 feet of street sidewalks and curbs on Robinson Avenue, one of the main corridors to the City.

City Council also authorized the Fifth Street South East improvement project in 2001. The \$1.5 million project is funded by a combination of Issue II fund, Infrastructure Improvement Reserve funds and special assessments.

The City began construction of the Barberton Community Sports Complex. The total cost of the complex is expected to be approximately \$3.1 million and will include lighted baseball fields, a football field and a soccer field. The Barberton Community Foundation awarded the City a \$2.0 million grant for the project. The remainder of the project was funded by the issuance of general obligation debt.

City Council authorized the issuance of housing revenue bonds in the amount not to exceed \$4.2 million for the New Haven neighborhood development. The bonds, purchased by the Barberton Community Foundation, financed the purchase of and improvements to the land by Forest City Development Corporation. Plans are to construct over 400 homes in the new area. The City also issued \$1.65 million of general obligation debt to pay for the extension of water and sewer lines to the area.

ECONOMIC CONDITION AND OUTLOOK

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

During the 1970's and early 1980's, employment by manufacturing companies decreased, primarily due to plant closings and down-sizing. However, Barberton's economy stabilized during the 1990's as smaller manufacturing and service-oriented businesses replaced many of the jobs lost in past years.

The downturn in the national and local economies presented the City with a significant challenge in 2001. The 2001 income tax collections were more than five percent lower than the previous year. This, along with decreases in other operating revenues and the built in escalation of operating costs, will result in lean budgets for the near future.

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

Annexation is one of the major tools used by cities in economic development. The City of Barberton is almost fully developed and virtually landlocked and, therefore, continues efforts to annex in order to provide for expansion of industrial and residential development in the future.

Barberton continues to enjoy a moderate growth in new home construction as 57 permits totaling approximately \$6.7 million were issued in 2001. Overall, the value of permits issued for new construction and remodeling of residential and commercial structures exceeded \$15.4 million.

FINANCIAL INFORMATION

Internal Control

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

Summary of Accounting Policies and Budgetary Controls

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

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

An annual appropriated budget is legally required to be prepared on the budgetary basis for all funds of the City other than agency funds; however, only governmental funds are required to be reported. The legal level of budgetary control is established at the department level within the General Fund and at the fund level for all other funds. The City maintains budgetary control by not permitting expenditures to exceed appropriations at the legal level of budgetary control without the approval of City Council. Estimated purchase order amounts are encumbered prior to release of the order to a vendor. When an encumbrance exceeds available appropriations,

the order is delayed until the budget is amended. Open encumbrances at year-end are carried forward to the following year. These encumbrances are reported as a reservation of fund balance at December 31, 2001. Unencumbered appropriations lapse at year-end.

Governmental Revenues

Revenue for the general governmental functions totaled \$23,739,648 in 2001. The amounts of revenue from various sources included in the Governmental Funds and Expendable Trust Funds are depicted in the following table:

<u>Revenue Type Classification</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Dollar Increase (Decrease) from 2000</u>	<u>Percent Increase (Decrease) from 2000</u>
Taxes	\$11,061,586	46.60%	\$(432,032)	(3.76)%
Intergovernmental Revenues	7,291,904	30.72	2,261,360	44.95
Charges for Services	1,284,076	5.41	189,400	17.30
Fines, Licenses and Permits	409,842	1.73	76,865	23.08
Interest	600,403	2.53	(188,346)	(23.88)
Miscellaneous	<u>3,091,837</u>	<u>13.01</u>	<u>1,711,758</u>	<u>124.03</u>
	<u>\$23,739,648</u>	<u>100.00%</u>	<u>\$3,619,005</u>	<u>17.99%</u>

Major revenue changes occurred in the following areas: The decrease in Taxes is primarily due to the 4.8 percent decrease in income tax collections on a GAAP basis (please see Table 15 in the statistical section) from 2000. Taxes represent the City's single largest source of revenue. Intergovernmental Revenues increased significantly due to the recognition of several Housing and Urban Development grant reimbursements to the Special Revenue Community Development Block Grant Fund that occurred early in 2002. The increase in Charges for Services of \$189,400 is primarily due to an increase in criminal and civil court fees and costs. The increase in Fines, Licenses and Permits of \$76,865 is due primarily to an increase in criminal and civil court fines. The decrease in Interest of \$188,346 is due to the lower investment interest rates associated with the recession in 2001. The significant increase in Miscellaneous revenues is associated with several major grants that were awarded to the City by the Barberton Community Foundation for various projects and purposes. An example of this type of grant is the reimbursement monies being received by the City from the Barberton Community Foundation for a portion of the Sports Complex construction costs.

Governmental Expenditures

Expenditures for governmental functions totaled \$23,985,573 in 2001. The amounts of expenditure for the various functions included in the Governmental Funds and Expendable Trust Funds are depicted in the accompanying table:

<u>Functions of Expenditure</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Dollar Increase (Decrease) from 2000</u>	<u>Percent Increase (Decrease) from 2000</u>
General Government	\$3,507,694	14.54%	\$(148,152)	(4.05)%
Public Safety	7,838,848	32.49	(651,339)	(7.67)
Streets and Highways	2,117,422	8.78	(66,583)	(3.05)
Health and Welfare	1,551,580	6.43	71,881	4.86
Community Environment	2,250,150	9.33	991,228	78.74
Leisure Time Activities	1,176,244	4.88	29,195	2.55
Capital Outlay	4,735,322	20.21	1,115,403	29.67
Debt Service - Principal	625,729	2.59	297,768	90.79
Debt Service - Interest	<u>182,584</u>	<u>0.75</u>	<u>(215)</u>	<u>(0.12)</u>
	<u>\$23,985,573</u>	<u>100.00%</u>	<u>\$1,639,186</u>	<u>7.29%</u>

Major changes in governmental expenditures occurred in the following areas: The decreases in General Government, Public Safety and Streets and Highways can be attributed to budgetary reductions associated with the Minimum Fund Balance Policy and an effort to limit discretionary spending because of the loss in income tax revenues. Health and Welfare expenditures increased due to additional services and programs offered by the Health District. The increase in Community Environment expenditures can be attributed to a number of things including a grant from the Barberton Community Foundation for neighborhood conservation services, increased building demolition costs associated with Project Impact and a general increase in Community Development Block Grant expenditures. The increase in Capital Outlay is primarily due to the construction costs associated with the sports complex. In 2001, the sports complex construction costs totaled approximately \$1.3 million.

General Fund

The General Fund accounts for all financial transactions not properly accounted for in any other fund. It is the City's largest fund and provides for major City services such as safety forces, governmental administration, and parks and recreation. The General Fund's balance increased by \$170,449 to \$2,549,199 in 2001. This balance provides the City with the equivalent of 46 working days of expenditures.

Special Revenue Funds

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

Capital Projects Funds

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

Enterprise Funds

Enterprise Funds are used to finance and account for the acquisition, operation and maintenance of City facilities and services which are intended to be entirely or predominately self-supporting from user charges. Enterprise Funds of the City include the Water Fund, Sewer Fund, Sewer Funds required by the Bond Indenture, Solid Waste Disposal Fund, Community Center Fund, Lake Cinema Operating Fund and the Downtown Sale and Rental of Property Fund. The City's water system provides for the treatment and distribution of water throughout the City as well as several areas outside the corporation limits. Sewage treatment is provided in the \$24.0 million Sewage Treatment Plant constructed in 1987. The Community Center provides recreational swimming and a fitness center to Barberton area residents. Total 2001 operating revenues for all Enterprise Funds were \$9,146,559 while expenses totaled \$8,612,159, resulting in an operating income of \$534,400, an increase of \$248,684 from 2000.

Internal Service Funds

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

Trust and Agency Funds

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

DEBT ADMINISTRATION

The General Obligation Bond Retirement Fund accounts for all long-term general obligation debt service other than debt issued by an Enterprise Fund or an Internal Service Fund. The total general obligation debt as of December 31, 2001 was \$10,278,183 which consisted of \$3,558,183 in bonds and \$6,720,000 in notes. Obligations of the Enterprise Fund systems amount to \$7,635,000 of the total general obligation debt. Revenue of the enterprise systems is pledged for this debt service. The City is well within statutory limitations for unvoted debt. The ratio of general obligation debt to assessed valuation and the amount of general obligation debt per capita are useful indicators of the City's debt position. The following data is segregated by debt within the statutory debt limitation and debt exempt from the debt limitation.

	<u>Amount</u>	Ratio of Debt to Assessed <u>Value</u>	Debt per <u>Capita</u>
G.O. Bond Debt within debt limit	\$3,883,183	0.01%	\$139.19
Exempt Debt	\$9,295,000	0.03%	\$333.17

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

CASH MANAGEMENT

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

RISK MANAGEMENT

The City has been self-insured for health care purposes since 1986. A claims administrator is retained to process claims and review medical procedures. Stop-loss insurance has been purchased by the City to pay unusual and excess medical claims. During 1992, the City joined a Preferred Provider Organization (PPO) and increased employee out-of-pocket expenses in order to slow the rate of increase in medical expenses. The Health Insurance Fund balance as of December 31, 2001 was \$934,452.

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

PENSION AND POSTEMPLOYMENT BENEFIT PLANS

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

FIXED ASSETS

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

INDEPENDENT AUDIT

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

REPORTING ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Barberton for its Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended December 31, 2000. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded this certificate, a government must publish an easily readable and efficiently organized report. The report must satisfy Generally Accepted Accounting Principles and applicable legal requirements. A Certificate of Achievement is valid for one year only. We believe our current report continues to conform to Certificate of Achievement Program Requirements, and it is being submitted to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENT

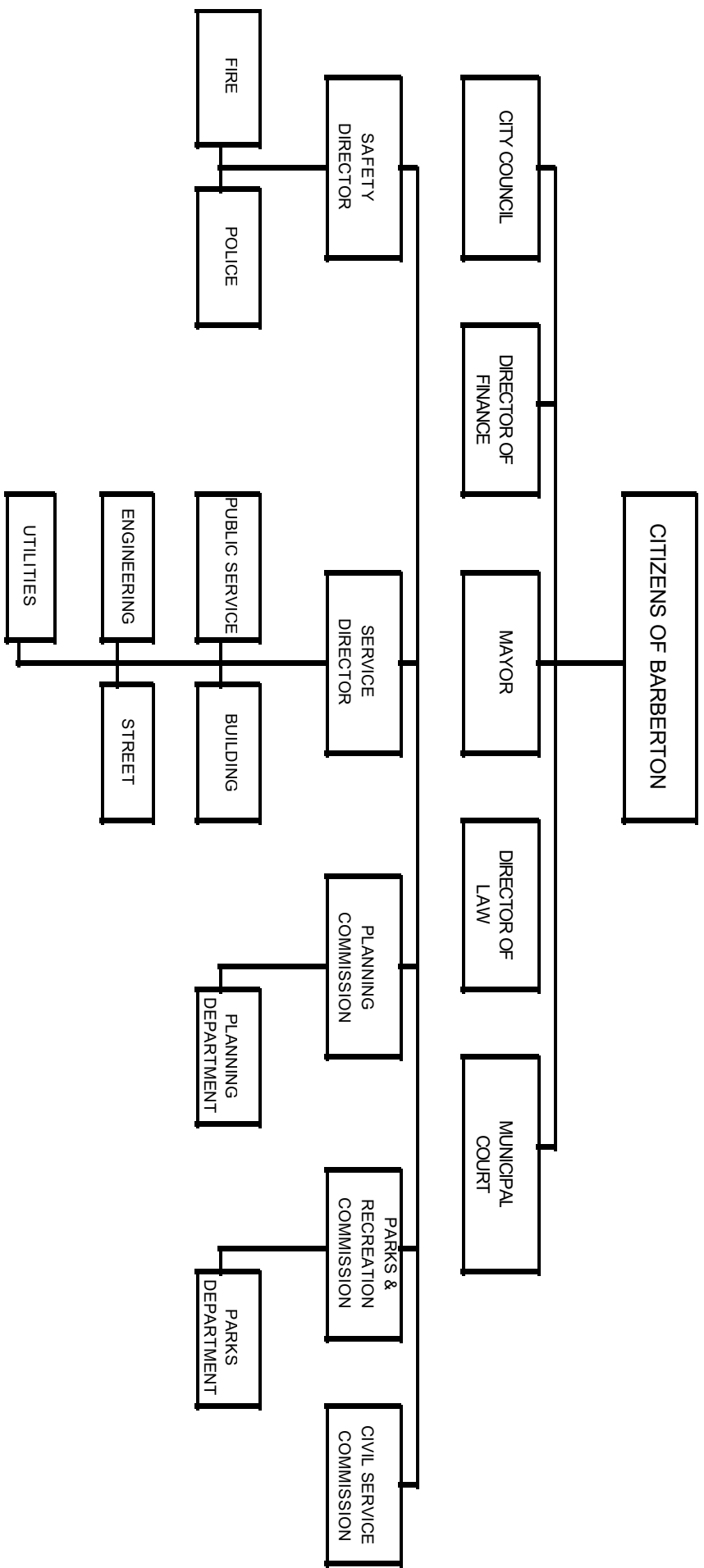
The presentation of this report could not have been accomplished without the dedicated services of the staff of the City's Finance Department. I would like to express my appreciation to those directly involved with this report and to the entire staff for their efficient service throughout the year. I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

Sincerely,



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

CITY OF BARBERTON, OHIO
ORGANIZATIONAL CHART



CITY OF BARBERTON, OHIO

**LIST OF PRINCIPAL OFFICIALS
As of December 31, 2001**

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

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Barberton,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2000

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.



Thomas A. Howe
President

Jeffrey L. Ecker
Executive Director

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Financial Section



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

REPORT OF INDEPENDENT ACCOUNTANTS

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

To the City Council:

We have audited the accompanying general purpose financial statements of the City of Barberton, Summit County, (the City) as of and for the year ended December 31, 2001, as listed in the Table of Contents. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Barberton, Summit County, as of December 31, 2001, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2002 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. 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.

We performed our audit to form an opinion on the general purpose financial statements of the City, 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 additional analysis and are not a required part of the general purpose financial statements. We subjected this information to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, it is fairly presented in all material respects, in relation to the general purpose financial statements taken as a whole.

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

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

Jim Petro
Auditor of State

June 14, 2002

**GENERAL PURPOSE
FINANCIAL STATEMENTS**

CITY OF BARBERTON, OHIO

Combined Balance Sheet - All Fund Types and Account Groups

December 31, 2001

(With Comparative Totals at December 31, 2000)

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
ASSETS AND OTHER DEBITS				
Assets:				
Equity in pooled cash and investments	\$2,202,594	\$3,345,497	\$2,984	\$1,582,056
Cash and cash equivalents - segregated accounts	--	--	--	--
Receivables (net, where applicable, of allowance for doubtful accounts)	1,494,171	1,601,301	1,705	422,480
Notes receivable	--	949,178	--	--
Due from other funds	72,664	4,868	--	--
Inventory of supplies	--	--	--	--
Prepaid items	--	--	--	--
Advances to other funds	237,307	--	--	--
Restricted assets - cash and cash equivalents	--	--	--	--
Fixed assets (net of accumulated depreciation)	--	--	--	--
Other Debits:				
Amount available for retirement of general long-term obligations	--	--	--	--
Amount to be provided for retirement of general long-term obligations	350,000	--	--	1,745,000
Total Assets	\$4,356,736	\$5,900,844	\$4,689	\$3,749,536
LIABILITIES, EQUITY AND OTHER CREDITS				
Liabilities:				
Accounts payable	\$187,910	\$137,175	\$--	\$113,765
Claims payable	--	--	--	--
Accrued wages and benefits	163,371	49,566	--	--
Other liabilities	--	--	--	--
Due to other funds	--	--	--	--
Due to other governments	--	2,712	--	--
Amounts held as fiduciary	--	--	--	--
Deferred revenue	1,106,256	248,756	--	--
Advances from other funds	--	62,744	--	174,563
Debt:				
Capital lease obligations	--	--	--	--
General obligation notes payable	350,000	--	--	1,745,000
General obligation bonds payable	--	--	--	--
Revenue refunding bonds payable	--	--	--	--
Other long-term debt	--	--	--	--
Total Liabilities	1,807,537	500,953	--	2,033,328
Equity and Other Credits:				
Investment in general fixed assets	--	--	--	--
Contributed capital	--	--	--	--
Retained earnings	--	--	--	--
Fund balances:				
Reserved for encumbrances	572,590	1,135,606	--	1,840,800
Reserved for debt service	--	--	4,689	--
Reserved for notes receivable	--	910,350	--	--
Reserved for advances	237,307	--	--	--
Unreserved, undesignated (deficit)	1,739,302	3,353,935	--	(124,592)
Total Equity and Other Credits	2,549,199	5,399,891	4,689	1,716,208
Total Liabilities, Equity and Other Credits	\$4,356,736	\$5,900,844	\$4,689	\$3,749,536

See accompanying notes to the combined financial statements

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)	
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	2001	2000
\$6,866,554	\$1,438,557	\$170,413	\$--	\$--	\$15,608,655	\$13,534,961
--	--	156,928	--	--	156,928	134,750
1,096,875	8,513	--	--	--	4,625,045	4,281,611
7,623	--	--	--	--	956,801	882,603
--	--	--	--	--	77,532	68,021
339,415	--	--	--	--	339,415	324,705
23,670	--	--	--	--	23,670	20,356
--	--	--	--	--	237,307	95,800
754,406	--	--	--	--	754,406	784,723
30,687,918	--	--	16,007,430	--	46,695,348	46,649,887
--	--	--	--	2,984	2,984	6,212
--	--	--	--	4,818,620	6,913,620	5,039,494
<u>\$39,776,461</u>	<u>\$1,447,070</u>	<u>\$327,341</u>	<u>\$16,007,430</u>	<u>\$4,821,604</u>	<u>\$76,391,711</u>	<u>\$71,823,123</u>
\$367,105	\$6,737	\$--	\$--	\$--	\$812,692	\$1,276,187
--	164,404	--	--	--	164,404	182,879
574,233	--	--	--	2,442,728	3,229,898	3,207,047
94,070	470	--	--	--	94,540	130,279
--	--	77,532	--	--	77,532	68,021
10,500	--	79,316	--	--	92,528	75,254
--	--	80	--	--	80	8,990
17,080	--	--	--	--	1,372,092	1,605,601
--	--	--	--	--	237,307	95,800
43,346	--	--	--	180,693	224,039	445,642
4,625,000	--	--	--	--	6,720,000	3,760,000
2,947,231	87,909	--	--	458,183	3,493,323	3,565,830
2,686,093	--	--	--	--	2,686,093	3,132,880
--	--	--	--	1,740,000	1,740,000	1,815,000
<u>11,364,658</u>	<u>259,520</u>	<u>156,928</u>	<u>--</u>	<u>4,821,604</u>	<u>20,944,528</u>	<u>19,369,410</u>
--	--	--	16,007,430	--	16,007,430	15,182,883
15,216,620	--	--	--	--	15,216,620	15,216,620
13,195,183	1,187,550	--	--	--	14,382,733	14,090,617
--	--	23,339	--	--	3,572,335	2,552,897
--	--	--	--	--	4,689	6,212
--	--	--	--	--	910,350	823,849
--	--	--	--	--	237,307	95,800
--	--	147,074	--	--	5,115,719	4,484,835
<u>28,411,803</u>	<u>1,187,550</u>	<u>170,413</u>	<u>16,007,430</u>	<u>--</u>	<u>55,447,183</u>	<u>52,453,713</u>
<u>\$39,776,461</u>	<u>\$1,447,070</u>	<u>\$327,341</u>	<u>\$16,007,430</u>	<u>\$4,821,604</u>	<u>\$76,391,711</u>	<u>\$71,823,123</u>

CITY OF BARBERTON, OHIO

Combined Statement of Revenues, Expenditures and Changes in Fund Balances -
 All Governmental Fund Types and Expendable Trust Funds
 For the Year Ended December 31, 2001
 (With Comparative Totals for the Year Ended December 31, 2000)

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Revenues:				
Taxes	\$1,163,472	\$9,898,114	\$--	\$--
Intergovernmental	2,745,377	3,331,233	--	1,215,294
Charges for services	1,038,129	245,947	--	--
Fines, licenses and permits	209,573	200,269	--	--
Special assessments	--	17,065	1,705	56,784
Interest	497,845	99,035	--	--
Miscellaneous	1,002,347	498,952	76,000	1,373,630
Total Revenues	6,656,743	14,290,615	77,705	2,645,708
Expenditures:				
Current:				
General government	3,211,094	295,295	--	--
Public safety	7,835,453	3,395	--	--
Streets and highways	337,003	1,780,419	--	--
Health and welfare	1,650	1,549,930	--	--
Community environment	1,016,568	1,233,582	--	--
Leisure time activities	817,192	336,618	--	--
Capital outlay	901,172	1,148,599	--	2,684,418
Debt service:				
Principal	205,639	--	105,090	315,000
Interest and fiscal charges	19,475	--	143,151	19,958
Total Expenditures	14,345,246	6,347,838	248,241	3,019,376
Excess (Deficiency) of Revenues Over Expenditures	(7,688,503)	7,942,777	(170,536)	(373,668)
Other Financing Sources (Uses):				
Proceeds from notes	350,000	--	--	1,745,000
Proceeds from bonds	--	--	--	237,000
Operating transfers in	7,500,500	2,763,346	169,013	219,639
Operating transfers out	--	(10,730,218)	--	(140,000)
Advances in	--	1,112,167	--	1,112,167
Advances out	--	(1,112,167)	--	(1,112,167)
Sale of fixed assets	8,452	--	--	--
Total Other Financing Sources (Uses)	7,858,952	(7,966,872)	169,013	2,061,639
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	170,449	(24,095)	(1,523)	1,687,971
Fund Balance at Beginning of Year	2,378,750	5,423,986	6,212	28,237
Fund Balance at End of Year	\$2,549,199	\$5,399,891	\$4,689	\$1,716,208

See accompanying notes to the combined financial statements

Fiduciary Fund Type Expendable Trust	Totals (Memorandum Only)	
	2001	2000
\$--	\$11,061,586	\$11,493,618
--	7,291,904	5,030,544
--	1,284,076	1,094,676
--	409,842	332,977
--	75,554	--
3,523	600,403	788,749
65,354	3,016,283	1,380,079
<u>68,877</u>	<u>23,739,648</u>	<u>20,120,643</u>
1,305	3,507,694	3,655,846
--	7,838,848	8,490,187
--	2,117,422	2,184,005
--	1,551,580	1,479,699
--	2,250,150	1,258,922
22,434	1,176,244	1,147,049
1,133	4,735,322	3,759,919
--	625,729	327,961
--	182,584	182,799
<u>24,872</u>	<u>23,985,573</u>	<u>22,486,387</u>
44,005	(245,925)	(2,365,744)
--	2,095,000	315,000
--	237,000	--
--	10,652,498	10,748,243
--	(10,870,218)	(10,884,683)
--	2,224,334	--
--	(2,224,334)	--
--	8,452	20,078
<u>--</u>	<u>2,122,732</u>	<u>198,638</u>
44,005	1,876,807	(2,167,106)
<u>126,408</u>	<u>7,963,593</u>	<u>10,130,699</u>
<u>\$170,413</u>	<u>\$9,840,400</u>	<u>\$7,963,593</u>

CITY OF BARBERTON, OHIO

Combined Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Non-GAAP Budgetary Basis) - All Governmental Fund Types
For the Year Ended December 31, 2001

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Favorable Unfavorable)	Budget	Actual	Variance Favorable Unfavorable)
Revenues:						
Taxes	\$1,151,859	\$1,159,926	\$8,067	\$9,957,476	\$9,957,709	\$233
Intergovernmental	2,982,409	2,821,069	(161,340)	3,018,617	3,052,637	34,020
Charges for services	897,900	1,039,409	141,509	242,067	245,947	3,880
Fines, licenses and permits	193,727	200,489	6,762	190,921	209,042	18,121
Special assessments	--	--	--	12,000	43,123	31,123
Interest	503,500	574,986	71,486	99,199	99,035	(164)
Miscellaneous	1,124,462	1,059,526	(64,936)	563,669	493,472	(70,197)
Total Revenues	6,853,857	6,855,405	1,548	14,083,949	14,100,965	17,016
Expenditures:						
Current:						
General government	3,390,610	3,230,101	160,509	380,335	304,339	75,996
Public safety	7,966,955	7,923,763	43,192	5,000	3,987	1,013
Streets and highways	342,970	333,332	9,638	1,910,574	1,852,419	58,155
Health and welfare	2,000	1,650	350	1,755,275	1,586,472	168,803
Community environment	1,523,622	1,129,407	394,215	2,495,295	1,565,394	929,901
Leisure time activities	882,021	850,789	31,232	365,267	343,317	21,950
Capital outlay	1,370,913	848,554	522,359	1,519,164	1,285,123	234,041
Debt service:						
Principal	--	--	--	--	--	--
Interest and fiscal charges	--	--	--	--	--	--
Total Expenditures	15,479,091	14,317,596	1,161,495	8,430,910	6,941,051	1,489,859
Excess (Deficiency) of Revenues Over Expenditures	(8,625,234)	(7,462,191)	1,163,043	5,653,039	7,159,914	1,506,875
Other Financing Sources (Uses):						
Proceeds from sale of notes	350,000	350,000	--	--	--	--
Proceeds from sale of bonds	--	--	--	--	--	--
Operating transfers in	7,500,500	7,500,500	--	2,763,346	2,763,346	--
Operating transfers out	--	--	--	(10,730,218)	(10,730,218)	--
Advances in	--	--	--	1,112,167	1,112,167	--
Advances out	--	--	--	(1,112,167)	(1,112,167)	--
Sale of fixed assets	10,000	8,452	(1,548)	--	--	--
Total Other Financing Sources (Uses)	7,860,500	7,858,952	(1,548)	(7,966,872)	(7,966,872)	--
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(764,734)	396,761	1,161,495	(2,313,833)	(806,958)	1,506,875
Fund Balance at Beginning of Year	1,353,035	1,353,035	--	2,818,685	2,818,685	--
Unexpended prior year encumbrances	12,616	12,616	--	28,566	28,566	--
Fund Balance at End of Year	\$600,917	\$1,762,412	\$1,161,495	\$533,418	\$2,040,293	\$1,506,875

See accompanying notes to the combined financial statements

Debt Service Fund			Capital Projects Funds			Totals (Memorandum Only)		
Budget	Actual	Variance Favorable Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable Unfavorable)
\$--	\$--	\$--	\$--	\$--	\$--	\$11,109,335	\$11,117,635	\$8,300
--	--	--	1,214,300	1,215,294	994	7,215,326	7,089,000	(126,326)
--	--	--	--	--	--	1,139,967	1,285,356	145,389
--	--	--	--	--	--	384,648	409,531	24,883
--	--	--	--	56,784	56,784	12,000	99,907	87,907
--	--	--	--	--	--	602,699	674,021	71,322
76,000	76,000	--	2,102,000	951,151	(1,150,849)	3,866,131	2,580,149	(1,285,982)
76,000	76,000	--	3,316,300	2,223,229	(1,093,071)	24,330,106	23,255,599	(1,074,507)
--	--	--	--	--	--	3,770,945	3,534,440	236,505
--	--	--	--	--	--	7,971,955	7,927,750	44,205
--	--	--	20,000	20,205	(205)	2,273,544	2,205,956	67,588
--	--	--	--	--	--	1,757,275	1,588,122	169,153
--	--	--	--	--	--	4,018,917	2,694,801	1,324,116
--	--	--	--	--	--	1,247,288	1,194,106	53,182
--	--	--	5,136,898	3,367,837	1,769,061	8,026,975	5,501,514	2,525,461
105,090	105,090	--	315,000	315,000	--	420,090	420,090	--
143,151	143,151	--	20,234	19,956	278	163,385	163,107	278
248,241	248,241	--	5,492,132	3,722,998	1,769,134	29,650,374	25,229,886	4,420,488
(172,241)	(172,241)	--	(2,175,832)	(1,499,769)	676,063	(5,320,268)	(1,974,287)	3,345,981
--	--	--	1,745,000	1,745,000	--	2,095,000	2,095,000	--
--	--	--	292,778	237,000	(55,778)	292,778	237,000	(55,778)
169,013	169,013	--	219,639	219,639	--	10,652,498	10,652,498	--
--	--	--	(140,000)	(140,000)	--	(10,870,218)	(10,870,218)	--
--	--	--	1,112,167	1,112,167	--	2,224,334	2,224,334	--
--	--	--	(1,112,167)	(1,112,167)	--	(2,224,334)	(2,224,334)	--
--	--	--	--	--	--	10,000	8,452	(1,548)
169,013	169,013	--	2,117,417	2,061,639	(55,778)	2,180,058	2,122,732	(57,326)
(3,228)	(3,228)	--	(58,415)	561,870	620,285	(3,140,210)	148,445	3,288,655
6,211	6,211	--	(1,106,656)	(1,106,656)	--	3,071,275	3,071,275	--
--	--	--	--	--	--	41,182	41,182	--
<u>\$2,983</u>	<u>\$2,983</u>	<u>--</u>	<u>(\$1,165,071)</u>	<u>(\$544,786)</u>	<u>\$620,285</u>	<u>(\$27,753)</u>	<u>\$3,260,902</u>	<u>\$3,288,655</u>

Combined Statement of Revenues, Expenses and Changes in Fund Equity -
 All Proprietary Fund Types
 For the Year Ended December 31, 2001
 (With Comparative Totals for the Year Ended December 31, 2000)

	Proprietary Fund Types		Totals (Memorandum Only)	
	Enterprise	Internal Service	2001	2000
Operating Revenues:				
Charges for services	\$9,059,760	\$2,083,893	\$11,143,653	\$10,398,052
Special assessments	11,193	--	11,193	--
Other	75,606	8,524	84,130	507,163
Total Operating Revenues	<u>9,146,559</u>	<u>2,092,417</u>	<u>11,238,976</u>	<u>10,905,215</u>
Operating Expenses:				
Personal services	3,510,175	102,611	3,612,786	3,472,364
Contractual services	2,607,076	309,929	2,917,005	2,419,707
Claims and judgments	--	1,516,074	1,516,074	1,779,862
Materials and supplies	939,088	222,370	1,161,458	1,184,272
Depreciation	1,457,787	--	1,457,787	1,433,419
Other	98,033	--	98,033	51,733
Total Operating Expenses	<u>8,612,159</u>	<u>2,150,984</u>	<u>10,763,143</u>	<u>10,341,357</u>
Operating Income (Loss)	<u>534,400</u>	<u>(58,567)</u>	<u>475,833</u>	<u>563,858</u>
Nonoperating Revenues (Expenses):				
Interest income	167,799	1,281	169,080	241,306
Interest expense	(533,858)	(12,255)	(546,113)	(619,911)
Other	(24,404)	--	(24,404)	(23,682)
Total Nonoperating Revenues (Expenses)	<u>(390,463)</u>	<u>(10,974)</u>	<u>(401,437)</u>	<u>(402,287)</u>
Income (Loss) Before Operating Transfers	143,937	(69,541)	74,396	161,571
Operating transfers in	1,104,000	107,720	1,211,720	1,286,440
Operating transfers out	<u>(984,000)</u>	<u>(10,000)</u>	<u>(994,000)</u>	<u>(1,150,000)</u>
Net Income	263,937	28,179	292,116	298,011
Retained Earnings at Beginning of Year				
As previously reported	12,931,246	1,159,371	14,090,617	15,376,303
Prior period adjustment	--	--	--	(1,583,697)
As restated	<u>12,931,246</u>	<u>1,159,371</u>	<u>14,090,617</u>	<u>13,792,606</u>
Retained Earnings at End of Year	13,195,183	1,187,550	14,382,733	14,090,617
Contributed Capital at Beginning of Year	15,216,620	--	15,216,620	15,216,620
Capital Contributions	--	--	--	--
Contributed Capital at End of Year	<u>15,216,620</u>	<u>--</u>	<u>15,216,620</u>	<u>15,216,620</u>
Fund Equity at End of Year	<u>\$28,411,803</u>	<u>\$1,187,550</u>	<u>\$29,599,353</u>	<u>\$29,307,237</u>

See accompanying notes to the combined financial statements

Combined Statement of Cash Flows - All Proprietary Fund Types
For the Year Ended December 31, 2001

	Enterprise	Internal Service	Totals (Memorandum Only)
Cash Flows from Operating Activities:			
Cash received from customers	\$8,873,141	\$2,086,367	\$10,959,508
Cash payments to suppliers for goods and services	(3,566,349)	(536,006)	(4,102,355)
Cash payments to employees for services	(3,493,902)	(102,611)	(3,596,513)
Cash payments for claims and judgments	--	(1,534,549)	(1,534,549)
Other operating revenues	124,934	8,330	133,264
Other operating expenses	(42,912)	--	(42,912)
 Net Cash Provided by (Used in) Operating Activities	 <u>1,894,912</u>	 <u>(78,469)</u>	 <u>1,816,443</u>
Cash Flows from Noncapital Financing Activities:			
Principal paid on debt	--	(85,000)	(85,000)
Interest paid on debt	--	(10,720)	(10,720)
Operating transfers from other funds	1,104,000	107,720	1,211,720
Operating transfers to other funds	(984,000)	(10,000)	(994,000)
 Net Cash Provided by Noncapital Financing Activities	 <u>120,000</u>	 <u>2,000</u>	 <u>122,000</u>
Cash Flows from Capital and Related Financing Activities:			
Proceeds from notes	4,625,000	--	4,625,000
Principal paid on debt	(4,155,000)	--	(4,155,000)
Interest paid on debt	(516,134)	--	(516,134)
Debt issue costs	(8,059)	--	(8,059)
Acquisition and construction of capital assets	(680,638)	--	(680,638)
 Net Cash Used in Capital and Related Financing Activities	 <u>(734,831)</u>	 <u>--</u>	 <u>(734,831)</u>
Cash Flows from Investing Activities:			
Interest on investments	167,798	1,281	169,079
 Net Increase (Decrease) in Cash and Cash Equivalents	 <u>1,447,879</u>	 <u>(75,188)</u>	 <u>1,372,691</u>
Cash and Cash Equivalents at Beginning of Year	<u>6,173,081</u>	<u>1,513,745</u>	<u>7,686,826</u>
Cash and Cash Equivalents at End of Year	<u><u>\$7,620,960</u></u>	<u><u>\$1,438,557</u></u>	<u><u>\$9,059,517</u></u>

See accompanying notes to the combined financial statements

Combined Statement of Cash Flows - All Proprietary Fund Types (Continued)
 For the Year Ended December 31, 2001

	<u>Enterprise</u>	<u>Internal Service</u>	<u>Totals (Memorandum Only)</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income (Loss)	\$534,400	(\$58,567)	\$475,833
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used In) Operating Activities:			
Depreciation	1,457,787	--	1,457,787
Increase (decrease) due to change in:			
Receivables	(146,570)	2,280	(144,290)
Notes receivable	1,198	--	1,198
Inventory of supplies	(14,711)	--	(14,711)
Prepaid items	(3,313)	--	(3,313)
Accounts payable	66,795	(3,517)	63,278
Claims payable	--	(18,665)	(18,665)
Accrued wages and benefits	16,273	--	16,273
Other	(16,947)	--	(16,947)
Total Adjustments	<u>1,360,512</u>	<u>(19,902)</u>	<u>1,340,610</u>
Net Cash Provided by (Used In) Operating Activities	<u>\$1,894,912</u>	<u>(\$78,469)</u>	<u>\$1,816,443</u>

See accompanying notes to the combined financial statements

CITY OF BARBERTON, OHIO

NOTES TO THE COMBINED FINANCIAL STATEMENTS

NOTE 1 - REPORTING ENTITY

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

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

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

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

A. Basis of Presentation - Fund Accounting

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

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

Governmental Fund Types

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

CITY OF BARBERTON, OHIO

NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

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

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

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

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

Proprietary Fund Types

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

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

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

Fiduciary Funds

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

Account Groups

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

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

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

CITY OF BARBERTON, OHIO

NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Measurement Focus and Basis of Accounting

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

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available (i.e., collectible within the current period, which the City considers to be 60 days after year end): investment earnings, income taxes, fines and forfeitures and state-levied locally shared taxes (including motor vehicle fees). Reimbursements due for federally funded community development projects are recognized as revenue at the time qualified expenditures are made.

Other revenues, including licenses and permits, certain charges for services, and miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Property taxes which are levied a year prior to when they are collected (real and public utility taxes) are recognized as a receivable and recorded as deferred revenue in the year they are levied. All proprietary type funds are accounted for using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when they are incurred.

Effective January 1, 2001, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions" and Statement No. 36, "Recipient Reporting for Certain Shared Nonexchange Revenues" (a modification of GASB Statement No. 33). The purpose of these statements is to clarify the timing requirements for recognizing assets, liabilities, revenues and expenditures/expenses associated with nonexchange transactions. The Statements define a nonexchange transaction as one in which the government receives value without directly giving value in return. The implementation of GASB Statements No. 33 and 36 did not have a material effect on the financial statements and prior period financial statements were not restated.

C. Budgetary Data

An annual appropriated budget is legally required to be prepared on the budgetary basis for all funds of the City other than agency funds; however, only governmental funds are required to be reported. The City did not expect to receive or expend money in the Rental Rehabilitation and Home Investment Partnership Special Revenue Funds; therefore, no budgets were adopted by Council and none is shown in the accompanying financial statements.

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

CITY OF BARBERTON, OHIO**NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued****NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued****D. Cash and Investments**

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

The City accounts for its investments at fair value and records changes in investment value through investment income. For purposes of the Combined Statement of Cash Flows, the City considers all investments of the equity pool (including segregated accounts and restricted assets) and all investments with a maturity of three months or less when purchased to be cash equivalents. Investments with a maturity of more than three months are not considered cash equivalents.

E. Inventory of Supplies

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

F. Fixed Assets and Depreciation

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

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

G. Capitalization of Interest

The City's policy is to capitalize interest, if material, on proprietary fund construction projects until substantially complete. Capitalized interest is amortized on the straight-line basis over the estimated useful lives of the account Group construction projects.

H. Debt Issuance Costs

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

CITY OF BARBERTON, OHIO

NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

I. Deferred Amount on Refunding

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

J. Compensated Absences

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

K. Encumbrances

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

L. Reservations of Fund Equity

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

M. Interfund Transactions

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

N. Grants and Other Intergovernmental Revenues

Federal grants and assistance awards made on the basis of entitlement programs are recorded as intergovernmental receivables and revenues when entitlement occurs. All other federal reimbursement type grants are recorded as intergovernmental receivables and revenues when the qualified expenditures/expenses are incurred.

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

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

P. Total Columns on Combined Financial Statements

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

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

The following funds had expenditures or expenses which exceeded appropriations at the legal level of budgetary control for the year ended December 31, 2001:

<u>Fund Type/Fund</u>	<u>Appropriations</u>	<u>Expenditures/ Expenses</u>	<u>Excess</u>
General Fund:			
Capital Outlay			
Finance Department	\$4,000	\$4,024	\$(24)
Special Revenue:			
Street and Storm			
Sewer Improvement	--	251	(251)
Beautification	9,000	9,009	(9)
Capital Projects:			
Issue II	20,000	20,205	(205)

B. Appropriations in excess of Estimated Resources

The following funds had appropriations which exceeded estimated resources at the legal level of budgetary control for the year ended December 31, 2001:

<u>Fund Type/Fund</u>	<u>Appropriations</u>	<u>Estimated Resources</u>	<u>Excess</u>
Special Revenue:			
Income Tax	\$10,042,713	\$10,025,644	\$(17,069)
Street Construction, Maintenance & Repair	1,966,108	1,962,202	(3,906)
Pre-natal Care Program	266,967	257,943	(9,024)
Local Law Enforcement Block Grant	315,379	240,470	(74,909)
Community Development Block Grant	3,128,117	1,498,438	(1,629,679)
Lake Cinema Complex Maintenance	89,000	79,799	(9,201)
Sidewalk Improvement Program	160,000	158,358	(1,642)
Capital Projects:			
Street Improvement	1,138,683	847,535	(291,148)
Issue II Improvement	3,127,938	2,571,182	(556,756)
Sports Complex Construction	3,584,334	3,267,167	(317,167)

CITY OF BARBERTON, OHIO**NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued****NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - Continued****C. Fund Deficits**

At December 31, 2001, the following had a deficit fund balance/retained earnings:

<u>Fund Type/Fund</u>	<u>Amount</u>
Capital Projects:	
Street Improvement Fund	\$174,563
Enterprise:	
Sewer Bond Retirement	1,942,459
Downtown Sales and Rental Property	171,877
Internal Service:	
General Liability Insurance	69,472

The deficit balance in the Street Improvement Fund is due to the timing of grant reimbursements. The deficit balances in the Sewer Bond Retirement and General Liability Insurance Funds are due to the recognition of liabilities for long-term debt on the accrual basis. The deficit balance in the Downtown Sales and Rental of Property Fund is due to the recognition of contributed capital on the accrual basis.

The Special Revenue Community Development Fund and Capital Projects Street Improvement and Sports Complex Construction Funds reflected deficit balances of \$709,777, \$246,248 and \$1,107,515, respectively, on a budgetary basis at December 31, 2001. These negative fund balances were due to the timing of federal and state reimbursements.

NOTE 4 - DEPOSITS AND INVESTMENTS

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

- U.S. Government obligations and U.S. Government agency obligations for which the full faith and credit of the United States is pledged for payment of principal and interest;
- Repurchase agreements;
- Certificates of Deposit;
- Investment grade obligations of the State of Ohio, City of Barberton, and other local governments or public authorities;
- The State Treasury Asset Reserve (STAR Ohio); and
- Money market mutual funds regulated by the Securities and Exchange Commission with portfolios consisting of only domestic securities;
- Commercial paper issued by an entity that has assets exceeding \$500 million and meeting other criteria;
- Bankers acceptances issued by banks that are insured by the Federal Deposit Insurance Corporation

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

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

CITY OF BARBERTON, OHIO

NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued

NOTE 4 - DEPOSITS AND INVESTMENTS - Continued

Repurchase agreements are secured by the specific government security acquired under the repurchase agreement which must be held by a third party for safekeeping. All other collateral, whether specific or pooled, is held by a Federal Reserve Bank or by a designated trustee as agent for the public depositories used by the City.

A. Deposits

At December 31, 2001, the carrying amount of the City's deposits was \$5,682,182 and the bank balance was \$5,951,810. Of the bank balance, \$301,804 was covered by federal depository insurance. The remaining deposits of \$5,650,006 were uninsured and uncollateralized. Although the securities serving as collateral were held by the pledging institution in the pledging institution's name and all State statutory requirements for the deposit of money has been followed, noncompliance with federal requirements would potentially subject the City to a successful claim by the FDIC.

B. Investments

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

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

The City's investments at December 31, 2001 are categorized below to give an indication of the level of custodial credit risk assumed by the City at year-end.

	Category			Carrying Amount/Fair Value
	1	2	3	
<u>Categorized Investments</u>				
Repurchase Agreements	\$--	\$--	\$595,000	\$595,000
U.S. Treasury Obligations	--	677,421	--	677,421
U.S. Government Agency Obligations	--	5,262,015	--	5,314,827
Commercial Paper	--	--	--	--
Total Categorized	<u>\$--</u>	<u>\$5,939,436</u>	<u>\$595,000</u>	<u>\$6,587,248</u>
<u>Noncategorized Investments</u>				
STAR Ohio				4,216,926
Firststar U.S. Treasury Money Market Fund Institutional Class				<u>33,633</u>
Total Noncategorized				<u>4,250,559</u>
Total Investments				<u>\$10,837,807</u>

CITY OF BARBERTON, OHIO

NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued

NOTE 4 - DEPOSITS AND INVESTMENTS - Continued

The City's investments in STAR Ohio and Firststar U.S. Treasury Money Market Fund Institutional Class are unclassified investments since they are n

STAR Ohio is an investment pool created pursuant to Ohio statutes and managed by the Treasurer of the State of Ohio. STAR Ohio is not registered with the Securities and Exchange Commission as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Firststar U.S. Treasury Money Market Fund is registered under the Investment Company Act of 1940, as an open-end management investment company. These investments are valued at their share price, which is the price the investments could be redeemed for on December 31, 2001.

Investments are carried at their fair value, as required by GASB No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." During 2001, the realized net gain on the sale of these investments was not significant. The net increase in the fair value of these investments during 2001 was \$52,812. This amount takes into account all changes in fair value (including purchases and sales) that occurred during the year.

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

<u>GASB Statement No. 3</u>	<u>Amount</u>
Carrying amount of deposits	\$5,682,182
Carrying amount of investments	<u>10,837,807</u>
Total	<u>\$16,519,989</u>
<u>Balance Sheet</u>	<u>Amount</u>
Equity in pooled cash and investments	\$15,608,655
Cash and cash equivalents - segregated accounts	156,928
Restricted assets - cash and investments	<u>754,406</u>
Total	<u>\$16,519,989</u>

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING

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

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

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

A reconciliation of the results of operations for the year from the GAAP basis to the budgetary basis is as follows:

	Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses				Total
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	
GAAP Basis	\$170,449	(\$24,095)	(\$1,523)	\$1,687,971	\$1,832,802
Increase (decrease) due to:					
Change in receivables and other assets	198,660	(291,481)	(1,705)	(422,480)	(517,006)
Change in liabilities	(133,452)	(73,573)	--	(481,906)	(688,931)
Change in encumbrances	161,104	(417,809)	--	(221,715)	(478,420)
Budget Basis	<u>\$396.761</u>	<u>(\$806.958)</u>	<u>(3.228)</u>	<u>\$561.870</u>	<u>\$148.445</u>

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

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

Taxpayers become liable for tangible personal property taxes (other than public utility) on January 1 of the current calendar year based on tax rates determined in the preceding year and assessed values determined as of the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of the current calendar year. In 2001, tangible personal property used in business (except for public utilities) was assessed for ad valorem taxation purposes at 25 percent of its true value. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30 with the remainder payable by September 20.

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

The assessed values of real and tangible personal property upon which 2001 property tax receipts were based are as follows:

Real Property - 2000 Tax Valuation	\$279,511,680
Public Utility - 2000 Tax Valuation	17,025,420
Tangible Personal Property - 2001 Tax Valuation	<u>60,465,467</u>
Total Valuation	<u>\$357,002,567</u>

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

Total property tax revenue recognized by fund type for the year ended December 31, 2001 was as follows:

<u>Fund Type</u>	<u>Amount</u>
General	\$910,559
Special Revenue	<u>191,355</u>
Total	<u>\$1,101,914</u>

B. Income Tax

The City levies an income tax of 2% on substantially all income earned within the City. In addition, residents are required to pay city income tax on income earned outside of the City; however, a 100% credit is allowed for income taxes paid to other municipalities. The largest income tax withholding employer in the City accounted for approximately 18% of total income tax revenue in 2001. Total income tax revenue recognized by fund type for the year ended December 31, 2001 was as follows:

<u>Fund Type</u>	<u>Amount</u>
Special Revenue	<u>\$9,706,759</u>

NOTE 7 - RECEIVABLES**A. Receivables**

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

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Enterprise</u>	<u>Internal Service</u>
Property Taxes	\$911,595	\$188,610	\$--	\$--	\$--	\$--
City Income Taxes	--	1,072,604	--	--	--	--
Utility Billings	--	--	--	--	979,139	--
Special Assessments	--	21,500	--	--	17,080	--
Interest	7,900	--	--	--	--	--
Intergovernmental	218,373	318,587	--	--	--	--
Other	<u>356,303</u>	<u>--</u>	<u>1,705</u>	<u>422,480</u>	<u>100,656</u>	<u>8,513</u>
Total	<u>\$1,494,171</u>	<u>\$1,601,301</u>	<u>\$1,705</u>	<u>\$422,480</u>	<u>\$1,096,875</u>	<u>\$8,513</u>

B. Notes Receivable

Three Special Revenue Fund notes receivable totaling \$38,647 represent sales of property to three companies for the purpose of industrial development. These ten-year, non-interest bearing notes have fixed monthly payments with a final maturity in 2004 for two notes and 2007 for the third. Eleven other Special Revenue Fund notes receivable totaling \$361,778 represent promissory notes for the purpose of improving the exteriors of local businesses. These notes are payable over a fifteen-year period, at interest rates that vary from 3.63% to 4.50% with final maturity ranging between 2012 and 2017.

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

Three other Special Revenue note receivables totaling \$166,753 represent promissory notes for the purpose of stabilizing and maintaining historical structures. These notes are payable over periods of approximately 15 years at interest rates ranging from 4.00% to 4.38%. The final maturities of these notes are scheduled to occur in 2013, 2017 and 2018, respectively.

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

The one Enterprise Fund note receivable for \$7,623 is for the purchase of a downtown building from the City for a total cost of \$18,000, of which \$9,000 was received as a down payment. This 4.13% note is payable over a 10-year period beginning in January 2000.

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

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

	<u>Balance</u> January 1	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> December 31
Land and Improvements	\$2,468,423	\$258,181	\$--	\$2,726,604
Buildings, Structures and Improvements	5,525,640	80,013	210,200	5,395,453
Machinery and Equipment	7,188,820	810,129	113,576	7,885,373
Total General Fixed Assets	<u>\$15,182,883</u>	<u>\$1,148,323</u>	<u>\$323,776</u>	<u>\$16,007,430</u>

B. Proprietary Fund Type Fixed Assets

A summary of proprietary fund type property, plant and equipment at December 31, 2001 follows:

	<u>Enterprise</u>
Land and Improvements	\$936,763
Utility Plant	38,730,875
Buildings, Structures and Improvements	11,257,956
Furniture, Fixtures and Equipment	3,120,481
Construction in Progress	362,604
Total	54,408,679
Less Accumulated Depreciation	<u>(23,720,761)</u>
Net	<u>\$30,687,918</u>

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

The composition of interfund balances as of December 31, 2001 is as follows:

<u>Fund Type/Fund</u>	<u>Receivable</u>		<u>Payable</u>	
	<u>Due From</u>	<u>Advance</u>	<u>Due To</u>	<u>Advance</u>
General Fund	\$72,664	\$237,307	\$--	\$--
Special Revenue:				
Court Computer	3,723	--	--	--
Indigent Drivers Alcohol Treatment Program	1,145	--	--	--
Community Development	--	--	--	62,744
Capital Projects:				
Street Improvement	--	--	--	174,563
Trust and Agency:				
Municipal Court	--	--	77,532	--
Totals	<u>\$77,532</u>	<u>\$237,307</u>	<u>\$77,532</u>	<u>\$237,307</u>

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

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

<u>Year</u>	<u>General Long-Term Obligations Account Group</u>	<u>Enterprise Funds</u>
2002	\$189,694	\$19,447
2003	--	14,447
2004	--	14,446
	<u>189,694</u>	<u>48,340</u>
Less Amount Representing Interest	(9,001)	(4,994)
Present Value of Minimum Lease Payments	<u>\$180,693</u>	<u>\$43,346</u>
Capitalized Cost of Leased Assets	<u>\$837,090</u>	<u>\$68,646</u>

B. City as Lessor

In October 1996, the City (as Lessor) entered into a leasing agreement with Regal Cinemas, Inc (as Lessee) to operate a multi-screen motion picture theater (Lake Cinemas) which is owned by the City. The original lease term was for five years and established the minimum rent at \$140,000 per year. However, upon the expiration of the lease in September 2001, Regal Cinemas, Inc chose not to renew the lease. Beginning in October 2001, the City elected to no longer lease the theater facility and has contracted with Profit Track Ltd. for theater management and operation services.

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

A listing of changes in bonds and other long-term obligations of the City for the year ended December 31, 2001 follows:

	Balance January 1	Additions	Reductions	Balance December 31
<u>Enterprise Fund Debt</u>				
<u>General Obligation Bonds</u>				
3.9% to 6.5% Water Improvement Bonds	\$2,760,000	\$--	\$(150,000)	\$2,610,000
6.70% to 7.35% Community Center Bonds	450,000	--	(50,000)	400,000
	<u>3,210,000</u>	<u>--</u>	<u>(200,000)</u>	<u>3,010,000</u>
<u>Revenue Refunding Bonds</u>				
3.70% to 4.50% Sewer System Revenue Refunding Bonds	3,410,000	--	(510,000)	2,900,000
<u>Capital Lease Obligations</u>	59,312	--	(15,966)	43,346
Less:				
Unamortized Discount and Debt Issuance Costs	(163,845)	18,186	--	(145,659)
Deferred Amount on Refunding	(179,652)	48,635	--	(131,017)
Total Enterprise Fund Obligations	<u>\$6,335,815</u>	<u>\$66,821</u>	<u>\$(725,966)</u>	<u>\$5,676,670</u>
<u>Internal Service Fund Debt</u>				
3.9% to 6.15% Judgment Bonds	\$175,000	\$--	\$(85,000)	\$90,000
Less Unamortized Discount and Debt Issuance Costs	(4,066)	1,975	--	(2,091)
Total Internal Service Fund Obligations	<u>\$170,934</u>	<u>\$1,975</u>	<u>\$(85,000)</u>	<u>\$87,909</u>
<u>General Long-Term Obligations Account Group</u>				
<u>General Obligation Debt</u>				
6.5% Parking Lot Improvement Bonds	\$71,273	\$--	\$(10,090)	\$61,183
6.70% to 7.35% Series 1989-1 Bonds	180,000	--	(20,000)	160,000
4.5% Street Improvement Bonds	--	237,000	--	237,000
	<u>251,273</u>	<u>237,000</u>	<u>(30,090)</u>	<u>458,183</u>
<u>Other Long-Term Debt</u>				
4.57% to 7.18% Loan Issued Under Section 108 of the Housing and Community Development Act of 1974	1,815,000	--	(75,000)	1,740,000
	<u>1,815,000</u>	<u>--</u>	<u>(75,000)</u>	<u>1,740,000</u>
<u>Other General Obligations</u>				
Capital Lease Obligations	386,330	--	(205,637)	180,693
Accrued Wages and Benefits	2,278,103	164,625	--	2,442,728
Total General Long-Term Obligations Account Group	<u>\$4,730,706</u>	<u>\$401,625</u>	<u>\$(310,728)</u>	<u>\$4,821,604</u>

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

A summary of the City's future debt service requirements to retire long-term bond obligations as of December 31, 2001 follows:

Proprietary Funds

Due In	Enterprise Fund Debt General Obligation Bonds		Enterprise Fund Debt Revenue Refunding Bonds		Internal Service Fund Debt	
	Principal	Interest	Principal	Interest	Principal	Interest
2002	\$210,000	\$197,748	\$530,000	\$126,243	\$90,000	\$5,535
2003	230,000	184,233	555,000	104,380	--	--
2004	245,000	169,308	580,000	80,792	--	--
2005	255,000	153,250	605,000	55,273	--	--
2006	270,000	136,250	630,000	28,350	--	--
Thereafter	1,800,000	416,599	--	--	--	--
	<u>\$3,010,000</u>	<u>\$1,257,388</u>	<u>\$2,900,000</u>	<u>\$395,038</u>	<u>\$90,000</u>	<u>\$5,535</u>

General Long-Term Obligations Account Group

Due In	General Obligation Bonds		Other Long-Term Debt	
	Principal	Interest	Principal	Interest
2002	\$50,046	\$29,183	\$75,000	\$120,557
2003	51,544	23,365	110,000	115,727
2004	53,288	20,247	115,000	108,544
2005	54,980	17,035	115,000	100,989
2006	56,824	13,732	115,000	93,318
Thereafter	191,501	27,099	1,210,000	431,183
	<u>\$458,183</u>	<u>\$130,661</u>	<u>\$1,740,000</u>	<u>\$970,318</u>

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

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

At December 31, 2001, the City had the ability to issue approximately \$15.7 million of additional, unvoted, general obligation debt.

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

From time to time, the City has issued industrial revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans provided to the public-sector entities by the City. Upon repayment of the bonds, ownership of the facilities transfers to the private-sector entity served by the bond issuance. The bonds do not constitute a debt or pledge of the faith and credit of the City and, accordingly, have not been reported in the accompanying financial statements.

As of December 31, 2001, there were two series of industrial revenue bonds outstanding, both of which were issued prior to July 1, 1995. The aggregate principal amount payable at December 31, 2001 was \$1,435,000.

NOTE 12 - NOTES PAYABLE

A listing of changes in notes payable for the year ended December 31, 2001 follows:

	<u>Maturity Date</u>	<u>Balance January 1</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance December 31</u>
<u>Enterprise Fund Debt</u>					
4.60% Utility System Improvement Notes	4/19/01	\$2,295,000	\$--	\$(2,295,000)	\$--
3.47% Utility System Improvement Notes	4/19/02	--	2,045,000	--	2,045,000
4.75% Community Center Improvement Notes	9/27/01	595,000	--	(595,000)	--
2.80% Community Center Improvement Notes	9/5/02	--	545,000	--	545,000
4.60% Various Purpose Improvement Notes	4/19/01	555,000	--	(555,000)	--
3.47% Various Purpose Improvement Notes	4/19/02	--	385,000	--	385,000
2.35% Utility System Improvement Notes	12/5/02	--	1,650,000	--	1,650,000
		<u>\$3,445,000</u>	<u>\$4,625,000</u>	<u>\$(3,445,000)</u>	<u>\$4,625,000</u>
<u>Governmental Fund Types</u>					
4.85% Various Purpose Improvement Notes	8/28/01	\$315,000	\$--	\$(315,000)	\$--
2.80% Various Purpose Improvement Notes	9/5/02	--	1,300,000	--	1,300,000
2.25% Street Improvement Notes	12/19/02	--	795,000	--	795,000
		<u>\$315,000</u>	<u>\$2,095,000</u>	<u>\$(315,000)</u>	<u>\$2,095,000</u>

CITY OF BARBERTON, OHIO

NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued

NOTE 13 - PENSION AND RETIREMENT PLANS

A. Employees and Plans

Full-time, permanent employees of the City and certain part-time employees belong to one of two state operated pension plans (both cost-sharing, multiple employer, defined benefit pension plans). Non-uniformed employees are members of the Public Employees Retirement System of Ohio (PERS). Police and fire personnel are members of the Ohio Police and Fire Pension Fund (OP&F). The Ohio Revised Code requires participation by the above mentioned employees. Elected officials participate in PERS on a voluntary basis. The payroll for employees covered by PERS and OP&F for the year ended December 31, 2001 was \$8,264,789 and \$4,607,902, respectively.

B. PERS

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

The Public Employees Retirement System issues a stand-alone financial report that includes financial statements and required supplementary information. Interested parties may obtain a copy by making a written request to the Public Employees Retirement System of Ohio, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085 or 1-800-222-PERS (7377).

The Ohio Revised Code provides statutory authority for employee and employer contributions. Employees, other than law enforcement personnel, are required to contribute 8.5% of their annual covered salary to PERS. The 2001 employer contribution rate for local government employer units was 13.55% of covered payroll. The City's total contributions to PERS for the years ended December 31, 2001, 2000 and 1999 were \$1,119,581, \$842,262 and \$1,002,903

C. OP&F

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

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% and 24.0%, respectively, for police officers and firefighters. The City's contributions to OP&F for the years ended December 31, 2001, 2000 and 1999 were \$1,000,705, \$946,267 and \$977,836, respectively, equal to the required contributions for each year.

D. PERS Other Postemployment Benefits

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

CITY OF BARBERTON, OHIO

NOTES TO THE COMBINED FINANCIAL STATEMENTS - Continued

NOTE 13 - PENSION AND RETIREMENT PLANS - Continued

A portion of each employer's contribution to PERS is set aside for the funding of postretirement health care. The Ohio Revised Code provides the statutory authority requiring public employers to fund postretirement health care through their contributions to PERS. For local government units, the total employer contribution rate for PERS was 13.55% of covered payroll, of which 4.3% was the portion that was used to fund health care for the year 2001. The portion of the City's total contributions to PERS that was used to fund health care for the years ended December 31, 2001 and 2000 was \$355,243 and \$334,125, respectively.

OPEB's are advance funded on an actuarially determined basis. An entry age normal actuarial cost method of evaluation is used in determining the present value of OPEB. The difference between assumed and actuarial experience (actuarial gains and losses) becomes part of the unfunded actuarial liability. Significant actuarial assumptions include a rate of return on investments of 7.75%; active employee increases of 4.75%, compounded annually, as the base portion, and annual pay increases over and above the 4.75% base increase of between 0.54% and 5.1%.

All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets.

Expenditures for OPEB during 2000 were approximately \$560 million statewide. As of December 31, 2000, (the latest information available), the actuarial value of the net assets available, state-wide, for future OPEB payments was \$11.7 billion. The number of active contributing participants was 411,076. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$14.4 billion and \$2.6 billion, respectively.

E. OP&F Other Postemployment Benefits

The Ohio Police and Fire Pension Fund (OP&F) also provides health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18, whether or not the child is attending school, or under the age of 22 if attending school full time or on a 2/3 basis. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12.

The Ohio Revised Code provides that health care costs paid from the funds of the OP&F shall be included in the employers' contribution rate. The Ohio Revised Code also provides the statutory authority allowing the OP&F Board of Trustees to provide health care coverage to all eligible individuals. Health care funding and accounting is on a pay-as-you-go basis. The Board defined allocation was 7.5% and 7.25% of covered payroll in 2001 and 2000, respectively. The allocation is 7.75% in 2002. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment.

The total number of statewide members of the OP&F who were eligible to receive health care benefits at December 31, 2000, (the latest information available) was 12,853 for police and 10,037 for fire personnel. The portion of the City's actual contribution to OP&F for 2000 that was used to fund postemployment benefits was \$175,130 for police and \$170,842 for fire personnel. OP&F's total health care expense for the year ended December 31, 2000, (the latest information available) was \$106.2 million, which was net of member contributions of \$5.7 million.

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

The City maintains enterprise funds which provide water, sewer, sanitation and leisure time services. Segment information as of December 31, 2001 and for the year then ended for the Enterprise Funds is summarized below. The Other Enterprise Funds consists of the Solid Waste Disposal Fund, the Lake Cinema Operating Fund and the Downtown Sales and Rental of Property Fund.

	Sewer	Water	Sewer Bond Retirement	Community Center	Other Enterprise Funds	Total
Operating Revenues	\$3,428,571	\$3,389,536	\$--	\$782,668	\$1,545,784	\$9,146,559
Depreciation	890,864	436,354	--	130,569	--	1,457,787
Operating Income (Loss)	105,298	426,776	--	(2,357)	4,683	534,400
Operating Transfers In	120,000	264,000	600,000	60,000	60,000	1,104,000
Operating Transfers Out	(720,000)	(264,000)	--	--	--	(984,000)
Net Income (Loss)	(411,021)	196,917	418,153	(5,167)	65,055	263,937
Restricted Assets	671,375	--	83,031	--	--	754,406
Acquisition and Construction of Assets	320,198	354,455	--	5,985	--	680,638
Net Working Capital	2,549,047	842,595	(457,741)	(608,650)	318,425	2,643,676
Total Assets	26,115,510	11,340,952	83,031	1,721,971	514,997	39,776,461
Bonds and Other Long-Term Liabilities Outstanding	671,375	2,547,231	2,014,718	426,467	--	5,659,791
Total Equity	23,071,892	6,276,892	(1,942,459)	687,053	318,425	28,411,803
Encumbrances Outstanding at December 31, 2001	1,101,081	1,419,030	--	10,643	115,399	2,646,153

NOTE 15 - GRANT CONTINGENCIES AND LITIGATION

Under the terms of the various federal grants, periodic audits are required where certain costs could be questioned as not being an eligible expenditure under the terms of the grant. At December 31, 2001, there were no questioned costs that had not been resolved with various federal agencies. Questioned costs could still be identified during audits to be conducted in the future. In the opinion of City officials, no material grant expenditures will be disallowed.

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

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

The City is exposed to various risks of loss including employee health care costs, torts and legal judgments, errors and omissions, and damage or destruction of assets. The City purchases fire and extended coverage insurance on all buildings and contents to \$52,000,000 with a variety of deductibles beginning at \$500. Coverage is purchased on City vehicles for a combined single limit liability of \$1,000,000. The City purchases general liability insurance coverage with a \$1,000,000 limit per occurrence. The City also has an umbrella policy which provides an additional \$10,000,000 in coverage over the above listed policies. There were no changes in the insurance limits from the prior year and no settlements exceeded the insurance coverage in the last three years. The City is also insured through the State of Ohio for workers' compensation.

The City has a Health Insurance Fund. The purpose of this fund is to pay medical, dental, prescription drug and vision claims for City employees and their covered dependents and minimize the total cost of annual medical insurance of the City. The plan is internally managed and accounted for as an internal service fund. The claim liability of \$164,404 reported in the Health Insurance Fund at December 31, 2001 is in accordance with the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The claim liability at December 31, 2001 was calculated based on recent claim settlement trends including frequency and amount of pay-outs. Changes in the fund's claim liability amount during 2000 and 2001 were as follows:

	<u>Balance January 1</u>	<u>Current Period Claims</u>	<u>Claim Payments</u>	<u>Balance December 31</u>
2000	\$131,953	\$1,764,973	\$1,714,047	\$182,879
2001	182,879	1,515,621	1,534,096	164,404

NOTE 17 - SUBSEQUENT EVENTS

In April 2002, the City issued \$2.0 million in bond anticipation notes for the purpose of improving the water and sewer systems at an interest rate of 2.7%. These notes mature on April 17, 2003.

**COMBINING AND ACCOUNT GROUP
STATEMENTS AND SCHEDULES**

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CITY OF BARBERTON, OHIO

GENERAL FUND

Description

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

CITY OF BARBERTON, OHIO

Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Non-GAAP Budgetary Basis) - General Fund
For the Year Ended December 31, 2001

	General Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$1,151,859	\$1,159,926	\$8,067
Intergovernmental	2,982,409	2,821,069	(161,340)
Charges for services	897,900	1,039,409	141,509
Fines, licenses and permits	193,727	200,489	6,762
Interest	503,500	574,986	71,486
Miscellaneous	1,124,462	1,059,526	(64,936)
Total Revenues	6,853,857	6,855,405	1,548
Expenditures:			
Current:			
General government:			
City council	177,135	171,347	5,788
Municipal court judges	328,830	321,596	7,234
Clerk of court	585,100	557,095	28,005
Mayor	185,330	178,334	6,996
Service director	117,730	111,796	5,934
Civil service commission	36,915	30,921	5,994
Finance department	378,390	371,181	7,209
Law department	374,940	355,960	18,980
Safety director	79,155	75,523	3,632
Human resources	193,830	184,168	9,662
Municipal buildings	379,200	348,003	31,197
Engineer	158,370	156,566	1,804
Probation	128,955	107,970	20,985
Other - unclassified	266,730	259,641	7,089
Total general government	3,390,610	3,230,101	160,509
Public safety:			
Police	4,301,745	4,280,680	21,065
Fire	3,573,210	3,556,499	16,711
Other - unclassified	92,000	86,584	5,416
Total public safety	7,966,955	7,923,763	43,192
Streets and highways:			
Paint/signal	324,970	321,264	3,706
Other - unclassified	18,000	12,068	5,932
Total streets and highways	342,970	333,332	9,638
Health and welfare:			
Other - unclassified	2,000	1,650	350
Total health and welfare	2,000	1,650	350
Community environment:			
Building inspection	478,358	440,810	37,548
Planning	1,045,264	688,597	356,667
Total community environment	1,523,622	1,129,407	394,215

	General Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
Leisure time activities:			
Parks administration	213,604	213,584	20
Senior center	75,699	72,701	2,998
Recreation programs	147,735	146,567	1,168
Parks maintenance	444,983	417,937	27,046
Total leisure time activities	882,021	850,789	31,232
Capital outlay:			
City council	500	--	500
Municipal judges	8,000	2,420	5,580
Clerk of court	6,000	5,984	16
Service director	2,500	465	2,035
Civil service commission	--	--	--
Finance department	4,000	4,024	(24)
Law department	2,000	525	1,475
Human resources	--	--	--
Municipal buildings	52,460	33,672	18,788
Engineer	2,800	2,486	314
Police	282,869	167,944	114,925
Fire	282,539	261,158	21,381
Paint/signal	29,647	23,844	5,803
Building inspection	4,500	4,479	21
Parks administration	2,996	2,996	--
Recreation programs	102,400	2,400	100,000
Parks maintenance	227,944	184,055	43,889
Other - unclassified	359,758	152,102	207,656
Total capital outlay	1,370,913	848,554	522,359
Total Expenditures	15,479,091	14,317,596	1,161,495
Excess (Deficiency) of Revenues Over Expenditures	(8,625,234)	(7,462,191)	1,163,043
Other Financing Sources:			
Proceeds from the sale of notes	350,000	350,000	--
Operating transfers in	7,500,500	7,500,500	--
Sale of fixed assets	10,000	8,452	(1,548)
Total other financing sources	7,860,500	7,858,952	(1,548)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(764,734)	396,761	1,161,495
Fund Balance at Beginning of Year	1,353,035	1,353,035	--
Unexpended prior year encumbrances	12,616	12,616	--
Fund Balance at End of Year	\$600,917	\$1,762,412	\$1,161,495

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CITY OF BARBERTON, OHIO

SPECIAL REVENUE FUNDS

Description

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

Income Tax

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

Street Construction, Maintenance and Repair

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

State Highway Improvement

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

Permissive License Tax

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

Court Computer

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

Street and Storm Sewer Improvement

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

Health District

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

Beautification

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

Women, Infant, & Child Food Program

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

Pre-natal Care Program

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

CITY OF BARBERTON, OHIO

SPECIAL REVENUE FUNDS (continued)

Parks Revolving

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

Mandatory Drug Fines

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

Law Enforcement Trust

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

D.A.R.E. Program

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

Indigent Drivers Alcohol Treatment

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

Local Law Enforcement Block Grant

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

Community Development

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

Rental Rehabilitation

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

Home Investment Partnership

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

Gas & Oil Royalties

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

Lake Cinema Complex Maintenance

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

CITY OF BARBERTON, OHIO**SPECIAL REVENUE FUNDS (continued)****Tax Increment Financing**

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

Infrastructure Improvement Reserve

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

Emergency Reserve for Public Facilities and Programs

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

Police Pension

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

Fire Pension

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

Sidewalk Improvement Program Fund

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

CITY OF BARBERTON, OHIOCombining Balance Sheet - Special Revenue Funds
December 31, 2001

	Income Tax	Street Construction, Maintenance and Repair	State Highway Improvement	Permissive License Tax
ASSETS				
Assets:				
Equity in pooled cash and investments	\$19,972	\$177,836	\$1,558	\$38,598
Receivables (net, where applicable, of allowance for doubtful accounts)	1,087,104	11,188	--	4,226
Notes receivable	--	--	--	--
Due from other funds	--	--	--	--
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$1,107,076</u>	<u>\$189,024</u>	<u>\$1,558</u>	<u>\$42,824</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$--	\$5,814	\$--	\$--
Accrued wages and benefits	3,802	29,722	--	--
Due to other governments	--	--	--	--
Deferred revenue	14,500	--	--	--
Advances from other funds	--	--	--	--
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>18,302</u>	<u>35,536</u>	<u>--</u>	<u>--</u>
Equity:				
Fund balances:				
Reserved for encumbrances	10,967	117,606	--	31,963
Reserved for notes receivable	--	--	--	--
Unreserved, undesignated	1,077,807	35,882	1,558	10,861
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Equity	<u>1,088,774</u>	<u>153,488</u>	<u>1,558</u>	<u>42,824</u>
Total Liabilities and Fund Equity	<u>\$1,107,076</u>	<u>\$189,024</u>	<u>\$1,558</u>	<u>\$42,824</u>

<u>Court Computer</u>	<u>Street and Storm Sewer Improvement</u>	<u>Health District</u>	<u>Beautification</u>	<u>Women, Infant & Child Food Program</u>	<u>Pre-natal Care Program</u>	<u>Parks Revolving</u>	<u>Mandatory Drug Fines</u>
\$67,427	\$147,608	\$179,648	\$46,614	\$28,952	\$60,061	\$69,716	\$4,655
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
3,723	--	--	--	--	--	--	--
<u>\$71,150</u>	<u>\$147,608</u>	<u>\$179,648</u>	<u>\$46,614</u>	<u>\$28,952</u>	<u>\$60,061</u>	<u>\$69,716</u>	<u>\$4,655</u>
\$--	\$16,960	\$5,261	\$610	\$2,942	\$1,655	\$--	\$--
--	--	10,208	2,054	2,604	1,176	--	--
--	--	1,062	--	--	1,650	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	16,960	16,531	2,664	5,546	4,481	--	--
1,341	86,750	36,993	9,831	2,087	2,609	329	--
--	--	--	--	--	--	--	--
69,809	43,898	126,124	34,119	21,319	52,971	69,387	4,655
71,150	130,648	163,117	43,950	23,406	55,580	69,716	4,655
<u>\$71,150</u>	<u>\$147,608</u>	<u>\$179,648</u>	<u>\$46,614</u>	<u>\$28,952</u>	<u>\$60,061</u>	<u>\$69,716</u>	<u>\$4,655</u>

CITY OF BARBERTON, OHIOCombining Balance Sheet - Special Revenue Funds (Continued)
December 31, 2001

	Law Enforcement Trust	D.A.R.E. Program	Indigent Drivers Alcohol Treatment	Local Law Enforcement Block Grant
ASSETS				
Assets:				
Equity in pooled cash and investments	\$2,325	\$15,528	\$79,800	\$131,036
Receivables (net, where applicable, of allowance for doubtful accounts)	--	--	--	--
Notes receivable	--	--	--	--
Due from other funds	--	--	1,145	--
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$2,325</u>	<u>\$15,528</u>	<u>\$80,945</u>	<u>\$131,036</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$--	\$--	\$--	\$57,864
Accrued wages and benefits	--	--	--	--
Due to other governments	--	--	--	--
Deferred revenue	--	--	--	--
Advances from other funds	--	--	--	--
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u> </u>	<u> </u>	<u> </u>	<u>57,864</u>
Equity:				
Fund balances:				
Reserved for encumbrances	--	592	--	56,293
Reserved for notes receivable	--	--	--	--
Unreserved, undesignated	2,325	14,936	80,945	16,879
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Equity	<u>2,325</u>	<u>15,528</u>	<u>80,945</u>	<u>73,172</u>
Total Liabilities and Fund Equity	<u>\$2,325</u>	<u>\$15,528</u>	<u>\$80,945</u>	<u>\$131,036</u>

Community Development	Rental Rehab- ilitation	Home Investment Partnership	Gas & Oil Royalties	Lake Cinema Complex Maintenance	Tax Increment Financing	Infrastructure Improvement Reserve
\$--	\$2,000	\$--	\$70,022	\$32,138	\$71,910	\$944,485
303,173	--	--	--	--	--	--
682,178	--	267,000	--	--	--	--
--	--	--	--	--	--	--
<u>\$985,351</u>	<u>\$2,000</u>	<u>\$267,000</u>	<u>\$70,022</u>	<u>\$32,138</u>	<u>\$71,910</u>	<u>\$944,485</u>
\$39,819	\$--	\$--	\$6,250	\$--	\$--	\$--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
38,646	--	--	--	--	--	--
62,744	--	--	--	--	--	--
<u>141,209</u>	<u>--</u>	<u>--</u>	<u>6,250</u>	<u>--</u>	<u>--</u>	<u>--</u>
631,659	--	--	6,250	55	--	132,558
643,350	--	267,000	--	--	--	--
(430,867)	2,000	--	57,522	32,083	71,910	811,927
<u>844,142</u>	<u>2,000</u>	<u>267,000</u>	<u>63,772</u>	<u>32,138</u>	<u>71,910</u>	<u>944,485</u>
<u>\$985,351</u>	<u>\$2,000</u>	<u>\$267,000</u>	<u>\$70,022</u>	<u>\$32,138</u>	<u>\$71,910</u>	<u>\$944,485</u>

CITY OF BARBERTON, OHIOCombining Balance Sheet - Special Revenue Funds (Continued)
December 31, 2001

	Emergency Reserve for Public Facilities and Programs	Police Pension	Fire Pension	Sidewalk Improvement Program
ASSETS				
Assets:				
Equity in pooled cash and investments	\$1,062,097	\$13,237	\$15,709	\$62,565
Receivables (net, where applicable, of allowance for doubtful accounts)	--	94,305	94,305	7,000
Notes receivable	--	--	--	--
Due from other funds	--	--	--	--
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$1,062,097</u>	<u>\$107,542</u>	<u>\$110,014</u>	<u>\$69,565</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$--	\$--	\$--	\$--
Accrued wages and benefits	--	--	--	--
Due to other governments	--	--	--	--
Deferred revenue	--	94,305	94,305	7,000
Advances from other funds	--	--	--	--
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u> </u>	<u>94,305</u>	<u>94,305</u>	<u>7,000</u>
Equity:				
Fund balances:				
Reserved for encumbrances	--	--	--	7,723
Reserved for notes receivable	--	--	--	--
Unreserved, undesignated	1,062,097	13,237	15,709	54,842
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Equity	<u>1,062,097</u>	<u>13,237</u>	<u>15,709</u>	<u>62,565</u>
Total Liabilities and Fund Equity	<u>\$1,062,097</u>	<u>\$107,542</u>	<u>\$110,014</u>	<u>\$69,565</u>

Total

\$3,345,497

1,601,301

949,178

4,868

\$5,900,844

\$137,175

49,566

2,712

248,756

62,744

500,953

1,135,606

910,350

3,353,935

5,399,891

\$5,900,844

CITY OF BARBERTON, OHIOCombining Statement of Revenues, Expenditures and Changes in Fund Balances -
Special Revenue Funds
For the Year Ended December 31, 2001

	<u>Income Tax</u>	<u>Street Construction, Maintenance and Repair</u>	<u>State Highway Improvement</u>	<u>Permissive License Tax</u>
Revenues:				
Taxes	\$9,706,759	\$--	\$--	\$--
Intergovernmental	101,339	650,934	37,664	181,470
Charges for services	--	--	--	--
Fines, licenses and permits	--	--	--	--
Special assessments	--	--	--	--
Interest	--	--	536	--
Miscellaneous	28,163	18,516	--	--
Total Revenues	<u>9,836,261</u>	<u>669,450</u>	<u>38,200</u>	<u>181,470</u>
Expenditures:				
Current:				
General government	236,510	--	--	--
Public safety	--	--	--	--
Streets and highways	--	1,739,974	39,529	--
Health and welfare	--	--	--	--
Community environment	--	--	--	--
Leisure time activities	--	--	--	--
Capital outlay	169	121,934	--	265,000
Total Expenditures	<u>236,679</u>	<u>1,861,908</u>	<u>39,529</u>	<u>265,000</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>9,599,582</u>	<u>(1,192,458)</u>	<u>(1,329)</u>	<u>(83,530)</u>
Other Financing Sources (Uses):				
Operating transfers in	60,000	1,220,000	--	--
Operating transfers out	(9,789,978)	--	--	--
Advances in	--	--	--	--
Advances out	--	--	--	--
Total Other Financing Sources (Uses)	<u>(9,729,978)</u>	<u>1,220,000</u>	<u>--</u>	<u>--</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(130,396)	27,542	(1,329)	(83,530)
Fund Balance at Beginning of Year	<u>1,219,170</u>	<u>125,946</u>	<u>2,887</u>	<u>126,354</u>
Fund Balance at End of Year	<u>\$1,088,774</u>	<u>\$153,488</u>	<u>\$1,558</u>	<u>\$42,824</u>

<u>Court Computer</u>	<u>Street and Storm Sewer Improvement</u>	<u>Health District</u>	<u>Beautification</u>	<u>Vomen, Infant & Child Food Program</u>	<u>Pre-natal Care Program</u>	<u>Parks Revolving</u>	<u>Mandatory Drug Fines</u>
\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--
--	--	150,304	22,500	210,070	131,770	7,150	--
--	--	167,232	--	--	59,369	19,346	--
55,372	--	114,171	--	--	--	--	2,156
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	184,909	62,932	--	--	39,309	--
<u>55,372</u>	<u>--</u>	<u>616,616</u>	<u>85,432</u>	<u>210,070</u>	<u>191,139</u>	<u>65,805</u>	<u>2,156</u>
8,037	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	916	--	--	--	--	--	--
--	--	1,174,558	--	180,066	195,306	--	--
--	--	--	--	--	--	--	--
--	--	--	286,994	--	--	49,624	--
<u>26,028</u>	<u>268,816</u>	<u>20,397</u>	<u>9,742</u>	<u>--</u>	<u>--</u>	<u>4,342</u>	<u>--</u>
<u>34,065</u>	<u>269,732</u>	<u>1,194,955</u>	<u>296,736</u>	<u>180,066</u>	<u>195,306</u>	<u>53,966</u>	<u>--</u>
<u>21,307</u>	<u>(269,732)</u>	<u>(578,339)</u>	<u>(211,304)</u>	<u>30,004</u>	<u>(4,167)</u>	<u>11,839</u>	<u>2,156</u>
--	100,000	640,000	214,000	--	--	--	--
(12,500)	(60,000)	--	--	--	--	--	(4,000)
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>(12,500)</u>	<u>40,000</u>	<u>640,000</u>	<u>214,000</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(4,000)</u>
8,807	(229,732)	61,661	2,696	30,004	(4,167)	11,839	(1,844)
<u>62,343</u>	<u>360,380</u>	<u>101,456</u>	<u>41,254</u>	<u>(6,598)</u>	<u>59,747</u>	<u>57,877</u>	<u>6,499</u>
<u>\$71,150</u>	<u>\$130,648</u>	<u>\$163,117</u>	<u>\$43,950</u>	<u>\$23,406</u>	<u>\$55,580</u>	<u>\$69,716</u>	<u>\$4,655</u>

CITY OF BARBERTON, OHIOCombining Statement of Revenues, Expenditures and Changes in Fund Balances -
Special Revenue Funds (Continued)
For the Year Ended December 31, 2001

	Law Enforcement Trust	D.A.R.E. Program	Indigent Drivers Alcohol Treatment	Local Law Enforcement Block Grant
Revenues:				
Taxes	\$--	\$--	\$--	\$--
Intergovernmental	--	--	--	56,879
Charges for services	--	--	--	--
Fines, licenses and permits	588	--	27,982	--
Special assessments	--	--	--	--
Interest	--	--	--	7,842
Miscellaneous	--	269	--	--
Total Revenues	<u>588</u>	<u>269</u>	<u>27,982</u>	<u>64,721</u>
Expenditures:				
Current:				
General government	--	--	--	--
Public safety	--	3,395	--	--
Streets and highways	--	--	--	--
Health and welfare	--	--	--	--
Community environment	--	--	--	--
Leisure time activities	--	--	--	--
Capital outlay	4,944	--	--	167,298
Total Expenditures	<u>4,944</u>	<u>3,395</u>	<u>--</u>	<u>167,298</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(4,356)</u>	<u>(3,126)</u>	<u>27,982</u>	<u>(102,577)</u>
Other Financing Sources (Uses):				
Operating transfers in	--	1,088	--	17,258
Operating transfers out	(15,088)	--	--	--
Advances in	--	--	--	--
Advances out	--	--	--	--
Total Other Financing Sources (Uses)	<u>(15,088)</u>	<u>1,088</u>	<u>--</u>	<u>17,258</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>(19,444)</u>	<u>(2,038)</u>	<u>27,982</u>	<u>(85,319)</u>
Fund Balance at Beginning of Year	<u>21,769</u>	<u>17,566</u>	<u>52,963</u>	<u>158,491</u>
Fund Balance at End of Year	<u>\$2,325</u>	<u>\$15,528</u>	<u>\$80,945</u>	<u>\$73,172</u>

<u>Community Development</u>	<u>Rental Rehab- ilitation</u>	<u>Home Investment Partnership</u>	<u>Gas & Oil Royalties</u>	<u>Lake Cinema Complex Maintenance</u>	<u>Tax Increment Financing</u>	<u>Infrastructure Improvement Reserve</u>
\$--	\$--	\$--	\$--	\$--	\$--	\$--
1,723,422	--	--	--	--	34,223	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	41,616
56,236	--	--	11,684	29,000	--	--
<u>1,779,658</u>	<u>--</u>	<u>--</u>	<u>11,684</u>	<u>29,000</u>	<u>34,223</u>	<u>41,616</u>
--	--	--	--	47,716	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
1,196,137	--	--	37,445	--	--	--
--	--	--	--	--	--	--
--	--	--	--	13,722	--	143,579
<u>1,196,137</u>	<u>--</u>	<u>--</u>	<u>37,445</u>	<u>61,438</u>	<u>--</u>	<u>143,579</u>
<u>583,521</u>	<u>--</u>	<u>--</u>	<u>(25,761)</u>	<u>(32,438)</u>	<u>34,223</u>	<u>(101,963)</u>
--	--	--	--	--	--	451,000
(184,290)	--	--	--	--	(14,723)	(219,639)
--	--	--	--	--	--	1,112,167
--	--	--	--	--	--	(1,112,167)
<u>(184,290)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(14,723)</u>	<u>231,361</u>
399,231	--	--	(25,761)	(32,438)	19,500	129,398
<u>444,911</u>	<u>2,000</u>	<u>267,000</u>	<u>89,533</u>	<u>64,576</u>	<u>52,410</u>	<u>815,087</u>
<u>\$844,142</u>	<u>\$2,000</u>	<u>\$267,000</u>	<u>\$63,772</u>	<u>\$32,138</u>	<u>\$71,910</u>	<u>\$944,485</u>

CITY OF BARBERTON, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
 Special Revenue Funds (Continued)
 For the Year Ended December 31, 2001

	Emergency Reserve for Public Facilities and Programs	Police Pension	Fire Pension	Sidewalk Improvement Program
Revenues:				
Taxes	\$--	\$95,677	\$95,678	\$--
Intergovernmental	--	11,754	11,754	--
Charges for services	--	--	--	--
Fines, licenses and permits	--	--	--	--
Special assessments	--	--	--	17,065
Interest	49,041	--	--	--
Miscellaneous	--	--	--	67,934
Total Revenues	<u>49,041</u>	<u>107,431</u>	<u>107,432</u>	<u>84,999</u>
Expenditures:				
Current:				
General government	--	1,516	1,516	--
Public safety	--	--	--	--
Streets and highways	--	--	--	--
Health and welfare	--	--	--	--
Community environment	--	--	--	--
Leisure time activities	--	--	--	--
Capital outlay	--	--	--	102,628
Total Expenditures	<u>--</u>	<u>1,516</u>	<u>1,516</u>	<u>102,628</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>49,041</u>	<u>105,915</u>	<u>105,916</u>	<u>(17,629)</u>
Other Financing Sources (Uses):				
Operating transfers in	--	--	--	60,000
Operating transfers out	--	(300,000)	(130,000)	--
Advances in	--	--	--	--
Advances out	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>(300,000)</u>	<u>(130,000)</u>	<u>60,000</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>49,041</u>	<u>(194,085)</u>	<u>(24,084)</u>	<u>42,371</u>
Fund Balance at Beginning of Year	<u>1,013,056</u>	<u>207,322</u>	<u>39,793</u>	<u>20,194</u>
Fund Balance at End of Year	<u>\$1,062,097</u>	<u>\$13,237</u>	<u>\$15,709</u>	<u>\$62,565</u>

Total

\$9,898,114

3,331,233

245,947

200,269

17,065

99,035

498,952

14,290,615

295,295

3,395

1,780,419

1,549,930

1,233,582

336,618

1,148,599

6,347,838

7,942,777

2,763,346

(10,730,218)

1,112,167

(1,112,167)

(7,966,872)

(24,095)

5,423,986

\$5,399,891

CITY OF BARBERTON, OHIO

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Non-GAAP Budgetary Basis) - Special Revenue Funds
For the Year Ended December 31, 2001

	Income Tax			Street Construction, Maintenance and Repair		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Taxes	\$9,766,354	\$9,766,354	\$--	\$--	\$--	\$--
Intergovernmental	103,468	103,468	--	663,491	662,975	(516)
Charges for services	--	--	--	--	--	--
Fines, licenses and permits	--	--	--	--	--	--
Special assessments	7,000	26,058	19,058	--	--	--
Interest	--	--	--	--	--	--
Miscellaneous	2,100	2,104	4	18,000	18,517	517
Total Revenues	<u>9,878,922</u>	<u>9,897,984</u>	<u>19,062</u>	<u>681,491</u>	<u>681,492</u>	<u>1</u>
Expenditures:						
Current:						
General government	247,735	245,554	2,181	--	--	--
Public safety	--	--	--	--	--	--
Streets and highways	--	--	--	1,871,039	1,812,639	58,400
Health and welfare	--	--	--	--	--	--
Community environment	--	--	--	--	--	--
Leisure time activities	--	--	--	--	--	--
Capital outlay	5,000	169	4,831	95,069	94,146	923
Total Expenditures	<u>252,735</u>	<u>245,723</u>	<u>7,012</u>	<u>1,966,108</u>	<u>1,906,785</u>	<u>59,323</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>9,626,187</u>	<u>9,652,261</u>	<u>26,074</u>	<u>(1,284,617)</u>	<u>(1,225,293)</u>	<u>59,324</u>
Other Financing Sources (Uses):						
Operating transfers in	60,000	60,000	--	1,220,000	1,220,000	--
Operating transfers out	(9,789,978)	(9,789,978)	--	--	--	--
Advances in	--	--	--	--	--	--
Advances out	--	--	--	--	--	--
Total Other Financing Sources (Uses)	<u>(9,729,978)</u>	<u>(9,729,978)</u>	<u>--</u>	<u>1,220,000</u>	<u>1,220,000</u>	<u>--</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>(103,791)</u>	<u>(77,717)</u>	<u>26,074</u>	<u>(64,617)</u>	<u>(5,293)</u>	<u>59,324</u>
Fund Balance (Deficit) at Beginning of Year	86,577	86,577	--	60,206	60,206	--
Unexpended prior year encumbrances	145	145	--	505	505	--
Fund Balance (Deficit) at End of Year	<u>(\$17,069)</u>	<u>\$9,005</u>	<u>\$26,074</u>	<u>(\$3,906)</u>	<u>\$55,418</u>	<u>\$59,324</u>

State Highway Improvement			Permissive License Tax			Court Computer		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--
37,500	37,664	164	181,297	181,297	--	--	--	
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	54,890	54,890	--
--	--	--	--	--	--	--	--	--
700	536	(164)	--	--	--	--	--	--
--	--	--	--	--	--	5,250	5,251	1
<u>38,200</u>	<u>38,200</u>	<u>--</u>	<u>181,297</u>	<u>181,297</u>	<u>--</u>	<u>60,140</u>	<u>60,141</u>	<u>1</u>
--	--	--	--	--	--	15,000	8,037	6,963
--	--	--	--	--	--	--	--	--
39,535	39,529	6	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	265,000	265,000	--	35,000	26,160	8,840
<u>39,535</u>	<u>39,529</u>	<u>6</u>	<u>265,000</u>	<u>265,000</u>	<u>--</u>	<u>50,000</u>	<u>34,197</u>	<u>15,803</u>
<u>(1,335)</u>	<u>(1,329)</u>	<u>6</u>	<u>(83,703)</u>	<u>(83,703)</u>	<u>--</u>	<u>10,140</u>	<u>25,944</u>	<u>15,804</u>
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	(12,500)	(12,500)	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	(12,500)	(12,500)	--
(1,335)	(1,329)	6	(83,703)	(83,703)	--	(2,360)	13,444	15,804
2,887	2,887	--	90,339	90,339	--	52,643	52,643	--
--	--	--	--	--	--	--	--	--
<u>\$1,552</u>	<u>\$1,558</u>	<u>\$6</u>	<u>\$6,636</u>	<u>\$6,636</u>	<u>\$--</u>	<u>\$50,283</u>	<u>\$66,087</u>	<u>\$15,804</u>

CITY OF BARBERTON, OHIO

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Non-GAAP Budgetary Basis) - Special Revenue Funds (Continued)
For the Year Ended December 31, 2001

	Street and Storm Sewer Improvement			Health District		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Taxes	\$--	\$--	\$--	\$--	\$--	\$--
Intergovernmental	--	--	--	133,786	160,883	27,097
Charges for services	--	--	--	161,658	167,232	5,574
Fines, licenses and permits	--	--	--	96,050	114,171	18,121
Special assessments	--	--	--	--	--	--
Interest	--	--	--	--	--	--
Miscellaneous	--	--	--	235,701	184,909	(50,792)
Total Revenues	<u>--</u>	<u>--</u>	<u>--</u>	<u>627,195</u>	<u>627,195</u>	<u>--</u>
Expenditures:						
Current:						
General government	--	--	--	--	--	--
Public safety	--	--	--	--	--	--
Streets and highways	--	251	(251)	--	--	--
Health and welfare	--	--	--	1,300,747	1,204,030	96,717
Community environment	--	--	--	--	--	--
Leisure time activities	--	--	--	--	--	--
Capital outlay	318,966	318,120	846	27,500	20,133	7,367
Total Expenditures	<u>318,966</u>	<u>318,371</u>	<u>595</u>	<u>1,328,247</u>	<u>1,224,163</u>	<u>104,084</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(318,966)</u>	<u>(318,371)</u>	<u>595</u>	<u>(701,052)</u>	<u>(596,968)</u>	<u>104,084</u>
Other Financing Sources (Uses):						
Operating transfers in	100,000	100,000	--	640,000	640,000	--
Operating transfers out	(60,000)	(60,000)	--	--	--	--
Advances-in	--	--	--	--	--	--
Advances-out	--	--	--	--	--	--
Total Other Financing Sources (Uses)	<u>40,000</u>	<u>40,000</u>	<u>--</u>	<u>640,000</u>	<u>640,000</u>	<u>--</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>(278,966)</u>	<u>(278,371)</u>	<u>595</u>	<u>(61,052)</u>	<u>43,032</u>	<u>104,084</u>
Fund Balance (Deficit) at Beginning of Year	321,713	321,713	--	95,812	95,812	--
Unexpended prior year encumbrances	<u>556</u>	<u>556</u>	<u>--</u>	<u>3,156</u>	<u>3,156</u>	<u>--</u>
Fund Balance (Deficit) at End of Year	<u>\$43,303</u>	<u>\$43,898</u>	<u>\$595</u>	<u>\$37,916</u>	<u>\$142,000</u>	<u>\$104,084</u>

Beautification			Women, Infant & Child Food Program			Pre-natal Care Program		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--
22,142	22,500	358	210,070	210,070	--	131,770	131,770	--
--	--	--	--	--	--	59,369	59,369	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
63,289	62,931	(358)	--	--	--	--	--	--
85,431	85,431	--	210,070	210,070	--	191,139	191,139	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	190,361	184,251	6,110	264,167	198,191	65,976
--	--	--	--	--	--	--	--	--
305,567	291,771	13,796	--	--	--	--	--	--
9,000	9,009	(9)	--	--	--	2,800	2,300	500
314,567	300,780	13,787	190,361	184,251	6,110	266,967	200,491	66,476
(229,136)	(215,349)	13,787	19,709	25,819	6,110	(75,828)	(9,352)	66,476
214,000	214,000	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
214,000	214,000	--	--	--	--	--	--	--
(15,136)	(1,349)	13,787	19,709	25,819	6,110	(75,828)	(9,352)	66,476
36,023	36,023	--	(1,893)	(1,893)	--	66,750	66,750	--
2,108	2,108	--	--	--	--	54	54	--
\$22,995	\$36,782	\$13,787	\$17,816	\$23,926	\$6,110	(\$9,024)	\$57,452	\$66,476

CITY OF BARBERTON, OHIO

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Non-GAAP Budgetary Basis) - Special Revenue Funds (Continued)
For the Year Ended December 31, 2001

	Parks Revolving			Mandatory Drug Fines		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Taxes	\$--	\$--	\$--	\$--	\$--	\$--
Intergovernmental	--	7,150	7,150	--	--	--
Charges for services	21,040	19,346	(1,694)	--	--	--
Fines, licenses and permits	--	--	--	2,156	2,156	--
Special assessments	--	--	--	--	--	--
Interest	--	--	--	--	--	--
Miscellaneous	44,765	39,309	(5,456)	--	--	--
Total Revenues	65,805	65,805	--	2,156	2,156	--
Expenditures:						
Current:						
General government	--	--	--	--	--	--
Public safety	--	--	--	1,000	--	1,000
Streets and highways	--	--	--	--	--	--
Health and welfare	--	--	--	--	--	--
Community environment	--	--	--	--	--	--
Leisure time activities	59,700	51,546	8,154	--	--	--
Capital outlay	5,450	4,445	1,005	--	--	--
Total Expenditures	65,150	55,991	9,159	1,000	--	1,000
Excess (Deficiency) of Revenues Over Expenditures	655	9,814	9,159	1,156	2,156	1,000
Other Financing Sources (Uses):						
Operating transfers in	--	--	--	--	--	--
Operating transfers out	--	--	--	(4,000)	(4,000)	--
Advances-in	--	--	--	--	--	--
Advances-out	--	--	--	--	--	--
Total Other Financing Sources (Uses)	--	--	--	(4,000)	(4,000)	--
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	655	9,814	9,159	(2,844)	(1,844)	1,000
Fund Balance (Deficit) at Beginning of Year	59,573	59,573	--	6,498	6,498	--
Unexpended prior year encumbrances	--	--	--	--	--	--
Fund Balance (Deficit) at End of Year	\$60,228	\$69,387	\$9,159	\$3,654	\$4,654	\$1,000

Law Enforcement Trust			D.A.R.E. Program			Indigent Drivers Alcohol Treatment		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--
--	--	--	--	--	--	--	--	--
588	588	--	--	--	--	37,237	37,237	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	1,000	269	(731)	--	--	--
588	588	--	1,000	269	(731)	37,237	37,237	--
--	--	--	--	--	--	50,000	--	50,000
--	--	--	4,000	3,987	13	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
5,000	4,944	56	--	--	--	--	--	--
5,000	4,944	56	4,000	3,987	13	50,000	--	50,000
(4,412)	(4,356)	56	(3,000)	(3,718)	(718)	(12,763)	37,237	50,000
--	--	--	1,088	1,088	--	--	--	--
(15,088)	(15,088)	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
(15,088)	(15,088)	--	1,088	1,088	--	--	--	--
(19,500)	(19,444)	56	(1,912)	(2,630)	(718)	(12,763)	37,237	50,000
21,769	21,769	--	17,566	17,566	--	42,563	42,563	--
--	--	--	--	--	--	--	--	--
\$2,269	\$2,325	\$56	\$15,654	\$14,936	(\$718)	\$29,800	\$79,800	\$50,000

CITY OF BARBERTON, OHIO

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Non-GAAP Budgetary Basis) - Special Revenue Funds (Continued)
For the Year Ended December 31, 2001

	Local Law Enforcement Block Grant			Community Development		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Taxes	\$--	\$--	\$--	\$--	\$--	\$--
Intergovernmental	56,879	56,879	--	1,420,249	1,420,249	--
Charges for services	--	--	--	--	--	--
Fines, licenses and permits	--	--	--	--	--	--
Special assessments	--	--	--	--	--	--
Interest	7,842	7,842	--	--	--	--
Miscellaneous	--	--	--	71,564	71,564	--
Total Revenues	64,721	64,721	--	1,491,813	1,491,813	--
Expenditures:						
Current:						
General government	--	--	--	--	--	--
Public safety	--	--	--	--	--	--
Streets and highways	--	--	--	--	--	--
Health and welfare	--	--	--	--	--	--
Community environment	--	--	--	2,446,600	1,526,698	919,902
Leisure time activities	--	--	--	--	--	--
Capital outlay	315,379	223,591	91,788	--	--	--
Total Expenditures	315,379	223,591	91,788	2,446,600	1,526,698	919,902
Excess (Deficiency) of Revenues Over Expenditures	(250,658)	(158,870)	91,788	(954,787)	(34,885)	919,902
Other Financing Sources (Uses):						
Operating transfers in	17,258	17,258	--	--	--	--
Operating transfers out	--	--	--	(184,290)	(184,290)	--
Advances-in	--	--	--	--	--	--
Advances-out	--	--	--	--	--	--
Total Other Financing Sources (Uses)	17,258	17,258	--	(184,290)	(184,290)	--
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(233,400)	(141,612)	91,788	(1,139,077)	(219,175)	919,902
Fund Balance (Deficit) at Beginning of Year	158,491	158,491	--	(497,227)	(497,227)	--
Unexpended prior year encumbrances	--	--	--	6,625	6,625	--
Fund Balance (Deficit) at End of Year	(\$74,909)	\$16,879	\$91,788	(\$1,629,679)	(\$709,777)	\$919,902

Lake Cinema Complex Maintenance			Gas & Oil Royalties			Tax Increment Financing		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--
--	--	--	--	--	--	34,223	34,223	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
29,000	29,000	--	13,000	11,684	(1,316)	--	--	--
29,000	29,000	--	13,000	11,684	(1,316)	34,223	34,223	--
64,000	47,716	16,284	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	48,695	38,696	9,999	--	--	--
--	--	--	--	--	--	--	--	--
25,000	--	25,000	--	--	--	--	--	--
89,000	47,716	41,284	48,695	38,696	9,999	--	--	--
(60,000)	(18,716)	41,284	(35,695)	(27,012)	8,683	34,223	34,223	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	(14,723)	(14,723)	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	(14,723)	(14,723)	--
(60,000)	(18,716)	41,284	(35,695)	(27,012)	8,683	19,500	19,500	--
50,616	50,616	--	84,534	84,534	--	52,409	52,409	--
183	183	--	--	--	--	--	--	--
(\$9,201)	\$32,083	\$41,284	\$48,839	\$57,522	\$8,683	\$71,909	\$71,909	\$--

CITY OF BARBERTON, OHIO

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Non-GAAP Budgetary Basis) - Special Revenue Funds (Continued)
For the Year Ended December 31, 2001

	Infrastructure Improvement Reserve			Emergency Reserve for Public Facilities and Programs		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Taxes	\$--	\$--	\$--	\$--	\$--	\$--
Intergovernmental	--	--	--	--	--	--
Charges for services	--	--	--	--	--	--
Fines, licenses and permits	--	--	--	--	--	--
Special assessments	--	--	--	--	--	--
Interest	41,616	41,616	--	49,041	49,041	--
Miscellaneous	--	--	--	--	--	--
Total Revenues	<u>41,616</u>	<u>41,616</u>	<u>--</u>	<u>49,041</u>	<u>49,041</u>	<u>--</u>
Expenditures:						
Current:						
General government	--	--	--	--	--	--
Public safety	--	--	--	--	--	--
Streets and highways	--	--	--	--	--	--
Health and welfare	--	--	--	--	--	--
Community environment	--	--	--	--	--	--
Leisure time activities	--	--	--	--	--	--
Capital outlay	250,000	213,591	36,409	--	--	--
Total Expenditures	<u>250,000</u>	<u>213,591</u>	<u>36,409</u>	<u>--</u>	<u>--</u>	<u>--</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(208,384)</u>	<u>(171,975)</u>	<u>36,409</u>	<u>49,041</u>	<u>49,041</u>	<u>--</u>
Other Financing Sources (Uses):						
Operating transfers in	451,000	451,000	--	--	--	--
Operating transfers out	(219,639)	(219,639)	--	--	--	--
Advances-in	1,112,167	1,112,167	--	--	--	--
Advances-out	(1,112,167)	(1,112,167)	--	--	--	--
Total Other Financing Sources (Uses)	<u>231,361</u>	<u>231,361</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>22,977</u>	<u>59,386</u>	<u>36,409</u>	<u>49,041</u>	<u>49,041</u>	<u>--</u>
Fund Balance (Deficit) at Beginning of Year	740,076	740,076	--	1,013,056	1,013,056	--
Unexpended prior year encumbrances	<u>12,465</u>	<u>12,465</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balance (Deficit) at End of Year	<u><u>\$775,518</u></u>	<u><u>\$811,927</u></u>	<u><u>\$36,409</u></u>	<u><u>\$1,062,097</u></u>	<u><u>\$1,062,097</u></u>	<u><u>\$--</u></u>

Police Pension			Fire Pension			Sidewalk Improvement Program		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$95,561	\$95,677	\$116	\$95,561	\$95,678	\$117	\$--	\$--	\$--
11,871	11,754	(117)	11,871	11,755	(116)	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	5,000	17,065	12,065
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	80,000	67,934	(12,066)
<u>107,432</u>	<u>107,431</u>	<u>(1)</u>	<u>107,432</u>	<u>107,433</u>	<u>1</u>	<u>85,000</u>	<u>84,999</u>	<u>(1)</u>
1,800	1,516	284	1,800	1,516	284	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	160,000	103,515	56,485
<u>1,800</u>	<u>1,516</u>	<u>284</u>	<u>1,800</u>	<u>1,516</u>	<u>284</u>	<u>160,000</u>	<u>103,515</u>	<u>56,485</u>
105,632	105,915	283	105,632	105,917	285	(75,000)	(18,516)	56,484
--	--	--	--	--	--	60,000	60,000	--
(300,000)	(300,000)	--	(130,000)	(130,000)	--	--	--	--
--	--	--	--	--	--	--	--	--
<u>(300,000)</u>	<u>(300,000)</u>	<u>--</u>	<u>(130,000)</u>	<u>(130,000)</u>	<u>--</u>	<u>60,000</u>	<u>60,000</u>	<u>--</u>
(194,368)	(194,085)	283	(24,368)	(24,083)	285	(15,000)	41,484	56,484
207,322	207,322	--	39,793	39,793	--	10,589	10,589	--
--	--	--	--	--	--	2,769	2,769	--
<u>\$12,954</u>	<u>\$13,237</u>	<u>\$283</u>	<u>\$15,425</u>	<u>\$15,710</u>	<u>\$285</u>	<u>(\$1,642)</u>	<u>\$54,842</u>	<u>\$56,484</u>

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
 Budget and Actual (Non-GAAP Budgetary Basis) - Special Revenue Funds (Continued)
 For the Year Ended December 31, 2001

	Totals		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
Taxes	\$9,957,476	\$9,957,709	\$233
Intergovernmental	3,018,617	3,052,637	34,020
Charges for services	242,067	245,947	3,880
Fines, licenses and permits	190,921	209,042	18,121
Special assessments	12,000	43,123	31,123
Interest	99,199	99,035	(164)
Miscellaneous	563,669	493,472	(70,197)
Total Revenues	<u>14,083,949</u>	<u>14,100,965</u>	<u>17,016</u>
Expenditures:			
Current:			
General government	380,335	304,339	75,996
Public safety	5,000	3,987	1,013
Streets and highways	1,910,574	1,852,419	58,155
Health and welfare	1,755,275	1,586,472	168,803
Community environment	2,495,295	1,565,394	929,901
Leisure time activities	365,267	343,317	21,950
Capital outlay	1,519,164	1,285,123	234,041
Total Expenditures	<u>8,430,910</u>	<u>6,941,051</u>	<u>1,489,859</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>5,653,039</u>	<u>7,159,914</u>	<u>1,506,875</u>
Other Financing Sources (Uses):			
Operating transfers in	2,763,346	2,763,346	--
Operating transfers out	(10,730,218)	(10,730,218)	--
Advances-in	1,112,167	1,112,167	--
Advances-out	(1,112,167)	(1,112,167)	--
Total Other Financing Sources (Uses)	<u>(7,966,872)</u>	<u>(7,966,872)</u>	<u>--</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>(2,313,833)</u>	<u>(806,958)</u>	<u>1,506,875</u>
Fund Balance (Deficit) at Beginning of Year	2,818,685	2,818,685	--
Unexpended prior year encumbrances	<u>28,566</u>	<u>28,566</u>	<u>--</u>
Fund Balance (Deficit) at End of Year	<u>\$533,418</u>	<u>\$2,040,293</u>	<u>\$1,506,875</u>

CITY OF BARBERTON, OHIO

CAPITAL PROJECTS FUNDS

Description

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

Street Improvement

To account for other financing sources segregated for street improvements.

Sports Complex Construction

To account for the revenues and expenditures associated with the construction of the Barberton Community Sports Complex.

Issue 2 Improvement

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

Combining Balance Sheet - Capital Projects Funds
December 31, 2001

	Street Improvement	Sports Complex Construction	Issue 2 Improvement	Total
ASSETS				
Assets:				
Equity in pooled cash and investments	\$--	\$582,770	\$999,286	\$1,582,056
Receivables (net, where applicable, of allowance for doubtful accounts)	--	422,480	--	422,480
Other Debits:				
Amount to be provided for retirement of general long-term obligations	--	950,000	795,000	1,745,000
Total Assets	\$--	\$1,955,250	\$1,794,286	\$3,749,536
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$--	\$111,480	\$2,285	\$113,765
Advances from other funds	174,563	--	--	174,563
Debt:				
General obligation notes payable	--	950,000	795,000	1,745,000
Total Liabilities	174,563	1,061,480	797,285	2,033,328
Equity:				
Fund balances:				
Reserved for encumbrances	71,685	1,578,806	190,309	1,840,800
Unreserved, undesignated	(246,248)	(685,036)	806,692	(124,592)
Total Equity	(174,563)	893,770	997,001	1,716,208
Total Liabilities & Fund Equity	\$--	\$1,955,250	\$1,794,286	\$3,749,536

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
 Capital Projects Funds
 For the Year Ended December 31, 2001

	Street Improvement	Sports Complex Construction	Issue 2 Improvement	Total
Revenues:				
Intergovernmental	\$618,066	\$--	\$597,228	\$1,215,294
Special assessments	1,006	--	55,778	56,784
Miscellaneous	100,000	1,273,630	--	1,373,630
Total Revenues	<u>719,072</u>	<u>1,273,630</u>	<u>653,006</u>	<u>2,645,708</u>
Expenditures:				
Capital outlay	\$712,480	\$1,329,860	\$642,078	\$2,684,418
Debt service:				
Principal	--	--	315,000	315,000
Interest and fiscal charges	--	--	19,958	19,958
Total Expenditures	<u>712,480</u>	<u>1,329,860</u>	<u>977,036</u>	<u>3,019,376</u>
Deficiency of Revenues				
Over Expenditures	<u>6,592</u>	<u>(56,230)</u>	<u>(324,030)</u>	<u>(373,668)</u>
Other Financing Sources (Uses):				
Proceeds from sale of notes	--	950,000	795,000	1,745,000
Proceeds from sale of bonds	--	--	237,000	237,000
Operating transfers in	128,463	--	91,176	219,639
Operating transfers out	(140,000)	--	--	(140,000)
Advances in	--	317,167	795,000	1,112,167
Advances out	--	(317,167)	(795,000)	(1,112,167)
Total Other Financing Sources	<u>(11,537)</u>	<u>950,000</u>	<u>1,123,176</u>	<u>2,061,639</u>
Excess (Deficiency) of Revenues & Other Sources				
Over Expenditures & Other Uses	(4,945)	893,770	799,146	1,687,971
Fund Balance (Deficit) at Beginning of Year				
	<u>(169,618)</u>	<u>--</u>	<u>197,855</u>	<u>28,237</u>
Fund Balance (Deficit) at End of Year				
	<u>(\$174,563)</u>	<u>\$893,770</u>	<u>\$997,001</u>	<u>\$1,716,208</u>

CITY OF BARBERTON, OHIO

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Non-GAAP Budgetary Basis) - Capital Projects Funds
For the Year Ended December 31, 2001

	Street Improvement			Issue 2 Improvement		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Intergovernmental	\$617,072	\$618,066	\$994	\$597,228	\$597,228	\$--
Special assessments	--	1,006	1,006	--	55,778	55,778
Miscellaneous	102,000	100,000	(2,000)	--	--	--
Total Revenues	<u>719,072</u>	<u>719,072</u>	<u>--</u>	<u>597,228</u>	<u>653,006</u>	<u>55,778</u>
Expenditures:						
Current:						
Streets & highways	--	--	--	20,000	20,205	(205)
Capital Outlay	473,463	428,563	44,900	1,396,268	30,608	1,365,660
Debt service:						
Principal	--	--	--	315,000	315,000	--
Interest and fiscal charges	--	--	--	20,234	19,956	278
Total Expenditures	<u>473,463</u>	<u>428,563</u>	<u>44,900</u>	<u>1,751,502</u>	<u>385,769</u>	<u>1,365,733</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>245,609</u>	<u>290,509</u>	<u>44,900</u>	<u>(1,154,274)</u>	<u>267,237</u>	<u>1,421,511</u>
Other Financing Sources:						
Proceeds from sale of notes	--	--	--	795,000	795,000	--
Proceeds from sale of bonds	--	--	--	292,778	237,000	(55,778)
Operating transfers in	128,463	128,463	--	91,176	91,176	--
Operating transfers out	(140,000)	(140,000)	--	--	--	--
Advances in	--	--	--	795,000	795,000	--
Advances out	--	--	--	(795,000)	(795,000)	--
Total Other Financing Sources (Uses)	<u>(11,537)</u>	<u>(11,537)</u>	<u>--</u>	<u>1,178,954</u>	<u>1,123,176</u>	<u>(55,778)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>234,072</u>	<u>278,972</u>	<u>44,900</u>	<u>24,680</u>	<u>1,390,413</u>	<u>1,365,733</u>
Fund Balance (Deficit) at Beginning of Year	<u>(525,220)</u>	<u>(525,220)</u>	<u>--</u>	<u>(581,436)</u>	<u>(581,436)</u>	<u>--</u>
Fund Balance (Deficit) at End of Year	<u><u>(\$291,148)</u></u>	<u><u>(\$246,248)</u></u>	<u><u>\$44,900</u></u>	<u><u>(\$556,756)</u></u>	<u><u>\$808,977</u></u>	<u><u>\$1,365,733</u></u>

Sports Complex Construction			Totals		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$--	\$--	\$--	\$1,214,300	\$1,215,294	\$994
--	--	--	--	56,784	56,784
<u>2,000,000</u>	<u>851,151</u>	<u>(1,148,849)</u>	<u>2,102,000</u>	<u>951,151</u>	<u>(1,150,849)</u>
<u>2,000,000</u>	<u>851,151</u>	<u>(1,148,849)</u>	<u>3,316,300</u>	<u>2,223,229</u>	<u>(1,093,071)</u>
--	--	--	20,000	20,205	(205)
3,267,167	2,908,666	358,501	5,136,898	3,367,837	1,769,061
--	--	--	315,000	315,000	--
--	--	--	20,234	19,956	278
<u>3,267,167</u>	<u>2,908,666</u>	<u>358,501</u>	<u>5,492,132</u>	<u>3,722,998</u>	<u>1,769,134</u>
<u>(1,267,167)</u>	<u>(2,057,515)</u>	<u>(790,348)</u>	<u>(2,175,832)</u>	<u>(1,499,769)</u>	<u>676,063</u>
950,000	950,000	--	1,745,000	1,745,000	--
--	--	--	292,778	237,000	(55,778)
--	--	--	219,639	219,639	--
--	--	--	(140,000)	(140,000)	--
317,167	317,167	--	1,112,167	1,112,167	--
<u>(317,167)</u>	<u>(317,167)</u>	<u>--</u>	<u>(1,112,167)</u>	<u>(1,112,167)</u>	<u>--</u>
<u>950,000</u>	<u>950,000</u>	<u>--</u>	<u>2,117,417</u>	<u>2,061,639</u>	<u>(55,778)</u>
<u>(317,167)</u>	<u>(1,107,515)</u>	<u>(790,348)</u>	<u>(58,415)</u>	<u>561,870</u>	<u>620,285</u>
--	--	--	<u>(1,106,656)</u>	<u>(1,106,656)</u>	<u>--</u>
<u>(\$317,167)</u>	<u>(\$1,107,515)</u>	<u>(\$790,348)</u>	<u>(\$1,165,071)</u>	<u>(\$544,786)</u>	<u>\$620,285</u>

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CITY OF BARBERTON, OHIO

ENTERPRISE FUNDS

Description

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

Water

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

Water Replacement and Improvement

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

Sewer

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

Sewer Improvement Reserve

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

Sewer Replacement and Improvement

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

Sewer Bond Retirement

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

Sewer Bond Reserve

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

Solid Waste Disposal

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

Community Center

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

Lake Cinema Operating

To account for the revenues and expenses associated with a City-owned theater complex.

Downtown Sales and Rental of Property

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

CITY OF BARBERTON, OHIO

Combining Balance Sheet - Enterprise Funds
December 31, 2001

	Water	Water Replacement & Improvement	Sewer	Sewer Improvement Reserve	Sewer Replacement & Improvement
ASSETS					
Current Assets:					
Equity in pooled cash and investments	\$1,836,633	\$898,362	\$1,776,977	\$335,296	\$1,585,805
Receivables (net, where applicable, of allowance for doubtful accounts)	469,633	--	509,708	--	--
Note receivable	--	--	--	--	--
Inventory of supplies	305,483	--	31,391	--	--
Prepaid items	9,313	--	10,738	--	--
Restricted assets - cash and cash equivalents	--	--	--	--	--
Total Current Assets	2,621,062	898,362	2,328,814	335,296	1,585,805
Fixed Assets:					
Land and land improvement	850,719	--	23,305	--	--
Utility plant	5,504,583	764,383	32,169,158	44,368	610,987
Buildings, structures and improvements	6,574,054	--	1,502,670	--	--
Furniture, fixtures and equipment	1,411,881	--	1,458,882	--	--
	14,341,237	764,383	35,154,015	44,368	610,987
Less accumulated depreciation	(7,209,358)	(74,734)	(14,573,636)	(13,865)	(27,649)
Net	7,131,879	689,649	20,580,379	30,503	583,338
Total Assets	\$9,752,941	\$1,588,011	\$22,909,193	\$365,799	\$2,169,143
LIABILITIES AND FUND EQUITY					
Liabilities:					
Current Liabilities:					
Accounts payable	\$68,139	\$2,723	\$77,488	\$--	\$--
Accrued wages and benefits	301,405	--	251,047	--	--
Other liabilities	43,779	--	25,955	--	6,189
Due to other governments	--	--	10,500	--	--
Deferred revenue	4,500	--	12,580	--	--
Capital lease obligations - current portion	2,383	--	2,384	--	--
General obligation notes payable	2,093,900	--	1,731,100	--	255,000
General obligation bonds payable - current portion	160,000	--	--	--	--
Revenue refunding bonds payable - current portion	--	--	--	--	--
Total Current Liabilities	2,674,106	2,723	2,111,054	--	261,189
Long-Term Liabilities:					
Capital lease obligations	--	--	--	--	--
General obligation bonds payable	2,387,231	--	--	--	--
Revenue refunding bonds payable	--	--	--	--	--
Total Long-Term Liabilities	2,387,231	--	--	--	--
Total Liabilities	5,061,337	2,723	2,111,054	--	261,189
Fund Equity:					
Contributed capital	1,232,208	118,770	13,645,584	--	37,000
Retained earnings	3,459,396	1,466,518	7,152,555	365,799	1,870,954
Total Fund Equity	4,691,604	1,585,288	20,798,139	365,799	1,907,954
Total Liabilities and Fund Equity	\$9,752,941	\$1,588,011	\$22,909,193	\$365,799	\$2,169,143

Sewer Bond Retirement	Sewer Bond Reserve	Solid Waste Disposal	Community Center	Lake Cinema Operating	Jowntown Sales and Rental of Property	Total
\$--	\$--	\$339,124	\$43,815	\$47,042	\$3,500	\$6,866,554
--	--	36,970	--	80,564	--	1,096,875
--	--	--	--	--	7,623	7,623
--	--	--	2,541	--	--	339,415
--	--	116	3,445	--	58	23,670
83,031	671,375	--	--	--	--	754,406
<u>83,031</u>	<u>671,375</u>	<u>376,210</u>	<u>49,801</u>	<u>127,606</u>	<u>11,181</u>	<u>9,088,543</u>
--	--	--	62,739	--	--	936,763
--	--	--	--	--	--	39,093,479
--	--	--	3,181,232	--	--	11,257,956
--	--	16,509	233,209	--	--	3,120,481
--	--	16,509	3,477,180	--	--	54,408,679
--	--	(16,509)	(1,805,010)	--	--	(23,720,761)
--	--	--	1,672,170	--	--	30,687,918
<u>\$83,031</u>	<u>\$671,375</u>	<u>\$376,210</u>	<u>\$1,721,971</u>	<u>\$127,606</u>	<u>\$11,181</u>	<u>\$39,776,461</u>
\$--	\$--	\$108,457	\$24,088	\$86,210	\$--	\$367,105
--	--	1,905	19,876	--	--	574,233
10,772	--	--	7,375	--	--	94,070
--	--	--	--	--	--	10,500
--	--	--	--	--	--	17,080
--	--	--	12,112	--	--	16,879
--	--	--	545,000	--	--	4,625,000
--	--	--	50,000	--	--	210,000
530,000	--	--	--	--	--	530,000
<u>540,772</u>	<u>--</u>	<u>110,362</u>	<u>658,451</u>	<u>86,210</u>	<u>--</u>	<u>6,444,867</u>
--	--	--	26,467	--	--	26,467
--	--	--	350,000	--	--	2,737,231
1,484,718	671,375	--	--	--	--	2,156,093
<u>1,484,718</u>	<u>671,375</u>	<u>--</u>	<u>376,467</u>	<u>--</u>	<u>--</u>	<u>4,919,791</u>
<u>2,025,490</u>	<u>671,375</u>	<u>110,362</u>	<u>1,034,918</u>	<u>86,210</u>	<u>--</u>	<u>11,364,658</u>
--	--	--	--	--	183,058	15,216,620
(1,942,459)	--	265,848	687,053	41,396	(171,877)	13,195,183
<u>(1,942,459)</u>	<u>--</u>	<u>265,848</u>	<u>687,053</u>	<u>41,396</u>	<u>11,181</u>	<u>28,411,803</u>
<u>\$83,031</u>	<u>\$671,375</u>	<u>\$376,210</u>	<u>\$1,721,971</u>	<u>\$127,606</u>	<u>\$11,181</u>	<u>\$39,776,461</u>

CITY OF BARBERTON, OHIO

Combining Statement of Revenues, Expenses and Changes in Fund Equity -
Enterprise Funds
For the Year Ended December 31, 2001

	Water	Water Replacement & Improvement	Sewer	Sewer Improvement Reserve	Sewer Replacement & Improvement
Operating Revenues:					
Charges for services	\$3,350,368	\$--	\$3,418,301	\$--	\$--
Special assessments	1,618	--	9,575	--	--
Other	37,550	--	695	--	--
Total Operating Revenues	<u>3,389,536</u>	<u>--</u>	<u>3,428,571</u>	<u>--</u>	<u>--</u>
Operating Expenses:					
Personal services	1,708,611	--	1,435,725	--	--
Contractual services	334,762	--	495,022	--	--
Materials and supplies	369,014	56,041	347,620	--	116,441
Depreciation	403,095	33,259	871,154	1,110	18,600
Other	57,978	--	37,601	--	--
Total Operating Expenses	<u>2,873,460</u>	<u>89,300</u>	<u>3,187,122</u>	<u>1,110</u>	<u>135,041</u>
Operating Income (Loss)	<u>516,076</u>	<u>(89,300)</u>	<u>241,449</u>	<u>(1,110)</u>	<u>(135,041)</u>
Nonoperating Revenues (Expenses):					
Interest income	--	--	43,474	15,482	80,867
Interest expense	(224,615)	--	(41,901)	--	(11,326)
Other	(5,244)	--	(2,915)	--	--
Total Nonoperating Revenues (Expenses)	<u>(229,859)</u>	<u>--</u>	<u>(1,342)</u>	<u>15,482</u>	<u>69,541</u>
Income (Loss) Before Operating Transfers	286,217	(89,300)	240,107	14,372	(65,500)
Operating transfers in	--	264,000	--	--	120,000
Operating transfers out	(264,000)	--	(720,000)	--	--
Net Income (Loss)	22,217	174,700	(479,893)	14,372	54,500
Retained Earnings (Deficit) at Beginning of Year	<u>3,437,179</u>	<u>1,291,818</u>	<u>7,632,448</u>	<u>351,427</u>	<u>1,816,454</u>
Retained Earnings (Deficit) at End of Year	<u>3,459,396</u>	<u>1,466,518</u>	<u>7,152,555</u>	<u>365,799</u>	<u>1,870,954</u>
Contributed Capital at Beginning of Year	1,232,208	118,770	13,645,584	--	37,000
Capital Contributions	--	--	--	--	--
Contributed Capital at End of Year	<u>1,232,208</u>	<u>118,770</u>	<u>13,645,584</u>	<u>--</u>	<u>37,000</u>
Fund Equity at End of Year	<u><u>\$4,691,604</u></u>	<u><u>\$1,585,288</u></u>	<u><u>\$20,798,139</u></u>	<u><u>\$365,799</u></u>	<u><u>\$1,907,954</u></u>

Sewer Bond Retirement	Sewer Bond Reserve	Solid Waste Disposal	Community Center	Lake Cinema Operating	Downtown Sales and Rental of Property	Total
\$--	\$--	\$1,340,642	\$745,391	\$205,058	\$--	\$9,059,760
--	--	--	--	--	--	11,193
--	--	84	37,277	--	--	75,606
--	--	1,340,726	782,668	205,058	--	9,146,559
--	--	8,810	357,029	--	--	3,510,175
--	--	1,305,289	247,630	223,662	711	2,607,076
--	--	1,575	48,397	--	--	939,088
--	--	--	130,569	--	--	1,457,787
--	--	970	1,400	--	84	98,033
--	--	1,316,644	785,025	223,662	795	8,612,159
--	--	24,082	(2,357)	(18,604)	(795)	534,400
27,976	--	--	--	--	--	167,799
(194,501)	--	--	(61,515)	--	--	(533,858)
(15,322)	--	--	(1,295)	--	372	(24,404)
(181,847)	--	--	(62,810)	--	372	(390,463)
(181,847)	--	24,082	(65,167)	(18,604)	(423)	143,937
600,000	--	--	60,000	60,000	--	1,104,000
--	--	--	--	--	--	(984,000)
418,153	--	24,082	(5,167)	41,396	(423)	263,937
(2,360,612)	--	241,766	692,220	--	(171,454)	12,931,246
(1,942,459)	--	265,848	687,053	41,396	(171,877)	13,195,183
--	--	--	--	--	183,058	15,216,620
--	--	--	--	--	--	--
--	--	--	--	--	183,058	15,216,620
(\$1,942,459)	\$--	\$265,848	\$687,053	\$41,396	\$11,181	\$28,411,803

CITY OF BARBERTON, OHIO

Combining Statement of Cash Flows - Enterprise Funds
For the Year Ended December 31, 2001

	Water	Water Replacement & Improvement	Sewer	Sewer Improvement Reserve	Sewer Replacement & Improvement
Cash Flows from Operating Activities:					
Cash received from customers	\$3,291,051	\$--	\$3,369,700	\$--	\$--
Cash payments to suppliers for goods and services	(754,351)	(56,133)	(858,450)	--	(133,344)
Cash payments to employees for services	(1,691,523)	--	(1,429,507)	--	--
Other operating revenues	58,618	--	24,425	--	--
Other operating expenses	(25,729)	--	(15,698)	--	--
Net Cash Provided by (Used in) Operating Activities	878,066	(56,133)	1,090,470	--	(133,344)
Cash Flows from Noncapital Financing Activities:					
Operating transfers from other funds	--	264,000	--	--	120,000
Operating transfers to other funds	(264,000)	--	(720,000)	--	--
Net Cash Provided by (Used in) Noncapital Financing Activities	(264,000)	264,000	(720,000)	--	120,000
Cash Flows from Capital and Related Financing Activities:					
Proceeds from notes	2,093,900	--	1,731,100	--	255,000
Principal paid on debt	(1,477,500)	--	(1,147,500)	--	(375,000)
Interest paid on debt	(238,393)	--	(52,638)	--	(17,202)
Debt issue costs	(4,136)	--	(978)	--	--
Acquisition and construction of capital assets	(339,125)	(15,330)	(241,754)	--	(78,444)
Net Cash Provided by (Used in) Capital and Related Financing Activities	34,746	(15,330)	288,230	--	(215,646)
Cash Flows from Investing Activities:					
Interest on investments	--	--	43,474	15,482	80,867
Net Increase (Decrease) in Cash and Cash Equivalents	648,812	192,537	702,174	15,482	(148,123)
Cash and Cash Equivalents at Beginning of Year	1,187,821	705,825	1,074,803	319,814	1,733,928
Cash and Cash Equivalents at End of Year	<u>\$1,836,633</u>	<u>\$898,362</u>	<u>\$1,776,977</u>	<u>\$335,296</u>	<u>\$1,585,805</u>

<u>Sewer Bond Retirement</u>	<u>Sewer Bond Reserve</u>	<u>Solid Waste Disposal</u>	<u>Community Center</u>	<u>Lake Cinema Operating</u>	<u>Downtown Sales and Rental of Property</u>	<u>Total</u>
\$--	\$--	\$1,342,505	\$745,391	\$124,494	\$--	\$8,873,141
--	--	(1,308,693)	(317,209)	(137,452)	(717)	(3,566,349)
--	--	(13,260)	(359,612)	--	--	(3,493,902)
--	--	84	40,609	--	1,198	124,934
--	--	--	(1,400)	--	(85)	(42,912)
--	--	20,636	107,779	(12,958)	396	1,894,912
600,000	--	--	60,000	60,000	--	1,104,000
--	--	--	--	--	--	(984,000)
600,000	--	--	60,000	60,000	--	120,000
--	--	--	545,000	--	--	4,625,000
(510,000)	--	--	(645,000)	--	--	(4,155,000)
(146,642)	--	--	(61,259)	--	--	(516,134)
(1,650)	--	--	(1,295)	--	--	(8,059)
--	--	--	(5,985)	--	--	(680,638)
(658,292)	--	--	(168,539)	--	--	(734,831)
27,975	--	--	--	--	--	167,798
(30,317)	--	20,636	(760)	47,042	396	1,447,879
113,348	671,375	318,488	44,575	--	3,104	6,173,081
<u>\$83,031</u>	<u>\$671,375</u>	<u>\$339,124</u>	<u>\$43,815</u>	<u>\$47,042</u>	<u>\$3,500</u>	<u>\$7,620,960</u>

CITY OF BARBERTON, OHIOCombining Statement of Cash Flows - Enterprise Funds (Continued)
For the Year Ended December 31, 2001

	<u>Water</u>	<u>Water Replacement & Improvement</u>	<u>Sewer</u>	<u>Sewer Improvement Reserve</u>	<u>Sewer Replacement & Improvement</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:					
Operating Income (Loss)	\$516,076	(\$89,300)	\$241,449	(\$1,110)	(\$135,041)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:					
Depreciation	403,095	33,259	871,154	1,110	18,600
Increase (decrease) due to change in:					
Accounts receivable	(39,402)	--	(31,705)	--	--
Notes receivable	--	--	--	--	--
Inventory of supplies	(19,439)	--	2,348	--	--
Prepaid items	(1,305)	--	(1,496)	--	--
Accounts payable	1,953	(92)	5,002	--	(16,903)
Accrued wages and benefits	17,088	--	6,218	--	--
Other	--	--	(2,500)	--	--
Total Adjustments	<u>361,990</u>	<u>33,167</u>	<u>849,021</u>	<u>1,110</u>	<u>1,697</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$878,066</u>	<u>(\$56,133)</u>	<u>\$1,090,470</u>	<u>\$--</u>	<u>(\$133,344)</u>

<u>Sewer Bond Retirement</u>	<u>Sewer Bond Reserve</u>	<u>Solid Waste Disposal</u>	<u>Community Center</u>	<u>Lake Cinema Operating</u>	<u>Downtown Sales and Rental of Property</u>	<u>Total</u>
\$--	\$--	\$24,082	(\$2,357)	(\$18,604)	(\$795)	\$534,400
--	--	--	130,569	--	--	1,457,787
--	--	1,769	3,332	(80,564)	--	(146,570)
--	--	--	--	--	1,198	1,198
--	--	784	1,596	--	--	(14,711)
--	--	(22)	(483)	--	(7)	(3,313)
--	--	(1,527)	(7,848)	86,210	--	66,795
--	--	(4,450)	(2,583)	--	--	16,273
--	--	--	(14,447)	--	--	(16,947)
--	--	(3,446)	110,136	5,646	1,191	1,360,512
<u>\$--</u>	<u>\$--</u>	<u>\$20,636</u>	<u>\$107,779</u>	<u>(\$12,958)</u>	<u>\$396</u>	<u>\$1,894,912</u>

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CITY OF BARBERTON, OHIO

INTERNAL SERVICE FUNDS

Description

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

Health Insurance

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

General Liability

To account for the cost of public liability claims.

Severance Pay

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

Internal Cost Allocation

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

CITY OF BARBERTON, OHIOCombining Balance Sheet - Internal Service Funds
December 31, 2001

	<u>Health Insurance</u>	<u>General Liability</u>	<u>Severance Pay</u>	<u>Internal Cost Allocation</u>
ASSETS				
Assets:				
Equity in pooled cash and investments	\$1,097,411	\$18,907	\$308,599	\$13,640
Accounts receivable	<u>1,445</u>	<u>--</u>	<u>--</u>	<u>7,068</u>
Total Assets	<u><u>\$1,098,856</u></u>	<u><u>\$18,907</u></u>	<u><u>\$308,599</u></u>	<u><u>\$20,708</u></u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Current Liabilities:				
Accounts payable	\$--	\$--	\$--	\$6,737
Claims payable	164,404	--	--	--
Other liabilities	--	470	--	--
General obligation bonds payable - current portion	<u>--</u>	<u>87,909</u>	<u>--</u>	<u>--</u>
Total Liabilities	<u>164,404</u>	<u>88,379</u>	<u>--</u>	<u>6,737</u>
Fund Equity:				
Retained earnings	<u>934,452</u>	<u>(69,472)</u>	<u>308,599</u>	<u>13,971</u>
Total Fund Equity	<u>934,452</u>	<u>(69,472)</u>	<u>308,599</u>	<u>13,971</u>
Total Liabilities and Fund Equity	<u><u>\$1,098,856</u></u>	<u><u>\$18,907</u></u>	<u><u>\$308,599</u></u>	<u><u>\$20,708</u></u>

Total

\$1,438,557
8,513

\$1,447,070

\$6,737
164,404
470
87,909

259,520

1,187,550

1,187,550

\$1,447,070

CITY OF BARBERTON, OHIO

Combining Statement of Revenues, Expenses and Changes in Fund Equity -
Internal Service Funds
For the Year Ended December 31, 2001

	<u>Health Insurance</u>	<u>General Liability</u>	<u>Severance Pay</u>	<u>Internal Cost Allocation</u>
Operating Revenues:				
Charges for services	\$1,863,774	\$--	\$--	\$220,119
Other	8,524	--	--	--
Total Operating Revenues	<u>1,872,298</u>	<u>--</u>	<u>--</u>	<u>220,119</u>
Operating Expenses:				
Personal services	--	--	102,611	--
Contractual services	309,929	--	--	--
Claims and judgments	1,515,621	453	--	--
Materials and supplies	--	--	--	222,370
Total Operating Expenses	<u>1,825,550</u>	<u>453</u>	<u>102,611</u>	<u>222,370</u>
Operating Income (Loss)	<u>46,748</u>	<u>(453)</u>	<u>(102,611)</u>	<u>(2,251)</u>
Nonoperating Revenues (Expenses):				
Interest income	--	1,281	--	--
Interest and fiscal charges	--	(12,255)	--	--
Total Nonoperating Revenues (Expenses)	<u>--</u>	<u>(10,974)</u>	<u>--</u>	<u>--</u>
Income (Loss) Before Operating Transfers	46,748	(11,427)	(102,611)	(2,251)
Operating transfers in	--	107,720	--	--
Operating transfers out	<u>--</u>	<u>(10,000)</u>	<u>--</u>	<u>--</u>
Net Income (Loss)	46,748	86,293	(102,611)	(2,251)
Fund Equity (Deficit) at Beginning of Year	<u>887,704</u>	<u>(155,765)</u>	<u>411,210</u>	<u>16,222</u>
Fund Equity (Deficit) at End of Year	<u>\$934,452</u>	<u>(\$69,472)</u>	<u>\$308,599</u>	<u>\$13,971</u>

Total

\$2,083,893

8,524

2,092,417

102,611

309,929

1,516,074

222,370

2,150,984

(58,567)

1,281

(12,255)

(10,974)

(69,541)

107,720

(10,000)

28,179

1,159,371

\$1,187,550

CITY OF BARBERTON, OHIOCombining Statement of Cash Flows - Internal Service Funds
For the Year Ended December 31, 2001

	Health Insurance	General Liability	Severance Pay	Internal Cost Allocation
Cash Flows from Operating Activities:				
Cash received from customers	\$1,863,774	\$--	\$--	\$222,593
Cash payments to suppliers for goods and services	(310,119)	--	--	(225,887)
Cash payments to employees for services	--	--	(102,611)	--
Cash payments for claims and judgments	(1,534,096)	(453)	--	--
Other operating revenues	8,330	--	--	--
Net Cash Provided by (Used in) Operating Activities	<u>27,889</u>	<u>(453)</u>	<u>(102,611)</u>	<u>(3,294)</u>
Cash Flows from Noncapital Financing Activities:				
Principal paid on debt	--	(85,000)	--	--
Interest paid on debt	--	(10,720)	--	--
Operating transfers from other funds	--	107,720	--	--
Operating transfers to other funds	--	(10,000)	--	--
Net Cash Provided by Noncapital Financing Activities	<u>--</u>	<u>2,000</u>	<u>--</u>	<u>--</u>
Cash Flows from Investing Activities:				
Interest on investments	--	1,281	--	--
Net Increase (Decrease) in Cash and Cash Equivalents	27,889	2,828	(102,611)	(3,294)
Cash and Cash Equivalents at Beginning of Year	<u>1,069,522</u>	<u>16,079</u>	<u>411,210</u>	<u>16,934</u>
Cash and Cash Equivalents at End of Year	<u>\$1,097,411</u>	<u>\$18,907</u>	<u>\$308,599</u>	<u>\$13,640</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Operating Income (Loss)	\$46,748	(\$453)	(\$102,611)	(\$2,251)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Increase (decrease) due to change in:				
Accounts receivable	(194)	--	--	2,474
Accounts payable	--	--	--	(3,517)
Claims payable	(18,665)	--	--	--
Accrued wages and benefits	--	--	--	--
Total Adjustments	<u>(18,859)</u>	<u>--</u>	<u>--</u>	<u>(1,043)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$27,889</u>	<u>(\$453)</u>	<u>(\$102,611)</u>	<u>(\$3,294)</u>

Total

\$2,086,367

(536,006)

(102,611)

(1,534,549)

8,330

(78,469)

(85,000)

(10,720)

107,720

(10,000)

2,000

1,281

(75,188)

1,513,745

\$1,438,557

(\$58,567)

2,280

(3,517)

(18,665)

--

(19,902)

(\$78,469)

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CITY OF BARBERTON, OHIO

TRUST AND AGENCY FUNDS

Description

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

EXPENDABLE TRUST FUNDS

Trust

To account for refundable deposits.

Senior Center Trust

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

Eathel Gottwalt

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

AGENCY FUNDS

Municipal Court

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

CITY OF BARBERTON, OHIOCombining Balance Sheet - All Fiduciary Funds
December 31, 2001

	Expendable Trust Funds			Agency Fund
	Trust	Senior Center Trust	Eathel Gottwalt	Municipal Court
ASSETS				
Assets:				
Equity in pooled cash and investments	\$65,644	\$96,221	\$8,548	\$--
Cash and cash equivalents - segregated accounts	--	--	--	156,928
Total Assets	<u>\$65,644</u>	<u>\$96,221</u>	<u>\$8,548</u>	<u>\$156,928</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Due to other funds	\$--	\$--	\$--	\$77,532
Due to other governments	--	--	--	79,316
Amounts held as fiduciary	--	--	--	80
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>156,928</u>
Fund Equity:				
Fund balances:				
Reserved for encumbrances	--	23,339	--	--
Unreserved, undesignated	65,644	72,882	8,548	--
Total Fund Equity	<u>65,644</u>	<u>96,221</u>	<u>8,548</u>	<u>--</u>
Total Liabilities and Fund Equity	<u>\$65,644</u>	<u>\$96,221</u>	<u>\$8,548</u>	<u>\$156,928</u>

Total

\$170,413

156,928

\$327,341

\$77,532

79,316

80

156,928

23,339

147,074

170,413

\$327,341

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
 Expendable Trust Funds
 For the Year Ended December 31, 2001

	<u>Trust</u>	<u>Senior Center Trust</u>	<u>Eathel Gottwalt Trust</u>	<u>Total</u>
Revenues:				
Interest	\$--	\$3,523	\$--	\$3,523
Miscellaneous	11,483	53,871	--	65,354
Total Revenues	<u>11,483</u>	<u>57,394</u>	<u>--</u>	<u>68,877</u>
Expenditures:				
Current:				
General government	1,305	--	--	1,305
Leisure time activities	--	22,434	--	22,434
Capital outlay	--	1,133	--	1,133
Total Expenditures	<u>1,305</u>	<u>23,567</u>	<u>--</u>	<u>24,872</u>
Excess of Revenues Over Expenditures	10,178	33,827	--	44,005
Fund Balance at Beginning of Year	<u>55,466</u>	<u>62,394</u>	<u>8,548</u>	<u>126,408</u>
Fund Balance at End of Year	<u>\$65,644</u>	<u>\$96,221</u>	<u>\$8,548</u>	<u>\$170,413</u>

Statement of Changes in Assets and Liabilities -
 Agency Fund
 For the Year Ended December 31, 2001

	January 1, 2001	Additions	Deductions	December 31, 2001
Municipal Court				
Assets:				
Cash and cash equivalents - segregated accounts	\$134,750	\$22,178	\$--	\$156,928
Total Assets	<u>\$134,750</u>	<u>\$22,178</u>	<u>\$--</u>	<u>\$156,928</u>
Liabilities:				
Due to other funds	\$68,021	\$77,532	(\$68,021)	\$77,532
Due to other governments	57,739	79,316	(57,739)	79,316
Amounts held as fiduciary	8,990	80	(8,990)	80
Total Liabilities	<u>\$134,750</u>	<u>\$156,928</u>	<u>(\$134,750)</u>	<u>\$156,928</u>

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CITY OF BARBERTON, OHIO

ACCOUNT GROUP SCHEDULES

Description

General Fixed Assets Account Group

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

Comparative Schedule of General Fixed Assets - By Source
December 31, 2001 and 2000

	<u>2001</u>	<u>2000</u>
General Fixed Assets:		
Land and land improvements	\$2,726,604	\$2,468,423
Buildings, structures and improvements	5,395,453	5,525,640
Machinery and equipment	<u>7,885,373</u>	<u>7,188,820</u>
Total General Fixed Assets	<u>\$16,007,430</u>	<u>\$15,182,883</u>

Investment in General Fixed Assets by Source:

General fund	\$8,895,435	\$8,682,156
Special revenue funds	4,407,609	3,796,341
Capital project funds	2,641,017	2,641,017
Expendable trust funds	<u>63,369</u>	<u>63,369</u>
Total Investment in General Fixed Assets	<u>\$16,007,430</u>	<u>\$15,182,883</u>

Schedule of General Fixed Assets - By Function and Activity
December 31, 2001

<u>Function and Activity</u>	<u>Land and Land Improvements</u>	<u>Buildings, Structures and Improvements</u>	<u>Machinery and Equipment</u>	<u>Total</u>
General Government:				
Municipal court	\$--	\$--	\$174,175	\$174,175
Finance administration	--	--	50,181	50,181
Safety/personnel administration	--	--	71,103	71,103
Engineering	64,464	--	65,904	130,368
Land and buildings	732,535	1,906,557	769,924	3,409,016
Other	29,084	--	155,789	184,873
Total General Government	<u>826,083</u>	<u>1,906,557</u>	<u>1,287,076</u>	<u>4,019,716</u>
Public Safety:				
Police protection	--	7,716	1,025,366	1,033,082
Fire safety	23,560	1,031,447	1,819,724	2,874,731
Total Public Safety	<u>23,560</u>	<u>1,039,163</u>	<u>2,845,090</u>	<u>3,907,813</u>
Streets and Highways:				
Street maintenance and repair	83,645	421,655	2,105,565	2,610,865
Health and Welfare:				
Health department	2,825	122,406	405,448	530,679
Community Environment:				
Building inspection	--	--	58,222	58,222
Planning	672,443	1,452,344	679,060	2,803,847
Total Community Environment	<u>672,443</u>	<u>1,452,344</u>	<u>737,282</u>	<u>2,862,069</u>
Culture and Recreation:				
Parks and recreation	1,118,048	453,328	504,912	2,076,288
Total General Fixed Assets	<u>\$2,726,604</u>	<u>\$5,395,453</u>	<u>\$7,885,373</u>	<u>\$16,007,430</u>

Schedule of Changes in General Fixed Assets - By Function and Activity
For the Year Ended December 31, 2001

<u>Function and Activity</u>	<u>January 1, 2001</u>	<u>Additions</u>	<u>Deductions</u>	<u>December 31, 2001</u>
General Government:				
Municipal court	\$144,235	\$29,940	\$--	\$174,175
Finance administration	47,831	2,350	--	50,181
Safety/personnel administration	71,103	--	--	71,103
Engineering	65,904	64,464	--	130,368
Land and buildings	3,250,260	158,756	--	3,409,016
Other	113,286	86,462	14,875	184,873
 Total General Government	 <u>3,692,619</u>	 <u>341,972</u>	 <u>14,875</u>	 <u>4,019,716</u>
Public Safety:				
Police protection	817,198	234,640	18,756	1,033,082
Fire safety	2,906,090	56,804	88,163	2,874,731
 Total Public Safety	 <u>3,723,288</u>	 <u>291,444</u>	 <u>106,919</u>	 <u>3,907,813</u>
Streets and Highways:				
Street maintenance and repair	2,432,002	229,632	50,769	2,610,865
Health and Welfare:				
Health department	504,383	26,296	--	530,679
Community Environment:				
Building inspection	58,222	--	--	58,222
Planning	2,798,207	215,840	210,200	2,803,847
 Total Community Environment	 <u>2,856,429</u>	 <u>215,840</u>	 <u>210,200</u>	 <u>2,862,069</u>
Culture and Recreation:				
Parks and recreation	1,974,162	102,126	--	2,076,288
 Total General Fixed Assets	 <u><u>\$15,182,883</u></u>	 <u><u>\$1,207,310</u></u>	 <u><u>\$382,763</u></u>	 <u><u>\$16,007,430</u></u>

Statistical Section

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

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>
Taxes	\$8,843,393	\$9,065,715	\$9,572,459	\$9,884,660	\$9,919,755
Intergovernmental	3,344,890	3,462,780	4,349,917	5,269,647	3,936,699
Charges for services	502,210	706,601	755,763	788,802	836,352
Fines, licenses & permits	405,931	434,409	433,460	405,287	446,520
Special assessments	-	-	-	-	-
Interest	271,813	242,256	269,682	391,794	449,786
Miscellaneous	295,018	285,287	691,429	450,014	360,208
Total	<u>\$13,663,255</u>	<u>\$14,197,048</u>	<u>\$16,072,710</u>	<u>\$17,190,204</u>	<u>\$15,949,320</u>
	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Taxes	\$10,580,497	\$11,052,493	\$11,539,292	\$11,493,618	\$11,061,586
Intergovernmental	4,723,561	5,138,030	5,102,726	5,030,544	7,291,904
Charges for services	980,880	875,045	1,003,184	1,094,676	1,284,076
Fines, licenses & permits	463,223	425,163	394,210	332,977	409,842
Special assessments	-	-	-	-	75,554
Interest	598,645	671,503	640,684	788,749	600,403
Miscellaneous	685,536	1,782,736	1,402,304	1,380,079	3,016,283
Total	<u>\$18,032,342</u>	<u>\$19,944,970</u>	<u>\$20,082,400</u>	<u>\$20,120,643</u>	<u>\$23,739,648</u>

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

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

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>
General government	\$2,493,617	\$2,505,980	\$2,578,975	\$2,737,476	\$2,807,536
Public safety	5,608,209	5,657,298	5,793,434	5,877,806	6,127,709
Streets & highways	1,373,808	1,391,831	1,386,613	1,628,066	1,895,962
Health & welfare	695,651	766,024	845,956	934,327	999,829
Community environment	1,309,391	1,114,424	1,568,348	3,916,053	1,635,883
Leisure time activities	583,597	558,706	566,100	637,826	623,502
Capital outlay	649,958	1,193,823	822,217	2,252,210	1,428,997
Debt service	<u>307,637</u>	<u>277,546</u>	<u>387,519</u>	<u>485,806</u>	<u>382,597</u>
Total	<u>\$13,021,868</u>	<u>\$13,465,632</u>	<u>\$13,949,162</u>	<u>\$18,469,570</u>	<u>\$15,902,015</u>
	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
General government	\$2,949,337	\$3,088,959	\$3,218,512	\$3,655,846	\$3,507,694
Public safety	6,742,610	6,833,018	7,079,716	8,490,187	7,838,848
Streets & highways	1,942,627	1,885,677	2,147,045	2,184,005	2,117,422
Health & welfare	1,125,893	1,221,085	1,367,907	1,479,699	1,551,580
Community environment	1,434,088	1,258,721	1,287,598	1,258,922	2,250,150
Leisure time activities	794,608	991,733	1,039,420	1,147,049	1,176,244
Capital outlay	2,038,957	2,018,411	2,945,187	3,759,919	4,875,322
Debt service	<u>744,697</u>	<u>423,246</u>	<u>602,767</u>	<u>510,760</u>	<u>808,314</u>
Total	<u>\$17,772,817</u>	<u>\$17,720,850</u>	<u>\$19,688,152</u>	<u>\$22,486,387</u>	<u>\$24,125,574</u>

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

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

Collection Year	Real Property		Public Utility	Personal Tangible	Total Assessed Value
	Estimated Value	Assessed Value	Property Assessed Value	Property Assessed Value	
1992	\$475,545,085	\$166,440,780	\$21,672,390	\$43,902,818	\$232,015,988
1993	481,253,857	168,438,850	22,075,580	39,356,446	229,870,876
1994	530,282,627	187,720,050	22,386,910	41,615,396	251,722,356
1995	544,938,857	190,728,600	22,237,610	44,345,572	257,311,782
1996	553,334,029	193,666,910	19,975,950	48,479,382	262,122,242
1997	653,428,629	228,700,020	19,722,570	52,932,255	301,354,845
1998	678,247,829	237,386,740	19,365,010	52,047,203	308,798,953
1999	696,610,286	243,813,600	19,436,410	61,223,799	324,473,809
2000	782,828,743	273,990,060	19,728,220	59,725,808	353,444,088
2001	798,604,800	279,511,680	17,025,420	60,465,467	357,002,567

Source: Summit County Auditor

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

Table 4

**PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
(In Dollars Per \$1,000 Assessed Valuation)
LAST TEN YEARS**

Collection Year	City Levy	County Levy	School Levy (1)	Total
1992	3.50	12.59	45.06	61.15
1993	3.50	12.31	53.76	69.57
1994	3.50	12.31	53.76	69.57
1995	3.50	14.16	53.61	71.27
1996	3.50	13.99	53.61	71.10
1997	3.50	11.39	53.46	68.35
1998	3.50	11.65	53.36	68.51
1999	3.50	12.27	53.36	69.13
2000	3.50	12.27	53.44	69.21
2001	3.50	13.07	53.36	69.93

Source: Summit County Auditor

Notes:

(1) Barberton City School District

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

<u>Year</u>	<u>Net Tax Levy</u>	<u>Current Collections</u>	<u>Percent of Current Tax Collected</u>	<u>Outstanding Delinquencies Current & Accumulated</u>
1992	\$858,560	\$800,426	93.23 %	\$58,134
1993	849,222	790,894	93.13	58,328
1994	915,240	883,371	96.52	31,869
1995	947,677	884,917	93.38	62,760
1996	984,980	906,791	92.06	108,973
1997	1,153,569	1,051,683	91.17	101,886
1998	1,201,379	1,095,151	91.16	106,228
1999	1,239,390	1,148,724	92.68	90,666
2000	1,330,983	1,213,000	91.14	117,983
2001	1,374,570	1,248,657	90.84	125,913

Table 6

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

<u>Year</u>	<u>Special Assessment Billing</u>	<u>Special Assessment Collections</u>	<u>Collection Percentage</u>
1992	\$33,188	\$23,026	69.38 %
1993	17,336	9,390	54.16
1994	15,636	10,012	64.03
1995	62,213	41,218	66.25
1996	37,721	22,421	59.44
1997	55,074	33,073	60.05
1998	48,139	19,532	40.57
1999	89,618	49,261	54.97
2000	111,316	45,580	40.95
2001	102,689	50,362	49.04

Source: Summit County Auditor

**PRINCIPAL PROPERTY TAXPAYERS
REAL PROPERTY**

December 31, 2000			December 31, 2001		
Name of Taxpayer	Assessed Valuation	Percent of Total Assessed Valuation	Name of Taxpayer	Assessed Valuation	Percent of Total Assessed Valuation
Barberton Health System LLC	\$9,369,690	2.7 %	Barberton Health System LLC	\$9,429,210	2.6 %
B&C Industries	3,587,700	1.0	B&C Industries	2,274,980	0.6
Pendleton Magic LLC	1,973,990	0.6	Pendleton Magic LLC	1,973,990	0.6
Babcock & Wilcox Co	1,718,200	0.5	Elson pointe Limited Partnership	1,842,090	0.5
BWX Technologies	1,688,480	0.5	Kimco of Ohio Inc.	1,780,820	0.5
PPG Industries	1,110,410	0.3	BWX Technologies	1,698,760	0.5
Heritage Place LP	886,320	0.3	Babcock & Wilcox Co	1,447,640	0.4
Littman, et al	830,790	0.2	KL Morris Family Limited	1,278,780	0.4
Bergit Realty Co	809,160	0.2	Barber Knolls Development Corp	923,710	0.3
Kimco of Ohio	384,080	0.1	Pittsburgh Plate Glass Co	909,330	0.3
Total Principal Taxpayers	<u>\$22,358,820</u>	6.4 %	Total Principal Taxpayers	<u>\$23,559,310</u>	6.7 %
Total Assessed Valuation - Real Property	<u>\$273,990,060</u>	77.5 %	Total Assessed Valuation - Real Property	<u>\$279,511,680</u>	78.3 %
Total Assessed Value	<u>\$353,444,088</u>	100.0 %	Total Assessed Value	<u>\$357,002,567</u>	100.0 %

Source: Summit County Auditor

**PRINCIPAL PROPERTY TAXPAYERS
TANGIBLE PROPERTY**

December 31, 2000			December 31, 2001		
Name of Taxpayer	Assessed Valuation	Percent of Total Assessed Valuation	Name of Taxpayer	Assessed Valuation	Percent of Total Assessed Valuation
Mc Dermott Incorporated	\$8,453,840	2.4 %	Mc Dermott Incorporated	\$8,556,100	2.4 %
Machining Corp of America	4,237,300	1.2	Machining Corp of America	4,641,300	1.3
B&C Corp	3,698,830	1.0	B&C Research	3,451,200	1.0
B&C Research	3,483,887	1.0	Reiter Dairy	3,380,870	0.9
Aluminum Company of America	3,008,560	0.9	PPG Industries	3,267,320	0.9
Reiter Dairy	2,952,680	0.8	B&C Corp	3,154,380	0.9
Wright Tool Co.	2,744,030	0.8	Wright Tool Co.	3,014,710	0.8
Quoram Health Group	2,557,390	0.7	Alcoa Inc	2,798,320	0.8
PPG Industries	1,716,590	0.5	Quoram Health Group	2,060,960	0.6
Preferred Rubber Compounding Cor	1,388,440	0.4	Preferred Rubber Compounding Cor	1,991,380	0.6
Total Principal Taxpayers	\$34,241,547	9.7 %	Total Principal Taxpayers	\$36,316,540	10.2 %
Total Assessed Valuation			Total Assessed Valuation		
- Tangible Property	<u>\$59,725,808</u>	16.9 %	- Tangible Property	<u>\$60,465,467</u>	16.9 %
Total Assessed Value			Total Assessed Value		
- All Property	<u>\$353,444,088</u>	100.0 %	- All Property	<u>\$357,002,567</u>	100.0 %

Source: Summit County Auditor

**LEGAL DEBT MARGIN
December 31, 2001**

Overall Debt Limitation

Overall debt limitation		\$37,485,270
10 1/2% of assessed valuation		
Amount available in debt service fund		2,984
Total indebtedness (all bonds and notes outstanding)	\$13,178,183	
Less: Debt exempt from limitation	<u>9,295,000</u>	
Debt subject to 10 1/2% limitation		<u>3,883,183</u>
Legal debt margin within 10 1/2% limitation		<u><u>\$33,605,071</u></u>

Unvoted Debt Limitation

Unvoted debt limitation		\$19,635,141
5 1/2% of assessed valuation		
Amount available in debt service fund		2,984
Total indebtedness (all bonds and notes outstanding)	\$13,178,183	
Less: Debt exempt from limitation	<u>9,295,000</u>	
Debt subject to 5 1/2% limitation		<u>3,883,183</u>
Legal debt margin within 5 1/2% limitation		<u><u>\$15,754,942</u></u>

**REVENUE BOND COVERAGE
LAST TEN YEARS**

Year(1)	Operating Revenue(2)	Operating Expenses(2)	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage
1992	\$2,979,864	\$1,920,339	\$1,059,525	\$300,000	\$437,370	\$737,370	1.44
1993	3,026,111	1,902,044	1,124,067	315,000	421,770	736,770	1.53
1994	3,206,681	1,744,075	1,462,606	330,000	404,760	734,760	1.99
1995	3,217,130	2,178,131	1,038,999	350,000	386,610	736,610	1.41
1996	3,176,097	2,113,327	1,062,770	370,000	367,010	737,010	1.44
1997	3,371,594	2,214,709	1,156,885	390,000	345,920	735,920	1.57
1998	3,389,776	2,233,113	1,156,663	535,000	136,375	671,375	1.72
1999	3,311,880	2,286,044	1,025,836	475,000	184,768	659,768	1.55
2000	3,207,835	2,428,458	779,377	490,000	166,243	656,243	1.19
2001	3,428,571	2,315,968	1,112,603	510,000	146,643	656,643	1.69

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

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

Table 11

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

Year	Population	Assessed Value	Gross Bonded Debt	Less Debt Service Fund	Debt Payable from Enterprise Revenues	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
1992	27,623	\$232,015,988	\$6,402,709	\$66,977	\$5,000,000	\$1,335,732	0.58 %	\$48.36
1993	27,623	229,870,876	5,951,612	78,010	4,745,000	1,128,602	0.49	40.86
1994	27,623	251,722,356	5,500,119	95,305	4,490,000	914,814	0.36	33.12
1995	27,623	257,311,782	5,143,204	95,306	4,220,000	827,898	0.32	29.97
1996	27,623	262,122,242	4,820,839	101,259	3,990,000	729,580	0.28	26.41
1997	27,623	301,354,845	4,547,996	99,357	3,810,000	638,639	0.21	23.12
1998	27,623	308,798,953	4,264,463	99,751	3,625,000	539,712	0.17	19.54
1999	27,623	324,473,809	3,965,747	6,211	3,430,000	529,536	0.16	19.17
2000	27,899	353,444,088	3,636,273	6,212	3,210,000	420,061	0.12	15.06
2001	27,899	357,002,567	3,558,183	2,983	3,010,000	545,200	0.15	19.54

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

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Governmental Expenditures</u>	<u>Ratio of Debt Service to General Governmental Expenditures</u>
1992	\$137,291	\$62,261	\$199,552	\$13,021,868	1.53 %
1993	141,097	54,649	195,746	13,465,632	1.45
1994	141,493	127,559	269,052	13,949,162	1.93
1995	26,915	29,528	56,443	18,469,570	0.31
1996	27,365	27,678	55,043	15,902,015	0.35
1997	27,843	25,800	53,643	17,772,817	0.30
1998	28,353	23,890	52,243	17,929,882	0.29
1999	28,896	21,937	50,833	19,688,152	0.26
2000	29,474	19,949	49,423	22,486,387	0.22
2001	30,090	17,863	47,953	24,125,574	0.20

Table 13

**COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
GENERAL OBLIGATION BONDS
December 31, 2001**

	<u>Assessed Valuation</u>	<u>Net General Tax Supported Debt</u>	<u>Percent Overlapping</u>	<u>Amount Applicable to City of Barberton</u>
City of Barberton	\$357,002,567	\$10,278,183	100.00 %	\$10,278,183
Summit County	10,686,054,179	124,487,183	3.44	4,285,791

Source: Summit County Auditor

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

<u>Year</u>	<u>Total Assessed Values</u>	<u>Financial Institution Deposits (in thousands)</u>	<u>Value of Building Permits Issued</u>
1992	\$232,015,988	\$3,739,883	\$14,213,783
1993	229,870,876	3,792,255	11,884,165
1994	251,722,356	4,199,905	20,529,000
1995	257,311,782	6,958,865	11,090,623
1996	262,122,242	6,960,566	17,318,000
1997	301,354,845	6,960,566	25,887,000
1998	308,798,953	5,749,282	46,438,895
1999	324,473,809	7,071,487	26,225,000
2000	353,444,088	7,920,486	23,980,000
2001	357,002,567	7,870,201	15,391,102

Sources:

Total Assessed Value - Summit County Auditor

Financial Institution Deposits within Summit County - Akron Clearing House

Building Permits - City of Barberton Building Department

Table 15

**INCOME TAX COLLECTIONS
LAST TEN YEARS**

<u>Year</u>	<u>Amount</u>
1992	\$7,926,921
1993	8,185,128
1994	8,616,970
1995	8,935,143
1996	8,928,547
1997	9,409,957
1998	9,875,815
1999	10,308,084
2000	10,190,901
2001	9,706,759

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

DEMOGRAPHIC STATISTICS

<u>Year</u>	<u>Population</u>	
1960	33,805	
1970	33,052	
1980	29,751	
1990	27,623	
2000	27,899	
<u>Selected Population Characteristics</u>	<u>2000</u>	<u>1990</u>
Gender		
Males	13,018	12,923
Females	14,881	14,700
Age Distribution		
Under 5 years	2,147	1,977
5 to 9 years	1,882	1,997
10 to 14 years	1,829	1,941
15 to 19 years	1,716	1,821
20 to 24 years	1,701	1,862
25 to 34 years	3,824	4,000
35 to 44 years	4,074	4,262
45 to 54 years	3,574	2,393
55 to 59 years	1,178	1,176
60 to 64 years	1,160	1,526
65 to 74 years	2,358	2,750
75 to 84 years	1,859	1,461
85 years and older	597	457
Percent of population under 18	24.80 %	25.20 %
Percent of population 65 and older	17.30	16.90
Median Age	37.2 years	34.2 years

Source: U.S. Bureau of the Census

MISCELLANEOUS STATISTICS
December 31, 2001

Date of Incorporation	1891
Form of Government	Charter, strong mayor-council
Population	27,899 2000 Census 11,731 dwelling units
Area	9.0085 square miles 5,765.45 acres
Altitude:	
Highest point	1,113.93 feet above sea level
Lowest point	947 feet above sea level
Streets & highways	124.88 miles of roadways Immediate access to I-76, I-277 and U.S. 21
Police protection:	
Stations	1
Number of police officers	43
Fire protection:	
Stations	2
Number of fire officers	45
Municipal utilities	11,407 water customers 10,694 sewer customers
Infrastructure:	
Water mains	133.28 miles
Sanitary sewers	87.68 miles
Recreation:	
Number of parks	15 parks - 140 acres
Fitness center	1
Swimming pools	1
Wading pools	5
Tennis courts	8
Baseball diamonds	3
Softball fields	12
Education:	
Elementary schools	6 K-5
Middle schools	2 6-8
High school	1 9-12
Parochial	1 1-8
Libraries	1 104,906 volumes
Medical	1 363-bed hospital
Churches	44 total - 14 denominations



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

CITY OF BARBERTON

SUMMIT COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 23, 2002**