

CITY OF BARBERTON, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2013

PREPARED BY:

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

*104 THIRD STREET
BARBERTON, OHIO 44203*

INTRODUCTORY SECTION

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CITY OF BARBERTON, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2013

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City of Barberton

Finance Department

June 19, 2014

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

The Comprehensive Annual Financial Report (CAFR) of the City of Barberton, Ohio (City) is hereby presented. This CAFR represents the official report of the City of Barberton's operations and financial position for the year ended December 31, 2013, and has been developed to accurately detail the status of the City finances to Barberton residents and elected officials, investment banks and underwriters and all other interested parties. This report is presented in compliance with Governmental Accounting Standards Board (GASB) Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments". It is intended to provide all pertinent and necessary information to the citizens of Barberton.

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

The City is responsible for establishing and maintaining internal controls 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 accounting principles generally accepted in the United States of America (GAAP). Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

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

As a part of the City's independent audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations. The results of the City's independent audit for the year ended December 31, 2013 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

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

Finance Department

*104 Third Street, N.W. • Barberton, Ohio 44203 • Office: (330) 848-6775 • Fax: (330) 848-6725
www.cityofbarberton.com*

Community Profile

The City of Barberton is located in northeast Ohio, adjacent to the City of Akron and approximately 75 miles south of Cleveland. Incorporated in 1891, Barberton operates under a charter form of government which was adopted by its voters in 1973. The City is governed by an elected Mayor and a nine-member City Council. Founded by industrialist Ohio Columbus Barber, Barberton earned the nickname of the Magic City because of its early rapid growth. Today, Barberton covers an area of approximately nine square miles and is the fourth largest city in Summit County with a population of approximately 26,800.

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

Economic Condition and Outlook

Local Economy

The City's economy has historically been associated with the manufacturing industry. Major industries with headquarters or divisions within Barberton's boundaries include manufacturers of fossil fuel and nuclear power generating equipment, automobile components, energy products management systems and producers of chemical products. The City's largest withholder accounts for approximately 26 percent of the City's total income tax collections.

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

Despite the budgetary challenges over the last several years, there are development projects taking place that are intended to help restore Barberton's long-term economic stability. The Barberton Community Development Corporation (BCDC) is a tax exempt, non-political agency founded for the purpose of enhancing the City's tax base by providing opportunities to create or retain jobs in the City of Barberton. The BCDC, through business financing, gap loans, construction of infrastructure and redevelopment projects have assisted over 250 businesses, facilitating over \$100 million in private sector investment. The Barberton Community Foundation invests up to \$4 million in a revolving loan fund administered by BCDC. The BCDC, in collaboration with the City and the Barberton Community Foundation (BCF) have retained or created more than 3,000 jobs generating more than \$1.5 million annually in income and property taxes.

In October of 2011, the BCDC was awarded \$1,000,000 from the Small Business Administration to assist businesses in the City of Barberton. Within an 8 month period of time, the BCDC has loaned \$800,000 of the available SBA funds. In addition, the Barberton Land and Improvement Company (BLIC), a wholly owned subsidiary of the BCDC acquired the former Seiberling Tire and Rubber Company property in February, 2012. Since the acquisition, the BLIC has started renovations to the 400,000+ square foot facility and has successfully executed 6 leases. Once fully renovated, the City of Barberton will have ample office and manufacturing space available to accommodate the needs of area businesses as they expand. To date, approximately \$2.4 million has been invested in the facility.

In September of 2011, the BCDC launched the Barberton Growth Fund in partnership with JumpStart Inc. The fund is designed to assist start-up companies in new and emerging technologies. To date, three companies have utilized the funds and have begun operations within the city. A second round of funding has been launched and has generated interest from 6 new companies.

In 2013, the BLIC acquired the former Shamrock motel and nightclub. Both structures have been razed and the land is being held for future development. In addition, the BCDC is in negotiations with a large development company in an effort to transform the Norton Ave. corridor.

Long-Term Financial Planning

The City had been able to offset the loss of revenues the last few years by using its Emergency Reserve monies as well as a number of other one-time revenues. Although the City continues to pursue grants and low-interest loans for capital improvements, with those operating reserves exhausted the City has been required to raise user charges and fees and as well as reducing expenses. An example of this effort is that the full-time staffing levels have been reduced from 283 employees in 2001 to 221 at the end of 2013. The result of the staffing reductions and other cuts has helped minimize expenditure growth since 2001 in the General Fund, the City's major (non-utility) operating fund.

Real estate values have also been relatively stagnant.

Major Initiatives

At the November 2013 general election the Citizens of Barberton approved a one-quarter of a percent increase in the city income tax. The additional revenue is restricted to paving and reconstructing streets. It is expected to raise approximately \$950,000 in 2014 and \$1.1 million per year starting in 2015.

The City was awarded a \$1.2 million Grant from the Ohio Department of Development Office of Housing to establish a Neighborhood Stabilization Program. An additional \$980,000 was added to the program through Summit County. The program is administered by the Neighborhood Development Services (NDS), a non-profit organization that specializes in revitalizing neighborhood housing. The City purchases homes with the intent to either raze or rehab in conjunction with NDS. Through December 31, 2013 the city has invested approximately \$2.034 million dollars of the grants.

The City was awarded grants totaling \$265,000 from the Barberton Community Foundation, Alcoa Foundation and Barberton Kiwanis for the construction of an Ohio Erie Canal Towpath Connector Bridge. The bridge will allow access to downtown Barberton from the towpath trail. Construction was to be completed in 2014.

A major reconstruction of 31st Street has been under way including an Ohio Public Works Commission (OPWC) grant to help finance the waterline portion. At December 31, 2013 the waterline portion, estimated at \$2.164 million, was substantially completed and the roadway reconstruction was underway. Roadway funding includes ODOT reimbursements and direct contractor payments. The project is estimated at \$3.7 million with a completion date of September 2015.

Another OPWC loan was also approved for Summit Road waterline improvements. Total cost for the project is estimated at approximately \$1.77 million. The City applied for and was awarded an Ohio EPA Water Supply Revolving Loan Account (WSRLA) loan in an amount not to exceed \$4,000,000 for replacing two water storage tanks and painting another. The loaned approved included a 20% principal forgiveness. Construction began in 2012 and was near completion at December 31, 2013.

Construction began on the Snyder Avenue (sewage) Pump Station financed by a low interest loan by Ohio EPA and the Ohio Water Development Authority (OWDA) through the Ohio Water Pollution Control Fund. Costs are estimated at \$2.6 million.

Design work has also been completed on additional sewage plant improvements financed with a low interest loan, also through OWDA. This project is estimated at \$500,000.

The City Planning Department was awarded \$676,938 in Clean Ohio Assistance Fund ("COAF") assistance to conduct asbestos abatement and other clean-up and an environmental assessment of the former Seiberling Industrial property. The City and the Barberton Land Improvement Company are partnering to redevelop the property into commercial or industrial end uses.

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Barberton, Ohio for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2012. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such a CAFR must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City of Barberton, Ohio, has received Certificates of Achievement for the last 23 consecutive years (1990-2012). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA for award consideration.

Acknowledgements

The publication of this report could not have been accomplished without the efforts of the Finance Department staff. I would also like to express my appreciation to the other city departments directly involved in the preparation of the report and all other City employees and managers for their dedicated service to the Citizens of Barberton throughout the year.

Sincerely,

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

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

**CITY OF BARBERTON, OHIO
LIST OF PRINCIPAL CITY OFFICIALS
AS OF DECEMBER 31, 2013**

Elected Officials (Four-year terms):

ADMINISTRATION AND MUNICIPAL COURT:

Mayor	William B. Judge	Term Expires 12/31/2015
Director of Finance	Raymond E. Flickinger, Jr.	Term Expires 12/31/2015
Director of Law	Lisa Okolish Miller	Term Expires 12/31/2015
Municipal Court Judge (Presiding)	David Fish	Term Expires 12/31/2019
Municipal Court Judge	Vacant	Term Expires 12/31/2017
Clerk of Municipal Court	Diana Stevenson	Term Expires 12/31/2015

CITY COUNCIL:

President	Frederick S. Maurer	Term Expires 12/31/2017
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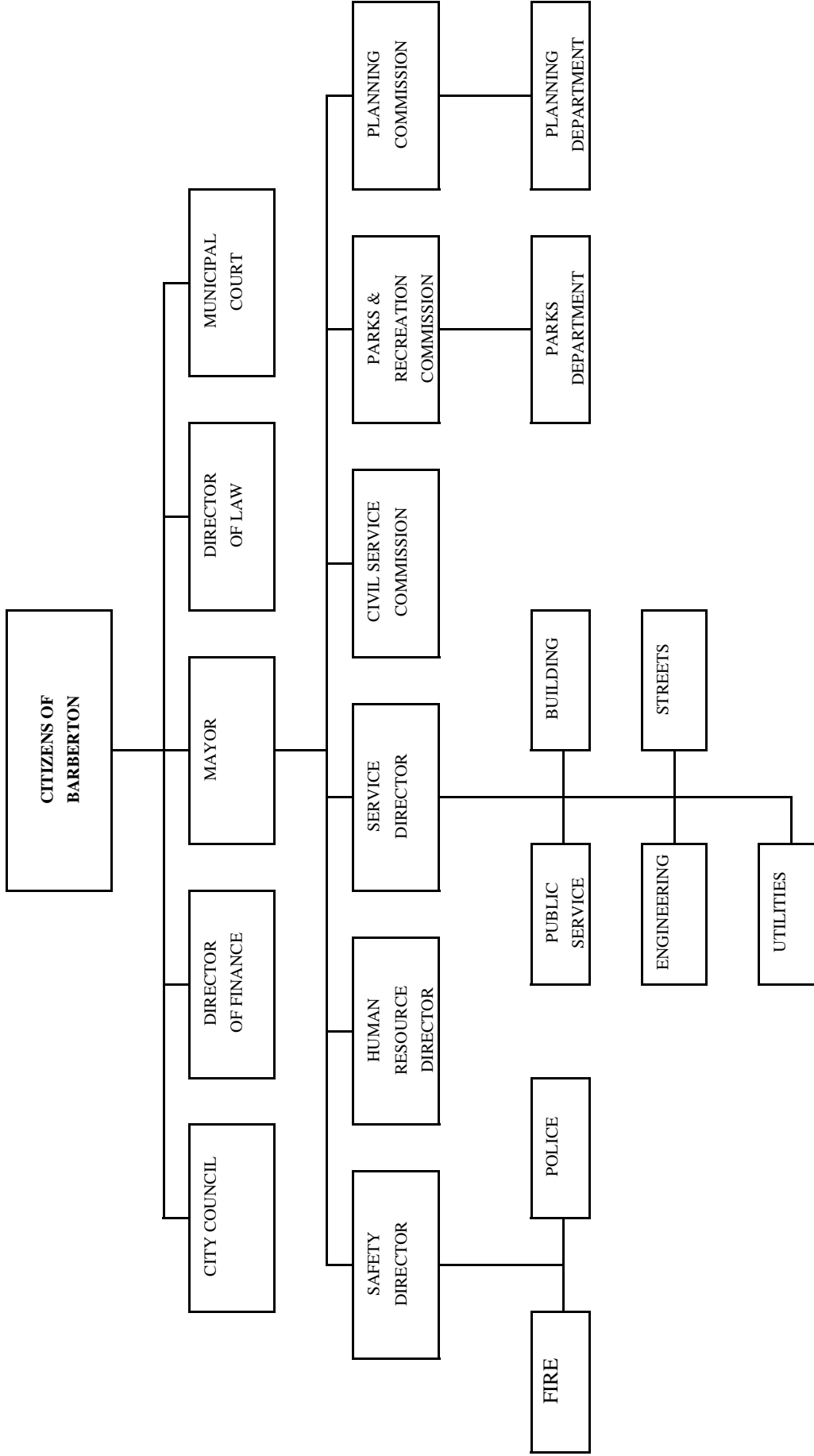
Members:

At-Large	Michael R. Soyars	Term Expires 12/31/2017
At-Large	Carla S. Debevec	Term Expires 12/31/2017
Ward 1	Gary L. Endres	Term Expires 12/31/2015
Ward 2	John Lysenko	Term Expires 12/31/2015
Ward 3	John D. Wagner	Term Expires 12/31/2015
Ward 4	Craig Megyes	Term Expires 12/31/2015
Ward 5	Terry L. Avant	Term Expires 12/31/2015
Ward 6	Carol A. Frey	Term Expires 12/31/2015

Mayor's Staff (Appointed):

Service Director	Elwood Palmer
Safety/Human Resources Director	Michael Kimble
Utilities Director	James A. Stender
Building Commissioner	James Bauschlinger
Department Heads:	
Police Chief	Vince Morber
Fire Chief	Kim Baldwin
City Engineer	Vacant
Planning Director	Vacant
Parks Director	Shane McAvinew
Storm Water Engineer	Alan Keltika

**CITY OF BARBERTON, OHIO
ORGANIZATIONAL CHART**





Government Finance Officers Association

**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, 2012

Executive Director/CEO

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FINANCIAL SECTION

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Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report

City of Barberton
Summit County
576 West Park Avenue, Room 106
Barberton, Ohio 44203

To the Members of Council and Mayor:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Barberton, Summit County, Ohio, as of and for the year ended December 31, 2013 and the related notes to the financial statements, which collectively comprise the City of Barberton's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City of Barberton's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City of Barberton's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Barberton, Summit County, Ohio, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

City of Barberton
Independent Auditor's Report

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted to opine on the City of Barberton's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling the statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2014, on our consideration of the City of Barberton's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Barberton's internal control over financial reporting and compliance.



Julian & Grube, Inc.
June 19, 2014

CITY OF BARBERTON, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2013 (UNAUDITED)

The management's discussion and analysis for the City of Barberton's financial statements provides an overview of the City's financial activities as of December 31, 2013. The intent of this discussion is to provide a narrative that helps to explain and describe the City's financial performance as a whole. To obtain a more detailed understanding, please review the transmittal letter, the notes to the basic financial statements and the basic financial statements in conjunction with this analysis. The Statistical Section can also provide valuable current and historical information.

Financial Summary

The financial summary for 2013 follows:

- The total assets of the City of Barberton exceeded its liabilities and deferred inflows of resources at December 31, 2013 by \$77,841,056 (net position). Of this amount, \$3,257,934 is considered restricted for various purposes such as capital projects, debt service and other restrictions. Another \$61,072,370 is invested in capital assets and the remaining \$13,510,752 is considered unrestricted and may be used to meet the City's ongoing services and other obligations.
- Total net position increased \$5,255,574 as a result of this year's operations. Net position of business-type activities increased \$1,913,806, or 4.23 percent, while the net position of governmental activities increased \$3,341,768, or 12.25 percent.
- The total cost of the City's service programs was \$34,184,531, while the total revenues were \$39,440,105. Of these amounts the governmental activities represented \$22,111,729 (64.68%) of the expenses and \$25,453,497 (64.54%) of the revenues. The business-type activities represented the remaining \$12,072,802 (35.32%) of expenses and \$13,986,608 (35.46%) of revenues.
- At the end of 2013, the fund balance for the general fund was \$3,520,180 on a modified accrual basis. This balance provides the City with the equivalent of 78 working days of expenditures.

Using this Comprehensive Annual Financial Report

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

The statement of net position and the statement of activities provide information from a summary perspective showing the results of the operations for the year 2013 and how they impacted the financial condition of the City as a whole.

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

CITY OF BARBERTON, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2013 (UNAUDITED)

Reporting the City of Barberton as a Whole

Statement of Net Position and Statement of Activities

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

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

Reporting on the Most Significant Funds of the City of Barberton

Fund Financial Statements

The analysis of the City's major funds begins on page 10. Fund financial reports give a detailed accounting of the activities within the funds. The City currently has 48 funds, as presented in this report. These funds are in existence to provide a multitude of services to the citizens of Barberton. For example, some funds provide for police and fire protection, street repair and maintenance as well as water, sewer, storm water and solid waste disposal services. In addition, a number of funds serve a variety of other purposes ranging from accounting for the City's construction of capital and infrastructure assets to providing health care benefits to the City's employees. Each fund is in some ways an entity unto itself. Each fund has a designated revenue stream and restricted uses for the monies within the fund.

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

Governmental Funds

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

Proprietary Funds

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

CITY OF BARBERTON, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
(UNAUDITED)*

Fiduciary Funds

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

Statement of Net Position

As noted earlier, the statement of net position looks at the City as a whole and therefore, can be a useful indicator of the City's financial position. The table below provides a summary of the City's net position for 2013 compared to 2012.

	Net Position					
	Governmental Activities <u>2013</u>	Business-type Activities <u>2013</u>	Governmental Activities <u>2012</u>	Business-type Activities <u>2012</u>	2013 <u>Total</u>	2012 <u>Total</u>
<u>Assets</u>						
Current and other assets	\$ 13,587,125	\$ 11,264,130	\$ 13,660,069	\$ 10,454,179	\$ 24,851,255	\$ 24,114,248
Capital assets, net	<u>25,851,469</u>	<u>51,080,715</u>	<u>23,882,997</u>	<u>50,254,167</u>	<u>76,932,184</u>	<u>74,137,164</u>
Total assets	<u>39,438,594</u>	<u>62,344,845</u>	<u>37,543,066</u>	<u>60,708,346</u>	<u>101,783,439</u>	<u>98,251,412</u>
<u>Liabilities</u>						
Current and other liabilities	1,639,471	933,279	1,695,654	1,032,144	2,572,750	2,727,798
Long-term liabilities:						
Due within one year	1,272,418	937,889	2,417,241	879,622	2,210,307	3,296,863
Due in more than one year	<u>4,604,261</u>	<u>13,264,664</u>	<u>4,850,095</u>	<u>13,501,373</u>	<u>17,868,925</u>	<u>18,351,468</u>
Total liabilities	<u>7,516,150</u>	<u>15,135,832</u>	<u>8,962,990</u>	<u>15,413,139</u>	<u>22,651,982</u>	<u>24,376,129</u>
Deferred inflows of resources	<u>1,290,401</u>	<u>-</u>	<u>1,289,801</u>	<u>-</u>	<u>1,290,401</u>	<u>1,289,801</u>

- - Continued

CITY OF BARBERTON, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
(UNAUDITED)*

	Net Position					
	Governmental Activities <u>2013</u>	Business-type Activities <u>2013</u>	Governmental Activities <u>2012</u>	Business-type Activities <u>2012</u>	2013 <u>Total</u>	2012 <u>Total</u>
<u>Net Position</u>						
Net investment in capital assets	\$ 23,611,193	\$ 37,461,177	\$ 20,259,877	\$ 36,273,472	\$ 61,072,370	\$ 56,533,349
Restricted:						
Capital projects	13,989	-	13,978	-	13,989	13,978
Special assessments debt service	387,469	-	388,438	-	387,469	388,438
Street construction, maintenance and repair	325,916	-	673,038	-	325,916	673,038
Court	1,433,582	-	1,052,276	-	1,433,582	1,052,276
Recreation	40,753	-	77,404	-	40,753	77,404
Community development and improvements	156,812	-	90,316	-	156,812	90,316
Law enforcement	437,720	-	368,927	-	437,720	368,927
Police and fire pension	81,868	-	84,448	-	81,868	84,448
Fire capital	37,837	-	59,523	-	37,837	59,523
Miscellaneous grants	3,316	-	-	-	3,316	-
911 phone system	16,709	-	25,368	-	16,709	25,368
Sewer replacement and improvement	-	321,963	-	345,427	321,963	345,427
Unrestricted	<u>4,084,879</u>	<u>9,425,873</u>	<u>4,196,682</u>	<u>8,676,308</u>	<u>13,510,752</u>	<u>12,872,990</u>
Total net position	<u>\$ 30,632,043</u>	<u>\$ 47,209,013</u>	<u>\$ 27,290,275</u>	<u>\$ 45,295,207</u>	<u>\$ 77,841,056</u>	<u>\$ 72,585,482</u>

Total assets increased in 2013 by \$3,532,027 (3.59%). This net increase is comprised of a \$737,007 (3.06%) increase in current assets and an increase of \$2,795,020 (3.77%) in capital assets.

Total liabilities and deferred inflows decreased \$1,723,547 (6.72%) in 2013. Most of this decrease is a result of payments made on the City's long-term debt obligations; long-term liabilities decreased \$1,569,099 (7.25%).

Total net position increased \$5,255,574 or 7.24%. Most of this increase is reflected in the City's investment in capital assets, which increased \$4,539,021. Unrestricted net position increased \$637,762 or 4.95 percent.

CITY OF BARBERTON, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
(UNAUDITED)*

Statement of Activities

The table below shows the changes in net position for fiscal years 2013 and 2012.

	Change in Net Position					
	Governmental Activities <u>2013</u>	Business-type Activities <u>2013</u>	Governmental Activities <u>2012</u>	Business-type Activities <u>2012</u>	2013 Total	2012 Total
Revenues						
Program revenues:						
Charges for services	\$ 3,770,589	\$ 12,454,286	\$ 3,382,048	\$ 12,571,941	\$ 16,224,875	\$ 15,953,989
Operating grants and contributions	4,402,420	-	4,081,718	-	4,402,420	4,081,718
Capital grants and contributions	<u>3,016,298</u>	<u>1,422,846</u>	<u>250,412</u>	<u>953,470</u>	<u>4,439,144</u>	<u>1,203,882</u>
Total program revenues	<u>11,189,307</u>	<u>13,877,132</u>	<u>7,714,178</u>	<u>13,525,411</u>	<u>25,066,439</u>	<u>21,239,589</u>
General revenues:						
Property taxes	1,200,305	-	1,018,954	-	1,200,305	1,018,954
Income taxes	11,304,650	-	9,913,010	-	11,304,650	9,913,010
Grants and entitlements	1,574,050	-	1,965,699	-	1,574,050	1,965,699
Investment earnings	17,499	35,066	31,249	6,071	52,565	37,320
Other	<u>167,686</u>	<u>74,410</u>	<u>86,748</u>	<u>14,955</u>	<u>242,096</u>	<u>101,703</u>
Total general revenues	<u>14,264,190</u>	<u>109,476</u>	<u>13,015,660</u>	<u>21,026</u>	<u>14,373,666</u>	<u>13,036,686</u>
Total revenues	<u>25,453,497</u>	<u>13,986,608</u>	<u>20,729,838</u>	<u>13,546,437</u>	<u>39,440,105</u>	<u>34,276,275</u>
Expenses						
Program expenses:						
General government	4,485,947	-	4,150,178	-	4,485,947	4,150,178
Public safety	10,692,505	-	10,221,486	-	10,692,505	10,221,486
Transportation	2,227,248	-	2,725,173	-	2,227,248	2,725,173
Community environment	3,108,590	-	2,109,074	-	3,108,590	2,109,074
Leisure time activity	1,468,383	-	1,334,529	-	1,468,383	1,334,529
Interest and fiscal charges	129,056	-	188,459	-	129,056	188,459
Water	-	4,389,879	-	4,335,601	4,389,879	4,335,601
Sewer	-	5,004,111	-	4,987,464	5,004,111	4,987,464
Solid waste	-	1,786,391	-	1,894,645	1,786,391	1,894,645
Storm water	<u>-</u>	<u>892,421</u>	<u>-</u>	<u>817,705</u>	<u>892,421</u>	<u>817,705</u>
Total expenses	<u>22,111,729</u>	<u>12,072,802</u>	<u>20,728,899</u>	<u>12,035,415</u>	<u>34,184,531</u>	<u>32,764,314</u>
Change in net position before transfers	3,341,768	1,913,806	939	1,511,022	5,255,574	1,511,961
Transfers	<u>-</u>	<u>-</u>	<u>(31,146)</u>	<u>31,146</u>	<u>-</u>	<u>-</u>
Change in net position	3,341,768	1,913,806	(30,207)	1,542,168	5,255,574	1,511,961
Net position at beginning of year	<u>27,290,275</u>	<u>45,295,207</u>	<u>27,320,482</u>	<u>43,753,039</u>	<u>72,585,482</u>	<u>71,073,521</u>
Net position at end of year	<u>\$ 30,632,043</u>	<u>\$ 47,209,013</u>	<u>\$ 27,290,275</u>	<u>\$ 45,295,207</u>	<u>\$ 77,841,056</u>	<u>\$ 72,585,482</u>

CITY OF BARBERTON, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2013 (UNAUDITED)

Governmental Activities

The City's funding for governmental activities comes from a variety of sources, the most significant being the municipal income tax. The City levies an income tax of 2 percent on all income earned within the City as well as on the income of residents earned outside of the City. In the latter case, the City allows a credit of 100 percent on the income taxes paid to another municipality by residents of Barberton, up to 2 percent of the income. On a full accrual basis, the City received \$11,304,650 in income taxes revenue, or 44.41 percent of the total governmental revenues in 2013, compared to \$9,913,010 in income taxes revenue in 2012. This large increase is primarily due to an increased amount of tax refunds issued in 2012.

Intergovernmental revenue (i.e. state shared support) represents the City's second largest source of general revenue for the governmental activities. In 2013, the City received \$1,574,050 in unrestricted intergovernmental revenue or 6.18 percent of total revenues. Unrestricted intergovernmental revenues totaled \$1,965,699 or 9.48 percent of total revenue in 2012. Most of the decrease is the result of a reduction in the allocation of local government support revenue from the County. The other main source of general revenue is property taxes, which accounted for 4.72 percent of total revenues in 2013.

Program revenues include charges for services and operating and capital grants and contributions that are restricted for specific purposes. Program revenues increased \$3,475,129 in 2013 compared to the prior year, as revenues for all three categories increased. The primary reason for this increase is additional funding received in 2013, reported as capital grants and contributions, for a radio system upgrade for the Fire Department and for a bridge replacement project. Charges for services revenue increased as well, which is mostly due to additional fees charged by the Municipal Court to help finance various projects of the Court.

The City's governmental activity expenses totaled \$22,111,729 in 2013, which represents an increase of \$1,382,830 or 6.67 percent from 2012. Public safety (police and fire protection) and general government (city council, mayor, finance, service director, etc.) represent the largest portion of this figure at 48.36 percent and 20.29 percent, respectively.

Public safety expenses totaled \$10,692,505 compared to \$10,221,486 in 2012, an increase of 4.61 percent. The increase is mostly due to increased personnel costs for the Police Department. The public safety classification consists of the Police Department, which includes 9-1-1 dispatchers, and the Fire Department. As of December 31, 2013, the City employed 40 full-time police officers, 7 full-time 9-1-1 dispatchers and 45 full-time firefighters.

Expenses for community environment include those related to the community development block grant program and the state clean Ohio and neighborhood stabilization programs. These expenses increased in 2013 due to the Moving Ohio Forward program, which provides State funding to local governments for demolitions of blighted and abandoned properties.

Transportation accounted for 10.07 percent of total governmental activities expenses. The transportation classification consists of the City's Street Department and the Paint and Signal Division. In addition, the City has several funds established that are used to pay private contractors for road resurfacing and general street maintenance. Transportation expenses decreased in 2013 due to lower street maintenance and repair costs. As of December 31, 2013, the City employed 12 full-time employees in the Street Department and 1 full-time employee in the Signal Division.

Leisure time activities expenses make up 6.64% of governmental activities expenses. These expenses include the City's recreation programs, parks maintenance, and the operations of the sports complex.

CITY OF BARBERTON, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
(UNAUDITED)*

Business-Type Activities

The City of Barberton Utility Department provides water, sewer, storm water and solid waste disposal (garbage collection) services. Sanitary sewer services are provided to approximately 11,000 customers in and around the Barberton area. Sewer billing rates are set by City Council based on the recommendation of the Service and Utilities Directors. In 2013, the rates were established at \$4.14 per thousand gallons of metered water for residential and commercial users. The sewer treatment plant was originally constructed in 1960 and then completely overhauled in 1988. The City has made several improvements to the plant since 1988 with the most recent occurring in 2002 for various upgrades. Further improvements to the sewage treatment processes were completed in 2012 financed by federal grant, State of Ohio loan and customer user charges, with additional improvements underway in 2014.

Water distribution and treatment services are provided to approximately 12,250 customers in and around the Barberton area. Water billing rates are set by the Service Director. In 2013, the rates were established at \$6.10 per thousand gallons for residential and commercial users. Over the past year, improvements and upgrades to the water treatment plant, distribution infrastructure and treatment process equipment have continued.

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

The City also contracts for solid waste disposal (garbage collection). The City, in addition to billing and collecting garbage user fees, acts as an agent between the successful competitive bidder for pickup service and City customers. In 2013, the monthly rate charged was \$16.25.

The revenues and expenses for all the business-type activities are reported under the business-type activities. The revenues are derived primarily from user charges. In 2013, charges for services revenue of \$12,454,286 represents a decrease of 0.94% from 2012. The other primary source of revenues for the business-type activities in 2013 was capital contributions, in the amount of \$1,422,846, which consists of various grants used for capital improvements. The total expenses for all the business-type activities were \$12,072,802 during 2013, compared to \$12,035,415 in 2012. Net position of the business-type activities increased \$1,913,806 due primarily to capital asset acquisitions.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

	Total Cost of Services <u>2013</u>	Net Cost of Services <u>2013</u>	Total Cost of Services <u>2012</u>	Net Cost of Services <u>2012</u>
Program Expenses:				
General government	\$ 4,485,947	\$ 1,851,697	\$ 4,150,178	\$ 2,015,188
Public safety	10,692,505	9,004,622	10,221,486	9,221,752
Transportation	2,227,248	(1,096,124)	2,725,173	1,382,957
Community environment	3,108,590	433,865	2,109,074	(352,130)
Leisure time activities	1,468,383	1,062,776	1,334,529	981,798
Interest and fiscal charges	<u>129,056</u>	<u>(334,414)</u>	<u>188,459</u>	<u>(234,844)</u>
Total Expenses	<u>\$ 22,111,729</u>	<u>\$ 10,922,422</u>	<u>\$ 20,728,899</u>	<u>\$ 13,014,721</u>

The dependence upon general revenues for governmental activities is apparent, with 49.40 percent of expenses supported through taxes and other general revenues in 2013 and 64.79 percent in 2012.

CITY OF BARBERTON, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2013 (UNAUDITED)

The City's Funds

Information about the City's governmental funds begins on page 18. Governmental funds are accounted for using the modified accrual method of accounting. All governmental funds had revenues of \$25,960,787 and expenditures of \$26,419,598.

The general fund is the chief operating fund of the City of Barberton. During 2013, the City's general fund balance decreased \$720,852. General fund revenues in 2013 increased \$341,353 or about 2.12% compared to 2012. The general fund's primary source of revenue is the municipal income tax. Income tax revenues increased \$879,744 or 8.61% alongside an increase in property and other taxes revenues of \$190,508. The increase in income tax revenues is mostly the result of an unusually high amount of refunds issued during 2012; refunds in 2013 were much closer to historical norms. Property and other taxes revenue increased as a result of a slight increase in delinquent collections. Intergovernmental revenues for the general fund decreased \$822,378 in 2013. The following are the primary factors that contributed to the decrease: the completion of two Federal grant programs, resulting in a decrease of approximately \$437,000; the phase-out of the tangible personal property tax reimbursements from the State, resulting in a decrease of about \$182,000; and, a decrease in the allocation of local government support revenues from the County, resulting in a decrease of approximately \$231,000.

General fund expenditures increased in 2013 by \$896,021 or 5.78%. Increases in public safety (\$662,339) and capital outlay (\$315,398) were the primary contributors to the overall increase in expenditures. For public safety expenditures, most of the increase is due to higher costs for wages and benefits, particularly for the City's police force. The City financed equipment upgrades and other capital improvements with general fund monies in 2013 leading to an increase in capital outlay expenditures.

Information concerning the proprietary funds starts on page 24. These funds are accounted for on an accrual basis. All enterprise funds had operating revenues of \$12,528,696 and operating expenses of \$11,547,092, resulting in operating income of \$981,604 or 7.83 percent of the total operating revenues compared to 8.43 percent in 2012. Operating revenues for both the water and solid waste funds were sufficient to meet the operating expenses in 2013, while the sewer fund experienced an operating loss. Both revenues and expenses for all enterprise funds were comparable to the prior year.

Budgeting Highlights

The City's budget is prepared according to the laws of the State of Ohio and is based on accounting for certain transactions on a cash basis for receipts, expenditures and encumbrances. The most significant budgeted fund is the general fund. The legal level of control is established by City Council at the personal services, operating and capital expenditure level for each department within the general fund and at the personal services, operating, and capital expenditures level for all other funds. Any budget modifications at these levels may only be made through an ordinance of City Council. City policy permits fund transfers within management control levels with the approval of the department head and the Director of Finance. During the course of 2013, City Council amended appropriations and department managers' adjusted budgets several times as needed to provide timely services.

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

For the general fund, the 2013 original budgeted revenues and financing sources were \$15,254,110. This was reduced slightly to \$15,176,707 in the final budget. The actual revenue collections were \$15,366,108. There were no significant variances between the final budget and actual revenues for the individual revenue items.

CITY OF BARBERTON, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
(UNAUDITED)*

During 2013, the City increased general fund appropriations from \$16,573,675 in the original budget to \$17,574,007 in the final budget. Budgeted public safety expenditures were increased \$506,100, which was primarily due to additional personal services expenditures (employee wages and benefits) to account for the hiring of additional police officers, and also to account for expenditures for a new joint dispatch services project. The increase in budgeted community environment expenditures of \$284,123 is mostly the result of budgeting additional funds for improvements to the Ohio & Erie Canal towpath in the City.

Actual expenditures and other financing uses of \$16,373,592 were \$1,200,415 less than the final budget. Most general fund departments came in below budget in both personal services and operating costs which contributed to the positive variance in expenditures. The most notable variances were for the fire department (\$273,930) and police department (\$202,369).

The City's ending unencumbered cash balance of \$1,693,922 in the general fund was \$1,389,816 higher than the final adjusted budgeted amount and represented a decrease in the unencumbered balance of \$652,701.

Capital Assets and Debt Administration

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Land	\$ 6,240,335	\$ 6,316,825	\$ 1,043,728	\$ 982,340	\$ 7,284,063	\$ 7,299,165
Construction in progress	1,351,904	1,535,327	15,533,673	15,309,194	16,885,577	16,844,521
Buildings	3,625,746	4,252,256	16,682,824	17,742,680	20,308,570	21,994,936
Vehicles and equipment	3,410,467	2,999,663	1,255,732	1,365,001	4,666,199	4,364,664
Infrastructure						
Street subsystem	9,968,304	7,465,176	-	-	9,968,304	7,465,176
Storm sewer subsystem	-	-	2,917,712	2,672,709	2,917,712	2,672,709
Traffic signals subsystem	1,254,713	1,313,750	-	-	1,254,713	1,313,750
Water lines	-	-	6,933,588	5,290,248	6,933,588	5,290,248
Sewer lines	-	-	6,713,458	6,891,995	6,713,458	6,891,995
Totals	<u>\$ 25,851,469</u>	<u>\$ 23,882,997</u>	<u>\$ 51,080,715</u>	<u>\$ 50,254,167</u>	<u>\$ 76,932,184</u>	<u>\$ 74,137,164</u>

Total capital assets for the year ended December 31, 2013 were \$76,932,184, which is an increase of \$2,795,020 or 3.77% from 2012. Total new asset additions were \$7,116,652, depreciation expense was \$3,672,828, and disposals, net of accumulated depreciation, were \$648,804. Please see Note 7 in the notes to the basic financial statements for more information regarding the City's capital assets.

Debt

Outstanding debt as of December 31, 2013 was \$15,964,009. This balance reflects a decrease of \$1,756,945 from the prior year's balance of \$17,720,954. New debt issues totaled \$895,166 in 2013 and debt retirements were \$2,652,111. Moody's Investors Service, Inc. has given the City a bond rating of Aa3.

CITY OF BARBERTON, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2013 (UNAUDITED)

	Governmental Activities		Business-type Activities		Total	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
General obligation bonds	\$ 1,980,310	\$ 2,670,376	\$ 960,687	\$ 1,156,242	\$ 2,940,997	\$ 3,826,618
Revenue bonds	-	-	6,875,394	7,259,715	6,875,394	7,259,715
Capital leases	233,550	310,376	214,695	267,540	448,245	577,916
Special assessment bonds	26,416	38,868	-	-	26,416	38,868
Notes payable	-	83,500	160,000	246,500	160,000	330,000
Other debt	<u>92,448</u>	<u>637,139</u>	<u>5,420,509</u>	<u>5,050,698</u>	<u>5,512,957</u>	<u>5,687,837</u>
Total long-term obligations	<u>\$ 2,332,724</u>	<u>\$ 3,740,259</u>	<u>\$ 13,631,285</u>	<u>\$ 13,980,695</u>	<u>\$ 15,964,009</u>	<u>\$ 17,720,954</u>

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

Economic Factors and the 2014 General Fund Budget

Some of the economic trends impacting Barberton that were considered in developing the 2014 budget include the following:

- Barberton's average annual unemployment rate during 2013 was 8.0 percent, compared to 7.2 percent for Summit County and 7.4 percent for the State of Ohio.
- 2013 income tax revenue amounted to approximately \$11.30 million compared with \$9.91 million in 2012. Income tax receipts through April 2014 are 1.6 percent below April 2013 year to date collections.
- Barberton's assessed real property values have decreased approximately \$6.2 million, or about 1.8% since 2004. Real property values increased annually through 2008; however, since 2008 the assessed values have declined approximately \$53.6 million or 13.5%. The latest reappraisal occurred in 2012 and resulted in a decrease in real property values of approximately \$48.1 million or 12%.
- General fund budgeted revenues for 2014 are \$15,401,999 and budgeted expenditures are \$15,698,610.

Despite the City's cost cutting efforts over the last two years, balancing the budget for the foreseeable future will continue to be difficult. Other revenues such as shared support from the State are estimated to decline while certain operating costs such as fuel continue to increase. Capital replacement continues to be difficult as federal and state grants are reduced or eliminated. As an alternative, the City has pursued and been awarded several no or low-interest loans to assist in improving and maintaining its infrastructure. It is anticipated that further cost containment efforts, service reductions, and/or revenue enhancement actions may be necessary through the remainder of 2014 and into 2015 and beyond.

Request for Information

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

**BASIC
FINANCIAL STATEMENTS**

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CITY OF BARBERTON, OHIO

*STATEMENT OF NET POSITION
DECEMBER 31, 2013*

	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and cash equivalents	\$ 8,297,307	\$ 7,627,632	\$ 15,924,939
Cash and cash equivalents in segregated accounts . .	246,927	-	246,927
Investments	-	1,810,203	1,810,203
Receivables:			
Property taxes	1,446,603	-	1,446,603
Income taxes	1,866,876	-	1,866,876
Accounts	173,317	1,165,743	1,339,060
Intergovernmental	1,467,997	173,439	1,641,436
Accrued interest	2,913	2,416	5,329
Special assessments	26,417	-	26,417
Internal balance	(106,827)	106,827	-
Notes receivable	89,680	-	89,680
Prepayments	75,915	75,620	151,535
Materials and supplies inventory	-	302,250	302,250
Capital assets:			
Nondepreciable capital assets	7,592,239	16,577,401	24,169,640
Depreciable capital assets, net	18,259,230	34,503,314	52,762,544
Total capital assets, net	25,851,469	51,080,715	76,932,184
Total assets	39,438,594	62,344,845	101,783,439
Liabilities:			
Accounts payable	334,966	192,629	527,595
Contracts payable	413,403	424,838	838,241
Accrued wages and benefits payable	89,534	37,892	127,426
Intergovernmental payable	680,710	85,269	765,979
Accrued interest payable	14,191	32,651	46,842
Claims payable	106,667	-	106,667
Notes payable	-	160,000	160,000
Long-term liabilities:			
Due within one year	1,272,418	937,889	2,210,307
Due in more than one year	4,604,261	13,264,664	17,868,925
Total liabilities	7,516,150	15,135,832	22,651,982
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	1,290,401	-	1,290,401
Net position:			
Net investment in capital assets	23,611,193	37,461,177	61,072,370
Restricted for:			
Capital projects	13,989	-	13,989
Special assessments debt service	387,469	-	387,469
Street construction, maintenance and repair	325,916	-	325,916
Court	1,433,582	-	1,433,582
Recreation	40,753	-	40,753
Community development and improvements	156,812	-	156,812
Law enforcement	437,720	-	437,720
Police and fire pension	81,868	-	81,868
Fire capital	37,837	-	37,837
Miscellaneous grants	3,316	-	3,316
911 phone system	16,709	-	16,709
Sewer replacement and improvement	-	321,963	321,963
Unrestricted	4,084,879	9,425,873	13,510,752
Total net position	\$ 30,632,043	\$ 47,209,013	\$ 77,841,056

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BARBERTON, OHIO

*STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013*

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 4,485,947	\$ 2,574,433	\$ 59,817	\$ -
Public safety	10,692,505	703,890	132,269	851,724
Transportation	2,227,248	90,413	1,068,385	2,164,574
Community environment	3,108,590	306,094	2,368,631	-
Leisure time activities	1,468,383	95,759	309,848	-
Interest and fiscal charges	129,056	-	463,470	-
Total governmental activities	<u>22,111,729</u>	<u>3,770,589</u>	<u>4,402,420</u>	<u>3,016,298</u>
Business-type activities:				
Water	4,389,879	5,751,556	-	1,421,141
Sewer	5,004,111	3,991,723	-	1,705
Storm water	892,421	784,719	-	-
Solid waste	1,786,391	1,926,288	-	-
Total business-type activities	<u>12,072,802</u>	<u>12,454,286</u>	<u>-</u>	<u>1,422,846</u>
Total primary government	<u>\$ 34,184,531</u>	<u>\$ 16,224,875</u>	<u>\$ 4,402,420</u>	<u>\$ 4,439,144</u>

General revenues:

Property taxes levied for:	
General purposes	
Fire capital levy	
Police pension	
Fire pension	
Municipal income taxes levied for:	
General purposes	
Grants and entitlements not restricted to specific programs	
Investment earnings	
Other	
Total general revenues	
Change in net position	
Net position at beginning of year	
Net position at end of year	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

Governmental Activities	Business-type Activities	Total
\$ (1,851,697)	\$ -	\$ (1,851,697)
(9,004,622)	-	(9,004,622)
1,096,124	-	1,096,124
(433,865)	-	(433,865)
(1,062,776)	-	(1,062,776)
334,414	-	334,414
<u>(10,922,422)</u>	<u>-</u>	<u>(10,922,422)</u>
-	2,782,818	2,782,818
-	(1,010,683)	(1,010,683)
-	(107,702)	(107,702)
-	139,897	139,897
<u>-</u>	<u>1,804,330</u>	<u>1,804,330</u>
<u>(10,922,422)</u>	<u>1,804,330</u>	<u>(9,118,092)</u>
819,091	-	819,091
211,786	-	211,786
84,714	-	84,714
84,714	-	84,714
11,304,650	-	11,304,650
1,574,050	-	1,574,050
17,499	35,066	52,565
167,686	74,410	242,096
<u>14,264,190</u>	<u>109,476</u>	<u>14,373,666</u>
3,341,768	1,913,806	5,255,574
<u>27,290,275</u>	<u>45,295,207</u>	<u>72,585,482</u>
<u>\$ 30,632,043</u>	<u>\$ 47,209,013</u>	<u>\$ 77,841,056</u>

CITY OF BARBERTON, OHIO

*BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2013*

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:			
Equity in pooled cash and cash equivalents	\$ 2,423,479	\$ 3,947,193	\$ 6,370,672
Cash and cash equivalents in segregated accounts	246,927	-	246,927
Receivables:			
Property taxes	987,094	459,509	1,446,603
Income taxes	1,866,876	-	1,866,876
Accounts	134,700	30,173	164,873
Intergovernmental	538,762	929,235	1,467,997
Accrued interest	2,913	-	2,913
Due from other funds	238,955	-	238,955
Special assessments	-	26,417	26,417
Notes receivable	1,777	87,903	89,680
Prepayments	66,442	9,473	75,915
Total assets	<u>\$ 6,507,925</u>	<u>\$ 5,489,903</u>	<u>\$ 11,997,828</u>
Liabilities:			
Accounts payable	\$ 89,919	\$ 240,047	\$ 329,966
Contracts payable	38,108	292,535	330,643
Accrued wages and benefits payable	81,017	8,517	89,534
Intergovernmental payable	658,905	21,805	680,710
Due to other funds	-	238,955	238,955
Total liabilities	<u>867,949</u>	<u>801,859</u>	<u>1,669,808</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	880,509	409,892	1,290,401
Delinquent property tax revenue not available	106,585	49,617	156,202
Accrued interest not available	2,913	-	2,913
Special assessments revenue not available	-	26,417	26,417
Income tax revenue not available	787,166	-	787,166
Intergovernmental revenue not available	342,623	260,863	603,486
Total deferred inflows of resources	<u>2,119,796</u>	<u>746,789</u>	<u>2,866,585</u>
Fund balances:			
Nonspendable	68,219	9,473	77,692
Restricted	-	2,798,672	2,798,672
Committed	11,840	1,168,115	1,179,955
Assigned	742,993	-	742,993
Unassigned (deficit)	2,697,128	(35,005)	2,662,123
Total fund balances	<u>3,520,180</u>	<u>3,941,255</u>	<u>7,461,435</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 6,507,925</u>	<u>\$ 5,489,903</u>	<u>\$ 11,997,828</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BARBERTON, OHIO

*RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2013*

Total governmental fund balances		\$	7,461,435
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			25,851,469
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows of resources in the funds.			
Delinquent property taxes receivable	\$	156,202	
Municipal income taxes receivable		787,166	
Intergovernmental receivable		603,486	
Special assessments receivable		26,417	
Accrued interest receivable		2,913	
Total		1,576,184	1,576,184
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.			
Compensated absences		(3,543,955)	
General obligation bonds payable		(1,980,310)	
Special assessment bonds payable		(26,416)	
State infrastructure bank loan payable		(92,448)	
Capital lease obligation		(233,550)	
Total		(5,876,679)	(5,876,679)
On the statement of net position interest is accrued on outstanding bonds and loans payable, whereas in governmental funds interest is accrued when due.			(14,191)
Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities on the statement of net position.			1,740,652
An internal balance is recorded in governmental activities to reflect overpayments to the internal service funds by the business-type activities.			(106,827)
Net position of governmental activities		\$	30,632,043

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BARBERTON, OHIO

*STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:			
Property and other taxes.	\$ 866,655	\$ 403,357	\$ 1,270,012
Municipal income taxes.	11,098,132	-	11,098,132
Charges for services.	1,635,895	159,959	1,795,854
Licenses and permits	482,369	-	482,369
Fines and forfeitures	85,690	760,820	846,510
Intergovernmental.	1,644,483	6,961,934	8,606,417
Special assessments	-	94,334	94,334
Investment income.	17,374	1,451	18,825
Contributions and donations.	-	548,013	548,013
Other	640,105	560,216	1,200,321
Total revenues	<u>16,470,703</u>	<u>9,490,084</u>	<u>25,960,787</u>
Expenditures:			
Current:			
General government	3,990,508	390,709	4,381,217
Public safety	10,284,753	226,876	10,511,629
Transportation	108,162	1,420,906	1,529,068
Community environment	648,889	2,471,525	3,120,414
Leisure time activities	829,822	451,666	1,281,488
Capital outlay.	509,594	3,547,752	4,057,346
Debt service:			
Principal retirement.	12,359	1,378,029	1,390,388
Interest and fiscal charges	2,080	145,968	148,048
Total expenditures	<u>16,386,167</u>	<u>10,033,431</u>	<u>26,419,598</u>
Excess (deficiency) of revenues over (under) expenditures.	<u>84,536</u>	<u>(543,347)</u>	<u>(458,811)</u>
Other financing sources (uses):			
Sale of assets	-	565,053	565,053
Capital lease transaction.	63,612	3,628	67,240
Transfers in	-	1,037,100	1,037,100
Transfers (out).	(869,000)	(168,100)	(1,037,100)
Total other financing sources (uses)	<u>(805,388)</u>	<u>1,437,681</u>	<u>632,293</u>
Net change in fund balances	(720,852)	894,334	173,482
Fund balances at beginning of year	<u>4,241,032</u>	<u>3,046,921</u>	<u>7,287,953</u>
Fund balances at end of year	<u>\$ 3,520,180</u>	<u>\$ 3,941,255</u>	<u>\$ 7,461,435</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BARBERTON, OHIO

*RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013*

Net change in fund balances - total governmental funds \$ 173,482

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.

Capital asset additions	\$ 4,065,048	
Current year depreciation	<u>(1,447,772)</u>	
Total		2,617,276

Governmental activities only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (648,804)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Delinquent property taxes	(69,707)	
Municipal income taxes	206,518	
Intergovernmental revenues	(630,323)	
Special assessments	(12,452)	
Investment income	<u>(1,326)</u>	
Total		(507,290)

Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position. 1,390,388

In the statement of activities, interest is accrued on outstanding bonds, loans and capital leases, whereas in governmental funds, an interest expenditure is reported when due. Less interest expense is reported in the statement of activities due to the following:

Decrease in accrued interest payable	18,105	
Amortization of bond premiums	1,715	
Amortization of bond discounts	<u>(828)</u>	
Total		18,992

Capital lease transactions are recorded as other financing sources in the governmental funds; however, in the statement of activities they are not reported as revenues as they increase liabilities on the statement of net position. (67,240)

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. (26,069)

Internal service funds used by management to charge the cost of insurance, postage and gasoline to individual funds are not reported in the statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenues (expenses) of the internal service funds are allocated among the governmental activities. 391,033

Change in net position of governmental activities \$ 3,341,768

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BARBERTON, OHIO

*STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Property and other taxes	\$ 880,509	\$ 880,509	\$ 866,655	\$ (13,854)
Municipal income taxes	10,165,000	10,165,000	10,165,000	-
Charges for services	1,579,889	1,550,831	1,627,132	76,301
Licenses and permits	473,493	464,785	487,652	22,867
Fines and forfeitures	83,202	81,672	85,690	4,018
Intergovernmental	1,473,297	1,446,201	1,517,354	71,153
Investment income	19,101	18,750	19,673	923
Other	579,619	568,959	596,952	27,993
Total revenues	<u>15,254,110</u>	<u>15,176,707</u>	<u>15,366,108</u>	<u>189,401</u>
Expenditures:				
Current:				
General government	4,213,399	4,225,458	3,754,101	471,357
Public safety	10,146,030	10,652,130	10,144,007	508,123
Transportation	142,406	142,406	109,115	33,291
Community environment	755,308	1,039,431	940,386	99,045
Leisure time activities	858,950	861,900	835,060	26,840
Capital outlay	457,582	548,682	486,923	61,759
Total expenditures	<u>16,573,675</u>	<u>17,470,007</u>	<u>16,269,592</u>	<u>1,200,415</u>
Excess of expenditures over revenues	<u>(1,319,565)</u>	<u>(2,293,300)</u>	<u>(903,484)</u>	<u>1,389,816</u>
Other financing uses:				
Transfers out	-	(104,000)	(104,000)	-
Total other financing uses	<u>-</u>	<u>(104,000)</u>	<u>(104,000)</u>	<u>-</u>
Net change in fund balances	(1,319,565)	(2,397,300)	(1,007,484)	1,389,816
Fund balance at beginning of year	2,346,623	2,346,623	2,346,623	-
Prior year encumbrances appropriated	354,783	354,783	354,783	-
Fund balance at end of year	<u>\$ 1,381,841</u>	<u>\$ 304,106</u>	<u>\$ 1,693,922</u>	<u>\$ 1,389,816</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF BARBERTON, OHIO

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 DECEMBER 31, 2013

Business-type Activities - Enterprise Funds

	<u>Water</u>	<u>Sewer</u>	<u>Solid Waste</u>	<u>Nonmajor Fund</u>	<u>Total</u>
Assets:					
Current assets:					
Equity in pooled cash and cash equivalents	\$ 3,771,710	\$ 1,411,406	\$ 1,426,735	\$ 695,818	\$ 7,305,669
Investments	1,810,203	-	-	-	1,810,203
Receivables:					
Accounts	559,830	439,520	86,347	80,046	1,165,743
Accrued interest	2,416	-	-	-	2,416
Intergovernmental	-	173,439	-	-	173,439
Prepayments	37,951	37,176	303	190	75,620
Materials and supplies inventory	269,213	33,037	-	-	302,250
Total current assets	<u>6,451,323</u>	<u>2,094,578</u>	<u>1,513,385</u>	<u>776,054</u>	<u>10,835,340</u>
Noncurrent assets:					
Restricted assets:					
Equity in pooled cash and cash equivalents	-	321,963	-	-	321,963
Capital assets:					
Nondepreciable capital assets	15,686,128	650,439	-	240,834	16,577,401
Depreciable capital assets, net	8,350,307	23,049,304	-	3,103,703	34,503,314
Total capital assets, net	<u>24,036,435</u>	<u>23,699,743</u>	<u>-</u>	<u>3,344,537</u>	<u>51,080,715</u>
Total noncurrent assets	<u>24,036,435</u>	<u>24,021,706</u>	<u>-</u>	<u>3,344,537</u>	<u>51,402,678</u>
Total assets	<u>30,487,758</u>	<u>26,116,284</u>	<u>1,513,385</u>	<u>4,120,591</u>	<u>62,238,018</u>
Liabilities:					
Current liabilities:					
Accounts payable	111,650	74,893	915	5,171	192,629
Contracts payable	-	155,167	269,671	-	424,838
Accrued wages and benefits payable	17,279	17,174	280	3,159	37,892
Intergovernmental payable	40,462	37,035	1,053	6,719	85,269
Accrued interest payable	29,124	2,708	-	819	32,651
Claims payable	-	-	-	-	-
Notes payable	160,000	-	-	-	160,000
Current portion of general obligation bonds	40,518	4,091	-	-	44,609
Current portion of revenue bonds	390,000	-	-	-	390,000
Current portion of compensated absences	63,312	74,316	439	2,581	140,648
Current portion of OWDA loans	136,750	156,244	-	-	292,994
Current portion of capital lease obligations	2,067	50,775	-	16,796	69,638
Total current liabilities	<u>991,162</u>	<u>572,403</u>	<u>272,358</u>	<u>35,245</u>	<u>1,871,168</u>
Long-term liabilities:					
General obligation bonds	831,507	84,571	-	-	916,078
Revenue bonds	6,485,394	-	-	-	6,485,394
Compensated absences	265,862	312,075	1,843	10,840	590,620
OWDA loans	2,095,454	2,156,397	-	-	4,251,851
OPWC loans	875,664	-	-	-	875,664
Capital lease obligations	4,790	105,492	-	34,775	145,057
Total long-term liabilities	<u>10,558,671</u>	<u>2,658,535</u>	<u>1,843</u>	<u>45,615</u>	<u>13,264,664</u>
Total liabilities	<u>11,549,833</u>	<u>3,230,938</u>	<u>274,201</u>	<u>80,860</u>	<u>15,135,832</u>
Net position:					
Net investment in capital assets	13,021,148	21,147,063	-	3,292,966	37,461,177
Restricted for replacement and improvement	-	321,963	-	-	321,963
Unrestricted	5,916,777	1,416,320	1,239,184	746,765	9,319,046
Total net position	<u>\$ 18,937,925</u>	<u>\$ 22,885,346</u>	<u>\$ 1,239,184</u>	<u>\$ 4,039,731</u>	<u>47,102,186</u>
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds					106,827
Net position of business-type activities					<u>\$ 47,209,013</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Governmental
Activities -
Internal
Service Funds**

\$ 1,926,635
-
8,444
-
-
-
1,935,079

-
-
-
-
1,935,079

5,000
82,760
-
-
-
106,667
-
-
-
-
-
194,427

-
-
-
-
-
194,427

-
-
1,740,652
\$ 1,740,652

CITY OF BARBERTON, OHIO

*STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013*

Business-type Activities - Enterprise Funds

	<u>Water</u>	<u>Sewer</u>	<u>Solid Waste</u>	<u>Nonmajor Fund</u>	<u>Total</u>
Operating revenues:					
Charges for services	\$ 5,751,556	\$ 3,991,723	\$ 1,926,288	\$ 784,719	\$ 12,454,286
Other	45,788	22,249	1,166	5,207	74,410
Total operating revenues	<u>5,797,344</u>	<u>4,013,972</u>	<u>1,927,454</u>	<u>789,926</u>	<u>12,528,696</u>
Operating expenses:					
Personal services	2,230,204	2,075,208	56,622	362,170	4,724,204
Contract services	174,777	282,003	1,713,483	32,599	2,202,862
Materials and supplies	925,648	1,198,465	15,074	203,533	2,342,720
Claims	-	-	-	-	-
Other	34,393	16,950	562	345	52,250
Depreciation	576,296	1,361,117	-	287,643	2,225,056
Total operating expenses	<u>3,941,318</u>	<u>4,933,743</u>	<u>1,785,741</u>	<u>886,290</u>	<u>11,547,092</u>
Operating income (loss)	<u>1,856,026</u>	<u>(919,771)</u>	<u>141,713</u>	<u>(96,364)</u>	<u>981,604</u>
Nonoperating revenues (expenses):					
Interest revenue	35,066	-	-	-	35,066
Interest and fiscal charges	(443,057)	(62,588)	-	(1,324)	(506,969)
Total nonoperating revenues (expenses)	<u>(407,991)</u>	<u>(62,588)</u>	<u>-</u>	<u>(1,324)</u>	<u>(471,903)</u>
Income (loss) before capital contributions	1,448,035	(982,359)	141,713	(97,688)	509,701
Capital contributions	1,421,141	1,705	-	-	1,422,846
Change in net position	2,869,176	(980,654)	141,713	(97,688)	1,932,547
Net position at beginning of year	<u>16,068,749</u>	<u>23,866,000</u>	<u>1,097,471</u>	<u>4,137,419</u>	
Net position at end of year	<u>\$ 18,937,925</u>	<u>\$ 22,885,346</u>	<u>\$ 1,239,184</u>	<u>\$ 4,039,731</u>	
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds.					<u>(18,741)</u>
Change in net position of business-type activities.					<u>\$ 1,913,806</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Governmental
Activities -
Internal
Service Funds**

\$ 3,295,450
20,655

3,316,105

-
30,794
583,083
2,325,888
4,048

-

2,943,813

372,292

-

-

-

372,292

-

372,292

1,368,360

\$ 1,740,652

CITY OF BARBERTON, OHIO

*STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2013*

Business-type Activities - Enterprise Funds

	<u>Water</u>	<u>Sewer</u>	<u>Solid Waste</u>	<u>Nonmajor Fund</u>	<u>Total</u>
Cash flows from operating activities:					
Cash received from customers	\$ 5,671,680	\$ 3,922,967	\$ 1,915,050	\$ 777,821	\$ 12,287,518
Cash received from other operations	45,788	25,758	1,166	5,207	77,919
Cash payments for personal services	(2,198,987)	(2,036,142)	(55,307)	(347,552)	(4,637,988)
Cash payments for contract services.	(196,783)	(275,459)	(1,595,855)	(27,428)	(2,095,525)
Cash payments for materials and supplies.	(835,863)	(1,208,490)	(14,196)	(215,599)	(2,274,148)
Cash payments for claims	-	-	-	-	-
Cash payments for other expenses	(30,399)	(24,429)	-	-	(54,828)
Net cash provided by operating activities	<u>2,455,436</u>	<u>404,205</u>	<u>250,858</u>	<u>192,449</u>	<u>3,302,948</u>
Cash flows from capital and related financing activities:					
Acquisition of capital assets	(2,441,080)	(499,125)	-	(237,884)	(3,178,089)
Capital contributions.	1,421,141	-	-	-	1,421,141
Principal retirement	(883,920)	(266,243)	-	(16,413)	(1,166,576)
Note issuance	160,000	-	-	-	160,000
Loan issuance	380,870	99,037	-	-	479,907
Interest and fiscal charges	(422,885)	(63,836)	-	(1,584)	(488,305)
Net cash used in capital and related financing activities	<u>(1,785,874)</u>	<u>(730,167)</u>	<u>-</u>	<u>(255,881)</u>	<u>(2,771,922)</u>
Cash flows from investing activities:					
Interest received	6,911	-	-	-	6,911
Sale of investments	(2,815)	-	-	-	(2,815)
Net cash provided by investing activities.	<u>4,096</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,096</u>
Net increase (decrease) in cash and cash equivalents.	673,658	(325,962)	250,858	(63,432)	535,122
Cash and cash equivalents at beginning of year	<u>3,098,052</u>	<u>2,059,331</u>	<u>1,175,877</u>	<u>759,250</u>	<u>7,092,510</u>
Cash and cash equivalents at end of year.	<u>\$ 3,771,710</u>	<u>\$ 1,733,369</u>	<u>\$ 1,426,735</u>	<u>\$ 695,818</u>	<u>\$ 7,627,632</u>

**Governmental
Activities -
Internal
Service Funds**

\$ 3,295,233
24,148
-
(30,794)
(495,323)
(2,371,936)
(4,048)

417,280

-
-
-
-
-
-

-

-
-
-

-

417,280

1,509,355

\$ 1,926,635

- - Continued

CITY OF BARBERTON, OHIO

*STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2013*

Business-type Activities - Enterprise Funds

	<u>Water</u>	<u>Sewer</u>	<u>Solid Waste</u>	<u>Nonmajor Fund</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:					
Operating income (loss)	\$ 1,856,026	\$ (919,771)	\$ 141,713	\$ (96,364)	\$ 981,604
Adjustments:					
Depreciation	576,296	1,361,117	-	287,643	2,225,056
Changes in assets and liabilities:					
Decrease (increase) in materials and supplies inventory	51,330	(4,255)	-	-	47,075
Decrease (increase) in accounts receivable.	(75,882)	(63,050)	(10,676)	(6,553)	(156,161)
(Increase) in prepayments	(5,596)	(5,602)	(37)	(20)	(11,255)
Increase (decrease) in accounts payable	22,045	(695)	915	(6,875)	15,390
Increase (decrease) in contracts payable	-	(2,605)	117,628	-	115,023
Increase (decrease) in accrued wages and benefits.	(4,969)	(1,565)	106	114	(6,314)
Increase in due to other governments	2,904	3,864	211	1,083	8,062
Increase in compensated absences payable	33,282	36,767	998	13,421	84,468
(Decrease) in claims payable.	-	-	-	-	-
Net cash provided by operating activities	<u>\$ 2,455,436</u>	<u>\$ 404,205</u>	<u>\$ 250,858</u>	<u>\$ 192,449</u>	<u>\$ 3,302,948</u>
Reconciliation of cash and cash equivalents:					
Equity in pooled cash and cash equivalents	\$ 3,771,710	\$ 1,411,406	\$ 1,426,735	\$ 695,818	\$ 7,305,669
Restricted equity in pooled cash and cash equivalents	-	321,963	-	-	321,963
Total cash and cash equivalents	<u>\$ 3,771,710</u>	<u>\$ 1,733,369</u>	<u>\$ 1,426,735</u>	<u>\$ 695,818</u>	<u>\$ 7,627,632</u>

The Water fund entered into a capital lease transaction for \$8,511 in 2013.
 At December 31, 2012, the Water fund purchased \$171,284 in capital assets on account.
 At December 31, 2013 and December 31, 2012, the Sewer fund purchased \$128,102 and \$51,594, respectively, in capital assets on account.
 The Sewer fund entered into a capital lease transaction for \$6,069 in 2013.
 At December 31, 2013, the Sewer fund had an intergovernmental receivable of \$173,439 for loan issuance disbursements that were not received in 2013.
 At December 31, 2012, the Storm Water nonmajor enterprise fund purchased \$46,289 in capital assets on account.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Governmental
Activities -
Internal
Service Funds**

\$ 372,292

-

-

3,276

-

5,000

82,760

-

-

-

(46,048)

\$ 417,280

\$ 1,926,635

-

\$ 1,926,635

CITY OF BARBERTON, OHIO

*STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUND
DECEMBER 31, 2013*

	<u>Agency</u>
Assets:	
Equity in pooled cash and cash equivalents	\$ 200,613
Liabilities:	
Deposits held and due to others	\$ 200,613

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 1 - DESCRIPTION OF THE CITY

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City of Barberton this includes police, fire, municipal court, park and recreation department, water, sewage and sanitary services, street and sewer maintenance and any other departments or funds for which the nature and significance of their relationship with the City are such that exclusion would cause the financial statements to be misleading or incomplete.

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

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

The City participates in two related organizations, the Barberton Community Development Corporation and the Barberton Community Foundation. These organizations are described in Note 16 to the basic financial statements. The City participates in one jointly governed organization, the Southwest Summit Council of Governments. This organization is described in Note 17 to the basic financial statements.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

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

B. Basis of Presentation - Fund Accounting

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

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

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

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

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

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

C. Fund Accounting

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2013

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

Governmental funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. Governmental fund assets and deferred outflows of resources less liabilities and deferred inflows of resources is reported as fund balance. The following is the City's major governmental fund:

General fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the charter of the City of Barberton and/or the general laws of Ohio.

Other governmental funds of the City are used to account for (a) financial resources that are restricted or committed to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects and (c) financial resources that are restricted or committed to expenditure for principal and interest.

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

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

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

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

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

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

Fiduciary funds - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City has no trust funds. The City's agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations. The City's agency funds account for deposits held by the City.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

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

D. Measurement Focus

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

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

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

E. Basis of Accounting

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

Revenues - Exchange and Nonexchange Transactions - Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within sixty days of year end.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

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

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

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

Deferred Inflows of Resources and Deferred Outflows of Resources - A deferred inflow of resources is an acquisition of net position by the City that is applicable to a future reporting period. A deferred outflow of resources is a consumption of net position by the City that is applicable to a future reporting period.

Property taxes for which there is an enforceable legal claim as of December 31, 2013, but which were levied to finance year 2014 operations, and other revenues received in advance of the year for which they were intended to finance, have been recorded as deferred inflows. Income taxes and special assessments not received within the available period, grants and entitlements received before the eligibility requirements are met, and delinquent property taxes due at December 31, 2013, are recorded as deferred inflows in governmental funds.

On governmental fund financial statements, receivables that will not be collected within the available period have been reported as a deferred inflow.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

F. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. Annual budgets were adopted for all City funds during 2013, except for the street improvement and Issue II nonmajor capital projects funds. These funds did not have any activity on cash-basis during the year; therefore no budget was necessary.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

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

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

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

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

G. Cash, Cash Equivalents and Investments

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

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

During 2013, investments were limited to federal agency securities, U.S. Treasury notes, a commercial paper sweep account, U.S. Treasury money market accounts and the State Treasury Asset Reserve of Ohio (STAR Ohio).

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

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's shares price which is the price the investment could be sold for on December 31, 2013.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2013 amounted to \$17,374 which includes \$13,626 assigned from other City funds.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

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

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

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

H. Materials and Supplies Inventory

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

I. Restricted Assets

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

Restricted assets at December 31, 2013, were as follows:

Restricted assets held by the City	
Replacement and improvement	\$321,963

J. Capital Assets

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

The City maintains a capitalization threshold of \$5,000. All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized for business-type activities.

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

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

The City's infrastructure consists of street subsystems, traffic signal subsystems, storm sewer lines, water lines and sewer lines. The City reports all infrastructure, including that acquired prior to 1980.

CITY OF BARBERTON, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

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

K. Compensated Absences

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

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

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

L. Prepayments

Payments made to vendors for services that will benefit periods beyond December 31, 2013, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of the purchase and the expenditure/expense in the year in which services are consumed.

M. Accrued Liabilities and Long-Term Obligations

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

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

N. Unamortized Bond Premiums and Discounts/Accounting Gain or Loss

Bond premiums and discounts are amortized over the term of the bonds using the straight-line method. Bond premiums are presented as an addition to the face amount of the bonds. Bond discounts are presented as a reduction to the face amount of the bonds.

For advance refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred inflow or outflow of resources on the statement of net position.

CITY OF BARBERTON, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

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

On the governmental fund financial statements, issuance costs, bond premiums and discounts, and gains/losses from refunding are recognized in the current period.

O. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans to cover deficit cash balances are classified as “due to/from other funds”. These amounts are eliminated on the statement of net position, except for the net residual amount due between governmental and business-type activities which is presented as an internal balance.

P. Interfund Activity

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

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

Q. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of notes receivable in the general fund.

Restricted - Fund balance is reported as restricted when constraints are placed on the use of resources that are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of City Council (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. City Council has by ordinance authorized the Director of Finance to assign fund balance. The Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget.

CITY OF BARBERTON, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

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

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

R. Estimates

The preparation of the BFS in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the BFS and accompanying notes. Actual results may differ from those estimates.

S. Net Position

Net position represents the difference between assets plus deferred outflows less liabilities less deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

T. Contributions of Capital

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

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For fiscal year 2013, the City has implemented GASB Statement No. 61, "*The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*" and GASB Statement No. 66, "*Technical Corrections-2012*".

GASB Statement No. 61 modifies certain requirements for inclusion of component units in the financial reporting entity. The Statement amends the criteria for reporting component units as if they were part of the primary government in certain circumstances. Finally, the Statement also clarifies the reporting of equity interests in legally separate organizations. The implementation of GASB Statement No. 61 did not have an effect on the financial statements of the City.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

GASB Statement No. 66 improves accounting and financial reporting by resolving conflicting guidance that resulted from the issuance of two pronouncements; GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" and GASB Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA pronouncements". The implementation of GASB Statement No. 66 did not have an effect on the financial statements of the City.

B. Deficit Fund Balances/Net Position

Fund balances and net position at December 31, 2013 included the following individual fund deficits:

<u>Nonmajor governmental funds</u>	<u>Deficit</u>
Permissive license	\$ 20,265
City grant	14,740
<u>Internal service fund</u>	
Internal allocation	43,113

The permissive license fund and internal allocation fund complied with Ohio State law, which does not permit a cash basis deficit at year end. The City grant fund, as well as the community development block grant fund and project impact fund, which are not presented in the schedule above, had a cash basis deficit at year end. The general fund is liable for any deficits in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balance for the permissive license fund and internal allocation fund resulted from adjustments for accrued liabilities.

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

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

CITY OF BARBERTON, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in items 1 or 2 above, and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. High grade commercial paper for a period not to exceed 180 days in an amount not to exceed twenty-five percent of the City's interim monies available for investment; and,
8. Bankers acceptances for a period not to exceed 180 days and in an amount not to exceed twenty-five percent of the City's interim monies available for investment.

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

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

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

A. Deposits with Financial Institutions

At December 31, 2013, the carrying amount of all City deposits was \$11,785,730. As of December 31, 2013, \$1,661,297 of the City's bank balance of \$12,471,834 was exposed to custodial risk as discussed below, while \$10,810,537 was covered by the FDIC.

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by Ohio Revised Code, is held in collateral pools at Federal Reserve Banks, or at member banks of the Federal Reserve System, in the name of the depository bank and pledged as a pool of collateral against all public deposits held by the depository. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

B. Investments

As of December 31, 2013, the City had the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>				
		<u>6 months or less</u>	<u>7 to 12 months</u>	<u>13 to 18 months</u>	<u>19 to 24 months</u>	<u>Greater than 24 months</u>
FFCB	\$ 423,896	\$ -	\$ -	\$ -	\$ -	\$ 423,896
FHLB	300,093	200,036	24,997	75,060	-	-
FHLMC	2,030,028	150,780	118,605	50,028	-	1,710,615
FHLMC discount	149,997	149,997	-	-	-	-
FNMA	1,312,950	130,538	235,134	-	-	947,278
U.S. Treasury Notes	804,756	125,293	-	154,917	424,370	100,176
STAR Ohio	568,333	568,333	-	-	-	-
Commercial paper sweep -						
US Bank	730,000	730,000	-	-	-	-
U.S. Treasury money market	76,899	76,899	-	-	-	-
Total	\$ 6,396,952	\$ 2,131,876	\$ 378,736	\$ 280,005	\$ 424,370	\$ 3,181,965

The weighted average maturity of investments is 1.67 years.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Interest Rate Risk: The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The City's investment policy addresses interest rate risk by requiring the consideration of market conditions and cash flow requirements in determining the term of an investment.

Credit Risk: STAR Ohio carries a rating of AAAM by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The City's investments in federal agency securities and the federal agency securities that underlie the repurchase agreement were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The City's investment policy does not specifically address credit risk beyond requiring the City to only invest in securities authorized by State statute.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The City has no investment policy dealing with investment custodial risk beyond the requirement in Ohio law that prohibits payments for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk: The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities.

The following table includes the percentage of each investment type held by the City at December 31, 2013:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
FFCB	\$ 423,896	6.63
FHLB	300,093	4.69
FHLMC	2,030,028	31.73
FHLMC discount	149,997	2.35
FNMA	1,312,950	20.53
U.S. Treasury Notes	804,756	12.58
STAR Ohio	568,333	8.88
Commercial paper sweep -		
US Bank	730,000	11.41
U.S. Treasury money market	76,899	1.20
Total	<u>\$ 6,396,952</u>	<u>100.00</u>

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

C. Reconciliation of Cash and Investments to the Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of December 31, 2013:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 11,785,730
Investments	6,396,952
Total	<u>\$ 18,182,682</u>
 <u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 8,544,234
Business type activities	9,437,835
Agency funds	200,613
Total	<u>\$ 18,182,682</u>

NOTE 5 - INTERFUND TRANSACTIONS

A. Interfund transfers for the year ended December 31, 2013, consisted of the following:

	<u>Transfers from</u>	
		Nonmajor Governmental
<u>Transfer to</u>	<u>General</u>	<u>Funds</u>
Nonmajor governmental funds	<u>\$ 869,000</u>	<u>\$ 168,100</u>

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

Transfers between nonmajor governmental funds consist of the following: \$76,000 from the rental registration fund to the project impact fund to transfer a portion of the City's required local share for the grant program; \$92,100 from the infrastructure improvement reserve fund to the general obligation bond retirement fund in order to cover the debt service payments on the City's various purpose improvement bond anticipation notes that matured in 2013.

Transfers between governmental funds are eliminated on the government-wide financial statements. All transfers were in compliance with Ohio Revised Code Sections 5705.14, 5705.15, and 5705.16.

B. Interfund balances at December 31, 2013 as reported on the fund financial statements consist of \$238,955 due to the general fund from nonmajor governmental funds. The purpose of the due to/from other funds is to cover the negative cash balances at year end in various special revenue funds. The interfund balances will be repaid once the anticipated revenues are received.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 6 - RECEIVABLES

Receivables at December 31, 2013, consisted primarily of municipal income taxes, property and other taxes, accounts, special assessments, interest and intergovernmental receivables arising from grants, entitlements, and shared revenues. All receivables are deemed collectible in full.

A. Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Fiscal Officer at 35 percent of appraised market value. All property is required to be revaluated every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2013 public utility property taxes became a lien December 31, 2012, are levied after October 1, 2013, and are collected in 2014 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Fiscal Officer collects property taxes on behalf of all taxing districts in the County, including the City of Barberton. The County Fiscal Officer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, tangible personal property taxes and outstanding delinquencies which are measurable as of December 31, 2013 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by a deferred inflow since the current taxes were not levied to finance 2013 operations. The collection of delinquent taxes has also been offset by a deferred inflow since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is reported as a deferred inflow of resources.

The full tax rate for all City operations for the year ended December 31, 2013 was \$3.50 per \$1,000 of assessed value. The assessed values of real and public utility property upon which 2013 property tax receipts were based are as follows:

Real property	\$ 343,096,010
Public utility property	<u>10,470,720</u>
Total assessed value	<u>\$ 353,566,730</u>

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 6 - RECEIVABLES - (Continued)

B. Municipal Income Taxes

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

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

C. Intergovernmental Receivables

A summary of the intergovernmental receivables follows:

<u>Governmental activities:</u>	<u>Amounts</u>
Local government State support	\$ 422,500
Motor vehicle and gas tax	322,026
Community development and improvement grants	116,161
Secure our Schools grant	39,857
Homestead and rollback	106,447
Ohio Department of Transportation grants	180,727
Moving Ohio Forward grant	217,778
Permissive license tax	3,926
Other grants and entitlements	<u>58,575</u>
Total	<u>\$ 1,467,997</u>

The \$173,439 intergovernmental receivable reported in the sewer fund represents monies due from the Ohio Water Development Authority for a capital improvement project.

D. Notes Receivable

Notes receivable represent no-interest to low-interest loans made to eligible local businesses for industrial development and exterior improvements to businesses. The outstanding balance of the notes at December 31, 2013 is \$1,777 and \$87,903 in the general fund and the nonmajor special revenue funds, respectively. The City will collect approximately \$6,156 in 2014.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 7 - CAPITAL ASSETS

A. Capital asset activity for the year ended December 31, 2013, was as follows:

<u>Governmental activities:</u>	<u>Balance</u> 12/31/12	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> 12/31/13
<i>Capital assets, not being depreciated:</i>				
Land	\$ 6,316,825	\$ -	\$ (76,490)	\$ 6,240,335
Construction in progress	<u>1,535,327</u>	<u>897,919</u>	<u>(1,081,342)</u>	<u>1,351,904</u>
Total capital assets, not being depreciated	<u>7,852,152</u>	<u>897,919</u>	<u>(1,157,832)</u>	<u>7,592,239</u>
<i>Capital assets, being depreciated:</i>				
Buildings	9,316,039	243,563	(1,502,460)	8,057,142
Vehicles and equipment	12,346,804	893,835	(819,293)	12,421,346
Infrastructure:				
Street subsystem	16,945,012	3,111,073	-	20,056,085
Traffic signals subsystem	<u>1,777,402</u>	<u>-</u>	<u>-</u>	<u>1,777,402</u>
Total capital assets, being depreciated	<u>40,385,257</u>	<u>4,248,471</u>	<u>(2,321,753)</u>	<u>42,311,975</u>
Less: accumulated depreciation:				
Buildings	(5,063,783)	(309,348)	941,735	(4,431,396)
Vehicles and equipment	(9,347,141)	(471,442)	807,704	(9,010,879)
Infrastructure:				
Street subsystem	(9,479,836)	(607,945)	-	(10,087,781)
Traffic signal subsystem	<u>(463,652)</u>	<u>(59,037)</u>	<u>-</u>	<u>(522,689)</u>
Total accumulated depreciation	<u>(24,354,412)</u>	<u>(1,447,772)</u>	<u>1,749,439</u>	<u>(24,052,745)</u>
Total capital assets being depreciated, net	<u>16,030,845</u>	<u>2,800,699</u>	<u>(572,314)</u>	<u>18,259,230</u>
Governmental activities capital assets, net	<u>\$ 23,882,997</u>	<u>\$ 3,698,618</u>	<u>\$ (1,730,146)</u>	<u>\$ 25,851,469</u>

Depreciation expense was charged to governmental activities as follows:

General government	\$ 97,671
Public safety	391,487
Transportation	718,211
Community environment	23,018
Leisure time activities	<u>217,385</u>
Total depreciation expense	<u>\$ 1,447,772</u>

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 7 - CAPITAL ASSETS - (Continued)

B. Capital asset activity for the year ended December 31, 2013 was as follows:

<u>Business-type activities:</u>	<u>Balance</u> 12/31/12	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> 12/31/13
<i>Capital assets, not being depreciated:</i>				
Land	\$ 982,340	\$ 61,388	\$ -	\$ 1,043,728
Construction in progress	<u>15,309,194</u>	<u>2,545,691</u>	<u>(2,321,212)</u>	<u>15,533,673</u>
Total capital assets, not being depreciated	<u>16,291,534</u>	<u>2,607,079</u>	<u>(2,321,212)</u>	<u>16,577,401</u>
<i>Capital assets, being depreciated:</i>				
Buildings	37,279,239	58,197	-	37,337,436
Vehicles and equipment	4,618,523	124,919	(22,886)	4,720,556
Infrastructure				
Water lines	10,989,926	1,921,745	-	12,911,671
Sewer lines	17,637,820	190,516	-	17,828,336
Storm sewer lines	<u>6,459,413</u>	<u>470,360</u>	<u>-</u>	<u>6,929,773</u>
Total capital assets, being depreciated	<u>76,984,921</u>	<u>2,765,737</u>	<u>(22,886)</u>	<u>79,727,772</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(19,536,559)	(1,118,053)	-	(20,654,612)
Vehicles and equipment	(3,253,522)	(234,188)	22,886	(3,464,824)
Infrastructure				
Water lines	(5,699,678)	(278,405)	-	(5,978,083)
Sewer lines	(10,745,825)	(369,053)	-	(11,114,878)
Storm sewer lines	<u>(3,786,704)</u>	<u>(225,357)</u>	<u>-</u>	<u>(4,012,061)</u>
Total accumulated depreciation	<u>(43,022,288)</u>	<u>(2,225,056)</u>	<u>22,886</u>	<u>(45,224,458)</u>
Total capital assets, being depreciated, net	<u>33,962,633</u>	<u>540,681</u>	<u>-</u>	<u>34,503,314</u>
Business-type activities capital assets, net	<u>\$ 50,254,167</u>	<u>\$ 3,147,760</u>	<u>\$ (2,321,212)</u>	<u>\$ 51,080,715</u>

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

Water	\$ 576,296
Sewer	1,361,117
Storm water	<u>287,643</u>
Total depreciation expense	<u>\$ 2,225,056</u>

NOTE 8 - CAPITAL LEASES

During 2013, the City entered into a capital lease agreement to acquire copiers. In prior years, the City entered into capital lease agreements for various other equipment and vehicles. The lease payments are paid from the general fund, sewer fund, water fund, storm water fund (a nonmajor enterprise fund) and the following nonmajor governmental funds: street construction, maintenance and repair fund, fire capital levy fund and the community development block grant fund.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 8 - CAPITAL LEASES - (Continued)

The lease agreements meet the criteria of a capital lease as defined by GASB Statement No. 62, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments in governmental funds have been reclassified and are reflected as debt service expenditures in the combined BFS and are reported as function expenditures on the budgetary statements. In enterprise funds a liability has been recorded.

Capital assets consisting of vehicles and equipment have been capitalized in the statement of net position in the amount of \$678,512 in governmental activities. A liability of \$233,550 is reported on the statement of net position at year end, which represents the remaining amount of principal payments outstanding on the leases. The governmental funds made \$144,066 and \$11,364 in principal and interest payments, respectively, during 2013.

For the business-type activities, capital assets consisting of vehicles and equipment have been capitalized in the statement of net position in the amount of \$465,997. A liability of \$214,695 is reported on the statement of net position at year end, which represents the remaining amount of principal payments outstanding on the leases. The enterprise funds made \$67,425 in principal payments during 2013.

The net capital assets acquired through the capital leases are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Asset:		
Equipment and vehicles	\$ 678,512	\$ 465,997
Less: accumulated depreciation	<u>(252,260)</u>	<u>(70,653)</u>
Total	<u>\$ 426,252</u>	<u>\$ 395,344</u>

The lease agreements provide for minimum, annual payments as follows:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2014	\$ 118,627	\$ 74,797
2015	61,807	74,796
2016	61,807	74,798
2017	<u>3,053</u>	<u>662</u>
Total	245,294	225,053
Less: amount representing interest	<u>(11,744)</u>	<u>(10,358)</u>
Present value of net minimum lease payments	<u>\$ 233,550</u>	<u>\$ 214,695</u>

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 9 - NOTES PAYABLE

Changes in the City's note activity for the year ended December 31, 2013, were as follows:

	<u>Balance</u> <u>12/31/2012</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance</u> <u>12/31/2013</u>
<u>Governmental fund notes</u>				
Various purpose improvement notes - 1.249%	\$ 83,500	\$ -	\$ (83,500)	\$ -
Total governmental fund notes	<u>\$ 83,500</u>	<u>\$ -</u>	<u>\$ (83,500)</u>	<u>\$ -</u>
	<u>Balance</u> <u>12/31/2012</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance</u> <u>12/31/2013</u>
<u>Enterprise fund notes</u>				
Various purpose improvement notes - 1.249%	\$ 246,500	\$ -	\$ (246,500)	\$ -
Water main improvement notes - 1.15%	<u>-</u>	<u>160,000</u>	<u>-</u>	<u>160,000</u>
Total enterprise fund notes	<u>\$ 246,500</u>	<u>\$ 160,000</u>	<u>\$ (246,500)</u>	<u>\$ 160,000</u>

All notes are backed by the full faith and credit of the City. The note liability is reflected in the fund which received the proceeds. The notes were issued in anticipation of long-term bond financing and will be refinanced until such bonds are issued. The 2013 notes were issued on October 8, 2013 and mature on October 8, 2014.

NOTE 10 - LONG-TERM OBLIGATIONS

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

<u>Debt issue</u>	<u>Year</u> <u>Issued</u>	<u>Interest</u> <u>Rate</u>	<u>Original</u> <u>Issue Amount</u>	<u>Year of</u> <u>Maturity</u>
Governmental Activities				
<u>General Obligation Bonds:</u>				
Construction	2003	1.15-4.00%	\$ 4,967,810	2013
Fifth Street	2004	2.00-3.55%	300,000	2014
Various Purpose Improvement	2009	2.00-4.70%	2,310,000	2029
<u>Special Assessment Bonds with</u> <u>Government Commitment:</u>				
Street Improvement	2005	4.00%	112,450	2015
<u>Other Debt:</u>				
HUD Section 108 loan	1994	4.57-7.18%	2,225,000	2013
State Infrastructure Bank Loan	2007	3.00%	193,342	2017

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

<u>Debt issue</u>	<u>Date Issued</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Year of Maturity</u>
Business-Type Activities				
<u>General Obligation Bonds:</u>				
Various Purpose - New Haven	2003	1.15-4.00%	\$ 1,332,390	2013
Various Purpose Improvement	2009	2.00-4.70%	1,140,000	2029
<u>Revenue Bonds:</u>				
Waterworks System Revenue	2006	3.75-5.00%	9,305,000	2026
<u>OWDA Loans:</u>				
Wastewater Treatment Plant Improvements	2011	2.16%	2,388,322	2030
Elevated Water Storage Tank	2012	2.00%	3,260,439	2032
Wastewater Treatment Plant Design	2013	2.39%	99,037	2017
Snyder Avenue Pump Station Design	2013	2.39%	173,439	2017

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

	<u>Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u>	<u>Amounts</u>
Governmental activities:	<u>12/31/12</u>			<u>12/31/13</u>	<u>Due in</u>
					<u>One Year</u>
<u>General Obligation Bonds:</u>					
Construction Bonds	\$ 563,788	\$ -	\$ (563,788)	\$ -	\$ -
Fifth Street Bonds	70,000	-	(35,000)	35,000	35,000
Various Purpose Improvement Bonds	2,048,876	-	(90,391)	1,958,485	90,391
Discount on Various Purpose					
Improvement Bonds	(14,003)	-	828	(13,175)	-
Premium on Construction Bonds	1,715	-	(1,715)	-	-
Total General Obligation Bonds	<u>2,670,376</u>	<u>-</u>	<u>(690,066)</u>	<u>1,980,310</u>	<u>125,391</u>
<u>Special Assessment Bonds with</u>					
<u>Government Commitment:</u>					
Street Improvement	38,868	-	(12,452)	26,416	12,949
Total Special Assessment Bonds	<u>38,868</u>	<u>-</u>	<u>(12,452)</u>	<u>26,416</u>	<u>12,949</u>
<u>Other Debt:</u>					
HUD Section 108 Loan	520,000	-	(520,000)	-	-
State Infrastructure Bank Loan	117,139	-	(24,691)	92,448	25,438
Capital Lease	310,376	67,240	(144,066)	233,550	111,667
Compensated Absences	3,610,577	1,004,117	(1,070,739)	3,543,955	996,973
Total Other Debt	<u>4,558,092</u>	<u>1,071,357</u>	<u>(1,759,496)</u>	<u>3,869,953</u>	<u>1,134,078</u>
Total Governmental Activities	<u>\$ 7,267,336</u>	<u>\$ 1,071,357</u>	<u>\$ (2,462,014)</u>	<u>\$ 5,876,679</u>	<u>\$ 1,272,418</u>

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

Business-type activities:	<u>Balance</u>			<u>Balance</u>	<u>Amounts</u>
	<u>12/31/12</u>	<u>Increase</u>	<u>Decrease</u>	<u>12/31/13</u>	<u>Due in</u>
					<u>One Year</u>
<u>General Obligation Bonds:</u>					
Various Purpose - New Haven	\$ 151,212	\$ -	\$ (151,212)	\$ -	\$ -
Various Purpose - Series 2009	1,011,129	-	(44,609)	966,520	44,609
Discount on Various Purpose - Series 2009	(6,868)	-	406	(6,462)	-
Premium on Various Purpose - New Haven	<u>769</u>	<u>-</u>	<u>(140)</u>	<u>629</u>	<u>-</u>
Total General Obligation Bonds	<u>1,156,242</u>	<u>-</u>	<u>(195,555)</u>	<u>960,687</u>	<u>44,609</u>
<u>Revenue Bonds:</u>					
Waterworks System Revenue Bonds	7,130,000	-	(375,000)	6,755,000	390,000
Waterworks System Revenue Bonds - Unamortized Premium	<u>129,715</u>	<u>-</u>	<u>(9,321)</u>	<u>120,394</u>	<u>-</u>
Total Revenue Refunding Bonds	<u>7,259,715</u>	<u>-</u>	<u>(384,321)</u>	<u>6,875,394</u>	<u>390,000</u>
OWDA Loans	4,175,034	653,346	(283,535)	4,544,845	292,994
OPWC Loan	875,664	-	-	875,664	-
Capital Leases	267,540	14,580	(67,425)	214,695	69,638
Compensated Absences	<u>646,800</u>	<u>247,106</u>	<u>(162,638)</u>	<u>731,268</u>	<u>140,648</u>
Total Business-Type Activities	<u>\$ 14,380,995</u>	<u>\$ 915,032</u>	<u>\$ (1,093,474)</u>	<u>\$ 14,202,553</u>	<u>\$ 937,889</u>

General Obligation and Special Assessment Bonds

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

Loans

Other long-term debt includes a loan from HUD for the redevelopment of the Lake Theater Building and the State Infrastructure Bank loan (SIB) for the City's share of the cost for a street resurfacing project. The SIB Loan is to be repaid over a ten-year period with revenues from motor vehicle license fees. The loan from HUD was retired in 2013.

Compensated Absences

The compensated absences liability for governmental activities will be paid out of the general fund and the following nonmajor funds: street construction, maintenance and repair, community development block grant and beautification funds. For business-type activities, the liability will be paid from the water, sewer, solid waste and storm water enterprise funds.

CITY OF BARBERTON, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

Revenue Bonds

On April 1, 2006, the City issued \$9,305,000 in Waterworks System Improvement Revenue Bonds. The City has pledged future water customer revenues, net of specified operating expenses, to finance water system improvements. The water revenue bonds are payable solely from water customer net revenues and are payable through 2026. Annual principal and interest payments on the bonds are expected to require less than 28.36% of net revenues. The total principal and interest remaining to be paid on the water revenue bonds is \$8,953,159. Principal and interest paid for the current year and total customer net revenues were \$689,879 and \$2,432,322, respectively.

OWDA Loans

The City has entered into debt financing arrangements through the Ohio Water Development Authority (OWDA) to fund capital improvements to the City's wastewater treatment plant and for a water storage tank. The amount due to the OWDA is payable solely from sewer and water fund revenues. The loan agreements function similar to a line-of-credit agreement. At December 31, 2013, the City has outstanding borrowings of \$4,544,845. The loan agreements require semi-annual payments based on the permissible borrowings rather than the actual amount loaned.

The City has pledged future sewer and water customer revenues to repay the loans. The loans are payable solely from sewer and water fund revenues and are payable through 2033. Annual principal and interest payments on the loan for the sewer fund and water fund are expected to require less than 45.88% and 11.40%, respectively, of available net revenues. The total principal and interest remaining to be paid on the loans is approximately \$2,743,038 and \$3,773,348 for the sewer and water funds, respectively. Three of the four loans, having an outstanding balance of \$2,452,743, have not been closed out as of December 31, 2013, therefore the future annual debt service principal and interest requirements are not available. Principal and interest paid for the current year totaled \$202,510 for the sewer fund and \$198,597 for the water fund.

OPWC Loans

The City obtained a loan from the Ohio Public Works Commission (OPWC) to help fund water main improvements. The interest-free loan will be payable in semi-annual installments over a thirty year period. As of December 31, 2013, the loan proceeds have not been completely disbursed, therefore the future annual debt requirement is not available.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

Principal and interest requirements to retire the outstanding debt at December 31, 2013, are as follows:

Year Ending December 31,	Governmental Activities					
	General Obligation Bonds			Special Assessment Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2014	\$ 125,391	\$ 82,267	\$ 207,658	\$ 12,949	\$ 1,057	\$ 14,006
2015	93,739	78,241	171,980	13,467	539	14,006
2016	100,435	75,429	175,864	-	-	-
2017	100,435	72,165	172,600	-	-	-
2018	103,783	68,650	172,433	-	-	-
2019 - 2023	579,174	279,741	858,915	-	-	-
2024 - 2028	726,478	143,053	869,531	-	-	-
2029	164,050	7,703	171,753	-	-	-
Total	<u>\$ 1,993,485</u>	<u>\$ 807,249</u>	<u>\$ 2,800,734</u>	<u>\$ 26,416</u>	<u>\$ 1,596</u>	<u>\$ 28,012</u>

Year Ending December 31,	Governmental Activities		
	State Infrastructure Bank Loan		
	Principal	Interest	Total
2014	\$ 25,438	\$ 3,405	\$ 28,843
2015	26,207	2,636	28,843
2016	26,999	1,844	28,843
2017	13,804	618	14,422
Total	<u>\$ 92,448</u>	<u>\$ 8,503</u>	<u>\$ 100,951</u>

Year Ending December 31,	Business-Type Activities					
	General Obligation Bonds			Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2014	\$ 44,609	\$ 39,839	\$ 84,448	\$ 390,000	\$ 300,816	\$ 690,816
2015	46,261	38,613	84,874	405,000	281,316	686,316
2016	49,565	37,225	86,790	430,000	261,066	691,066
2017	49,565	35,614	85,179	450,000	239,566	689,566
2018	51,217	33,879	85,096	470,000	217,066	687,066
2019 - 2023	285,826	138,054	423,880	2,705,000	738,291	3,443,291
2024 - 2028	358,522	70,597	429,119	1,905,000	160,038	2,065,038
2029	80,955	3,807	84,762	-	-	-
Total	<u>\$ 966,520</u>	<u>\$ 397,628</u>	<u>\$ 1,364,148</u>	<u>\$ 6,755,000</u>	<u>\$ 2,198,159</u>	<u>\$ 8,953,159</u>

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

Year Ending December 31,	<u>Business-Type Activities</u>		
	<u>OWDA Loan</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 103,059	\$ 44,636	\$ 147,695
2015	105,297	42,398	147,695
2016	107,584	40,111	147,695
2017	109,921	37,775	147,696
2018	112,308	35,388	147,696
2019 - 2023	599,199	139,277	738,476
2024 - 2028	667,150	71,326	738,476
2029 - 2030	<u>287,584</u>	<u>7,806</u>	<u>295,390</u>
Total	<u>\$ 2,092,102</u>	<u>\$ 418,717</u>	<u>\$ 2,510,819</u>

Legal Debt Margin

The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The assessed valuation used in determining the City's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in calculating the City's legal debt margin calculation excludes tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2013, the City's total debt margin was \$34,202,129 and the unvoted debt margin was \$16,486,165.

NOTE 11 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City purchases fire and extended coverage insurance on all buildings and contents to \$91,502,260 with a variety of deductibles beginning at \$5,000. Coverage is purchased on City vehicles for a combined single limit liability of \$1,000,000. The City purchases general liability insurance coverage with a \$1,000,000 limit per occurrence. The City also has an umbrella policy which provides an additional \$10,000,000 in coverage over and above listed policies.

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

The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. The rate for 2013 payroll (payable in 2014) is 2.5614%.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 11 - RISK MANAGEMENT - (Continued)

The City has elected to provide employee medical, dental, prescription drug and vision benefits through a self-insurance program. The City maintains a self-insurance internal service fund to account for and finance its uninsured risks for loss in this program. The plan provides a medical/surgical plan with a \$100 single and \$300 family deductible. The City uses a third party administrator to review, process, and pay all claims, on behalf of the City.

The City purchases stop-loss coverage for claims in excess of \$100,000 per employee with an aggregate of \$1,000,000 per year. The City pays into the self-insurance internal service fund \$1,052 for family coverage or \$585 for individual coverage per employee per month which represents the entire premium required for the non-bargaining, dispatch, police and fire employees. For AFSCME employees the City pays \$452 for single coverage and \$991 for family coverage. The City also pays \$208 for both single and family coverage for AFSCME employees for prescription, vision, hearing and dental benefits. These premiums are paid by the fund that pays the wage or salary of the employee and is based on historical cost information. At December 31, 2013, AFSCME participating employees contributed \$15 for single and \$25 for family coverage per pay towards healthcare. All other covered employees paid 15% of the total cost for single (\$104) and family (\$188) coverage per pay.

The claims liability of \$106,667 reported in the internal service fund at December 31, 2013 is estimated by a third party administrator and is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. The claims liability is expected to be paid within one year. Changes in the fund's claims liability amounts in 2012 and 2013 are:

	<u>Balance at Beginning of Year</u>	<u>Current Claims</u>	<u>Claims Payment</u>	<u>Balance at End of Year</u>
2012	\$ 213,440	\$ 2,341,771	\$ (2,402,496)	\$ 152,715
2013	152,715	2,325,888	(2,371,936)	106,667

NOTE 12 - PENSION PLANS

A. Ohio Public Employees Retirement System

Plan Description - The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the Combined Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the Traditional Pension Plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the Member-Directed Plan.

CITY OF BARBERTON, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE 12 - PENSION PLANS - (Continued)

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For 2013, member and contribution rates were consistent across all three plans. The 2013 member contribution rates were 10.00% for members. The City's contribution rate for 2013 was 14.00% of covered payroll.

The City's contribution rate for pension benefits for members in the Traditional Plan for 2013 was 13.00%. The City's contribution rate for pension benefits for members in the Combined Plan for 2013 was 13.00%. The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2013, 2012, and 2011 were \$934,459, \$698,345, and \$689,147, respectively; 100% has been contributed for all three years. Contributions to the member-directed plan for 2013 were \$13,197 made by the City and \$9,427 made by the plan members.

B. Ohio Police and Fire Pension Fund

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

Funding Policy - From January 1, 2013 through July 1, 2013, plan members were required to contribute 10.00% of their annual covered salary. From July 2, 2013 through December 31, 2013, plan members were required to contribute 10.75% of their annual covered salary. Throughout 2013, the City was required to contribute 19.50% and 24.00% for police officers and firefighters, respectively. Contribution rates are established by State statute.

For 2013, the portion of the City's contributions to fund pension obligations was 14.81% for January 1, 2013 through May 31, 2013 and 16.65% for June 1, 2013 through December 31, 2013 for police officers and 19.31% for January 1, 2013 through May 31, 2013 and 21.15% for June 1, 2013 through December 31, 2013 for firefighters. The City's required contributions for pension obligations to OP&F for police officers and firefighters were \$421,155 and \$583,858 for the year ended December 31, 2013, \$316,159 and \$496,300 for the year ended December 31, 2012, and \$313,634 and \$478,711, for the year ended December 31, 2011. The full amount has been contributed for 2012 and 2011. 84.96% has been contributed for police and 84.68% has been contributed for firefighters for 2013. The remaining 2013 pension liability has been reported as due to other governments on the basic financial statements.

CITY OF BARBERTON, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE 13 - POSTEMPLOYMENT BENEFIT PLANS

A. Ohio Public Employees Retirement System

Plan Description - OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

To qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have ten years or more of qualifying Ohio service credit. The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy - The post-employment healthcare plan was established under, and is administered in accordance with, Internal Revenue Code Section 401(h). State statute requires that public employers fund post-employment healthcare through contributions to OPERS. A portion of each employer's contribution to the Traditional or Combined Plans is set aside for the funding of post-employment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2013, local government employers contributed 14.00% of covered payroll. Each year the OPERS' Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The portion of employer contributions allocated to fund post-employment healthcare for members in the Traditional Plan for 2013 was 1.00%. The portion of employer contributions allocated to fund post-employment healthcare for members in the Combined Plan for 2013 was 1.00%.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment healthcare plan.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2013, 2012, and 2011 were \$71,881, \$287,777, and \$282,563 respectively; 100% has been contributed for all three years.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under State Bill 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

CITY OF BARBERTON, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE 13 - POSTEMPLOYMENT BENEFIT PLANS - (Continued)

B. Ohio Police and Fire Pension Fund

Plan Description - The City contributes to the OP&F Pension Fund sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides healthcare benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-employment health care coverage to any person who receives or is eligible to receive a monthly service, disability or survivor benefit check or is a spouse or eligible dependent child of such person.

The Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

OP&F issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the OP&F, 140 East Town Street, Columbus, Ohio 43215-5164 or by visiting the website at www.op-f.org.

Funding Policy - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.50% and 24.00% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts; one account is for health care benefits under an Internal Revenue Code Section 115 trust and the other account is for Medicare Part B reimbursements administered as an Internal Revenue Code Section 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan into the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was 4.69% of covered payroll from January 1, 2013 through May 31, 2013 and 2.85% of covered payroll from June 1, 2013 through December 31, 2013. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that the pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

CITY OF BARBERTON, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE 13 - POSTEMPLOYMENT BENEFIT PLANS - (Continued)

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police officers and firefighters were \$82,934 and \$89,595 for the year ended December 31, 2013, \$167,379 and \$194,205 for the year ended December 31, 2012, and \$166,041 and \$187,322, for the year ended December 31, 2011. The full amount has been contributed for 2012 and 2011. 84.96% has been contributed for police and 84.68% has been contributed for firefighters for 2013. The remaining 2013 post-employment health care benefits liability has been reported as due to other governments/pension obligation payable on the basic financial statements.

NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS

A. Compensated Absences

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

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

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

B. Life Insurance

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

NOTE 15 - BUDGETARY BASIS OF ACCOUNTING

While the City is reporting financial position, results of operations and changes in fund balance on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The statement of revenues, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 15 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

1. Revenues and other sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
2. Expenditures and other uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
3. In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);
4. Investments are reported at fair value (GAAP basis) rather than cost (budget basis);
5. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement; and,
6. Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

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

Net Change in Fund Balance

	<u>General</u>
Budget basis	\$ (1,007,484)
Net adjustment for revenue accruals	(11,040)
Net adjustment for expenditure accruals	(297,449)
Net adjustment for other financing sources (uses)	63,612
Funds budgeted elsewhere	36,384
Adjustment for encumbrances	<u>495,125</u>
GAAP basis	<u>\$ (720,852)</u>

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the income tax fund, general liability insurance fund and emergency reserve fund.

CITY OF BARBERTON, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE 16 - RELATED ORGANIZATIONS

A. Barberton Community Development Corporation

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

B. Barberton Community Foundation

The City participates in the Barberton Community Foundation (the "Foundation"). The City initially appointed a voting majority of the Foundation. The City Council has limited veto abilities over subsequent nominees to the Foundation Board and therefore has limited influence on the Foundation's operation. In 2013, the City received \$829,113 in grants from the Foundation.

NOTE 17 - JOINTLY GOVERNED ORGANIZATION

The Southwest Summit Council of Governments (the "Council") was formed to share services, promote cooperative arrangements and coordinate action among its members in matters relating to public safety dispatch operations. The Council may also, at its discretion, promote cooperative agreements and contracts among its members or other governmental agencies and private persons, corporations, or agencies. Member entities include the City of Barberton, City of Norton and Copley Township. The Council's affairs are managed by a governing board which consists of one representative from each member entity.

NOTE 18 - CONTINGENCIES

A. Grants

The City receives significant financial assistance from numerous federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2013.

B. Litigation

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

NOTE 19 - FUND BALANCE

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources in the governmental funds. The constraints placed on fund balance for the major governmental fund and all other governmental funds are presented on the following table.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 19 - FUND BALANCE - (Continued)

Fund balance	General	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:			
Prepayments	\$ 66,442	\$ 9,473	\$ 75,915
Long-term notes	1,777	-	1,777
Total nonspendable	<u>68,219</u>	<u>9,473</u>	<u>77,692</u>
Restricted:			
Capital projects	-	13,989	13,989
Special assessments debt service	-	361,272	361,272
Street construction, maintenance and repair	-	261,836	261,836
Court	-	1,433,582	1,433,582
Recreation	-	40,753	40,753
Community development and improvement	-	196,969	196,969
Law enforcement	-	427,960	427,960
Police and fire pension	-	44,516	44,516
Fire capital	-	1,086	1,086
911 phone system	-	16,709	16,709
Total restricted	<u>-</u>	<u>2,798,672</u>	<u>2,798,672</u>
Committed:			
Insurance premiums	11,840	-	11,840
Street construction, maintenance and repair	-	101,539	101,539
Recreation	-	112,650	112,650
Law enforcement	-	9,760	9,760
Community development and improvement	-	33,691	33,691
Animal control	-	3,422	3,422
Capital projects	-	869,426	869,426
General obligation debt service	-	37,627	37,627
Total committed	<u>11,840</u>	<u>1,168,115</u>	<u>1,179,955</u>

-Continued

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 19 - FUND BALANCE - (Continued)

<u>Fund balance (continued)</u>	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assigned:			
Subsequent year appropriations	296,611	-	296,611
Police operations	28,202	-	28,202
Fire operations	59,245	-	59,245
Street construction, maintenance and repair	1,750	-	1,750
Parks and recreation	6,786	-	6,786
Community development and improvement	298,044	-	298,044
Capital expenditures	18,181	-	18,181
Other purposes	34,174	-	34,174
Total assigned	<u>742,993</u>	<u>-</u>	<u>742,993</u>
Unassigned (deficit)	<u>2,697,128</u>	<u>(35,005)</u>	<u>2,662,123</u>
Total fund balances	<u>\$ 3,520,180</u>	<u>\$ 3,941,255</u>	<u>\$ 7,461,435</u>

NOTE 20 - OTHER COMMITMENTS

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the City's commitments for encumbrances in the governmental funds were as follows:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 447,193
Nonmajor governmental funds	<u>963,496</u>
Total	<u>\$ 1,410,689</u>

NOTE 21 - SUBSEQUENT EVENTS

At the November 2013 General Election the Citizens of Barberton approved an increase in the municipal income tax rate of ¼ of one percent to fund roadway reconstruction and resurfacing of streets and alleys. The tax became effective on January 1, 2014. The City plans to issue notes in anticipation of the tax revenue to begin paving projects estimated to be just over \$2.2 million in 2014.

City Council approved the Collective Bargaining Agreement between the City and the IAFF Local 329, Barberton Professional Firefighters. The contract is effective January 1, 2014 through December 31, 2016.

The Mayor was authorized by City Council to apply for, accept and enter into a Water Supply Revolving Loan Fund agreement in the amount of \$1.9 million for the planning, design and/or construction of water treatment facilities. The loan will be repaid from the user charges of the Water Fund.

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**COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES**

CITY OF BARBERTON, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

GENERAL FUND

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

Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis):

Income Tax Fund

This fund accounts for the collection of and fees associated with the 2% municipal income tax.

General Liability Insurance Fund

This fund accounts for monies received from the income tax fund for the purpose of paying the costs of public liability claims.

Emergency Reserve Fund

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

NONMAJOR SPECIAL REVENUE FUNDS

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

Street Construction, Maintenance and Repair Fund

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

State Highway Improvement Fund

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

Permissive License Tax Fund

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

Residential Street Fund

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

Fire Capital Levy Fund

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

Animal Control Fund

This fund accounts for fines assessed to animal owners for failing to keep their animals properly constrained. Expenditures are devoted solely to furthering animal control purposes within the City.

Probation Services Fund

This fund accounts for probation fees and expenditures related to placing offenders under a community control sanction.

Court Computer Fund

This fund accounts for additional court fees designated for the computerization of the municipal court.

Court Special Projects Capital Fund

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

CITY OF BARBERTON, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

9-1-1 Phone System Fund

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

Indigent Drivers Alcohol Treatment Fund

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

Sports Complex Operating Fund

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

Parks Recreation Improvement Fund

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

Gas and Oil Royalty Fund

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

D.A.R.E. Program Fund

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

Mandatory Drug Fines Fund

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

Local Law Enforcement Trust Fund

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

Parks Revolving Loan Fund

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

Sidewalk Improvement Program Fund

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

City Grant Fund

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

Federal Emergency Management Agency Fund

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

Rental Registration Program Fund

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

Neighborhood Stabilization Program Fund

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

CITY OF BARBERTON, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

Clean Ohio Revitalization Fund

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

Community Development Block Grant Fund (CDBG)

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

Rental Rehabilitation Fund

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

Tax Increment Financing Fund

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

Lake Cinema Complex Maintenance Fund

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

Project Impact Fund

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

Beautification Fund

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

Senior Center Trust Fund

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

Fire Pension Fund

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

Police Pension Fund

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

Court Special Projects Operating Fund

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

Computer Legal Research Fund

This fund accounts for court fees used to make available computerized legal research services for the municipal court.

NONMAJOR DEBT SERVICE FUNDS

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

General Obligation Bond Retirement Fund

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

Special Assessment Bond Retirement Fund

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

CITY OF BARBERTON, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

NONMAJOR CAPITAL PROJECTS FUNDS

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

Street Improvement Fund

This fund accounts for revenues and expenditures for street improvements. This fund did not have any activity on cash-basis during 2013; therefore a budget and actual (non-GAAP budgetary basis) schedule has not been presented.

Senior Center Construction Fund

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

Issue II Fund

This fund accounts for projects funded by Issue II money. This fund did not have any activity on cash-basis during 2013; therefore a budget and actual (non-GAAP budgetary basis) schedule has not been presented.

Infrastructure Improvement Reserve Fund

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

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
Revenues:				
Property and other taxes	\$ 880,509	\$ 880,509	\$ 866,655	\$ (13,854)
Municipal income taxes.	10,165,000	10,165,000	10,165,000	-
Charges for services.	1,579,889	1,550,831	1,627,132	76,301
Licenses and permits	473,493	464,785	487,652	22,867
Fines and forfeitures	83,202	81,672	85,690	4,018
Intergovernmental	1,473,297	1,446,201	1,517,354	71,153
Investment income	19,101	18,750	19,673	923
Other	579,619	568,959	596,952	27,993
Total revenues.	15,254,110	15,176,707	15,366,108	189,401
Expenditures:				
Current:				
General government				
City council				
Personal services.	196,171	203,755	200,509	3,246
Operating.	9,500	11,500	12,366	(866)
Municipal court judges				
Personal services.	483,255	483,255	462,521	20,734
Operating.	18,744	18,744	16,494	2,250
Clerk of court				
Personal services.	757,458	757,458	669,173	88,285
Operating.	107,096	107,096	89,326	17,770
Mayor				
Personal services.	64,145	65,120	63,101	2,019
Operating.	14,995	16,495	11,389	5,106
Service director				
Personal services.	42,564	42,564	34,141	8,423
Operating.	258,470	258,470	297,142	(38,672)
Civil service commission				
Personal services.	9,281	9,281	8,445	836
Operating.	31,125	31,125	29,129	1,996
Finance department				
Personal services.	344,650	344,650	297,439	47,211
Operating.	90,469	90,469	77,139	13,330
Law department				
Personal services.	327,733	330,333	329,937	396
Operating.	122,417	119,817	105,340	14,477
Safety director				
Personal services.	26,605	26,605	26,227	378
Operating.	13,100	13,100	12,845	255
Human resources				
Personal services.	15,681	15,681	12,308	3,373
Operating.	43,236	43,236	33,368	9,868
Information systems				
Personal services.	51,566	51,566	51,563	3
Operating.	149,808	149,808	62,051	87,757

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Municipal buildings				
Personal services.	\$ 94,880	\$ 94,880	\$ 88,544	\$ 6,336
Operating.	217,500	217,500	189,565	27,935
Probation				
Personal services.	143,723	143,723	126,450	17,273
Operating.	6,688	6,688	3,865	2,823
Other				
Personal services.	158,000	158,000	126,750	31,250
Operating.	414,539	414,539	316,974	97,565
Total general government.	<u>4,213,399</u>	<u>4,225,458</u>	<u>3,754,101</u>	<u>471,357</u>
Public safety				
Police department				
Personal services.	4,028,959	4,218,959	4,046,941	172,018
Operating.	600,044	609,044	578,694	30,350
Dispatch service				
Personal services.	659,258	659,258	628,581	30,677
Operating.	22,515	233,615	232,467	1,148
Fire department				
Personal services.	4,524,187	4,524,187	4,266,235	257,952
Operating.	311,067	407,067	391,089	15,978
Total public safety	<u>10,146,030</u>	<u>10,652,130</u>	<u>10,144,007</u>	<u>508,123</u>
Transportation				
Paint/signal				
Personal services.	122,273	122,273	89,448	32,825
Operating.	20,133	20,133	19,667	466
Total transportation.	<u>142,406</u>	<u>142,406</u>	<u>109,115</u>	<u>33,291</u>
Leisure time activities				
Parks administration				
Personal services.	186,706	186,706	182,793	3,913
Operating.	28,392	29,592	29,459	133
Senior center				
Personal services.	42,383	42,983	41,589	1,394
Operating.	39,083	39,083	37,427	1,656
Recreation programs				
Personal services.	15,659	16,059	16,032	27
Operating.	10,757	11,507	11,528	(21)
Parks maintenance				
Personal services.	439,753	439,753	422,755	16,998
Operating.	96,217	96,217	93,477	2,740
Total leisure time activities	<u>858,950</u>	<u>861,900</u>	<u>835,060</u>	<u>26,840</u>

Continued

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Community environment				
Building inspection				
Personal services.	\$ 365,021	\$ 412,821	\$ 403,922	\$ 8,899
Operating.	125,025	91,348	47,887	43,461
Planning				
Personal services.	163,075	163,075	148,967	14,108
Operating.	102,187	372,187	339,610	32,577
Total community environment	<u>755,308</u>	<u>1,039,431</u>	<u>940,386</u>	<u>99,045</u>
Capital outlay				
Finance department.	1,804	1,804	-	1,804
Information systems	61,198	61,198	34,893	26,305
Municipal buildings.	190,000	190,000	174,735	15,265
Police department.	78,000	78,000	77,929	71
Dispatch service	-	30,000	30,000	-
Fire department.	74,682	89,682	89,357	325
Parks administration	-	11,100	11,100	-
Parks maintenance	32,138	32,138	32,073	65
Building inspection.	-	35,000	17,100	17,900
Transportation	19,760	19,760	19,736	24
Total capital outlay.	<u>457,582</u>	<u>548,682</u>	<u>486,923</u>	<u>61,759</u>
Total expenditures.	<u>16,573,675</u>	<u>17,470,007</u>	<u>16,269,592</u>	<u>1,200,415</u>
Excess of expenditures over revenues.	<u>(1,319,565)</u>	<u>(2,293,300)</u>	<u>(903,484)</u>	<u>1,389,816</u>
Other financing uses:				
Transfers out	-	(104,000)	(104,000)	-
Total other financing uses.	<u>-</u>	<u>(104,000)</u>	<u>(104,000)</u>	<u>-</u>
Net change in fund balance	(1,319,565)	(2,397,300)	(1,007,484)	1,389,816
Fund balance at beginning of year.	2,346,623	2,346,623	2,346,623	-
Prior year encumbrances appropriated	354,783	354,783	354,783	-
Fund balance at end of year	<u>\$ 1,381,841</u>	<u>\$ 304,106</u>	<u>\$ 1,693,922</u>	<u>\$ 1,389,816</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INCOME TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Municipal income taxes	\$ 888,000	\$ 888,000	\$ 977,925	\$ 89,925
Intergovernmental	210,000	210,000	177,335	(32,665)
Other	1,000	1,000	370	(630)
Total revenues.	1,099,000	1,099,000	1,155,630	56,630
Expenditures:				
Current:				
General government				
Operating	330,000	330,000	277,569	52,431
Total expenditures	330,000	330,000	277,569	52,431
Excess of revenues over expenditures	769,000	769,000	878,061	109,061
Other financing uses:				
Transfers out	(865,000)	(865,000)	(865,000)	-
Total other financing uses	(865,000)	(865,000)	(865,000)	-
Net change in fund balance.	(96,000)	(96,000)	13,061	109,061
Fund balance at beginning of year	98,222	98,222	98,222	-
Fund balance at end of year	\$ 2,222	\$ 2,222	\$ 111,283	\$ 109,061

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL LIABILITY INSURANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
General government				
Operating	\$ 30,447	\$ 33,447	\$ 22,593	\$ 10,854
Total expenditures	<u>30,447</u>	<u>33,447</u>	<u>22,593</u>	<u>10,854</u>
Excess of expenditures over revenues	<u>(30,447)</u>	<u>(33,447)</u>	<u>(22,593)</u>	<u>10,854</u>
Other financing sources:				
Transfers in.	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Total other financing sources.	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Net change in fund balance.	(5,447)	(8,447)	2,407	10,854
Fund balance at beginning of year	20,824	20,824	20,824	-
Prior year encumbrances appropriated . . .	<u>447</u>	<u>447</u>	<u>447</u>	<u>-</u>
Fund balance at end of year	<u>\$ 15,824</u>	<u>\$ 12,824</u>	<u>\$ 23,678</u>	<u>\$ 10,854</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EMERGENCY RESERVE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment income	\$ 600	\$ 600	\$ 562	\$ (38)
Total revenues	<u>600</u>	<u>600</u>	<u>562</u>	<u>(38)</u>
Expenditures:				
Current:				
Community environment				
Operating	600	600	123	477
Total expenditures	<u>600</u>	<u>600</u>	<u>123</u>	<u>477</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>439</u>	<u>439</u>
Other financing sources:				
Transfers in	250,000	250,000	75,000	(175,000)
Total other financing sources	<u>250,000</u>	<u>250,000</u>	<u>75,000</u>	<u>(175,000)</u>
Net change in fund balance	250,000	250,000	75,439	(174,561)
Fund balance at beginning of year	<u>475,955</u>	<u>475,955</u>	<u>475,955</u>	<u>-</u>
Fund balance at end of year	<u>\$ 725,955</u>	<u>\$ 725,955</u>	<u>\$ 551,394</u>	<u>\$ (174,561)</u>

CITY OF BARBERTON, OHIO

*COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2013*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash and cash equivalents	\$ 2,718,076	\$ 398,899	\$ 830,218	\$ 3,947,193
Receivables:				
Property taxes	459,509	-	-	459,509
Accounts	30,173	-	-	30,173
Intergovernmental	748,508	-	180,727	929,235
Special assessments	-	26,417	-	26,417
Notes receivable	87,903	-	-	87,903
Prepayments	9,473	-	-	9,473
Total assets	\$ 4,053,642	\$ 425,316	\$ 1,010,945	\$ 5,489,903
Liabilities:				
Accounts payable	\$ 240,047	\$ -	\$ -	\$ 240,047
Contracts payable	172,039	-	120,496	292,535
Accrued wages and benefits payable.	8,517	-	-	8,517
Intergovernmental payable.	21,805	-	-	21,805
Due to other funds	238,955	-	-	238,955
Total liabilities	681,363	-	120,496	801,859
Deferred inflows of resources:				
Property taxes levied for the next fiscal year. . . .	409,892	-	-	409,892
Delinquent property tax revenue not available. . .	49,617	-	-	49,617
Special assessments revenue not available.	-	26,417	-	26,417
Intergovernmental revenue not available	253,829	-	7,034	260,863
Total deferred inflows of resources	713,338	26,417	7,034	746,789
Fund balances:				
Nonspendable	9,473	-	-	9,473
Restricted.	2,423,411	361,272	13,989	2,798,672
Committed	261,062	37,627	869,426	1,168,115
Unassigned (deficit)	(35,005)	-	-	(35,005)
Total fund balances	2,658,941	398,899	883,415	3,941,255
Total liabilities, deferred inflows of resources and fund balances	\$ 4,053,642	\$ 425,316	\$ 1,010,945	\$ 5,489,903

CITY OF BARBERTON, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Property and other taxes	\$ 403,357	\$ -	\$ -	\$ 403,357
Charges for services	159,959	-	-	159,959
Fines and forfeitures	760,820	-	-	760,820
Intergovernmental	4,877,797	-	2,084,137	6,961,934
Special assessments	30,968	63,366	-	94,334
Investment income	321	-	1,130	1,451
Contributions and donations	-	463,470	84,543	548,013
Other	560,216	-	-	560,216
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	6,793,438	526,836	2,169,810	9,490,084
Expenditures:				
Current:				
General government	390,709	-	-	390,709
Public safety	226,876	-	-	226,876
Transportation	1,420,906	-	-	1,420,906
Community environment	2,471,525	-	-	2,471,525
Leisure time activities	451,666	-	-	451,666
Capital outlay	1,181,365	-	2,366,387	3,547,752
Debt service:				
Principal retirement	794,634	583,395	-	1,378,029
Interest and fiscal charges	122,495	22,667	806	145,968
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	7,060,176	606,062	2,367,193	10,033,431
Excess of expenditures over revenues	<hr/> (266,738)	<hr/> (79,226)	<hr/> (197,383)	<hr/> (543,347)
Other financing sources (uses):				
Sale of assets	565,053	-	-	565,053
Capital lease transaction	3,628	-	-	3,628
Transfers in	600,000	127,100	310,000	1,037,100
Transfers out	<hr/> (76,000)	<hr/> -	<hr/> (92,100)	<hr/> (168,100)
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	1,092,681	127,100	217,900	1,437,681
Net change in fund balances	825,943	47,874	20,517	894,334
Fund balances at beginning of year	<hr/> 1,832,998	<hr/> 351,025	<hr/> 862,898	<hr/> 3,046,921
Fund balances at end of year	<hr/> <u>\$ 2,658,941</u>	<hr/> <u>\$ 398,899</u>	<hr/> <u>\$ 883,415</u>	<hr/> <u>\$ 3,941,255</u>

CITY OF BARBERTON, OHIO

*COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2013*

	Street Construction Maintenance and Repair	State Highway Improvement	Permissive License Tax	Residential Street
Assets:				
Equity in pooled cash and cash equivalents	\$ 167,500	\$ 9,004	\$ 71,070	\$ 104,943
Receivables (net of allowances for uncollectibles):				
Property taxes	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	297,874	24,152	3,926	-
Notes receivable	-	-	-	-
Prepayments	8,902	-	-	-
Total assets	<u>\$ 474,276</u>	<u>\$ 33,156</u>	<u>\$ 74,996</u>	<u>\$ 104,943</u>
Liabilities:				
Accounts payable	\$ 80,934	\$ -	\$ -	\$ -
Contracts payable	-	-	95,261	3,404
Accrued wages and benefits payable	7,212	-	-	-
Intergovernmental payable	13,254	1,475	-	-
Due to other funds	-	-	-	-
Total liabilities	<u>101,400</u>	<u>1,475</u>	<u>95,261</u>	<u>3,404</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Intergovernmental revenue not available	183,772	17,900	-	-
Total deferred inflows of resources	<u>183,772</u>	<u>17,900</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable	8,902	-	-	-
Restricted	180,202	13,781	-	-
Committed	-	-	-	101,539
Unassigned (deficit)	-	-	(20,265)	-
Total fund balances (deficits)	<u>189,104</u>	<u>13,781</u>	<u>(20,265)</u>	<u>101,539</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 474,276</u>	<u>\$ 33,156</u>	<u>\$ 74,996</u>	<u>\$ 104,943</u>

Fire Capital Levy	Animal Control	Probation Services	Court Computer	Court Special Projects Capital	9-1-1 Phone System
\$ 1,086	\$ 3,422	\$ 30,459	\$ 131,967	\$ 1,155,550	\$ 16,709
255,283	-	-	-	-	-
-	-	-	-	-	-
18,729	-	8,481	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 275,098</u>	<u>\$ 3,422</u>	<u>\$ 38,940</u>	<u>\$ 131,967</u>	<u>\$ 1,155,550</u>	<u>\$ 16,709</u>
\$ -	\$ -	\$ -	\$ -	\$ 14,995	\$ -
-	-	-	-	-	-
-	-	202	234	78	-
-	-	699	580	271	-
-	-	-	-	-	-
-	-	901	814	15,344	-
227,718	-	-	-	-	-
27,565	-	-	-	-	-
18,729	-	-	-	-	-
<u>274,012</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
1,086	-	38,039	131,153	1,140,206	16,709
-	3,422	-	-	-	-
-	-	-	-	-	-
<u>1,086</u>	<u>3,422</u>	<u>38,039</u>	<u>131,153</u>	<u>1,140,206</u>	<u>16,709</u>
<u>\$ 275,098</u>	<u>\$ 3,422</u>	<u>\$ 38,940</u>	<u>\$ 131,967</u>	<u>\$ 1,155,550</u>	<u>\$ 16,709</u>

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CITY OF BARBERTON, OHIO

*COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2013*

	Indigent Drivers Alcohol Treatment	Sports Complex Operating	Parks Recreation Improvement	Gas and Oil Royalty
Assets:				
Equity in pooled cash and cash equivalents	\$ 357,990	\$ 4,487	\$ 40,753	\$ 9,760
Receivables (net of allowances for uncollectibles):				
Property taxes.	-	-	-	-
Accounts	-	-	-	-
Intergovernmental.	9,607	-	-	-
Notes receivable	-	-	-	-
Prepayments	-	-	-	-
Total assets	<u>\$ 367,597</u>	<u>\$ 4,487</u>	<u>\$ 40,753</u>	<u>\$ 9,760</u>
Liabilities:				
Accounts payable	\$ 7,493	\$ -	\$ -	\$ -
Contracts payable	-	-	-	-
Accrued wages and benefits payable.	-	-	-	-
Intergovernmental payable.	-	531	-	-
Due to other funds	-	-	-	-
Total liabilities	<u>7,493</u>	<u>531</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year.	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Intergovernmental revenue not available.	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted.	360,104	-	40,753	-
Committed	-	3,956	-	9,760
Unassigned (deficit)	-	-	-	-
Total fund balances (deficits).	<u>360,104</u>	<u>3,956</u>	<u>40,753</u>	<u>9,760</u>
Total liabilities, deferred inflows of resources and fund balances.	<u>\$ 367,597</u>	<u>\$ 4,487</u>	<u>\$ 40,753</u>	<u>\$ 9,760</u>

<u>D.A.R.E. Program</u>	<u>Mandatory Drug Fines</u>	<u>Local Law Enforcement Trust</u>	<u>Parks Revolving Loan</u>	<u>Sidewalk Improvement Program</u>	<u>City Grant</u>
\$ 180	\$ 9,677	\$ 50,671	\$ 51,027	\$ 72,287	\$ -
-	-	-	-	-	-
-	-	7,328	-	-	-
-	-	-	-	-	14,740
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 180</u>	<u>\$ 9,677</u>	<u>\$ 57,999</u>	<u>\$ 51,027</u>	<u>\$ 72,287</u>	<u>\$ 14,740</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	4,434	-
-	-	-	94	-	-
-	-	-	999	-	-
-	-	-	-	-	14,740
-	-	-	1,093	4,434	14,740
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	14,740
-	-	-	-	-	14,740
-	-	-	-	-	-
180	9,677	57,999	-	67,853	-
-	-	-	49,934	-	-
-	-	-	-	-	(14,740)
<u>180</u>	<u>9,677</u>	<u>57,999</u>	<u>49,934</u>	<u>67,853</u>	<u>(14,740)</u>
<u>\$ 180</u>	<u>\$ 9,677</u>	<u>\$ 57,999</u>	<u>\$ 51,027</u>	<u>\$ 72,287</u>	<u>\$ 14,740</u>

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CITY OF BARBERTON, OHIO

*COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2013*

	Rental Registration Program	Neighborhood Stabilization Program	Community Development Block Grant	Rental Rehabilitation
Assets:				
Equity in pooled cash and cash equivalents	\$ 35,089	\$ 3,316	\$ 1,057	\$ 143
Receivables (net of allowances for uncollectibles):				
Property taxes	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	-	-	116,161	-
Notes receivable	-	-	87,903	-
Prepayments	-	-	-	-
Total assets	<u>\$ 35,089</u>	<u>\$ 3,316</u>	<u>\$ 205,121</u>	<u>\$ 143</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 83,536	\$ -
Contracts payable	-	-	-	-
Accrued wages and benefits payable	301	-	-	-
Intergovernmental payable	1,097	-	1,642	-
Due to other funds	-	-	116,161	-
Total liabilities	<u>1,398</u>	<u>-</u>	<u>201,339</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Intergovernmental revenue not available	-	-	3,388	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>3,388</u>	<u>-</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	-	3,316	394	143
Committed	33,691	-	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances (deficits)	<u>33,691</u>	<u>3,316</u>	<u>394</u>	<u>143</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 35,089</u>	<u>\$ 3,316</u>	<u>\$ 205,121</u>	<u>\$ 143</u>

Tax Increment Financing	Lake Cinema Complex Maintenance	Project Impact	Beautification	Senior Center Trust	Fire Pension
\$ 103,180	\$ 9,504	\$ -	\$ 59,021	\$ 49,524	\$ 16,608
-	-	-	-	-	102,113
-	-	22,845	-	-	-
-	-	217,778	21,760	-	7,650
-	-	-	-	-	-
-	-	-	-	571	-
<u>\$ 103,180</u>	<u>\$ 9,504</u>	<u>\$ 240,623</u>	<u>\$ 80,781</u>	<u>\$ 50,095</u>	<u>\$ 126,371</u>
\$ -	\$ -	\$ 53,089	\$ -	\$ -	\$ -
-	-	68,940	-	-	-
-	-	-	346	50	-
-	-	-	1,039	218	-
-	-	108,054	-	-	-
-	-	230,083	1,385	268	-
-	-	-	-	-	91,087
-	-	-	-	-	11,026
-	-	-	-	-	7,650
-	-	-	-	-	109,763
-	-	-	-	571	-
103,180	-	10,540	79,396	-	16,608
-	9,504	-	-	49,256	-
-	-	-	-	-	-
<u>103,180</u>	<u>9,504</u>	<u>10,540</u>	<u>79,396</u>	<u>49,827</u>	<u>16,608</u>
<u>\$ 103,180</u>	<u>\$ 9,504</u>	<u>\$ 240,623</u>	<u>\$ 80,781</u>	<u>\$ 50,095</u>	<u>\$ 126,371</u>

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CITY OF BARBERTON, OHIO

*COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2013*

	<u>Police Pension</u>	<u>Court Special Projects Operating</u>	<u>Computer Legal Research</u>	<u>Total Nonmajor Special Revenue Funds</u>
Assets:				
Equity in pooled cash and cash equivalents	\$ 27,908	\$ 109,256	\$ 14,928	\$ 2,718,076
Receivables (net of allowances for uncollectibles):				
Property taxes.	102,113	-	-	459,509
Accounts	-	-	-	30,173
Intergovernmental.	7,650	-	-	748,508
Notes receivable	-	-	-	87,903
Prepayments	-	-	-	9,473
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 137,671</u>	<u>\$ 109,256</u>	<u>\$ 14,928</u>	<u>\$ 4,053,642</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 240,047
Contracts payable	-	-	-	172,039
Accrued wages and benefits payable.	-	-	-	8,517
Intergovernmental payable.	-	-	-	21,805
Due to other funds	-	-	-	238,955
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>681,363</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year.	91,087	-	-	409,892
Delinquent property tax revenue not available	11,026	-	-	49,617
Intergovernmental revenue not available.	7,650	-	-	253,829
	<hr/>	<hr/>	<hr/>	<hr/>
Total deferred inflows of resources	<u>109,763</u>	<u>-</u>	<u>-</u>	<u>713,338</u>
Fund balances:				
Nonspendable	-	-	-	9,473
Restricted.	27,908	109,256	14,928	2,423,411
Committed	-	-	-	261,062
Unassigned (deficit)	-	-	-	(35,005)
	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances (deficits).	<u>27,908</u>	<u>109,256</u>	<u>14,928</u>	<u>2,658,941</u>
Total liabilities, deferred inflows of resources and fund balances.	<u>\$ 137,671</u>	<u>\$ 109,256</u>	<u>\$ 14,928</u>	<u>\$ 4,053,642</u>

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CITY OF BARBERTON, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013*

	Street Construction Maintenance and Repair	State Highway Improvement	Permissive License Tax	Residential Street
Revenues:				
Property and other taxes	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	860,750	53,233	195,282	-
Special assessments	-	-	-	18,531
Investment income	186	21	-	-
Other	11,532	520	-	-
Total revenues	872,468	53,774	195,282	18,531
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Transportation	1,299,836	73,294	25,091	22,685
Community environment.	-	-	-	-
Leisure time activities	-	-	-	-
Capital outlay.	10,964	-	247,670	207,656
Debt service:				
Principal retirement.	39,664	-	24,691	-
Interest and fiscal charges.	3,828	-	4,152	-
Total expenditures	1,354,292	73,294	301,604	230,341
Excess (deficiency) of revenues over (under) expenditures	(481,824)	(19,520)	(106,322)	(211,810)
Other financing sources (uses):				
Sale of assets.	-	-	-	-
Capital lease transaction	-	-	-	-
Transfers in	270,000	-	-	115,000
Transfers out.	-	-	-	-
Total other financing sources (uses).	270,000	-	-	115,000
Net change in fund balances.	(211,824)	(19,520)	(106,322)	(96,810)
Fund balances (deficit) at beginning of year	400,928	33,301	86,057	198,349
Fund balances (deficit) at end of year	\$ 189,104	\$ 13,781	\$ (20,265)	\$ 101,539

Fire Capital Levy	Animal Control	Probation Services	Court Computer	Court Special Projects Capital	9-1-1 Phone System
\$ 224,087	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	693	52,001	95,117	211,787	-
38,545	-	30,935	-	23,049	5,975
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>262,632</u>	<u>693</u>	<u>82,936</u>	<u>95,117</u>	<u>234,836</u>	<u>5,975</u>
-	-	44,797	47,268	63,602	-
6,242	-	-	-	-	14,634
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
181,729	-	-	-	-	-
88,323	-	-	-	-	-
<u>276,294</u>	<u>-</u>	<u>44,797</u>	<u>47,268</u>	<u>63,602</u>	<u>14,634</u>
<u>(13,662)</u>	<u>693</u>	<u>38,139</u>	<u>47,849</u>	<u>171,234</u>	<u>(8,659)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(13,662)</u>	<u>693</u>	<u>38,139</u>	<u>47,849</u>	<u>171,234</u>	<u>(8,659)</u>
<u>14,748</u>	<u>2,729</u>	<u>(100)</u>	<u>83,304</u>	<u>968,972</u>	<u>25,368</u>
<u>\$ 1,086</u>	<u>\$ 3,422</u>	<u>\$ 38,039</u>	<u>\$ 131,153</u>	<u>\$ 1,140,206</u>	<u>\$ 16,709</u>

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CITY OF BARBERTON, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2013*

	Indigent Drivers Alcohol Treatment	Sports Complex Operating	Parks Recreation Improvement	Gas and Oil Royalty
Revenues:				
Property and other taxes	\$ -	\$ -	\$ -	\$ -
Charges for services	-	50,104	-	-
Fines and forfeitures	73,322	-	-	-
Intergovernmental	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	57	-
Other	-	262	35,027	1,750
Total revenues	73,322	50,366	35,084	1,750
Expenditures:				
Current:				
General government	27,492	-	-	-
Public safety	-	-	-	-
Transportation	-	-	-	-
Community environment.	-	-	-	-
Leisure time activities	-	92,241	2,513	-
Capital outlay.	-	-	69,222	-
Debt service:				
Principal retirement.	-	-	-	-
Interest and fiscal charges.	-	-	-	-
Total expenditures	27,492	92,241	71,735	-
Excess (deficiency) of revenues over (under) expenditures	45,830	(41,875)	(36,651)	1,750
Other financing sources (uses):				
Sale of assets.	-	-	-	-
Capital lease transaction	-	-	-	-
Transfers in	-	35,000	-	-
Transfers out.	-	-	-	-
Total other financing sources (uses).	-	35,000	-	-
Net change in fund balances.	45,830	(6,875)	(36,651)	1,750
Fund balances (deficit) at beginning of year	314,274	10,831	77,404	8,010
Fund balances (deficit) at end of year	\$ 360,104	\$ 3,956	\$ 40,753	\$ 9,760

D.A.R.E. Program	Mandatory Drug Fines	Local Law Enforcement Trust	Parks Revolving Loan	Sidewalk Improvement Program	City Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	23,865	-	-
-	1,160	-	-	-	-
-	-	-	13,243	-	570,053
-	-	-	-	12,437	-
-	-	-	-	-	-
-	-	-	83,532	16,791	1,000
-	1,160	-	120,640	29,228	571,053
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	290,914
-	-	-	125,006	-	-
-	-	-	-	20,790	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	125,006	20,790	290,914
-	1,160	-	(4,366)	8,438	280,139
-	-	20,053	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	20,053	-	-	-
-	1,160	20,053	(4,366)	8,438	280,139
180	8,517	37,946	54,300	59,415	(294,879)
\$ 180	\$ 9,677	\$ 57,999	\$ 49,934	\$ 67,853	\$ (14,740)

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CITY OF BARBERTON, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2013*

	Federal Emergency Management Agency	Rental Registration Program	Neighborhood Stabilization Program	Community Development Block Grant
Revenues:				
Property and other taxes	\$ -	\$ -	\$ -	\$ -
Charges for services	-	67,200	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	851,724	-	319,346	931,614
Special assessments	-	-	-	-
Investment income	-	-	-	-
Other	-	452	-	13,467
Total revenues	851,724	67,652	319,346	945,081
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Transportation	-	-	-	-
Community environment.	-	60,259	131,280	916,339
Leisure time activities	-	-	-	-
Capital outlay.	621,435	-	-	3,628
Debt service:				
Principal retirement.	-	-	-	28,550
Interest and fiscal charges.	-	-	-	13,634
Total expenditures	621,435	60,259	131,280	962,151
Excess (deficiency) of revenues over (under) expenditures	230,289	7,393	188,066	(17,070)
Other financing sources (uses):				
Sale of assets.	-	-	-	-
Capital lease transaction	-	-	-	3,628
Transfers in	-	-	-	-
Transfers out.	-	(76,000)	-	-
Total other financing sources (uses).	-	(76,000)	-	3,628
Net change in fund balances.	230,289	(68,607)	188,066	(13,442)
Fund balances (deficit) at beginning of year	(230,289)	102,298	(184,750)	13,836
Fund balances (deficit) at end of year	\$ -	\$ 33,691	\$ 3,316	\$ 394

Rental Rehabilitation	Tax Increment Financing	Lake Cinema Complex Maintenance	Project Impact	Beautification	Senior Center Trust
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	18,790
-	-	-	-	-	-
-	107,349	-	814,868	22,485	-
-	-	-	-	-	-
-	-	-	-	-	57
-	-	3,000	227,300	148,379	17,204
-	107,349	3,000	1,042,168	170,864	36,051
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	82,059	-	990,674	-	-
-	-	54,138	-	137,013	40,755
-	-	-	-	-	-
-	-	520,000	-	-	-
-	-	12,558	-	-	-
-	82,059	586,696	990,674	137,013	40,755
-	-	-	-	-	-
-	25,290	(583,696)	51,494	33,851	(4,704)
-	-	545,000	-	-	-
-	-	-	-	-	-
-	-	-	180,000	-	-
-	-	-	-	-	-
-	-	545,000	180,000	-	-
-	25,290	(38,696)	231,494	33,851	(4,704)
143	77,890	48,200	(220,954)	45,545	54,531
\$ 143	\$ 103,180	\$ 9,504	\$ 10,540	\$ 79,396	\$ 49,827

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CITY OF BARBERTON, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Fire Pension</u>	<u>Police Pension</u>	<u>Court Special Projects Operating</u>	<u>Computer Legal Research</u>
Revenues:				
Property and other taxes	\$ 89,635	\$ 89,635	\$ -	\$ -
Charges for services	-	-	-	-
Fines and forfeitures	-	-	309,256	17,484
Intergovernmental	19,673	19,673	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Other	-	-	-	-
Total revenues	<u>109,308</u>	<u>109,308</u>	<u>309,256</u>	<u>17,484</u>
Expenditures:				
Current:				
General government	2,497	2,497	200,000	2,556
Public safety	103,000	103,000	-	-
Transportation	-	-	-	-
Community environment.	-	-	-	-
Leisure time activities	-	-	-	-
Capital outlay.	-	-	-	-
Debt service:				
Principal retirement.	-	-	-	-
Interest and fiscal charges.	-	-	-	-
Total expenditures	<u>105,497</u>	<u>105,497</u>	<u>200,000</u>	<u>2,556</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,811</u>	<u>3,811</u>	<u>109,256</u>	<u>14,928</u>
Other financing sources (uses):				
Sale of assets.	-	-	-	-
Capital lease transaction	-	-	-	-
Transfers in	-	-	-	-
Transfers out.	-	-	-	-
Total other financing sources (uses).	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances.	3,811	3,811	109,256	14,928
Fund balances (deficit) at beginning of year	<u>12,797</u>	<u>24,097</u>	<u>-</u>	<u>-</u>
Fund balances (deficit) at end of year	<u>\$ 16,608</u>	<u>\$ 27,908</u>	<u>\$ 109,256</u>	<u>\$ 14,928</u>

**Total
Nonmajor
Special Revenue
Funds**

\$ 403,357
159,959
760,820
4,877,797
30,968
321
560,216

6,793,438

390,709
226,876
1,420,906
2,471,525
451,666
1,181,365

794,634
122,495

7,060,176

(266,738)

565,053
3,628
600,000
(76,000)

1,092,681

825,943

1,832,998

\$ 2,658,941

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Intergovernmental	\$ 967,000	\$ 967,000	\$ 857,401	\$ (109,599)
Investment income	250	250	186	(64)
Other	8,000	8,000	11,532	3,532
Total revenues.	<u>975,250</u>	<u>975,250</u>	<u>869,119</u>	<u>(106,131)</u>
Expenditures:				
Current:				
Transportation				
Personal services	820,793	820,793	751,503	69,290
Operating	552,438	552,813	528,197	24,616
Capital outlay.	12,000	12,000	11,425	575
Debt service:				
Principal retirement	39,670	39,670	39,664	6
Interest and fiscal charges	3,830	3,830	3,828	2
Total expenditures	<u>1,428,731</u>	<u>1,429,106</u>	<u>1,334,617</u>	<u>94,489</u>
Excess of expenditures over revenues	<u>(453,481)</u>	<u>(453,856)</u>	<u>(465,498)</u>	<u>(11,642)</u>
Other financing sources:				
Transfers in.	270,000	270,000	270,000	-
Sale of assets	1,500	1,500	-	(1,500)
Total other financing sources.	<u>271,500</u>	<u>271,500</u>	<u>270,000</u>	<u>(1,500)</u>
Net change in fund balance.	(181,981)	(182,356)	(195,498)	(13,142)
Fund balance at beginning of year	264,106	264,106	264,106	-
Prior year encumbrances appropriated . . .	<u>41,038</u>	<u>41,038</u>	<u>41,038</u>	<u>-</u>
Fund balance at end of year	<u>\$ 123,163</u>	<u>\$ 122,788</u>	<u>\$ 109,646</u>	<u>\$ (13,142)</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STATE HIGHWAY IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental.	\$ 56,000	\$ 56,000	\$ 55,961	\$ (39)
Investment income	40	40	21	(19)
Other	-	-	520	520
Total revenues.	<u>56,040</u>	<u>56,040</u>	<u>56,502</u>	<u>462</u>
Expenditures:				
Current:				
Transportation				
Personal services.	67,968	67,968	67,968	-
Operating.	40	40	7	33
Total expenditures.	<u>68,008</u>	<u>68,008</u>	<u>67,975</u>	<u>33</u>
Net change in fund balance	(11,968)	(11,968)	(11,473)	495
Fund balance at beginning of year.	<u>19,482</u>	<u>19,482</u>	<u>19,482</u>	<u>-</u>
Fund balance at end of year	<u>\$ 7,514</u>	<u>\$ 7,514</u>	<u>\$ 8,009</u>	<u>\$ 495</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PERMISSIVE LICENSE TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental.	\$ 466,269	\$ 351,000	\$ 195,101	\$ (155,899)
Investment income	500	500	-	(500)
Total revenues.	<u>466,769</u>	<u>351,500</u>	<u>195,101</u>	<u>(156,399)</u>
Expenditures:				
Current:				
Transportation				
Operating	32,225	32,225	25,013	7,212
Capital outlay	471,097	356,097	166,078	190,019
Debt service:				
Principal retirement.	28,550	28,550	24,691	3,859
Interest and fiscal charges.	<u>4,350</u>	<u>4,350</u>	<u>4,152</u>	<u>198</u>
Total expenditures.	<u>536,222</u>	<u>421,222</u>	<u>219,934</u>	<u>201,288</u>
Net change in fund balance	(69,453)	(69,722)	(24,833)	44,889
Fund balance at beginning of year.	57,268	57,268	57,268	-
Prior year encumbrances appropriated	<u>25,044</u>	<u>25,044</u>	<u>25,044</u>	<u>-</u>
Fund balance at end of year	<u>\$ 12,859</u>	<u>\$ 12,590</u>	<u>\$ 57,479</u>	<u>\$ 44,889</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
RESIDENTIAL STREET FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Special assessments	\$ 115,000	\$ 115,000	\$ 18,531	\$ (96,469)
Total revenues	<u>115,000</u>	<u>115,000</u>	<u>18,531</u>	<u>(96,469)</u>
Expenditures:				
Current:				
Transportation				
Operating	22,190	22,190	22,190	-
Capital outlay	<u>227,453</u>	<u>227,453</u>	<u>222,187</u>	<u>5,266</u>
Total expenditures	<u>249,643</u>	<u>249,643</u>	<u>244,377</u>	<u>5,266</u>
Excess of expenditures over revenues	<u>(134,643)</u>	<u>(134,643)</u>	<u>(225,846)</u>	<u>(91,203)</u>
Other financing sources:				
Transfers in	<u>115,000</u>	<u>115,000</u>	<u>115,000</u>	<u>-</u>
Total other financing sources	<u>115,000</u>	<u>115,000</u>	<u>115,000</u>	<u>-</u>
Net change in fund balance	(19,643)	(19,643)	(110,846)	(91,203)
Fund balance at beginning of year	195,706	195,706	195,706	-
Prior year encumbrances appropriated . . .	<u>2,643</u>	<u>2,643</u>	<u>2,643</u>	<u>-</u>
Fund balance at end of year	<u>\$ 178,706</u>	<u>\$ 178,706</u>	<u>\$ 87,503</u>	<u>\$ (91,203)</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE CAPITAL LEVY FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property and other taxes	\$ 225,476	\$ 225,476	\$ 224,087	\$ (1,389)
Intergovernmental.	39,700	39,700	38,545	(1,155)
Total revenues	<u>265,176</u>	<u>265,176</u>	<u>262,632</u>	<u>(2,544)</u>
Expenditures:				
Current:				
Public safety				
Operating	7,700	7,700	6,242	1,458
Debt service:				
Principal retirement	181,745	181,745	181,729	16
Interest and fiscal charges	<u>88,330</u>	<u>88,330</u>	<u>88,323</u>	<u>7</u>
Total expenditures.	<u>277,775</u>	<u>277,775</u>	<u>276,294</u>	<u>1,481</u>
Net change in fund balance	(12,599)	(12,599)	(13,662)	(1,063)
Fund balance at beginning of year.	<u>14,748</u>	<u>14,748</u>	<u>14,748</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,149</u>	<u>\$ 2,149</u>	<u>\$ 1,086</u>	<u>\$ (1,063)</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ANIMAL CONTROL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 1,000	\$ 1,000	\$ 693	\$ (307)
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>693</u>	<u>(307)</u>
Net change in fund balance	1,000	1,000	693	(307)
Fund balance at beginning of year.	<u>2,729</u>	<u>2,729</u>	<u>2,729</u>	<u>-</u>
Fund balance at end of year	<u>\$ 3,729</u>	<u>\$ 3,729</u>	<u>\$ 3,422</u>	<u>\$ (307)</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PROBATION SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 30,000	\$ 30,000	\$ 52,001	\$ 22,001
Intergovernmental.	35,000	35,000	22,454	(12,546)
Total revenues	<u>65,000</u>	<u>65,000</u>	<u>74,455</u>	<u>9,455</u>
Expenditures:				
Current:				
General government				
Personal services.	40,160	40,160	38,068	2,092
Operating.	<u>17,000</u>	<u>17,000</u>	<u>7,053</u>	<u>9,947</u>
Total expenditures.	<u>57,160</u>	<u>57,160</u>	<u>45,121</u>	<u>12,039</u>
Net change in fund balance	7,840	7,840	29,334	21,494
Fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ 7,840</u>	<u>\$ 7,840</u>	<u>\$ 29,334</u>	<u>\$ 21,494</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COURT COMPUTER FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 77,000	\$ 77,000	\$ 95,117	\$ 18,117
Total revenues	<u>77,000</u>	<u>77,000</u>	<u>95,117</u>	<u>18,117</u>
Expenditures:				
Current:				
General government				
Personal services.	28,810	28,810	24,330	4,480
Operating.	<u>64,292</u>	<u>64,802</u>	<u>22,471</u>	<u>42,331</u>
Total expenditures.	<u>93,102</u>	<u>93,612</u>	<u>46,801</u>	<u>46,811</u>
Net change in fund balance	(16,102)	(16,612)	48,316	64,928
Fund balance at beginning of year.	82,512	82,512	82,512	-
Prior year encumbrances appropriated . . .	<u>792</u>	<u>792</u>	<u>792</u>	<u>-</u>
Fund balance at end of year	<u>\$ 67,202</u>	<u>\$ 66,692</u>	<u>\$ 131,620</u>	<u>\$ 64,928</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COURT SPECIAL PROJECTS CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 215,000	\$ 215,000	\$ 211,787	\$ (3,213)
Intergovernmental.	50,000	50,000	23,049	(26,951)
Total revenues	<u>265,000</u>	<u>265,000</u>	<u>234,836</u>	<u>(30,164)</u>
Expenditures:				
Current:				
General government				
Personal services.	14,322	11,300	10,103	1,197
Operating.	<u>58,000</u>	<u>62,222</u>	<u>61,802</u>	<u>420</u>
Total expenditures.	<u>72,322</u>	<u>73,522</u>	<u>71,905</u>	<u>1,617</u>
Net change in fund balance	192,678	191,478	162,931	(28,547)
Fund balance at beginning of year.	<u>969,017</u>	<u>969,017</u>	<u>969,017</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,161,695</u>	<u>\$ 1,160,495</u>	<u>\$ 1,131,948</u>	<u>\$ (28,547)</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
9-1-1 PHONE SYSTEM FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental.	\$ 68,000	\$ 68,000	\$ 5,975	\$ (62,025)
Total revenues	<u>68,000</u>	<u>68,000</u>	<u>5,975</u>	<u>(62,025)</u>
Expenditures:				
Current:				
Public safety				
Operating.	5,500	30,851	14,634	16,217
Total expenditures.	<u>5,500</u>	<u>30,851</u>	<u>14,634</u>	<u>16,217</u>
Net change in fund balance	62,500	37,149	(8,659)	(45,808)
Fund balance at beginning of year.	19,868	19,868	19,868	-
Prior year encumbrances appropriated . . .	<u>5,500</u>	<u>5,500</u>	<u>5,500</u>	<u>-</u>
Fund balance at end of year	<u>\$ 87,868</u>	<u>\$ 62,517</u>	<u>\$ 16,709</u>	<u>\$ (45,808)</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INDIGENT DRIVERS ALCOHOL TREATMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 122,275	\$ 122,275	\$ 63,715	\$ (58,560)
Total revenues	<u>122,275</u>	<u>122,275</u>	<u>63,715</u>	<u>(58,560)</u>
Expenditures:				
Current:				
General government				
Operating	<u>190,535</u>	<u>190,535</u>	<u>35,998</u>	<u>154,537</u>
Total expenditures	<u>190,535</u>	<u>190,535</u>	<u>35,998</u>	<u>154,537</u>
Net change in fund balance.	(68,260)	(68,260)	27,717	95,977
Fund balance at beginning of year	313,739	313,739	313,739	-
Prior year encumbrances appropriated . .	<u>535</u>	<u>535</u>	<u>535</u>	<u>-</u>
Fund balance at end of year	<u>\$ 246,014</u>	<u>\$ 246,014</u>	<u>\$ 341,991</u>	<u>\$ 95,977</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPORTS COMPLEX OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 55,000	\$ 55,000	\$ 50,104	\$ (4,896)
Other	-	-	262	262
Total revenues	<u>55,000</u>	<u>55,000</u>	<u>50,366</u>	<u>(4,634)</u>
Expenditures:				
Current:				
Leisure time activities				
Personal services.	25,150	25,150	24,876	274
Operating.	73,041	73,041	68,178	4,863
Total expenditures	<u>98,191</u>	<u>98,191</u>	<u>93,054</u>	<u>5,137</u>
Excess of expenditures over revenues.	<u>(43,191)</u>	<u>(43,191)</u>	<u>(42,688)</u>	<u>503</u>
Other financing sources:				
Transfers in	35,000	35,000	35,000	-
Total other financing sources	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>-</u>
Net change in fund balance	(8,191)	(8,191)	(7,688)	503
Fund balance at beginning of year.	2,835	2,835	2,835	-
Prior year encumbrances appropriated	<u>7,791</u>	<u>7,791</u>	<u>7,791</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,435</u>	<u>\$ 2,435</u>	<u>\$ 2,938</u>	<u>\$ 503</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARKS RECREATION IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment income	\$ 200	\$ 200	\$ 57	\$ (143)
Other	20,000	20,000	35,027	15,027
Total revenues	<u>20,200</u>	<u>20,200</u>	<u>35,084</u>	<u>14,884</u>
Expenditures:				
Current:				
Leisure time activities				
Operating	2,570	2,625	2,513	112
Capital outlay	60,305	69,305	69,314	(9)
Total expenditures	<u>62,875</u>	<u>71,930</u>	<u>71,827</u>	<u>103</u>
Net change in fund balance	(42,675)	(51,730)	(36,743)	14,987
Fund balance at beginning of year	77,099	77,099	77,099	-
Prior year encumbrances appropriated. . .	<u>305</u>	<u>305</u>	<u>305</u>	<u>-</u>
Fund balance at end of year	<u>\$ 34,729</u>	<u>\$ 25,674</u>	<u>\$ 40,661</u>	<u>\$ 14,987</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GAS AND OIL ROYALTY FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other	\$ 1,500	\$ 1,500	\$ 1,750	\$ 250
Total revenues	<u>1,500</u>	<u>1,500</u>	<u>1,750</u>	<u>250</u>
Net change in fund balance.	1,500	1,500	1,750	250
Fund balance at beginning of year	<u>8,010</u>	<u>8,010</u>	<u>8,010</u>	<u>-</u>
Fund balance at end of year	<u>\$ 9,510</u>	<u>\$ 9,510</u>	<u>\$ 9,760</u>	<u>\$ 250</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
D.A.R.E. PROGRAM FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Other financing sources:				
Sale of assets	\$ 250	\$ 250	\$ -	\$ (250)
Total other financing sources.	<u>250</u>	<u>250</u>	<u>-</u>	<u>(250)</u>
Net change in fund balance.	250	250	-	(250)
Fund balance at beginning of year	<u>180</u>	<u>180</u>	<u>180</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 430</u>	<u>\$ 430</u>	<u>\$ 180</u>	<u>\$ (250)</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MANDATORY DRUG FINES FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 1,000	\$ 1,000	\$ 1,160	\$ 160
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>1,160</u>	<u>160</u>
Net change in fund balance.	1,000	1,000	1,160	160
Fund balance at beginning of year	<u>8,517</u>	<u>8,517</u>	<u>8,517</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 9,517</u>	<u>\$ 9,517</u>	<u>\$ 9,677</u>	<u>\$ 160</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LOCAL LAW ENFORCEMENT TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
Public safety				
Operating	\$ 2,000	\$ 2,000	\$ -	\$ 2,000
Total expenditures	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Excess of expenditures over revenues	<u>(2,000)</u>	<u>(2,000)</u>	<u>-</u>	<u>2,000</u>
Other financing sources:				
Sale of assets	<u>5,000</u>	<u>5,000</u>	<u>12,725</u>	<u>7,725</u>
Total other financing sources.	<u>5,000</u>	<u>5,000</u>	<u>12,725</u>	<u>7,725</u>
Net change in fund balance.	3,000	3,000	12,725	9,725
Fund balance at beginning of year	<u>37,946</u>	<u>37,946</u>	<u>37,946</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 40,946</u>	<u>\$ 40,946</u>	<u>\$ 50,671</u>	<u>\$ 9,725</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARKS REVOLVING LOAN FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services.	\$ 14,609	\$ 26,000	\$ 23,865	\$ (2,135)
Intergovernmental.	10,814	19,245	13,243	(6,002)
Other	39,332	70,000	83,532	13,532
Total revenues.	<u>64,755</u>	<u>115,245</u>	<u>120,640</u>	<u>5,395</u>
Expenditures:				
Current:				
Leisure time activities				
Personal services.	45,628	47,228	45,556	1,672
Operating.	<u>76,888</u>	<u>79,888</u>	<u>79,256</u>	<u>632</u>
Total expenditures.	<u>122,516</u>	<u>127,116</u>	<u>124,812</u>	<u>2,304</u>
Net change in fund balance	(57,761)	(11,871)	(4,172)	7,699
Fund balance at beginning of year.	53,175	53,175	53,175	-
Prior year encumbrances appropriated	<u>1,093</u>	<u>1,093</u>	<u>1,093</u>	<u>-</u>
Fund balance (deficit) at end of year.	<u>\$ (3,493)</u>	<u>\$ 42,397</u>	<u>\$ 50,096</u>	<u>\$ 7,699</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SIDEWALK IMPROVEMENT PROGRAM FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Special assessment	\$ 14,000	\$ 14,000	\$ 12,437	\$ (1,563)
Other	-	-	16,791	16,791
Total revenues	<u>14,000</u>	<u>14,000</u>	<u>29,228</u>	<u>15,228</u>
Expenditures:				
Current:				
Transportation	1,000	1,000	-	1,000
Capital outlay	<u>25,400</u>	<u>25,400</u>	<u>21,010</u>	<u>4,390</u>
Total expenditures	<u>26,400</u>	<u>26,400</u>	<u>21,010</u>	<u>5,390</u>
Net change in fund balance.	(12,400)	(12,400)	8,218	20,618
Fund balance at beginning of year	59,015	59,015	59,015	-
Prior year encumbrances appropriated . . .	<u>400</u>	<u>400</u>	<u>400</u>	<u>-</u>
Fund balance at end of year	<u>\$ 47,015</u>	<u>\$ 47,015</u>	<u>\$ 67,633</u>	<u>\$ 20,618</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CITY GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 676,938	\$ 676,938	\$ 570,053	\$ (106,885)
Other	-	-	1,000	1,000
Total revenues.	<u>676,938</u>	<u>676,938</u>	<u>571,053</u>	<u>(105,885)</u>
Expenditures:				
Current:				
Public safety				
Operating	-	736	-	736
Community environment				
Operating	-	383,561	366,106	17,455
Total expenditures	<u>-</u>	<u>384,297</u>	<u>366,106</u>	<u>18,191</u>
Net change in fund balance.	676,938	292,641	204,947	(87,694)
Fund balance (deficit) at beginning of year.	(669,312)	(669,312)	(669,312)	-
Prior year encumbrances appropriated	<u>383,561</u>	<u>383,561</u>	<u>383,561</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 391,187</u>	<u>\$ 6,890</u>	<u>\$ (80,804)</u>	<u>\$ (87,694)</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FEDERAL EMERGENCY MANAGEMENT AGENCY FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 851,724	\$ 851,724	\$ 851,724	\$ -
Total revenues	<u>851,724</u>	<u>851,724</u>	<u>851,724</u>	<u>-</u>
Expenditures:				
Current:				
Public safety				
Operating	<u>851,724</u>	<u>851,724</u>	<u>851,724</u>	<u>-</u>
Total expenditures	<u>851,724</u>	<u>851,724</u>	<u>851,724</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balance (deficit) at beginning of year .	(851,724)	(851,724)	(851,724)	-
Prior year encumbrances appropriated. . .	<u>851,724</u>	<u>851,724</u>	<u>851,724</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
RENTAL REGISTRATION PROGRAM FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 70,000	\$ 70,000	\$ 67,200	\$ (2,800)
Other	-	-	452	452
Total revenues	<u>70,000</u>	<u>70,000</u>	<u>67,652</u>	<u>(2,348)</u>
Expenditures:				
Current:				
Community environment				
Personal services	61,462	62,762	59,376	3,386
Operating	<u>7,355</u>	<u>7,755</u>	<u>306</u>	<u>7,449</u>
Total expenditures	<u>68,817</u>	<u>70,517</u>	<u>59,682</u>	<u>10,835</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,183</u>	<u>(517)</u>	<u>7,970</u>	<u>8,487</u>
Other financing uses:				
Transfers out	-	(76,000)	(76,000)	-
Total other financing uses	<u>-</u>	<u>(76,000)</u>	<u>(76,000)</u>	<u>-</u>
Net change in fund balance	1,183	(76,517)	(68,030)	8,487
Fund balance at beginning of year	95,068	95,068	95,068	-
Prior year encumbrances appropriated . . .	<u>7,355</u>	<u>7,355</u>	<u>7,355</u>	<u>-</u>
Fund balance at end of year	<u>\$ 103,606</u>	<u>\$ 25,906</u>	<u>\$ 34,393</u>	<u>\$ 8,487</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NEIGHBORHOOD STABILIZATION PROGRAM FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 304,422	\$ 347,247	\$ 330,746	\$ (16,501)
Total revenues.	<u>304,422</u>	<u>347,247</u>	<u>330,746</u>	<u>(16,501)</u>
Expenditures:				
Current:				
Community environment				
Operating	<u>116,735</u>	<u>139,235</u>	<u>139,743</u>	<u>(508)</u>
Total expenditures.	<u>116,735</u>	<u>139,235</u>	<u>139,743</u>	<u>(508)</u>
Net change in fund balance	187,687	208,012	191,003	(17,009)
Fund balance (deficit) at beginning of year. .	(304,422)	(304,422)	(304,422)	-
Prior year encumbrances appropriated. . . .	<u>116,735</u>	<u>116,735</u>	<u>116,735</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 20,325</u>	<u>\$ 3,316</u>	<u>\$ (17,009)</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CLEAN OHIO REVITALIZATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 289,278	\$ 289,278	\$ -	\$ (289,278)
Total revenues	<u>289,278</u>	<u>289,278</u>	<u>-</u>	<u>(289,278)</u>
Expenditures:				
Current:				
Community environment				
Operating	<u>289,278</u>	<u>289,278</u>	<u>289,278</u>	<u>-</u>
Total expenditures	<u>289,278</u>	<u>289,278</u>	<u>289,278</u>	<u>-</u>
Net change in fund balance	-	-	(289,278)	(289,278)
Fund balance (deficit) at beginning of year . .	(289,278)	(289,278)	(289,278)	-
Prior year encumbrances appropriated . . .	<u>289,278</u>	<u>289,278</u>	<u>289,278</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (289,278)</u>	<u>\$ (289,278)</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY DEVELOPMENT BLOCK GRANT FUND (CDBG)
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 687,584	\$ 1,723,159	\$ 898,607	\$ (824,552)
Other	-	-	19,882	19,882
Total revenues	<u>687,584</u>	<u>1,723,159</u>	<u>918,489</u>	<u>(804,670)</u>
Expenditures:				
Current:				
Community environment				
Operating	155,344	1,428,702	1,209,795	218,907
Debt service:				
Principal retirement	-	27,845	27,845	-
Interest and fiscal charges	-	13,557	13,515	42
Total expenditures	<u>155,344</u>	<u>1,470,104</u>	<u>1,251,155</u>	<u>218,949</u>
Net change in fund balance.	532,240	253,055	(332,666)	(585,721)
Fund balance (deficit) at beginning of year . .	(242,928)	(242,928)	(242,928)	-
Prior year encumbrances appropriated . . .	<u>155,344</u>	<u>155,344</u>	<u>155,344</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 444,656</u>	<u>\$ 165,471</u>	<u>\$ (420,250)</u>	<u>\$ (585,721)</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
RENTAL REHABILITATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
General government				
Operating	\$ 143	\$ 143	\$ -	\$ 143
Total expenditures	<u>143</u>	<u>143</u>	<u>-</u>	<u>143</u>
Net change in fund balance.	(143)	(143)	-	143
Fund balance at beginning of year	-	-	-	-
Prior year encumbrances appropriated . .	<u>143</u>	<u>143</u>	<u>143</u>	<u>-</u>
Fund balance at end of year.	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 143</u>	<u>\$ 143</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TAX INCREMENT FINANCING FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental.	\$ 98,500	\$ 98,500	\$ 107,349	\$ 8,849
Total revenues.	98,500	98,500	107,349	8,849
Expenditures:				
Current:				
Community environment				
Operating	66,000	142,000	85,441	56,559
Total expenditures	66,000	142,000	85,441	56,559
Net change in fund balance	32,500	(43,500)	21,908	65,408
Fund balance at beginning of year	78,347	78,347	78,347	-
Fund balance at end of year.	\$ 110,847	\$ 34,847	\$ 100,255	\$ 65,408

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LAKE CINEMA COMPLEX MAINTENANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other	\$ 6,000	\$ 6,000	\$ 3,000	\$ (3,000)
Total revenues	<u>6,000</u>	<u>6,000</u>	<u>3,000</u>	<u>(3,000)</u>
Expenditures:				
Current:				
Leisure time activity				
Operating	48,200	48,200	54,138	(5,938)
Debt service:				
Principal retirement	-	520,000	520,000	-
Interest and fiscal charges	-	12,558	12,558	-
Total expenditures	<u>48,200</u>	<u>580,758</u>	<u>586,696</u>	<u>(5,938)</u>
Excess of expenditures over revenues	<u>(42,200)</u>	<u>(574,758)</u>	<u>(583,696)</u>	<u>(8,938)</u>
Other financing sources:				
Sale of assets	-	545,000	545,000	-
Total other financing sources	<u>-</u>	<u>545,000</u>	<u>545,000</u>	<u>-</u>
Net change in fund balance	(42,200)	(29,758)	(38,696)	(8,938)
Fund balance at beginning of year	<u>48,200</u>	<u>48,200</u>	<u>48,200</u>	<u>-</u>
Fund balance at end of year	<u>\$ 6,000</u>	<u>\$ 18,442</u>	<u>\$ 9,504</u>	<u>\$ (8,938)</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PROJECT IMPACT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 870,000	\$ 870,000	\$ 597,090	\$ (272,910)
Other	240,000	269,455	254,455	(15,000)
Total revenues	<u>1,110,000</u>	<u>1,139,455</u>	<u>851,545</u>	<u>(287,910)</u>
Expenditures:				
Current:				
Community environment				
Operating	<u>902,751</u>	<u>1,295,837</u>	<u>1,122,041</u>	<u>173,796</u>
Total expenditures	<u>902,751</u>	<u>1,295,837</u>	<u>1,122,041</u>	<u>173,796</u>
Excess (deficiency) of revenues				
Excess of revenues over expenditures	<u>207,249</u>	<u>(156,382)</u>	<u>(270,496)</u>	<u>(114,114)</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>180,000</u>	<u>180,000</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>180,000</u>	<u>180,000</u>	<u>-</u>
Net change in fund balance.	207,249	23,618	(90,496)	(114,114)
Fund balance (deficit) at beginning of year . .	(310,841)	(310,841)	(310,841)	-
Prior year encumbrances appropriated . . .	<u>137,751</u>	<u>137,751</u>	<u>137,751</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 34,159</u>	<u>\$ (149,472)</u>	<u>\$ (263,586)</u>	<u>\$ (114,114)</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BEAUTIFICATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental.	\$ 20,000	\$ 20,000	\$ 725	\$ (19,275)
Other.	100,500	100,500	148,379	47,879
Total revenues.	120,500	120,500	149,104	28,604
Expenditures:				
Current:				
Leisure time activities				
Personal services	63,808	63,808	52,543	11,265
Operating	86,718	94,218	90,266	3,952
Total expenditures	150,526	158,026	142,809	15,217
Net change in fund balance.	(30,026)	(37,526)	6,295	43,821
Fund balance at beginning of year	41,617	41,617	41,617	-
Prior year encumbrances appropriated . . .	5,203	5,203	5,203	-
Fund balance at end of year	\$ 16,794	\$ 9,294	\$ 53,115	\$ 43,821

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SENIOR CENTER TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 19,000	\$ 19,000	\$ 18,790	\$ (210)
Investment income	100	100	57	(43)
Other	17,600	17,600	17,204	(396)
Total revenues.	<u>36,700</u>	<u>36,700</u>	<u>36,051</u>	<u>(649)</u>
Expenditures:				
Current:				
Leisure time activities				
Personal services	10,778	10,778	9,742	1,036
Operating	28,253	31,253	31,686	(433)
Total expenditures	<u>39,031</u>	<u>42,031</u>	<u>41,428</u>	<u>603</u>
Net change in fund balance.	(2,331)	(5,331)	(5,377)	(46)
Fund balance at beginning of year	51,558	51,558	51,558	-
Prior year encumbrances appropriated . . .	<u>2,463</u>	<u>2,463</u>	<u>2,463</u>	<u>-</u>
Fund balance at end of year	<u>\$ 51,690</u>	<u>\$ 48,690</u>	<u>\$ 48,644</u>	<u>\$ (46)</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE PENSION FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property and other taxes	\$ 91,087	\$ 91,087	\$ 89,635	\$ (1,452)
Intergovernmental	14,984	14,984	19,673	4,689
Total revenues	<u>106,071</u>	<u>106,071</u>	<u>109,308</u>	<u>3,237</u>
Expenditures:				
Current:				
General government				
Operating	2,500	2,500	2,497	3
Public safety				
Personal services	<u>103,000</u>	<u>103,000</u>	<u>103,000</u>	<u>-</u>
Total expenditures	<u>105,500</u>	<u>105,500</u>	<u>105,497</u>	<u>3</u>
Net change in fund balance.	571	571	3,811	3,240
Fund balance at beginning of year	<u>12,797</u>	<u>12,797</u>	<u>12,797</u>	<u>-</u>
Fund balance at end of year	<u>\$ 13,368</u>	<u>\$ 13,368</u>	<u>\$ 16,608</u>	<u>\$ 3,240</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE PENSION FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property and other taxes.	\$ 91,087	\$ 91,087	\$ 89,635	\$ (1,452)
Intergovernmental	14,984	14,984	19,673	4,689
Total revenues	<u>106,071</u>	<u>106,071</u>	<u>109,308</u>	<u>3,237</u>
Expenditures:				
Current:				
General government				
Operating	2,500	2,500	2,497	3
Public safety				
Personal services	<u>103,500</u>	<u>103,500</u>	<u>103,000</u>	<u>500</u>
Total expenditures	<u>106,000</u>	<u>106,000</u>	<u>105,497</u>	<u>503</u>
Net change in fund balance.	71	71	3,811	3,740
Fund balance at beginning of year	<u>24,097</u>	<u>24,097</u>	<u>24,097</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 24,168</u>	<u>\$ 24,168</u>	<u>\$ 27,908</u>	<u>\$ 3,740</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COURT SPECIAL PROJECTS OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 40,000	\$ 240,000	\$ 309,256	\$ 69,256
Total revenues	<u>40,000</u>	<u>240,000</u>	<u>309,256</u>	<u>69,256</u>
Expenditures:				
Current:				
General government				
Personal services.	36,135	36,135	-	36,135
Operating.	-	200,000	200,000	-
Total expenditures.	<u>36,135</u>	<u>236,135</u>	<u>200,000</u>	<u>36,135</u>
Net change in fund balance	3,865	3,865	109,256	105,391
Fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ 3,865</u>	<u>\$ 3,865</u>	<u>\$ 109,256</u>	<u>\$ 105,391</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMPUTER LEGAL RESEARCH FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ -	\$ 5,000	\$ 17,484	\$ 12,484
Total revenues	-	5,000	17,484	12,484
Expenditures:				
Current:				
General government				
Operating.	-	5,000	2,556	2,444
Total expenditures.	-	5,000	2,556	2,444
Net change in fund balance	-	-	14,928	14,928
Fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,928</u>	<u>\$ 14,928</u>

CITY OF BARBERTON, OHIO

*COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
DECEMBER 31, 2013*

	General Obligation Bond Retirement	Special Assesment Bond Retirement	Total Nonmajor Debt Service Funds
	<u> </u>	<u> </u>	<u> </u>
Assets:			
Equity in pooled cash and cash equivalents	\$ 37,627	\$ 361,272	\$ 398,899
Receivables:			
Special assessments	<u> -</u>	<u> 26,417</u>	<u> 26,417</u>
Total assets	<u><u>\$ 37,627</u></u>	<u><u>\$ 387,689</u></u>	<u><u>\$ 425,316</u></u>
 Deferred inflows of resources:			
Special assessments revenue not available.	<u> -</u>	<u> 26,417</u>	<u> 26,417</u>
Total deferred inflows of resources.	<u> -</u>	<u> 26,417</u>	<u> 26,417</u>
 Fund balances:			
Restricted.	-	361,272	361,272
Committed	<u> 37,627</u>	<u> -</u>	<u> 37,627</u>
Total fund balances	<u><u> 37,627</u></u>	<u><u> 361,272</u></u>	<u><u> 398,899</u></u>
Total deferred inflows of resources and fund balance .	<u><u>\$ 37,627</u></u>	<u><u>\$ 387,689</u></u>	<u><u>\$ 425,316</u></u>

CITY OF BARBERTON, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013*

	General Obligation Bond Retirement	Special Assesment Bond Retirement	Total Nonmajor Debt Service Funds
	<hr/>	<hr/>	<hr/>
Revenues:			
Special assessments	\$ -	\$ 63,366	\$ 63,366
Contributions and donations	463,470	-	463,470
	<hr/>	<hr/>	<hr/>
Total revenues	463,470	63,366	526,836
	<hr/>	<hr/>	<hr/>
Expenditures:			
Debt service:			
Principal retirement.	535,943	47,452	583,395
Interest and fiscal charges	18,067	4,600	22,667
	<hr/>	<hr/>	<hr/>
Total expenditures	554,010	52,052	606,062
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures.	(90,540)	11,314	(79,226)
	<hr/>	<hr/>	<hr/>
Other financing sources:			
Transfers in	127,100	-	127,100
	<hr/>	<hr/>	<hr/>
Total other financing sources	127,100	-	127,100
	<hr/>	<hr/>	<hr/>
Net change in fund balances.	36,560	11,314	47,874
	<hr/>	<hr/>	<hr/>
Fund balances at beginning of year	1,067	349,958	351,025
	<hr/>	<hr/>	<hr/>
Fund balances at end of year	\$ 37,627	\$ 361,272	\$ 398,899
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL OBLIGATION BOND RETIREMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Contributions and donations.	\$ 548,013	\$ 548,013	\$ 548,013	\$ -
Total revenues.	<u>548,013</u>	<u>548,013</u>	<u>548,013</u>	<u>-</u>
Expenditures:				
Debt service:				
Principal retirement	619,450	619,450	619,443	7
Interest and fiscal charges	20,175	20,175	19,110	1,065
Note issuance costs	2,000	2,000	-	2,000
Total expenditures	<u>641,625</u>	<u>641,625</u>	<u>638,553</u>	<u>3,072</u>
Excess of expenditures over revenues	<u>(93,612)</u>	<u>(93,612)</u>	<u>(90,540)</u>	<u>3,072</u>
Other financing sources:				
Transfers in.	127,100	127,100	127,100	-
Total other financing sources.	<u>127,100</u>	<u>127,100</u>	<u>127,100</u>	<u>-</u>
Net change in fund balance	33,488	33,488	36,560	3,072
Fund balance at beginning of year	<u>1,067</u>	<u>1,067</u>	<u>1,067</u>	<u>-</u>
Fund balance at end of year	<u>\$ 34,555</u>	<u>\$ 34,555</u>	<u>\$ 37,627</u>	<u>\$ 3,072</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL ASSESSMENT BOND RETIREMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Special assessments.	\$ 62,000	\$ 62,000	\$ 63,366	\$ 1,366
Total revenues.	<u>62,000</u>	<u>62,000</u>	<u>63,366</u>	<u>1,366</u>
Expenditures:				
Debt service:				
Principal retirement.	47,455	47,455	47,452	3
Interest and fiscal charges.	<u>4,610</u>	<u>4,610</u>	<u>4,600</u>	<u>10</u>
Total expenditures.	<u>52,065</u>	<u>52,065</u>	<u>52,052</u>	<u>13</u>
Net change in fund balance	9,935	9,935	11,314	1,379
Fund balance at beginning of year.	<u>349,958</u>	<u>349,958</u>	<u>349,958</u>	<u>-</u>
Fund balance at end of year	<u>\$ 359,893</u>	<u>\$ 359,893</u>	<u>\$ 361,272</u>	<u>\$ 1,379</u>

CITY OF BARBERTON, OHIO

*COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2013*

	Senior Center Construction	Infrastructure Improvement Reserve	Total Nonmajor Capital Projects Funds
Assets:			
Equity in pooled cash and cash equivalents	\$ 13,989	\$ 816,229	\$ 830,218
Receivables:			
Intergovernmental	-	180,727	180,727
Total assets	<u>\$ 13,989</u>	<u>\$ 996,956</u>	<u>\$ 1,010,945</u>
Liabilities:			
Contracts payable	\$ -	\$ 120,496	\$ 120,496
Total liabilities	<u>-</u>	<u>120,496</u>	<u>120,496</u>
Deferred inflows of resources:			
Intergovernmental revenue not available.	-	7,034	7,034
Fund balances:			
Restricted.	13,989	-	13,989
Committed	-	869,426	869,426
Total fund balances	<u>13,989</u>	<u>869,426</u>	<u>883,415</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 13,989</u>	<u>\$ 996,956</u>	<u>\$ 1,010,945</u>

CITY OF BARBERTON, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013*

	Street Improvement	Senior Center Construction	Issue II	Infrastructure Improvement Reserve
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ 2,084,137
Investment income	-	15	-	1,115
Contributions and donations	13,669	-	70,874	-
Total revenues	13,669	15	70,874	2,085,252
Expenditures:				
Capital outlay.	-	4	-	2,366,383
Debt service:				
Interest and fiscal charges	131	-	675	-
Total expenditures	131	4	675	2,366,383
Excess (deficiency) of revenues over (under) expenditures	13,538	11	70,199	(281,131)
Other financing sources (uses):				
Transfers in.	-	-	-	310,000
Transfers out	-	-	-	(92,100)
Total other financing sources (uses).	-	-	-	217,900
Net change in fund balances.	13,538	11	70,199	(63,231)
Fund balances (deficit) at beginning of year	(13,538)	13,978	(70,199)	932,657
Fund balances at end of year.	\$ -	\$ 13,989	\$ -	\$ 869,426

**Total
Nonmajor
Capital
Projects
Funds**

\$ 2,084,137
1,130
84,543

2,169,810

2,366,387

806

2,367,193

(197,383)

310,000
(92,100)

217,900

20,517

862,898

\$ 883,415

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SENIOR CENTER CONSTRUCTION FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 35	\$ 35	\$ 15	\$ (20)
Total revenues.	35	35	15	(20)
Expenditures:				
Capital outlay:				
Operating	25	25	4	21
Total expenditures.	25	25	4	21
Net change in fund balance	10	10	11	1
Fund balance at beginning of year.	13,978	13,978	13,978	-
Fund balance at end of year	\$ 13,988	\$ 13,988	\$ 13,989	\$ 1

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INFRASTRUCTURE IMPROVEMENT RESERVE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental.	\$ -	\$ -	\$ 306,331	\$ 306,331
Investment income	2,000	2,000	1,115	(885)
Total revenues.	<u>2,000</u>	<u>2,000</u>	<u>307,446</u>	<u>305,446</u>
Expenditures:				
Capital outlay:				
Operating	61,200	61,200	60,250	950
Capital outlay	626,889	1,239,486	842,210	397,276
Total expenditures.	<u>688,089</u>	<u>1,300,686</u>	<u>902,460</u>	<u>398,226</u>
Excess of expenditures over revenues	<u>(686,089)</u>	<u>(1,298,686)</u>	<u>(595,014)</u>	<u>703,672</u>
Other financing sources (uses):				
Transfers in.	310,000	310,000	310,000	-
Transfers out	(92,100)	(92,100)	(92,100)	-
Total other financing sources (uses)	<u>217,900</u>	<u>217,900</u>	<u>217,900</u>	<u>-</u>
Net change in fund balance.	(468,189)	(1,080,786)	(377,114)	703,672
Fund balance at beginning of year	949,687	949,687	949,687	-
Prior year encumbrances appropriated	<u>70,939</u>	<u>70,939</u>	<u>70,939</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 552,437</u>	<u>\$ (60,160)</u>	<u>\$ 643,512</u>	<u>\$ 703,672</u>

CITY OF BARBERTON, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - PROPRIETARY FUNDS*

ENTERPRISE FUNDS

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

Major Enterprise Funds

Water Fund

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

Sewer Fund

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

Solid Waste Fund

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

Nonmajor Enterprise Fund

Storm Water Fund

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

INTERNAL SERVICE FUNDS

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

Health Insurance Fund

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

Internal Allocation Fund

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

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WATER FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues:				
Charges for services	\$ 5,628,200	\$ 5,628,200	\$ 5,671,680	\$ 43,480
Other	-	48	45,788	45,740
Total revenues	<u>5,628,200</u>	<u>5,628,248</u>	<u>5,717,468</u>	<u>89,220</u>
Operating expenses:				
Personal services	2,356,636	2,356,636	2,176,549	180,087
Contractual services	472,550	462,162	337,829	124,333
Materials and supplies	1,299,694	1,310,082	1,172,402	137,680
Other	28,500	28,500	30,399	(1,899)
Capital outlay	<u>3,873,999</u>	<u>5,954,369</u>	<u>4,630,464</u>	<u>1,323,905</u>
Total expenses	<u>8,031,379</u>	<u>10,111,749</u>	<u>8,347,643</u>	<u>1,764,106</u>
Operating loss	<u>(2,403,179)</u>	<u>(4,483,501)</u>	<u>(2,630,175)</u>	<u>1,853,326</u>
Nonoperating revenues (expenses):				
Investment income	7,500	7,500	6,911	(589)
Notes issued	160,000	160,000	160,000	-
Loans issued	715,000	715,000	380,870	(334,130)
Debt service:				
Principal retirement	(975,595)	(975,595)	(882,266)	93,329
Interest and fiscal charges	<u>(426,070)</u>	<u>(426,070)</u>	<u>(422,607)</u>	<u>3,463</u>
Total nonoperating revenues (expenses)	<u>(519,165)</u>	<u>(519,165)</u>	<u>(757,092)</u>	<u>(237,927)</u>
Net loss before capital contributions	(2,922,344)	(5,002,666)	(3,387,267)	1,615,399
Capital contributions	<u>1,764,561</u>	<u>2,065,513</u>	<u>1,421,141</u>	<u>(644,372)</u>
Net change in fund equity	(1,157,783)	(2,937,153)	(1,966,126)	971,027
Fund equity at beginning of year	1,615,216	1,615,216	1,615,216	-
Prior year encumbrances appropriated	<u>2,886,778</u>	<u>2,886,778</u>	<u>2,886,778</u>	<u>-</u>
Fund equity at end of year	<u>\$ 3,344,211</u>	<u>\$ 1,564,841</u>	<u>\$ 2,535,868</u>	<u>\$ 971,027</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY- BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEWER FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues:				
Charges for services	\$ 4,280,000	\$ 4,280,000	\$ 3,922,967	\$ (357,033)
Other	2,500	2,500	25,758	23,258
Total revenues	4,282,500	4,282,500	3,948,725	(333,775)
Operating expenses:				
Personal services	2,166,509	2,172,509	2,015,201	157,308
Contractual services	595,086	574,086	364,124	209,962
Materials and supplies	1,267,552	1,282,552	1,161,775	120,777
Other	30,876	30,876	24,429	6,447
Capital outlay	4,061,677	4,088,110	1,145,092	2,943,018
Total expenses	8,121,700	8,148,133	4,710,621	3,437,512
Operating loss	(3,839,200)	(3,865,633)	(761,896)	3,103,737
Nonoperating revenues (expenses):				
Special assessments	2,000	2,000	-	(2,000)
Loans issued	-	-	99,037	99,037
Debt service:				
Principal retirement	(219,895)	(265,395)	(265,064)	331
Interest and fiscal charges	(58,236)	(64,236)	(63,637)	599
Total nonoperating revenues (expenses)	(276,131)	(327,631)	(229,664)	97,967
Net loss before capital contributions	(4,115,331)	(4,193,264)	(991,560)	3,201,704
Capital contributions	3,000,000	3,000,000	-	(3,000,000)
Net change in fund equity	(1,115,331)	(1,193,264)	(991,560)	201,704
Fund equity at beginning of year	1,532,959	1,532,959	1,532,959	-
Prior year encumbrances appropriated	480,491	480,491	480,491	-
Fund equity at end of year	\$ 898,119	\$ 820,186	\$ 1,021,890	\$ 201,704

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SOLID WASTE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Operating revenues:				
Charges for services	\$ 2,055,000	\$ 2,055,000	\$ 1,915,050	\$ (139,950)
Other.	-	-	1,166	1,166
Total revenues	<u>2,055,000</u>	<u>2,055,000</u>	<u>1,916,216</u>	<u>(138,784)</u>
Operating expenses:				
Personal services.	56,900	56,900	54,799	2,101
Contractual services	1,927,100	1,927,100	1,744,407	182,693
Materials and supplies	<u>22,325</u>	<u>22,325</u>	<u>14,196</u>	<u>8,129</u>
Total expenses	<u>2,006,325</u>	<u>2,006,325</u>	<u>1,813,402</u>	<u>192,923</u>
Net change in fund equity	48,675	48,675	102,814	54,139
Fund equity at beginning of year.	<u>1,174,695</u>	<u>1,174,695</u>	<u>1,174,695</u>	<u>-</u>
Fund equity at end of year	<u>\$ 1,223,370</u>	<u>\$ 1,223,370</u>	<u>\$ 1,277,509</u>	<u>\$ 54,139</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STORM WATER FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues:				
Charges for services	\$ 883,120	\$ 882,194	\$ 777,821	\$ (104,373)
Other.	1,149	1,149	5,207	4,058
Total revenues	<u>884,269</u>	<u>883,343</u>	<u>783,028</u>	<u>(100,315)</u>
Operating expenses:				
Personal services.	376,874	376,874	344,163	32,711
Contractual services	70,230	70,230	31,533	38,697
Materials and supplies	237,737	287,737	210,820	76,917
Capital outlay	959,692	794,692	479,993	314,699
Total expenses	<u>1,644,533</u>	<u>1,529,533</u>	<u>1,066,509</u>	<u>463,024</u>
Operating loss	<u>(760,264)</u>	<u>(646,190)</u>	<u>(283,481)</u>	<u>362,709</u>
Nonoperating revenues (expenses):				
Debt service:				
Principal retirement	(20,265)	(20,265)	(16,413)	3,852
Interest and fiscal charges	(1,585)	(1,585)	(1,584)	1
Total nonoperating revenues (expenses). . .	<u>(21,850)</u>	<u>(21,850)</u>	<u>(17,997)</u>	<u>3,853</u>
Net change in fund equity	(782,114)	(668,040)	(301,478)	366,562
Fund equity at beginning of year.	406,605	406,605	406,605	-
Prior year encumbrances appropriated . . .	<u>345,009</u>	<u>345,009</u>	<u>345,009</u>	<u>-</u>
Fund equity at end of year	<u>\$ (30,500)</u>	<u>\$ 83,574</u>	<u>\$ 450,136</u>	<u>\$ 366,562</u>

CITY OF BARBERTON, OHIO

*COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2013*

	Health Insurance	Internal Allocation	Total Internal Service Funds
Assets:			
Current assets:			
Equity in pooled cash and cash equivalents . . .	\$ 1,890,432	\$ 36,203	\$ 1,926,635
Receivables:			
Accounts	-	8,444	8,444
Total assets	<u>1,890,432</u>	<u>44,647</u>	<u>1,935,079</u>
Liabilities:			
Current liabilities:			
Accounts payable	-	5,000	5,000
Contracts payable	-	82,760	82,760
Claims payable.	106,667	-	106,667
Total liabilities	<u>106,667</u>	<u>87,760</u>	<u>194,427</u>
Net position:			
Unrestricted (deficit).	1,783,765	(43,113)	1,740,652
Total net position (deficit)	<u>\$ 1,783,765</u>	<u>\$ (43,113)</u>	<u>\$ 1,740,652</u>

CITY OF BARBERTON, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013*

	Health Insurance	Internal Allocation	Total Internal Service Funds
Operating revenues:			
Charges for services	\$ 2,807,552	\$ 487,898	\$ 3,295,450
Other	20,655	-	20,655
Total operating revenues.	<u>2,828,207</u>	<u>487,898</u>	<u>3,316,105</u>
Operating expenses:			
Contract services.	30,794	-	30,794
Materials and supplies	-	583,083	583,083
Claims	2,325,888	-	2,325,888
Other	4,048	-	4,048
Total operating expenses.	<u>2,360,730</u>	<u>583,083</u>	<u>2,943,813</u>
Changes in net position.	467,477	(95,185)	372,292
Net position at beginning of year	<u>1,316,288</u>	<u>52,072</u>	<u>1,368,360</u>
Net position (deficit) at end of year	<u>\$ 1,783,765</u>	<u>\$ (43,113)</u>	<u>\$ 1,740,652</u>

CITY OF BARBERTON, OHIO

*COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013*

	Health Insurance	Internal Allocation	Total Internal Service Funds
Cash flows from operating activities:			
Cash received from customers	\$ 2,807,552	\$ 487,681	\$ 3,295,233
Cash received from other operations	24,148	-	24,148
Cash payments for contract services	(30,794)	-	(30,794)
Cash payments for materials and supplies	-	(495,323)	(495,323)
Cash payments for claims	(2,371,936)	-	(2,371,936)
Cash payments for other expenses	(4,048)	-	(4,048)
Net increase (decrease) in cash and cash equivalents	424,922	(7,642)	417,280
Cash and cash equivalents at beginning of year	<u>1,465,510</u>	<u>43,845</u>	<u>1,509,355</u>
Cash and cash equivalents at end of year . . .	<u>\$ 1,890,432</u>	<u>\$ 36,203</u>	<u>\$ 1,926,635</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ 467,477	\$ (95,185)	\$ 372,292
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable . . .	3,493	(217)	3,276
Increase in accounts payable	-	5,000	5,000
Increase in contracts payable	-	82,760	82,760
(Decrease) in claims payable	(46,048)	-	(46,048)
Net cash provided by (used in) operating activities	<u>\$ 424,922</u>	<u>\$ (7,642)</u>	<u>\$ 417,280</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
HEALTH INSURANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Operating revenues:				
Charges for services	\$ 2,778,000	\$ 2,778,000	\$ 2,807,552	\$ 29,552
Other.	5,000	5,000	24,148	19,148
Total revenues	<u>2,783,000</u>	<u>2,783,000</u>	<u>2,831,700</u>	<u>48,700</u>
Operating expenses:				
Contractual services	35,000	35,000	30,794	4,206
Claims	2,648,000	2,648,000	2,371,936	276,064
Other.	5,000	5,000	4,048	952
Total expenses	<u>2,688,000</u>	<u>2,688,000</u>	<u>2,406,778</u>	<u>281,222</u>
Net change in fund equity	95,000	95,000	424,922	329,922
Fund equity at beginning of year.	<u>1,465,510</u>	<u>1,465,510</u>	<u>1,465,510</u>	<u>-</u>
Fund equity at end of year	<u>\$ 1,560,510</u>	<u>\$ 1,560,510</u>	<u>\$ 1,890,432</u>	<u>\$ 329,922</u>

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INTERNAL ALLOCATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Operating revenues:				
Charges for services	\$ 525,000	\$ 525,000	\$ 487,681	\$ (37,319)
Total revenues	<u>525,000</u>	<u>525,000</u>	<u>487,681</u>	<u>(37,319)</u>
Operating expenses:				
Materials and supplies	548,252	548,252	498,044	50,208
Total expenses	<u>548,252</u>	<u>548,252</u>	<u>498,044</u>	<u>50,208</u>
Net change in fund equity	(23,252)	(23,252)	(10,363)	12,889
Fund equity at beginning of year.	35,593	35,593	35,593	-
Prior year encumbrances appropriated . . .	<u>8,252</u>	<u>8,252</u>	<u>8,252</u>	<u>-</u>
Fund equity at end of year	<u>\$ 20,593</u>	<u>\$ 20,593</u>	<u>\$ 33,482</u>	<u>\$ 12,889</u>

CITY OF BARBERTON, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTION - AGENCY FUNDS*

Agency Funds

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

Deposit Fund

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

New Haven/Forest City Fund

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

CITY OF BARBERTON, OHIO

*COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013*

	Beginning Balance 12/31/2012	Additions	Reductions	Ending Balance 12/31/2013
Deposit				
Assets:				
Equity in pooled cash and cash equivalents	\$ 164,430	\$ 9,919	\$ 200	\$ 174,149
Total assets.	<u>\$ 164,430</u>	<u>\$ 9,919</u>	<u>\$ 200</u>	<u>\$ 174,149</u>
Liabilities:				
Deposits held and due to others	\$ 164,430	\$ 9,919	\$ 200	\$ 174,149
Total liabilities	<u>\$ 164,430</u>	<u>\$ 9,919</u>	<u>\$ 200</u>	<u>\$ 174,149</u>
New Haven/Forest City				
Assets:				
Equity in pooled cash and cash equivalents	\$ 100,000	\$ -	\$ 73,536	\$ 26,464
Total assets.	<u>\$ 100,000</u>	<u>\$ -</u>	<u>\$ 73,536</u>	<u>\$ 26,464</u>
Liabilities:				
Deposits held and due to others	\$ 100,000	\$ -	\$ 73,536	\$ 26,464
Total liabilities	<u>\$ 100,000</u>	<u>\$ -</u>	<u>\$ 73,536</u>	<u>\$ 26,464</u>
Total Agency Funds				
Assets:				
Equity in pooled cash and cash equivalents	\$ 264,430	\$ 9,919	\$ 73,736	\$ 200,613
Total assets.	<u>\$ 264,430</u>	<u>\$ 9,919</u>	<u>\$ 73,736</u>	<u>\$ 200,613</u>
Liabilities:				
Deposits held and due to others	\$ 264,430	\$ 9,919	\$ 73,736	\$ 200,613
Total liabilities	<u>\$ 264,430</u>	<u>\$ 9,919</u>	<u>\$ 73,736</u>	<u>\$ 200,613</u>

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STATISTICAL SECTION

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CITY OF BARBERTON, OHIO
STATISTICAL SECTION
TABLE OF CONTENTS

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	156-165
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources; income and property taxes.	166-173
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	174-181
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	182-183
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	184-189

Sources: Sources are noted on the individual schedules.

CITY OF BARBERTON, OHIO

*NET POSITION BY COMPONENT
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)*

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Governmental Activities				
Net investment in capital assets	\$ 23,611,193	\$ 20,259,877	\$ 19,800,292	\$ 19,684,621
Restricted for:				
Capital projects	13,989	13,978	13,961	17,514
Debt service	387,469	388,438	391,077	388,275
Transportation projects	325,916	673,038	863,555	865,379
Community development projects	156,812	90,316	151,125	617,997
Other projects	2,051,785	1,667,946	1,437,828	1,390,848
Unrestricted	<u>4,084,879</u>	<u>4,196,682</u>	<u>4,662,644</u>	<u>2,131,736</u>
Total governmental activities net position	<u>\$ 30,632,043</u>	<u>\$ 27,290,275</u>	<u>\$ 27,320,482</u>	<u>\$ 25,096,370</u>
Business-type Activities				
Net investment in capital assets	\$ 37,461,177	\$ 36,273,472	\$ 34,551,830	\$ 33,376,864
Restricted for:				
Debt service	-	-	-	-
Other projects	321,963	345,427	419,483	566,545
Unrestricted	<u>9,425,873</u>	<u>8,676,308</u>	<u>8,781,726</u>	<u>8,881,635</u>
Total business-type activities net position	<u>\$ 47,209,013</u>	<u>\$ 45,295,207</u>	<u>\$ 43,753,039</u>	<u>\$ 42,825,044</u>
Total Primary Government				
Net investment in capital assets	\$ 61,072,370	\$ 56,533,349	\$ 54,352,122	\$ 53,061,485
Restricted for:				
Capital projects	13,989	13,978	13,961	17,514
Debt service	387,469	388,438	391,077	388,275
Transportation projects	325,916	673,038	863,555	865,379
Community development projects	156,812	90,316	151,125	617,997
Other projects	2,373,748	2,013,373	1,857,311	1,957,393
Unrestricted	<u>13,510,752</u>	<u>12,872,990</u>	<u>13,444,370</u>	<u>11,013,371</u>
Total primary government net position	<u>\$ 77,841,056</u>	<u>\$ 72,585,482</u>	<u>\$ 71,073,521</u>	<u>\$ 67,921,414</u>

Note: In 2012 the City implemented GASB Statement No. 65; 2011 amounts have been restated to conform to 2012 presentation.

2009	2008	2007	2006	2005	2004
\$ 18,536,399	\$ 17,207,130	\$ 17,895,365	\$ 15,884,161	\$ 19,954,622	\$ 23,568,720
1,142,832	633,917	779,845	2,337,727	4,443,464	884,157
415,866	299,259	506,371	516,125	537,306	176,573
881,165	1,204,290	1,221,355	1,095,324	843,410	660,339
588,994	1,028,741	997,544	862,668	764,691	773,257
1,223,244	1,269,994	1,050,941	1,269,116	2,312,611	2,028,216
401,450	3,298,794	2,914,075	3,191,576	978,746	503,102
<u>\$ 23,189,950</u>	<u>\$ 24,942,125</u>	<u>\$ 25,365,496</u>	<u>\$ 25,156,697</u>	<u>\$ 29,834,850</u>	<u>\$ 28,594,364</u>
\$ 30,422,322	\$ 31,995,482	\$ 31,383,963	\$ 30,704,621	\$ 24,952,452	\$ 26,599,164
-	-	-	31,821	663,928	701,095
801,222	1,039,101	1,008,948	1,237,596	2,236,554	2,432,132
8,211,503	6,806,972	6,485,673	5,975,596	5,955,495	2,969,473
<u>\$ 39,435,047</u>	<u>\$ 39,841,555</u>	<u>\$ 38,878,584</u>	<u>\$ 37,949,634</u>	<u>\$ 33,808,429</u>	<u>\$ 32,701,864</u>
\$ 48,958,721	\$ 49,202,612	\$ 49,279,328	\$ 46,588,782	\$ 44,907,074	\$ 50,167,884
1,142,832	633,917	779,845	2,337,727	4,443,464	884,157
415,866	299,259	506,371	547,946	1,201,234	877,668
881,165	1,204,290	1,221,355	1,095,324	843,410	660,339
588,994	1,028,741	997,544	862,668	764,691	773,257
2,024,466	2,309,095	2,059,889	2,506,712	4,549,165	4,460,348
8,612,953	10,105,766	9,399,748	9,167,172	6,934,241	3,472,575
<u>\$ 62,624,997</u>	<u>\$ 64,783,680</u>	<u>\$ 64,244,080</u>	<u>\$ 63,106,331</u>	<u>\$ 63,643,279</u>	<u>\$ 61,296,228</u>

CITY OF BARBERTON, OHIO

*CHANGES IN NET POSITION
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)*

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Program Revenues:				
Governmental activities:				
Charges for services:				
General government	\$ 2,574,433	\$ 2,133,191	\$ 2,148,444	\$ 1,824,354
Public safety	703,890	743,319	677,035	777,898
Health and welfare	-	-	20	296,202
Transportation	90,413	85,187	41,657	42,851
Community environment	306,094	316,971	334,881	120,405
Leisure time activities	95,759	103,380	106,764	91,785
Operating grants and contributions	4,402,420	4,081,718	3,863,176	5,092,156
Capital grants and contributions	3,016,298	250,412	459,731	67,564
Total governmental activities program revenues	<u>11,189,307</u>	<u>7,714,178</u>	<u>7,631,708</u>	<u>8,313,215</u>
Business-type activities:				
Charges for services:				
Water	5,751,556	5,651,426	5,063,541	5,100,123
Sewer	3,991,723	4,115,822	4,066,329	4,163,396
Storm Water	784,719	772,796	782,248	770,433
Solid Waste	1,926,288	2,031,897	2,023,183	2,002,081
Community Center	-	-	-	-
Lake Cinema	-	-	-	-
Capital grants and contributions	1,422,846	953,470	547,789	2,547,429
Total business-type activities program revenues	<u>13,877,132</u>	<u>13,525,411</u>	<u>12,483,090</u>	<u>14,583,462</u>
Total primary government	<u>\$ 25,066,439</u>	<u>\$ 21,239,589</u>	<u>\$ 20,114,798</u>	<u>\$ 22,896,677</u>
Expenses:				
Governmental activities:				
General government	\$ 4,485,947	\$ 4,150,178	\$ 4,408,029	\$ 4,259,141
Public safety	10,692,505	10,221,486	10,096,123	10,082,932
Health and welfare	-	-	28,342	847,498
Transportation	2,227,248	2,725,173	2,730,584	1,866,192
Community environment	3,108,590	2,109,074	2,741,517	3,321,424
Leisure time activities	1,468,383	1,334,529	1,328,524	1,314,014
Intergovernmental	-	-	-	-
Interest and fiscal charges	129,056	188,459	233,974	268,040
Total governmental activities expenses	<u>22,111,729</u>	<u>20,728,899</u>	<u>21,567,093</u>	<u>21,959,241</u>
Business-type activities:				
Water	4,389,879	4,335,601	4,058,731	4,364,080
Sewer	5,004,111	4,987,464	4,598,025	4,277,917
Solid Waste	1,786,391	1,894,645	1,872,929	1,868,090
Storm Water	892,421	817,705	786,687	703,295
Community Center	-	-	-	-
Lake Cinema	-	-	-	-
Total business-type activities expenses	<u>12,072,802</u>	<u>12,035,415</u>	<u>11,316,372</u>	<u>11,213,382</u>
Total primary government	<u>\$ 34,184,531</u>	<u>\$ 32,764,314</u>	<u>\$ 32,883,465</u>	<u>\$ 33,172,623</u>
Governmental activities	\$ (10,922,422)	\$ (13,014,721)	\$ (13,935,385)	\$ (13,646,026)
Business-type activities	1,804,330	1,489,996	1,166,718	3,370,080
Total primary government net expense	<u>\$ (9,118,092)</u>	<u>\$ (11,524,725)</u>	<u>\$ (12,768,667)</u>	<u>\$ (10,275,946)</u>

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$ 1,892,083	\$ 1,786,759	\$ 1,547,954	\$ 1,600,236	\$ 1,798,314	\$ 1,129,924
603,223	621,327	523,684	463,696	276,556	188,715
616,814	798,884	973,909	854,293	606,666	398,654
46,636	79,507	4,520	48,592	33,203	63
167,840	172,991	179,663	233,326	145,911	209,880
130,748	94,240	138,278	80,098	93,607	67,942
4,164,877	3,855,139	3,521,558	3,702,419	4,278,454	3,064,285
145,229	147,321	152,821	160,183	476,933	1,852,649
<u>7,767,450</u>	<u>7,556,168</u>	<u>7,042,387</u>	<u>7,142,843</u>	<u>7,709,644</u>	<u>6,912,112</u>
4,594,956	4,574,609	4,242,131	4,202,919	4,102,007	3,724,170
4,096,518	4,289,991	4,347,404	4,091,632	4,113,032	3,783,899
743,787	796,332	775,680	498,372	-	-
1,939,373	1,835,994	1,839,605	1,467,339	1,414,758	1,402,180
-	-	80,666	292,976	350,454	413,842
-	-	-	257	850,829	995,126
-	-	-	-	-	-
<u>11,374,634</u>	<u>11,496,926</u>	<u>11,285,486</u>	<u>10,553,495</u>	<u>10,831,080</u>	<u>10,319,217</u>
<u>\$ 19,142,084</u>	<u>\$ 19,053,094</u>	<u>\$ 18,327,873</u>	<u>\$ 17,696,338</u>	<u>\$ 18,540,724</u>	<u>\$ 17,231,329</u>
\$ 4,554,994	\$ 4,619,097	\$ 3,883,172	\$ 4,097,563	\$ 3,837,242	\$ 3,733,749
11,207,888	11,339,496	10,049,252	9,745,177	9,579,081	9,077,025
1,511,973	1,889,854	2,343,579	2,384,744	2,246,143	1,903,090
2,340,290	2,265,378	2,025,147	2,218,732	2,606,966	2,543,136
2,292,939	1,855,258	1,535,323	1,303,440	1,404,166	1,526,834
1,294,285	1,636,664	1,240,444	1,742,270	1,705,276	1,505,036
-	-	1,578,763	1,328,572	-	-
289,245	253,275	265,787	283,305	223,084	300,427
<u>23,491,614</u>	<u>23,859,022</u>	<u>22,921,467</u>	<u>23,103,803</u>	<u>21,601,958</u>	<u>20,589,297</u>
4,158,746	3,778,649	4,241,689	4,295,926	3,377,859	3,490,864
4,497,443	4,542,875	4,284,959	4,017,338	3,816,607	3,379,220
1,760,928	1,773,299	1,785,145	1,500,928	1,393,999	1,359,244
684,083	650,516	648,268	292,441	-	-
-	131,104	362,163	547,635	544,489	702,065
-	-	2,005	2,005	946,621	1,046,021
<u>11,101,200</u>	<u>10,876,443</u>	<u>11,324,229</u>	<u>10,656,273</u>	<u>10,079,575</u>	<u>9,977,414</u>
<u>\$ 34,592,814</u>	<u>\$ 34,735,465</u>	<u>\$ 34,245,696</u>	<u>\$ 33,760,076</u>	<u>\$ 31,681,533</u>	<u>\$ 30,566,711</u>
\$ (15,724,164)	\$ (16,302,854)	\$ (15,879,080)	\$ (15,960,960)	\$ (13,892,314)	\$ (13,677,185)
273,434	620,483	(38,743)	(102,778)	751,505	341,803
<u>\$ (15,450,730)</u>	<u>\$ (15,682,371)</u>	<u>\$ (15,917,823)</u>	<u>\$ (16,063,738)</u>	<u>\$ (13,140,809)</u>	<u>\$ (13,335,382)</u>

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CITY OF BARBERTON, OHIO

*CHANGES IN NET POSITION
LAST TEN YEARS (CONTINUED)
(ACCRUAL BASIS OF ACCOUNTING)*

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
General Revenues and Other Changes in Net Position:				
Governmental activities				
Taxes:				
Property taxes levied for:				
General purposes	\$ 819,091	\$ 637,608	\$ 1,023,447	\$ 1,272,525
Fire capital levy	211,786	211,858	264,636	259,904
Police pension	84,714	84,744	105,855	103,960
Fire pension	84,714	84,744	105,855	103,960
Municipal income taxes levied for:				
General purposes	11,304,650	9,913,010	12,086,007	10,849,848
Grants and entitlements				
not restricted to specific programs	1,574,050	1,965,699	2,322,927	2,571,074
Investment earnings	17,499	31,249	39,742	40,544
Other	167,686	86,748	304,492	350,631
Special item	-	-	-	-
Transfers	-	(31,146)	-	-
Total governmental activities	<u>14,264,190</u>	<u>12,984,514</u>	<u>16,252,961</u>	<u>15,552,446</u>
Business-type activities				
Investment earnings	35,066	6,071	11,031	4,516
Other	74,410	14,955	4,960	15,401
Transfers	-	31,146	-	-
Special item - disposal of community center	-	-	-	-
Total business-type activities	<u>109,476</u>	<u>52,172</u>	<u>15,991</u>	<u>19,917</u>
Total primary government	<u>\$ 14,373,666</u>	<u>\$ 13,036,686</u>	<u>\$ 16,268,952</u>	<u>\$ 15,572,363</u>
Change in Net Position:				
Governmental activities	\$ 3,341,768	\$ (30,207)	\$ 2,317,576	\$ 1,906,420
Business-type activities	1,913,806	1,542,168	1,182,709	3,389,997
Total primary government	<u>\$ 5,255,574</u>	<u>\$ 1,511,961</u>	<u>\$ 3,500,285</u>	<u>\$ 5,296,417</u>

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$ 1,188,981	\$ 1,209,964	\$ 1,334,131	\$ 1,248,270	\$ 1,518,135	\$ 1,452,119
239,362	288,602	-	-	-	-
95,772	104,512	116,625	104,339	128,942	125,841
95,772	104,512	116,911	104,053	128,942	125,841
10,320,696	10,859,015	11,254,122	11,391,350	9,968,415	10,263,255
2,159,444	2,821,199	2,885,135	2,552,742	2,077,635	2,448,748
72,965	398,822	681,251	762,314	432,745	87,309
141,724	199,199	109,704	746,914	1,104,986	813,596
-	-	-	(1,856,330)	-	-
(149,385)	(106,342)	(410,000)	(3,770,845)	(227,000)	(220,000)
<u>14,165,331</u>	<u>15,879,483</u>	<u>16,087,879</u>	<u>11,282,807</u>	<u>15,132,800</u>	<u>15,096,709</u>
10,580	163,851	505,193	416,614	96,244	40,695
8,716	72,295	52,500	56,524	31,816	190,125
149,385	106,342	410,000	3,770,845	227,000	220,000
(848,623)	-	-	-	-	-
(679,942)	342,488	967,693	4,243,983	355,060	450,820
<u>\$ 13,485,389</u>	<u>\$ 16,221,971</u>	<u>\$ 17,055,572</u>	<u>\$ 15,526,790</u>	<u>\$ 15,487,860</u>	<u>\$ 15,547,529</u>
\$ (1,558,833)	\$ (423,371)	\$ 208,799	\$ (4,678,153)	\$ 1,240,486	\$ 1,419,524
(406,508)	962,971	928,950	4,141,205	1,106,565	792,623
<u>\$ (1,965,341)</u>	<u>\$ 539,600</u>	<u>\$ 1,137,749</u>	<u>\$ (536,948)</u>	<u>\$ 2,347,051</u>	<u>\$ 2,212,147</u>

CITY OF BARBERTON, OHIO

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

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
General Fund:						
Reserved	\$ -	\$ -	\$ -	\$ 549,557	\$ 355,293	\$ 323,073
Unreserved	-	-	-	3,050,628	1,779,411	3,053,359
Nonspendable	68,219	60,328	56,998	-	-	-
Committed	11,840	21,271	8,533	-	-	-
Assigned	742,993	1,257,550	236,644	-	-	-
Unassigned	2,697,128	2,901,883	4,383,296	-	-	-
Total general fund	<u>\$ 3,520,180</u>	<u>\$ 4,241,032</u>	<u>\$ 4,685,471</u>	<u>\$ 3,600,185</u>	<u>\$ 2,134,704</u>	<u>\$ 3,376,432</u>
All Other Governmental Funds:						
Reserved	\$ -	\$ -	\$ -	\$ 2,502,925	\$ 2,017,577	\$ 2,037,009
Unreserved, reported in:						
Special revenue funds	-	-	-	225,878	661,851	1,757,970
Capital projects funds	-	-	-	472,837	619,490	(1,793,737)
Nonspendable	9,473	8,202	8,200	-	-	-
Restricted	2,798,672	2,640,966	2,503,349	-	-	-
Committed	1,168,115	1,412,462	1,259,417	-	-	-
Unassigned (deficit), reported in:						
Special revenue funds	(35,005)	(930,972)	(483,537)	-	-	-
Capital projects funds	-	(83,737)	(203,358)	-	-	-
Total all other governmental funds	<u>\$ 3,941,255</u>	<u>\$ 3,046,921</u>	<u>\$ 3,084,071</u>	<u>\$ 3,201,640</u>	<u>\$ 3,298,918</u>	<u>\$ 2,001,242</u>

Note: the City implemented GASB Statement No. 54 in 2011 which changed the fund balance classifications in governmental funds.

2007	2006	2005	2004
\$ 272,616	\$ 220,343	\$ 178,449	\$ 208,201
3,713,078	3,391,929	1,551,627	2,018,677
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 3,985,694</u>	<u>\$ 3,612,272</u>	<u>\$ 1,730,076</u>	<u>\$ 2,226,878</u>
\$ 1,477,235	\$ 2,592,065	\$ 1,877,103	\$ 1,893,382
1,992,357	1,819,428	1,799,025	2,236,562
(84,211)	532,399	3,572,711	2,109,970
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 3,385,381</u>	<u>\$ 4,943,892</u>	<u>\$ 7,248,839</u>	<u>\$ 6,239,914</u>

CITY OF BARBERTON, OHIO

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

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Revenues					
Taxes	\$ 12,368,144	\$ 11,293,820	\$ 12,592,379	\$ 12,521,891	\$ 12,126,149
Charges for services	1,795,854	2,111,961	2,061,212	2,206,082	2,335,224
Licenses and permits	482,369	494,997	556,560	252,107	333,555
Fines and forfeitures	846,510	502,636	414,678	418,311	432,347
Intergovernmental	8,606,417	5,180,429	6,284,638	6,712,451	5,742,603
Special assessments	94,334	110,140	154,792	157,474	161,493
Investment income	18,825	33,874	37,271	38,593	76,849
Contributions and donations	548,013	547,490	555,990	627,447	623,630
Other	1,200,321	580,194	458,214	703,746	814,483
Total revenues	<u>25,960,787</u>	<u>20,855,541</u>	<u>23,115,734</u>	<u>23,638,102</u>	<u>22,646,333</u>
Expenditures					
Current:					
General government	4,381,217	4,075,595	4,345,238	4,017,338	4,396,948
Public safety	10,511,629	9,856,203	9,773,245	9,223,191	10,653,804
Health and welfare	-	-	9,531	971,656	1,472,491
Transportation	1,529,068	1,336,031	1,398,722	1,417,513	1,471,332
Community environment	3,120,414	2,040,029	2,676,716	3,202,840	2,213,192
Leisure time activity	1,281,488	1,126,958	1,066,909	1,068,312	1,217,596
Capital outlay	4,057,346	1,809,875	1,556,168	1,202,654	2,122,784
Intergovernmental	-	-	-	-	-
Debt service:					
Principal retirement	1,390,388	1,135,496	1,120,994	1,129,672	1,045,558
Interest and fiscal charges	148,048	182,083	224,929	258,650	278,130
Bond issuance cost	-	-	-	-	83,445
Note issuance cost	-	-	-	-	-
Total expenditures	<u>26,419,598</u>	<u>21,562,270</u>	<u>22,172,452</u>	<u>22,491,826</u>	<u>24,955,280</u>
Excess of revenues over (under) expenditures	<u>(458,811)</u>	<u>(706,729)</u>	<u>943,282</u>	<u>1,146,276</u>	<u>(2,308,947)</u>
Other Financing Sources (Uses)					
Notes issued	-	-	-	-	-
Bonds issued	-	-	-	-	2,310,000
Discount on bond issuance	-	-	-	-	(16,555)
Premium on notes	-	-	-	-	-
Capital lease transaction	67,240	207,780	-	112,089	-
Sale of capital assets	565,053	16,189	24,435	109,838	32,213
Transfers in	1,037,100	1,277,944	1,434,900	1,779,079	1,875,327
Transfers (out)	(1,037,100)	(1,277,944)	(1,434,900)	(1,779,079)	(1,836,090)
Loan proceeds	-	3,036	-	-	-
Total other financing sources (uses)	<u>632,293</u>	<u>227,005</u>	<u>24,435</u>	<u>221,927</u>	<u>2,364,895</u>
Net change in fund balances	<u>\$ 173,482</u>	<u>\$ (479,724)</u>	<u>\$ 967,717</u>	<u>\$ 1,368,203</u>	<u>\$ 55,948</u>
Capital expenditures	4,065,048	974,169	806,628	1,435,291	1,904,639
Debt service as a percentage of noncapital expenditures.	6.88%	6.40%	6.30%	6.59%	5.74%

2008	2007	2006	2005	2004
\$ 12,601,886	\$ 12,732,465	\$ 13,279,202	\$ 11,927,679	\$ 11,960,729
2,348,503	2,146,709	2,019,348	1,638,856	1,216,431
483,615	611,907	683,398	446,544	287,608
202,586	178,769	171,796	167,198	167,498
5,646,214	5,428,350	6,482,569	6,431,013	6,953,520
187,152	129,680	159,635	239,011	90,295
434,513	669,402	736,737	431,559	85,085
981,965	177,625	144,227	63,111	103,054
568,318	1,169,287	1,086,628	1,508,184	1,315,743
<u>23,454,752</u>	<u>23,244,194</u>	<u>24,763,540</u>	<u>22,853,155</u>	<u>22,179,963</u>
4,177,189	3,864,219	4,081,556	3,751,477	3,659,636
10,273,963	9,876,927	9,832,423	9,505,500	9,491,837
1,793,038	2,397,461	2,513,403	2,295,683	1,948,426
1,611,276	1,328,988	1,576,717	1,599,891	1,750,043
1,680,902	1,428,273	1,841,026	1,499,781	1,246,612
1,368,699	1,084,396	922,867	1,320,267	1,112,732
3,552,712	1,557,554	2,053,974	1,250,150	3,212,171
-	1,578,763	1,328,572	-	-
932,580	856,591	883,603	888,081	1,773,799
253,241	252,483	280,010	221,050	266,290
-	-	-	3,985	18,955
10,745	10,292	-	-	5,671
<u>25,654,345</u>	<u>24,235,947</u>	<u>25,314,151</u>	<u>22,335,865</u>	<u>24,486,172</u>
<u>(2,199,593)</u>	<u>(991,753)</u>	<u>(550,611)</u>	<u>517,290</u>	<u>(2,306,209)</u>
-	20,000	40,000	96,000	120,000
-	-	-	112,450	1,396,000
-	-	-	-	-
17,282	-	-	8,754	1,842
300,000	211,276	160,621	-	-
79,843	10,388	149,224	19,629	6,332
1,771,349	1,853,518	1,955,289	1,835,266	2,193,627
(1,962,282)	(2,288,518)	(2,177,274)	(2,077,266)	(2,733,627)
-	-	-	-	-
<u>206,192</u>	<u>(193,336)</u>	<u>127,860</u>	<u>(5,167)</u>	<u>984,174</u>
<u>\$ (1,993,401)</u>	<u>\$ (1,185,089)</u>	<u>\$ (422,751)</u>	<u>\$ 512,123</u>	<u>\$ (1,322,035)</u>
2,916,887	1,571,458	1,999,901	1,431,678	4,515,836
5.22%	4.89%	4.99%	5.31%	10.22%

CITY OF BARBERTON, OHIO

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

Year	Real Property		Public Utility Property		Tangible Personal Property	
	Assessed Value	Estimated Actual Value (a)	Assessed Value	Estimated Actual Value (b)	Assessed Value	Estimated Actual Value (c)
2013	\$ 343,096,010	\$ 980,274,314	\$ 10,470,720	\$ 11,898,545	\$ -	\$ -
2012	341,221,550	974,918,714	9,489,460	10,783,477	-	-
2011	389,314,830	1,112,328,086	9,200,850	10,455,511	-	-
2010	389,860,420	1,113,886,914	8,746,110	9,938,761	508,115	8,129,840
2009	391,015,700	1,117,187,714	8,516,450	9,677,784	1,089,778	17,436,448
2008	396,658,680	1,133,310,514	8,342,960	9,480,636	15,652,615	250,441,840
2007	395,700,530	1,130,572,943	11,588,150	13,168,352	27,517,101	220,136,808
2006	394,443,500	1,126,981,429	11,919,510	13,544,898	39,558,953	210,981,083
2005	355,412,060	1,015,463,029	13,188,960	14,987,455	52,299,023	209,196,092
2004	349,333,560	998,095,886	13,290,740	15,103,114	52,299,023	209,196,092

Source: Summit County, Ohio; Fiscal Officer

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

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

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

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

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

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

For 2009 and subsequent years, tangible personal property tax is assessed at 0.00% of property value, including inventory, except for telephone tangible personal property which is assessed at 10% of property value, including inventory. In 2009 and 2010, telephone tangible is the only taxable tangible personal property.

Total

Assessed Value	Estimated Actual Value	Total Direct Tax Rate	Ratio
\$ 353,566,730	\$ 992,172,859	4.25	35.64%
350,711,010	985,702,191	4.25	35.58%
398,515,680	1,122,783,597	4.25	35.49%
399,114,645	1,131,955,516	4.25	35.26%
400,621,928	1,144,301,945	4.25	35.01%
420,654,255	1,393,232,990	4.25	30.19%
434,805,781	1,363,878,103	3.50	31.88%
445,921,963	1,351,507,410	3.50	32.99%
420,900,043	1,239,646,576	3.50	33.95%
414,923,323	1,222,395,092	3.50	33.94%

CITY OF BARBERTON, OHIO

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

Collection Year	City Direct Rates			Overlapping Rates			Total Direct and Overlapping Rates		
	Operating	Police and Fire Pension	Fire Capital	Summit County	Barberton City School District	Barberton Public Library			
2013	2.90	0.60	0.75	4.25	14.16	59.74	1.37	75.27	79.52
2012	2.90	0.60	0.75	4.25	14.16	60.04	1.37	75.57	79.82
2011	2.90	0.60	0.75	4.25	14.16	57.95	1.37	73.48	77.73
2010	2.90	0.60	0.75	4.25	14.16	58.02	1.37	73.55	77.80
2009	2.90	0.60	0.75	4.25	14.16	58.11	1.37	73.64	77.89
2008	2.90	0.60	0.75	4.25	14.26	59.89	1.37	75.52	79.77
2007	2.90	0.60	-	3.50	14.57	58.94	1.37	74.88	78.38
2006	2.90	0.60	-	3.50	13.07	64.06	1.37	78.50	82.00
2005	2.90	0.60	-	3.50	13.07	56.90	-	69.97	73.47
2004	2.90	0.60	-	3.50	13.07	56.90	-	69.97	73.47

Source: Summit County, Ohio; Fiscal Officer

CITY OF BARBERTON, OHIO

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

December 31, 2013			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Assessed Value
Babcock & Wilcox Power Generation Group	\$ 2,736,500	1	0.80%
Summa Barberton Citizens Hospital	2,280,090	2	0.66%
LRC Magic Investors LTD	1,907,410	3	0.56%
Garrison Central Barberton LLC	1,771,090	4	0.52%
K L Morris Family Limited Liability	1,707,630	5	0.50%
Babcock & Wilcox Nuclear Operations	1,450,430	6	0.42%
WM Bernard Realty Co.	1,113,260	7	0.32%
Village at Anna Dean LLC	1,087,500	8	0.32%
B & C Research Inc.	1,048,590	9	0.31%
Malco Products, Inc.	836,810	10	0.24%
Total, Top Ten Principal Real Property Taxpayers	\$ 15,939,310		4.65%
Total City Real Property Tax Assessed Valuation	\$ 343,096,010		

December 31, 2004			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Assessed Value
Barberton Health System LLC	\$ 11,008,930	1	3.15%
Pittsburgh Plate Glass Co.	2,184,880	2	0.63%
Kimco of Ohio, Inc.	2,171,220	3	0.62%
LRC Magic Investors LTD	2,072,100	4	0.59%
Babcock & Wilcox Company	2,046,090	5	0.59%
BWX Technologies, Inc.	1,661,230	6	0.48%
Elson Pointe Limited Partnership	1,498,760	7	0.43%
KL Morris Family Limited	1,454,780	8	0.42%
B&C Diversified Products Inc.	1,352,090	9	0.39%
B&C Research Inc.	1,273,760	10	0.36%
Total, Top Ten Principal Real Property Taxpayers	\$ 26,723,840		7.66%
Total City Real Property Tax Assessed Valuation	\$ 349,333,560		

Source: Summit County, Ohio; Fiscal Officer

CITY OF BARBERTON, OHIO

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

December 31, 2013			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Assessed Value
Ohio Edison Co.	\$ 7,027,400	1	67.1%
East Ohio Gas Co.	1,761,070	2	16.8%
American Transmission	1,682,250	3	16.1%
Total, Top Three Principal Public Utility Property Taxpayers	<u>\$ 10,470,720</u>		<u>100.0%</u>
Total City Public Utility Property Tax Assessed Valuation	<u>\$ 10,470,720</u>		

December 31, 2004			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Assessed Value
Ohio Edison Co.	\$ 4,513,510	1	34.0%
Ohio Bell Telephone	4,251,870	2	32.0%
American Transmission	1,906,980	3	14.4%
East Ohio Gas Co.	1,173,730	4	8.8%
Sprint	389,100	5	2.9%
Total, Top Five Principal Public Utility Property Taxpayers	<u>\$ 12,235,190</u>		<u>92.1%</u>
Total City Public Utility Property Tax Assessed Valuation	<u>\$ 13,290,740</u>		

Source: Summit County, Ohio; Fiscal Officer

CITY OF BARBERTON, OHIO

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

Year	Total Levy	Current Collection (a)	Percent of Current Collections to Tax Levy	Delinquent Collections	Total Collections (b)	Percent of Total Collections to Tax Levy	Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Tax Levy
2013	\$ 1,502,673	\$ 1,396,737	92.95%	\$ 91,620	\$ 1,488,357	99.05%	\$ 262,138	17.44%
2012	1,491,751	1,388,023	93.05%	96,881	1,484,904	99.54%	268,189	17.98%
2011	1,693,708	1,530,462	90.36%	87,060	1,617,522	95.50%	383,565	22.65%
2010	1,696,268	1,550,759	91.42%	77,415	1,628,174	95.99%	267,786	15.79%
2009	1,702,258	1,557,894	91.52%	144,365	1,702,259	100.00%	199,692	11.73%
2008	1,776,290	1,703,215	95.89%	73,075	1,776,290	100.00%	161,862	9.11%
2007	1,535,079	1,451,556	94.56%	83,524	1,535,080	100.00%	176,270	11.48%
2006	1,570,201	1,491,083	94.96%	79,117	1,570,200	100.00%	188,607	12.01%
2005	1,481,442	1,409,638	95.15%	75,669	1,485,307	100.26%	178,381	12.04%
2004	1,459,213	1,393,023	95.46%	78,290	1,471,313	100.83%	146,910	10.07%

Source: Summit County, Ohio; Fiscal Officer

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

(b) Total collections represent the current collections plus delinquent collections for the year noted. The Summit County Fiscal Officer is unable to identify and match delinquent collections to the year such taxes were originally levied and therefore in certain years the total collections to the tax levy may exceed 100%.

CITY OF BARBERTON, OHIO

*INCOME TAX REVENUE BASE AND COLLECTIONS
LAST TEN YEARS*

Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits
2013	2.00%	\$ 11,218,510	\$ 9,350,483	83.35%	\$ 1,012,772	9.03%
2012	2.00%	11,093,167	9,629,279	86.80%	658,530	5.94%
2011	2.00%	11,951,527	9,429,379	78.90%	1,660,548	13.89%
2010	2.00%	11,076,918	9,123,908	82.37%	999,404	9.02%
2009	2.00%	10,732,163	8,907,876	83.00%	887,140	8.27%
2008	2.00%	11,146,258	9,343,780	83.83%	737,551	6.62%
2007	2.00%	11,379,007	9,545,043	83.88%	813,468	7.15%
2006	2.00%	11,300,258	9,431,669	83.46%	997,931	8.83%
2005	2.00%	10,092,095	8,364,178	82.88%	897,569	8.89%
2004	2.00%	10,592,294	8,611,884	81.30%	904,487	8.54%

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

	Taxes from Individuals	Percentage of Taxes from Individuals
\$	855,255	7.62%
	805,358	7.26%
	784,470	6.56%
	804,162	7.26%
	823,855	7.68%
	983,226	8.82%
	944,752	8.30%
	870,658	7.70%
	830,348	8.23%
	1,075,923	10.16%

CITY OF BARBERTON, OHIO

*RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS*

Year	Governmental Activities						Business-Type Activities	
	General Obligation Bonds	Special Assessment Bonds	HUD Section 108 Loan	State Infrastructure Bank Loan	Notes	Capital Leases	General Obligation Bonds	Revenue Bonds
2013	\$ 1,980,310	\$ 26,416	\$ -	\$ 92,448	\$ -	\$ 233,550	\$ 960,687	\$ 6,875,394
2012	2,670,376	38,868	520,000	117,139	-	310,376	1,156,242	7,259,715
2011	3,524,427	50,841	635,000	137,791	-	234,272	1,885,704	7,629,035
2010	4,347,960	91,053	750,000	160,509	-	354,696	2,590,497	7,983,356
2009	5,148,101	129,522	865,000	182,560	-	397,510	3,268,796	8,327,677
2008	3,378,254	166,466	980,000	-	-	544,771	3,002,954	8,661,998
2007	4,044,510	201,800	1,095,000	-	20,000	342,481	3,686,429	8,981,318
2006	4,684,564	235,641	1,210,000	-	40,000	160,621	4,356,108	9,290,639
2005	5,327,578	266,950	1,325,000	-	96,000	-	5,011,651	615,014
2004	5,960,379	176,500	1,440,000	-	120,000	-	5,651,570	1,205,027

Sources:

- (a) See notes to the financial statements regarding the City's outstanding debt information.
- (b) See Schedule " Demographic and Economic Statistics - Last Ten Years" for personal income and population.

Business-Type Activities, continued

OWDA Loans	OPWC Loan	Notes	Capital Leases	(a) Total Primary Government	(b) Total Personal Income	Percentage of Personal Income	(b) Population	Per Capita
\$ 4,544,845	\$ 875,664	\$ -	\$ 214,695	\$ 15,804,009	\$ 523,014,352	3.02%	26,824	\$ 589
4,175,034	875,664	-	267,540	17,390,954	515,584,104	3.37%	26,824	648
2,194,768	875,664	-	-	17,167,502	498,524,040	3.44%	26,824	640
-	-	-	64,073	16,342,144	509,441,408	3.21%	26,824	609
-	-	78,000	125,591	18,522,757	495,597,836	3.74%	27,899	664
-	-	1,204,000	185,617	18,124,060	495,597,836	3.66%	27,899	650
-	-	1,590,000	125,839	20,087,377	495,597,836	4.05%	27,899	720
-	-	2,066,000	154,054	22,197,627	495,597,836	4.48%	27,899	796
-	-	4,075,000	11,187	16,728,380	495,597,836	3.38%	27,899	600
-	-	2,459,000	24,077	17,036,553	495,597,836	3.44%	27,899	611

CITY OF BARBERTON, OHIO

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

Year	Population (a)	Estimated Actual Value of Taxable Property (b)	Bonded Debt (c)	Ratio of Bonded Debt to Estimated Actual Value of Property	Bonded Debt Per Capita
2013	26,824	\$ 992,172,859	\$ 2,940,997	0.30%	\$ 110
2012	26,824	985,702,191	3,826,618	0.39%	143
2011	26,824	1,122,783,597	5,410,131	0.48%	202
2010	26,824	1,131,955,516	6,938,457	0.61%	259
2009	27,899	1,144,301,945	8,416,897	0.74%	302
2008	27,899	1,393,232,990	6,381,208	0.46%	229
2007	27,899	1,363,878,103	7,730,939	0.57%	277
2006	27,899	1,351,507,410	9,040,672	0.67%	324
2005	27,899	1,239,646,576	10,339,229	0.83%	371
2004	27,899	1,222,395,092	11,611,949	0.95%	416

Sources:

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

CITY OF BARBERTON, OHIO

*DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2013*

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (a)</u>	<u>Estimated Share of Overlapping Debt</u>
Direct:			
City of Barberton	\$ 2,332,724	100.00%	\$ 2,332,724
Total direct debt			<u>2,332,724</u>
Overlapping debt:			
Barberton City School District	47,854,993	97.83%	46,816,540
Summit County	43,145,000	3.10%	1,337,495
Coventry Local School District	50,000,004	2.03%	1,015,000
Akron-Summit County Library District	31,630,000	0.08%	25,304
Norton City School District	9,800,000	0.13%	12,740
Akron Metro Regional Transit Authority	105,000	3.10%	3,255
Northwest Local School District	17,604,624	0.01%	<u>1,760</u>
Total overlapping debt			<u>49,212,094</u>
Total direct and overlapping debt			<u>\$ 51,544,818</u>

Source: Ohio Municipal Advisory Council

(a) The estimated percentage applicable to the City is calculated as each governmental unit's assessed valuation within the City divided by the governmental unit's total assessed valuation.

CITY OF BARBERTON, OHIO

*COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN YEARS*

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Assessed Value (a)	\$ 353,566,730	\$ 350,711,010	\$ 398,515,680	\$ 398,606,530
Legal debt margin:				
Debt limitation - 10.5% of Assessed Value	37,124,507	36,824,656	41,844,146	41,853,686
Outstanding Debt Obligations:				
General Obligation Bonds	2,960,005	3,845,005	5,430,005	6,960,011
Revenue Bonds	6,755,000	7,130,000	7,490,000	7,835,000
Special Assessment Bond	26,416	38,868	50,841	91,053
Notes	160,000	330,000	565,000	800,000
Capital Leases	448,245	577,916	234,272	418,769
OPWC/OWDA/SIB/HUD Loans	<u>5,372,576</u>	<u>5,687,837</u>	<u>3,843,223</u>	<u>910,509</u>
Gross Indebtedness (Total Voted and Unvoted Debt)	<u>15,722,242</u>	<u>17,609,626</u>	<u>17,613,341</u>	<u>17,015,342</u>
Less: Debt Outside Limitations				
Revenue Bonds	(6,755,000)	(7,130,000)	(7,490,000)	(7,835,000)
Special Assessment Bond	(26,416)	(38,868)	(50,841)	(91,053)
Notes	(160,000)	(330,000)	(565,000)	(800,000)
Capital Leases	(448,245)	(577,916)	(234,272)	(418,769)
OPWC/OWDA/SIB/HUD Loans	<u>(5,372,576)</u>	<u>(5,687,837)</u>	<u>(3,843,223)</u>	<u>(910,509)</u>
Total Debt Outside Limitations	<u>(12,762,237)</u>	<u>(13,764,621)</u>	<u>(12,183,336)</u>	<u>(10,055,331)</u>
Total Debt Applicable to 10.5% Limitation	2,960,005	3,845,005	5,430,005	6,960,011
Less: Amount Available in Debt Service Fund to pay debt applicable to limitation	<u>(37,627)</u>	<u>(1,067)</u>	<u>(2,658)</u>	<u>(60)</u>
Net Debt Within 10.5% Limitation	<u>2,922,378</u>	<u>3,843,938</u>	<u>5,427,347</u>	<u>6,959,951</u>
Overall Debt Margin Within 10.5% Limitation	<u>\$ 34,202,129</u>	<u>\$ 32,980,718</u>	<u>\$ 36,416,799</u>	<u>\$ 34,893,735</u>
Unvoted Debt Limitation - 5.5% of Assessed Valuation	\$ 19,446,170	\$ 19,289,106	\$ 21,918,362	\$ 21,923,359
Gross Indebtedness Authorized by Council	15,722,242	17,609,626	17,613,341	17,015,342
Less: Debt Outside Limitation:				
Total Debt Outside Limitation	<u>(12,762,237)</u>	<u>(13,764,621)</u>	<u>(12,183,336)</u>	<u>(10,055,331)</u>
Debt Within 5.5% Limitation	<u>2,960,005</u>	<u>3,845,005</u>	<u>5,430,005</u>	<u>6,960,011</u>
Unvoted Debt Margin Within 5.5% Limitation	<u>\$ 16,486,165</u>	<u>\$ 15,444,101</u>	<u>\$ 16,488,357</u>	<u>\$ 14,963,348</u>

Source: City of Barberton financial records

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

2009	2008	2007	2006	2005	2004
\$ 399,532,150	\$ 405,001,640	\$ 403,765,630	\$ 445,921,963	\$ 420,900,043	\$ 414,923,323
41,950,876	42,525,172	42,395,391	46,821,806	44,194,505	43,566,949
8,440,017	6,380,017	7,730,007	9,040,001	10,338,819	11,611,800
8,170,000	8,495,000	8,805,000	9,105,000	630,000	1,235,000
129,522	166,466	201,800	235,641	266,950	176,500
550,000	4,360,000	2,765,000	3,535,000	5,665,000	3,675,000
523,101	730,388	468,320	314,675	11,187	24,077
1,047,560	980,000	1,095,000	1,210,000	1,325,000	1,440,000
18,860,200	21,111,871	21,065,127	23,440,317	18,236,956	18,162,377
(8,170,000)	(8,495,000)	(8,805,000)	(9,105,000)	(630,000)	(1,235,000)
(129,522)	(166,466)	(201,800)	(235,641)	(266,950)	(176,500)
(550,000)	(4,360,000)	(2,765,000)	(3,535,000)	(4,652,000)	(2,459,000)
(523,101)	(730,388)	(468,320)	(314,675)	(4,652,000)	(2,459,000)
(1,047,560)	(980,000)	(1,095,000)	(1,210,000)	(630,000)	(1,440,000)
(10,420,183)	(14,731,854)	(13,335,120)	(14,400,316)	(10,830,950)	(7,769,500)
8,440,017	6,380,017	7,730,007	9,040,001	7,406,006	10,392,877
(428)	(23,302)	(18,797)	(3,189)	(503)	(21,518)
8,439,589	6,356,715	7,711,210	9,036,812	7,405,503	10,371,359
\$ 33,511,287	\$ 36,168,457	\$ 34,684,181	\$ 37,784,994	\$ 36,789,002	\$ 33,195,590
\$ 21,974,268	\$ 22,275,090	\$ 22,207,110	\$ 24,525,708	\$ 23,149,502	\$ 22,820,783
18,860,200	21,111,871	21,065,127	23,440,317	18,236,956	18,162,377
(10,420,183)	(14,731,854)	(13,335,120)	(14,400,316)	(10,830,950)	(7,769,500)
8,440,017	6,380,017	7,730,007	9,040,001	7,406,006	10,392,877
\$ 13,534,251	\$ 15,895,073	\$ 14,477,103	\$ 15,485,707	\$ 15,743,496	\$ 12,427,906

CITY OF BARBERTON, OHIO

*PLEDGED REVENUE BOND COVERAGE - SEWER FUND
LAST TEN YEARS*

SEWER OWDA LOANS:

<u>Year</u>	<u>Operating Revenue</u>	<u>Operating Expenses (a)</u>	<u>Net Revenue Available for Debt Service</u>	<u>Debt Service Requirements (b)</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2013	\$ 4,013,972	\$ 3,572,626	\$ 441,346	\$ 149,480	\$ 50,840	\$ 200,320	2.20
2012	4,120,440	3,731,016	389,424	100,406	49,804	150,210	2.59
2011 (d)	4,066,852	3,507,421	559,431	98,272	52,193	150,465	3.72

SEWER REVENUE BONDS:

<u>Year</u>	<u>Operating Revenue</u>	<u>Operating Expenses (a)</u>	<u>Net Revenue Available for Debt Service</u>	<u>Debt Service Requirements (b)</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2006 (c)	\$ 4,096,943	\$ 2,857,302	\$ 1,239,641	\$ 630,000	\$ 28,350	\$ 658,350	1.88
2005	4,087,566	2,798,713	1,288,853	605,000	55,273	660,273	1.95
2004	3,786,929	2,185,013	1,601,916	580,000	80,792	660,792	2.42

(a) Total operating expenses are exclusive of depreciation.

(b) Includes principal and interest of the bonds and loans only.

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

(d) The Sewer OWDA loans were issued during 2011; therefore the information prior to 2011 is not presented.

CITY OF BARBERTON, OHIO

*PLEDGED REVENUE BOND COVERAGE - WATER FUND
LAST TEN YEARS*

WATER REVENUE BONDS:

<u>Year</u>	<u>Operating Revenue</u>	<u>Operating Expenses (a)</u>	<u>Net Revenue Available for Debt Service</u>	<u>Debt Service Requirements (b)</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2013	\$ 5,797,344	\$ 3,365,022	\$ 2,432,322	\$ 375,000	\$ 314,879	\$ 689,879	3.53
2012	5,658,203	3,439,033	2,219,170	360,000	328,379	688,379	3.22
2011	5,067,878	3,199,032	1,868,846	345,000	341,316	686,316	2.72
2010	5,108,270	3,319,653	1,788,617	335,000	353,879	688,879	2.60
2009	4,595,933	3,212,261	1,383,672	325,000	366,066	691,066	2.00
2008	4,582,696	2,631,713	1,950,983	310,000	377,691	687,691	2.84
2007	4,246,190	3,087,191	1,158,999	300,000	388,941	688,941	1.68
2006 (c)	4,220,667	3,295,618	925,049	200,000	260,990	460,990	2.01

WATER OWDA LOANS:

<u>Year</u>	<u>Net Revenue Available for Debt Service</u>	<u>Debt Service Required for Revenue Bonds</u>	<u>Net Revenue Available for Debt Service</u>	<u>Debt Service Requirements (b)</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2013 (d)	\$ 2,432,322	\$ 689,879	\$ 1,742,443	\$ 134,055	\$ 64,542	\$ 198,597	8.77

- (a) Total operating expenses are exclusive of depreciation.
- (b) Includes principal and interest of the bonds and loans only.
- (c) The Water Revenue bonds were issued during 2006; therefore information prior to 2006 is not presented.
- (d) The Water OWDA loans were issued during 2013; therefore information prior to 2013 is not presented.

CITY OF BARBERTON, OHIO

*DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS*

Year	Population (a)	Personal Income	Per Capita Personal Income (b)	Annual Average Unemployment Rates (c)			
				City of Barberton	Summit County	Ohio	United States
2013	26,824	\$ 523,014,352	\$ 19,498	0.0%	0.0%	0.0%	0.0%
2012	26,824	\$ 515,584,104	\$ 19,221	8.0%	6.8%	7.2%	8.1%
2011	26,824	498,524,040	18,585	9.7%	8.5%	8.6%	8.9%
2010	26,824	509,441,408	18,992	11.6%	9.9%	10.1%	9.6%
2009	27,899	495,597,836	17,764	12.3%	9.8%	10.2%	9.3%
2008	27,899	495,597,836	17,764	7.4%	6.1%	6.5%	5.8%
2007	27,899	495,597,836	17,764	6.7%	5.4%	5.6%	4.6%
2006	27,899	495,597,836	17,764	6.2%	5.3%	5.5%	4.6%
2005	27,899	495,597,836	17,764	6.7%	5.7%	5.9%	5.1%
2004	27,899	495,597,836	17,764	7.0%	6.1%	6.2%	5.5%

Sources:

(a) U.S. Census Bureau 2000 & 2010.

(b) U.S. Census Bureau. Per capita personal income for 2013 is in 2012 dollars, the latest available.

(c) Ohio Job & Family Services, Ohio Labor Market Information.

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

Employer	2013			2004		
	Employees (a)	Rank (b)	Percentage of Total City Withholding Taxes	Employees (a)	Rank (c)	Percentage of Total City Employment
Babcock and Wilcox Power Generation Group	893	1	16.53%	1,361	1	10.98%
Summa Health Systems	1,684	2	12.31%	1,098	2	8.85%
Babcock and Wilcox Nuclear Operations	713	3	10.09%	(e)	(e)	(e)
Barberton Board of Education	715	4	4.66%	899	3	7.25%
Babcock and Wilcox Co.	192	5	3.47%	(e)	(e)	(e)
B&C Research Inc.	450	6	2.93%	410	6	3.31%
City of Barberton	341	7	2.66%	408	7	3.29%
Malco Products Inc.	175	8	1.55%	(e)	(e)	(e)
Preferred Compounding Corp Deronde Acq. Corp.	132	9	1.53%	(e)	(e)	(e)
Wright Tool Company	125	10	1.49%	(e)	(e)	(e)
Total	5,420		57.22%	4,176		33.68%
Total City Employment (d)	11,900			12,400		

Source: CCA Division of Taxation.

- (a) Based on W-2's reported.
- (b) Based on total withholding taxes paid.
- (c) Based on the number of employees.
- (d) Ohio Labor Market Information (OhioLMI.com).
- (e) Number of employees was not reported in 2004.

CITY OF BARBERTON, OHIO

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

Function/Program	2013	2012	2011	2010	2009	2008	2007	2006
General Government								
Clerk of Council	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Municipal Court - Judges	7.40	7.21	7.00	7.00	7.00	6.00	6.00	8.00
Municipal Clerk of Courts	12.23	10.58	10.34	12.34	14.31	11.28	11.28	12.30
Mayor	0.84	0.84	0.84	0.84	2.00	2.00	2.00	2.00
Service Director	0.34	0.34	0.34	0.34	0.84	0.84	0.84	1.30
Finance	4.00	4.00	4.00	5.00	5.00	5.20	5.20	5.20
Law	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Safety Director	0.34	0.34	0.34	0.34	1.00	0.50	1.00	1.00
Human Resources	0.27	0.27	0.27	0.27	1.00	1.50	-	-
Information Systems	0.50	0.89	0.89	0.89	0.91	0.93	0.93	0.90
Income Tax	-	-	-	1.00	1.00	1.00	1.00	1.00
Other	4.45	3.81	3.07	4.00	4.00	3.00	3.00	2.00
Public Safety								
Police/Dispatch	47.00	50.00	49.00	50.00	55.00	51.00	54.00	51.00
Fire	45.00	41.00	41.00	45.00	46.00	43.00	46.00	44.00
Health and Welfare								
Health District (a)	-	-	-	-	18.00	20.00	23.00	24.00
Transportation								
Signal	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Streets	12.00	10.00	13.00	13.00	13.00	19.00	16.00	13.00
Community Environment								
Engineering/Building	6.06	5.76	6.06	7.00	7.34	6.83	6.59	5.60
Planning	3.00	3.00	3.60	3.00	3.00	3.00	3.50	2.00
Leisure Time Activity								
Parks Administration	2.00	2.00	2.00	2.00	5.00	5.35	4.00	2.00
Parks Maintenance	6.00	6.00	5.00	6.00	6.00	5.00	4.00	5.00
Beautification	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-
Utility Services								
Water	30.32	31.65	28.15	29.15	30.50	28.65	28.53	29.50
Sewer	26.46	26.80	26.30	25.95	25.30	30.12	21.33	26.40
Storm Water	5.00	4.00	4.00	3.00	3.00	3.00	3.00	-
Solid Waste	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80
Community Center	-	-	-	-	-	-	-	2.00
Total	221.01	217.29	214.00	224.92	258.00	256.00	250.00	246.00

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

Source: City of Barberton records

<u>2005</u>	<u>2004</u>
1.00	1.00
8.00	8.00
13.30	12.30
2.00	2.00
1.30	1.30
5.20	4.60
3.00	3.00
1.00	1.00
1.00	1.00
1.70	1.70
2.60	4.60
2.00	2.00
53.00	55.00
46.00	46.00
24.00	24.00
2.00	4.00
15.00	22.00
5.60	6.60
3.00	3.00
2.00	3.00
6.00	7.00
-	2.00
30.00	27.40
26.00	25.20
-	-
0.30	0.30
2.00	2.00
<u>257.00</u>	<u>270.00</u>

CITY OF BARBERTON, OHIO

*OPERATING INDICATORS BY FUNCTION
LAST TEN YEARS*

Function	2013	2012	2011	2010	2009	2008	2007
General Government							
Positions Filled	22	13	13	12	10	9	22
Building Permits Issued	830	805	653	916	843	1,008	293
Building Inspections Performed	7,792	7,880	6,777	9,660	6,924	2,762	1,593
Ordinances & Resolutions	217	232	201	204	248	231	213
Public Safety							
Police:							
Physical Arrests	1,885	2,128	2,154	2,123	2,154	2,149	2,062
Parking Violations	2,091	1,389	1,153	1,340	1,414	1,476	1,560
Traffic Violations	1,443	1,833	971	1,919	1,972	2,579	1,724
Fire:							
Emergency Responses	3,820	3,854	3,991	3,907	3,909	3,479	4,022
Fire Responses	621	661	594	512	505	611	749
Inspections conducted	180	280	380	940	930	819	124
Leisure Time Activities							
Recreation Center Attendance	8,036	7,036	6,936	6,215	6,333	5,735	N/A
Recreation Center Memberships	1,232	1,159	1,145	1,011	1,288	999	701
Transportation							
Street Resurfacing (miles)	1.91	1.80	4.37	0.41	1.13	1.66	1.42
Tons of salt used	3,404	3,206	2,203	4,352	3,100	4,049	2,750
Water							
New Connections	19	40	14	37	47	32	60
Water Main Breaks	67	127	126	124	125	128	131

Source: City of Barberton Departments.

<u>2006</u>	<u>2005</u>	<u>2004</u>
21	2	13
504	550	629
2,016	2,200	2,516
250	214	202
2,381	2,170	2,040
273	890	1,697
2,110	2,324	2,950
3,754	3,571	3,558
583	599	692
729	685	700
N/A	N/A	N/A
998	1,459	1,883
2.64	1.80	0
2,366	4,433	3,837
81	110	90
124	84	93

CITY OF BARBERTON, OHIO

*CAPITAL ASSETS STATISTICS BY FUNCTION
LAST TEN YEARS*

Function	2013	2012	2011	2010	2009	2008	2007
Public Safety							
Police Stations	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fire Stations	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Leisure Time Activities							
Parks	16.00	16.00	16.00	16.00	16.00	16.00	16.00
Park Acreage	161.00	161.00	161.00	161.00	161.00	161.00	161.10
Tennis Courts	6.00	6.00	6.00	6.00	6.00	8.00	8.00
Baseball Diamonds	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Softball Fields	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Transportation							
Streets (Paved Miles)	130.99	130.99	130.99	130.99	130.99	130.99	130.99
Water							
Water Mains (miles)	137.50	137.50	137.50	137.50	137.50	137.50	136.70
Sewer							
Sanitary Sewers (miles)	92.50	92.50	92.50	92.50	92.50	92.50	91.25

Source: City of Barberton Departments.

<u>2006</u>	<u>2005</u>	<u>2004</u>
1.00	1.00	1.00
2.00	2.00	2.00
15.00	15.00	15.00
140.00	140.00	140.00
8.00	8.00	8.00
3.00	3.00	3.00
12.00	12.00	12.00
130.99	128.35	126.55
136.37	135.97	135.97
91.25	91.25	91.25

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