

# City of Avon



AVON POLICE  
DEPARTMENT



## COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended December 31, 2008, for the City of Avon, Ohio

# Introduction



James A. Smith  
Mayor



Clint Pelfry  
at Large



Daniel Urban  
Ward 4



Mark Yonchak  
Ward 3



Dennis McBride  
Ward 2



Kevin Flanigan  
at Large



Bryan Jensen  
Ward 1



Craig Witherspoon  
Council President  
at Large



Financial Department—Back Row: Virginia Schneider,  
Barb Kraus, Fran Sikora, Jean Payne, Loretta Stockard  
Front Row: June Mitchell, William Logan, Randi Simkovich

**City of Avon, Ohio**

*Comprehensive Annual Financial Report*

For The Year Ended December 31, 2008

Prepared by:

Office of the Director of Finance

William D. Logan  
Director of Finance

**City of Avon, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2008*  
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# CITY OF AVON

36080 CHESTER ROAD • AVON, OHIO 44011-1099 • (440) 937-7800 • FAX (440) 937-7824

June 29, 2009

Members of City Council and  
Citizens of Avon  
Avon, Ohio 44011-1588

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2008.

This report enables the City to comply with Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a GAAP (Generally Accepted Accounting Principles) basis, and Ohio Revised Code Section 117.38 which requires the cities reporting on a GAAP basis to file unaudited basic financial statements with the Auditor of State within 150 days of the fiscal year end. This report is submitted to satisfy that requirement for the year ended December 31, 2008.

Management assumes full responsibility for both the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Under Ohio law, regular audits are required to be performed on all financial related operations of the City. These audits may be done by either the State Auditor's Office or, if the State Auditor permits, an independent public accounting firm. For the year 2008, the City of Avon was audited by the Auditor of State's Office.

Management's discussion and analysis (MD&A) immediately follows the independent accountant's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal, and should be read in conjunction with it.

## **Profile of the Government**

The City of Avon was founded in 1814, incorporated as a village in 1917, and achieved city status in 1961. The City of Avon is located in Lorain County in northeast Ohio, 22 miles west of downtown Cleveland. The City is bound on the north by the City of Avon Lake, on the east by the City of Westlake, on the west by the Village of Sheffield, and on the south by the City of North Ridgeville. The City covers 20.5 square miles, or a total of 16,000 acres. Avon is between 625 and 700 feet above sea level. The French Creek waterway runs throughout the City's relatively flat topography.

Avon is a Charter Municipal Corporation established and operated under the laws of the State of Ohio. A charter was first adopted by the electorate on May 2, 1961. The charter provides for a Mayor-Council form of government. The elected officials consist of a Mayor and seven council members.

The Mayor is the City's chief executive officer and is elected to a four-year term. The Mayor supervises the administration of all departments and appoints department heads and public members of administrative boards, upon confirmation by Council. As the chief conservator of the peace, he oversees the enforcement of all laws and ordinances. He also executes all contracts, conveyances, and evidences of indebtedness of the City. A magistrate presides over the mayor's court and reports to the Mayor.

Legislative authority is vested in a seven-member council with four members elected from wards and three elected at large. The member receiving the greatest number of votes becomes Council president. Council enacts ordinances and resolutions relating to tax levies, appropriates and borrows money, and accepts bids for materials and services and other municipal purposes. Members of Council are elected to a two-year term.

The City's Service Department works hard to respond to the needs of the residents, providing street maintenance, snow removal and maintenance of City facilities, among other services.

Security is foremost on the minds of our full-time Police Department and Fire Department. Avon takes pride in its low crime rate and rapid response by both police and fire units.

The City provides a full range of other municipal services. These services include a Mayor's Court, parks and recreation, water and sewer utility, planning, zoning, a Senior Center and general administrative services.

A number of major state and county roads traverse the City of Avon, including Interstate 90, Ohio State Routes 83, 254 and 611, and the Ohio Turnpike which is approximately ten miles from the City. The City of Avon is serviced by two airports, Cleveland Hopkins International Airport, 16 miles east, and Lorain County Regional Airport, 15 miles southwest.

Shopping centers in the City of Avon include Avon Commons, Avon Crossings (opened in 2008), French Creek Square, and 2100 Place located in the center of town. In addition, several large shopping centers are located within ten minutes of the City: Avon Lake, two miles; North Ridgeville, six miles, the Promenade and Crocker Park in Westlake, two miles; Great Northern Shopping Center, North Olmsted, ten miles and Midway Mall, Elyria, eight miles. Located within the City are branches of First Merit Bank, Fifth Third Bank, The First Federal Savings and Loan of Lorain, Parkview Federal Savings Bank, PNC Bank, Dollar Bank, Lorain National Bank, Key Bank, and First Federal of Lakewood. Opening soon is a Third Federal Savings & Loan.

St. John West Shore Hospital, Westlake and Community Health Partners Hospital, Lorain, are located within six miles of the City while Elyria Memorial Hospital is within ten miles of the City. The Cleveland Clinic is approximately twenty-five miles from the City. In 1999 Elyria Memorial Hospital constructed a new Center for Health and Fitness in Avon, and is recognized as the premier medical based facility in Northeast Ohio. It encompasses special programming and services, including cardiac rehab program, integrated weight management and Bariatric services, Sports Therapy and outpatient testing services, and an emergency room facility.

Institutions of higher education within Lorain County include Lorain County Community College in Elyria, approximately five miles west of Avon; Southeastern Business College in Lorain, approximately twelve miles west of the City, and Oberlin College in Oberlin, approximately twenty miles southwest of Avon. Both Lorain County Community College and Southeastern Business College are junior colleges (two-year degree programs and/or certificate studies), and Oberlin College is a four-year institution with a fine arts discipline. Lorain County Community College is a public institution while Southeastern Business College and Oberlin College are proprietary schools. Lorain County Community College offers a

University Partnership Program where students can coordinate their educational program with a number of universities including: University of Akron, Ashland University, Cleveland State University, Kent State University, Ohio State University and Youngstown State University.

### **Economic Conditions and Outlook**

Residential and commercial growth slowed in 2008 but remains relatively strong despite the economic slowdown. The economic outlook is optimistic.

The number of new single-family home permits for the year 2008 was 142 with a valuation of \$36,542,073 compared to 179 single-family home permits issued the previous year with a valuation of \$36,996,994.

New and existing residential projects continue and expand in various stages including but not limited to: Amberwood, Arlington Estates, Augusta Woods, Arbor Acres, Avenbury Lakes, Bentley Park, Camelot, Cottage Gate, Creekside, Centennial Village, Greenview Estates, Halsted Village, Hawkesbury Lane, Highland Park, Napa Estates, Orchard Trail, Palmer Village, Stonebridge, Stonewheel Estates, Village at Creekside, Vineyard Estates and Willow Creek.

Commercial permits were issued in 2008 with a valuation of \$31,396,280. Contributing to the growth of commercial permits were an Arby's Restaurant, an Auto Zone Store, additions to Kaiser Permanente offices and All Pro Freight facility, Enger Tire, Martin's Deli, Kindercare, a Third Federal Savings and Loan, and a new Post Office.

The assessed valuation of the City of Avon has been growing steadily over the past ten years, as can be seen in the Statistical Section of this report. The assessed valuation grew from \$747,082,240 in 2007 to \$769,198,970 in 2008. The 2008 personal property assessed valuation has been reduced by \$9,827,280 due to the State of Ohio no longer taxing tangible personal property. After allowing for this, the real property assessed valuation increased by \$22,116,730.

### **Relevant Financial Policies**

The budget must be structurally balanced so that revenues support expenditures. Budgetary appropriations may not exceed estimated resources, with a balanced budget maintained in each fund.

The budget is controlled at the object level within each fund and any changes at this level may only be made by resolution of the City Council. The budget may be amended or supplemented at any time during the year upon formal action of Council. Transfers of cash between funds also require City Council authorization.

### **Major Initiatives**

In 2008 the City of Avon began construction on the Recreation Complex including a minor league baseball stadium and a YMCA in conjunction with the Greater Cleveland YMCA and surrounding infrastructure improvements. A Post Office was constructed in 2008 by the City, and will be leased to the U.S. Postal Service. We began a road widening and waterline replacement project on Detroit Road in the heart of the City in 2008 with completion expected by September, 2009.

The City's full-time fire department averaged over 150 calls per month in 2008 (both fire and rescue squad). Having the Elyria Memorial Hospital emergency facility in our City has cut down response time and keeps our units more available for back-to-back calls. The department continues to transport to other area hospitals upon request.

The Avon Fire Department has a number of non-emergency services for our citizens. The Department is involved in the File of Life Program. This program allows for citizens to obtain a capsule to document and store all medical information in the "frig" for emergency personnel to utilize in case of an emergency. Smoke detectors can be obtained for free at the Department and a Lockbox Program has been established with the help of the Avon Senior Citizens Association. The Lockbox Program allows for seniors to have a lockbox mounted to their house by Fire Department personnel with a key to their residence locked inside. A master key to the lockbox is kept in the Fire Department and the lockbox is only opened in the case of an emergency. Members of the Department provide training in CPR, the proper use of fire extinguishers and proper child car seat installation.

The Police initiated a program to actively find ways to reduce traffic accidents. Through the program they participated in the Ohio Department of Public Safety's "Click It or Ticket" campaign to help maintain awareness of the dangers of not wearing seat belts. The Department also increased enforcement on traffic violations occurring in the City. They plan to continue this program into 2009 and begin targeting areas where crashes most frequently occur.

The Police Department's canine program has been a success. Through the generous donations of many residents and businesses, the program raised enough funds to purchase a male German Sheppard.

Despite the economy, commercial construction has been steady. Additions to existing buildings in the City's industrial areas contributed to growth in the area. Once again, the Avon School system is looking to expand as they have purchased land for a new school with construction expected in the next year or so. Also contributing to the growth in the City is the construction at Avon Crossing Shopping Plaza, which includes a J.C.Penney, a Lowe's Home Improvement, an Arby's, an Auto Zone and a Petco Store soon to come. The City Centre shopping plaza located by the water tower is in the early stages of construction and will eventually house small retail and commercial businesses.

The new Avon Police Station opened in 2008, providing much needed space and efficiencies for a rapidly growing department. The new police station includes rooms for officer training, prisoner holding cells, state of the art evidence processing room, modern dispatch center and many other amenities that had been sorely needed.

The Avon Senior Center provides programs and activities for anyone 55 and over. The Center provides these services which include educational seminars and health screenings to serve the approximately 5,000 older adults in Avon.

The Senior Center multi-purpose room is used for movies, cards, small educational seminars, and the adult health clinic appointments, just to name a few. The craft room allows seniors to participate in classes such as mosaic glass cutting, tole painting and jewelry making. Additionally, the Center has a fully functioning computer lab where seniors can come and check their emails, surf the net, practice what they've learned in between their computer classes, get some pointers from the computer coach and print out work through the network printer.

In 2008 the Senior Center purchased a transit bus and implemented a transportation program to assist seniors and persons with disabilities in the City.

## **Avon Recreation Complex**

In November of 2007 the voters of Avon passed a .25 percent income tax for the purpose of building a recreation complex on the western side of the City at the intersection of State Route 611 and Miller Road, a short distance off of Interstate 90. The first phase of the complex will consist of a recreation center and a baseball stadium. The Lake Erie Crushers of the Frontier League will begin play in the stadium in June, 2009. Additionally, the stadium will be utilized for numerous public events including high school baseball games, fireworks displays and other events.

The stadium will be owned by the City, but the team will take financial responsibility for all operational expenses. The Frontier League has signed a 15 year lease agreement with the City of Avon for use of the stadium, with a provision for extensions beyond the original term.

The recreation center is being built in partnership with the Greater Cleveland YMCA, but will be owned by the City. The City's share of the construction cost is estimated at \$8.5 million and the YMCA share is approximately \$5.5 million. In addition to sharing the cost of construction, the YMCA will cover all operational costs and manage all of the programs. Membership will be open to the surrounding area in order to help defray operational costs. The Greater Cleveland YMCA and the City of Avon have entered into a 20 year Operating Agreement with a provision for extensions beyond the original term.

The City is responsible for the construction of these facilities, but by partnering with these two organizations that will be responsible for the operations, the City will save significant monies. This will allow for desirable recreational amenities with a significantly lower financial burden on the City.

## **Long-Term Financial Planning**

The City recently issued long-term bonds for the construction cost of the recreation complex facilities mentioned above, along with the Post Office and the Detroit Road widening project. Revenue to pay the debt service on these bonds includes the additional recreational income tax, lease payments from the Lake Erie Crushers and from the U.S. Postal Service, and Tax Incentive Financing PILOT payments (TIF).

As part of the City's long-term planning, TIF Agreements have been implemented for much of the remaining un-developed property. The expected future PILOT payments will contribute to infrastructure improvements and to debt service on existing bonds.

The City is working towards the construction of an interchange at Lear Nagle Road and Interstate 90, at the eastern end of the City. This project will be managed by the Ohio Department of Transportation and will be a joint effort between a local developer and the City of Avon. The total cost of the interchange will approximate \$30,000,000.

The City's financial operations will remain strong due to their historically steady rate of income tax growth, expected future expansion of commercial and industrial employers and a demonstrated track record of sound budgeting and financial management.

## **Awards and Acknowledgments**

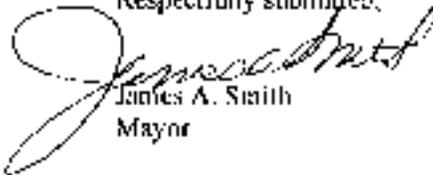
The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to a governmental unit that publishes an easily readable and efficiently organized Comprehensive Annual Financial Report which conforms to

program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. The City of Avon received the Certificate of Achievement for its 2007 Comprehensive Annual Financial Report. A Certificate of Achievement is valid for a period of one year. The City of Avon believes the current report continues to conform to the requirements and standards of the Certificate of Achievement Program and has submitted it to the GFOA to determine its eligibility for another Certificate of Achievement.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department and the supervisors of the other City departments. The preparation of the Comprehensive Annual Financial Report requires a major effort, and we would like to express our appreciation to everyone who assisted and contributed to the presentation of this year's report. Special acknowledgment is extended to the Local Government Services Section of the Office of the Auditor of State for their continued guidance in the preparation of this report.

We are happy to report that the City's financial policies and management, combined with a strong local economy, have enabled Avon to continue to improve its already sound financial condition. In addition, the prospects for continuing this trend are encouraging. Each year we renew our commitment to implement responsible and progressive changes in order to improve our responsiveness to the citizenry and to insure the financial stability of the community. We extend our appreciation to City Council for its continued support and commitment to responsible fiscal reporting.

Respectfully submitted,



James A. Smith  
Mayor



William D. Logan  
Finance Director

**City of Avon, Ohio**  
*Principal Officials*  
*December 31, 2008*

***Elected Officials:***

Mayor.....	James A. Smith
President of Council .....	Clinton Pelfrey
Councilman at Large.....	Kevin Flanigan
Councilman at Large.....	Craig Witherspoon
Councilman – Ward I.....	Bryan Jensen
Councilman – Ward II .....	Dennis McBride
Councilman – Ward III.....	Mark Yonchak
Councilman – Ward IV.....	Daniel Urban

***Directors:***

Director of Law.....	John A. Gasior
Director of Finance .....	William D. Logan
Director of Public Safety .....	Robert E. Allen
Director of Public Service .....	Gerald W. Plas
Director of Parks and Recreation.....	Michele Spiroff

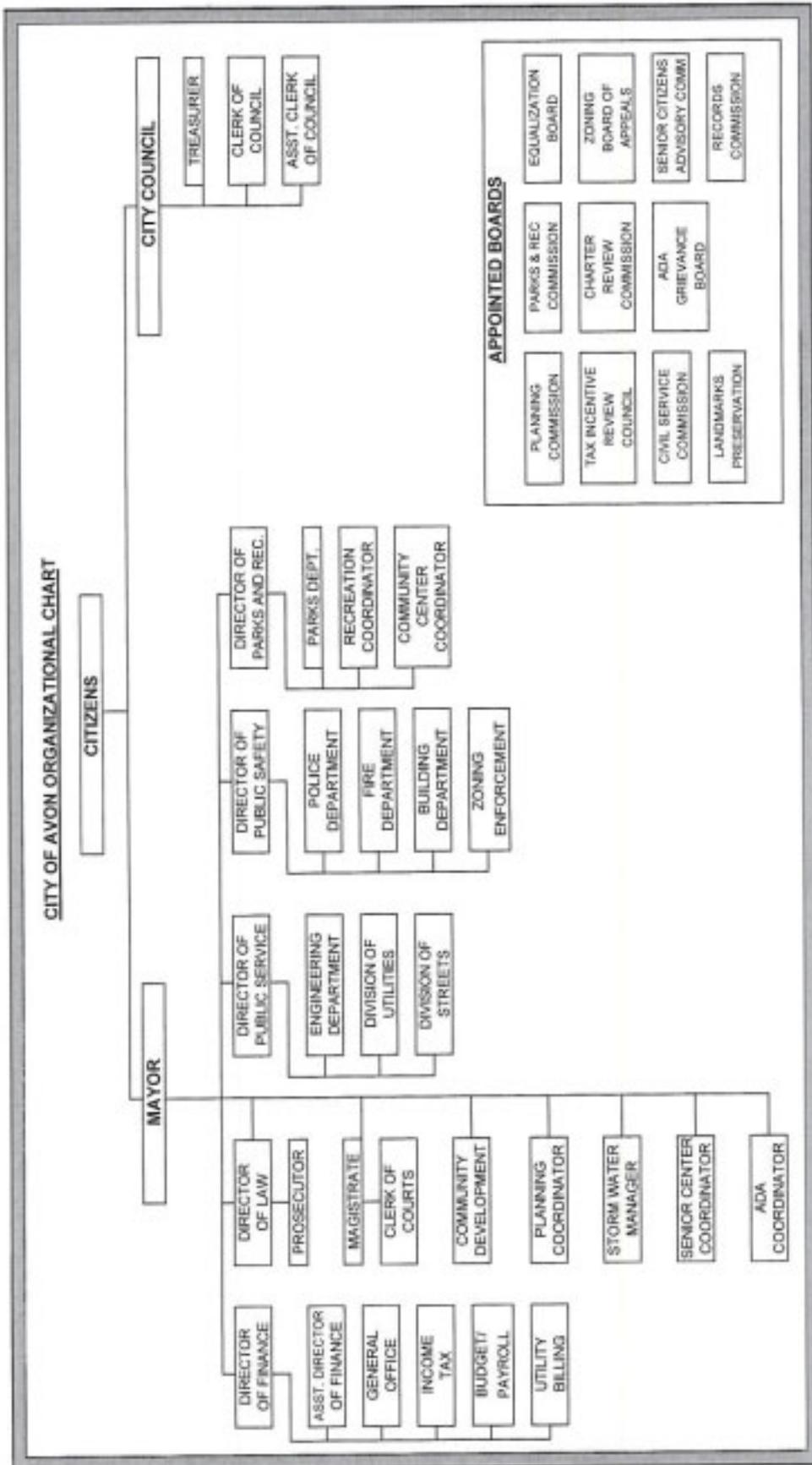
***Chairmen, Boards and Commissions:***

Board of Zoning and Building Appeals.....	Randy Fratianne
Planning Commission.....	Carolyn Witherspoon
Civil Service Commission .....	Pete Kratt
Park and Recreation Commission.....	Kevin Flanigan

***Other Staff Members:***

Treasurer.....	Barbara A. Kraus
City Consulting Engineer .....	Michael C. Bramhall
Superintendent of Utilities.....	David A. Conrad
Superintendent of Streets.....	William M. Biro
Secretary to the Mayor.....	Sandra K. Martin
Clerk of Council .....	Ellen R. Young
Clerk of Court.....	Jill K. Clements
Assistant Director of Finance .....	June F. Mitchell
Clerk Secretary of Planning Commission and Zoning Board of Appeals .....	Dorothy A. Bommer
Zoning Enforcement Officer.....	Timothy T. Krugman
Prosecutor .....	Anthony L. Manning
City Magistrate .....	Daniel P. Stringer
Chief of Police .....	Paul T. Romond
Police Captain.....	Richard A. Bosley
Chief of Fire.....	Frank Root, III
Assistant Chief of Fire .....	Timothy L. Golay
Chief Building Inspector.....	Kenneth A. Miller

**CITY OF AVON ORGANIZATIONAL CHART**



Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

City of Avon  
Ohio

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

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



President

Executive Director

# Financial

Chris Barton and Lennox

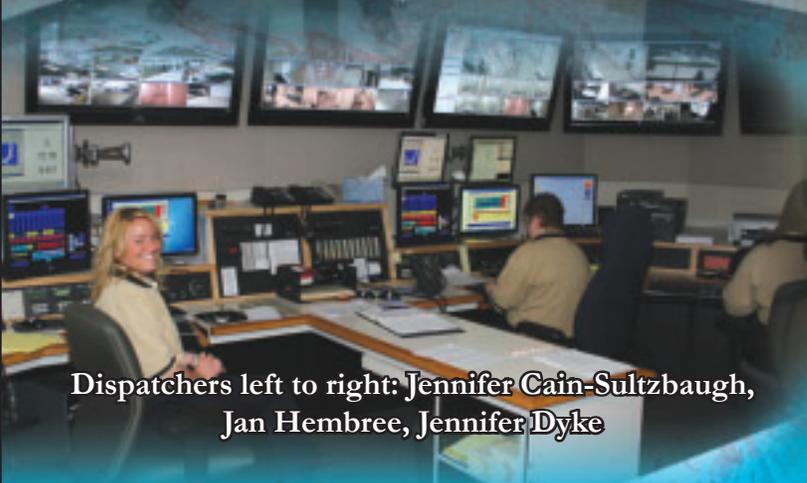


Left to Right: Chief Paul Romond, Administrative Assistant Candice Johnson, Captain Richard Bosley

Armed Service Plaque



Patrol Officers left to right: Kevin O'Neill, Mindy Senquiz-Reiber, Eric Bergen, Mike Reinker, Kevin Krugman



Dispatchers left to right: Jennifer Cain-Sultzbaugh, Jan Hembree, Jennifer Dyke



Police Officers left to right: Eric Bergen, Josh Stell, Norm Elias



# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

City of Avon  
Lorain County  
36080 Chester Road  
Avon, Ohio 44011

To the Members of City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Avon, Lorain County, Ohio, (the City) as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Avon, Lorain County, Ohio, as of December 31, 2008, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General Fund and the Fire Department and the Street Construction, Maintenance and Repair special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, the City restated the January 1, 2008 net assets of the Governmental Activities due to an overstatement of an OPWC loan payable and understatements of special assessments receivable, payment in lieu of taxes receivable, and the Avon Local School District payable.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2009, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

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

A handwritten signature in cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

June 29, 2009

**City of Avon, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2008*  
*Unaudited*

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The discussion and analysis of the City of Avon's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2008. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

## **Financial Highlights**

Key financial highlights for fiscal year 2008 are:

- Income Taxes totaled \$9,416,401 in governmental activities, an increase of \$1,623,220 or 20.83 percent from 2007.
- Total assets increased by \$38,426,317, a 29.71 percent increase over 2007.
- Total net assets decreased \$2,879,696 or 2.98 percent from 2007.
- Total capital assets increased by \$13,683,413 or 15.41 percent from 2007.
- Total outstanding debt increased \$36,668,197 over 2007, an increase of 144.35 percent.

## **Using This Comprehensive Annual Financial Report (CAFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the City of Avon as a financial whole or an entire operating entity. The statements here proceed to provide an increasingly detailed look at our specific financial conditions.

The *Statement of Net Assets* and *Statement of Activities* provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell 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 non-major funds presented in total in one column.

## **Reporting the City of Avon as a Whole**

### **Statement of Net Assets and Statement of Activities**

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did the City do financially during 2008?" The *Statement of Net Assets* and the *Statement of Activities* answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting method used by the private sector. The basis of this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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These two statements report the City's net assets and the changes in those assets. The changes in assets are important because it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished. However, in evaluating the overall position of the City, non-financial information such as changes in the City's tax base and the condition of the City capital assets will also need to be evaluated.

The *Statement of Net Assets* and the *Statement of Activities* are divided into the following categories:

- Assets
- Liabilities
- Net Assets (Assets minus Liabilities)
- Program Revenue and Expenses
- General Revenues
- Net Assets Beginning of Year and Year's End

## **Reporting the City of Avon's Most Significant Funds**

### ***Fund Financial Statements***

The presentation of the City's funds begins on page 9. Fund financial statements provide detailed information about the City's major funds based on the restrictions on the use of monies. The City has established many funds which account for the multitude of services, facilities and infrastructure provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of Avon, the major funds are the general, fire department, street construction, maintenance and repair, special assessment bond retirement, police station project, recreation center construction, baseball stadium project, recreation complex infrastructure, water and sewer.

### ***Governmental Funds***

Most of the City's activities are reported in the governmental funds that focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. Governmental funds are reported using an accounting method called modified accrual accounting which measures cash and all other financial assets that are expected to be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future on services provided to our residents. The relationship (or differences) between governmental activities (reported in the *Statement of Net Assets* and the *Statement of Activities*) and governmental funds is reconciled in the financial statements.

### ***Proprietary Funds***

Proprietary funds (the water and sewer funds) have historically operated as enterprise funds using the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in the statements for the City as a whole.

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**The City of Avon as a Whole**

The *Statement of Net Assets* looks at the City as a whole. Table I provides a summary of the City's net assets for 2008 compared to 2007.

**Table I**  
**Net Assets**

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Current and Other Assets	\$60,834,097	\$34,913,301	\$4,493,515	\$5,614,285	\$65,327,612	\$40,527,586
Capital Assets, Net	73,406,418	60,066,555	29,086,224	28,742,674	102,492,642	88,809,229
<i>Total Assets</i>	<u>134,240,515</u>	<u>94,979,856</u>	<u>33,579,739</u>	<u>34,356,959</u>	<u>167,820,254</u>	<u>129,336,815</u>
Current and Other Liabilities	9,859,343	6,316,448	331,151	1,027,266	10,190,494	7,343,714
Long-Term Liabilities:						
Due Within One Year	1,305,268	1,015,469	298,136	274,600	1,603,404	1,290,069
Due In More Than One Year	60,615,266	21,788,188	1,606,137	2,287,317	62,221,403	24,075,505
<i>Total Liabilities</i>	<u>71,779,877</u>	<u>29,120,105</u>	<u>2,235,424</u>	<u>3,589,183</u>	<u>74,015,301</u>	<u>32,709,288</u>
Invested in Capital Assets, Net of Related Debt	20,640,517	50,184,764	27,306,773	25,494,999	47,947,290	75,679,763
Restricted:						
Capital Projects	26,983,261	2,474,044	0	0	26,983,261	2,474,044
Debt Service	5,299,686	2,255,097	0	0	5,299,686	2,255,097
Other Purposes	3,742,348	5,090,688	0	0	3,742,348	5,090,688
Unrestricted	5,794,826	5,855,158	3,980,420	5,272,777	9,775,246	11,127,935
<i>Total Net Assets</i>	<u>\$62,460,638</u>	<u>\$65,859,751</u>	<u>\$31,287,193</u>	<u>\$30,767,776</u>	<u>\$93,747,831</u>	<u>\$96,627,527</u>

Total assets increased by \$38,426,317 from 2007 to 2008. The increase was due to additions to capital assets including the completion of the police station, the baseball stadium and surrounding infrastructure, a municipal Post Office, Detroit Road widening and other smaller city projects.

Total liabilities increased by \$41,306,013. The City issued \$39,120,000 in notes during 2008 for the projects mentioned in the preceding paragraph.

Total net assets decreased \$2,879,696 with governmental net assets comprising of (\$3,399,113) and business-type activities comprising \$519,417 of that amount. The decrease in governmental net assets was primarily due to the increased activity with capital projects. The increase in business-type activities net assets is primarily due to a reduction of long-term liabilities of \$657,644.

Table 2 shows the changes in net assets for the year ended December 31, 2008. Total revenues increased \$1,431,847 or 6.31 percent. Total expenses increased \$5,457,800 or 25.33 percent.

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**Table 2**  
**Changes in Net Assets**

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
<b>Revenues</b>						
Program Revenues:						
Charges for Services	\$1,995,793	\$2,960,636	\$3,466,784	\$3,617,722	\$5,462,577	\$6,578,358
Operating Grants and Contributions	2,058,973	1,260,822	0	0	2,058,973	1,260,822
Capital Grants and Contributions	0	0	1,095,220	363,836	1,095,220	363,836
Total Program Revenues	4,054,766	4,221,458	4,562,004	3,981,558	8,616,770	8,203,016
General Revenues:						
Property Taxes	3,820,151	3,768,102	0	0	3,820,151	3,768,102
Municipal Income Taxes	9,416,401	7,793,181	0	0	9,416,401	7,793,181
Grants and Entitlements	1,139,985	940,842	0	0	1,139,985	940,842
Investment Earnings	865,425	1,151,966	49,163	261,204	914,588	1,413,170
Miscellaneous	185,009	501,637	33,858	74,967	218,867	576,604
Total General Revenues	15,426,971	14,155,728	83,021	336,171	15,509,992	14,491,899
Total Revenues	19,481,737	18,377,186	4,645,025	4,317,729	24,126,762	22,694,915
<b>Program Expenses</b>						
General Government	2,968,222	2,269,262	0	0	2,968,222	2,269,262
Security of Person and Property	7,572,725	6,789,884	0	0	7,572,725	6,789,884
Transportation	6,638,018	4,449,451	0	0	6,638,018	4,449,451
Community Development	1,680,851	1,256,537	0	0	1,680,851	1,256,537
Basic Utility Services	848,296	430,858	0	0	848,296	430,858
Leisure Time Activities	1,217,094	829,313	0	0	1,217,094	829,313
Interest and Fiscal Charges	1,761,494	757,830	0	0	1,761,494	757,830
Water	0	0	2,594,517	2,757,452	2,594,517	2,757,452
Sewer	0	0	1,725,241	2,008,071	1,725,241	2,008,071
Total Expenses	22,686,700	16,783,135	4,319,758	4,765,523	27,006,458	21,548,658
Increase (Decrease) in Net Assets						
Before Transfers	(3,204,963)	1,594,051	325,267	(447,794)	(2,879,696)	1,146,257
Transfers	(194,150)	(230,000)	194,150	230,000	0	0
Increase (Decrease) in Net Assets	(3,399,113)	1,364,051	519,417	(217,794)	(2,879,696)	1,146,257
Net Assets, January 1	65,859,751	64,495,700	30,767,776	30,985,570	96,627,527	95,481,270
Net Assets, December 31	\$62,460,638	\$65,859,751	\$31,287,193	\$30,767,776	\$93,747,831	\$96,627,527

Program revenues represent approximately 20.81 percent of total revenues for governmental activities. This is a 6.01 percent increase in program revenues from the prior year. This increase is primarily reflected in Operating Grants and Contributions. While program revenues provide considerable assistance in the provision of governmental services, the burden of governmental support is met by general revenues such as property taxes, municipal income taxes, and unrestricted grants and entitlements. General revenues increased 8.98 percent from the prior year; much of this increase in income taxes is due to an increase in the City income tax rate by .25%, but also due to increased employment and increased population in the City. By far, the City's largest revenue source is municipal income taxes which provides 61.04 percent of general revenues and 48.33 percent of total revenues overall.

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The two largest governmental activities expenses are related to security of person and property for 33.38 percent and transportation for 29.26 percent. The increase in security of person and property costs is a result of wage increases and an equity adjustment made to Fire Department employees as per the new contract. Transportation expenses increased as the City continued its major street maintenance and repair programs, including the widening of Detroit Road.

Program revenues make up a significant portion of the total revenues for business-type activities. Capital grants and contributions increased over 300 percent from the prior year as a result of the City's growth in both commercial and residential usage.

**GOVERNMENTAL ACTIVITIES**

Several revenue sources fund the City's governmental activities with City income tax being the largest contribution. The income tax rate of 1 percent was established by City Ordinance No. 371-68, passed February 28, 1968. The Income Tax Ordinance was amended on November 2, 1993 requiring proposed tax rate changes be submitted to the electors of the City for approval or rejection. On November 6, 2002 the electors approved an increase in the income tax rate to 1-1/2 percent from 1 percent and a change in the tax credit for residents having income taxable in another community. In 2008, the revenue from income taxes increased by \$1,623,220 from \$7,793,181 to \$9,416,401. This increase mainly reflects an increase in earned income from the general population of the City, along with a .25% increase in the City income tax rate to go toward the City's parks and recreation operations and improvements.

The City of Avon continues to be very aggressive in collecting delinquent income tax. The City has a strong economic development program which supports the outstanding growth and increasing income tax revenues. The number of businesses, be they industrial or commercial, large or small, provide the City with an income tax base that can sustain the loss of any major tax paying entity and still be able to meet the financial needs of the City.

Total revenues for governmental activities for 2008 were \$19,481,737. Income tax made up 48.33 percent, property taxes accounted for 19.61 percent, charges for services accounted for 10.24 percent, operating grants accounted for 10.57 percent; and the remaining 11.25 percent consists of grants and entitlements, investments and miscellaneous revenues. Charges for services represents receipts from the Mayor's Court, cable television, building permits, park development fees, recreation fees, emergency rescue fees, county health fees, contractor registration, New Community Baptist Church rental fees, community center fees, retention and rental fees.

Total governmental activities program expenses for 2008 were \$22,686,700. Security of persons and property expenses accounted for program expenses of \$7,572,725 which is 33.38 percent of the total governmental activity expenses for the City. Transportation expenses represent 29.26 percent, followed by general government expenses at 13.08 percent.

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Transportation expenses were for the depreciation, maintenance and repairs to the City's roads and infrastructure. The City paid for these projects primarily from the City's general revenues, a part of which is provided by the City income tax. The City takes great pride in maintaining its streets in above average condition and continues to set aside money towards future capital maintenance and repairs.

The Police Department is very efficient and continues to operate within its operating budget. The department has an equipment levy that is utilized to purchase two new vehicles per year. The money is also used to purchase equipment that will better serve our community and provide extra safety for the police officers. The Police Department is funded from revenues transferred from the general fund. A five-year operating levy generated revenue for the Police Department. Complementing the Police operating levy was a five-year one-half mill equipment levy which provided revenues reported in the equipment capital projects fund.

The Fire Department is funded with income tax revenues. In November 2002, the electors approved changes to the City's income tax laws to construct a new building and to operate the department. During 2008, the department received income tax revenue to support the operations. The Fire Department also has an equipment levy that is used to purchase vehicles for both the Fire Department and the rescue squad. The department received revenue from the equipment tax levy, reported in the equipment capital projects fund. The department continues to upgrade emergency fire and rescue equipment to better serve the community.

Table 3 indicates the total cost of services and the net cost of services for governmental activities. The statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues

**Table 3**  
**Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2008	2007	2008	2007
General Government	\$2,968,222	\$2,269,262	\$1,727,651	\$985,945
Security of Persons and Property	7,572,725	6,789,884	7,307,968	6,676,987
Transportation	6,638,018	4,449,451	5,255,992	3,431,656
Community Environment	1,680,851	1,256,537	1,047,079	630,336
Basic Utility Services	848,296	430,858	668,077	430,408
Leisure Time Activities	1,217,094	829,313	863,673	475,494
Interest and Fiscal Charges	1,761,494	757,830	1,761,494	757,830
Total Cost of Services	<u>\$22,686,700</u>	<u>\$16,783,135</u>	<u>\$18,631,934</u>	<u>\$13,388,656</u>

***BUSINESS-TYPE ACTIVITIES***

Utility services for water and sewer saw a 4.17 percent decrease in charges for services along with a 9.35 percent decrease in total expenses in 2008. These changes reflect the slower growth in 2008 than the City has historically experienced. Secondly, in 2007 the City incurred expense relating to sanitary sewer projects that were substantially completed before 2008.

**The City's Funds**

Information about the City's governmental funds begins on page 18. These funds are accounted for by using the modified accrual basis of accounting. All governmental funds had total revenues of \$20,049,459 and expenditures of \$43,517,374. The most significant fund is the general fund with a year-end fund balance of

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\$6,498,193, which included an unreserved fund balance of \$6,319,932 compared to annual expenditures of \$3,323,103. While revenues exceeded expenditures by \$6,080,092, most of the excess was transferred to other City funds. These transferred funds enabled the City to fund street improvements, police operations, service long-term and short-term debt and fund capital improvements. The net change was (\$268,752).

The Fire Department has completed its fifth year as a full-time department in its new building. Municipal income tax revenues in the Fire Department fund of \$3,527,622 exceeded expenditures of \$2,995,671 by \$532,801. The Fire Department fund balance decreased by \$1,467,199 due to transfers out to other funds to provide for programs. The Street Construction Maintenance and Repair fund had revenues of \$1,731,027 which exceeded expenditures of \$1,436,714 by \$294,313, this increase was due to intergovernmental revenues. The Street Department constructs, maintains and repairs the various streets of the City. The Special Assessment Bond Retirement fund balance increased \$31,865 due to an increase in special assessments and interest revenues. The Police Station Project fund balance decreased by \$634,274 due to the completion of capital projects, and the Recreation Center Construction fund, Baseball Stadium Project fund, and Recreation Complex Infrastructure fund balance increased \$12,965,205, \$5,738,355, and \$4,937,020, respectively, due to the issuance of notes.

***General Fund Budgeting Highlights***

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund. During the course of 2008 the City amended its general fund budget for a total increase in certified revenues in the amount of \$179,564. At the direction of Council, all capital projects and requests for capital type purchases must be reviewed and approved individually by Council. Recommendations and requests for budget changes are referred to the Finance Committee of City Council for review, after which they are sent to Council work session for presentation before going to the formal Council meeting for ordinance enactment on the change. The legal level of budgetary control has been established by Council at the fund, object level for all funds.

The general fund supports many major activities such as the Building and Planning Departments as well as the legislative and most executive activities. Some major capital projects are funded with general fund dollars. By ordinance, these funds are transferred from the general fund to capital project funds where the revenue and expenditures for the capital improvement are tracked and monitored.

For the general fund, the original budgeted revenues were \$9,117,512, and the final budgeted amount was \$9,297,076. Of this \$179,564 difference, most was due to increased charges for services and intergovernmental revenues received, licenses and permits cost adjustments and interest revenue increase due to more money available to invest. The actual revenues of \$9,295,581 received by the City was only \$1,495 less than the final budgeted amount.

Original appropriations of \$12,773,439 were decreased during the year by \$8,715,793 to establish final appropriations of \$4,057,646 for the year. These decreases were due primarily to reductions of General Fund contributions to capital projects. The actual expenditures of \$3,554,628 were \$503,018 less than the final budgeted amount. Final expenditures often are less than budget. Budgets for projects are set based on public bidding and engineers' estimates. The City strives to hold down project costs and control contractor expenditures. The result is that most contract/project work is completed under budget. The City takes great pride in project management successes.

The City continued to maintain a respectable level of liquidity in the general fund by maintaining unrestricted cash at year-end of 58.3 percent of total actual revenues received during the year.

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**Capital Assets and Debt Administration**

**Capital Assets**

Total capital assets (net of depreciation) for the governmental activities were \$73,406,418 which was a \$13,339,863 increase from the prior year. The increase was due primarily for the increase in construction in progress for the baseball stadium and post office, the completion of the police station and new storm sewers at the Recreation Complex. Total capital assets (net of depreciation) for the business activities were \$29,086,224. Business-type activities capital assets additions included Recreation Complex sanitary sewer improvements and infrastructure acceptance in sanitary sewer lines from developers.

**Table 4**  
**Capital Assets**  
**(Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Land	\$3,187,493	\$2,773,568	\$7,580	\$7,580	\$3,195,073	\$2,781,148
Construction in Progress	8,587,085	5,404,593	0	0	8,587,085	5,404,593
Land Improvements	1,175,629	1,234,548	0	0	1,175,629	1,234,548
Buildings and Improvements	13,300,593	7,521,679	1,100,836	1,134,708	14,401,429	8,656,387
Machinery and Equipment	2,170,362	2,191,146	950,778	906,763	3,121,140	3,097,909
Infrastructure						
Park Improvements	930,335	968,958	0	0	930,335	968,958
Streets	25,350,375	24,999,466	0	0	25,350,375	24,999,466
Bridges and Culverts	1,159,691	399,534	0	0	1,159,691	399,534
Traffic Signals	1,150,936	886,746	0	0	1,150,936	886,746
Storm Sewer	15,660,353	13,686,317	0	0	15,660,353	13,686,317
Water Lines	733,566	0	10,792,009	10,661,536	11,525,575	10,661,536
Sewer Lines	0	0	16,235,021	16,032,087	16,235,021	16,032,087
<i>Total Capital Assets</i>	<u>\$73,406,418</u>	<u>\$60,066,555</u>	<u>\$29,086,224</u>	<u>\$28,742,674</u>	<u>\$102,492,642</u>	<u>\$88,809,229</u>

See Note 8 of the Notes to the Basic Financial Statements for additional information on the City's capital assets.

**Debt**

On December 31, 2008, the City of Avon had \$62,070,454 in bonds, loans, notes and intergovernmental payables outstanding, with \$1,485,694 due within one year. Table 5 summarizes bonds, loans, contractual commitments and notes outstanding.

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**Table 5**  
**Outstanding Debt at Year End**

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
General Obligation Bonds	\$12,251,682	\$5,890,384	\$557,576	\$291,378	\$12,809,258	\$6,181,762
Special Assessment Bonds	3,449,237	3,693,223	0	0	3,449,237	3,693,223
OPWC Loans	223,523	92,044	0	0	223,523	92,044
OWDA Loans	0	0	544,006	657,830	544,006	657,830
Intergovernmental Payable	0	0	683,979	776,103	683,979	776,103
Avon Local School District	5,240,451	5,561,295	0	0	5,240,451	5,561,295
Notes Payable	39,120,000	6,910,000	0	1,530,000	39,120,000	8,440,000
<b>Total</b>	<b>\$60,284,893</b>	<b>\$22,146,946</b>	<b>\$1,785,561</b>	<b>\$3,255,311</b>	<b>\$62,070,454</b>	<b>\$25,402,257</b>

The general obligation bonds for governmental activities include Just Imagine Drive Paving of \$375,000; North Branch Sewer Avins Ditch \$54,991; Moore Road Improvement of \$74,103; Veteran's Park of \$1,300,000; Service Garage of \$2,135,000; Schneider Court Improvements of \$955,000 and the \$48,000 in refunding bonds. The governmental activities also including refunding bonds for the 1996 Detroit Road Park of \$135,000; the Library Improvement of \$405,000; Northgate Sewer Improvement of \$218,000 and the 1997 New City Hall in the amounts of \$557,000. These bond obligations are paid from monies transferred from the general fund into the debt service funds. The service garage is currently paid from special revenue funds collected from a property tax levy and gasoline taxes. The business-type activities general obligation bonds are \$252,000 in refunding bonds, payable from the water and sewer funds charges for services.

The special assessment bonds consist of Moore/Formanek Improvements, Route 83 Sewer Improvements, Chester Road Sanitary Sewer, Moore/Chester Road Waterline, Chester Road Waterline East, Avon Road Waterline, North Branch Sewer Avins Ditch, Moore Road Improvement, Mills, Jaycox, Sandy Lane improvements and a various purpose sanitary sewer project. Principal and interest for these bonds are paid from the collection of special assessments by the Lorain County Auditor.

The Ohio Public Works Commission loans represent interest free loans obtained to finance portions of the Center Road Extension and the Jaycox Road/Chester Improvements. These OPWC loans are paid from the bond retirement fund.

The Ohio Water Development loans represent loans obtained to finance sanitary sewer construction. These loans are paid from the customers charges in the sewer proprietary fund.

The City retired \$6,910,000 in general obligation bond anticipation notes and issued \$39,120,000 in new notes with maturity dates of March 3, 2009 and May 29, 2009. The notes issued were for the Detroit road widening project, the recreation center construction project, the baseball stadium project, and the post office project.

The City's overall legal ten and one-half percent debt limitation (voted and unvoted) on December 31, 2008 was \$80,765,892. The aggregate outstanding debt subject to the ten and one-half percent limitation is \$12,427,069. The difference of \$68,338,823 between the maximum issuable amount and the outstanding amount represents the aggregate principal amount of additional voted and unvoted nonexempt debt which the City may issue without exceeding the ten and one-half percent limitation.

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See Notes 10 and 11 of the Notes to the Basic Financial Statements for additional information on the City's outstanding debt obligations.

***Current Financial Related Activities***

Over the past ten years the City has enjoyed strong growth in revenues as a result of new commercial and industrial development. The City, with the support of the school system, currently has six tax abatement agreements in effect with local companies. Although property taxes have been partially deferred as a result of these abatements, the deferral has been more than offset by the significant increase in income tax collections as a result of the employment in these companies.

The City has also aggressively pursued the use of Tax Increment Financing (TIF) as an economic development tool. The City currently has eight areas designated as TIF Financing districts. The revenues derived from these districts will be used for various infrastructure related projects.

The City is ideally situated on Interstate 90, approximately twenty minutes from Cleveland, Ohio and Cleveland Hopkins International Airport. Interstate 90 divides the City providing a perfect separation for industrial development north of Interstate 90 and commercial and upscale residential development south of Interstate 90. With development of the industrial sites on the north side, the City's financial condition has been significantly strengthened. Moody's Investor Services has assigned a Aa2 bond rating to the City of Avon, the highest rating a city of this size can have.

The City adopted a master plan for the development, growth and expansion of the City. A master sewer plan is also in place. City Council and the Administration work with the French Creek Development Association to preserve the French Creek District section of the City. Restoration and preservation of the French Creek District centralizes small commercial businesses in the core area of the City. The City takes great pride in its French Creek business district.

The City applies for various grants wherever it is feasible. In 2008 the City received grant monies from the Ohio Public Works Commission to help fund road improvements. In 2007 the City received a grant from the Lorain County Solid Waste Management District. In 2006 the City applied for and received a \$70,429 grant for solid waste recycling. In 2005 the City applied for and received a grant of \$67,771 to use towards the conversion of the former fire station into a senior citizens center. The Administration and Council work very hard to obtain grants for the benefit of Avon residents while keeping taxes at a minimum.

In 2004, City Council approved a study for a new I-90 interchange. The cost of Phase I of the Interchange Justification Study (IJS) was \$149,000 and was paid from pledges from local industry totaling \$111,200 and \$37,800 from the City. Phase II of the study commenced in November 2007 when the Northeast Ohio Area wide Coordinating Agency (NOACA) approved the concept of the interchange. Funding for Phase II will be paid fully from pledges from local industry totaling \$1,774,645. The construction of the interchange is expected to begin in 2010 or 2011. This new interchange will allow greater expansion of industrial and commercial development on the eastern side of the City.

The Finance Director, Mayor and City Council work extremely hard at managing debt. Finances are planned so that we can pay cash for many of the facility improvements and acquisitions, and continue to pay cash for all equipment and other major purchases necessary to maintain decent level of services. The annual budget is monitored efficiently and consistently throughout the year. Department Heads review their budgets monthly and spend only for necessary expenses. Over the last ten years the City has expanded their services but has strived to keep the size of its work force at practical levels.

***City of Avon, Ohio***  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2008*  
*Unaudited*

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The City of Avon has committed itself to financial excellence. History proves that. The City has received the Government Finance Officers Award Certificate of Achievement for Excellence every year since 1991, the year of our first Comprehensive Annual Financial Report. The City of Avon was one of the first cities in Ohio to report using the Government Accounting Standards Board (GASB) 34 requirements. Our commitment to the residents of Avon has been one of full disclosure of the financial position of the City, and will continue to be.

**Contacting the City's Finance Department**

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City's finances and show the City's accountability for all money it receives, spends or invests. If you have any questions about this report or need additional information, contact the Finance Department, City of Avon, 36080 Chester Road, Avon, Ohio 44011, telephone 440-937-7806, or at the website at [www.cityofavon.com](http://www.cityofavon.com).

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**City of Avon, Ohio**  
*Statement of Net Assets*  
*December 31, 2008*

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$39,553,968	\$2,872,437	\$42,426,405
Interest Receivable	0	77,783	77,783
Materials and Supplies Inventory	284,760	383,503	668,263
Accounts Receivable	224,167	399,803	623,970
Internal Balances	200,000	(200,000)	0
Intergovernmental Receivable	1,048,843	0	1,048,843
Prepaid Items	53,236	4,500	57,736
Municipal Income Taxes Receivable	2,699,083	0	2,699,083
Property Taxes Receivable	4,665,249	0	4,665,249
Payments in Lieu of Taxes Receivable	8,607,401	0	8,607,401
Special Assessments Receivable	3,449,237	208,278	3,657,515
Deferred Charges	48,153	690,089	738,242
Capital Assets, Non-Depreciable	11,774,578	7,580	11,782,158
Capital Assets, Depreciable, Net	61,631,840	29,078,644	90,710,484
<i>Total Assets</i>	<u>134,240,515</u>	<u>33,522,617</u>	<u>167,763,132</u>
<b>Liabilities</b>			
Accounts Payable	166,802	154,515	321,317
Contracts Payable	3,716,370	0	3,716,370
Accrued Wages and Benefits	345,104	32,899	378,003
Intergovernmental Payable	587,130	36,364	623,494
Deferred Revenue	4,463,022	0	4,463,022
Accrued Interest Payable	580,915	107,373	688,288
Long-Term Liabilities:			
Due Within One Year	1,305,268	298,136	1,603,404
Due In More Than One Year	60,615,266	1,606,137	62,221,403
<i>Total Liabilities</i>	<u>71,779,877</u>	<u>2,235,424</u>	<u>74,015,301</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	20,640,517	27,306,773	47,947,290
Restricted for:			
Capital Projects	26,983,261	0	26,983,261
Debt Service	5,299,686	0	5,299,686
Fire Department	1,876,277	0	1,876,277
Street Construction, Maintenance and Repair	1,072,610	0	1,072,610
Park Development	143,303	0	143,303
Other Purposes	650,158	0	650,158
Unrestricted	5,794,826	3,980,420	9,775,246
<i>Total Net Assets</i>	<u>\$62,460,638</u>	<u>\$31,287,193</u>	<u>\$93,747,831</u>

See accompanying notes to the basic financial statements

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

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities</b>				
General Government	\$2,968,222	\$1,109,333	\$131,238	\$0
Security of Persons and Property	7,572,725	88,885	175,872	0
Transportation	6,638,018	0	1,382,026	0
Community Environment	1,680,851	470,431	163,341	0
Basic Utility Services	848,296	30,219	150,000	0
Leisure Time Activities	1,217,094	296,925	56,496	0
Interest and Fiscal Charges	1,761,494	0	0	0
<i>Total Governmental Activities</i>	<u>22,686,700</u>	<u>1,995,793</u>	<u>2,058,973</u>	<u>0</u>
<b>Business-Type Activities</b>				
Water	2,594,517	2,144,366	0	507,811
Sewer	1,725,241	1,322,418	0	587,409
<i>Total Business-Type Activities</i>	<u>4,319,758</u>	<u>3,466,784</u>	<u>0</u>	<u>1,095,220</u>
<i>Total</i>	<u>\$27,006,458</u>	<u>\$5,462,577</u>	<u>\$2,058,973</u>	<u>\$1,095,220</u>

**General Revenues**

Property Taxes Levied for:

General Purposes

Streets

Police

Police Pension

Park Operating

Library Bond Retirement

Equipment

Municipal Income Taxes Levied for

General Purposes

Fire Department

Recreation Income Tax

Grants and Entitlements not Restricted  
to Specific Programs

Investment Earnings

Miscellaneous

*Total General Revenues*

Transfers

*Total General Revenues and Transfers*

Change in Net Assets

*Net Assets Beginning of Year - Restated (Note 3)*

*Net Assets End of Year*

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activity	Total
(\$1,727,651)	\$0	(\$1,727,651)
(7,307,968)	0	(7,307,968)
(5,255,992)	0	(5,255,992)
(1,047,079)	0	(1,047,079)
(668,077)	0	(668,077)
(863,673)	0	(863,673)
(1,761,494)	0	(1,761,494)
(18,631,934)	0	(18,631,934)
0	57,660	57,660
0	184,586	184,586
0	242,246	242,246
(18,631,934)	242,246	(18,389,688)
1,520,015	0	1,520,015
776,504	0	776,504
433,011	0	433,011
198,262	0	198,262
244,631	0	244,631
71,874	0	71,874
575,854	0	575,854
4,639,884	0	4,639,884
3,519,526	0	3,519,526
1,256,991	0	1,256,991
1,139,985	0	1,139,985
865,425	49,163	914,588
185,009	33,858	218,867
15,426,971	83,021	15,509,992
(194,150)	194,150	0
15,232,821	277,171	15,509,992
(3,399,113)	519,417	(2,879,696)
65,859,751	30,767,776	96,627,527
\$62,460,638	\$31,287,193	\$93,747,831

**City of Avon, Ohio**

*Balance Sheet*

*Governmental Funds*

*December 31, 2008*

	General	Fire Department	Street Construction, Maintenance and Repair	Special Assessment Bond Retirement	Police Station Project
<b>Assets</b>					
Equity in Pooled Cash and					
Cash Equivalents	\$3,598,963	\$1,547,284	\$569,713	\$398,303	\$40,208
Materials and Supplies Inventory	5,691	4,267	247,137	0	0
Accounts Receivable	224,167	0	0	0	0
Interfund Receivable	1,957,374	0	0	0	0
Intergovernmental Receivable	437,985	0	430,964	0	0
Prepaid Items	14,636	10,000	3,500	0	0
Municipal Income Taxes Receivable	1,363,037	985,165	0	0	0
Property Taxes Receivable	1,665,870	0	1,310,261	0	0
Payments in Lieu of Taxes Receivable	0	0	0	0	0
Special Assessments Receivable	0	0	0	3,449,237	0
<i>Total Assets</i>	<u>\$9,267,723</u>	<u>\$2,546,716</u>	<u>\$2,561,575</u>	<u>\$3,847,540</u>	<u>\$40,208</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts Payable	\$54,523	\$15,153	\$10,579	\$0	\$0
Contracts Payable	0	0	0	0	0
Accrued Wages and Benefits	69,599	94,778	36,155	0	0
Interfund Payable	0	0	0	0	0
Intergovernmental Payable	68,351	234,769	37,176	3,059	0
Deferred Revenue	2,577,057	459,925	1,615,825	3,449,237	0
<i>Total Liabilities</i>	<u>2,769,530</u>	<u>804,625</u>	<u>1,699,735</u>	<u>3,452,296</u>	<u>0</u>
<b>Fund Balances</b>					
Reserved for Encumbrances	178,261	4,901	101,337	0	2,077
Unreserved:					
Undesignated (Deficit), Reported in:					
General Fund	6,319,932	0	0	0	0
Special Revenue Funds	0	1,737,190	760,503	0	0
Debt Service Funds	0	0	0	395,244	0
Capital Projects Funds	0	0	0	0	38,131
<i>Total Fund Balances</i>	<u>6,498,193</u>	<u>1,742,091</u>	<u>861,840</u>	<u>395,244</u>	<u>40,208</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$9,267,723</u>	<u>\$2,546,716</u>	<u>\$2,561,575</u>	<u>\$3,847,540</u>	<u>\$40,208</u>

See accompanying notes to the basic financial statements

Recreation Center Construction	Baseball Stadium Project	Recreation Complex Infrastructure	Other Governmental Funds	Total Governmental Funds
\$14,157,863	\$8,238,080	\$6,252,744	\$4,750,810	\$39,553,968
0	0	0	27,665	284,760
0	0	0	0	224,167
0	0	0	0	1,957,374
0	0	0	179,894	1,048,843
0	0	0	25,100	53,236
0	0	0	350,881	2,699,083
0	0	0	1,689,118	4,665,249
0	0	0	8,607,401	8,607,401
0	0	0	0	3,449,237
<u>\$14,157,863</u>	<u>\$8,238,080</u>	<u>\$6,252,744</u>	<u>\$15,630,869</u>	<u>\$62,543,318</u>
\$1,160	\$0	\$1,040	\$84,347	\$166,802
143,510	1,885,725	1,217,584	469,551	3,716,370
0	0	0	144,572	345,104
1,043,000	614,000	97,100	3,274	1,757,374
0	0	0	243,775	587,130
0	0	0	10,614,036	18,716,080
<u>1,187,670</u>	<u>2,499,725</u>	<u>1,315,724</u>	<u>11,559,555</u>	<u>25,288,860</u>
12,621,688	6,435,469	4,897,098	1,282,115	25,222,946
0	0	0	0	6,319,932
0	0	0	586,223	3,083,916
0	0	0	247,984	643,228
348,505	(697,114)	39,922	1,954,992	1,684,436
<u>12,970,193</u>	<u>5,738,355</u>	<u>4,937,020</u>	<u>4,071,314</u>	<u>37,254,458</u>
<u>\$14,157,863</u>	<u>\$8,238,080</u>	<u>\$6,252,744</u>	<u>\$15,630,869</u>	<u>\$62,543,318</u>

**City of Avon, Ohio**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 December 31, 2008*

<b>Total Governmental Fund Balances</b>	<b>\$37,254,458</b>
 <i>Amounts reported for governmental activities in the statement of net assets are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	73,406,418
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
Special Assessments	3,449,237
Delinquent Property Taxes	202,227
Payment in Lieu of Taxes	8,607,401
Intergovernmental	735,895
Municipal Income Taxes	1,258,298
Total	14,253,058
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(580,915)
Bond issuance costs are considered deferred charges and will be amortized over the life of the bonds on the statement of net assets.	48,153
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
General Obligation Bonds	(12,302,646)
Premium	(27,912)
Refunding	78,876
Special Assessment Bonds	(3,449,237)
OPWC Loans	(223,523)
Notes Payable	(39,120,000)
Avon Local School District	(5,240,451)
Compensated Absences	(1,635,641)
Total	(61,920,534)
 <i>Net Assets of Governmental Activities</i>	 <b>\$62,460,638</b>

See accompanying notes to the basic financial statements

**City of Avon, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2008*

	General	Fire Department	Street Construction, Maintenance and Repair	Special Assessment Bond Retirement	Police Station Project
<b>Revenues</b>					
Property Taxes	\$1,536,406	\$0	\$785,761	\$0	\$0
Payment in Lieu of Taxes	0	0	0	0	0
Municipal Income Taxes	4,673,625	3,527,622	0	0	0
Charges for Services	650,482	0	0	0	0
Licenses and Permits	811,460	0	0	0	0
Fines and Forfeitures	117,822	0	0	0	0
Intergovernmental	1,115,023	0	924,475	0	0
Special Assessments	0	0	0	243,986	0
Interest	404,358	0	13,081	246,203	0
Contributions and Donations	0	0	0	0	0
Miscellaneous	94,019	850	7,710	0	0
<i>Total Revenues</i>	<u>9,403,195</u>	<u>3,528,472</u>	<u>1,731,027</u>	<u>490,189</u>	<u>0</u>
<b>Expenditures</b>					
Current:					
General Government	2,342,189	0	0	0	0
Security of Persons and Property	0	2,995,671	0	0	0
Transportation	0	0	1,436,714	0	0
Community Environment	978,473	0	0	0	0
Basic Utility Services	2,441	0	0	0	0
Leisure Time Activities	0	0	0	0	0
Capital Outlay	0	0	0	0	2,132,114
Debt Service:					
Principal Retirement	0	0	0	243,986	4,500,000
Interest and Fiscal Charges	0	0	0	214,338	192,160
<i>Total Expenditures</i>	<u>3,323,103</u>	<u>2,995,671</u>	<u>1,436,714</u>	<u>458,324</u>	<u>6,824,274</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>6,080,092</u>	<u>532,801</u>	<u>294,313</u>	<u>31,865</u>	<u>(6,824,274)</u>
<b>Other Financing Sources (Uses)</b>					
Bonds Issued	0	0	0	0	4,500,000
Notes Issued	0	0	0	0	0
OPWC Loans Issued	0	0	0	0	0
Transfers In	2,499,208	0	148,964	0	2,000,000
Transfers Out	(8,848,052)	(2,000,000)	(215,732)	0	(310,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(6,348,844)</u>	<u>(2,000,000)</u>	<u>(66,768)</u>	<u>0</u>	<u>6,190,000</u>
<i>Net Change in Fund Balances</i>	(268,752)	(1,467,199)	227,545	31,865	(634,274)
<i>Fund Balances</i>					
<i>Beginning of Year</i>	<u>6,766,945</u>	<u>3,209,290</u>	<u>634,295</u>	<u>363,379</u>	<u>674,482</u>
<i>Fund Balances End of Year</i>	<u>\$6,498,193</u>	<u>\$1,742,091</u>	<u>\$861,840</u>	<u>\$395,244</u>	<u>\$40,208</u>

See accompanying notes to the basic financial statements

(continued)

**City of Avon, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds (continued)*  
For the Year Ended December 31, 2008

	Recreation Center Construction	Baseball Stadium Project	Recreation Complex Infrastructure	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Property Taxes	\$0	\$0	\$0	\$1,531,979	\$3,854,146
Payment in Lieu of Taxes	0	0	0	526,982	526,982
Municipal Income Taxes	0	0	0	1,093,412	9,294,659
Charges for Services	0	0	0	164,124	814,606
Licenses and Permits	0	0	0	163,020	974,480
Fines and Forfeitures	0	0	0	88,885	206,707
Intergovernmental	0	0	0	1,003,311	3,042,809
Special Assessments	0	0	0	0	243,986
Interest	15,736	88,230	67,548	30,269	865,425
Contributions and Donations	0	0	0	40,650	40,650
Miscellaneous	2,411	0	734	79,285	185,009
<i>Total Revenues</i>	<u>18,147</u>	<u>88,230</u>	<u>68,282</u>	<u>4,721,917</u>	<u>20,049,459</u>
<b>Expenditures</b>					
Current:					
General Government	0	0	0	322,020	2,664,209
Security of Persons and Property	0	0	0	4,138,794	7,134,465
Transportation	0	0	0	195,884	1,632,598
Community Environment	0	0	0	303,665	1,282,138
Basic Utility Services	0	0	0	97,050	99,491
Leisure Time Activities	0	0	0	1,071,323	1,071,323
Capital Outlay	1,038,430	7,421,649	4,115,431	5,842,114	20,549,738
Debt Service:					
Principal Retirement	0	0	0	2,985,057	7,729,043
Interest and Fiscal Charges	14,512	241,146	107,498	584,715	1,354,369
<i>Total Expenditures</i>	<u>1,052,942</u>	<u>7,662,795</u>	<u>4,222,929</u>	<u>15,540,622</u>	<u>43,517,374</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,034,795)</u>	<u>(7,574,565)</u>	<u>(4,154,647)</u>	<u>(10,818,705)</u>	<u>(23,467,915)</u>
<b>Other Financing Sources (Uses)</b>					
Bonds Issued	0	0	0	2,410,000	6,910,000
Notes Issued	14,000,000	13,150,000	9,000,000	2,970,000	39,120,000
OPWC Loans Issued	0	0	0	145,194	145,194
Transfers In	0	226,920	91,667	9,508,352	14,475,111
Transfers Out	0	(64,000)	0	(3,231,477)	(14,669,261)
<i>Total Other Financing Sources (Uses)</i>	<u>14,000,000</u>	<u>13,312,920</u>	<u>9,091,667</u>	<u>11,802,069</u>	<u>45,981,044</u>
<i>Net Change in Fund Balances</i>	12,965,205	5,738,355	4,937,020	983,364	22,513,129
<b>Fund Balances</b>					
<i>Beginning of Year</i>	<u>4,988</u>	<u>0</u>	<u>0</u>	<u>3,087,950</u>	<u>14,741,329</u>
<i>Fund Balances End of Year</i>	<u>\$12,970,193</u>	<u>\$5,738,355</u>	<u>\$4,937,020</u>	<u>\$4,071,314</u>	<u>\$37,254,458</u>

See accompanying notes to the basic financial statements

**City of Avon, 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, 2008*

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**Net Change in Fund Balances - Total Governmental Funds** \$22,513,129

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

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

Capital Asset Additions	16,667,904	
Current Year Depreciation	(3,282,279)	
Total	13,385,625	13,385,625

Governmental funds 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. (45,762)

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

Delinquent Property Taxes	(33,995)	
Payment in Lieu of Taxes	(526,982)	
Intergovernmental	115,499	
Special Assessments	(243,986)	
Municipal Income Taxes	121,742	
Total	(567,722)	(567,722)

Other financing sources in the governmental funds that increase long-term liabilities in the statement of net assets are not reported as revenues in the statement of activities:

OPWC Loans Issued	(145,194)	
Bonds Issued	(6,910,000)	
Notes Issued	(39,120,000)	
Total	(46,175,194)	(46,175,194)

Repayment of bond, note and loan principal and payment to the School District are expenditures in the governmental funds, but the repayments reduce the long-term liabilities in the statement of net assets:

Bond, Note and Loan Principal	7,729,043	
Payment to Avon Local School District	320,844	
Total	8,049,887	8,049,887

In the statement of activities, interest is accrued on outstanding bonds, bond issuance costs and bond premium are amortized over the term of the bonds, whereas in governmental funds, an expenditure is reported when bonds are issued:

Accrued Interest	(385,784)	
Amortization of Bond Issuance Costs	(8,701)	
Amortization of Gain on Refunding	(16,380)	
Amortization of Bond Premium	3,740	
Total	(407,125)	(407,125)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds, such as compensated absences. (151,951)

*Change in Net Assets of Governmental Activities* (\$3,399,113)

See accompanying notes to the basic financial statements

**City of Avon, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Property Taxes	\$1,550,000	\$1,560,000	\$1,536,406	(23,594)
Municipal Income Taxes	4,500,000	4,500,000	4,551,713	51,713
Charges for Services	560,212	625,935	640,831	14,896
Licenses and Permits	857,000	848,500	811,460	(37,040)
Fines and Forfeitures	184,600	124,600	117,822	(6,778)
Intergovernmental	779,200	1,094,758	1,109,104	14,346
Interest	600,000	443,400	434,226	(9,174)
Miscellaneous	86,500	99,883	94,019	(5,864)
<i>Total Revenues</i>	<u>9,117,512</u>	<u>9,297,076</u>	<u>9,295,581</u>	<u>(1,495)</u>
<b>Expenditures</b>				
Current:				
General Government	8,960,244	2,846,336	2,557,604	288,732
Community Environment	3,813,195	1,211,310	997,024	214,286
<i>Total Expenditures</i>	<u>12,773,439</u>	<u>4,057,646</u>	<u>3,554,628</u>	<u>503,018</u>
<i>Excess of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>(3,655,927)</u>	<u>5,239,430</u>	<u>5,740,953</u>	<u>501,523</u>
<b>Other Financing Sources (Uses)</b>				
Advances In	0	6,672,339	0	(6,672,339)
Advances Out	0	(4,660,374)	(1,757,374)	2,903,000
Transfers In	4,025,000	6,809,514	2,499,208	(4,310,306)
Transfers Out	0	(17,306,094)	(8,813,052)	8,493,042
<i>Total Other Financing Sources (Uses)</i>	<u>4,025,000</u>	<u>(8,484,615)</u>	<u>(8,071,218)</u>	<u>413,397</u>
<i>Net Change in Fund Balance</i>	369,073	(3,245,185)	(2,330,265)	914,920
<i>Fund Balance Beginning of Year</i>	5,666,769	5,666,769	5,666,769	0
Prior Year Encumbrances Appropriated	<u>200,804</u>	<u>200,804</u>	<u>200,804</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$6,236,646</u></u>	<u><u>\$2,622,388</u></u>	<u><u>\$3,537,308</u></u>	<u><u>\$914,920</u></u>

See accompanying notes to the basic financial statements

**City of Avon, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Department Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Municipal Income Taxes	\$3,400,000	\$3,400,000	\$3,420,285	\$20,285
Miscellaneous	1,600	2,065	850	(1,215)
<i>Total Revenues</i>	3,401,600	3,402,065	3,421,135	19,070
<b>Expenditures</b>				
Current:				
Security of Persons and Property	2,878,083	3,049,044	2,961,749	87,295
<i>Excess of Revenues Over Expenditures</i>	523,517	353,021	459,386	106,365
<b>Other Financing Uses</b>				
Transfers Out	0	(2,000,000)	(2,000,000)	0
<i>Net Change in Fund Balance</i>	523,517	(1,646,979)	(1,540,614)	106,365
<i>Fund Balance Beginning of Year</i>	3,060,792	3,060,792	3,060,792	0
Prior Year Encumbrances Appropriated	11,883	11,883	11,883	0
<i>Fund Balance End of Year</i>	<u>\$3,596,192</u>	<u>\$1,425,696</u>	<u>\$1,532,061</u>	<u>\$106,365</u>

See accompanying notes to the basic financial statements

**City of Avon, Ohio**  
*Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Street Construction, Maintenance and Repair Fund  
For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Property Taxes	\$1,405,000	\$790,802	\$785,761	(\$5,041)
Intergovernmental	865,000	912,408	925,535	13,127
Interest	15,000	15,000	13,116	(1,884)
Miscellaneous	6,000	8,519	7,710	(809)
<i>Total Revenues</i>	<u>2,291,000</u>	<u>1,726,729</u>	<u>1,732,122</u>	<u>5,393</u>
<b>Expenditures</b>				
Current:				
Transportation	<u>2,033,426</u>	<u>1,858,854</u>	<u>1,732,295</u>	<u>126,559</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>257,574</u>	<u>(132,125)</u>	<u>(173)</u>	<u>131,952</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	148,964	148,964	0
Transfers Out	<u>0</u>	<u>(215,732)</u>	<u>(215,732)</u>	<u>0</u>
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(66,768)</u>	<u>(66,768)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	257,574	(198,893)	(66,941)	131,952
<i>Fund Balance Beginning of Year</i>	308,997	308,997	308,997	0
Prior Year Encumbrances Appropriated	<u>215,029</u>	<u>215,029</u>	<u>215,029</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$781,600</u></u>	<u><u>\$325,133</u></u>	<u><u>\$457,085</u></u>	<u><u>\$131,952</u></u>

See accompanying notes to the basic financial statements

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**City of Avon, Ohio**  
*Statement of Fund Net Assets*  
*Proprietary Funds*  
*December 31, 2008*

	Business-Type Activities		
	Water	Sewer	Total
<b>Assets</b>			
<i>Current Assets</i>			
Equity in Pooled Cash and			
Cash Equivalents	\$2,554,489	\$317,948	\$2,872,437
Interest Receivable	0	77,783	77,783
Materials and Supplies Inventory	349,417	34,086	383,503
Accounts Receivable	222,721	177,082	399,803
Prepaid Items	2,250	2,250	4,500
Special Assessments Receivable	208,278	0	208,278
<i>Total Current Assets</i>	<u>3,337,155</u>	<u>609,149</u>	<u>3,946,304</u>
<i>Noncurrent Assets</i>			
Deferred Charges	687,034	3,055	690,089
Non-Depreciable Capital Assets	0	7,580	7,580
Depreciable Capital Assets, Net	12,010,398	17,068,246	29,078,644
<i>Total Noncurrent Assets</i>	<u>12,697,432</u>	<u>17,078,881</u>	<u>29,776,313</u>
<i>Total Assets</i>	<u>16,034,587</u>	<u>17,688,030</u>	<u>33,722,617</u>
<b>Liabilities</b>			
<i>Current Liabilities</i>			
Accounts Payable	123,092	31,423	154,515
Accrued Wages and Benefits	17,333	15,566	32,899
Intergovernmental Payable	116,586	18,044	134,630
Interfund Payable	200,000	0	200,000
Compensated Absences Payable	5,224	5,224	10,448
Accrued Interest Payable	8,217	99,156	107,373
OWDA Loans - Current	0	118,542	118,542
Bonds Payable - Current	29,400	41,480	70,880
<i>Total Current Liabilities</i>	<u>499,852</u>	<u>329,435</u>	<u>829,287</u>
<i>Long-Term Liabilities</i>			
Compensated Absences Payable	54,132	54,132	108,264
Intergovernmental Payable	585,713	0	585,713
OWDA Loans	0	425,464	425,464
Bonds Payable	88,832	397,864	486,696
<i>Total Long-Term Liabilities</i>	<u>728,677</u>	<u>877,460</u>	<u>1,606,137</u>
<i>Total Liabilities</i>	<u>1,228,529</u>	<u>1,206,895</u>	<u>2,435,424</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	11,211,242	16,095,531	27,306,773
Unrestricted	3,594,816	385,604	3,980,420
<i>Total Net Assets</i>	<u>\$14,806,058</u>	<u>\$16,481,135</u>	<u>\$31,287,193</u>

See accompanying notes to the basic financial statements

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

	Business-Type Activities		
	Water	Sewer	Total
<b>Operating Revenues</b>			
Charges for Services	\$2,144,366	\$1,322,418	\$3,466,784
Other	33,830	28	33,858
<i>Total Operating Revenues</i>	<u>2,178,196</u>	<u>1,322,446</u>	<u>3,500,642</u>
<b>Operating Expenses</b>			
Personal Services	435,493	387,618	823,111
Materials and Supplies	1,365,399	322,349	1,687,748
Contractual Services	259,397	68,988	328,385
Other Operating Expenses	15,435	323,820	339,255
Depreciation	431,300	551,488	982,788
<i>Total Operating Expenses</i>	<u>2,507,024</u>	<u>1,654,263</u>	<u>4,161,287</u>
<i>Operating Loss</i>	<u>(328,828)</u>	<u>(331,817)</u>	<u>(660,645)</u>
<b>Non-Operating Revenues (Expenses)</b>			
Interest	38,122	11,041	49,163
Interest and Fiscal Charges	(87,493)	(70,978)	(158,471)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(49,371)</u>	<u>(59,937)</u>	<u>(109,308)</u>
<i>Loss Before Contributions and Transfers</i>	(378,199)	(391,754)	(769,953)
Capital Contributions	507,811	587,409	1,095,220
Transfers In	0	306,650	306,650
Transfers Out	(112,500)	0	(112,500)
<i>Change in Net Assets</i>	17,112	502,305	519,417
<i>Net Assets Beginning of Year</i>	<u>14,788,946</u>	<u>15,978,830</u>	<u>30,767,776</u>
<i>Net Assets End of Year</i>	<u>\$14,806,058</u>	<u>\$16,481,135</u>	<u>\$31,287,193</u>

See accompanying notes to the basic financial statements

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

	Business-Type Activities		
	Water	Sewer	Totals
<b>Increase (Decrease) in Cash and Cash Equivalents</b>			
<b>Cash Flows from Operating Activities</b>			
Cash Received from Customers	\$2,144,667	\$1,320,233	\$3,464,900
Cash Payments to Suppliers for Materials and Supplies	(1,344,703)	(301,768)	(1,646,471)
Cash Payments for Employee Services and Benefits	(423,389)	(382,612)	(806,001)
Cash Payments for Contractual Services	(244,595)	(72,080)	(316,675)
Other Operating Revenues	33,830	28	33,858
Other Operating Expenses	(15,435)	(323,820)	(339,255)
<i>Net Cash Provided by Operating Activities</i>	<u>150,375</u>	<u>239,981</u>	<u>390,356</u>
<b>Cash Flows from Noncapital Financing Activities</b>			
Transfers In	0	306,650	306,650
Transfers Out	(112,500)	0	(112,500)
<i>Net Cash Provided by (Used for) Noncapital Financing Activities</i>	<u>(112,500)</u>	<u>306,650</u>	<u>194,150</u>
<b>Cash Flows from Capital and Related Financing Activities</b>			
Acquisition of Capital Assets	(28,791)	(197,285)	(226,076)
Notes Issued	400,000	0	400,000
Bonds Issued	0	330,000	330,000
Interfund Activity - Bonds	200,000	1,987,552	2,187,552
Special Assessments	50,420	0	50,420
Repayment of Interfund Activity - Bonds	0	(2,044,674)	(2,044,674)
Principal Paid on GO Bonds	(29,400)	(38,288)	(67,688)
Interest Paid on GO Bonds	(37,964)	42,212	4,248
Principal Paid on OWDA Loans	0	(113,824)	(113,824)
Interest Paid on OWDA Loans	0	(25,745)	(25,745)
Principal Paid on Notes	(800,000)	(1,130,000)	(1,930,000)
Interest Paid on Notes	(11,117)	(33,746)	(44,863)
Interest Paid to City of Avon Lake	(19,781)	0	(19,781)
Payments to City of Avon Lake	(68,450)	0	(68,450)
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(345,083)</u>	<u>(1,223,798)</u>	<u>(1,568,881)</u>
<b>Cash Flows from Investing Activities</b>			
Interest on Investments	38,122	11,041	49,163
Net Decrease in Cash and Cash Equivalents	(269,086)	(666,126)	(935,212)
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>2,823,575</u>	<u>984,074</u>	<u>3,807,649</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$2,554,489</u>	<u>\$317,948</u>	<u>\$2,872,437</u>

**City of Avon, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds (continued)*  
For the Year Ended December 31, 2008

	Business-Type Activities		
	Water	Sewer	Totals
<b>Reconciliation of Operating Loss to Net Cash Provided by Operating Activities</b>			
Operating Loss	(\$328,828)	(\$331,817)	(\$660,645)
<i>Adjustments:</i>			
Depreciation	431,300	551,488	982,788
<i>(Increase) Decrease in Assets:</i>			
Accounts Receivable	301	(2,185)	(1,884)
Materials and Supplies Inventory	2,573	689	3,262
Prepaid Items	1,000	761	1,761
<i>Increase (Decrease) in Liabilities:</i>			
Accounts Payable	91,226	10,872	102,098
Contracts Payable	(82,339)	0	(82,339)
Accrued Wages	4,212	2,598	6,810
Compensated Absences Payable	6,053	6,053	12,106
Intergovernmental Payable	24,877	1,522	26,399
<i>Total Adjustments</i>	479,203	571,798	1,051,001
<i>Net Cash Provided by Operating Activities</i>	\$150,375	\$239,981	\$390,356

**Noncash Capital Financing Activities**

During 2008, the water and sewer enterprise funds received water and sewer lines from developers valued at \$507,811 and \$587,409 respectively.

See accompanying notes to the basic financial statements

**City of Avon, Ohio**  
*Statement of Fiduciary Assets and Liabilities*  
*Agency Funds*  
*December 31, 2008*

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<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$3,697,545</u>
 <b>Liabilities</b>	
Deposits Held and Due to Others	\$3,697,224
Intergovernmental Payable	<u>321</u>
 <i>Total Liabilities</i>	 <u><u>\$3,697,545</u></u>

See accompanying notes to the basic financial statements

*City of Avon, Ohio*  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2008*

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**Note 1 - Description of City and Reporting Entity**

The City of Avon (the City) is a municipal corporation duly organized and existing under the constitution and laws of the State of Ohio. The City may exercise all powers of local self-government and police powers to the extent not in conflict with applicable general laws. Avon was incorporated as a village in 1917 and made a city in May 1961. The City operates under its own charter and is governed by the mayor-council form of government.

The Mayor is the City's chief executive officer and is elected to a four year term. The Mayor supervises the administration of all departments and appoints department heads and public members of administrative boards, upon confirmation by Council. The chief conservator of the peace, he oversees the enforcement of all laws and ordinances and presides over the Mayor's Court. He also executes all contracts, conveyances, and evidences of indebtedness of the City.

Legislative authority is vested in a seven member council with four members elected from wards and three elected at large, for staggered two year terms. The member receiving the greatest number of votes becomes the president. Council enacts ordinances and resolutions related to tax levies, appropriates and borrows money, and accepts bids for materials and services and other municipal purposes.

***Reporting Entity***

A reporting entity is comprised of the primary government, component units and other organizations that are included to insure that the financial statements are not misleading.

The primary government of the City consists of all funds, agencies, departments and offices that are not legally separate from the City. The primary government includes the City departments and agencies that provide the following services: police protection, fire fighting and prevention, street maintenance and repairs, building inspection, parks and recreation, water and sewer.

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 the 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 that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes. The City has no component units.

The City is associated with the Lorain County General Health District and the Northeast Ohio Public Energy Council (NOPEC), both jointly governed organizations, as presented in Note 16 and the Lorain County Healthcare Program, a shared risk pool presented in Note 17.

**Note 2 - Summary of Significant Accounting Policies**

The financial statements of the City of Avon have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its enterprise funds unless those pronouncements conflict with or contradict GASB pronouncements. The City has elected not to apply FASB

*City of Avon, Ohio*  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2008*

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statements and interpretations issued after November 30, 1989, to its business-type activities and enterprise funds. The more significant of the City's accounting policies are described below.

**A. Basis of Presentation**

The City's basic financial statements consist of government-wide statements, including a statement of net assets 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 assets 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 statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The statement of net assets 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 governmental function or business activity 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. Fiduciary funds are reported by type.

**B. 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.

**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. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the City's major governmental funds:

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

**Fire Department Special Revenue Fund** This fund is used to account for income taxes collected to pay for the cost of operating the City's fire department.

*City of Avon, Ohio*  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2008*

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***Street Construction, Maintenance and Repair Special Revenue Fund*** This fund is used to account for property tax revenue and 92.5 percent of the State gasoline tax and motor vehicle registration fees designated for street construction, maintenance and repair of dedicated streets within the City.

***Special Assessment Bond Retirement Debt Service Fund*** This fund is used to account for the accumulation of resources to pay principal and interest on special assessment debt.

***Police Station Project Capital Projects Fund*** This fund accounts for note proceeds that will be used for the engineering and architectural design work for the construction of a new police station facility.

***Recreation Center Construction Capital Projects Fund*** This fund accounts for note proceeds that will be used for the cost of constructing a recreation facility in conjunction with the Greater Cleveland YMCA.

***Baseball Stadium Project Capital Projects Fund*** This fund accounts for note proceeds that will be used for the cost of constructing a baseball stadium to be used for a minor league baseball team and for public purposes.

***Recreation Complex Infrastructure Capital Projects Fund*** This fund accounts for note proceeds that will be used for the cost of roadway, water and sewer improvements at the City recreation complex.

The other governmental funds of the City account for grants and other resources whose use is restricted to a particular purpose.

***Proprietary Funds*** Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service. The City has no internal service funds.

***Enterprise Funds*** 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 is used to account for revenues generated from charges for distribution of water to the residential and commercial users of the City and for the maintenance and construction of water lines.

***Sewer Fund*** This fund is used to account for revenues generated from charges for sanitary sewer services provided to the residential and commercial users of the City and for the maintenance and construction of sewer lines.

***Fiduciary Funds*** Fiduciary fund reporting focuses on net assets and changes in net assets. 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. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's agency funds account for contractor's deposits, taxes distributed to the Lorain Public Library, the collection and distribution of sewer charges for North Ridgeville, subdivision deposits, Avon Lake sanitary sewer trunk fees, monies due to other organizations/entities and Mayor's Court.

***C. Measurement Focus***

***Government-wide Financial Statements*** The government-wide financial statements are presented using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are

*City of Avon, Ohio*  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2008*

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included on the Statement of Net Assets. The Statement of Activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets.

***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 and current liabilities 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 reconciliations with brief explanations to better identify the relationship between the government-wide statements and the 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 and all liabilities associated with the operation of these funds are included on the statement of fund net assets. The statement of revenues, expenses and changes in fund net assets present increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

***D. 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; proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

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

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. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 7). 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 the 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 and motor vehicle license fees), fines, interest, grants, fees and rentals.

***Deferred Revenue*** Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

*City of Avon, Ohio*  
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*For the Year Ended December 31, 2008*

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Property taxes for which there is an enforceable legal claim as of December 31, 2008, but which were levied to finance year 2009 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

***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.

***E. Budgetary Process***

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the 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 fund, object level for all funds.

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

***F. Cash and Cash Equivalents***

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. Interest in the pool is presented as "equity in pooled cash and cash equivalents."

Investments are reported at fair value which is based on quoted market prices, with the exception of nonparticipating repurchase agreements, which are reported at cost.

During 2008, investments were made in repurchase agreements, State Treasury Asset Reserve of Ohio (STAROhio), and bank certificates of deposits.

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940.

*City of Avon, Ohio*  
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Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31, 2008.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2008 amounted to \$404,358, which includes \$333,903 assigned from other City funds.

Investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City are presented on the financial statements as cash equivalents.

**G. Inventory**

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

**H. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2008 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

**I. Capital Assets**

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net assets 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 assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of five thousand dollars. 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 proprietary fund capital assets is also capitalized.

All 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:

Description	Estimated Lives
Land Improvements	10 years
Building and Improvements	50 years
Machinery and Equipment	3 - 20 years
Infrastructure	10 - 50 years

The City's infrastructure consists of park improvements (roads, paths, bridges, culverts, water and sewer lines within the park system), streets, bridges and culverts, traffic signals, storm sewers and water lines and includes infrastructure acquired prior to December 31, 1980.

*City of Avon, Ohio*  
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***J. Interfund Balances***

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as “interfund receivables/payables.” Interfund balance amounts are eliminated in the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

***K. Compensated Absences***

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The City records a liability for all 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 termination method. An accrual for earned sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the City's past experience of making termination payments.

***L. 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 and long-term loans are recognized as a liability on the governmental fund financial statements when due.

***M. Fund Balance Reserves***

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. As a result, encumbrances are recorded as a reservation of fund balance.

***N. Net Assets***

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt 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 assets are reported as restricted when there are limitations imposed on their 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.

Net assets restricted for other purposes include resources restricted for recycling, highway maintenance, law enforcement, parks, recreation, community activities, contributions to police pension funds and various police programs.

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

*City of Avon, Ohio*  
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*For the Year Ended December 31, 2008*

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***O. Contributions of Capital***

Contributions of capital in the governmental activities and proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

***P. Internal Activity***

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental activities are eliminated on the government-wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Interfund payments for services provided and used are not eliminated.

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 financial statements.

***Q. Operating Revenues and Expenses***

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services and other operating revenue for the water and sewer fund. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

***R. Bond Premiums/Issuance Costs***

Bond premiums and issuance costs for governmental and business-type activities are deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Bond premiums are presented as an addition of the face amount of bonds payable whereas issuance costs are recorded as deferred charges on the statement of net assets. On the governmental fund statements, bond premiums are receipted and issuance costs are expended in the year the bonds are issued.

***S. Extraordinary and Special Items***

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence.

***T. Estimates***

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

*City of Avon, Ohio*  
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*For the Year Ended December 31, 2008*

**Note 3 – Change in Accounting Principles and Restatement of Prior Year Net Assets**

***A. Change in Accounting Principles***

For 2008, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 49, “Accounting and Financial Reporting for Pollution Remediation Obligations”.

GASB Statement No. 49 addresses accounting and financial reporting standards for pollution (including contamination) remediation obligations which are obligations to address the current or potential detrimental effect of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. The implementation of this statement did not result in any changes to the financial statements.

***B. Restatement of Prior Year Net Assets***

During 2008, it was determined that special assessment receivable was understated at December 31, 2007. It was also determined that OPWC loans were overstated, and payment in lieu of taxes receivable and the Avon Local School District liability were understated in 2007. These restatements had the following effect on the governmental activities net assets as they were previously reported.

	Governmental Activities
Net Assets January 1, 2008	\$61,309,684
<b>Restatements:</b>	
Special Assessment Receivable	826,979
OPWC Loans Payable	150,000
Payment in Lieu of Taxes Receivable	9,134,383
Avon Local School District Payable	(5,561,295)
Restated Net Assets, January 1, 2008	\$65,859,751

**Note 4 – Accountability and Legal Compliance**

***A. Accountability***

At December 31, 2008, the police pension special revenue fund had a deficit of \$129,094. This deficit is due to adjustments for accrued liabilities. The general fund is liable for any deficit in this fund and provides operating transfers when cash is required, rather than when accruals occur.

***B. Legal Compliance***

Contrary to ORC section 5709.39, the enforcement and education special revenue fund had original appropriations in excess of estimated resources plus beginning balances in the amount of \$18,844.

Contrary to Section 5705.41, Ohio Revised Code, the road widening capital projects fund had expenditures plus encumbrances in excess of final appropriations in the amount of \$235,860.

Contrary to ORC section 5705.39, the following funds had final appropriations in excess of estimated resources plus beginning balances:

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
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	Final Revenues Plus Carryover Balances	Final Appropriations	Excess
<b>Major Funds</b>			
Police Station Project	\$7,734,627	\$7,736,343	\$1,716
Recreation Center Construction	15,052,424	15,064,526	12,102
Sewer	6,011,588	6,083,738	72,150
<b>Special Revenue Funds</b>			
Avon Seniors	238,912	250,319	11,407
Recreation	215,452	234,981	19,529
Park Operating	870,089	882,412	12,323
Storm Water Detention	679,413	680,599	1,186
<b>Capital Projects Funds</b>			
Safety Town Construction	3,005	3,316	311
Road Programs	1,901,127	1,951,801	50,674
Schneider Court Site Development	98,965	100,280	1,315
Bridge: CEI Site/Colorado	1,853,454	1,992,252	138,798
Peak Property Purchase	8,024	16,048	8,024
Riegelsberger/Jaycox Bridge	50,000	100,000	50,000

Management has indicated that appropriations will be closely monitored to ensure no future violations.

**Note 5 - Budgetary Basis of Accounting**

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).
4. 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.
5. Advances-In and Advances-Out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).

The following tables summarize the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund and for the two major special revenue funds.

**City of Avon, Ohio**  
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Net Change in Fund Balance

	General	Fire Department	Street Construction, Maintenance and Repair
GAAP Basis	(\$268,752)	(\$1,467,199)	\$227,545
Net Adjustment for Revenue Accruals	(145,218)	(107,337)	(704)
Unrecorded Cash Beginning of Year	101,649		
Unrecorded Cash End of Year	(64,045)	0	1,799
Net Adjustment for Expenditure Accruals	1,085	49,145	(184,752)
Advances Out	(1,757,374)	0	0
Encumbrances	(197,610)	(15,223)	(110,829)
Budget Basis	<u>(\$2,330,265)</u>	<u>(\$1,540,614)</u>	<u>(\$66,941)</u>

**Note 6 - Deposits and Investments**

The City is a charter City and has adopted an investment policy through City Ordinance. The City has elected to follow the provisions of State statute. State statutes classify monies held by the City into three categories.

Active deposits are public deposits necessary to meet current demands on the City treasury. Active 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 of 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.

Interim monies held by the City can 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 and 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. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;

*City of Avon, Ohio*  
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6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAROhio); and
8. Commercial paper and bankers acceptances if training requirements have been met.

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.

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. Investments may only be made through specified dealers and institutions.

### **Deposits**

***Custodial Credit Risk*** Custodial credit risk for deposits 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 possession of an outside party. At year-end, the carrying amount of the City's deposits was \$7,460,153 and the bank balance was \$7,331,068. Of the bank balance \$500,000 was covered by Federal depository insurance and \$6,831,068 was exposed to custodial credit risk because it was uninsured and uncollateralized. Although the securities were held by the pledging institution's 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.

The City has no deposit policy for custodial risk beyond the requirements of the State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the City or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

### **Investments**

All investments are in an internal investment pool. As of December 31, 2008, the City had \$1,510,025 in Federal Home Loan Bank Bonds, which serve as the underlying security for the repurchase agreement which mature daily, and a STAROhio investment with fair value of \$37,023,775 and an average maturity of 57.7 days.

***Interest Rate Risk*** As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that operating funds be invested primarily in short-term investments maturing within one year from the date of purchase and that the City's investment portfolio be structured so that the securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

***Credit Risk*** STAROhio carries a rating of AAAM by Standard's and Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The Federal

*City of Avon, Ohio*  
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Home Loan Bank Bonds, which serve as the underlying security for the repurchase agreements, carry a rating of AAA by Standard and Poor's. The City has no investment policy that would further limit its investment choices.

**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 investments or collateral securities that are in the possession of an outside party. The Federal Home Loan Bank Bonds are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty's trust department or agent. The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

**Concentration of Credit Risk** The City places no limit on the amount it may invest in any one issuer. The following is the City's allocation as of December 31, 2008:

<u>Investment</u>	<u>Percentage of Investments</u>
Repurchase Agreement:	
Federal Home Loan Bank Bonds	3.92%
STAROhio	96.08%

## **Note 7 - Receivables**

Receivables at December 31, 2008, consisted primarily of municipal income taxes, property taxes, special assessments, intergovernmental receivables arising from entitlements and shared revenues and accounts (billings for user charged services and court fines).

No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant. All receivables except for special assessments and delinquent property taxes are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Special assessments expected to be collected in more than one year amount to \$3,208,855 in the special assessment bond retirement fund. The amount of delinquent special assessments outstanding at year-end is \$14,303.

### **A. Property Taxes**

Property taxes include amounts levied against all real, public utility and tangible personal property located in the City. Property tax revenue received during 2008 for real and public utility property taxes represents collections of 2007 taxes. Property tax payments received during 2008 for tangible personal property (other than public utility property) are for 2008 taxes.

2008 real property taxes are levied after October 1, 2008 on the assessed value as of January 1, 2008, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2008 real property taxes are collected in and intended to finance 2009.

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 tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2008 public utility property taxes which become a lien December 31, 2007, are levied after October 1, 2008, and are collected in 2009 with real property taxes.

*City of Avon, Ohio*  
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2008 tangible personal property taxes are levied after October 1, 2007, on the value as of December 31, 2007. Collections are made in 2008. Tangible personal property assessments are being phased out – the assessment percentage for all property including inventory for 2008 is 6.25 percent and will be reduced to zero for 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable September 20.

The full tax rate for all City operations for the year ended December 31, 2008 was \$9.26 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2008 property tax receipts were based are as follows:

Real Property	
Residential/Agricultural	\$560,820,750
Commercial Industrial/Public Utility	173,325,920
Public Utility Property	8,051,870
Tangible Personal Property	<u>27,000,430</u>
Total Valuation	<u><u>\$769,198,970</u></u>

The Lorain County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Avon. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2008 and for which there is an enforceable legal claim. In the governmental funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2008 operations and the collection of delinquent 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 deferred.

***B. Income Tax***

The City levies a municipal income tax of one and three quarters percent on all salaries, wages, commissions and other compensation, and net profits earned within the City as well as on incomes of residents earned outside of the City. In the latter case the City allows a credit of one and one half percent of the taxable income earned in or attributable to the municipality of employment or business activity. One percent is levied for general purposes, one half percent is restricted for safety forces operations, and one quarter percent is used for parks and recreation, including the construction of a recreational complex.

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

The Regional Income Tax Agency administers and collects income taxes for the City. Payments are remitted monthly net of collection fees of three percent. Income tax proceeds are received by the general fund and fire department special revenue fund.

***C. Intergovernmental Receivables***

A summary of the governmental activities principal items of intergovernmental receivables follow:

**City of Avon, Ohio**  
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	Amount
Grants	\$13,941
Homestead and Rollback	213,367
Inheritance Tax	126,072
Local Grants	655,183
Electric Deregulation	40,280
Total	\$1,048,843

**D. Payments in Lieu of Taxes Receivables**

According to State law, the City has established several tax incremental financing districts within the City under which the City has granted property tax exemptions and agreed to construct certain infrastructure improvements. The property owners have agreed to make payments to the City to help pay the costs of the infrastructure improvements. The amount of those payments generally reflects all or a portion of the property taxes which the property owners would have paid if the property had not been declared exempt. The property owners' contractual promise to make these payments in lieu of taxes generally continues until the costs of the improvements have been paid or the agreement expires, whichever occurs first. Future development by these owners or others may result in subsequent agreements to make payments in lieu of taxes and may therefore spread the costs of the improvements to a larger number of property owners.

**Note 8 – Capital Assets**

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

	Balance 12/31/07	Additions	Deletions	Balance 12/31/08
<b>Business-Type Activities</b>				
<i>Capital Assets, Not Being Depreciated:</i>				
Land	\$7,580	\$0	\$0	\$7,580
<i>Capital Assets, Being Depreciated:</i>				
Land Improvements	93,196	0	0	93,196
Buildings and Improvements	1,693,594	0	0	1,693,594
Machinery and Equipment	1,032,278	66,214	0	1,098,492
Infrastructure:				
Water Lines	16,493,036	507,811	0	17,000,847
Sewer Lines	20,061,629	752,313	0	20,813,942
<i>Total Capital Assets, Being Depreciated</i>	39,373,733	1,326,338	0	40,700,071
Less Accumulated Depreciation:				
Land Improvements	(93,196)	0	0	(93,196)
Buildings and Improvements	(558,886)	(33,872)	0	(592,758)
Machinery and Equipment	(125,515)	(22,199)	0	(147,714)
Infrastructure:				
Water Lines	(5,831,500)	(377,338)	0	(6,208,838)
Sewer Lines	(4,029,542)	(549,379)	0	(4,578,921)
<i>Total Accumulated Depreciation</i>	(10,638,639)	(982,788)	0	(11,621,427)
Total Capital Assets, Being Depreciated, Net	28,735,094	343,550	0	29,078,644
Business-Type Activities Capital Assets, Net	\$28,742,674	\$343,550	\$0	\$29,086,224

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
For the Year Ended December 31, 2008

	Balance 12/31/07	Additions	Deletions	Balance 12/31/08
<b>Governmental Activities</b>				
<b><i>Capital Assets, Not Being Depreciated:</i></b>				
Land	\$2,773,568	\$413,925	\$0	\$3,187,493
Construction in Progress	5,404,593	8,293,269	(5,110,777)	8,587,085
<b>Total Capital Assets, Not Being Depreciated</b>	<b>8,178,161</b>	<b>8,707,194</b>	<b>(5,110,777)</b>	<b>11,774,578</b>
<b><i>Capital Assets, Being Depreciated:</i></b>				
Land Improvements	1,490,893	0	0	1,490,893
Buildings and Improvements	8,548,232	6,007,854	0	14,556,086
Machinery and Equipment	4,974,623	462,711	(498,987)	4,938,347
Infrastructure:				
Park Improvements	1,158,693	0	0	1,158,693
Streets	45,056,282	2,313,970	0	47,370,252
Bridges and Culverts	649,900	789,233	0	1,439,133
Traffic Signals	1,333,337	347,404	0	1,680,741
Storm Sewer	16,635,996	2,416,749	0	19,052,745
Water Lines	0	733,566	0	733,566
<b>Total Capital Assets, Being Depreciated</b>	<b>79,847,956</b>	<b>13,071,487</b>	<b>(498,987)</b>	<b>92,420,456</b>
Less Accumulated Depreciation:				
Land Improvements	(256,345)	(58,919)	0	(315,264)
Buildings and Improvements	(1,026,553)	(228,940)	0	(1,255,493)
Machinery and Equipment	(2,783,477)	(437,733)	453,225	(2,767,985)
Infrastructure:				
Park Improvements	(189,735)	(38,623)	0	(228,358)
Streets	(20,056,816)	(1,963,061)	0	(22,019,877)
Bridges and Culverts	(250,366)	(29,076)	0	(279,442)
Traffic Signals	(446,591)	(83,214)	0	(529,805)
Storm Sewer	(2,949,679)	(442,713)	0	(3,392,392)
<b>Total Accumulated Depreciation</b>	<b>(27,959,562)</b>	<b>(3,282,279) *</b>	<b>453,225</b>	<b>(30,788,616)</b>
<b>Total Capital Assets, Being Depreciated, Net</b>	<b>51,888,394</b>	<b>9,789,208</b>	<b>(45,762)</b>	<b>61,631,840</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$60,066,555</b>	<b>\$18,496,402</b>	<b>(\$5,156,539)</b>	<b>\$73,406,418</b>

During 2008, the City received street improvements from developers valued at \$1,425,151, traffic signals from developers valued at \$215,121, and storm sewer and water improvements from developers valued at \$929,229 in governmental funds, the water and sewer enterprise funds received water and sewer lines from developers valued at \$507,811 and \$587,409 respectively.

\* Depreciation expense was charged to governmental functions as follows:

General Government	\$143,007
Security of Persons and Property	338,442
Transportation	2,206,053
Community Environment	11,411
Leisure Time Activities	140,653
Basic Utility Services	442,713
<b>Total Depreciation Expense</b>	<b>\$3,282,279</b>

*City of Avon, Ohio*  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**Note 9 – Contingencies**

**A. Grants**

The City received financial assistance from federal and state agencies in the form of grants. The disbursements of funds received under these programs generally require 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 adverse effect on the overall financial position of the City.

**B. Litigation**

The City is a party to legal proceedings seeking damages. The City management, including the Law Director, 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 and that the City has adequate liability insurance coverage to protect itself against any material loss.

**Note 10 – Note Debt**

A summary of note transactions for the year ended December 31, 2008 follows:

<b>GOVERNMENTAL-TYPE FUNDS</b>	Balance 12/31/07	Additions	Deletions	Balance 12/31/08
<b>Post Office Project Fund</b>				
2008, 4.25% Post Office Project	\$0	\$1,720,000	\$1,720,000	\$0
<b>Baseball Stadium Project Fund</b>				
2008, 4.25% Baseball Stadium	0	12,200,000	12,200,000	0
<b>Recreation Complex Infrastructure Fund</b>				
2008, 2.35% Recreation Complex Infrastructure	0	8,800,000	8,800,000	0
<b>Total Governmental Funds</b>	<u>\$0</u>	<u>\$22,720,000</u>	<u>\$22,720,000</u>	<u>\$0</u>
<b>BUSINESS-TYPE FUNDS</b>				
<b>Sewer Fund</b>				
2007, 4.05% Jaycox Road Sewerline	\$800,000	\$0	\$800,000	\$0
<b>Total Business-Type Funds</b>	<u>\$800,000</u>	<u>\$0</u>	<u>\$800,000</u>	<u>\$0</u>

In 2008, the City issued \$1,720,000, \$12,200,000, and \$8,800,000 notes to help finance the Post Office Project, the Baseball Stadium Project, and the Recreation Complex Infrastructure Project, respectively. These notes matured on November 26, 2008, November 26, 2008, and October 27, 2008, respectively.

In 2007, the City issued \$800,000 in sewer notes to help finance the Jaycox Road sewer project. These notes matured March 3, 2008.

All notes are backed by the full faith and credit of the City and mature within one year. The note liability is reflected in the fund which received the proceeds and will repay the debt. The notes are generally issued in anticipation of long-term bond financing and refinanced until such bonds are issued.

**Note 11 – Long-Term Obligations**

The original issue date, interest rate, original issue amount and date of maturity of each of the City's bonds, notes and loans follows:

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
For the Year Ended December 31, 2008

Debt Issue	Interest Rate	Original Issue Amount	Date of Maturity
<i>General Obligation Bonds:</i>			
Moore Road/Formanek - 1989	7.13 %	\$23,904	December 1, 2008
Detroit Road Park Refunding - 2006	3.45-4.25	163,000	December 1, 2016
Library Improvement Refunding - 2006	3.45-4.25	600,000	December 1, 2014
Northgate Sewer Improvement Refunding - 2006	3.45-4.25	271,000	December 1, 2016
New City Hall Refunding - 2006	3.45-4.25	626,000	December 1, 2017
Schneider Court Improvements Serial	3.45-4.25	111,132	December 1, 2026
Just Imagine Drive - 1997	3.90-5.35	655,000	December 1, 2017
North Branch Sewer Avins Ditch - 1998	4.60-5.20	88,467	December 1, 2018
Moore Road Improvement - 1999	4.40-5.40	110,870	December 1, 2019
Veteran's Park - 2003	1.50-4.70	1,590,000	December 1, 2023
Service Garage Term - 2004	2.00-5.00	2,500,000	December 1, 2024
Water/Sewer Refunding Bonds - 2004	2.00-3.25	114,000	December 1, 2012
Mills, Jaycox, Sandy Lane - 2000	4.5-5.75	242,600	December 1, 2020
Various Purpose Bonds - 2008	3.00-4.65	6,910,000	December 1, 2027
<i>Special Assessment Bonds:</i>			
Moore Road/Formanek - 1989	7.13	391,096	December 1, 2008
Route 83 Sewer Improvements - 1995	4.20-6.50	520,000	December 1, 2015
Chester Road Sanitary Sewer - 1997	3.90-5.50	974,600	December 1, 2017
Moore/Chester Road Waterline - 1997	3.90-5.50	94,200	December 1, 2017
Chester Road Waterline East - 1997	3.90-5.50	152,200	December 1, 2017
Avon Road Waterline - 1997	3.90-5.50	324,200	December 1, 2017
North Branch Sewer Avins Ditch - 1998	4.60-5.20	281,533	December 1, 2018
Moore Road Improvement - 1999	4.40-5.40	869,130	December 1, 2019
Mills, Jaycox, Sandy Lane - 2000	4.50-5.75	342,400	December 1, 2020
Schneider Court Improvements	3.45-4.25	903,868	December 1, 2026
Various Purpose - 2001	3.95-5.25	590,000	December 1, 2021
<i>Ohio Public Works Commission Loans:</i>			
Center Road Extension - 2007	0.00	92,152	December 1, 2017
Jaycox Road/Center Improvements	0.00	150,000	December 1, 2027
<i>Long-term Notes</i>			
Detroit Road Widening - 2008	2.35	1,250,000	May 14, 2009
Post Office Project - 2008	4.25	1,720,000	May 14, 2009
Recreation Construction - 2008	2.35	14,000,000	May 14, 2009
Baseball Stadium Project - 2008	2.35-4.25	13,150,000	May 14, 2009
Recreation Complex - 2008	2.35	9,000,000	May 14, 2009
<i>Ohio Water Development Loans:</i>			
Sanitary Sewer Addition - 1989	7.65	687,406	January 1, 2013
Sanitary Sewer Construction - 1989	2.00	1,536,998	January 1, 2013
<i>Enterprise General Obligation Bonds:</i>			
Water Construction Refunding Bonds - 2004	2.00-3.25	239,400	December 1, 2012
Various Purpose Bonds - 2008	3.00-4.65	330,000	December 1, 2027
Sewer Construction Refunding Bonds - 2004	2.00-3.25	239,400	December 1, 2012

**City of Avon, Ohio**  
**Notes to Basic Financial Statements**  
**For the Year Ended December 31, 2008**

Changes in bonds and other long-term obligations of the City during 2008 were as follows:

	Restated Principal Outstanding 12/31/07	Additions	Deletions	Principal Outstanding 12/31/08	Due Within One Year
<b>Governmental Activities</b>					
<i>General Obligation Bonds:</i>					
Moore Road/Formanek	\$1,154	\$0	\$1,154	\$0	\$0
Detroit Road Park Refunding	147,000	0	12,000	135,000	12,000
Unamortized Premium	156	0	10	146	0
Unamortized Loss on Refunding	(7,048)	0	(1,106)	(5,942)	0
Library Improvement Refunding	465,000	0	60,000	405,000	60,000
Unamortized Premium	21,664	0	3,114	18,550	0
Unamortized Loss on Refunding	(23,474)	0	(4,245)	(19,229)	0
Northgate Sewer Improvement Refunding	241,000	0	23,000	218,000	23,000
Unamortized Premium	243	0	14	229	0
Unamortized Loss on Refunding	(11,346)	0	(1,740)	(9,606)	0
New City Hall Refunding	607,000	0	50,000	557,000	55,000
Unamortized Loss on Refunding	(31,578)	0	(4,927)	(26,651)	0
Schneider Court Improvements Serial	108,395	0	3,832	104,563	4,380
Unamortized Premium	465	0	25	440	0
Just Imagine Drive	405,000	0	30,000	375,000	35,000
North Branch Sewer Avins Ditch	58,578	0	3,587	54,991	4,782
Moore Road Improvement	79,193	0	5,090	74,103	5,090
Veteran's Park	1,365,000	0	65,000	1,300,000	65,000
Service Garage Term	2,235,000	0	100,000	2,135,000	100,000
Unamortized Premium	8,834	0	519	8,315	0
Water/Sewer Refunding Bonds	59,200	0	11,200	48,000	11,200
Unamortized Premium	290	0	58	232	0
Unamortized Loss on Refunding	(21,810)	0	(4,362)	(17,448)	0
Mills, Jaycox, Sandy Lane	182,468	0	10,368	172,100	10,368
Various Purpose Bonds	0	6,910,000	186,111	6,723,889	252,920
<i>Total General Obligation Bonds</i>	<u>5,890,384</u>	<u>6,910,000</u>	<u>548,702</u>	<u>12,251,682</u>	<u>638,740</u>
<i>OPWC Loans:</i>					
Route 83 Channel Enclosure	4,500	0	4,500	0	0
Center Road Extension	87,544	0	9,215	78,329	9,215
Jaycox Road/Chester Improvements	0	145,194	0	145,194	7,260
<i>Total OPWC Loans</i>	<u>\$92,044</u>	<u>\$145,194</u>	<u>\$13,715</u>	<u>\$223,523</u>	<u>\$16,475</u>

**City of Avon, Ohio**  
**Notes to Basic Financial Statements**  
**For the Year Ended December 31, 2008**

	Restated Principal Outstanding 12/31/07	Additions	Deletions	Principal Outstanding 12/31/08	Due Within One Year
<b>Governmental Activities (cont.)</b>					
<i>Special Assessment Bonds:</i>					
Moore Road/Formanek	\$18,846	\$0	\$18,846	\$0	\$0
Route 83 Sewer Improvements	285,000	0	30,000	255,000	30,000
Chester Road Sanitary Sewer	616,859	0	46,792	570,067	50,382
Moore/Chester Road Waterline	59,624	0	4,122	55,502	4,914
Chester Road Waterline East	96,333	0	6,829	89,504	7,911
Avon Road Waterline	205,198	0	15,271	189,927	16,793
North Branch Sewer Avins Ditch	186,420	0	11,414	175,006	15,218
Moore Road Improvement	620,806	0	39,911	580,895	39,911
Mills, Jaycox, Sandy Lane	257,532	0	14,633	242,899	14,633
Schneider Court Improvements	881,605	0	31,168	850,437	35,620
Various Purpose	465,000	0	25,000	440,000	25,000
<i>Total Special Assessment Bonds</i>	<u>3,693,223</u>	<u>0</u>	<u>243,986</u>	<u>3,449,237</u>	<u>240,382</u>
<i>Long-Term Notes Payable:</i>					
State Route 83 Extension	1,100,000	0	1,100,000	0	0
Real Estate Acquisition	410,000	0	410,000	0	0
French Creek Bridge	900,000	0	900,000	0	0
Police Station	4,500,000	0	4,500,000	0	0
Detroit Road Widening	0	1,250,000	0	1,250,000	0
Post Office Project	0	1,720,000	0	1,720,000	0
Recreation Construction	0	14,000,000	0	14,000,000	0
Baseball Stadium Project	0	13,150,000	0	13,150,000	0
Recreation Complex	0	9,000,000	0	9,000,000	0
<i>Total Long-Term Notes Payable</i>	<u>6,910,000</u>	<u>39,120,000</u>	<u>6,910,000</u>	<u>39,120,000</u>	<u>0</u>
<i>Other Long-Term Obligations:</i>					
Compensated Absences	1,483,690	239,321	87,370	1,635,641	107,262
Avon Local School District	5,561,295	0	320,844	5,240,451	302,409
<i>Total Other Long-Term Obligations</i>	<u>7,044,985</u>	<u>239,321</u>	<u>408,214</u>	<u>6,876,092</u>	<u>409,671</u>
<i>Total Governmental Activities</i>	<u>\$23,630,636</u>	<u>\$46,414,515</u>	<u>\$8,124,617</u>	<u>\$61,920,534</u>	<u>\$1,305,268</u>
	Principal Outstanding 12/31/07	Additions	Deletions	Principal Outstanding 12/31/08	Due Within One Year
<b>Business-Type Activities</b>					
<i>Ohio Water Development Loans:</i>					
Sanitary Sewer Addition	\$406,039	\$0	\$70,605	\$335,434	\$72,017
Sanitary Sewer Construction	251,791	0	43,219	208,572	46,525
<i>Total Ohio Water Development Loans</i>	<u>\$657,830</u>	<u>\$0</u>	<u>\$113,824</u>	<u>\$544,006</u>	<u>\$118,542</u>

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
For the Year Ended December 31, 2008

	Principal Outstanding 12/31/07	Additions	Deletions	Principal Outstanding 12/31/08	Due Within One Year
<b>Business-Type Activities (continued)</b>					
<i>General Obligation Bonds:</i>					
Water Construction Refunding Bonds	\$155,400	\$0	\$29,400	\$126,000	\$29,400
Unamortized Premium	580	0	116	464	0
Unamortized Gain on Refunding	(10,291)	0	(2,059)	(8,232)	0
Various Purpose Bonds	0	330,000	8,888	321,112	12,080
Sewer Construction Refunding Bonds	155,400	0	29,400	126,000	29,400
Unamortized Premium	580	0	116	464	0
Unamortized Gain on Refunding	(10,291)	0	(2,059)	(8,232)	0
<i>Total General Obligation Bonds</i>	<u>291,378</u>	<u>330,000</u>	<u>63,802</u>	<u>557,576</u>	<u>70,880</u>
<i>Enterprise Long-Term Notes:</i>					
North Branch Interceptor Sanitary Sewer	330,000	0	330,000	0	0
Jaycox Road Waterline Improvement	400,000	400,000	800,000	0	0
<i>Total Enterprise Long-Term Notes</i>	<u>730,000</u>	<u>400,000</u>	<u>1,130,000</u>	<u>0</u>	<u>0</u>
Intergovernmental Payable	776,103	0	92,124	683,979	98,266
Compensated Absences	106,606	21,958	9,852	118,712	10,448
<i>Total Business-Type Activities</i>	<u>\$2,561,917</u>	<u>\$751,958</u>	<u>\$1,409,602</u>	<u>\$1,904,273</u>	<u>\$298,136</u>

General obligation bonds, except as listed below, will be paid from the general obligation bond retirement debt service fund. The Veteran’s Park general obligation bonds will be paid from the park development special revenue fund. The Library Improvement general obligation bond will be paid from the library bond retirement debt service fund. The Ohio Public Works Commission Loans will be paid from the special assessment bond retirement fund and the general obligation debt service fund. General Obligation Bonds and OWDA loans reported in the enterprise funds will be paid from charges for services revenue in the enterprise funds.

Special assessment bonds and the Route 83 Channel Enclosure Project Ohio Public Works Commission loan will be paid from the proceeds of special assessments levied against benefited property owners. The general obligation bond retirement fund also contributes a small portion towards the Mills, Jaycox, Sandy Lane special assessment bond payment. In the event that a property owner would fail to pay the assessment, payment would be made by the City.

Special assessment debt and Ohio Public Works Commission loans used to construct business-type capital assets and paid out of governmental activities have been reflected in the “net assets restricted for debt service” section of the statement of net assets.

The City has pledged future revenues to repay the OWDA Loans. The loans are payable solely from revenues generated by the ownership and operation of the sewer utility system and are payable through 2013. Revenues include all revenues received by the sewer utility less all operating expenses other than depreciation expense. Annual principal and interest payments of the loans are expected to require less than 10 percent of total revenues. The total principal and interest remaining to be paid on the loans is \$604,189. Principal and interest paid for the current year were \$139,569.

*City of Avon, Ohio*  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2008*

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Bond anticipation notes that were rolled over prior to the issuance of the financial statements and that have a new maturity beyond the end of the year in which the report is issued have been reported as long-term obligations in the government wide statements. The notes are backed by the full faith of the City of Avon and mature on May 14, 2009. All of the long-term notes will be paid by transfers from the general fund.

The City has an agreement with the Avon Local School District that the City would compensate the School District through payments from the tax incremental financing debt service fund for the property that became tax exempt through the City's various tax incremental financing agreements. Compensated absences will be paid from the general fund, the street construction, maintenance and repair special revenue fund, the police special revenue fund, and the water and sewer enterprise funds.

The City has pledged future payments in lieu of taxes revenue to repay the Avon Local School District debt issue in the tax incremental financing debt service fund. The debt is payable solely from net revenues and are payable through 2036. Annual principal payments on the debt issue are expected to require 60.88 percent of net revenues. The total principal remaining to be paid on the debt is \$5,240,451. Principal paid for the current year and total net revenues were \$327,931 and \$538,624, respectively.

On March 3, 2008, the City issued \$6,910,000 in governmental general obligation bonds and \$330,000 in business-type general obligation bonds with a maturity date of December 1, 2027 and a variable interest rate of 3.0 to 5.25 percent and retired \$7,240,000 in general obligation notes. The notes retired were the \$4,500,000 police station, the \$1,100,000 State Route 83 extension note, the \$410,000 real estate acquisition note, the \$900,000 french creek bridge and the \$330,000 north branch interceptor sanitary sewer note.

On April 12, 2006, the City issued \$1,660,000 in general obligation refunding bonds and \$1,015,000 in Schneider Court Improvement serial bonds at interest rates varying from 3.4 percent to 4.0 percent. Proceeds were used to refund \$1,565,000 of the outstanding 1996 bonds and 1997 New City Hall Bonds. As a result, \$1,565,000 of these bonds were considered defeased and the liability for the refunded bonds had been removed from the basic financial statements. The amount still outstanding at December 31, 2008 is \$745,000.

The serial bonds for the general obligation refunding bonds were issued for a 20 year period with a final maturity at December 1, 2024. The bonds are being retired from the general obligation bond retirement fund.

On September 15, 2004, the City issued \$570,000 in general obligation refunding bonds and \$2,500,000 in service garage construction term bonds at interest rates varying from 2.0 percent to 5.0 percent. Proceeds were used to refund \$600,000 of the outstanding 1992 water and sewer construction bonds. As a result, \$600,000 of these bonds were considered defeased and the liability for the refunded bonds has been removed from the basic financial statements. The amount still outstanding at December 31, 2008 is \$310,000.

The term bonds for the service garage were issued for an 11 year period with a final maturity at December 1, 2012. The bonds are being retired from the general obligation bond retirement fund.

Optional Redemption The service garage term bonds maturing on and after December 1, 2015 are subject to prior redemption, by and at the sole option of the City, either in whole on any date or in part (in any order of maturity) on any interest payment date on or after December 1, 2014, in integral multiples of \$5,000, at the redemption price of 100 percent of the principal amount redeemed plus, in each case, accrued interest to the redemption date.

Selection of Bonds to be Redeemed If fewer than all of the outstanding bonds are called for redemption at one time, they may be called in any order of their maturities, and, if fewer than all of the bonds of a single maturity are to be redeemed, the selection of such bonds to be redeemed, or portions thereof in the amounts of \$5,000 or any integral multiple thereof, will be made by the bond registrar by lot in such manner as the bond registrar may determine.

*City of Avon, Ohio*  
*Notes to Basic Financial Statements*  
*For the Year Ended December 31, 2008*

*Mandatory Sinking Fund Redemption* The term bonds maturing on December 1, 2019 are subject to mandatory redemption, pursuant to mandatory sinking fund requirements, at a redemption price of 100 percent of the principal amount redeemed plus interest accrued to the redemption date, on December 1 in each of the years and in the principal amounts set forth below:

<u>Year</u>	<u>Principal Amount to be Redeemed</u>
2015	\$120,000
2016	125,000
2017	130,000
2018	140,000

If retired only by such mandatory redemption prior to their stated maturity, there would remain \$145,000 in principal amount of the bonds maturing on December 1, 2019 to be paid at maturity.

The bonds maturing on December 1, 2024 are subject to mandatory redemption, pursuant to mandatory sinking fund requirements, at a redemption price of 100 percent of the principal amount redeemed plus interest accrued to the redemption date, on December 1 in each of the years and in the principal amounts set forth below:

<u>Year</u>	<u>Principal Amount to be Redeemed</u>
2020	\$150,000
2021	155,000
2022	165,000
2023	170,000

If retired only by such mandatory redemption prior to their stated maturity, there would remain \$180,000 in principal amount of the bonds maturing on December 1, 2024 to be paid at maturity.

The City's overall legal debt margin was \$68,338,823 and an unvoted debt margin of \$29,878,874 at December 31, 2008. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2008 are as follows:

<u>Years</u>	<u>General Obligation Bonds</u>		<u>Special Assessment Bonds</u>		<u>OPWC Loans</u>	<u>Total Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Principal</u>	<u>Interest</u>
2009	\$638,740	\$527,731	\$240,382	\$177,024	\$16,476	\$895,598	\$704,755
2010	669,878	506,606	249,816	164,778	16,475	936,169	671,384
2011	676,723	483,630	257,742	151,793	16,475	950,940	635,423
2012	707,405	459,173	277,177	138,263	16,476	1,001,058	597,436
2013	714,924	433,360	291,630	123,481	16,475	1,023,029	556,841
2014-2018	3,471,861	1,741,595	1,433,615	374,086	68,550	4,974,026	2,115,681
2019-2023	3,301,739	1,011,617	511,868	95,844	36,296	3,849,903	1,107,461
2024-2028	2,121,377	239,338	187,007	16,274	36,300	2,344,684	255,612
<b>Total</b>	<u>\$12,302,647</u>	<u>\$5,403,050</u>	<u>\$3,449,237</u>	<u>\$1,241,543</u>	<u>\$223,523</u>	<u>\$15,975,407</u>	<u>\$6,644,593</u>

**City of Avon, Ohio**  
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Years	OWDA Loans		Revenue Bonds		Avon Lake		Total Business-Type Activities	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2009	\$118,543	\$22,665	\$58,800	\$9,042	\$98,268	\$40,992	\$275,611	\$72,699
2010	123,541	17,665	63,000	7,631	103,632	35,100	290,173	60,396
2011	128,842	12,365	63,000	6,043	109,788	28,884	301,630	47,292
2012	134,470	6,736	67,200	4,153	116,688	22,296	318,358	33,185
2013	38,610	750	0	2,184	123,600	15,300	162,210	18,234
2014-2018	0	0	0	0	132,003	7,872	132,003	7,872
Total	<u>\$544,006</u>	<u>\$60,181</u>	<u>\$252,000</u>	<u>\$29,053</u>	<u>\$683,979</u>	<u>\$150,444</u>	<u>\$1,479,985</u>	<u>\$239,678</u>

**Avon Lake Contractual Agreement**

During 1994, the City of Avon entered into a contractual agreement with the City of Avon Lake for the construction and future maintenance of a water trunk line that runs through Avon and that Avon residents will be able to tap into. The project was financed mainly by general obligation bonds which were issued in 1994 by the City of Avon Lake. All proceeds were received by the City of Avon Lake and the City of Avon Lake is responsible for the debt retirement and maintenance. The line will be a capital asset of the City of Avon Lake. Cost overruns have increased Avon's share of the costs. The total amount owed to the City of Avon Lake as of December 31, 2008 is \$683,979. This amount has been recorded on Avon's books as a long-term liability in the water enterprise fund. The annual interest rate of this obligation ranges from 4.3 percent to 6.5 percent.

A corresponding amount has been recorded as deferred charges in the water enterprise fund. This amount will be amortized over the life of the waterline. In 2008, a payment was made to the City of Avon Lake in the amount of \$92,124; \$23,674 from the special assessment debt service fund and \$68,450 from the enterprise water fund. The current year capital contribution related to this debt is \$23,674.

Of the amount owed to Avon Lake, \$209,528 will be repaid from special assessments levied against property owners. The remainder of the amount owed to the City of Avon Lake will be repaid with water fund revenues.

**Note 12 – Compensated Absences**

The criteria for determining the vacation and sick leave liabilities are derived from negotiated agreements and City ordinances. Full-time employees earn 10 to 25 vacation days per year, depending upon length of service. All employees other than police and fire department employees may carry over 80 hours into the following year. Police employees may carry over 40 hours and fire department employees may carry over 120 hours or five tours. In addition, police employees may carry over a maximum of 90 hours of compensatory time and 40 hours of holiday time, fire department employees may carry over a maximum of 108 hours of compensatory time and unused time is paid in December. Accumulated, unused vacation, compensatory time, and holidays are paid upon termination of employment.

All full-time employees of the City, excluding full-time fire employees, earn sick leave at the rate of 10 hours per month. Full-time fire employees earn 13 hours of sick leave per month. Sick leave accumulation is unlimited. Upon retirement, payment is made for one-half of total sick leave accumulation up to a maximum of 960 hours for all employees except Police Rank employees where no cap is in place.

For all employees, accumulated sick leave in excess of 90 days may be converted to vacation leave at the rate of one sick leave day for one vacation day to a maximum of five days for a calendar year.

*City of Avon, Ohio*  
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**Note 13 - Risk Management**

***A. Property and Liability***

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. During 2008, the City negotiated with Curtis Insurance Company for commercial insurance coverage relating to general liability, police professional, public officials, employment practices liability, property, fire, auto and employee bonds and public official bonds.

The cost of the current coverage was \$113,182 for 2008. This coverage includes a \$1,000,000/\$2,000,000 general liability insurance policy, a \$1,000,000 police professional liability policy with a \$5,000 deductible, a \$1,000,000 public officials policy with a \$7,500 deductible, a \$1,000,000 employment practice liability policy with a \$7,500 deductible, a \$24,748,097 blanket building and contents policy, an inland marine coverage of \$2,540,616, a crime coverage blanket bond of \$100,000, an automobile insurance policy of \$1,000,000 and a \$9,000,000 excess umbrella policy.

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years and there was no significant change in insurance coverage from the prior year.

***B. Workers' Compensation***

The City pays the Ohio Bureau of Workers' Compensation a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

***C. Employee Insurance Benefits***

The City participates in the Lorain County Healthcare Program, a shared risk pool (Note 17) to provide insurance benefits for the employees of the City. The Program uses the SuperMed Classic Healthcare Plan with Medical Mutual of Ohio to provide insurance coverage which includes health (hospitalization and surgical), prescription drug, dental and vision benefits.

The City pays monthly contributions to the Program, which is used to cover claims and administrative costs and to purchase excess loss insurance for the plan. The Program has entered into an agreement for individual and aggregate excess loss coverage with a commercial insurance carrier. The individual excess loss coverage has been structured to indemnify the program for medical claims paid for an individual in excess of \$10,000 per year, with no individual lifetime maximum. The aggregate excess loss coverage has been structured to indemnify the program for aggregate claims paid in excess of 115 percent of projected claims. In the event that the losses of the Program in any year exceeds amounts paid to the Program, together with all stop-loss, reinsurance and other coverage then in effect, then the payment of all uncovered losses shall revert to and be the sole obligation of the political subdivision against which the claim was made.

**Note 14 – Defined Benefit 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 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer

*City of Avon, Ohio*  
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contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan. Under the combined plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to the traditional pension plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the member-directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the traditional pension and 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. Interested parties may obtain a copy by writing to OPERS, 277 East Town Street, Columbus, Ohio 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 the year ended December 31, 2008, members in state and local classifications contributed 10.0 percent of covered payroll and public safety and law enforcement members contributed 10.1 percent.

The City's contribution rate for 2008 was 14.0 percent, except for those plan members in law enforcement or public safety, for whom the City's contribution was 17.4 percent of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

The City's required contributions for pension obligations to the traditional and combined plans for the year ended December 31, 2008, 2007, and 2006 were \$243,678, \$272,883, and \$431,268, respectively; 88 percent has been contributed for 2008 and 100 percent for 2007 and 2006. Contributions to the member-directed plan for 2008 were \$6,812 made by the City and \$4,866 made by 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 information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – Plan members are required to contribute 10.0 percent of their annual covered salary to fund pension obligations. The City's contribution was 19.5 percent for police officers and 24.0 percent for firefighters. Contribution rates are established by State statute. For 2008, a portion of the City's contributions equal to 6.75 percent of covered payroll was allocated to fund the post-employment health care plan. The City's contributions to OP&F for police and firefighters were \$249,848 and \$281,755 for the year ended December 31, 2008, \$233,921 and \$243,025 for the year ended December 31, 2007, and \$223,735 and \$229,046 for the year ended December 31, 2006. 66.92 percent for police and 65.36 percent for firefighters has been contributed for 2008. The full amount has been contributed for 2007 and 2006.

**Note 15 – Postemployment Benefits**

***A. Ohio Public Employees Retirement System***

Plan Description – OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan for qualifying members of both the traditional and combined pension plans. Members of the member-directed plan do not qualify for ancillary benefits, including post-employment health care. The plan includes a medical plan, a prescription drug program and Medicare Part B premium reimbursement.

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To qualify for post-employment health care coverage, age-and-service retirees under the traditional and combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not require, OPERS to provide health care 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 health care plan are presented separately in the OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The post-employment health care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). State Statute requires that public employers fund post-employment health care through their contributions to OPERS. A portion of each employer’s contribution to the traditional and 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 members. In 2008, state and local government employers contributed at a rate of 14.0 percent of covered payroll (17.40 percent for public safety and law enforcement). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding post-employment health care benefits. For 2008, the amount of the employer contributions which was allocated to fund post-employment health care was 7.0 percent of covered payroll.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City’s contributions allocated to fund post-employment health care benefits for the years ended December 31, 2008, 2007, and 2006 were \$243,678, \$179,744, and \$210,946, respectively; 87.56 percent has been contributed for 2008 and 100 percent for 2007 and 2006.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

***B. Ohio Police and Fire Pension Fund***

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

OP&F provides access to post-employment health care coverage for 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 information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

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Funding Policy – OP&F’s post-employment health care plan was established and is administered as an Internal Revenue Code 410(h) account within the defined benefit plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees. The Ohio Revised Code sets the contribution rates for participating employers and for plan members to the OP&F. 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 percent and 24 percent of covered payroll for police and fire employers, respectively.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made to the pension plan to the 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2008, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees’ primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Section 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.

The City’s contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$164,793 and \$134,375 for the year ended December 31, 2008, \$154,289 and \$115,904 for the year ended December 31, 2007, and \$147,570 and \$109,237 for the year ended December 31, 2006. The full amount has been contributed for 2007 and 2006. 66.92 percent has been contributed for police and 65.36 percent has been contributed for firefighters for 2008.

**Note 16 - Jointly Governed Organizations**

***A. Lorain County General Health District***

The City participates in the Lorain County General Health District, a jointly governed organization, which provides health services to the citizens within the Health District. The Health District is governed by the Board of Health which represents the area served by the Health District and oversees the operation of the Health District. The Board of Health members are appointed to staggered five year terms. One member is appointed by the City of North Ridgeville, one member is jointly appointed by the cities of Avon and Sheffield Lake and one member is appointed jointly by the cities of Amherst and Oberlin. The remaining five members are appointed by the various mayors of villages, chairmen of the township trustees and the County Commissioners. The City contributed \$104,372 during 2008 for the operation of the Health District. Financial information can be obtained by contacting the Lorain County General Health District, 9880 S. Murray Ridge Road, Elyria, Ohio, 44035.

***B. Northeast Ohio Public Energy Council***

The City is a member of The Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity. NOPEC is currently comprised of over 126 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide electricity to the citizens of its member communities.

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors.

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The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. The City of Avon did not contribute to NOPEC during 2008. Financial information can be obtained by contacting Joseph Migliorini, Board Chairman, 175 South Main Street, Akron, Ohio 44308 or at the website [www.nopecinfo.org](http://www.nopecinfo.org).

**Note 17 - Shared Risk Pool**

The City participates in the Lorain County Healthcare Program, a shared risk pool (Note 13) under the direction of the Lorain County Commissioners, which provides the insurance coverage for all full-time employees who wish to participate in the plan. The Commissioners entered into an agreement with Medical Mutual for stop-loss coverage. The pool consists of 19 political subdivisions that pool risk for health (hospitalization and surgical), prescription drug, dental and vision coverage. Financial information can be obtained by contacting the Lorain County Commissioners, 226 Middle Avenue, Elyria, Ohio 44035.

**Note 18 - Interfund Transfers and Balances**

**A. Interfund Transfers**

Transfers are primarily from the general fund to various funds within the City. Income tax revenues are collected in the general fund and then transferred to the police fund to cover daily operating expenses and to cover the cost of street improvement projects within the capital improvements fund. The general fund transferred funds to help finance the various programs accounted for in other special revenue funds and to provide start-up funds for new capital projects funds established by council.

Transfers are also made to cover the various debt obligations of the City from the general fund, street construction, maintenance and repair special revenue fund, and sewer enterprise fund to the debt service funds.

During the year, various projects were completed and the balance remaining in the respective funds was transferred to the general fund.

Transfers made during the year ended December 31, 2008 were as follows:

<u>Transfer To</u>	<u>Transfer From</u>			
	General	Fire Department	Street Construction, Maintenance and Repair	Police Station Project
General	\$0	\$0	\$0	\$0
Police Station Project	2,000,000	0	0	0
Street Construction, Maintenance and Repair	50,000	0	0	0
Baseball Stadium Project	0	0	0	0
Recreation Complex Infrastructure	0	0	0	0
Sewer	194,150	0	0	0
Nonmajor Funds	6,603,902	2,000,000	215,732	310,000
Total	<u>\$8,848,052</u>	<u>\$2,000,000</u>	<u>\$215,732</u>	<u>\$310,000</u>

**City of Avon, Ohio**  
*Notes to Basic Financial Statements*  
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<u>Transfer To</u>	<u>Transfer From</u>			<u>Totals</u>
	Baseball Stadium Project	Water	Nonmajor	
General	\$64,000	\$0	\$2,435,208	\$2,499,208
Police Station Project	0	0	0	2,000,000
Street Construction, Maintenance and Repair	0	0	98,964	148,964
Baseball Stadium Project	0	0	226,920	226,920
Recreation Complex Infrastructure	0	0	91,667	91,667
Sewer	0	112,500	0	306,650
Nonmajor Funds	0	0	378,718	9,508,352
<b>Total</b>	<u>\$64,000</u>	<u>\$112,500</u>	<u>\$3,231,477</u>	<u>\$14,781,761</u>

**B. Interfund Balances**

On the fund financial statements interfund balances at December 31, 2008 were:

	<u>Receivables</u>		<u>Payable</u>	
	Manuscript Bonds	Advances To Other Funds	Manuscript Bonds	Advances From Other Funds
<b>Major Funds</b>				
General	\$200,000	\$1,757,374	\$0	\$0
Recreation Center Construction	0	0	0	1,043,000
Baseball Stadium Project	0	0	0	614,000
Recreation Complex Infrastructure	0	0	0	97,100
Water	0	0	200,000	0
<b>Nonmajor Capital Project Fund</b>				
Road Widening	0	0	0	3,274
<b>Total</b>	<u>\$200,000</u>	<u>\$1,757,374</u>	<u>\$200,000</u>	<u>\$1,757,374</u>

As of December 31, 2008, the general fund had a \$1,957,374 interfund receivable. The road widening capital projects fund had an interfund payable of \$3,274 due to negative cash, the recreation center construction capital projects fund had a \$1,043,000 interfund payable due to the timing of the receipt of grant monies by the nonmajor funds, and the baseball stadium capital projects fund and the recreation complex infrastructure capital projects fund had a \$614,000 and \$97,000 interfund payable, respectively.

The Jaycox Road Watermain Improvement interfund balance of \$200,000 represents a manuscript bond that was issued on September 2, 2008 at 5.10 percent. This bond is due on December 1, 2028 and was used for the purpose of the cost of construction of a watermain extension on Jaycox Road.

The manuscript bond was issued by the City and purchased by the general fund. The City intends to repay this from the proceeds of special assessments levied against benefited property owners.

During 2007, the City issued manuscript bonds in the amount of \$2,044,674. The sewer replacement and depreciation enterprise fund purchased the bonds as an investment. The north branch sanitary sewer enterprise fund received the debt proceeds which will be used to pay for improvements to the Jaycox Road sewerline. For GAAP reporting purposes these two funds are combined and reported as part of the sewer enterprise fund. The manuscript bonds will be repaid from the collection of future tap-in fees over the next twenty years.

**City of Avon, Ohio**  
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On March 1, 2008 the City refunded \$2,044,674 of manuscript bonds and issued \$1,987,552 in manuscript bonds with a maturity date of December 1, 2027 and at the interest rate of 4.5 percent. Due to the uncertainty of the collection of tap-in fees the annual revenue is not known.

The City has pledged tap-in-fees to repay \$1,987,552 in Jaycox Road Sewer Line Improvement the manuscript bonds. The bonds are payable solely from and to the extent tap-in-fees are received by the City in connection with the improvement for which the bonds were issued and are payable through 2027. Currently the City is unable to determine the amount of revenue to be collected from tap-in fees because a large portion of the land is undeveloped and it is not known who will purchase the land and when it will be connected to the sewer. Accordingly, because of such unknowns, an accurate debt repayment schedule has not been established.

**Note 19 - Contractual Commitments**

The City had the following contractual commitments outstanding at December 31, 2008:

<u>Project</u>	<u>Contract Amount</u>
254 Road Widening Project	\$512,123
Baseball Stadium	5,535,924
Post Office Project	1,560,266
Rec Center Construction	978,772
	<u>\$8,587,085</u>

**Note 20 - Subsequent Events**

On May 13, 2009, the City issued \$28,300,000 in general obligation bonds with a maturity date of December 1, 2038, and a variable interest rate of 4.40 percent and retired \$28,650,000 in general obligation notes.

On May 13, 2009, the City issued \$4,220,000 in taxable general obligation bonds with a maturity date of December 1, 2023, and a variable interest rate of 5.48 percent and retired \$4,970,000 in taxable general obligation notes. The notes retired from the two bond issues were the \$1,250,000 Detroit Road project note, the \$8,500,000 recreation center construction note, the \$9,900,000 baseball stadium construction tax-exempt note, the \$9,000,000 recreation complex infrastructure note, the \$1,720,000 post office construction note, and the \$3,250,000 baseball stadium construction taxable note.

On May 14, 2009, the City issued \$5,560,676 in general obligation bond anticipatory notes with a maturity date of May 14, 2010 and an interest rate of 1.30 percent and retired \$5,500,000 in general obligation notes. The note retired was the \$5,500,000 recreation center construction note.

**Combining Statements  
and Individual Fund Schedules**

## Combining Statements - Nonmajor Governmental Funds

### *Nonmajor Special Revenue Funds*

To account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditures for specified purposes.

***Recycling Fund*** - This fund accounts for grant proceeds and miscellaneous revenues used to pay costs related to the development of the City recycling program.

***ADA Parking Violations Fund*** - This fund accounts for fines collected for unauthorized parking in handicapped spaces, to be used for the maintenance of City parks.

***State Highway Fund*** - This fund accounts for 7.5 percent of the State gasoline tax and motor vehicle registration fees designated for maintenance and repair of State highways within the City.

***Permissive Tax Fund*** - This fund accounts for resources received from City and County permissive license fees. The proceeds are used for street lighting and traffic signals.

***Police Fund*** - This fund is used to account for property taxes levied to pay for the cost of operating the City's police department.

***Enforcement and Education Fund*** - This fund accounts for fines which are used to pay for educating the public on the dangers of driving while under the influence of alcohol and the laws governing the operation of a motor vehicle while under the influence of alcohol.

***Law Enforcement Fund*** - This fund accounts for confiscated cash and/or proceeds from the sale of property confiscated during drug related arrests. The proceeds are used for law enforcement.

***Police K9 Program Fund*** - This fund accounts for donations received from businesses and residents to be used for the purchase of a K-9 dog and training.

***Police Pension Fund*** - This fund accounts for property taxes and transfers from the police fund to provide the employer's share of police pension benefits.

***Mayor's Court Computer Fund*** - This fund accounts for fines collected to be used to update court computer systems.

***Avon Seniors Fund*** - This fund accounts for the operations of the Senior Center and the various activities it provides the seniors within the City.

***Recreation Fund*** - This fund accounts for fees received from individuals participating in the recreation programs provided by the City.

***Park Operating Fund*** - This fund accounts for costs associated with the operations and upkeep of the City parks.

***Park Development Fund*** - This fund accounts for fees assessed to anyone building within the City limits, proceeds from the sale of property or donations used to provide for the maintenance of City parks.

***Community Center Fund*** - This fund accounts for fees or donations received for the maintenance of the "Avon-Lion's Community Center."

(continued)

## Combining Statements - Nonmajor Governmental Funds (continued)

### *Nonmajor Special Revenue Funds (continued)*

***Living Tree Memorial Fund*** - This fund accounts for donations received for the establishment of a living tree memorial and the costs associated with purchasing and planting the trees.

***Drainage Fund*** - This fund accounts for drainage fees assessed to anyone building within the City limits. The proceeds are used to provide storm sewer maintenance and to correct problems connected with flooding.

***Cemetery Fund*** - This fund accounts for burial fees used to maintain the cemetery.

### *Nonmajor Debt Service Funds*

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term principal, interest, and related costs.

***General Obligation Bond Retirement Fund*** - This fund accounts for transfers in and tax levies that are utilized for the repayment of general obligation debt.

***Library Bond Retirement Fund*** - This fund accounts for the accumulation of property taxes to pay principal and interest on the library general obligation debt.

***Tax Incremental Financing Fund*** - This fund accounts for all payments received in lieu of taxes related to the City TIF agreements. The revenue will be used for City infrastructure debt service or improvements.

### *Nonmajor Capital Projects Funds*

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

***Equipment Fund*** - This fund accounts for monies received from property taxes used for the purchase of equipment for the Police and Fire Departments.

***Issue II Fund*** - This fund accounts for all costs associated with State of Ohio Issue II monies used for infrastructure replacements.

***Storm Water Detention Fund*** - This fund accounts for monies derived from fees generated by new developments used for maintenance of a water detention system.

***Safety Town Construction Fund*** - This fund accounts for construction projects related to the Police department.

***Road Programs Fund*** - This fund accounts for road improvements made during the year that include activities such as resurfacing and blacktop upgrades.

***Center, Kinzel, Wyndmere Signal*** - This Fund accounts for the costs of a new traffic signal at the intersection.

***Road Widening Fund*** - This fund accounts for the costs associated with the widening of Route 254 (Detroit Road).

***Schneider Court Site Development Fund*** - This fund accounts for the costs associated with the development of the Schneider Court area.

***French Creek Restoration Fund*** - This fund accounts for the costs associated with the improvements at this site.

(continued)

## Combining Statements - Nonmajor Governmental Funds (continued)

### *Nonmajor Capital Projects Funds (continued)*

***Sidewalk Programs Fund*** - This fund accounts for costs associated with the construction and improvement of City sidewalks.

***Land Purchase/Our Lady of Wayside Fund*** - This fund accounts for the costs associated with the purchase and development of the Our Lady of Wayside site.

***Senior Citizen Center Fund*** - This fund accounts for the costs associated with remodeling the old fire station into the new senior center.

***Route 83 Extension Fund*** - This fund accounts for the costs associated with the extension of Route 83 to the north.

***Land Purchase – CEI/First Energy Fund*** - This fund accounts for the costs associated with the purchase and development of land purchased from CEI/First Energy.

***Bridge CEI Site/Colorado Fund*** - This fund accounts for the cost of constructing a bridge for access to the park and recreation facility to be built in 2008-2009.

***Post Office Project Fund*** - This fund accounts for monies that will be used to begin the engineering and architectural design work for the construction of a new post office.

***Peak Property Purchase Fund*** - This fund accounts for costs associated with the purchase of land on Detroit Road to be used for the new post office.

***Avon Isle Bridge*** - This fund accounts for the costs of a new bridge for the Avon Isle, a City owned building used for various events.

***Land-Mills Road Lot*** - This fund accounts for the purchase of a vacant lot that is adjacent to a City owned recreation area.

***State Route 83 and Riegelsberger Road Fund*** - This fund accounts for the costs of a new left turn lane and other roadway improvements at St. Rt. 83 and Riegelsberger.

***Riegelsberger/Jaycox Bridge*** - This fund accounts for the costs of bridge improvements or replacements on Riegelsberger Road.

***North Doovey Project Fund*** - This fund accounts for project costs the City had expected to pay related to the clearing or restructuring of a ditch that was clogged with debris and trees and was causing a flooding problem for some area residents. The City later decided the costs related to this would need to be paid by the property owners.

***State Route 611 Signal and Safety Corridor Fund*** - This fund accounts for the cost of traffic signal improvements at the St. Rt. 611 and I-90 interchange.

***Nagel, Jennie, Willo Storm Sewer Fund*** - This fund accounts for the cost of storm sewer improvements at these city streets.

***Moore Road Storm Sewer*** - This fund accounts for the costs of new storm sewers along Moore Road, installed by the City of Avon Lake.

***I-90 Interchange Study Fund*** - This fund accounts for the costs associated with traffic and road condition study of the I-90 interchange.

***Recreation Income Tax Fund*** - This fund accounts for all income tax received that is used to pay for park and recreation improvements, debt service or operations.

**City of Avon, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2008*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$1,111,163	\$247,984	\$3,391,663	\$4,750,810
Materials and Supplies Inventory	27,665	0	0	27,665
Intergovernmental Receivable	138,284	4,149	37,461	179,894
Prepaid Items	25,100	0	0	25,100
Municipal Income Taxes Receivable	0	0	350,881	350,881
Property Taxes Receivable	995,448	79,146	614,524	1,689,118
Payment in Lieu of Taxes Receivable	0	8,607,401	0	8,607,401
<i>Total Assets</i>	<u>\$2,297,660</u>	<u>\$8,938,680</u>	<u>\$4,394,529</u>	<u>\$15,630,869</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$44,674	\$0	\$39,673	\$84,347
Contracts Payable	0	0	469,551	469,551
Accrued Wages and Benefits	144,572	0	0	144,572
Interfund Payable	0	0	3,274	3,274
Intergovernmental Payable	243,775	0	0	243,775
Deferred Revenue	1,107,776	8,690,696	815,564	10,614,036
<i>Total Liabilities</i>	<u>1,540,797</u>	<u>8,690,696</u>	<u>1,328,062</u>	<u>11,559,555</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	170,640	0	1,111,475	1,282,115
Unreserved, Undesignated	Reported in:			
Special Revenue Funds	586,223	0	0	586,223
Debt Service Funds	0	247,984	0	247,984
Capital Projects Funds	0	0	1,954,992	1,954,992
<i>Total Fund Balances</i>	<u>756,863</u>	<u>247,984</u>	<u>3,066,467</u>	<u>4,071,314</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$2,297,660</u>	<u>\$8,938,680</u>	<u>\$4,394,529</u>	<u>\$15,630,869</u>

**City of Avon, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2008*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Property Taxes	\$886,476	\$73,480	\$572,023	\$1,531,979
Payment in Lieu of Taxes	0	526,982	0	526,982
Municipal Income Tax	0	0	1,093,412	1,093,412
Charges for Services	133,905	0	30,219	164,124
Licenses and Permits	163,020	0	0	163,020
Fines and Forfeitures	88,885	0	0	88,885
Intergovernmental	487,546	8,298	507,467	1,003,311
Interest	4,655	11,642	13,972	30,269
Contributions and Donations	40,650	0	0	40,650
Miscellaneous	58,227	10,626	10,432	79,285
<i>Total Revenues</i>	<u>1,863,364</u>	<u>631,028</u>	<u>2,227,525</u>	<u>4,721,917</u>
<b>Expenditures</b>				
Current:				
General Government	0	322,020	0	322,020
Security of Persons and Property	4,138,794	0	0	4,138,794
Transportation	195,884	0	0	195,884
Community Environment	303,665	0	0	303,665
Basic Utility Services	97,050	0	0	97,050
Leisure Time Activities	1,071,323	0	0	1,071,323
Capital Outlay	30	0	5,842,084	5,842,114
Debt Service:				
Principal Retirement	77,000	498,057	2,410,000	2,985,057
Interest and Fiscal Charges	64,624	415,966	104,125	584,715
<i>Total Expenditures</i>	<u>5,948,370</u>	<u>1,236,043</u>	<u>8,356,209</u>	<u>15,540,622</u>
<i>Excess of Revenues</i> <i>Under Expenditures</i>	<u>(4,085,006)</u>	<u>(605,015)</u>	<u>(6,128,684)</u>	<u>(10,818,705)</u>
<b>Other Financing Sources (Uses)</b>				
Bonds Issued	0	0	2,410,000	2,410,000
Notes Issued	0	0	2,970,000	2,970,000
OPWC Loans Issued	0	0	145,194	145,194
Transfers In	5,408,155	724,450	3,375,747	9,508,352
Transfers Out	(1,200,000)	(40,000)	(1,991,477)	(3,231,477)
<i>Total Other Financing Sources (Uses)</i>	<u>4,208,155</u>	<u>684,450</u>	<u>6,909,464</u>	<u>11,802,069</u>
<i>Net Change in Fund Balances</i>	123,149	79,435	780,780	983,364
<i>Fund Balances Beginning of Year</i>	<u>633,714</u>	<u>168,549</u>	<u>2,285,687</u>	<u>3,087,950</u>
<i>Fund Balances End of Year</i>	<u>\$756,863</u>	<u>\$247,984</u>	<u>\$3,066,467</u>	<u>\$4,071,314</u>

**City of Avon, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2008*

	Recycling	ADA Parking Violations	State Highway	Permissive Tax	Police
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$70,460	\$334	\$139,550	\$38,583	\$360,578
Materials and Supplies Inventory	0	0	0	0	20,036
Intergovernmental Receivable	0	0	30,501	47,367	31,325
Prepaid Items	0	0	0	0	25,000
Property Taxes Receivable	0	0	0	0	459,346
<i>Total Assets</i>	<u>\$70,460</u>	<u>\$334</u>	<u>\$170,051</u>	<u>\$85,950</u>	<u>\$896,285</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts Payable	\$0	\$0	\$292	\$5,017	\$29,303
Accrued Wages and Benefits	288	0	0	0	125,143
Intergovernmental Payable	40	0	0	0	95,549
Deferred Revenue	0	0	20,334	31,578	490,671
<i>Total Liabilities</i>	<u>328</u>	<u>0</u>	<u>20,626</u>	<u>36,595</u>	<u>740,666</u>
<b>Fund Balances</b>					
Reserved for Encumbrances	10	0	6,073	3,659	59,723
Unreserved, Undesignated (Deficit)	70,122	334	143,352	45,696	95,896
<i>Total Fund Balances (Deficit)</i>	<u>70,132</u>	<u>334</u>	<u>149,425</u>	<u>49,355</u>	<u>155,619</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$70,460</u>	<u>\$334</u>	<u>\$170,051</u>	<u>\$85,950</u>	<u>\$896,285</u>

<u>Enforcement and Education</u>	<u>Law Enforcement</u>	<u>Police K9 Program</u>	<u>Police Pension</u>	<u>Mayor's Court Computer</u>
\$23,787	\$21,846	\$7,824	\$8,059	\$74,522
0	0	0	0	0
128	0	0	12,835	330
0	0	0	0	0
0	0	0	217,287	0
<u>\$23,915</u>	<u>\$21,846</u>	<u>\$7,824</u>	<u>\$238,181</u>	<u>\$74,852</u>
\$0	\$0	\$0	\$0	\$0
0	0	0	0	0
0	0	0	137,153	0
128	0	0	230,122	330
<u>128</u>	<u>0</u>	<u>0</u>	<u>367,275</u>	<u>330</u>
493	0	38	0	795
23,294	21,846	7,786	(129,094)	73,727
<u>23,787</u>	<u>21,846</u>	<u>7,824</u>	<u>(129,094)</u>	<u>74,522</u>
<u>\$23,915</u>	<u>\$21,846</u>	<u>\$7,824</u>	<u>\$238,181</u>	<u>\$74,852</u>

(continued)

**City of Avon, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2007*

	Avon Seniors	Recreation	Park Operating	Park Development
<b>Assets</b>				
Equity in Pooled Cash and				
Cash Equivalents	\$48,828	\$39,583	\$113,702	\$137,003
Materials and Supplies Inventory	835	165	0	6,300
Intergovernmental Receivable	0	0	15,798	0
Prepaid Items	100	0	0	0
Property Taxes Receivable	0	0	318,815	0
<i>Total Assets</i>	<u>\$49,763</u>	<u>\$39,748</u>	<u>\$448,315</u>	<u>\$143,303</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$3,682	\$0	\$5,867	\$0
Accrued Wages and Benefits	4,096	1,211	13,353	0
Intergovernmental Payable	2,476	434	7,935	0
Deferred Revenue	0	0	334,613	0
<i>Total Liabilities</i>	<u>10,254</u>	<u>1,645</u>	<u>361,768</u>	<u>0</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	20,302	7,067	55,876	6,886
Unreserved, Undesignated (Deficit)	19,207	31,036	30,671	136,417
<i>Total Fund Balances (Deficit)</i>	<u>39,509</u>	<u>38,103</u>	<u>86,547</u>	<u>143,303</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$49,763</u>	<u>\$39,748</u>	<u>\$448,315</u>	<u>\$143,303</u>

Community Center	Living Tree Memorial	Drainage	Cemetery	Total Nonmajor Special Revenue Funds
\$10,157	\$657	\$15,357	\$333	\$1,111,163
329	0	0	0	27,665
0	0	0	0	138,284
0	0	0	0	25,100
0	0	0	0	995,448
<u>\$10,486</u>	<u>\$657</u>	<u>\$15,357</u>	<u>\$333</u>	<u>\$2,297,660</u>
\$0	\$0	\$513	\$0	\$44,674
481	0	0	0	144,572
188	0	0	0	243,775
0	0	0	0	1,107,776
<u>669</u>	<u>0</u>	<u>513</u>	<u>0</u>	<u>1,540,797</u>
1,596	0	8,122	0	170,640
8,221	657	6,722	333	586,223
<u>9,817</u>	<u>657</u>	<u>14,844</u>	<u>333</u>	<u>756,863</u>
<u>\$10,486</u>	<u>\$657</u>	<u>\$15,357</u>	<u>\$333</u>	<u>\$2,297,660</u>

**City of Avon, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2008*

	Recycling	ADA Parking Violations	State Highway	Permissive Tax	Police
<b>Revenues</b>					
Property Taxes	\$0	\$0	\$0	\$0	\$438,638
Charges for Services	0	0	0	0	0
Licenses and Permits	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	0
Intergovernmental	122,691	0	63,495	93,305	136,911
Interest	0	0	3,956	699	0
Contributions and Donations	0	0	0	0	0
Miscellaneous	0	0	0	0	27,896
<i>Total Revenues</i>	<u>122,691</u>	<u>0</u>	<u>67,451</u>	<u>94,004</u>	<u>603,445</u>
<b>Expenditures</b>					
Current:					
Security of Persons and Property	0	0	0	0	3,539,295
Transportation	0	0	43,399	152,485	0
Community Environment	109,952	0	0	0	0
Basic Utility Services	0	0	0	0	0
Leisure Time Activities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
<i>Total Expenditures</i>	<u>109,952</u>	<u>0</u>	<u>43,399</u>	<u>152,485</u>	<u>3,539,295</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>12,739</u>	<u>0</u>	<u>24,052</u>	<u>(58,481)</u>	<u>(2,935,850)</u>
<b>Other Financing Sources</b>					
Transfers In	52,250	0	0	95,000	4,260,000
Transfers Out	0	0	(100,000)	0	(1,100,000)
<i>Total Other Financing Sources (Uses)</i>	<u>52,250</u>	<u>0</u>	<u>(100,000)</u>	<u>95,000</u>	<u>3,160,000</u>
<i>Net Change in Fund Balances</i>	64,989	0	(75,948)	36,519	224,150
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>5,143</u>	<u>334</u>	<u>225,373</u>	<u>12,836</u>	<u>(68,531)</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$70,132</u></u>	<u><u>\$334</u></u>	<u><u>\$149,425</u></u>	<u><u>\$49,355</u></u>	<u><u>\$155,619</u></u>

<u>Enforcement and Education</u>	<u>Law Enforcement</u>	<u>Police K9 Program</u>	<u>Police Pension</u>	<u>Mayor's Court Computer</u>
\$0	\$0	\$0	\$200,400	\$0
0	0	0	0	0
0	0	0	0	0
84,524	0	0	0	4,361
0	0	0	30,446	0
0	0	0	0	0
0	0	0	0	0
11,737	0	7,812	0	0
<u>96,261</u>	<u>0</u>	<u>7,812</u>	<u>230,846</u>	<u>4,361</u>
75,893	90,223	13,524	419,859	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	30
0	0	0	0	0
0	0	0	0	0
<u>75,893</u>	<u>90,223</u>	<u>13,524</u>	<u>419,859</u>	<u>30</u>
<u>20,368</u>	<u>(90,223)</u>	<u>(5,712)</u>	<u>(189,013)</u>	<u>4,331</u>
0	0	0	190,000	0
0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>190,000</u>	<u>0</u>
20,368	(90,223)	(5,712)	987	4,331
<u>3,419</u>	<u>112,069</u>	<u>13,536</u>	<u>(130,081)</u>	<u>70,191</u>
<u>\$23,787</u>	<u>\$21,846</u>	<u>\$7,824</u>	<u>(\$129,094)</u>	<u>\$74,522</u>

(continued)

**City of Avon, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Year Ended December 31, 2008*

	Avon Seniors	Recreation	Park Operating	Park Development
<b>Revenues</b>				
Property Taxes	\$0	\$0	\$247,438	\$0
Charges for Services	0	131,215	0	0
Licenses and Permits	0	0	0	163,020
Fines and Forfeitures	0	0	0	0
Intergovernmental	0	0	40,698	0
Interest	0	0	0	0
Contributions and Donations	40,000	0	0	0
Miscellaneous	3,965	1,115	5,702	0
<i>Total Revenues</i>	<u>43,965</u>	<u>132,330</u>	<u>293,838</u>	<u>163,020</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	0	0	0	0
Transportation	0	0	0	0
Community Environment	193,566	0	0	0
Basic Utility Services	0	0	0	0
Leisure Time Activities	0	161,821	751,211	141,509
Capital Outlay	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	77,000
Interest and Fiscal Charges	0	0	0	64,624
<i>Total Expenditures</i>	<u>193,566</u>	<u>161,821</u>	<u>751,211</u>	<u>283,133</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(149,601)</u>	<u>(29,491)</u>	<u>(457,373)</u>	<u>(120,113)</u>
<b>Other Financing Sources</b>				
Transfers In	166,305	25,000	505,000	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>166,305</u>	<u>25,000</u>	<u>505,000</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	16,704	(4,491)	47,627	(120,113)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>22,805</u>	<u>42,594</u>	<u>38,920</u>	<u>263,416</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$39,509</u></u>	<u><u>\$38,103</u></u>	<u><u>\$86,547</u></u>	<u><u>\$143,303</u></u>

Community Center	Living Tree Memorial	Drainage	Cemetery	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$886,476
2,690	0	0	0	133,905
0	0	0	0	163,020
0	0	0	0	88,885
0	0	0	0	487,546
0	0	0	0	4,655
0	650	0	0	40,650
0	0	0	0	58,227
<u>2,690</u>	<u>650</u>	<u>0</u>	<u>0</u>	<u>1,863,364</u>
0	0	0	0	4,138,794
0	0	0	0	195,884
0	147	0	0	303,665
0	0	97,050	0	97,050
16,782	0	0	0	1,071,323
0	0	0	0	30
0	0	0	0	77,000
0	0	0	0	64,624
<u>16,782</u>	<u>147</u>	<u>97,050</u>	<u>0</u>	<u>5,948,370</u>
<u>(14,092)</u>	<u>503</u>	<u>(97,050)</u>	<u>0</u>	<u>(4,085,006)</u>
12,600	0	102,000	0	5,408,155
0	0	0	0	(1,200,000)
<u>12,600</u>	<u>0</u>	<u>102,000</u>	<u>0</u>	<u>4,208,155</u>
(1,492)	503	4,950	0	123,149
<u>11,309</u>	<u>154</u>	<u>9,894</u>	<u>333</u>	<u>633,714</u>
<u>\$9,817</u>	<u>\$657</u>	<u>\$14,844</u>	<u>\$333</u>	<u>\$756,863</u>

**City of Avon, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Debt Service Funds*  
*December 31, 2008*

	General Obligation Bond Retirement	Library Bond Retirement	Tax Incremental Financing	Total Nonmajor Debt Service Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$48,136	\$29,155	\$170,693	\$247,984
Intergovernmental Receivable	0	4,149	0	4,149
Property Taxes Receivable	0	79,146	0	79,146
Payment in Lieu of Taxes Receivable	0	0	8,607,401	8,607,401
<i>Total Assets</i>	<u>\$48,136</u>	<u>\$112,450</u>	<u>\$8,778,094</u>	<u>\$8,938,680</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Deferred Revenue	\$0	\$83,295	\$8,607,401	\$8,690,696
<b>Fund Balances</b>				
Unreserved, Undesignated	<u>48,136</u>	<u>29,155</u>	<u>170,693</u>	<u>247,984</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$48,136</u>	<u>\$112,450</u>	<u>\$8,778,094</u>	<u>\$8,938,680</u>

**City of Avon, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Debt Service Funds*  
*For the Year Ended December 31, 2008*

	General Obligation Bond Retirement	Library Bond Retirement	Tax Incremental Financing	Total Nonmajor Debt Service Funds
<b>Revenues</b>				
Property Taxes	\$0	\$73,480	\$0	\$73,480
Payment in Lieu of Taxes	0	0	526,982	526,982
Intergovernmental	0	8,298	0	8,298
Interest	0	0	11,642	11,642
Miscellaneous	10,626	0	0	10,626
<i>Total Revenues</i>	<u>10,626</u>	<u>81,778</u>	<u>538,624</u>	<u>631,028</u>
<b>Expenditures</b>				
Current:				
General Government	0	1,176	320,844	322,020
Debt Service:				
Principal Retirement	438,057	60,000	0	498,057
Interest and Fiscal Charges	387,310	21,569	7,087	415,966
<i>Total Expenditures</i>	<u>825,367</u>	<u>82,745</u>	<u>327,931</u>	<u>1,236,043</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(814,741)</u>	<u>(967)</u>	<u>210,693</u>	<u>(605,015)</u>
<b>Other Financing Sources</b>				
Transfers In	724,450	0	0	724,450
Transfers Out	0	0	(40,000)	(40,000)
<i>Total Other Financing Sources (Uses)</i>	<u>724,450</u>	<u>0</u>	<u>(40,000)</u>	<u>684,450</u>
<i>Net Change in Fund Balances</i>	(90,291)	(967)	170,693	79,435
<i>Fund Balances Beginning of Year</i>	<u>138,427</u>	<u>30,122</u>	<u>0</u>	<u>168,549</u>
<i>Fund Balances End of Year</i>	<u><u>\$48,136</u></u>	<u><u>\$29,155</u></u>	<u><u>\$170,693</u></u>	<u><u>\$247,984</u></u>

**City of Avon, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2008*

	Equipment	Storm Water Detention	Road Programs	Center, Kinzel, Wyndmere Signal
<b>Assets</b>				
Equity in Pooled Cash and				
Cash Equivalents	\$731,554	\$35,773	\$10,688	\$286,000
Intergovernmental Receivable	37,461	0	0	0
Municipal Income Taxes Receivable	0	0	0	0
Property Taxes Receivable	614,524	0	0	0
<i>Total Assets</i>	<u>\$1,383,539</u>	<u>\$35,773</u>	<u>\$10,688</u>	<u>\$286,000</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$34,539	\$0	\$0	\$0
Contracts Payable	0	0	0	0
Interfund Payable	0	0	0	0
Deferred Revenue	651,985	0	0	0
<i>Total Liabilities</i>	<u>686,524</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	40,105	33,270	0	249,097
Unreserved, Undesignated (Deficit)	656,910	2,503	10,688	36,903
<i>Total Fund Balances</i>	<u>697,015</u>	<u>35,773</u>	<u>10,688</u>	<u>286,000</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,383,539</u>	<u>\$35,773</u>	<u>\$10,688</u>	<u>\$286,000</u>

Road Widening	French Creek Restoration	Sidewalk Programs	Post Office Project	Peak Property Purchase
\$1,012,104	\$7,754	\$4,425	\$131,444	\$3,000
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>\$1,012,104</u>	<u>\$7,754</u>	<u>\$4,425</u>	<u>\$131,444</u>	<u>\$3,000</u>
\$0	\$3,634	\$0	\$0	\$1,500
260,221	0	0	79,330	0
3,274	0	0	0	0
0	0	0	0	0
<u>263,495</u>	<u>3,634</u>	<u>0</u>	<u>79,330</u>	<u>1,500</u>
669,671	1,362	0	84,546	0
78,938	2,758	4,425	(32,432)	1,500
<u>748,609</u>	<u>4,120</u>	<u>4,425</u>	<u>52,114</u>	<u>1,500</u>
<u>\$1,012,104</u>	<u>\$7,754</u>	<u>\$4,425</u>	<u>\$131,444</u>	<u>\$3,000</u>

(continued)

**City of Avon, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds (continued)*  
*December 31, 2008*

	Avon Isle Bridge	State Route 83 and Riegelsberger Road	Riegelsberger/ Jaycox Bridge	State Route 611 Signal and Safety Corridor
<b>Assets</b>				
Equity in Pooled Cash and				
Cash Equivalents	\$4,000	\$247,775	\$8,400	\$162,100
Intergovernmental Receivable	0	0	0	0
Municipal Income Taxes Receivable	0	0	0	0
Property Taxes Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$4,000</u>	<u>\$247,775</u>	<u>\$8,400</u>	<u>\$162,100</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$0	\$0	\$0	\$0
Contracts Payable	0	0	0	0
Interfund Payable	0	0	0	0
Deferred Revenue	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	0	0	0	0
Unreserved, Undesignated (Deficit)	4,000	247,775	8,400	162,100
<i>Total Fund Balances</i>	<u>4,000</u>	<u>247,775</u>	<u>8,400</u>	<u>162,100</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$4,000</u>	<u>\$247,775</u>	<u>\$8,400</u>	<u>\$162,100</u>

<u>Nagel, Jennie, Willo Storm Sewer</u>	<u>Moore Road Storm Sewer</u>	<u>I-90 Interchange Study</u>	<u>Recreation Income Tax</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$50,905	\$130,000	\$580	\$565,161	\$3,391,663
0	0	0	0	37,461
0	0	0	350,881	350,881
0	0	0	0	614,524
<u>\$50,905</u>	<u>\$130,000</u>	<u>\$580</u>	<u>\$916,042</u>	<u>\$4,394,529</u>
\$0	\$0	\$0	\$0	\$39,673
0	130,000	0	0	469,551
0	0	0	0	3,274
0	0	0	163,579	815,564
0	130,000	0	163,579	1,328,062
33,424	0	0	0	1,111,475
17,481	0	580	752,463	1,954,992
50,905	0	580	752,463	3,066,467
<u>\$50,905</u>	<u>\$130,000</u>	<u>\$580</u>	<u>\$916,042</u>	<u>\$4,394,529</u>

**City of Avon, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Year Ended December 31, 2008*

	Equipment	Issue II	Storm Water Detention	Safety Town Construction
<b>Revenues</b>				
Property Taxes	\$572,023	\$0	\$0	\$0
Municipal Income Taxes	0	0	0	0
Charges for Services	0	0	30,219	0
Intergovernmental	90,841	0	150,000	0
Interest	0	0	0	0
Miscellaneous	8,161	0	0	0
<i>Total Revenues</i>	<u>671,025</u>	<u>0</u>	<u>180,219</u>	<u>0</u>
<b>Expenditures</b>				
Current				
Transportation	0	0	0	0
Basic Utility Service	0	0	0	0
Leisure Time Activities	0	0	0	0
Capital Outlay	468,647	0	306,092	2,071
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>468,647</u>	<u>0</u>	<u>306,092</u>	<u>2,071</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>202,378</u>	<u>0</u>	<u>(125,873)</u>	<u>(2,071)</u>
<b>Other Financing Sources (Uses)</b>				
Bonds Issued	0	0	0	0
Notes Issued	0	0	0	0
OPWC Loans Issued	0	0	145,194	0
Transfers In	18,000	0	0	0
Transfers Out	0	(130,024)	(337,548)	(934)
<i>Total Other Financing Sources (Uses)</i>	<u>18,000</u>	<u>(130,024)</u>	<u>(192,354)</u>	<u>(934)</u>
<i>Net Change in Fund Balances</i>	220,378	(130,024)	(318,227)	(3,005)
<i>Fund Balances (Deficit)</i>				
<i>Beginning of Year</i>	<u>476,637</u>	<u>130,024</u>	<u>354,000</u>	<u>3,005</u>
<i>Fund Balances End of Year</i>	<u><u>\$697,015</u></u>	<u><u>\$0</u></u>	<u><u>\$35,773</u></u>	<u><u>\$0</u></u>

Road Programs	Center, Kinzel, Wyndmere Signal	Road Widening	Schneider Court Site Development	French Creek Restoration	Sidewalk Programs	Land Purchase/ Our Lady of Wayside
\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	266,626	0	0	0	0
0	0	0	0	0	0	0
0	0	1,500	0	0	0	0
0	0	268,126	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
664,172	0	828,141	2	49,880	0	366,933
0	0	0	0	0	0	0
0	0	1,296	0	0	0	0
664,172	0	829,437	2	49,880	0	366,933
(664,172)	0	(561,311)	(2)	(49,880)	0	(366,933)
0	0	0	0	0	0	0
0	0	1,250,000	0	0	0	0
0	0	0	0	0	0	0
1,325,000	286,000	0	0	54,000	0	425,000
(835,444)	0	0	(98,964)	0	0	(58,067)
489,556	286,000	1,250,000	(98,964)	54,000	0	366,933
(174,616)	286,000	688,689	(98,966)	4,120	0	0
185,304	0	59,920	98,966	0	4,425	0
\$10,688	\$286,000	\$748,609	\$0	\$4,120	\$4,425	\$0

(continued)

**City of Avon, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds (continued)*  
*For the Year Ended December 31, 2008*

	Senior Citizen Center	Route 83 Extension	Land Purchase- CEI/ First Energy	Bridge CEI Site/ Colorado	Post Office Project
<b>Revenues</b>					
Property Taxes	\$0	\$0	\$0	\$0	\$0
Municipal Income Taxes	0	0	0	0	0
Charges for Services	0	0	0	0	0
Intergovernmental	0	0	0	0	0
Interest	0	0	0	0	8,837
Miscellaneous	167	0	0	0	0
<i>Total Revenues</i>	<u>167</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8,837</u>
<b>Expenditures</b>					
Transportation	0	0	0	0	0
Basic Utility Service	0	0	0	0	0
Leisure Time Activities	0	0	0	0	0
Capital Outlay	0	0	0	762,100	1,639,596
Debt Service:					
Principal Retirement	0	1,100,000	410,000	900,000	0
Interest and Fiscal Charges	0	28,453	8,610	23,270	39,656
<i>Total Expenditures</i>	<u>0</u>	<u>1,128,453</u>	<u>418,610</u>	<u>1,685,370</u>	<u>1,679,252</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>167</u>	<u>(1,128,453)</u>	<u>(418,610)</u>	<u>(1,685,370)</u>	<u>(1,670,415)</u>
<b>Other Financing Sources (Uses)</b>					
Bonds Issued	0	1,100,000	410,000	900,000	0
Notes Issued	0	0	0	0	1,720,000
OPWC Loans Issued	0	0	0	0	0
Transfers In	0	63,453	0	0	0
Transfers Out	(167)	0	(77,683)	(121,035)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(167)</u>	<u>1,163,453</u>	<u>332,317</u>	<u>778,965</u>	<u>1,720,000</u>
<i>Net Change in Fund Balances</i>	0	35,000	(86,293)	(906,405)	49,585
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>0</u>	<u>(35,000)</u>	<u>86,293</u>	<u>906,405</u>	<u>2,529</u>
<i>Fund Balances End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$52,114</u>

Peak Property Purchase	Avon Isle Bridge	Land-Mills Road Lot	State Route 83 and Riegelsberger Road	Riegelsberger/ Jaycox Bridge	North Doovey Project	State Route 611 Signal and Safety Corridor
\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
1,500	16,000	9,579	0	41,600	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
1,500	16,000	9,579	0	41,600	0	0
(1,500)	(16,000)	(9,579)	0	(41,600)	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
3,000	20,000	9,579	247,775	50,000	0	162,100
(8,024)	0	0	0	0	(5,000)	0
(5,024)	20,000	9,579	247,775	50,000	(5,000)	162,100
(6,524)	4,000	0	247,775	8,400	(5,000)	162,100
8,024	0	0	0	0	5,000	0
\$1,500	\$4,000	\$0	\$247,775	\$8,400	\$0	\$162,100

(continued)

**City of Avon, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds (continued)*  
*For the Year Ended December 31, 2008*

	Nagel, Jennie, Willo Storm Sewer	Moore Road Storm Sewer	I-90 Interchange Study	Recreation Income Tax	Total Nonmajor Capital Projects Funds
<b>Revenues</b>					
Property Taxes	\$0	\$0	\$0	\$0	\$572,023
Municipal Income Taxes	0	0	0	1,093,412	1,093,412
Charges for Services	0	0	0	0	30,219
Intergovernmental	0	0	0	0	507,467
Interest	0	0	0	5,135	13,972
Miscellaneous	604	0	0	0	10,432
<i>Total Revenues</i>	<u>604</u>	<u>0</u>	<u>0</u>	<u>1,098,547</u>	<u>2,227,525</u>
<b>Expenditures</b>					
Transportation	0	0	0	0	0
Basic Utility Service	0	0	0	0	0
Leisure Time Activities	0	0	0	0	0
Capital Outlay	524,699	130,000	3,575	27,497	5,842,084
Debt Service:					
Principal Retirement	0	0	0	0	2,410,000
Interest and Fiscal Charges	0	0	2,840	0	104,125
<i>Total Expenditures</i>	<u>524,699</u>	<u>130,000</u>	<u>6,415</u>	<u>27,497</u>	<u>8,356,209</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(524,095)</u>	<u>(130,000)</u>	<u>(6,415)</u>	<u>1,071,050</u>	<u>(6,128,684)</u>
<b>Other Financing Sources (Uses)</b>					
Bonds Issued	0	0	0	0	2,410,000
Notes Issued	0	0	0	0	2,970,000
OPWC Loans Issued	0	0	0	0	145,194
Transfers In	575,000	130,000	6,840	0	3,375,747
Transfers Out	0	0	0	(318,587)	(1,991,477)
<i>Total Other Financing Sources (Uses)</i>	<u>575,000</u>	<u>130,000</u>	<u>6,840</u>	<u>(318,587)</u>	<u>6,909,464</u>
<i>Net Change in Fund Balances</i>	50,905	0	425	752,463	780,780
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>155</u>	<u>0</u>	<u>2,285,687</u>
<i>Fund Balances End of Year</i>	<u><u>\$50,905</u></u>	<u><u>\$0</u></u>	<u><u>\$580</u></u>	<u><u>\$752,463</u></u>	<u><u>\$3,066,467</u></u>

### ***Fiduciary Funds***

Fiduciary fund reporting focuses on net assets and changes in net assets. 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. Agency funds are purely custodial (assets equals liabilities) and thus do not involve measurement of results of operations.

### ***Agency Funds***

***Deposits Fund*** – This fund accounts for various deposits held by the City to ensure compliance with various City ordinances. Upon satisfactory completion of the construction projects, deposits are returned.

***Lorain Public Library Fund*** – This fund accounts for resources received from a 1.2 mill levy used to pay for the upkeep of the Lorain Public Library – Avon Branch. These funds are collected and immediately given to the Library.

***North Ridgeville Sewer Fund*** – This fund accounts for the billing and collection of sewer charges that are then distributed to the City of North Ridgeville.

***Avon Lake Sanitary Sewer Trunk Fees Fund*** – This fund accounts for the collection and distribution of tap-in fees for the section of the City that has a contractual agreement with the City of Avon Lake utilities department to discharge sanitary sewer waste.

***Subdivisions Fund*** – This fund accounts for deposits made by developers of the City's subdivisions to ensure compliance with various City ordinances regarding development within the City. Upon satisfactory completion of the subdivisions, the funds are returned to the developer.

***Mayor's Court Fund*** – This fund accounts for the activities within the mayor's court.

**City of Avon, Ohio**  
*Combining Statement of Assets and Liabilities*  
*Agency Funds*  
*December 31, 2008*

	<u>Deposits</u>	<u>Lorain Public Library</u>	<u>Avon Lake Sanitary Sewer Trunk Fees</u>	<u>Subdivisions</u>	<u>Total</u>
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	<u>\$1,175,684</u>	<u>\$321</u>	<u>\$243,915</u>	<u>\$2,277,625</u>	<u>\$3,697,545</u>
<b>Liabilities</b>					
Deposits Held and Due to Others	\$1,175,684	\$0	\$243,915	\$2,277,625	\$3,697,224
Intergovernmental Payable	<u>0</u>	<u>321</u>	<u>0</u>	<u>0</u>	<u>321</u>
<i>Total Liabilities</i>	<u>\$1,175,684</u>	<u>\$321</u>	<u>\$243,915</u>	<u>\$2,277,625</u>	<u>\$3,697,545</u>

**City of Avon, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds*  
*For the Year Ended December 31, 2008*

	Beginning Balance 12/31/07	Additions	Deductions	Ending Balance 12/31/08
<b>Deposits</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$1,179,327</u>	<u>\$505,575</u>	<u>\$509,218</u>	<u>\$1,175,684</u>
<b>Liabilities</b>				
Deposits Held and Due to Others	<u>\$1,179,327</u>	<u>\$505,575</u>	<u>\$509,218</u>	<u>\$1,175,684</u>
 <b>Lorain Public Library</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$648</u>	<u>\$461,413</u>	<u>\$461,740</u>	<u>\$321</u>
<b>Liabilities</b>				
Intergovernmental Payable	<u>\$648</u>	<u>\$461,413</u>	<u>\$461,740</u>	<u>\$321</u>
 <b>North Ridgeville Sewer</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$60,757</u>	<u>\$1,336,185</u>	<u>\$1,396,942</u>	<u>\$0</u>
<b>Liabilities</b>				
Intergovernmental Payable	<u>\$60,757</u>	<u>\$1,336,185</u>	<u>\$1,396,942</u>	<u>\$0</u>
 <b>Avon Lake Sanitary Sewer Trunk Fees</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$137,755</u>	<u>\$106,160</u>	<u>\$0</u>	<u>\$243,915</u>
<b>Liabilities</b>				
Deposits Held and Due to Others	<u>\$137,755</u>	<u>\$106,160</u>	<u>\$0</u>	<u>\$243,915</u>

(continued)

**City of Avon, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds (continued)*  
*For the Year Ended December 31, 2008*

	Beginning Balance 12/31/07	Additions	Deductions	Ending Balance 12/31/08
<b><i>Subdivisions</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$2,803,071	\$623,507	\$1,148,953	\$2,277,625
<b>Liabilities</b>				
Deposits Held and Due to Others	\$2,803,071	\$623,507	\$1,148,953	\$2,277,625
 <b><i>Mayor's Court</i></b>				
<b>Assets</b>				
Cash and Cash Equivalents in Segregated Accounts	\$0	\$96,926	\$96,926	\$0
<b>Liabilities</b>				
Deposits Held and Due to Others	\$0	\$96,926	\$96,926	\$0
 <b><i>Total - All Agency Funds</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$4,181,558	\$3,032,840	\$3,516,853	\$3,697,545
Cash and Cash Equivalents in Segregated Accounts	0	96,926	96,926	0
<b><i>Total Assets</i></b>	<b>\$4,181,558</b>	<b>\$3,129,766</b>	<b>\$3,613,779</b>	<b>\$3,697,545</b>
<b>Liabilities</b>				
Deposits Held and Due to Others	\$4,120,153	\$1,332,168	\$1,755,097	\$3,697,224
Intergovernmental Payable	61,405	1,797,598	1,858,682	321
<b><i>Total Liabilities</i></b>	<b>\$4,181,558</b>	<b>\$3,129,766</b>	<b>\$3,613,779</b>	<b>\$3,697,545</b>

**Individual Fund Schedules of Revenues, Expenditures/Expenses  
And Changes in Fund Balances/Fund Equity – Budget (Non-GAAP Basis) and Actual**

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Property Taxes	\$1,550,000	\$1,560,000	\$1,536,406	(\$23,594)
Municipal Income Taxes	4,500,000	4,500,000	4,551,713	51,713
Charges for Services	560,212	625,935	640,831	14,896
Licenses and Permits	857,000	848,500	811,460	(37,040)
Fines and Forfeitures	184,600	124,600	117,822	(6,778)
Intergovernmental	779,200	1,094,758	1,109,104	14,346
Interest	600,000	443,400	434,226	(9,174)
Miscellaneous	86,500	99,883	94,019	(5,864)
<i>Total Revenues</i>	9,117,512	9,297,076	9,295,581	(1,495)
<b>Expenditures</b>				
Current:				
General Government:				
Mayor:				
Personal Services	747,333	237,400	202,938	34,462
Materials and Supplies	19,518	6,200	3,655	2,545
Contractual Services	418,815	133,042	83,834	49,208
Capital Outlay	4,722	1,500	712	788
<i>Total Mayor</i>	1,190,388	378,142	291,139	87,003
Finance:				
Personal Services	1,212,843	385,275	373,200	12,075
Materials and Supplies	99,070	31,471	30,152	1,319
Contractual Services	160,050	50,842	48,841	2,001
Capital Outlay	1,574	500	483	17
<i>Total Finance</i>	1,473,537	468,088	452,676	15,412
Treasurer:				
Personal Services	64,219	20,400	19,575	825
Materials and Supplies	16,684	5,300	5,200	100
Contractual Services	16,055	5,100	93	5,007
<i>Total Treasurer</i>	96,958	30,800	24,868	5,932
Law Director:				
Personal Services	410,574	130,424	130,351	73
Materials and Supplies	4,722	1,500	1,239	261
Contractual Services	918,190	291,675	288,570	3,105
<i>Total Law Director</i>	\$1,333,486	\$423,599	\$420,160	\$3,439

(continued)

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Council:</b>				
Personal Services	\$466,139	\$148,075	\$138,197	\$9,878
Materials and Supplies	35,887	11,400	10,540	860
Contractual Services	141,216	44,859	28,408	16,451
<b>Total Council</b>	<b>643,242</b>	<b>204,334</b>	<b>177,145</b>	<b>27,189</b>
<b>City Hall:</b>				
Personal Services	107,189	34,050	29,611	4,439
Materials and Supplies	196,422	62,396	56,428	5,968
Contractual Services	509,827	161,953	143,166	18,787
Capital Outlay	88,367	28,071	23,441	4,630
Other	62,495	19,852	18,373	1,479
<b>Total City Hall</b>	<b>964,300</b>	<b>306,322</b>	<b>271,019</b>	<b>35,303</b>
<b>Civil Service:</b>				
Personal Services	18,022	5,725	4,339	1,386
Materials and Supplies	157	50	0	50
Contractual Services	50,818	16,143	5,759	10,384
Other	315	100	0	100
<b>Total Civil Service</b>	<b>69,312</b>	<b>22,018</b>	<b>10,098</b>	<b>11,920</b>
<b>Records:</b>				
Personal Services	26,317	8,360	7,328	1,032
Materials and Supplies	1,574	500	0	500
Contractual Services	3,148	1,000	0	1,000
<b>Total Records</b>	<b>31,039</b>	<b>9,860</b>	<b>7,328</b>	<b>2,532</b>
<b>Statutory Accounts:</b>				
Personal Services	289,134	91,847	90,740	1,107
Contractual Services	941,574	299,103	291,409	7,694
<b>Total Statutory Accounts</b>	<b>1,230,708</b>	<b>390,950</b>	<b>382,149</b>	<b>8,801</b>
<b>Legal</b>				
Personal Services	11,002	3,495	3,376	119
Materials and Supplies	1,624	516	171	345
Capital Outlay	1,575	500	0	500
<b>Total Legal</b>	<b>14,201</b>	<b>4,511</b>	<b>3,547</b>	<b>964</b>
<b>Engineer:</b>				
Contractual Services	\$936,968	\$297,640	\$261,617	\$36,023

(continued)

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
Grant Coordinator:				
Contractual Services	\$119,624	\$38,000	\$35,000	\$3,000
Project Coordinator:				
Personal Services	155,763	49,480	48,192	1,288
Materials and Supplies	28,332	9,000	8,390	610
Contractual Services	55,634	17,673	16,988	685
Total Project Coordinator	239,729	76,153	73,570	2,583
Income Tax Department:				
Personal Services	5,509	1,750	0	1,750
Contractual Services	611,243	194,169	147,288	46,881
Total Income Tax Department	616,752	195,919	147,288	48,631
Total General Government	8,960,244	2,846,336	2,557,604	288,732
Community Environment:				
Planning Commission:				
Personal Services	482,238	153,189	141,467	11,722
Materials and Supplies	24,542	7,796	5,911	1,885
Contractual Services	244,388	77,633	20,918	56,715
Capital Outlay	13,193	4,191	75	4,116
Other	6,296	2,000	800	1,200
Total Planning Commission	770,657	244,809	169,171	75,638
Building Inspector:				
Personal Services	1,999,400	635,135	618,025	17,110
Materials and Supplies	155,930	49,533	31,827	17,706
Contractual Services	663,518	210,775	112,869	97,906
Capital Outlay	10,445	3,318	3,318	0
Other	7,870	2,500	953	1,547
Total Building Inspector	2,837,163	901,261	766,992	134,269
Safety Director/Zoning Officer:				
Personal Services	188,376	59,840	59,759	81
Materials and Supplies	472	150	0	150
Contractual Services	16,527	5,250	1,102	4,148
Total Safety Director/Zoning Officer	205,375	65,240	60,861	4,379
Total Community Environment	3,813,195	1,211,310	997,024	214,286
<i>Total Expenditures</i>	<u>\$12,773,439</u>	<u>\$4,057,646</u>	<u>\$3,554,628</u>	<u>\$503,018</u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<i>Excess of Revenues</i>				
<i>Over (Under) Expenditures</i>	(\$3,655,927)	\$5,239,430	\$5,740,953	\$501,523
<b>Other Financing Sources (Uses)</b>				
Advances In	0	6,672,339	0	(6,672,339)
Advances Out	0	(4,660,374)	(1,757,374)	2,903,000
Transfers In	4,025,000	6,809,514	2,499,208	(4,310,306)
Transfers Out	0	(17,306,094)	(8,813,052)	8,493,042
<i>Total Other Financing Sources (Uses)</i>	4,025,000	(8,484,615)	(8,071,218)	413,397
<i>Net Change in Fund Balance</i>	369,073	(3,245,185)	(2,330,265)	914,920
<i>Fund Balance Beginning of Year</i>	5,666,769	5,666,769	5,666,769	0
Prior Year Encumbrances Appropriated	200,804	200,804	200,804	0
<i>Fund Balance End of Year</i>	\$6,236,646	\$2,622,388	\$3,537,308	\$914,920

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Department Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Municipal Income Taxes	\$3,400,000	\$3,400,000	\$3,420,285	\$20,285
Miscellaneous	1,600	2,065	850	(1,215)
<i>Total Revenues</i>	<u>3,401,600</u>	<u>3,402,065</u>	<u>3,421,135</u>	<u>19,070</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Fire Department:				
Personal Services	2,493,854	2,641,991	2,607,533	34,458
Materials and Supplies	117,407	124,381	111,670	12,711
Contractual Services	265,738	281,523	242,546	38,977
Capital Outlay	1,084	1,149	0	1,149
Other	0	0	0	0
<i>Total Expenditures</i>	<u>2,878,083</u>	<u>3,049,044</u>	<u>2,961,749</u>	<u>87,295</u>
<i>Excess of Revenues Over Expenditures</i>	523,517	353,021	459,386	106,365
<b>Other Financing Uses</b>				
Transfers Out	0	(2,000,000)	(2,000,000)	0
<i>Net Change in Fund Balance</i>	523,517	(1,646,979)	(1,540,614)	106,365
<i>Fund Balance Beginning of Year</i>	3,060,792	3,060,792	3,060,792	0
Prior Year Encumbrances Appropriated	11,883	11,883	11,883	0
<i>Fund Balance End of Year</i>	<u>\$3,596,192</u>	<u>\$1,425,696</u>	<u>\$1,532,061</u>	<u>\$106,365</u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Street Construction, Maintenance and Repair Fund  
For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Property Taxes	\$1,405,000	\$790,802	\$785,761	(\$5,041)
Intergovernmental	865,000	912,408	925,535	13,127
Interest	15,000	15,000	13,116	(1,884)
Miscellaneous	6,000	8,519	7,710	(809)
<i>Total Revenues</i>	<u>2,291,000</u>	<u>1,726,729</u>	<u>1,732,122</u>	<u>5,393</u>
<b>Expenditures</b>				
Current:				
Transportation:				
Street Department:				
Personal Services	970,947	887,590	861,437	26,153
Materials and Supplies	710,262	649,285	591,634	57,651
Contractual Services	293,335	268,152	230,904	37,248
Capital Outlay	58,882	53,827	48,320	5,507
<i>Total Expenditures</i>	<u>2,033,426</u>	<u>1,858,854</u>	<u>1,732,295</u>	<u>126,559</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>257,574</u>	<u>(132,125)</u>	<u>(173)</u>	<u>131,952</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	148,964	148,964	0
Transfers Out	0	(215,732)	(215,732)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(66,768)</u>	<u>(66,768)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	257,574	(198,893)	(66,941)	131,952
<i>Fund Balance Beginning of Year</i>	308,997	308,997	308,997	0
Prior Year Encumbrances Appropriated	215,029	215,029	215,029	0
<i>Fund Balance End of Year</i>	<u>\$781,600</u>	<u>\$325,133</u>	<u>\$457,085</u>	<u>\$131,952</u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Special Assessment Bond Retirement Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Special Assessments	\$503,399	\$526,851	\$526,851	\$0
<b>Expenditures</b>				
Debt Service:				
Principal Retirement	264,263	264,263	267,660	(3,397)
Interest and Fiscal Charges	235,135	235,135	227,326	7,809
<i>Total Expenditures</i>	<u>499,398</u>	<u>499,398</u>	<u>494,986</u>	<u>4,412</u>
<i>Excess of Revenues Over Expenditures</i>	4,001	27,453	31,865	4,412
<i>Fund Balance Beginning of Year</i>	<u>366,438</u>	<u>366,438</u>	<u>366,438</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$370,439</u></u>	<u><u>\$393,891</u></u>	<u><u>\$398,303</u></u>	<u><u>\$4,412</u></u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police Station Project Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Capital Outlay:				
Police Station Project:				
Capital Outlay	2,835,431	2,734,183	2,694,336	39,847
Debt Service:				
Principal Retirement	4,666,637	4,500,000	4,500,000	0
Interest and Fiscal Charges	199,276	192,160	192,160	0
Total Debt Service	4,865,913	4,692,160	4,692,160	0
<i>Total Expenditures</i>	7,701,344	7,426,343	7,386,496	39,847
<i>Excess of Revenues</i> <i>Under Expenditures</i>	(7,701,344)	(7,426,343)	(7,386,496)	39,847
<b>Other Financing Sources (Uses)</b>				
Notes Issued	4,500,000	0	0	0
Bonds Issued	4,500,000	4,500,000	4,500,000	0
Transfers In	0	2,000,000	2,000,000	0
Transfers Out	0	(310,000)	(310,000)	0
<i>Total Other Financing Sources (Uses)</i>	9,000,000	6,190,000	6,190,000	0
<i>Net Change in Fund Balance</i>	1,298,656	(1,236,343)	(1,196,496)	39,847
<i>Fund Balance Beginning of Year</i>	(1,167,230)	(1,167,230)	(1,167,230)	0
Prior Year Encumbrances Appropriated	2,401,857	2,401,857	2,401,857	0
<i>Fund Balance (Deficit) End of Year</i>	\$2,533,283	(\$1,716)	\$38,131	\$39,847

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Recreation Center Construction Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Other	\$0	\$2,411	\$2,411	\$0
<b>Expenditures</b>				
Capital Outlay:				
Recreation Center Construction:				
Capital Outlay	7,013	15,050,014	13,660,983	1,389,031
Debt Service:				
Interest and Fiscal Charges	0	14,512	14,512	0
<i>Total Expenditures</i>	7,013	15,064,526	13,675,495	1,389,031
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	(7,013)	(15,062,115)	(13,673,084)	1,389,031
<b>Other Financing Sources</b>				
Notes Issued	0	14,000,000	14,000,000	0
Advances In	0	1,043,000	1,043,000	0
<i>Total Other Financing Sources</i>	0	15,043,000	15,043,000	0
<i>Net Change in Fund Balance</i>	(7,013)	(19,115)	1,369,916	1,389,031
<i>Fund Balance Beginning of Year</i>	4,988	4,988	4,988	0
Prior Year Encumbrances Appropriated	2,025	2,025	2,025	0
<i>Fund Balance (Deficit) End of Year</i>	\$0	(\$12,102)	\$1,376,929	\$1,389,031

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Baseball Stadium Project Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Interest	\$70,000	\$70,000	\$78,609	\$8,609
<b>Expenditures</b>				
Capital Outlay:				
Baseball Stadium:				
Capital Outlay	13,078,100	13,078,100	12,944,095	134,005
Debt Service:				
Principal Retirement	12,200,000	12,200,000	12,200,000	0
Interest and Fiscal Charges	241,146	241,146	241,146	0
Total Debt Service	12,441,146	12,441,146	12,441,146	0
<i>Total Expenditures</i>	25,519,246	25,519,246	25,385,241	134,005
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	(25,449,246)	(25,449,246)	(25,306,632)	142,614
<b>Other Financing Sources (Uses)</b>				
Notes Issued	25,350,000	25,350,000	25,350,000	0
Advances In	1,614,000	1,614,000	614,000	(1,000,000)
Advances Out	(1,064,000)	(1,064,000)	0	1,064,000
Transfers In	226,920	226,920	226,920	0
Transfers Out	0	(64,000)	(64,000)	0
<i>Total Other Financing Sources (Uses)</i>	26,126,920	26,062,920	26,126,920	64,000
<i>Net Change in Fund Balance</i>	677,674	613,674	820,288	206,614
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$677,674	\$613,674	\$820,288	\$206,614

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Recreation Complex Infrastructure Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Interest	\$55,000	\$55,000	\$60,011	\$5,011
Miscellaneous	735	735	734	(1)
<i>Total Revenues</i>	<u>55,735</u>	<u>55,735</u>	<u>60,745</u>	<u>5,010</u>
<b>Expenditures</b>				
Capital Outlay:				
Recreation Complex Infrastructure:				
Capital Outlay	9,017,035	9,017,035	8,996,397	20,638
Debt Service:				
Principal Retirement	8,800,000	8,800,000	8,800,000	0
Interest and Fiscal Charges	107,498	107,498	107,498	0
<i>Total Debt Service</i>	<u>8,907,498</u>	<u>8,907,498</u>	<u>8,907,498</u>	<u>0</u>
<i>Total Expenditures</i>	<u>17,924,533</u>	<u>17,924,533</u>	<u>17,903,895</u>	<u>20,638</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(17,868,798)</u>	<u>(17,868,798)</u>	<u>(17,843,150)</u>	<u>25,648</u>
<b>Other Financing Sources (Uses)</b>				
Notes Issued	17,800,000	17,800,000	17,800,000	0
Advances In	657,100	657,100	97,100	(560,000)
Advances Out	(560,000)	(560,000)	0	560,000
Transfers In	91,667	91,667	91,667	0
<i>Total Other Financing Sources (Uses)</i>	<u>17,988,767</u>	<u>17,988,767</u>	<u>17,988,767</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	119,969	119,969	145,617	25,648
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$119,969</u>	<u>\$119,969</u>	<u>\$145,617</u>	<u>\$25,648</u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Water Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Charges for Services	\$2,242,026	\$2,137,913	\$2,144,667	\$6,754
Interest	47,072	44,886	38,495	(6,391)
Other	41,623	39,690	33,830	(5,860)
<i>Total Revenues</i>	<u>2,330,721</u>	<u>2,222,489</u>	<u>2,216,992</u>	<u>(5,497)</u>
<b>Expenses</b>				
Personal Services	348,458	436,095	424,595	11,500
Materials and Supplies	1,042,195	1,304,305	1,085,837	218,468
Contractual Services	169,076	211,598	202,377	9,221
Other	13,184	16,500	15,435	1,065
Capital Outlay	442,648	553,972	330,992	222,980
Debt Service:				
Principal Retirement	717,420	897,850	897,850	0
Interest and Fiscal Charges	55,023	68,862	68,862	0
<i>Total Expenses</i>	<u>2,788,004</u>	<u>3,489,182</u>	<u>3,025,948</u>	<u>463,234</u>
<i>Excess of Revenues</i>				
<i>Under Expenses</i>	(457,283)	(1,266,693)	(808,956)	457,737
Notes Issued	419,479	400,000	400,000	0
General Obligation Bond Issued	0	293,243	200,000	(93,243)
Transfers Out	0	(205,743)	(112,500)	93,243
<i>Net Change in Fund Equity</i>	(37,804)	(779,193)	(321,456)	457,737
<i>Fund Equity Beginning of Year</i>	2,766,308	2,766,308	2,766,308	0
Prior Year Encumbrances Appropriated	51,923	51,923	51,923	0
<i>Fund Equity End of Year</i>	<u>\$2,780,427</u>	<u>\$2,039,038</u>	<u>\$2,496,775</u>	<u>\$457,737</u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Sewer Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Charges for Services	\$3,110,556	\$1,302,316	\$1,320,233	\$17,917
Interest	57,684	24,151	14,177	(9,974)
Other Operating Revenues	1,261	528	28	(500)
<i>Total Revenues</i>	<u>3,169,501</u>	<u>1,326,995</u>	<u>1,334,438</u>	<u>7,443</u>
<b>Expenses</b>				
Personal Services	446,255	436,895	382,818	54,077
Materials and Supplies	325,912	319,076	306,635	12,441
Contractual Services	90,145	88,254	82,489	5,765
Other Non-Operating Expenses	8,171	8,000	7,102	898
Capital Outlay	544,285	532,869	221,426	311,443
Debt Service:				
Principal Retirement	1,309,580	1,282,112	1,282,112	0
Principal Retirement - Current Refunding	0	2,044,674	2,044,674	0
Interest and Fiscal Charges	75,994	74,401	74,401	0
<i>Total Expenses</i>	<u>2,800,342</u>	<u>4,786,281</u>	<u>4,401,657</u>	<u>384,624</u>
<i>Excess of Revenues Over (Under) Expenses</i>	369,159	(3,459,286)	(3,067,219)	392,067
General Obligation Bond Issued	788,199	330,000	330,000	0
Interfund Activity Bond Issued	0	0	1,987,552	1,987,552
Advances Out	0	(61,847)	0	61,847
Transfers In	0	1,329,275	306,650	(1,022,625)
Transfers Out	0	(1,235,610)	0	1,235,610
<i>Net Change in Fund Equity</i>	1,157,358	(3,097,468)	(443,017)	2,654,451
<i>Fund Equity Beginning of Year</i>	2,899,610	2,899,610	2,899,610	0
Prior Year Encumbrances Appropriated	125,708	125,708	125,708	0
<i>Fund Equity (Deficit) End of Year</i>	<u>\$4,182,676</u>	<u>(\$72,150)</u>	<u>\$2,582,301</u>	<u>\$2,654,451</u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Recycling Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Intergovernmental	\$70,430	\$70,430	\$122,691	\$52,261
<b>Expenditures</b>				
Current:				
Community Environment:				
Recycling:				
Personal Services	5,889	6,000	5,786	214
Contractual Services	114,336	116,488	113,418	3,070
<i>Total Expenditures</i>	<u>120,225</u>	<u>122,488</u>	<u>119,204</u>	<u>3,284</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(49,795)	(52,058)	3,487	55,545
<b>Other Financing Sources</b>				
Transfers In	52,250	52,250	52,250	0
<i>Net Change in Fund Balance</i>	2,455	192	55,737	55,545
<i>Fund Balance Beginning of Year</i>	13,968	13,968	13,968	0
Prior Year Encumbrances Appropriated	745	745	745	0
<i>Fund Balance End of Year</i>	<u>\$17,168</u>	<u>\$14,905</u>	<u>\$70,450</u>	<u>\$55,545</u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**ADA Parking Violations Fund**  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Transportation:				
ADA Parking Violations:				
Contractual Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>334</u>	<u>334</u>	<u>334</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$334</u></u>	<u><u>\$334</u></u>	<u><u>\$334</u></u>	<u><u>\$0</u></u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*State Highway Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Intergovernmental	\$56,000	\$57,901	\$63,581	\$5,680
Interest	6,500	5,599	4,233	(1,366)
<i>Total Revenues</i>	<u>62,500</u>	<u>63,500</u>	<u>67,814</u>	<u>4,314</u>
<b>Expenditures</b>				
Current:				
Transportation:				
State Highway:				
Contractual Services	49,236	49,236	44,408	4,828
Capital Outlay	6,000	6,000	6,000	0
<i>Total Expenditures</i>	<u>55,236</u>	<u>55,236</u>	<u>50,408</u>	<u>4,828</u>
<i>Excess of Revenues Over Expenditures</i>	7,264	8,264	17,406	9,142
<b>Other Financing Uses</b>				
Transfers Out	0	(100,000)	(100,000)	0
<i>Net Change in Fund Balance</i>	7,264	(91,736)	(82,594)	9,142
<i>Fund Balance Beginning of Year</i>	200,102	200,102	200,102	0
Prior Year Encumbrances Appropriated	15,236	15,236	15,236	0
<i>Fund Balance End of Year</i>	<u>\$222,602</u>	<u>\$123,602</u>	<u>\$132,744</u>	<u>\$9,142</u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Permissive Tax Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Intergovernmental	\$88,000	\$96,433	\$92,825	(\$3,608)
Interest	2,400	800	657	(143)
<i>Total Revenues</i>	<u>90,400</u>	<u>97,233</u>	<u>93,482</u>	<u>(3,751)</u>
<b>Expenditures</b>				
Current:				
Transportation:				
Permissive Tax:				
Contractual Services	150,512	175,000	163,399	11,601
Materials and Supplies	1,569	1,824	1,824	0
Capital Outlay	1,578	1,835	1,835	0
<i>Total Expenditures</i>	<u>153,659</u>	<u>178,659</u>	<u>167,058</u>	<u>11,601</u>
<i>Excess of Revenues Under Expenditures</i>	(63,259)	(81,426)	(73,576)	7,850
<b>Other Financing Sources</b>				
Transfers In	70,000	95,000	95,000	0
<i>Net Change in Fund Balance</i>	6,741	13,574	21,424	7,850
<i>Fund Balance Beginning of Year</i>	9,719	9,719	9,719	0
Prior Year Encumbrances Appropriated	3,659	3,659	3,659	0
<i>Fund Balance End of Year</i>	<u>\$20,119</u>	<u>\$26,952</u>	<u>\$34,802</u>	<u>\$7,850</u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Property Taxes	\$430,000	\$442,782	\$438,638	(\$4,144)
Intergovernmental	99,205	121,461	136,911	15,450
Miscellaneous	46,000	34,235	27,896	(6,339)
<i>Total Revenues</i>	<u>575,205</u>	<u>598,478</u>	<u>603,445</u>	<u>4,967</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Personal Services	2,185,668	3,097,620	3,018,015	79,605
Materials and Supplies	129,694	183,808	156,192	27,616
Contractual Services	344,964	488,898	427,305	61,593
<i>Total Expenditures</i>	<u>2,660,326</u>	<u>3,770,326</u>	<u>3,601,512</u>	<u>168,814</u>
<i>Excess of Revenues</i> <i>Under Expenditures</i>	<u>(2,085,121)</u>	<u>(3,171,848)</u>	<u>(2,998,067)</u>	<u>173,781</u>
<b>Other Financing Sources</b>				
Transfers In	3,206,869	4,260,000	4,260,000	0
Transfers Out	(1,100,000)	(1,100,000)	(1,100,000)	0
<i>Total Other Financing Sources</i>	<u>2,106,869</u>	<u>3,160,000</u>	<u>3,160,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	21,748	(11,848)	161,933	173,781
<i>Fund Balance Beginning of Year</i>	32,435	32,435	32,435	0
Prior Year Encumbrances Appropriated	95,326	95,326	95,326	0
<i>Fund Balance End of Year</i>	<u>\$149,509</u>	<u>\$115,913</u>	<u>\$289,694</u>	<u>\$173,781</u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Enforcement and Education Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Fines and Forfeitures	\$2,500	\$85,863	\$84,524	(\$1,339)
Miscellaneous	600	11,837	11,737	(100)
<i>Total Revenues</i>	<u>3,100</u>	<u>97,700</u>	<u>96,261</u>	<u>(1,439)</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Enforcement and Education:				
Personal Services	14,856	50,000	42,102	7,898
Materials and Supplies	8,914	30,000	29,353	647
Contractual Services	1,593	5,363	4,931	432
<i>Total Expenditures</i>	<u>25,363</u>	<u>85,363</u>	<u>76,386</u>	<u>8,977</u>
<i>Net Change in Fund Balance</i>	(22,263)	12,337	19,875	7,538
<i>Fund Balance Beginning of Year</i>	3,056	3,056	3,056	0
Prior Year Encumbrances Appropriated	<u>363</u>	<u>363</u>	<u>363</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$18,844)</u>	<u>\$15,756</u>	<u>\$23,294</u>	<u>\$7,538</u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Law Enforcement Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Miscellaneous	\$200	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Law Enforcement:				
Contractual Services	<u>5,000</u>	<u>91,167</u>	<u>90,223</u>	<u>944</u>
<i>Net Change in Fund Balance</i>	(4,800)	(91,167)	(90,223)	944
<i>Fund Balance Beginning of Year</i>	<u>112,069</u>	<u>112,069</u>	<u>112,069</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$107,269</u></u>	<u><u>\$20,902</u></u>	<u><u>\$21,846</u></u>	<u><u>\$944</u></u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police K9 Program Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Miscellaneous	\$15,000	\$7,737	\$7,812	\$75
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Enforcement and Education:				
Contractual Services	<u>15,000</u>	<u>15,000</u>	<u>13,959</u>	<u>1,041</u>
<i>Net Change in Fund Balance</i>	0	(7,263)	(6,147)	1,116
<i>Fund Balance Beginning of Year</i>	<u>13,933</u>	<u>13,933</u>	<u>13,933</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$13,933</u></u>	<u><u>\$6,670</u></u>	<u><u>\$7,786</u></u>	<u><u>\$1,116</u></u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police Pension Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Property Taxes	\$186,000	\$200,697	\$200,400	(\$297)
Intergovernmental	26,500	31,185	30,446	(739)
<i>Total Revenues</i>	<u>212,500</u>	<u>231,882</u>	<u>230,846</u>	<u>(1,036)</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police Pension:				
Personal Services	405,040	409,680	409,676	4
Contractual Services	3,460	3,500	3,273	227
<i>Total Expenditures</i>	<u>408,500</u>	<u>413,180</u>	<u>412,949</u>	<u>231</u>
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	(196,000)	(181,298)	(182,103)	(805)
<b>Other Financing Sources</b>				
Transfers In	214,500	190,000	190,000	0
<i>Net Change in Fund Balance</i>	18,500	8,702	7,897	(805)
<i>Fund Balance Beginning of Year</i>	<u>162</u>	<u>162</u>	<u>162</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$18,662</u></u>	<u><u>\$8,864</u></u>	<u><u>\$8,059</u></u>	<u><u>(\$805)</u></u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Mayor's Court Computer Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Fines and Forfeitures	\$5,000	\$5,000	\$4,361	(\$639)
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Mayor's Court Computer:				
Capital Outlay	<u>5,025</u>	<u>5,025</u>	<u>825</u>	<u>4,200</u>
<i>Net Change in Fund Balance</i>	(25)	(25)	3,536	3,561
<i>Fund Balance Beginning of Year</i>	70,166	70,166	70,166	0
Prior Year Encumbrances Appropriated	<u>25</u>	<u>25</u>	<u>25</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$70,166</u></u>	<u><u>\$70,166</u></u>	<u><u>\$73,727</u></u>	<u><u>\$3,561</u></u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Avon Seniors Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues</b>				
Contributions and Donations	\$0	\$40,000	\$40,000	\$0
Miscellaneous	2,500	3,715	3,965	250
<i>Total Revenues</i>	2,500	43,715	43,965	250
<b>Expenditures</b>				
Current:				
Community Environment:				
Avon Seniors:				
Personal Services	57,320	82,304	75,498	6,806
Materials and Supplies	14,881	21,367	15,398	5,969
Contractual Services	29,073	41,745	37,279	4,466
Capital Outlay	72,362	103,903	83,585	20,318
Other	696	1,000	0	1,000
<i>Total Expenditures</i>	174,332	250,319	211,760	38,559
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	(171,832)	(206,604)	(167,795)	38,809
<b>Other Financing Sources</b>				
Transfers In	166,305	166,305	166,305	0
<i>Net Change in Fund Balance</i>	(5,527)	(40,299)	(1,490)	38,809
<i>Fund Balance Beginning of Year</i>	20,865	20,865	20,865	0
Prior Year Encumbrances Appropriated	8,027	8,027	8,027	0
<i>Fund Balance (Deficit) End of Year</i>	\$23,365	(\$11,407)	\$27,402	\$38,809

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Recreation Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Charges for Services	\$161,850	\$144,675	\$131,215	(\$13,460)
Miscellaneous	0	1,115	1,115	0
<i>Total Revenues</i>	<u>161,850</u>	<u>145,790</u>	<u>132,330</u>	<u>(13,460)</u>
<b>Expenditures</b>				
Current:				
Leisure Time Activities:				
Recreation Department:				
Personal Services	30,264	32,760	27,361	5,399
Materials and Supplies	6,331	6,853	6,401	452
Contractual Services	22,830	24,713	21,761	2,952
Other	694	750	428	322
Total Recreation Department	60,119	65,076	55,951	9,125
Adult Volleyball:				
Materials and Supplies	2,862	3,098	1,691	1,407
Men's Basketball:				
Materials and Supplies	667	722	472	250
Youth Basketball:				
Materials and Supplies	26,553	28,742	19,804	8,938
Little Eagles:				
Materials and Supplies	6,929	7,500	4,823	2,677
Tennis Camp				
Materials and Supplies	2,771	3,000	2,891	109
Adult Softball:				
Materials and Supplies	1,663	1,800	1,704	96
Gymnastics:				
Materials and Supplies	57,277	62,000	37,061	24,939
Baton:				
Materials and Supplies	27,715	30,000	19,134	10,866
Little Scientist:				
Materials and Supplies	\$1,848	\$2,000	\$1,710	\$290

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Recreation Fund (continued)*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
Youth Baseball:				
Materials and Supplies	\$11,086	\$12,000	\$11,080	\$920
Flag Football:				
Materials and Supplies	5,860	6,343	4,292	2,051
Safety Town:				
Materials and Supplies	3,695	4,000	2,844	1,156
Fishing:				
Materials and Supplies	1,109	1,200	1,200	0
Youth Wrestling:				
Materials and Supplies	924	1,000	0	1,000
Theater:				
Materials and Supplies	2,310	2,500	2,270	230
Youth Soccer:				
Materials and Supplies	924	1,000	560	440
Little Rackets:				
Materials and Supplies	1,386	1,500	585	915
Kidz Art:				
Materials and Supplies	1,386	1,500	1,404	96
<i>Total Expenditures</i>	<u>217,084</u>	<u>234,981</u>	<u>169,476</u>	<u>65,505</u>
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	(55,234)	(89,191)	(37,146)	52,045
<b>Other Financing Sources</b>				
Transfers In	<u>60,935</u>	<u>25,000</u>	<u>25,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	5,701	(64,191)	(12,146)	52,045
<i>Fund Balance Beginning of Year</i>	42,116	42,116	42,116	0
Prior Year Encumbrances Appropriated	<u>2,546</u>	<u>2,546</u>	<u>2,546</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$50,363</u>	<u>(\$19,529)</u>	<u>\$32,516</u>	<u>\$52,045</u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Park Operating Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Property Taxes	\$218,000	\$250,974	\$247,438	(\$3,536)
Intergovernmental	29,000	40,811	40,698	(113)
Miscellaneous	1,250	6,452	5,702	(750)
<i>Total Revenues</i>	<u>248,250</u>	<u>298,237</u>	<u>293,838</u>	<u>(4,399)</u>
<b>Expenditures</b>				
Current:				
Leisure Time Activities:				
Park Operating:				
Personal Services	441,932	447,090	421,492	25,598
Materials and Supplies	84,747	85,736	84,848	888
Contractual Services	226,492	229,135	215,436	13,699
Capital Outlay	119,061	120,451	90,047	30,404
<i>Total Expenditures</i>	<u>872,232</u>	<u>882,412</u>	<u>811,823</u>	<u>70,589</u>
<i>Excess of Revenues Under Expenditures</i>	(623,982)	(584,175)	(517,985)	66,190
<b>Other Financing Sources</b>				
Transfers In	580,350	505,000	505,000	0
<i>Net Change in Fund Balance</i>	(43,632)	(79,175)	(12,985)	66,190
<i>Fund Balance Beginning of Year</i>	23,215	23,215	23,215	0
Prior Year Encumbrances Appropriated	43,637	43,637	43,637	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$23,220</u>	<u>(\$12,323)</u>	<u>\$53,867</u>	<u>\$66,190</u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Park Development Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Licenses and Permits	\$175,000	\$175,000	\$163,020	(\$11,980)
<b>Expenditures</b>				
Current:				
Leisure Time Activities:				
Park Development:				
Contractual Services	1,500	1,500	1,205	295
Capital Outlay	174,336	174,335	171,293	3,042
Total Leisure Time Activities	175,836	175,835	172,498	3,337
Debt Service:				
Principal Retirement	77,000	77,000	77,000	0
Interest and Fiscal Charges	64,624	64,624	64,624	0
Total Debt Service	141,624	141,624	141,624	0
<i>Total Expenditures</i>	317,460	317,459	314,122	3,337
<i>Net Change in Fund Balance</i>	(142,460)	(142,459)	(151,102)	(8,643)
<i>Fund Balance Beginning of Year</i>	108,744	108,744	108,744	0
Prior Year Encumbrances Appropriated	172,475	172,475	172,475	0
<i>Fund Balance End of Year</i>	\$138,759	\$138,760	\$130,117	(\$8,643)

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Community Center Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Charges for Services	\$2,500	\$2,630	\$2,690	\$60
<b>Expenditures</b>				
Current:				
Leisure Time Activities:				
Community Center:				
Personal Services	15,379	15,379	14,833	546
Materials and Supplies	619	619	369	250
Contractual Services	8,966	8,966	3,893	5,073
Other	150	150	10	140
<i>Total Expenditures</i>	25,114	25,114	19,105	6,009
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	(22,614)	(22,484)	(16,415)	6,069
<b>Other Financing Sources</b>				
Transfers In	20,100	12,600	12,600	0
<i>Net Change in Fund Balance</i>	(2,514)	(9,884)	(3,815)	6,069
<i>Fund Balance Beginning of Year</i>	9,852	9,852	9,852	0
Prior Year Encumbrances Appropriated	2,524	2,524	2,524	0
<i>Fund Balance End of Year</i>	\$9,862	\$2,492	\$8,561	\$6,069

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Living Tree Memorial Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Contributions and Donations	\$0	\$650	\$650	\$0
<b>Expenditures</b>				
Current:				
Community Environment:				
Living Tree Memorial:				
Contractual Services	0	800	147	653
<i>Net Change in Fund Balance</i>	0	(150)	503	653
<i>Fund Balance Beginning of Year</i>	154	154	154	0
<i>Fund Balance End of Year</i>	\$154	\$4	\$657	\$653

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Drainage Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Basic Utility Services:				
Drainage:				
Materials and Supplies	10,999	40,606	40,507	99
Contractual Services	17,607	65,000	65,000	0
<i>Total Expenditures</i>	<u>28,606</u>	<u>105,606</u>	<u>105,507</u>	<u>99</u>
<i>Excess of Revenues Under Expenditures</i>	(28,606)	(105,606)	(105,507)	99
<b>Other Financing Sources</b>				
Transfers In	<u>25,000</u>	<u>102,000</u>	<u>102,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(3,606)	(3,606)	(3,507)	99
<i>Fund Balance Beginning of Year</i>	6,623	6,623	6,623	0
Prior Year Encumbrances Appropriated	<u>3,606</u>	<u>3,606</u>	<u>3,606</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$6,623</u></u>	<u><u>\$6,623</u></u>	<u><u>\$6,722</u></u>	<u><u>\$99</u></u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Cemetery Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>	0	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	333	333	333	0
<i>Fund Balance End of Year</i>	<u>\$333</u>	<u>\$333</u>	<u>\$333</u>	<u>\$0</u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Obligation Bond Retirement Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Miscellaneous	\$0	\$0	\$10,626	\$10,626
<b>Expenditures</b>				
Debt Service:				
Principal Retirement	226,618	440,557	438,057	2,500
Interest and Fiscal Charges	201,286	391,310	387,310	4,000
<i>Total Expenditures</i>	427,904	831,867	825,367	6,500
<i>Excess of Revenues Under Expenditures</i>	(427,904)	(831,867)	(814,741)	17,126
<b>Other Financing Sources</b>				
Transfers In	430,906	739,236	724,450	(14,786)
<i>Net Change in Fund Balance</i>	3,002	(92,631)	(90,291)	2,340
<i>Fund Balance Beginning of Year</i>	138,427	138,427	138,427	0
<i>Fund Balance End of Year</i>	\$141,429	\$45,796	\$48,136	\$2,340

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Library Bond Retirement Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Property Taxes	\$72,417	\$73,948	\$73,480	(\$468)
Intergovernmental	8,000	8,297	8,298	1
<i>Total Revenues</i>	<u>80,417</u>	<u>82,245</u>	<u>81,778</u>	<u>(467)</u>
<b>Expenditures</b>				
Current:				
General Government:				
Contractual Services	2,000	2,000	1,176	824
Debt Service:				
Principal Retirement	60,000	60,000	60,000	0
Interest and Fiscal Charges	21,569	21,569	21,569	0
Total Debt Service	<u>81,569</u>	<u>81,569</u>	<u>81,569</u>	<u>0</u>
<i>Total Expenditures</i>	<u>83,569</u>	<u>83,569</u>	<u>82,745</u>	<u>824</u>
<i>Net Change in Fund Balance</i>	(3,152)	(1,324)	(967)	357
<i>Fund Balance Beginning of Year</i>	<u>30,122</u>	<u>30,122</u>	<u>30,122</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$26,970</u></u>	<u><u>\$28,798</u></u>	<u><u>\$29,155</u></u>	<u><u>\$357</u></u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Tax Incremental Financing Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Intergovernmental	\$538,624	\$538,624	\$538,624	0
<b>Expenditures</b>				
Current:				
General Government	367,931	367,931	327,931	40,000
<i>Excess of Revenues Over Expenditures</i>	170,693	170,693	210,693	40,000
<b>Other Financing Uses</b>				
Transfers Out	0	(40,000)	(40,000)	0
<i>Net Change in Fund Balance</i>	170,693	130,693	170,693	40,000
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$170,693</u>	<u>\$130,693</u>	<u>\$170,693</u>	<u>\$40,000</u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Equipment Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Property Taxes	\$414,000	\$579,335	\$572,023	(\$7,312)
Intergovernmental	59,100	93,407	90,841	(2,566)
Miscellaneous	10,800	12,517	8,161	(4,356)
<i>Total Revenues</i>	<u>483,900</u>	<u>685,259</u>	<u>671,025</u>	<u>(14,234)</u>
<b>Expenditures</b>				
Capital Outlay:				
Equipment:				
Contractual Services	9,200	9,527	9,408	119
Capital Outlay	501,853	519,672	499,344	20,328
<i>Total Expenditures</i>	<u>511,053</u>	<u>529,199</u>	<u>508,752</u>	<u>20,447</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(27,153)	156,060	162,273	6,213
<b>Other Financing Sources</b>				
Transfers In	0	18,000	18,000	0
<i>Net Change in Fund Balance</i>	(27,153)	174,060	180,273	6,213
<i>Fund Balance Beginning of Year</i>	334,684	334,684	334,684	0
Prior Year Encumbrances Appropriated	141,953	141,953	141,953	0
<i>Fund Balance End of Year</i>	<u>\$449,484</u>	<u>\$650,697</u>	<u>\$656,910</u>	<u>\$6,213</u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Issue II Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>	0	0	0	0
<b>Other Financing Uses</b>				
Transfers Out	0	(130,024)	(130,024)	0
<i>Net Change in Fund Balance</i>	0	(130,024)	(130,024)	0
<i>Fund Balance Beginning of Year</i>	130,024	130,024	130,024	0
<i>Fund Balance End of Year</i>	<u>\$130,024</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Storm Water Detention Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Charges for Services	\$30,219	\$30,219	\$30,219	\$0
Intergovernmental	150,000	150,000	150,000	0
<i>Total Revenues</i>	<u>180,219</u>	<u>180,219</u>	<u>180,219</u>	<u>0</u>
<b>Expenditures</b>				
Capital Outlay:				
Storm Water Detention:				
Contractual Services	308,871	309,780	306,092	3,688
Other	33,173	33,271	33,271	0
Total Capital Outlay	<u>342,044</u>	<u>343,051</u>	<u>339,363</u>	<u>3,688</u>
<i>Excess of Revenues</i> <i>Under Expenditures</i>	<u>(161,825)</u>	<u>(162,832)</u>	<u>(159,144)</u>	<u>3,688</u>
<b>Other Financing Sources (Uses)</b>				
OPWC Loan Proceeds	145,194	145,194	145,194	0
Transfers Out	(300,000)	(337,548)	(337,548)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(154,806)</u>	<u>(192,354)</u>	<u>(192,354)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(316,631)	(355,186)	(351,498)	3,688
<i>Fund Balance Beginning of Year</i>	40,566	40,566	40,566	0
Prior Year Encumbrances Appropriated	<u>313,434</u>	<u>313,434</u>	<u>313,434</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$37,369</u>	<u>(\$1,186)</u>	<u>\$2,502</u>	<u>\$3,688</u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Safety Town Construction Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Expenditures</b>				
Capital Outlay:				
Safety Town Building:				
Capital Outlay	2,382	2,382	2,071	311
<b>Other Financing Uses</b>				
Transfers Out	<u>0</u>	<u>(934)</u>	<u>(934)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(2,382)	(3,316)	(3,005)	311
<i>Fund Balance Beginning of Year</i>	623	623	623	0
Prior Year Encumbrances Appropriated	<u>2,382</u>	<u>2,382</u>	<u>2,382</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$623</u>	<u>(\$311)</u>	<u>\$0</u>	<u>\$311</u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Road Programs Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Capital Outlay:				
Road Analysis Program:				
Capital Outlay	533,763	1,116,357	1,054,995	61,362
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	(533,763)	(1,116,357)	(1,054,995)	61,362
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	1,325,000	1,325,000	0
Transfers Out	0	(835,444)	(835,444)	0
<i>Total Other Financing Sources (Uses)</i>	0	489,556	489,556	0
<i>Net Change in Fund Balance</i>	(533,763)	(626,801)	(565,439)	61,362
<i>Fund Balance Beginning of Year</i>	71,857	71,857	71,857	0
Prior Year Encumbrances Appropriated	504,270	504,270	504,270	0
<i>Fund Balance (Deficit) End of Year</i>	\$42,364	(\$50,674)	\$10,688	\$61,362

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Center, Kinzel, Wyndmere Signal Fund  
For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Capital Outlay:				
Center Kinzel Signal:				
Capital Outlay	<u>286,000</u>	<u>286,000</u>	<u>249,097</u>	<u>36,903</u>
<i>Excess of Revenues Under Expenditures</i>	(286,000)	(286,000)	(249,097)	36,903
<b>Other Financing Sources</b>				
Transfers In	<u>286,000</u>	<u>286,000</u>	<u>286,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	36,903	36,903
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$36,903</u></u>	<u><u>\$36,903</u></u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Road Widening Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Intergovernmental	\$0	\$0	\$266,626	\$266,626
Miscellaneous	0	1,500	1,500	0
<i>Total Revenues</i>	<u>0</u>	<u>1,500</u>	<u>268,126</u>	<u>266,626</u>
<b>Expenditures</b>				
Capital Outlay:				
Detroit Road Culvert:				
Capital Outlay	58,678	1,261,952	1,231,186	30,766
Debt Service:				
Interest and Fiscal Charges	0	1,296	1,296	0
<i>Total Expenditures</i>	<u>58,678</u>	<u>1,263,248</u>	<u>1,232,482</u>	<u>30,766</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(58,678)</u>	<u>(1,261,748)</u>	<u>(964,356)</u>	<u>297,392</u>
<b>Other Financing Sources (Uses)</b>				
Notes Issued	0	1,250,000	1,250,000	0
Advances In	0	1,203,274	3,274	(1,200,000)
Advances Out	0	(1,200,000)	0	1,200,000
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>1,253,274</u>	<u>1,253,274</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(58,678)	(8,474)	288,918	297,392
<i>Fund Balance Beginning of Year</i>	30,889	30,889	30,889	0
Prior Year Encumbrances Appropriated	29,031	29,031	29,031	0
<i>Fund Balance End of Year</i>	<u>\$1,242</u>	<u>\$51,446</u>	<u>\$348,838</u>	<u>\$297,392</u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Schneider Court Site Development Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Capital Outlay:				
Schneider Court Site:				
Capital Outlay	1,315	1,315	0	1,315
Other	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,316</u>	<u>1,316</u>	<u>1</u>	<u>1,315</u>
<i>Excess of Revenues Under Expenditures</i>	(1,316)	(1,316)	(1)	1,315
<b>Other Financing Uses</b>				
Transfers Out	<u>0</u>	<u>(98,964)</u>	<u>(98,964)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(1,316)	(100,280)	(98,965)	1,315
<i>Fund Balance Beginning of Year</i>	97,650	97,650	97,650	0
Prior Year Encumbrances Appropriated	<u>1,315</u>	<u>1,315</u>	<u>1,315</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$97,649</u></u>	<u><u>(\$1,315)</u></u>	<u><u>\$0</u></u>	<u><u>\$1,315</u></u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*French Creek Restoration Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Capital Outlay:				
French Creek:				
Capital Outlay	<u>54,000</u>	<u>54,000</u>	<u>47,608</u>	<u>6,392</u>
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	(54,000)	(54,000)	(47,608)	6,392
<b>Other Financing Sources</b>				
Transfers In	<u>54,000</u>	<u>54,000</u>	<u>54,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	6,392	6,392
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$6,392</u></u>	<u><u>\$6,392</u></u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Sidewalk Programs Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Miscellaneous	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Capital Outlay:				
Capital Improvements:				
Capital Outlay	4,425	0	0	0
<i>Net Change in Fund Balance</i>	(4,425)	0	0	0
<i>Fund Balance Beginning of Year</i>	4,425	4,425	4,425	0
<i>Fund Balance End of Year</i>	\$0	\$4,425	\$4,425	\$0

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Land Purchase/Our Lady of Wayside Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Capital Outlay:				
Land Purchase:				
Capital Outlay	0	366,933	366,933	0
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	0	(366,933)	(366,933)	0
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	425,000	425,000	0
Transfers Out	0	(58,067)	(58,067)	0
<i>Total Other Financing Sources (Uses)</i>	0	366,933	366,933	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Senior Citizen Center Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Miscellaneous	\$0	\$167	\$167	\$0
<b>Expenditures</b>	0	0	0	0
<i>Excess of Revenues Over Expenditures</i>	0	167	167	0
<b>Other Financing Uses</b>				
Transfers Out	0	(167)	(167)	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance (Deficit) End of Year</i>	\$0	\$0	\$0	\$0

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Route 83 Extension Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Debt Service:				
Principal Retirement	1,326,400	1,100,000	1,100,000	0
Interest and Fiscal Charges	28,453	28,453	28,453	0
<i>Total Expenditures</i>	1,354,853	1,128,453	1,128,453	0
<i>Excess of Revenues Under Expenditures</i>	(1,354,853)	(1,128,453)	(1,128,453)	0
<b>Other Financing Sources</b>				
Bonds Issued	1,626,000	1,100,000	1,100,000	0
Transfers In	0	28,453	28,453	0
<i>Total Other Financing Sources</i>	1,626,000	1,128,453	1,128,453	0
<i>Net Change in Fund Balance</i>	271,147	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$271,147	\$0	\$0	\$0

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Land Purchase - CEI/First Energy Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Debt Service:				
Principal Retirement	410,000	410,000	410,000	0
Interest and Fiscal Charges	17,500	8,610	8,610	0
<i>Total Expenditures</i>	<u>427,500</u>	<u>418,610</u>	<u>418,610</u>	<u>0</u>
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	<u>(427,500)</u>	<u>(418,610)</u>	<u>(418,610)</u>	<u>0</u>
<b>Other Financing Sources (Uses)</b>				
Bonds Issued	500,000	410,000	410,000	0
Transfers Out	0	(77,683)	(77,683)	0
<i>Total Other Financing Sources (Uses)</i>	<u>500,000</u>	<u>332,317</u>	<u>332,317</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	72,500	(86,293)	(86,293)	0
<i>Fund Balance Beginning of Year</i>	<u>86,293</u>	<u>86,293</u>	<u>86,293</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$158,793</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Bridge CEI Site/Colorado Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Capital Outlay:				
Bridge CEI Site:				
Capital Outlay	952,127	947,946	809,149	138,797
Debt Service:				
Principal Retirement	903,969	900,000	900,000	0
Interest and Fiscal Charges	23,374	23,271	23,270	1
Total Debt Service	927,343	923,271	923,270	1
<i>Total Expenditures</i>	1,879,470	1,871,217	1,732,419	138,798
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	(1,879,470)	(1,871,217)	(1,732,419)	138,798
<b>Other Financing Sources (Uses)</b>				
Bonds Issued	1,000,000	900,000	900,000	0
Notes Issued	1,000,000	0	0	0
Transfers Out	0	(121,035)	(121,035)	0
<i>Total Other Financing Sources (Uses)</i>	2,000,000	778,965	778,965	0
<i>Net Change in Fund Balance</i>	120,530	(1,092,252)	(953,454)	138,798
<i>Fund Balance Beginning of Year</i>	36,623	36,623	36,623	0
Prior Year Encumbrances Appropriated	916,831	916,831	916,831	0
<i>Fund Balance (Deficit) End of Year</i>	\$1,073,984	(\$138,798)	\$0	\$138,798

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Post Office Project Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Interest	\$10,000	\$10,000	\$8,644	(\$1,356)
<b>Expenditures</b>				
Capital Outlay:				
Post Office Project:				
Capital Outlay	2,529	1,668,029	1,644,812	23,217
Debt Service:				
Principal Retirement	1,720,000	1,720,000	1,720,000	0
Interest and Fiscal Charges	39,656	39,656	39,656	0
Total Debt Service	1,759,656	1,759,656	1,759,656	0
<i>Total Expenditures</i>	1,762,185	3,427,685	3,404,468	23,217
<i>Excess of Revenues</i>				
<i>    Under Expenditures</i>	(1,752,185)	(3,417,685)	(3,395,824)	21,861
<b>Other Financing Sources (Uses)</b>				
Notes Issued	3,440,000	3,440,000	3,440,000	0
Advances In	100,000	100,000	0	(100,000)
Advances Out	(100,000)	(100,000)	0	100,000
<i>Total Other Financing Sources (Uses)</i>	3,440,000	3,440,000	3,440,000	0
<i>Net Change in Fund Balance</i>	1,687,815	22,315	44,176	21,861
<i>Fund Balance Beginning of Year</i>	2,529	2,529	2,529	0
<i>Fund Balance End of Year</i>	\$1,690,344	\$24,844	\$46,705	\$21,861

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Peak Property Purchase Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Capital Outlay:				
Peak Property Project:				
Capital Outlay	8,024	8,024	1,500	6,524
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	(8,024)	(8,024)	(1,500)	6,524
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	0	3,000	3,000
Transfers Out	0	(8,024)	(8,024)	0
<i>Total Other Financing Sources (Uses)</i>	0	(8,024)	(5,024)	3,000
<i>Net Change in Fund Balance</i>	(8,024)	(16,048)	(6,524)	9,524
<i>Fund Balance Beginning of Year</i>	8,024	8,024	8,024	0
<i>Fund Balance (Deficit) End of Year</i>	\$0	(\$8,024)	\$1,500	\$9,524

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Avon Isle Bridge Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Capital Outlay:				
Avon Isle Bridge:				
Capital Outlay	20,000	20,000	16,000	4,000
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	(20,000)	(20,000)	(16,000)	4,000
<b>Other Financing Sources</b>				
Transfers In	20,000	20,000	20,000	0
<i>Net Change in Fund Balance</i>	0	0	4,000	4,000
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$4,000	\$4,000

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Land-Mills Road Lot Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Capital Outlay:				
Land-Mills Road Lot:				
Capital Outlay	9,579	9,579	9,579	0
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	(9,579)	(9,579)	(9,579)	0
<b>Other Financing Sources</b>				
Transfers In	9,579	9,579	9,579	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*State Route 83 and Riegelsberger Road Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Capital Outlay:				
State Route 83 and Riegelsberger:				
Capital Outlay	247,775	247,775	0	247,775
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	(247,775)	(247,775)	0	247,775
<b>Other Financing Sources</b>				
Transfers In	247,775	247,775	247,775	0
<i>Net Change in Fund Balance</i>	0	0	247,775	247,775
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$247,775	\$247,775

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Riegelsberger/Jaycox Bridge Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Capital Outlay:				
Riegelsberger/Jaycox Bridge:				
Capital Outlay	<u>100,000</u>	<u>100,000</u>	<u>41,600</u>	<u>58,400</u>
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	(100,000)	(100,000)	(41,600)	58,400
<b>Other Financing Sources</b>				
Transfers In	<u>200,000</u>	<u>50,000</u>	<u>50,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	100,000	(50,000)	8,400	58,400
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$100,000</u></u>	<u><u>(\$50,000)</u></u>	<u><u>\$8,400</u></u>	<u><u>\$58,400</u></u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*North Doovey Project Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Capital Outlay:				
North Doovey:				
Capital Outlay	0	0	0	0
<i>Excess of Revenues Over Expenditures</i>	0	0	0	0
<b>Other Financing Uses</b>				
Transfers Out	(5,000)	(5,000)	(5,000)	0
<i>Net Change in Fund Balance</i>	(5,000)	(5,000)	(5,000)	0
<i>Fund Balance Beginning of Year</i>	5,000	5,000	5,000	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*State Route 611 Signal and Safety Corridor Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Capital Outlay:				
State Route 611 Signal and Safety Corridor:				
Capital Outlay	162,100	162,100	0	162,100
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	(162,100)	(162,100)	0	162,100
<b>Other Financing Sources</b>				
Transfers In	162,100	162,100	162,100	0
<i>Net Change in Fund Balance</i>	0	0	162,100	162,100
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$162,100	\$162,100

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Nagel, Jennie, Willo Storm Sewer Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Other	\$604	\$604	\$604	\$0
<b>Expenditures</b>				
Capital Outlay:				
Nagel, Jennie, Willo Storm Sewer:				
Capital Outlay	<u>575,000</u>	<u>575,000</u>	<u>558,123</u>	<u>16,877</u>
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	(574,396)	(574,396)	(557,519)	16,877
<b>Other Financing Sources</b>				
Transfers In	<u>575,000</u>	<u>575,000</u>	<u>575,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	604	604	17,481	16,877
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$604</u></u>	<u><u>\$604</u></u>	<u><u>\$17,481</u></u>	<u><u>\$16,877</u></u>

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Moore Road Storm Sewer Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Capital Outlay:				
Moore Road Storm Sewer:				
Capital Outlay	130,000	130,000	130,000	0
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	(130,000)	(130,000)	(130,000)	0
<b>Other Financing Sources</b>				
Transfers In	130,000	130,000	130,000	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*I-90 Interchange Study Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Capital Outlay:				
I-90 Interchange:				
Capital Outlay	4,000	4,000	3,575	425
Debt Service:				
Interest and Fiscal Charges	2,840	2,840	2,840	0
<i>Total Expenditures</i>	6,840	6,840	6,415	425
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	(6,840)	(6,840)	(6,415)	425
<b>Other Financing Sources</b>				
Transfers In	6,840	6,840	6,840	0
<i>Net Change in Fund Balance</i>	0	0	425	425
<i>Fund Balance Beginning of Year</i>	155	155	155	0
<i>Fund Balance End of Year</i>	\$155	\$155	\$580	\$425

**City of Avon, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Recreation Income Tax Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Municipal Income Tax	\$885,000	\$885,000	\$906,110	\$21,110
Interest	3,700	3,700	3,351	(349)
<i>Total Revenues</i>	888,700	888,700	909,461	20,761
<b>Expenditures</b>				
Current:				
Recreation Income Tax				
Capital Outlay	27,639	27,639	27,497	142
<i>Excess of Revenues Over Expenditures</i>	861,061	861,061	881,964	20,903
<b>Other Financing Uses</b>				
Transfers Out	(318,587)	(318,587)	(318,587)	0
<i>Net Change in Fund Balance</i>	542,474	542,474	563,377	20,903
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$542,474	\$542,474	\$563,377	\$20,903

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# Statistical Section

This part of the City of Avon, Ohio'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.

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.	<b>S2-S13</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the city's most significant local revenue source, the property tax, and the municipal income	<b>S14-S24</b>
<b>Debt Capacity</b> 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.	<b>S25-S30</b>
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the city's financial activities take place.	<b>S31-S32</b>
<b>Operating Information</b> 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.	<b>S33-S40</b>

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The city implemented GASB Statement 34 in 2001; schedules presenting government-wide information include information beginning in that year.

# Statistical

First Federal

Park View

Dollar Bank  
LOAN CENTER

Fifth Third

Dollar Bank

Third Federal Savings

KeyBank

First Federal Savings  
of Lorain

Key Bank

Lorain National Bank

National City Bank

First Merit

**City of Avon, Ohio**  
*Net Assets By Component*  
*Last Eight Years*  
*(Accrual Basis of Accounting)*

	2008	2007	2006	2005
<b>Governmental Activities</b>				
Invested in Capital Assets	\$20,640,517	\$50,184,764	\$46,746,166	\$44,972,235
Restricted:				
Capital Projects	26,983,261	2,474,044	2,213,629	3,231,787
Debt Service	5,299,686	2,255,097	1,407,892	1,444,688
Fire Department	1,876,277	3,369,930	2,613,979	1,884,793
Street Construction, Maintenance and Repair	1,072,610	836,575	734,079	752,640
Park Development	143,303	263,416	418,068	705,205
Other Purposes	650,158	620,767	616,702	529,938
Unrestricted	5,794,826	5,855,158	6,172,097	4,138,057
<i>Total Governmental Activities</i>				
<i>Net Assets</i>	<u>62,460,638</u>	<u>65,859,751</u>	<u>60,922,612</u>	<u>57,659,343</u>
<b>Business Type - Activities</b>				
Invested in Capital Assets, Net of Related Debt	27,306,773	25,494,999	24,570,995	23,504,509
Unrestricted	3,980,420	5,272,777	6,414,575	6,767,325
<i>Total Business-Type Activities</i>				
<i>Net Assets</i>	<u>31,287,193</u>	<u>30,767,776</u>	<u>30,985,570</u>	<u>30,271,834</u>
<b>Primary Government</b>				
Invested in Capital Assets, Net of Related Debt	47,947,290	75,679,763	71,317,161	68,476,744
Restricted	36,025,295	9,819,829	8,004,349	8,549,051
Unrestricted	9,775,246	11,127,935	12,586,672	10,905,382
<i>Total Primary Government Net Assets</i>	<u>\$93,747,831</u>	<u>\$96,627,527</u>	<u>\$91,908,182</u>	<u>\$87,931,177</u>

2004	2003	2002	2001
\$39,667,395	\$36,408,687	\$30,075,143	\$28,762,982
5,411,319	2,124,737	1,659,080	1,409,760
2,339,940	2,156,992	2,461,360	2,213,739
815,856	2,275,314	0	0
906,927	1,051,272	0	0
536,980	630,113	0	0
451,805	124,131	3,169,282	1,548,768
3,184,867	3,988,510	2,471,842	3,649,404
53,315,089	48,759,756	39,836,707	37,584,653
20,753,823	17,442,509	16,625,219	15,317,633
6,200,193	7,082,882	4,855,375	3,177,746
26,954,016	24,525,391	21,480,594	18,495,379
60,421,218	53,851,196	46,700,362	44,080,615
10,462,827	8,362,559	7,289,722	5,172,267
9,385,060	11,071,392	7,327,217	6,827,150
\$80,269,105	\$73,285,147	\$61,317,301	\$56,080,032

**City of Avon, Ohio**  
*Changes in Net Assets*  
*Last Eight Years*  
*(Accrual Basis of Accounting)*

	2008	2007	2006
<b>Program Revenues</b>			
Governmental Activities:			
Charges for Services:			
General Government	\$1,109,333	\$2,058,970	\$367,172
Security of Persons and Property	88,885	11,871	10,213
Transportation	0	0	50
Community Environment	470,431	555,772	1,272,496
Basic Utility Services	30,219	450	16,828
Leisure Time Activities	296,925	333,573	365,727
Subtotal - Charges for Services	<u>1,995,793</u>	<u>2,960,636</u>	<u>2,032,486</u>
Operating Grants and Contributions:			
General Government	131,238	51,326	0
Security of Persons and Property	175,872	101,026	0
Transportation	1,382,026	1,017,795	991,097
Community Environment	163,341	70,429	70,429
Basic Utility Services	150,000	0	0
Leisure Time Activities	56,496	20,246	42,815
Subtotal - Operating Grants and Contributions	<u>2,058,973</u>	<u>1,260,822</u>	<u>1,104,341</u>
Capital Grants and Contributions:			
General Government	0	0	0
Security of Persons and Property	0	0	0
Transportation	0	0	1,816,365
Community Environment	0	0	0
Basic Utility Services	0	0	0
Leisure Time Activities	0	0	0
Subtotal - Capital Grants and Contributions	<u>0</u>	<u>0</u>	<u>1,816,365</u>
<i>Total Governmental Activities Program Revenues</i>	<u>4,054,766</u>	<u>4,221,458</u>	<u>4,953,192</u>
Business-Type Activities:			
Charges for Services:			
Water	2,144,366	2,350,121	2,137,300
Sewer	1,322,418	1,267,601	1,143,598
Subtotal - Charges for Services	<u>3,466,784</u>	<u>3,617,722</u>	<u>3,280,898</u>
Capital Grants and Contributions			
Water	507,811	121,800	276,477
Sewer	587,409	242,036	406,870
Subtotal - Capital Grants and Contributions	<u>1,095,220</u>	<u>363,836</u>	<u>683,347</u>
<i>Total Business-Type Activities Program Revenues</i>	<u>4,562,004</u>	<u>3,981,558</u>	<u>3,964,245</u>
<i>Total Primary Government Program Revenues</i>	<u>\$8,616,770</u>	<u>\$8,203,016</u>	<u>\$8,917,437</u>

2005	2004	2003	2002	2001
\$1,186,202	\$1,343,467	\$1,068,732	\$849,259	\$758,999
10,036	9,223	37,214	350,848	331,987
750	530	20	2,190	0
681,953	839,327	558,460	482,531	556,469
32,247	34,000	52,556	278,824	116,410
454,726	461,048	365,797	317,280	444,769
<u>2,365,914</u>	<u>2,687,595</u>	<u>2,082,779</u>	<u>2,280,932</u>	<u>2,208,634</u>
0	0	0	4,498	119,890
32,081	30,565	17,148	75,756	80,319
860,389	763,940	561,904	494,385	605,767
68,001	100,527	113,505	111,480	146,375
0	0	0	0	30,000
13,893	17,982	2,784	6,000	11,069
<u>974,364</u>	<u>913,014</u>	<u>695,341</u>	<u>692,119</u>	<u>993,420</u>
22,480	0	0	0	0
0	22,078	60,000	0	0
3,988,681	5,163,299	6,709,012	1,302,781	2,466,085
217,267	0	0	0	0
573,019	0	209,514	1,599,316	750,874
0	0	80,000	94,526	0
<u>4,801,447</u>	<u>5,185,377</u>	<u>7,058,526</u>	<u>2,996,623</u>	<u>3,216,959</u>
8,141,725	8,785,986	9,836,646	5,969,674	6,419,013
2,258,379	2,046,470	1,962,762	1,213,560	1,075,991
1,021,487	826,192	769,285	844,518	749,367
<u>3,279,866</u>	<u>2,872,662</u>	<u>2,732,047</u>	<u>2,058,078</u>	<u>1,825,358</u>
1,540,005	1,290,440	612,910	1,157,408	1,474,796
2,012,709	2,243,380	2,712,519	2,747,851	1,235,838
<u>3,552,714</u>	<u>3,533,820</u>	<u>3,325,429</u>	<u>3,905,259</u>	<u>2,710,634</u>
6,832,580	6,406,482	6,057,476	5,963,337	4,535,992
<u>\$14,974,305</u>	<u>\$15,192,468</u>	<u>\$15,894,122</u>	<u>\$11,933,011</u>	<u>\$10,955,005</u>

(continued)

**City of Avon, Ohio**  
*Changes in Net Assets (continued)*  
*Last Eight Years*  
*(Accrual Basis of Accounting)*

	2008	2007	2006
<b>Expenses</b>			
<b>Governmental Activities:</b>			
General Government	\$2,968,222	\$2,269,262	\$2,739,914
Security of Persons and Property	7,572,725	6,789,884	5,739,141
Transportation	6,638,018	4,449,451	3,824,122
Community Environment	1,680,851	1,256,537	1,272,107
Basic Utility Services	848,296	430,858	419,887
Leisure Time Activities	1,217,094	829,313	1,173,141
Interest and Fiscal Charges	1,761,494	757,830	671,474
<i>Total Governmental Activities Expenses</i>	<u>22,686,700</u>	<u>16,783,135</u>	<u>15,839,786</u>
<b>Business-Type Activities</b>			
Water	2,594,517	2,757,452	1,505,362
Sewer	1,725,241	2,008,071	2,224,019
<i>Total Business-Type Activities Expenses</i>	<u>4,319,758</u>	<u>4,765,523</u>	<u>3,729,381</u>
<i>Total Primary Government Program Expenses</i>	<u>27,006,458</u>	<u>21,548,658</u>	<u>19,569,167</u>
<b>Net (Expense)/Revenue</b>			
Governmental Activities	(18,631,934)	(12,561,677)	(10,886,594)
Business-Type Activities	242,246	(783,965)	234,864
<i>Total Primary Government Net Expense</i>	<u>(\$18,389,688)</u>	<u>(\$13,345,642)</u>	<u>(\$10,651,730)</u>

2005	2004	2003	2002	2001
\$1,919,159	\$1,935,275	\$1,695,377	\$1,510,968	\$1,191,523
5,462,030	4,532,738	3,932,378	4,299,769	2,471,684
5,285,670	4,470,599	3,288,035	3,533,913	3,245,758
1,395,945	1,222,720	1,091,550	940,434	1,427,607
379,953	395,185	22,007	461,515	916,029
811,918	1,052,267	1,131,505	805,698	222,207
619,472	522,343	479,473	511,821	506,281
<u>15,874,147</u>	<u>14,131,127</u>	<u>11,640,325</u>	<u>12,064,118</u>	<u>9,981,089</u>
2,235,003	2,630,729	1,852,642	1,643,370	1,378,699
1,548,860	1,442,009	1,228,483	1,002,289	1,035,805
<u>3,783,863</u>	<u>4,072,738</u>	<u>3,081,125</u>	<u>2,645,659</u>	<u>2,414,504</u>
<u>19,658,010</u>	<u>18,203,865</u>	<u>14,721,450</u>	<u>14,709,777</u>	<u>12,395,593</u>
(7,732,422)	(5,345,141)	(1,803,679)	(6,094,444)	(3,562,076)
3,048,717	2,333,744	2,976,351	3,317,678	2,121,488
<u>(\$4,683,705)</u>	<u>(\$3,011,397)</u>	<u>\$1,172,672</u>	<u>(\$2,776,766)</u>	<u>(\$1,440,588)</u>

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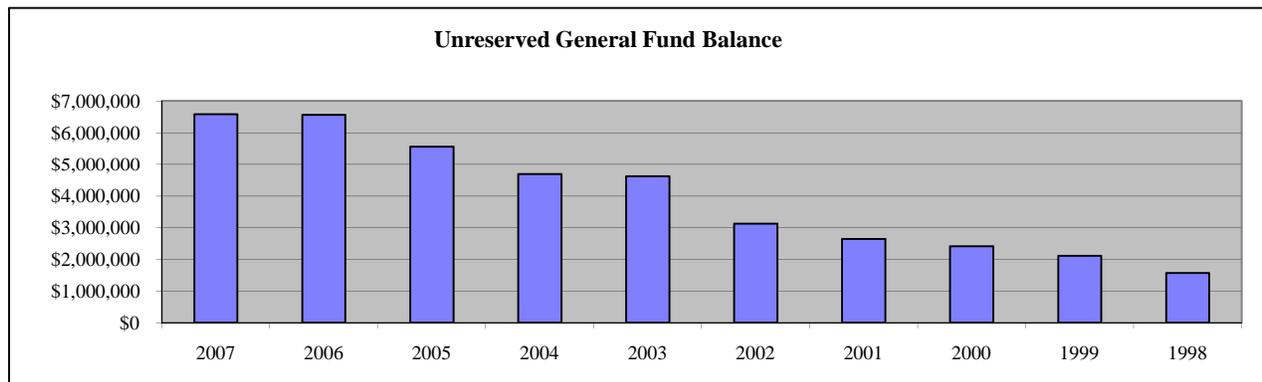
**City of Avon, Ohio**  
*Changes in Net Assets (continued)*  
*Last Eight Years*  
*(Accrual Basis of Accounting)*

	2008	2007	2006
<b>General Revenues and Other Changes in Net Assets</b>			
Governmental Activities			
Taxes:			
Property and Other Local Taxes Levied For:			
General Purposes	\$1,520,015	\$1,543,962	\$1,333,155
Streets	776,504	806,201	788,160
Police	433,011	464,321	461,994
Police Pension	198,262	201,386	173,609
Park Operating	244,631	251,185	244,487
Library Bond Retirement	71,874	86,093	98,426
Equipment	575,854	414,954	405,525
Other Purposes	0	0	0
Debt Service	0	0	0
Capital Projects	0	0	0
Municipal Income Taxes levied for:			
General Purposes	4,639,884	4,326,837	4,933,050
Fire Department	3,519,526	3,466,344	3,155,090
Recreation Income Tax	1,256,991	0	0
Grants and Entitlements not Restricted to			
Specific Programs	1,139,985	940,842	1,257,304
Investment Earnings	865,425	1,151,966	1,001,612
Gain on Sale of Capital Assets	0	0	0
Net Gain on the Loss of Impaired Asset	0	0	0
Miscellaneous	185,009	501,637	297,451
<i>Total Governmental Activities</i>	<u>15,426,971</u>	<u>14,155,728</u>	<u>14,149,863</u>
Business-Type Activities			
Investment Earnings	49,163	261,204	423,066
Miscellaneous	33,858	74,967	55,806
<i>Total Business-Type Activities</i>	<u>83,021</u>	<u>336,171</u>	<u>478,872</u>
<i>Total Primary Government General Revenues and Other Changes in Net Assets</i>	<u>15,509,992</u>	<u>14,491,899</u>	<u>14,628,735</u>
<b>Transfers</b>			
Governmental Activities	(194,150)	(230,000)	0
Business-Type Activities	194,150	230,000	0
<b>Change in Net Assets</b>			
Governmental Activities	(3,399,113)	1,364,051	3,263,269
Business-Type Activities	519,417	(217,794)	713,736
<i>Total Primary Government Change in Net Assets</i>	<u>(\$2,879,696)</u>	<u>\$1,146,257</u>	<u>\$3,977,005</u>

2005	2004	2003	2002	2001
\$1,217,503	\$1,037,165	\$870,500	\$698,768	\$614,100
725,131	654,620	693,349	0	0
431,013	391,964	0	0	0
153,362	0	0	0	0
222,397	0	0	0	0
85,628	0	0	0	0
372,103	0	0	0	0
0	343,569	660,143	1,133,835	991,071
0	79,395	83,291	84,537	90,642
0	336,020	356,914	244,153	222,803
4,278,546	3,643,042	4,019,591	2,909,788	3,246,032
3,204,104	2,223,953	2,727,351	2,008,383	0
0	0	0	0	0
404,963	507,009	275,722	237,174	115,580
541,233	525,863	291,920	533,541	821,670
0	0	647,650	0	0
203,748	0	0	0	0
218,412	178,207	96,670	125,650	88,801
12,058,143	9,920,807	10,723,101	7,975,829	6,190,699
109,830	44,133	27,272	25,825	49,777
53,921	30,415	44,801	12,381	58,525
163,751	74,548	72,073	38,206	108,302
12,221,894	9,995,355	10,795,174	8,014,035	6,299,001
18,533	(20,333)	3,627	370,669	369,202
(18,533)	20,333	(3,627)	(370,669)	(369,202)
4,344,254	4,555,333	8,923,049	2,252,054	2,997,825
3,193,935	2,428,625	3,044,797	2,985,215	1,860,588
\$7,538,189	\$6,983,958	\$11,967,846	\$5,237,269	\$4,858,413

**City of Avon, Ohio**  
*Fund Balances, Governmental Funds*  
*Last Ten Years*  
*(Modified Accrual Basis of Accounting)*

	2008	2007	2006	2005	2004
<b>General Fund</b>					
Reserved	\$178,261	\$189,529	\$170,059	\$27,802	\$47,714
Unreserved	6,319,932	6,577,416	6,558,172	5,556,819	4,692,475
<b>Total General Fund</b>	<u>6,498,193</u>	<u>6,766,945</u>	<u>6,728,231</u>	<u>5,584,621</u>	<u>4,740,189</u>
<b>All Other Governmental Funds</b>					
Reserved	25,344,685	3,799,554	1,171,829	1,001,146	3,468,055
Unreserved, Undesignated (Deficit), Reported in:					
Special Revenue funds	3,083,916	3,990,801	3,579,484	3,096,126	2,266,290
Debt Service funds	643,228	531,928	371,855	369,923	1,239,564
Capital Projects funds	1,684,436	(347,899)	986,929	(320,766)	411,653
<b>Total All Other Governmental Funds</b>	<u>30,756,265</u>	<u>7,974,384</u>	<u>6,110,097</u>	<u>4,146,429</u>	<u>7,385,562</u>
<b>Total Governmental Funds</b>	<u><u>\$37,254,458</u></u>	<u><u>\$14,741,329</u></u>	<u><u>\$12,838,328</u></u>	<u><u>\$9,731,050</u></u>	<u><u>\$12,125,751</u></u>



2003	2002	2001	2000	1999
\$31,677	\$67,424	\$34,075	\$48,742	\$43,104
4,618,368	3,123,883	2,643,086	2,754,442	2,105,548
4,650,045	3,191,307	2,677,161	2,803,184	2,148,652
2,721,875	2,379,265	491,796	209,986	101,246
3,259,084	961,578	(79,303)	1,055,992	1,000,126
304,992	325,470	136,764	(17,236)	(4,243)
914,847	40,741	1,658,345	1,387,231	762,703
7,200,798	3,707,054	2,207,602	2,635,973	1,859,832
\$11,850,843	\$6,898,361	\$4,884,763	\$5,439,157	\$4,008,484

**City of Avon, Ohio**  
*Changes in Fund Balances, Governmental Funds*  
*Last Ten Years*  
*(Modified Accrual Basis of Accounting)*

	2008	2007	2006	2005
<b>Revenues</b>				
Property and Other Taxes	\$3,854,146	\$3,702,610	\$3,451,462	\$3,214,250
Municipal Income Taxes	9,294,659	7,681,269	7,688,999	7,437,862
Charges for Services	814,606	832,369	711,413	383,550
Licenses and Permits	974,480	1,068,752	1,268,486	1,640,246
Fines and Forfeitures	206,707	212,817	183,256	335,448
Intergovernmental	3,581,433	2,137,538	2,293,477	2,117,906
Special Assessments	243,986	227,188	202,342	196,332
Interest	853,783	1,151,966	1,001,612	541,233
Contributions and Donations	40,650	0	0	230
Miscellaneous	185,009	501,637	297,451	218,412
<i>Total Revenues</i>	<u>20,049,459</u>	<u>17,516,146</u>	<u>17,098,498</u>	<u>16,085,469</u>
<b>Expenditures</b>				
Current:				
General Government	2,664,209	2,169,720	2,247,763	1,830,143
Security of Persons and Property	7,134,465	6,268,041	5,513,657	5,197,175
Transportation	1,632,598	1,649,383	1,649,507	1,650,577
Community Environment	1,282,138	1,239,252	1,275,204	1,321,262
Basic Utility Services	99,491	22,410	24,473	19,997
Leisure Time Activities	1,071,323	1,134,764	1,058,069	609,671
Capital Outlay	20,549,738	7,163,756	3,566,729	4,853,222
Debt Service:				
Principal Retirement	7,729,043	1,205,994	575,200	524,442
Interest and Fiscal Charges	1,354,369	581,977	575,686	645,962
Bond Issuance Costs	0	0	59,145	0
Payment to Refunded Bond Escrow Agent	0	0	585	0
<i>Total Expenditures</i>	<u>43,517,374</u>	<u>21,435,297</u>	<u>16,546,018</u>	<u>16,652,451</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(23,467,915)</u>	<u>(3,919,151)</u>	<u>552,480</u>	<u>(566,982)</u>
<b>Other Financing Sources (Uses)</b>				
Current Refunding	0	(1,100,000)	0	0
Sale of Capital Assets	0	0	0	0
Bonds Issued	6,910,000	0	2,675,000	0
Insurance Recovery	0	0	0	203,748
Refunding Notes Issued	0	0	0	200,000
Payment to Refund Notes	0	0	0	(2,250,000)
General Obligation Bonds Issued	0	0	0	0
Refunding Principal	0	0	(200,000)	0
Special Assessment Bonds Issued	0	0	0	0
Notes Issued	39,120,000	6,910,000	1,700,000	0
Loans Received	145,194	242,152	0	0
Payment to Refunded Bond Escrow Agent	0	0	(1,647,760)	0
Bond Premium	0	0	27,558	0
Inception of Capital Lease	0	0	0	0
Transfers In	14,475,111	6,912,643	6,110,550	6,125,523
Transfers Out	(14,669,261)	(7,142,643)	(6,110,550)	(6,106,990)
<i>Total Other Financing Sources (Uses)</i>	<u>45,981,044</u>	<u>5,822,152</u>	<u>2,554,798</u>	<u>(1,827,719)</u>
<i>Net Change in Fund Balances</i>	<u>\$22,513,129</u>	<u>\$1,903,001</u>	<u>\$3,107,278</u>	<u>(\$2,394,701)</u>
Debt Service as a Percentage of Noncapital Expenditures	33.8%	11.5%	9.9%	11.9%

2004	2003	2002	2001	2000	1999
\$2,778,596	\$2,671,095	\$2,161,319	\$1,884,810	\$1,671,106	\$1,598,049
6,434,671	6,181,819	5,148,048	2,639,125	2,321,334	1,931,461
437,346	516,302	660,046	440,916	384,792	259,262
1,913,733	1,282,688	1,301,949	1,450,399	1,159,788	1,305,564
329,848	277,121	318,937	317,319	173,153	225,127
1,350,819	1,270,445	1,130,957	1,396,646	1,657,023	1,174,431
188,089	184,848	174,939	124,577	423,358	179,288
525,863	291,920	533,541	821,670	504,273	241,127
1,762	85,775	131,651	36,000	0	0
178,207	96,670	125,650	88,801	118,904	134,587
<u>14,138,934</u>	<u>12,858,683</u>	<u>11,687,037</u>	<u>9,200,263</u>	<u>8,413,731</u>	<u>7,048,896</u>
1,632,580	1,740,913	1,463,958	1,280,668	1,052,166	990,821
4,257,571	3,468,294	2,661,078	2,267,977	1,939,213	1,665,211
1,463,490	1,101,163	947,671	1,032,355	923,213	882,931
1,125,113	920,261	910,906	884,742	731,479	577,816
26,022	22,007	33,541	25,722	54,984	21,836
783,976	705,439	775,672	1,631,866	322,900	270,963
4,799,799	3,827,534	4,259,083	2,712,234	1,978,321	1,271,920
404,039	361,333	351,428	357,418	338,382	308,898
574,113	495,534	510,771	520,877	525,031	345,771
0	0	0	0	0	0
0	0	0	0	0	0
<u>15,066,703</u>	<u>12,642,478</u>	<u>11,914,108</u>	<u>10,713,859</u>	<u>7,865,689</u>	<u>6,336,167</u>
<u>(927,769)</u>	<u>216,205</u>	<u>(227,071)</u>	<u>(1,513,596)</u>	<u>548,042</u>	<u>712,729</u>
0	0	0	0	0	0
0	1,097,650	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
(3,870,000)	(1,870,000)	0	0	0	0
2,614,000	1,590,000	0	0	585,000	0
0	0	0	0	0	0
0	0	0	590,000	0	0
2,600,000	3,870,000	1,870,000	0	0	0
0	45,000	0	0	0	0
(131,990)	0	0	0	0	0
11,000	0	0	0	0	0
0	0	0	0	0	0
7,088,602	5,604,836	4,748,230	4,357,479	3,168,850	2,073,540
<u>(7,108,935)</u>	<u>(5,601,209)</u>	<u>(4,377,561)</u>	<u>(3,988,277)</u>	<u>(2,871,219)</u>	<u>(2,051,077)</u>
<u>1,202,677</u>	<u>4,736,277</u>	<u>2,240,669</u>	<u>959,202</u>	<u>882,631</u>	<u>22,463</u>
<u>\$274,908</u>	<u>\$4,952,482</u>	<u>\$2,013,598</u>	<u>(\$554,394)</u>	<u>\$1,430,673</u>	<u>\$735,192</u>
13.6%	30.5%	12.4%	11.0%	14.7%	12.9%

**City of Avon, Ohio**  
*Assessed Valuation and Estimated Actual Values of Taxable Property*  
*Last Ten Years*

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2008	\$560,820,750	\$173,325,920	\$2,097,561,914	\$8,051,870	\$9,149,852
2007	534,209,880	167,992,780	2,006,293,314	10,155,460	11,540,295
2006	453,889,000	138,900,170	1,693,683,343	10,162,370	11,548,148
2005	408,693,210	115,980,310	1,499,067,200	10,714,700	12,175,795
2004	367,405,730	100,851,970	1,337,879,143	10,960,870	12,455,534
2003	305,013,530	76,136,110	1,088,998,971	10,647,860	12,099,841
2002	272,215,560	61,781,660	954,277,771	11,260,440	12,795,955
2001	246,146,260	50,871,290	848,621,571	15,157,750	17,224,716
2000	206,489,480	36,940,130	695,513,171	18,578,450	21,111,875
1999	189,544,780	29,746,730	626,547,171	18,567,900	21,099,886

Property is assessed every year. The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property started being phased out in 2006. For the collection year 2008, both types of general business tangible personal property were assessed at 6.25 percent. The percentage will be zero for 2009.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback for commercial/industrial property has been eliminated.

Source: Lorain County, Ohio; County Auditor

<u>Tangible Personal Property</u>						
<u>General Business</u>		<u>Total</u>				
<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Ratio</u>	<u>Total Direct Tax Rate</u>	<u>Weighted Average</u>
\$27,000,430	\$216,003,440	\$769,198,970	\$2,322,715,207	33.12 %	\$9.26	\$7.14
34,724,120	277,792,960	747,082,240	2,295,626,569	32.54	9.41	6.44
37,150,490	198,135,947	640,102,030	1,903,367,436	33.63	9.47	6.28
34,856,395	151,549,543	570,244,615	1,662,792,538	34.29	9.47	6.85
30,871,010	134,221,783	510,089,580	1,484,556,460	33.20	9.48	6.97
25,843,840	107,682,667	417,641,340	1,208,781,479	34.55	9.35	5.04
20,953,670	87,306,958	366,211,330	1,054,380,684	34.73	9.40	4.93
16,337,140	65,348,560	328,512,440	931,194,847	35.28	9.45	4.44
14,965,300	59,861,200	276,973,360	776,486,246	35.67	9.36	3.79
14,944,821	59,779,284	252,804,231	707,426,342	35.74	9.50	3.48

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

	2008	2007	2006	2005
<b>Unvoted Millage</b>				
Operating	\$2.30000	\$2.30000	\$2.30000	\$2.30000
Police Pension	0.30000	0.30000	0.30000	0.30000
<i>Total Unvoted Millage</i>	<u>2.60000</u>	<u>2.60000</u>	<u>2.60000</u>	<u>2.60000</u>
<b>Voted Millage - by levy</b>				
1994 Bond	0.1100	0.1100	0.1700	0.1700
2002 Fire				
General Business and Public Utility Personal	0.5000	0.5000	0.5000	0.5000
Residential/Agricultural Real	0.3622	0.3627	0.4103	0.4217
Commercial/Industrial and Public Utility Real	0.3187	0.3300	0.3769	0.3985
1996 Library				
General Business and Public Utility Personal	1.2000	1.2000	1.2000	1.2000
Residential/Agricultural Real	0.5403	0.5409	0.6119	0.6289
Commercial/Industrial and Public Utility Real	0.6076	0.6292	0.7186	0.7599
1998 Parks				
General Business and Public Utility Personal	0.0000	0.0000	0.0000	0.0000
Residential/Agricultural Real	0.0000	0.0000	0.0000	0.0000
Commercial/Industrial and Public Utility Real	0.0000	0.0000	0.0000	0.0000
2003 Park				
General Business and Public Utility Personal	0.0000	0.5000	0.5000	0.5000
Residential/Agricultural Real	0.0000	0.3719	0.4207	0.4324
Commercial/Industrial and Public Utility Real	0.0000	0.3493	0.3989	0.4218
2008 Park & Recreation				
General Business and Public Utility Personal	0.4500	0.0000	0.0000	0.0000
Residential/Agricultural Real	0.4495	0.0000	0.0000	0.0000
Commercial/Industrial and Public Utility Real	0.4345	0.0000	0.0000	0.0000
1984 Police				
General Business and Public Utility Personal	2.0000	2.0000	2.0000	2.0000
Residential/Agricultural Real	0.5323	0.5329	0.6028	0.6195
Commercial/Industrial and Public Utility Real	0.8259	0.8553	0.9768	1.0329
1997 Police				
General Business and Public Utility Personal	0.0000	0.0000	0.5000	0.5000
Residential/Agricultural Real	0.0000	0.0000	0.2630	0.2704
Commercial/Industrial and Public Utility Real	0.0000	0.0000	0.2994	0.3166
2007 Police				
General Business and Public Utility Personal	0.5000	0.5000	0.0000	0.0000
Residential/Agricultural Real	0.4957	0.4963	0.0000	0.0000
Commercial/Industrial and Public Utility Real	0.4828	0.5000	0.0000	0.0000
1998 Street Improvement				
General Business and Public Utility Personal	0.0000	2.0000	2.0000	2.0000
Residential/Agricultural Real	0.0000	1.1835	1.3388	1.3760
Commercial/Industrial and Public Utility Real	0.0000	1.0486	1.1976	1.2664
2008 Street Improvement				
General Business and Public Utility Personal	1.9000	0.0000	0.0000	0.0000
Residential/Agricultural Real	1.8979	0.0000	0.0000	0.0000
Commercial/Industrial and Public Utility Real	1.8347	0.0000	0.0000	0.0000
1997 Fire				
General Business and Public Utility Personal	0.0000	0.0000	0.0000	0.0000
Residential/Agricultural Real	0.0000	0.0000	0.0000	0.0000
Commercial/Industrial and Public Utility Real	\$0.0000	\$0.0000	\$0.0000	\$0.0000

2004	2003	2002	2001	2000	1999
\$2.30000	\$2.30000	\$2.30000	\$2.30000	\$2.30000	\$2.30000
0.30000	0.30000	0.30000	0.30000	0.30000	0.30000
2.60000	2.60000	2.60000	2.60000	2.60000	2.60000
0.1800	0.2000	0.2500	0.3000	0.2100	0.3500
0.5000	0.5000	0.0000	0.0000	0.0000	0.0000
0.4349	0.4876	0.0000	0.0000	0.0000	0.0000
0.4133	0.4724	0.0000	0.0000	0.0000	0.0000
1.2000	1.2000	1.2000	1.2000	1.2000	1.2000
0.6486	0.7273	0.7458	0.7697	0.8521	0.8764
0.7879	0.9007	0.9533	0.9201	1.1531	1.2000
0.0000	0.0000	0.3500	0.3500	0.3500	0.3500
0.0000	0.0000	0.2855	0.2947	0.3263	0.3355
0.0000	0.0000	0.2780	0.2684	0.3363	0.3500
0.5000	0.3500	0.0000	0.0000	0.0000	0.0000
0.4459	0.2785	0.0000	0.0000	0.0000	0.0000
0.4374	0.2627	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
2.0000	2.0000	2.0000	2.0000	2.0000	2.0000
0.6389	0.7164	0.7346	0.7582	0.8394	0.8633
1.0711	1.2244	1.2959	1.2508	1.5676	1.6313
0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
0.2788	0.3126	0.3206	0.3309	0.3663	0.3767
0.3283	0.3753	0.3972	0.3834	0.4805	0.5000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
2.0000	2.0000	2.0000	2.0000	2.0000	2.0000
1.4191	1.5912	1.6316	1.6840	1.8643	1.9174
1.3132	1.5012	1.5888	1.5335	1.9219	2.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.5000	0.5000	0.5000	0.5000
0.0000	0.0000	0.3206	0.3309	0.3663	0.3767
\$0.0000	\$0.0000	\$0.3972	\$0.3834	\$0.4805	\$0.5000

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

	2008	2007	2006	2005
<i>Total Voted Millage by Type of Property</i>				
General Business and Public Utility Personal	\$6.66000	\$6.81000	\$6.87000	\$6.87000
Residential/Agricultural Real	4.38790	3.59816	3.81750	3.91890
Commercial/Industrial and Public Utility Real	4.61421	3.82240	4.13820	4.36610
<i>Total Millage by Type of Property</i>				
General Business and Public Utility Personal	9.26000	9.41000	9.47000	9.47000
Residential/Agricultural Real	6.98790	6.19816	6.41750	6.51890
Commercial/Industrial and Public Utility Real	7.21421	6.42240	6.73820	6.96610

**Overlapping Rates by Taxing District**

<i>Avon Local School District</i>				
General Business and Public Utility Personal	50.4400	50.4900	43.7000	42.1000
Residential/Agricultural Real	33.1312	33.1825	26.5292	24.9620
Commercial/Industrial and Public Utility Real	33.0539	33.2053	26.4900	24.9555
<i>Lorain County Voted Millage</i>				
General Business and Public Utility Personal	13.3900	13.3900	13.4900	13.1900
Residential/Agricultural Real	10.9380	10.9618	12.1746	10.7597
Commercial/Industrial and Public Utility Real	11.8436	11.9061	12.7798	12.0306
<i>Special Taxing Districts (1)</i>				
General Business and Public Utility Personal	2.4500	2.4500	3.4500	3.4500
Residential/Agricultural Real	2.0000	2.0000	2.6080	2.6148
Commercial/Industrial and Public Utility Real	2.0000	2.0070	2.7675	2.7831

Source: Lorain County Auditor

Notes: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year. The City's basic property tax rate may be increased only by a majority vote of the City's residents.

The real property tax rates for the voted levies are reduced so that inflationary increases in value do not generate additional revenue.

Overlapping rates are those of local and county governments that apply to property owners within the City.

(1) Health District, Joint Vocational School

2004	2003	2002	2001	2000	1999
\$6.88000	\$6.75000	\$6.80000	\$6.85000	\$6.76000	\$6.90000
4.04620	4.31360	4.28870	4.46840	4.82470	5.09600
4.53120	4.93670	5.16040	5.03960	6.14990	6.53130
9.48000	9.35000	9.40000	9.45000	9.36000	9.50000
6.64620	6.91360	6.88870	7.06840	7.42470	7.69600
7.13120	7.53670	7.76040	7.63960	8.74990	9.13130

37.2200	38.0100	37.0500	37.7500	38.0500	37.4500
20.1200	20.9100	19.9501	20.6500	20.9500	20.3501
20.1200	20.9100	20.4623	20.6501	23.3885	23.4648

12.8900	12.8900	12.8900	10.7900	10.7900	10.7900
10.1212	10.5495	10.6199	8.1030	9.0116	9.0604
11.6676	11.9922	12.0564	9.6901	10.1729	10.1461

3.4500	3.4500	3.4500	3.4500	3.4500	3.4500
2.6222	2.6927	2.6990	2.7047	2.8154	2.8225
2.7967	2.8769	2.9046	2.8944	3.0935	3.1259

**City of Avon, Ohio**  
*Property Tax Levies And Collections*  
*Last Ten Years*

<u>Collection Year</u>	<u>Current Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Current Tax Collections to Current Tax Levy</u>	<u>Delinquent Tax Collections</u>
2008	\$4,311,718	\$3,851,783	89.33%	\$140,881
2007	4,118,715	3,697,890	89.78	127,526
2006	3,550,966	3,495,653	98.44	65,689
2005	3,216,199	3,127,969	97.26	49,128
2004	2,995,687	2,877,724	96.06	60,579
2003	2,486,377	2,431,912	97.81	56,519
2002	2,209,111	2,160,415	97.80	68,527
2001	2,015,612	1,954,837	96.98	54,316
2000	1,785,912	1,742,455	97.57	52,846
1999	1,679,130	1,618,904	96.41	38,080

Source: Lorain County, Ohio; County Auditor

Note: The County does not identify delinquent collections by the year for which the tax was levied.

(1) State reimbursement of rollback and homestead exemptions are included.

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<u>Total Tax Collections (1)</u>	<u>Percent of Total Tax Collections to Current Tax Levy</u>	<u>Accumulated Outstanding Delinquent Taxes</u>	<u>Percentage of Delinquent Taxes to Total Tax Levy</u>
\$3,992,664	92.60%	\$268,151	6.22%
3,825,416	92.88	309,555	7.52
3,561,342	100.29	121,001	3.41
3,177,097	98.78	129,729	4.03
2,938,303	98.08	137,819	4.60
2,488,431	100.08	66,901	2.69
2,228,942	100.90	62,792	2.84
2,009,153	99.68	74,869	3.71
1,795,301	100.53	60,392	3.38
1,656,984	98.68	69,858	4.16

**City of Avon, Ohio**  
*Principal Real Property Taxpayers*  
*Current and Nine Years Ago*

<u>2008</u>		
Taxpayer	Real Property Assessed Valuation (1)	Percentage of Total Assessed Valuation
First Interstate Avon, LTD.	\$17,776,050	2.42 %
Franciscan Communities	7,195,020	0.98
AERC Avon LLC	7,123,310	0.97
Henkel Consumer	7,086,080	0.97
Avon Local Board	6,695,160	0.91
Timberlake Apartments	6,599,710	0.90
Cleveland Electric	5,430,440	0.74
Wal Mart Real Estate	4,768,000	0.65
Comprehensive Healthcare	4,701,630	0.64
Chester Properties Ltd	4,533,400	0.62
<b>Total</b>	<b>\$71,908,800</b>	<b>9.79 %</b>
<b>Total Real Property Assessed Valuation</b>	<b>\$734,146,670</b>	
<u>1999</u>		
Taxpayer	Real Property Assessed Valuation (1)	Percentage of Total Assessed Valuation
Cleveland Electric Illuminating Company	\$10,686,780	4.87 %
Columbia Gas	3,491,510	1.58
Century Telephone	3,454,460	1.58
Carnegie Residential	3,352,260	1.53
Manco Incorporated	2,030,500	0.93
Avon Oaks Country Club	1,364,390	0.62
David Kirschenbaum (Good Samaritan)	1,316,960	0.60
French Creek	1,056,790	0.48
Danny B. Lloyd	949,500	0.43
Robert Barto	878,550	0.41
<b>Total</b>	<b>\$28,581,700</b>	<b>13.03 %</b>
<b>Total Real Property Assessed Valuation</b>	<b>\$219,291,510</b>	

Source: Lorain County, Ohio; County Auditor

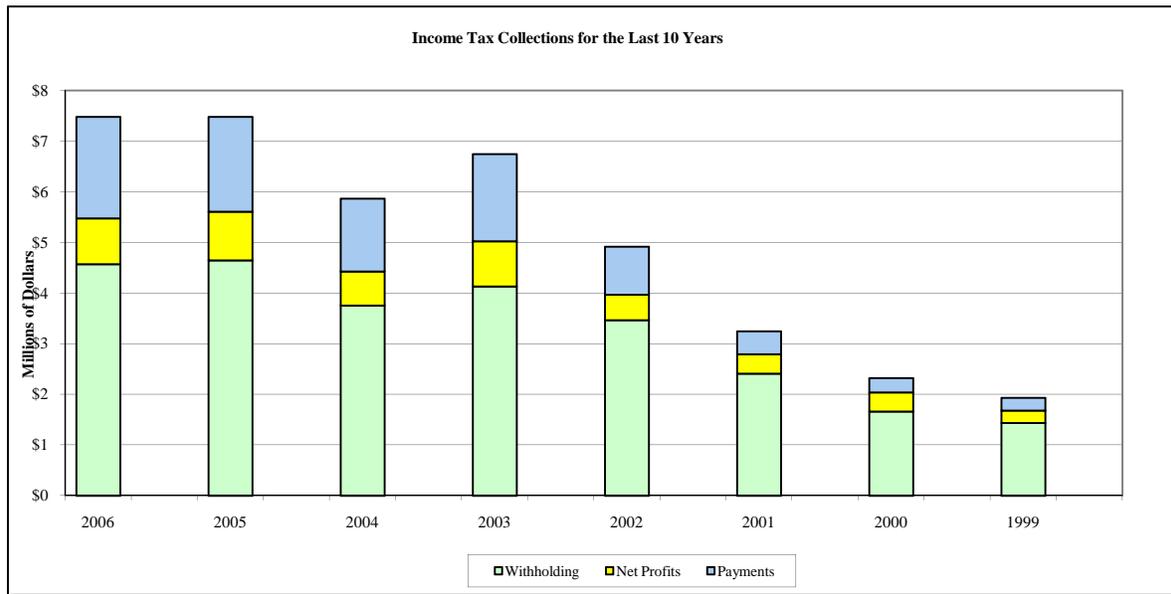
(1) The amounts presented represent the assessed values upon which 2008 and 1999 collections were based.

**City of Avon, Ohio**  
*Income Tax Revenue Base and Collections*  
*Last Ten Years*

Tax Year	Tax Rate (2)	Total Tax Collected (1)	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes From Individual Payments	Percentage of Taxes from Individual Payments
2008	1.75%	\$9,416,401	\$6,006,449	63.79%	\$845,059	8.97%	\$2,413,019	25.63%
2007	1.50	7,793,181	5,139,025	65.94	561,016	7.20	2,093,140	26.86
2006	1.50	8,088,140	4,571,899	61.10	906,897	12.12	2,003,854	26.78
2005	1.50	7,482,650	4,650,467	62.15	960,024	12.83	1,872,159	25.02
2004	1.50	5,866,995	3,754,290	63.99	676,465	11.53	1,436,240	24.48
2003	1.50	6,746,942	4,131,827	61.24	895,994	13.28	1,719,121	25.48
2002	1.50	4,918,171	3,465,835	70.47	504,113	10.25	948,223	19.28
2001	1.00	3,246,032	2,411,802	74.30	385,304	11.87	448,926	13.83
2000	1.00	2,321,334	1,662,539	71.62	378,377	16.30	280,417	12.08
1999	1.00	1,931,461	1,437,586	74.43	245,875	12.73	248,000	12.84

Source: Regional Income Tax Agency data - certain amounts may be estimates - years are tax years. Number of filers does not equal total taxpayers due to taxpayers paying city taxes through employer withholding only without filing requirement.

- (1) 2001 through 2008 are on an Accrual Basis and 1999 through 2000 are on a Modified Accrual Basis.
- (2) In November 2007, the City of Avon Electors voted to increase the City income tax by .25%. Collection commenced on January 1, 2008.



**City of Avon, Ohio**  
*Income Tax Statistics*  
*Last Seven Years*

Tax Year	Income Range	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
2007	\$0 - 24,999	1,748	28.38 %	\$16,916,794	3.40 %
2007	25,000 - 49,999	1,032	16.75	38,442,879	7.72
2007	50,000 - 74,999	936	15.19	58,398,823	11.72
2007	75,000 - 99,999	777	12.61	67,801,989	13.61
2007	Over 100,000	<u>2,062</u>	33.47	<u>348,394,384</u>	69.94
	Total	<u>6,555</u>		<u>\$529,954,869</u>	
2006	\$0 - 24,999	1,731	28.10 %	\$16,146,506	3.24 %
2006	25,000 - 49,999	924	15.00	34,682,455	6.96
2006	50,000 - 74,999	866	14.06	54,220,032	10.88
2006	75,000 - 99,999	761	12.35	66,550,102	13.36
2006	Over 100,000	<u>1,878</u>	30.49	<u>326,560,796</u>	65.55
	Total	<u>6,160</u>		<u>\$498,159,891</u>	
2005	\$0 - 24,999	1,666	28.43 %	\$15,728,218	3.35 %
2005	25,000 - 49,999	909	15.51	33,990,464	7.23
2005	50,000 - 74,999	882	15.05	55,326,557	11.78
2005	75,000 - 99,999	827	14.11	72,287,420	15.39
2005	Over 100,000	<u>1,577</u>	26.91	<u>292,492,967</u>	62.26
	Total	<u>5,861</u>		<u>\$469,825,626</u>	
2004	\$0 - 24,999	1,636	29.15 %	\$14,815,608	3.91 %
2004	25,000 - 49,999	900	16.03	31,741,150	8.38
2004	50,000 - 74,999	857	15.27	51,278,424	13.53
2004	75,000 - 99,999	795	14.16	66,822,259	17.63
2004	Over 100,000	<u>1,425</u>	25.39	<u>214,276,863</u>	56.55
	Total	<u>5,613</u>		<u>\$378,934,304</u>	
2003	\$0 - 24,999	1,535	29.96 %	\$14,383,257	4.33 %
2003	25,000 - 49,999	845	16.49	30,316,444	9.12
2003	50,000 - 74,999	831	16.22	49,714,424	14.95
2003	75,000 - 99,999	741	14.46	62,547,823	18.81
2003	Over 100,000	<u>1,172</u>	22.87	<u>175,541,667</u>	52.79
	Total	<u>5,124</u>		<u>\$332,503,615</u>	
2002	\$0 - 24,999	1,394	29.30 %	\$12,651,259	4.27 %
2002	25,000 - 49,999	866	18.20	30,643,037	10.35
2002	50,000 - 74,999	810	17.02	48,550,536	16.39
2002	75,000 - 99,999	677	14.23	57,253,860	19.33
2002	Over 100,000	<u>1,011</u>	21.25	<u>147,086,590</u>	49.66
	Total	<u>4,758</u>		<u>\$296,185,282</u>	
2001	\$0 - 24,999	1,265	28.06 %	\$11,227,014	4.07 %
2001	25,000 - 49,999	877	19.45	31,527,108	11.44
2001	50,000 - 74,999	820	18.19	49,029,914	17.79
2001	75,000 - 99,999	635	14.08	53,502,498	19.42
2001	Over 100,000	<u>912</u>	20.23	<u>130,255,254</u>	47.27
	Total	<u>4,509</u>		<u>\$275,541,788</u>	

Source: Regional Income Tax Agency data - certain amounts may be estimates - years are tax years. Number of filers does not equal total taxpayers due to taxpayers paying city taxes through employer withholding only without filing requirement.

As of December 31, 2008, year 2008 information has not been compiled.

**City of Avon, Ohio**  
*Ratios of Outstanding Debt by Type*  
*Last Ten Years*

Year	Governmental Activities		Per Capita (2)	Other Governmental Activities Debt			
	General Obligation Bonds	Percentage of Estimated Actual Taxable Value of Property (1)		Special Assessment Bonds	OPWC Loans	Capital Leases	Bond Anticipation Notes
2008	\$12,251,682	0.53 %	\$1,068.52	\$3,449,237	\$223,523	\$0	\$39,120,000
2007	6,717,363	0.29	\$585.85	2,866,244	242,044	0	6,910,000
2006	7,096,708	0.37	\$618.93	3,073,713	13,500	0	1,700,000
2005	6,412,213	0.39	\$559.24	3,263,227	22,500	0	2,873,650
2004	6,565,767	0.44	\$572.63	3,596,389	56,540	0	3,805,000
2003	4,283,189	0.35	\$377.27	3,777,810	90,580	0	3,870,000
2002	2,842,209	0.27	\$250.35	3,955,990	79,713	0	5,300,000
2001	2,984,471	0.32	\$262.88	4,130,929	113,940	0	2,301,000
2000	3,123,320	0.40	\$275.11	3,683,479	148,167	41,792	2,151,000
1999	3,251,539	0.46	\$443.17	3,226,660	182,394	89,547	1,480,000
<b>Business-Type Activities</b>							
Year	General Obligation Bonds	Avon Lake Debt	Bond Anticipation Notes	OWDA Loans	Total Debt (3)	Percentage of Personal Income (2)	Per Capita (2)
2008	\$557,576	\$683,979	0	\$544,006	\$56,830,003	17.52 %	\$4,956
2007	291,378	776,103	730,000	657,830	19,190,962	5.92	1,674
2006	342,096	863,621	0	767,198	13,856,836	4.27	1,209
2005	397,014	946,533	991,350	872,356	15,778,843	4.87	1,379
2004	447,732	1,024,120	1,470,000	973,532	17,939,080	5.53	1,580
2003	504,000	1,099,312	1,400,000	1,071,526	16,096,417	4.96	1,418
2002	541,800	1,169,941	0	1,165,371	15,055,024	4.64	2,052
2001	579,600	1,236,731	0	1,255,837	12,602,508	3.89	1,718
2000	613,200	1,305,504	0	1,343,099	12,409,561	3.83	1,093
1999	646,800	1,391,967	0	1,427,323	11,696,230	N/A	1,594

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

(1) See S10-11 for taxable property value data.

(2) See S26 for population and personal income data.

(3) Includes general bonded debt, other governmental debt and business-type activities debt.

**City of Avon, Ohio**  
*Legal Debt Margin*  
*Last Ten Years*

	2008	2007	2006	2005
Total Assessed Property Value	\$769,198,970	\$747,082,240	\$640,102,030	\$570,244,615
General Bonded Debt Outstanding:				
General Obligation Notes/Bonds	\$12,251,682	\$6,780,967	\$7,165,884	\$6,286,816
General Obligation Revenue Notes/Bonds	252,000	310,800	365,400	424,200
Special Assessment Bonds	3,449,237	2,866,244	3,073,713	3,263,227
Bond Anticipation Notes	39,120,000	6,910,000	2,110,000	2,873,650
Bond Anticipation Notes Enterprise	0	1,530,000	1,150,000	991,350
OPWC Loans	223,523	242,044	13,500	22,500
OWDA Loans	544,006	657,830	767,198	872,356
Contractual Debt Obligation	683,979	776,103	863,621	946,533
Total Gross Indebtedness	56,524,427	20,073,988	15,509,316	15,680,632
Less:				
General Obligation Revenue Notes/Bonds	(252,000)	(310,800)	(365,400)	(424,200)
Special Assessment Bonds	(3,449,237)	(2,866,244)	(3,073,713)	(3,406,724)
Bond Anticipation Notes	(39,120,000)	0	0	0
Bond Anticipation Notes Enterprise	0	(1,530,000)	(1,150,000)	(991,350)
OWDA Loans	(544,006)	(657,830)	(767,198)	(872,356)
Contractual Debt Obligation	(683,979)	(776,103)	(863,621)	(946,533)
General Obligation Bond Retirement Fund Balance	(48,136)	(168,549)	(26,725)	(23,992)
Total Net Debt Applicable to Debt Limit	12,427,069	13,764,462	9,262,659	9,015,477
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	80,765,892	78,443,635	67,210,713	59,875,685
Legal Debt Margin Within 10 ½ % Limitations	\$68,338,823	\$64,679,173	\$57,948,054	\$50,860,208
Legal Debt Margin as a Percentage of the Debt Limit	84.61%	82.45%	86.22%	84.94%
Unvoted Debt Limitation 5 ½ % of Assessed Valuation	\$42,305,943	\$41,089,523	\$35,205,612	\$31,363,454
Total Gross Indebtedness	56,524,427	20,073,988	15,509,316	15,680,632
Less:				
General Obligation Revenue Notes/Bonds	(252,000)	(310,800)	(365,400)	(424,200)
Special Assessment Bonds	(3,449,237)	(2,866,244)	(3,073,713)	(3,406,724)
Bond Anticipation Notes	(39,120,000)	0	0	0
Bond Anticipation Notes Enterprise	0	(1,530,000)	(1,150,000)	(991,350)
OWDA Loans	(544,006)	(657,830)	(767,198)	(872,356)
Contractual Debt Obligation	(683,979)	(776,103)	(863,621)	(946,533)
General Obligation Bond Retirement Fund Balance	(48,136)	(168,549)	(26,725)	(23,992)
Net Debt Within 5 ½ % Limitations	12,427,069	13,764,462	9,262,659	9,015,477
Unvoted Legal Debt Margin Within 5 ½ % Limitations	\$29,878,874	\$27,325,061	\$25,942,953	\$22,347,977
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	70.63%	66.50%	73.69%	71.25%

Source: City Financial Records and Prior Year CAFR'S.

\* These numbers are based on the Net Debt. This reflects only debt that is supported through real estate value.

2004	2003	2002	2001	2000	1999
<u>\$510,089,580</u>	<u>\$417,641,340</u>	<u>\$366,211,330</u>	<u>\$328,512,440</u>	<u>\$276,973,360</u>	<u>\$252,804,231</u>
\$6,565,767	\$4,283,189	\$2,842,209	\$2,984,471	\$3,123,320	\$3,251,539
456,000	504,000	541,800	579,600	613,200	646,800
3,596,389	3,777,810	3,955,990	4,130,929	3,683,479	3,226,660
3,805,000	3,870,000	5,300,000	2,301,000	2,151,000	1,480,000
1,470,000	1,400,000	0	0	0	0
56,540	90,580	79,713	113,940	148,167	182,394
974,117	1,071,526	1,165,371	1,255,837	1,343,099	1,427,323
1,024,845	1,099,312	1,169,941	1,236,731	1,305,504	1,391,967
17,948,658	16,096,417	15,055,024	12,602,508	12,367,769	11,606,683
(456,000)	(504,000)	(541,800)	(579,600)	(613,200)	(646,800)
(3,596,389)	(3,777,810)	(3,955,990)	(4,130,929)	(3,683,479)	(3,226,660)
0	0	0	0	0	0
(1,470,000)	(1,400,000)	0	0	0	(1,390,000)
(974,117)	(1,071,526)	(1,165,371)	(1,255,837)	(1,343,099)	(1,427,323)
(1,024,120)	(1,099,312)	(1,169,941)	(1,236,731)	(1,305,504)	(1,391,967)
(95,356)	0	(8,543)	(22,379)	(17,855)	(35,467)
10,332,676	8,243,769	8,213,379	5,377,032	5,404,632	3,488,466
53,559,406	43,852,341	38,452,190	34,493,806	29,082,203	26,544,444
<u>\$43,226,730</u>	<u>\$35,608,572</u>	<u>\$30,238,811</u>	<u>\$29,116,774</u>	<u>\$23,677,571</u>	<u>\$23,055,978</u>
80.71%	81.20%	78.64%	84.41%	81.42%	86.86%
<u>\$28,054,927</u>	<u>\$22,970,274</u>	<u>\$20,141,623</u>	<u>\$18,068,184</u>	<u>\$15,233,535</u>	<u>\$13,904,233</u>
17,948,658	16,096,417	15,055,024	12,602,508	12,367,769	11,606,683
(456,000)	(504,000)	(541,800)	(579,600)	(613,200)	(646,800)
(3,596,389)	(3,777,810)	(3,955,990)	(4,130,929)	(3,683,479)	(3,226,660)
0	0	0	0	0	0
(1,470,000)	(1,400,000)	0	0	0	(1,390,000)
(974,117)	(1,071,526)	(1,165,371)	(1,255,837)	(1,343,099)	(1,427,323)
(1,024,845)	(1,099,312)	(1,169,941)	(1,236,731)	(1,305,504)	(1,391,967)
(95,356)	0	(8,543)	(22,379)	(17,855)	(35,467)
10,331,951	8,243,769	8,213,379	5,377,032	5,404,632	3,488,466
<u>\$17,722,976</u>	<u>\$14,726,505</u>	<u>\$11,928,244</u>	<u>\$12,691,152</u>	<u>\$9,828,903</u>	<u>\$10,415,767</u>
63.17%	64.11%	59.22%	70.24%	64.52%	74.91%

**City of Avon, Ohio**  
*Pledged Revenue Coverage*  
*Avon Local School District - Governmental Activities*  
*Last Two Years (1)*

<u>Year</u>	<u>Payments in Lieu of Taxes</u>	<u>Expenses</u>	<u>Net Available Revenue</u>	<u>Debt Service</u>	
				<u>Principal</u>	<u>Coverage</u>
2008	\$302,366	\$0	\$302,366	\$184,090	\$1.64
2007	236,258	0	236,258	143,841	1.64

(1) Information prior to 2007 is not available.

**City of Avon, Ohio**  
*Pledged Revenue Coverage - Sewer Fund*  
*Last Ten Years*

Year	Sewer Operating Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2008	\$1,333,487	\$1,102,775	\$230,712	\$113,824	\$25,745	\$1.65
2007	1,405,083	1,496,430	(91,347)	109,368	31,839	(0.65)
2006	1,396,730	1,028,961	367,769	105,158	33,908	2.64
2005	1,098,603	1,007,297	91,306	101,176	37,665	0.66
2004	855,744	921,824	(66,080)	97,409	32,166	(0.51)
2003	788,956	883,600	(94,644)	93,845	45,977	(0.68)
2002	860,163	702,846	157,317	90,466	50,741	1.11
2001	777,044	744,148	32,896	87,262	53,944	0.23
2000	1,088,744	763,511	325,233	84,224	56,982	2.30
1999	1,453,729	1,193,279	260,450	80,754	60,451	1.84

(1) Revenues include interest and operating grants.

(2) Operating expenses do not include depreciation.

**Source:** City Financial Records

**City of Avon, Ohio**  
*Computation of Direct and Overlapping Governmental Activities Debt*  
*December 31, 2008*

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to the City of Avon
<b>Direct - City of Avon</b>			
General Obligation Bonds	\$12,251,682	100.00%	\$12,251,682
Special Assessment Bonds	3,449,237	100.00%	3,449,237
OPWC Loans	223,523	100.00%	223,523
<i>Total Direct Debt</i>	<u>15,924,442</u>		<u>15,924,442</u>
<b>Overlapping</b>			
Avon Local School District			
General Obligation Bonds	44,411,860	100.00%	44,411,860
Lorain County			
General Obligation Bonds	<u>39,506,683</u>	10.00%	<u>3,950,668</u>
<i>Total Overlapping Debt</i>	<u>83,918,543</u>		<u>48,362,528</u>
<b>Total</b>	<u><u>\$99,842,985</u></u>		<u><u>\$64,286,970</u></u>

Source: Lorain County, Ohio; County Auditor

(1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation.

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**City of Avon, Ohio**  
*Demographic and Economic Statistics*  
*Last Nine Years (1)*

<u>Year</u>	<u>Population (2)</u>	<u>Total Personal Income (6)</u>	<u>Personal Income Per Capita</u>	<u>Median Household Income (2)</u>	<u>Median Age (2)</u>
2008	11,466	\$324,877,644	\$28,334	\$66,747	38
2007	11,466	324,877,644	28,334	66,747	38
2006	11,466	324,877,644	28,334	66,747	38
2005	11,466	324,877,644	28,334	66,747	38
2004	11,466	324,877,644	28,334	66,747	38
2003	11,353	321,675,902	28,334	66,747	38
2002	11,353	321,675,902	28,334	66,747	38
2001	11,353	321,675,902	28,334	66,747	38
2000	11,353	321,675,902	28,334	66,747	38

(1) Information prior to 2000 is not available.

(2) Source: U. S. Census

(a) Years 2000 through 2008 - 2000 Federal Census

(3) Source: Ohio Department of Education Website: "<http://www.ode.state.oh.us/data/>"

(4) Ohio Department of Job and Family Services

(5) Source: Lorain County Auditor

(6) Computation of per capita personal income multiplied by population

Educational Attainment: Bachelor's Degree or Higher (2)	School Enrollment (3)	Lorain County Unemployment Rate (4)	Average Sales Price of Residential Property (5)	Total Assessed Property Value (5)
32.3%	3,136	7.0%	\$251,011	\$769,198,970
32.3	3,128	6.2	239,730	747,082,240
32.3	2,988	5.5	213,590	640,102,030
32.3	2,962	5.8	213,590	570,244,615
32.3	2,699	6.3	213,590	510,089,580
32.3	2,474	6.6	121,510	417,641,340
32.3	2,266	6.3	N/A	366,211,330
32.3	1,921	5.8	N/A	328,512,440
32.3	1,747	5.4	N/A	276,973,360

**City of Avon, Ohio**  
*Principal Employers*  
*Current and Nine Years Ago*

<b>2008</b>		
Employer	Employees	Percentage of Total City Employment
Henkel	424	3.26 %
Our Lady of the Wayside	344	2.65
Avon Board of Education	320	2.46
Willoway Nurseries	309	2.38
Walmart	230	1.77
City of Avon	160	1.23
Good Samaritan Nursing Home	160	1.23
Costco	150	1.15
Avon Oaks Nursing Home	149	1.15
A.J. Rose Manufacturing Company	148	1.14
<b>Total</b>	<b>2,394</b>	<b>18.42 %</b>
Total Employment within the City	<u>13,000</u>	

<b>1999</b>	
Employer	Employees
Manco Tape Incorporated	300
Good Samaritan Nursing Home	260
Our Lady of the Wayside Nursing Home	170
Willoway Nurseries	140
Avon Local School District	140
Avon Oaks Nursing Home	130
A.J. Rose Manufacturing Company	130
Avon Bearings	120
Parker Hannifin Corporation	115
Xerxes Corporation	109
<b>Total</b>	<b>1,614</b>
Total Employment within the City	<u>n/a</u>

Source: Number of employees obtained from the W2's  
from our Tax Department

n/a - Information not available

**City of Avon, Ohio**

*Full-Time Equivalent City Government Employees by Function/Program  
Last Six Years (1)*

Function/Program	2008	2007	2006	2005	2004	2003
General Government						
Council	5.00	5.00	4.00	4.00	4.00	4.00
Finance	4.00	4.00	4.00	4.00	4.00	3.50
Finance Director	1.00	1.00	1.00	1.00	1.00	1.00
Law	1.50	1.50	0.50	0.50	0.50	0.50
Administration	2.00	2.00	2.00	2.00	2.00	2.00
Planning	4.50	4.50	4.50	4.50	4.00	3.50
Civil Service	1.50	1.50	1.50	0.00	1.50	1.50
Court	0.50	0.50	0.50	0.50	0.50	0.50
Zoning	3.50	3.50	3.50	3.50	3.50	3.50
Security of Persons and Property						
Police	30.00	30.00	28.00	26.00	24.00	22.00
Police - Dispatchers/Office/Other	8.00	8.00	6.00	6.00	6.00	5.00
Safety Director	0.50	0.50	0.50	0.50	0.50	0.50
Fire	28.00	28.00	25.50	24.50	22.00	22.00
Fire - Dispatchers/Office/Other	1.00	1.00	1.00	1.00	1.00	1.00
Leisure Time Activities						
Recreation and Parks	9.00	9.00	7.50	7.50	6.50	5.00
Community Development						
Building	9.50	8.50	10.00	10.00	10.50	10.00
Transportation						
Service/Street M&R	13.00	12.50	12.00	12.00	12.00	12.00
Basic Utility Services						
Water and Sewer	11.00	10.50	11.50	11.50	11.50	11.00
Totals:	133.50	131.50	123.50	119.00	115.00	108.50

Source: City of Avon, Ohio Payroll Department W2 Audit Listing

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee on staff as of December 31st.

Some employees work in two different departments.

(1) Data prior to 2003 is not available.

**City of Avon, Ohio**  
*Operating Indicators by Function/Program*  
*Last Ten Years (1)*

Function/Program	2008	2007	2006	2005
Date of Incorporation as a Village	1917			
Date of Incorporation as a City	1961			
<b>General Government</b>				
<i><b>Council and Clerk</b></i>				
Number of Ordinances Passed	168	142	151	175
Number of Resolutions Passed	44	41	31	23
<i><b>Planning Commission/Zoning Board of Appeals</b></i>				
Number of Planning Commission docket items	121	149	105	183
Zoning Board of Appeals docket items	26	29	37	41
<i><b>Finance Department</b></i>				
Amount of checks written	\$30,942,350	\$32,987,641	\$37,732,774	\$28,632,549
Interest earnings for fiscal year (cash basis)	\$665,519	\$1,181,222	\$1,177,582	\$428,468
Number of Receipts issued	3,661	3,704	4,090	6,543
Number of Budget Adjustments issued	44	51	31	35
Agency Ratings - Moody's Financial Services	Aa2	Aa2	Aa2	Aa2
General Fund Receipts (cash basis in thousands)	\$7,555	\$9,728	\$7,800	\$9,400
General Fund Expenditures (cash basis in thousands)	\$9,887	\$3,334	\$8,600	\$8,100
General Fund Cash Balances including Income Tax (in thousands)	\$3,527	\$5,668	\$5,450	\$4,600
<i><b>Income Tax Department</b></i>				
Number of Annual withholding forms processed	11,066	10,697	10,357	9,727
Number of Business net profit forms processed	1,559	1,437	1,272	1,405
Number of Individual forms processed	8,616	8,205	7,346	7,186
Amount of Penalties and Interest Collected	\$63,898	\$61,456	\$60,813	\$41,506
Annual number of balance due/estimated payment forms processed	9,234	9,926	9,048	8,742
Annual number of reconciliations of withholdings processed	1,215	1,124	1,529	1,315
<i><b>Engineer Contracted Services</b></i>				
Dollar amount of Construction overseen by Engineer	\$7,854,087	\$4,880,288	\$3,997,969	\$8,139,674
<i><b>Mayor's Court</b></i>				
Number of Traffic cases	867	2,079	1,508	1,617
Number of Criminal cases	50	82	77	92
<i><b>Civil Service</b></i>				
Number of police entry tests administered	0	0	1	0
Number of fire entry tests administered	1	0	1	0
Number of police promotional tests administered	0	0	2	2
Number of fire promotional tests administered	2	0	2	2
Number of hires of Police Officers from certified lists	0	2	5	1
Number of hires of Fire/Medics from certified lists	0	1	4	2
Number of promotions from police certified lists	0	0	2	4
Number of promotions from fire certified lists	0	2	9	2
<i><b>Building Department Indicators</b></i>				
Single Family Permits Issued	142	179	222	350
Commercial Permits Issued	210	249	183	316
Estimated Value of Construction	\$67,973,353	\$84,863,809	\$81,389,840	\$123,988,313
Number of permits issued (all types)	1,124	1,269	2,085	2,311
Amount of Revenue generated from permits	\$1,281,070	\$1,478,453	\$1,225,686	\$1,158,571
Number of contract registrations issued	694	1,086	1,096	1,170

2004	2003	2002	2001	2000	1999
197	265	180	175	193	191
39	46	46	33	46	52
204	238	240	219	220	281
60	57	50	43	45	60
\$27,249,268	\$23,041,609	\$0	n/a	n/a	n/a
\$214,154	\$140,428	\$188,577	\$404,313	\$395,751	\$182,060
6,665	6,111	n/a	n/a	n/a	n/a
41	42	27	27	16	12
Aa2	Aa2	Aa3	Aa3	A1	A1
\$6,600	\$7,800	\$6,700	\$5,700	\$4,600	\$3,800
\$7,400	\$7,500	\$6,000	\$5,600	\$4,700	\$3,900
\$3,700	\$3,500	\$2,200	\$2,200	\$2,000	\$1,600
8,931	7,546	6,871	6,490	n/a	n/a
1,072	741	845	901	n/a	n/a
6,698	6,333	5,468	5,415	n/a	n/a
\$43,662	\$23,549	\$16,790	\$13,453	n/a	n/a
8,212	8,020	5,320	2,006	n/a	n/a
1,532	693	1,248	391	n/a	n/a
\$8,754,750	\$8,264,517	\$9,528,967	\$6,268,915	\$7,755,220	\$8,249,283
1,572	1,149	1,283	1,756	1,310	1,839
182	171	148	138	113	161
1	0	1	0	1	0
1	0	0	1	1	0
2	0	0	0	0	1
1	3	2	0	0	0
3	0	0	1	5	3
1	0	0	5	5	0
4	3	n/a	n/a	n/a	n/a
1	1	n/a	n/a	n/a	n/a
402	397	397	321	300	295
260	248	161	256	209	274
\$194,077,164	\$123,628,234	\$118,276,888	\$177,630,180	\$117,518,188	\$122,901,870
2,471	2,477	1,611	1,622	1,188	1,295
\$31,397,505	\$877,982	\$941,744	\$1,060,934	\$878,119	\$841,980
1,075	1,377	1,448	1,025	1,208	1,243

(continued)

**City of Avon, Ohio**  
*Operating Indicators by Function/Program (continued)*  
*Last Ten Years (1)*

Function/Program	2008	2007	2006	2005
<b>Security of Persons and Property</b>				
<i>Police</i>				
Total Calls for Services	19,119	25,812	25,995	20,992
Number of traffic citations issued	1,267	2,371	1,240	2,361
Number of parking citations issued	104	637	392	58
Number of criminal arrests	725	638	622	608
Number of accident reports completed	575	545	544	555
Part 1 Offenses (major offenses)	283	385	232	262
DUI Arrests	76	97	193	184
Prisoners	363	484	523	480
Prisoner meal costs	35	60	350	\$90
Motor Vehicle Accidents	575	545	544	555
Property damage accidents	463	422	415	428
Fatalities from Motor Vehicle Accidents	2	1	1	1
Gasoline costs of fleet	\$83,693	\$62,186	\$52,814	\$45,365
<i>Fire</i>				
EMS Calls	1,516	1,413	1,341	1,204
Ambulance Billing Collections (net)	\$331,076	\$297,996	\$337,213	\$29,521
Fire Calls	459	460	466	440
Fires with Loss	22	15	40	32
Fires with Losses exceeding \$10K	0	4	5	8
Fire Losses	\$571,215	\$319,400	\$328,830	\$916,625
Fire Safety Inspections	619	619	454	415
Number of times Mutual Aid given to Fire and EMS	8	8	24	4
Number of times Mutual Aid received for Fire and EMS	4	4	22	11
<b>Leisure Time Activities</b>				
<i>Recreation</i>				
Recreation Men's and Women's Leagues receipts	\$5,405	\$1,435	\$6,330	\$3,619
Recreation Youth Activities receipts	\$121,872	\$125,794	\$119,491	\$89,347
<b>Transportation</b>				
Street Improvements - asphalt overlay (linear feet)	6,012	4,000	9,434	23,420
Crackseal Coating Program (Miles)	20	25	40	30
Street Repair (Curbs, aprons, berms, asphalt) (hours)	150	160	120	150
Guardrail Repair (hours)	40	40	60	40
Paint Striping (hours)	400	400	400	80
Cold Patch (hours)	400	420	360	150
Snow & Ice Removal overtime hours	350	350	312	349
Tons of snow melting salt purchased (Nov-May - winter season)	4,700	4,056	4,000	3,900
Cost of salt purchased	\$194,854	\$182,556	\$132,345	\$119,965
<b>Water Department</b>				
Water Rates per 1st 6,000 gallons of water used (per thousand)	\$2.33	\$2.33	\$2.33	\$2.33
Average gallons of water billed monthly (in thousands)	62,494	78,635	101,087	40,400
Total Water Collections Annually (Including P&I) (in thousands)	\$1,689	\$1,847	\$1,591	\$1,600
<b>Wastewater Department</b>				
Sewer Rates per 1,000 gallons of water used	\$4.23	\$4.23	\$4.01	\$4.01
Average gallons of sewer billed monthly (in thousands)	37,227	39,081	67,864	26,400
Total Sewer Collections Annually (Including penalties and interest) (in thousands)	\$1,081	\$1,048	\$950	\$900
Total North Ridgeville Sewer Collections Annually (in thousands)	\$1,017	\$1,037	\$967	\$900

(1) Information for some years is not available

Source: City of Avon Records

2004	2003	2002	2001	2000	1999
18,640	18,151	18,259	19,573	17,379	18,466
2,012	1,451	1,703	n/a	n/a	n/a
53	64	69	23	37	n/a
461	391	542	n/a	n/a	n/a
526	461	393	455	430	309
254	263	261	208	196	n/a
138	90	179	107	72	n/a
336	257	406	130	n/a	n/a
\$170	\$80	\$90	n/a	n/a	n/a
526	461	393	455	430	309
377	359	n/a	n/a	n/a	n/a
0	4	n/a	n/a	n/a	n/a
\$28,552	\$29,335	\$24,867	\$27,411	n/a	n/a
1,073	1,022	818	661	529	463
\$67,112	\$83,403	\$181,397	\$213,553	\$253,168	\$76,376
371	309	244	263	218	191
17	25	20	28	27	23
4	3	6	4	3	5
\$793,020	\$298,150	\$370,400	\$181,750	\$164,510	\$771,380
532	461	356	303	206	n/a
10	16	1	4	1	n/a
13	15	8	2	0	n/a
\$8,341	\$3,200	n/a	n/a	n/a	n/a
\$68,881	\$22,830	n/a	n/a	n/a	n/a
19,130	11,500	14,050	30,500	15,200	29,300
30	30	30	25	40	30
180	200	200	200	200	200
40	40	40	40	40	0
80	80	80	80	80	80
150	150	175	175	180	180
523	326	668	521	525	532
3,911	4,111	1,825	3,789	2,287	1,932
\$104,855	\$111,533	\$55,734	\$83,640	\$57,002	\$80,058
\$2.33	\$2.33	\$2.33	\$2.33	\$2.33	\$2.33
47,500	43,800	46,100	39,500	32,400	33,500
\$1,300	\$1,200	\$1,100	\$900	\$900	\$900
\$4.01	\$4.01	\$4.01	\$4.01	\$4.01	\$4.01
27,600	24,300	23,800	20,900	17,300	16,500
\$750	\$700	\$650	\$600	\$500	\$500
\$750	\$700	\$600	\$450	\$400	\$400

**City of Avon, Ohio**  
*Capital Assets Statistics by Function/Program*  
*Last Ten Years*

Function/Program	2008	2007	2006	2005
<b>General Government</b>				
Inspection Vehicles	9	9	9	9
<b>Security of Persons and Property</b>				
<b>Police</b>				
Stations	1	1	1	1
Vehicles	27	27	27	24
<b>Fire</b>				
Stations	1	1	1	1
Vehicles	16	16	16	15
<b>Leisure Time Activities</b>				
<b>Recreation</b>				
Number of Parks	7	6	6	6
Number of Ice Rinks	1	1	3	3
Number of Skateboarding Areas	1	1	1	1
Number of Baseball Diamonds	11	11	11	11
Number of Tot Lots	4	3	3	3
Number of Soccer Fields	14	14	10	10
Vehicles	6	6	5	5
<b>Transportation</b>				
<b>Service</b>				
Buildings	1	1	1	1
Service Vehicles	16	16	16	14
Streets (miles)	120.00	120.00	120.00	120.00
<b>Water and Sewer</b>				
Buildings	9	9	9	9
Water Lines (miles)	111.55	108.38	106.5	106.50
Sanitary Sewers (miles)	91.34	89.06	84.5	84.50
Vehicles	9	9	8	8

2004	2003	2002	2001	2000	1999
8	8	5	5	4	4
1	1	1	1	1	1
18	14	12	11	9	n/a
1	1	1	2	2	2
15	13	13	11	11	10
6	6	5	5	5	5
3	3	2	2	2	2
1	0	0	0	0	0
11	11	7	7	7	7
3	3	2	2	2	1
10	8	5	5	5	5
4	3	3	3	3	3
1	1	1	1	1	1
12	11	11	10	9	9
94.18	120.00	120.00	120.00	120.00	103.00
8	8	8	7	7	6
101.00	88.00	90.00	88.00	79.00	75.00
79.00	63.00	66.00	63.00	56.00	53.00
6	5	5	4	4	4

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# CITY OF AVON, OHIO

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36080 CHESTER ROAD  
AVON, OHIO 44011  
440-937-7800

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JAMES A. SMITH, MAYOR

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