City of Canton, Ohio

Comprehensive Annual

Financial Report

For the Year Ended December 31, 2010

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City Auditor

Prepared by the City Auditor's Office

City of Canton, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2010
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June 20, 2011

To Council Members and Citizens of the City of Canton

The Comprehensive Annual Financial Report (CAFR) of the City of Canton as of December 31, 2010 is hereby submitted. This letter and the following report represent the City's continuing commitment to excellence in financial reporting. The purpose of this letter is to acquaint the reader with the CAFR. Responsibility for both the accuracy of the data, the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the City's financial position and results of operations. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The financial records, books of accounts and transactions of the City of Canton, Ohio, for the year ending December 31, 2010, have been audited by the Auditor of State Dave Yost's Office. As stated in the auditor's report, the audit was conducted in accordance with Generally Accepted Government Auditing Standards and included a financial compliance evaluation, as well as a review of the internal accounting controls. The Auditor's opinion has been included in the report.

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found on page 3 of this report.

City Organization and Background

The City is located in and is the County Seat of Stark County in northeastern Ohio, approximately 58 miles southeast of Cleveland, 23 miles south of Akron, and 94 miles west of Pittsburgh, Pennsylvania. It was incorporated as a village in 1828, and became a city in 1854.

The City's 2010 population of 73,007 placed it as the largest city in the County and the eighth largest in the State.

The City operates under and is governed by the mayor-council form of government. The City operates as a Statutory Municipal Corporation as defined by the Ohio Revised Code.

The City's legislative authority is vested in a twelve-member Council of whom three are elected at-large and nine are elected from their respective ward, for a term of two years. The presiding officer is the President of Council, who is elected at-large by the voters for a two-year term. The President of Council is called upon to vote on legislation in order to break a tie vote. The Council affixes compensation of City officials and employees, and enacts ordinances and resolutions relating to City services, tax levies, appropriating and borrowing money, licensing and regulating business and trades, and other municipal purposes. The Council affirms, by resolution, the individuals appointed by the Mayor to serve on the various boards and commissions for the City. The City's chief executive and administrative officer is the Mayor, who is elected by the voters specifically to that office for a four-year term. The other elected officials are the City Auditor, the City Treasurer and the Law Director, each elected to a four-year term.

The Mayor appoints the directors of City departments other than the Income Tax Department. The major officials appointed by the Mayor are the Directors of Public Service and Public Safety, the Fire Chief, the Police Chief and the City Engineer. The Mayor also appoints members to a number of boards and commissions, and appoints and removes, in accordance with civil service requirements, all appointed officers and employees, except Council, Auditor, Treasurer and Law Director officers and employees. The City Treasurer appoints the Director of Income Tax who serves at his pleasure.

The Mayor may veto any legislation passed by Council. A veto may be overridden by a two-thirds vote of all members of Council.

Appointed and elected officials, except the members of Council, serve full-time.

City Services

General Government Functions: The City provides police protection, fire fighting and prevention, street maintenance and repairs, building inspection, parks and recreation. Funding for these operations is derived primarily from taxes in addition to small amounts of revenue generated from user fees. These operations could not be sustained without a steady flow of tax revenue.

Proprietary Operations: The City operates Water, Sewer and Refuse Departments. The revenue generated from all three departments was sufficient to meet all expenses in 2010.

Reporting Entity

The City has reviewed its reporting entity definition to ensure conformance with the Governmental Accounting Standards Board Statement No. 14 "The Financial Reporting Entity." In defining the City for financial reporting purposes, management has identified all agencies, departments and organizations making up the City of Canton the primary government and its potential component units. The City will present the Canton Community Improvement Corporation (CCIC) as a discretely presented component unit for the year 2010.

Neither the Canton City School District, Plain Local School District, Osnaburg School District, or Canton Local School Distirct has been included in the accompanying financial statements. These districts serve the citizens of Canton; however, the boards are not appointed by the City, nor are they fiscally dependent on the City.

The City is associated with the Stark Area Regional Transit Authority, the Stark Council of Governments and the Stark County Regional Planning Commission as jointly governed organizations. Canton Tomorrow, Inc. and the Downtown Canton Special Improvement District are disclosed as joint ventures and the Joint Recreation District as a related organization.

Financial Information

Accounting Policies and Budgetary Control

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the alternative Tax Budget, the Certificate of Estimated Resources and the Appropriations Ordinance: all are prepared on the budgetary basis of accounting. The Certificate of Estimated Resources and the Appropriations Ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than the agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the account level split between salary and non-salary line items. Any budgetary modifications at this level or above may only be made by resolution of the City Council. Budgetary control at this level provides some flexibility in moving appropriations within their account groups to meet expenses.

The City's fully automated financial system also maintains budgetary control through its purchase order/encumbrance feature. The purchase order, required before making purchases, creates the encumbrance against the current budget. Request for purchase orders, which would result in an overrun of budget, are not honored until additional appropriations are made available through Council ordinance. This procedure is followed when money is available to allow an increase in appropriations. If no money is available, the requisition is canceled.

The City Auditor monitors all expenditures for accuracy, appropriateness and compliance. The City Auditor monitors expenditures to encumbrances to assure that each obligation incurred was entered into after the appropriate purchase order was issued. The City Auditor will exercise his discretion to issue "then and now certificates" for obligations incurred prior to obtaining a purchase order. This certificate is authorized by the Ohio Revised Code for obligations not greater than three-thousand dollars. This certificate simply stated means: "then" meaning at the time the obligation was made and "now" meaning as of the date of the certificate there were sufficient appropriations free from prior obligations necessary to meet this obligation in question. The City Auditor requires an ordinance from Council authorizing a "Moral Obligation", for obligations incurred prior to obtaining a purchase order that exceeds this authority.

The City Auditor continually monitors the encumbrances and expenditures against the budget appropriations and against the County Auditor's Certificate of Estimated Resources. Using the budget prepared by the City the preceding July and including the carry over cash balances less carry over encumbrances at year end, the County Auditor arrives at and issues the Certificate of Estimated Resources for the City. The City Auditor submits amendments to the certificate of estimated resources to the County Auditor as deemed appropriate throughout the year. Ohio Law prohibits total fund appropriations from exceeding the amounts by fund on the County Auditor's Certificate.

Internal Accounting and Reporting Control

As part of its continuing commitment to excellence in financial reporting, the City utilizes a computerized financial accounting and reporting system. Enhancements to the present internal accounting controls and

procedures are continually evaluated by the City Auditor. The City Auditor oversees the appropriateness of internal control, develops procedures to enhance internal control and consults with outside auditors to insure the City remains at a sound financial level of operation.

The City has built internal accounting controls into its financial accounting, budgeting and reporting system to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss resulting from unauthorized use or disposition; and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The internal accounting controls built into the City's system were developed using the concept of reasonable assurance. This concept recognizes the cost of a control should not exceed the benefits likely to be derived from its implementation, and the evaluation of costs and benefits should require estimates and judgments by management. We believe the City's internal accounting controls adequately safeguard the City's assets and provide reasonable assurance of proper recording and reporting of financial transactions.

Local Economy

Nine commercial banks and savings and loan associations are located in the City. One daily newspaper serves the City. The City is within the broadcast area of eight television stations and thirty AM and FM radio stations. Time Warner Cable and AT&T provide cable TV services.

The City is home to a number of steel industrial manufacturers and suppliers. The City has benefited from the consistent financial success of the Timken Company. The City continues to benefit from the diversity of its business base including: Nationwide Insurance, M K Morse Company, Fresh Mark Food Distributor, Ironrock Capital Incorporated, Republic Engineered Products, Republic Storage, and Sunoco Phoenix to name a few. The continued success of these companies and others is essential in order to create a climate for financial stability.

In 2008, the Canton City School District completed its Design for the Future Program. The $176 million seven-year project included nine new elementary buildings, one new middle school, and major renovations to almost all of the Districts other buildings. Also in 2007, site work was completed on the $35 million renovation project at the Timken High School Regional Campus. The Campus consists of six buildings and encompasses a ten-block area in the City's Downtown. It includes two outdoor amphitheaters, a student run restaurant, a satellite branch of the Stark State College of Technology, an Early College High School program, and a vocational high school program that offers a wide variety of career options. The City believes these major public works have dramatically improved the condition of the School District's facilities and will enhance the City's ability to attract families to the area.

Malone University, a private four-year college, is located in the City. Mount Union College and Walsh University, private four-year schools, Stark State College of Technology, a public two-year school, and a branch of Kent State University and Ashland University also are located in the County. Within commuting distance are several public and private two-year and four-year colleges and universities, including Kent State University in Kent and a branch of Kent State University in Tuscarawas County, Cleveland State University, Cuyahoga Community College, John Carroll University, Baldwin-Wallace College and Case Western Reserve University in the Cleveland metropolitan area, the University of Akron in Akron, the College of Wooster in Wooster, Hiram College in Hiram, Youngstown State University in Youngstown, and Lake College and Lakeland Community College in Lake County.

The City is served by two acute care hospitals located in the City: Aultman Hospital (808 beds) and Mercy Medical Center (476 beds), and two additional acute care hospitals located in the County: Alliance Community Hospital (204 beds) and Affinity Medical Center (166 beds). Massillon Psychiatric

Center, a 157-bed public adult psychiatric hospital operated by the State, is also located in the County. In 2006, Aultman Hospital completed a three year $80 million dollar expansion project, the largest in its history. The project included a new four-story 320,000 square foot addition that houses a new Aultman Heart Program, Emergency/Trauma Program, Women's Program (including Labor & Delivery) and the Neonatal Intensive Care Unit. In 2009, Mercy Medical Center unveiled its new state of the art 24-unit Mercy Intensive Care Unit. The $20.5 million project was started in 2007 and also includes an expansion of the surgery center parking garage and relocation of the hospital's helipad to the roof of the new structure. Both Aultman Hospital and Mercy Medical Center continue to play a pivotal role in the financial stability of the City of Canton.

The Canton Park System maintains 61 parks and covers approximately 722 acres. In addition, the City constructed and owns the 5,700-seat Thurman Munson Memorial Stadium. The City's cultural assets include the Canton Art Institute, the Symphony Orchestra Association, the Canton Civic Opera Association and the Players Guild, all of which are housed in the Cultural Center (Center) for the Arts and host a variety of exhibits, musical and dramatic performances and other cultural events each year. The Center, a gift of the Timken Foundation, is a building complex located on 8-1/2 acres in the center of the City, which cost $13,000,000 to build in 1971. Adjacent to the center is the City-owned auditorium, an air-conditioned arena-type facility with a seating capacity of 6,000. The Cultural Center and the auditorium accommodate conventions. The City's greater metropolitan area has approximately 37 hotels and motels with over 1,950 rooms.

The City's downtown is home to the National First Ladies Library housed in the former home of one time first lady Ida Saxton McKinley. The library presents a history of all the United States first ladies. In 2002, the Library added a $5.5 million education and research center in the former National City Bank building located nearby the Saxton House. The renovations to the 110-year-old building were paid for through private donations and federal grants. The six story research center houses a 91-seat theater, meeting and exhibit rooms, research and reference materials and office space for the library personnel.

Also located in the City's downtown area is the main branch of the Stark County District Library. The library's main branch, 9 satellite branches, two bookmobiles and 2 kidmobiles serve 151,000 library cardholders from throughout the county. Holdings number more than 884,000 items and annual circulation for 2010 was 3.6 million items. The collection includes books, audio-visual materials and periodicals. In addition, the Library provides programs and classes for all ages, computer and Internet access, inter-library loans, reference and genealogy services, traveling collections and outreach services to shut-ins, nursing homes and housing units. It is one of the nine largest library systems in Ohio and serves 12 local school districts.

The City is the home of the National Professional Football Hall of Fame, which attracts more than 200,000 visitors annually. In December 2010, the Hall of Fame's Board of Trustees announced plans for a major expansion and renovation to the museum. The project, called *Future 50 Project*, will be the largest in the Hall of Fame's history, costing $27 million and taking almost two years to complete. The museum building its self will expand from 83,000 square feet to 115,000 square feet. The largest piece of the expansion will be used for a Pro Football Research and Preservation Center. Also 38,000 square feet of existing gallery will be renovated, which will include a new lobby and visitor orientation theater. A new museum-quality environmental control system will be installed to better ensure the safety of the museum's artifacts. The grounds surrounding the Hall of Fame will be improved to provide space for special events, rental opportunities and additional parking. The Hall of Fame hopes to open the completed facility in time to celebrate the museum's 50th anniversary.

In 2006, the Pro Football Hall of Fame and the Canton City School District began a joint campaign to raise money to renovate the District owned Fawcett Stadium. The stadium is the home for two high schools, two colleges, the annual Hall of Fame game, the Hall of Fame Enshrinement Ceremonies, Ohio High School State Football Championship Games and numerous other events throughout the year. Money raised will be used for a multi-year project that will include structural repairs, a new west end scoreboard and video board, restroom renovations, north stands concourse expansion, a new press box and an outdoor plaza designed to connect the museum and stadium. Sufficient funds were raised in 2006 to install the new scoreboard and to begin structural repairs, which were completed in 2007. In 2008, the north stands restroom renovation was completed and ground was broken on a new $3.2 million dollar press box. The press box was completed in June of 2009. The events held at the stadium each year dramatically increase tourism to the area. Fundraising efforts are ongoing to raise the resources needed to complete the stadium's structural repairs. The renovation work is being done to ensure the future viability and sustainability of these events in the region.

The City is an industrial rail center served by the Norfolk & Southern Railway Company, Conrail, the Wheeling and Lake Erie Railway Company and CSX. 147 motor freight truck lines and local cartage haulers serve the Canton-Massillon MSA. Rail passenger service is available through the cities of Akron and Alliance by Amtrak. In 2003, Canton became a stop on the Cuyahoga Valley Scenic Railroad. The rail system is owned by the National Park Service and provides weekend excursions between Canton and Akron. Greyhound and other independent bus lines provide more complete passenger transportation.

The Stark Area Regional Transit Authority (SARTA), a separate political subdivision, provides daily public transportation in and around the City. The bus service initially was only a citywide service, but became a countywide system with the passage of a .25 percent county sales tax in 1997. The sales tax, renewed in 2002, 2006 and 2011, serves as the primary revenue source for SARTA. In addition to the sales tax, SARTA operations are supported, in part, from payments for contract services, State and Federal operating grants, and rider fares.

Interstate 77 (north-south) and two U.S. highways (U.S. 30 and 62) serve the City. The City is served by four state routes (S.R. 800, 43, 153 and 687).

The Akron-Canton Regional Airport (Airport), a cooperative effort of Stark County and Summit County (in and for which the City does not have any financial interest or legal obligations), has an operational area of 2,900 acres, most of which is located in Summit County, directly north of and adjacent to Stark County, on Interstate 77. The Airport has five airlines offering nonstop service and had 1,563,031 customers in 2010, which was an 8% increase and set a new all time high. In late 2006, the Airport completed its 5-year $60 million STAR Expansion Project which included extending runways, a new baggage claim area, a new food court, a new security screening area, enlarged gathering space, additional parking, and a terminal gate renovation that will allow the Airport to handle up to 1.6 million passengers annually. In 2007, the Airport invested $10 million in a new deicing facility. In 2008, the Airport announced its new 10-year $110 million capital improvement plan called CAK 2018. The plan includes a runway extension and border patrol facility to allow for international flights, expanded aircraft parking, expanded auto parking, a wider entrance road, expanded ticket wing, expanded security screening area, a new aircraft rescue and fire fighting maintenance facility, expand the concourse to allow for three more gates, and partner with the nearby City of Green for a new Industrial Park. The runway extension portion of the project was completed in 2010. The new aircraft rescue, border patrol facility, expanded parking lot, expanded security screening area, and the new industrial park were all under way in 2010.

Long-Term Financial Planning

The City has experienced a decrease in overall revenue, excluding other financing sources, for the General Fund of $829,873. This represents the third net decrease in as many years. However, as of August 2010, income tax revenue was down $1,710,601, but yet income tax revenue grew by $620,465 in the final four months of the year. The City's income tax growth in the final four months of 2010 coupled with the slight national economic stabilization has lead to a more optimistic financial outlook for 2011 income tax collections. The effects of federal reserves interest rate reductions in the fourth quarter of 2007, 2008 and throughout 2009 and 2010 led to net decreases in General Fund interest revenue of $1,243,235 in 2008, $595,900 in 2009 and an additional $444,900 in 2010. The slow incremental recovery in late 2010 leaves little potential for a rebound in interest revenue in the immediate future. As a result the City anticipates loosing an additional $100,000 in interest revenue in 2011. The immediate economic future is slightly stable at best, the City's cash reserves have been exhausted as a means to soften the effects of continued lost interest and lost income tax revenue. The City's unemployment rate changed from 11.4% at the end of 2009 to 11.2% at the end of 2010. This decrease is consistent with the City's marginal increase in income tax collections in the final four months of 2010. Despite some successes in attracting a few employers in 2010 the local economy has yet to feel the potentially devastating effects on governmental payrolls that are assuredly coming before the local economy fully recovers. All levels of local government (City of Canton included) have minimized employee reductions thus far by utilizing cash reserves, freezing salaries, workforce reduction through attrition and negotiated health care cost sharing increases just to name a few. To overcome anticipated government employment reductions at all levels, the City must continue to commit substantial resources to attract permanent industrial, retail, and service businesses to replace the potential lost revenue from these government employees.

The City had $8,291,350 cash, of which $5,269,614 remained uncommitted of the $15,580,000 in general revenue bonds issued in 2006 for the building of a new fire station, a new sewer collection facility, a new wade park, renovation of city buildings and reconstruction of existing recreational facilities. As of the release of this report the fire station is approximately 75% complete. A major expansion to Canton City Hall to expand operations for the Canton Municipal Court and City Council began in November of 2010. Expected completion is August 2011 and as of the release of this report the project is 40% complete. However, further evidence of the very difficult economic conditions of the City, is the decision at this point to scale back the size and scope of the projects outlined in the City's 2006 Recreational Bond Issuance. City Council in January of 2011 elected for the second consecutive year to utilize a portion of the uncommitted and unspent proceeds to retire it's own debt. The decision was based not only the short term benefit of retiring bond principal with unused proceeds, but also assures that the operational expenses associated with the building of a wade park do not further increase the City' deficit spending during these very difficult economic times.

Relevant Financial Policies

During 2010, the City issued manuscript debt twice in the General Fund. The first issuance was done in January for $2 million and was needed to create enough short-term liquidity in the General Fund to fund the City's daily operations. The debt issued by the General Fund was purchased by the pooled equity of the City. The General Fund repaid the debt with interest in July of 2010. The repayment was made possible by the second issuance of $2 million in July, which was necessary to again provide short-term liquidity in the General Fund for the second half of 2010. The second issuance was again repaid with interest in December 2010.

The outstanding manuscript debt issuance from 2009 was repaid in the second half of 2010 upon the City issuing traditional bond anticipation notes. The 2011 budget includes $100,000 to pay a portion of the $1.8 million note and anticipates a new issuance of $1.7 million.

During 2010, the City continued to make biweekly sick expense premium deposits into its Compensated Absences Claim Fund to help offset the cost of current and previous unfunded compensated absences. The City was not in a financial position to make additional lump sum contributions to the fund as had been done in some previous years. In addition, the City changed the premium calculation from 125% of the total cost of the sick leave accrued on biweekly payrolls to 105% for 2010. However, the premium returned to 125% January 1, 2011

Major Initiatives

In 2010, the City annexed approximately 0.19 acres and continues to explore further annexation options.

A Downtown Special Improvement District (District) was formed in the City's central business area in 1997 by petition of a majority of the property owners. In March 1997, Canton City Council approved the petition and the District's articles of incorporation and initial services plan. The District has the authority to assess property owners for the cost of public services and improvements that specifically benefit properties and the District.

In 2004, the City chose to consolidate all of its previous community reinvestment areas into one area known as the Central Neighborhoods Community Reinvestment Area. The new area covers the City's central downtown business district, significant portions of the City's northeast and southeast quadrants, and portions of the southwest and northwest quadrants closest to the City's downtown. Residential properties in the Central Neighborhoods Community Reinvestment Area can receive 100 percent abatement per year for ten years on the increased value of all qualifying improvements, restoration or new construction. Commercial properties in the area can receive 100 percent abatement on the increased value of all qualifying, restoration and construction for the first 5 years and a 20 percent reduction per year over the remaining five-year period. The construction must be over $50,000 for commercial projects and $5,000 for residential projects to qualify.

The City entered into an enterprise zone agreement with Medline Inc in March 2010 for real property tax abatement of $11 million and personal property of $2.7 million to help facilitate the construction of a warehouse in the Mill Industrial Park. The estimated job creation as a result of this project is 25 fulltime employees. This agreement will not expire until December of 2020. The construction was completed in 2010 and the total number of permanent employees employed as of December 31, 2010 was 61.

In 2009, the City also received $3,678,562.00 in Neighborhood Stabilization funds. The City is going to use the funding in a comprehensive plan being developed to coordinate demolitions, housing rehabilitation and new construction of housing to prevent further deterioration in some neighborhoods and revitalize others. In 2010, the City purchased 25 properties and committed $2,265,659 of the grant for these projects. Renovations have begun on 12 of the 25 properties and range in stages of completion from 15% to 90%. All 25 properties are expected to be completed by the end of 2011.

The City and the Canton Community Improvement Corporation (CCIC), received an EPA grant in 2009 that provides Brownfield Job Training for unemployed or underemployed persons to receive training. The grant will allow 105 people to receive training in environmental assessment and remediation. The first 27 of the initial 35 students completed training in December 2010. That is a completion rate of 77%. Of these 27, 7 have found full time employment and 5 have found part time employment. The second

group of 35 students began training in June 2010 and expects to complete training in May 2011. The final group of 35 students will finish training in May 2012.

The City awarded a grant to assist with the installation of a catch basin to convert exiting farmland to Gervasi Winery, Canton's first vineyard and bistro. The developer invested $2.5 million into the project and expects to employ 20-25 persons. The project includes restoring historic buildings located on the site. The final project consists of a fully restored barn built in 1823 to serve as a wine tasting bistro and wine making facility; a fully restored outbuilding that will serve as the grape crush pad, wine warehouse and retail market place; a new pavilion, a 6.5 acre vineyard, walking trails and an outdoor patio with fire pits. The vineyard opened for business in March 2010. The business has seen considerable success in its opening year. The business has done so well, that the owners have under taken the creation of the Gervasi Village. The village expansion will include 25 luxurious villa suites and The Villa Grande, a conference and event facility will include a multi gathering area for up to 180 guests and culinary and wine education. The entire new complex will overlook the property's lake and vineyards. Estimated completion date for the project is fall 2011.

The City has been fortunate to secure several Clean Ohio Assessment Fund (COAF) Grants and Clean Ohio Revitalization Fund (CORF) Grants for the cleanup of former industrial sites throughout the City. In all of the cases, the City is acting solely as a pass through for the grants and has no ownership interest in the properties.

The City received a $372,000 COAF grant in 2004 to make an evaluation of the nature of environmental contamination at the former Bison Property. The goal is for it to again be used as an industrial site. Two companies, Abbott Electric and a sign company, are already located on the site. In 2007, the City was awarded a $3 million CORF grant for site clean up. In 2008, the City entered into contract with a Certified Environmental professional to prepare the specifications and work plans for the clean up phase with actual environmental cleanup work starting in 2009 and continued through 2010 and is estimated to be compete in July 2011.

In 2005, a $298,480 COAF grant was received for the study of the brownfield site at the former Stein Property to determine a suitable cleanup methodology. In 2006, a $698,709 CORF grant was received for site remediation to develop the site as an industrial park. The site remediation was completed in 2009 and a new tenant, Pull-A-Part Used Auto Parts, promptly relocated to the property. Also in 2009 the City received a CORF grant of $749,590 for remediation work at the former Canton Lead Smelter building located on the new Stein Industrial Park. Estimated completion is June 2011

In 2006, a $284,733 COAF grant was awarded for the assessment of the former Hercules Engine Property to determine the scope of its environmental impact and to develop a methodology for site cleanup. In late 2007, the City was awarded a $3 million CORF grant for remediation work on the site. The long-term goal for the Hercules Property is for it to become a multi use facility with a convention center, market rate housing, business space and retail space. Remediation work began in 2008 and continued in 2009. The City also supported a state tax credit application submitted by the property owner, which resulted in a $34 million dollar credit. The weak economy has held this project up, but the tax credit has been extended and the project is still expected to move forward.

The City Engineering Department oversees all stages of street and sewer improvement projects. During 2010, the City completed the $2.3 million 25th Street NE Storm Sewer Improvement project and the $670,211 West Side Park Trail Bridge Project. Engineering projects in various stages of planning, development, and construction include: Guilford Ave. NW Bridge Replacement, Cleveland Ave. Resurfacing Project, Mahoning Rd. Corridor, Fulton Road/Stadium Park Intersection, 12th St. Corridor

project, Mill St. Bridge Replacement, 30th St. NE Storm Sewer Project, 49th St. & Gardendale Ave NE, Storm Sewer Project, the East Side Park Trail Project, 11th Street SE Realignment Project, and the Sherrick Road Improvement Project.

During 2010, the City's Sewer Department began work on a Navarre Road Sanitary Sewer Extension and a Westside Interceptor Project. The City's Water Department completed various waterline extensions and improvements throughout the year adding an additional $112,956 of value to the overall system. The Water Department also continued infrastructure work at its Northwest Water Plant and Northeast Water Plant.

Debt Administration

The gross indebtedness of the City at the end of 2009 was $51,803,873. At the end of 2010, the gross indebtedness of the City was $49,649,904. In 2010, the City continued drawing down from two pre-existing OWDA Loans and entered into two new OWDA Loans. The first of the two new loans was for $54,641 and was used to finance a sanitary sewer project. The second new loan was for a long-term renovation project the City is undertaking at its Water Reclamation Facility. Proceeds from that loan totaled $158,096. The project will take almost eight years to complete and is estimated to cost $72.1 million to complete. The two outstanding loans the City continued to draw from were for infrastructure work still on going at two of the City's water plant facilities. The proceeds from the two loans totaled $3,372,884. As of December 31, 2010, the City had $941,949 and $23,619,468 in outstanding OPWC and OWDA loans, respectively. The City also had $6,029,677 outstanding in the enterprise funds and $16,714,810 for bonds payable in the governmental funds. The City had a legal claim and judgment outstanding of $66,700. The City had $1,392,717 in long-term SIB and Urban Redevelopment Loans outstanding as of December 31, 2010.

In 2010, Moody's Investor Services downgraded the City's rating to A1 from Aa3 and gave the City a negative outlook on general obligation bond issue. Fitch Rating service also downgraded the City from AA- to A+ but said its outlook is stable. The general obligation indebtedness of the City is subject to two statutory debt limitations referred to as the "direct debt limitation" (by Ohio Revised Code Section 133.05). The total principal amount of voted and unvoted nonexempt net indebtedness of the City may not exceed 10.5 percent of its assessed value of real and personal property, and in addition, the net principal amount of unvoted nonexempt debt may not exceed 5.5 percent of the same total assessed value. The City's overall legal debt margin was $73,360,170 and an unvoted debt margin of $29,584,873 as of December 31, 2010.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Canton for its Comprehensive Annual Financial Report as of December 31, 2009. The Certificate of Achievement is the highest form of recognition for excellence in state and local government.

To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized financial report whose contents conform to program standards, as well as satisfy both generally accepted accounting principles and applicable legal requirements.

Acknowledgements

Special recognition for the preparation of this report is made to contributing department heads, Treasurer's staff, my own Auditor's office staff and City Council for their continuing support and commitment to responsible fiscal reporting. Special acknowledgement is given to my administrative staff: Christine Bagley, John Slebodnik and Gary Young for their continued dedication and commitment to sound financial reporting in the preparation of this report. A grateful acknowledgement is given to James Carman a key former member of my administrative staff for his continued commitment, professionalism, and dedication in the preparation of this report.

Sincerely,

Richard A Mallonn II
City Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Canton
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

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

CITY OF CANTON

CITY OFFICIALS

Mayor

William J. Healy II

Council Members

Allen Schulman, President

Patrick Barton
Mark Butterworth
Mary Cirelli
Joe Cole
David Dougherty
James E. Griffin
Gregory Hawk
Brian Horner
Terry Prater
Chris Smith
Bill Smuckler
Thomas West

City Auditor
Richard A. Mallonn II

City Treasurer
Robert C. Schirack

Law Director
Joseph Martuccio

Director of Income Tax
Cynthia Allensworth

Chief of Staff-Director of Public Service
Warren Price

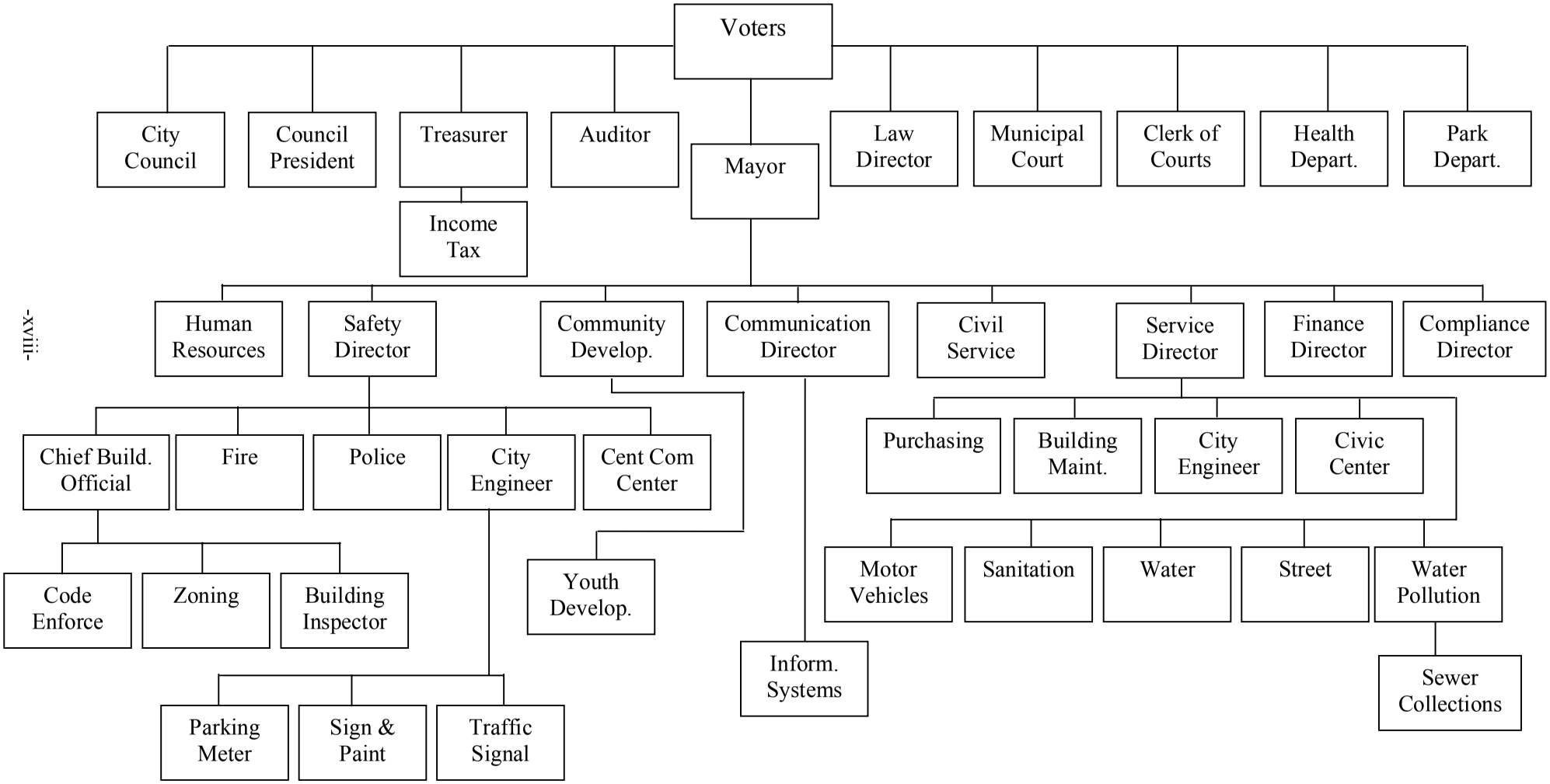
Director of Public Safety
Thomas Ream

Fire Chief
Stephen J. Rich

Police Chief
Dean McKimm

City Engineer
Dan Moeglin

City of Canton
Organizational Chart



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

City of Canton
Stark County
218 Cleveland Avenue
Canton, Ohio 44702

To the City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the City of Canton, Stark County, Ohio (the City), as of and for the year ended December 31, 2010, 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 did not audit the financial statements of the Canton Community Improvement Corporation, which represent 4 percent, 10 percent, and 3 percent, respectively, of the assets, net assets, and revenues for the aggregate discretely presented component unit and remaining fund information. Other auditors audited those financial statements. They have furnished their report thereon to us and we base our opinion, insofar as it relates to the amounts included for the Canton Community Improvement Corporation on the report of the other auditors.

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 and the report of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, 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 discretely presented component unit and remaining fund information of the City of Canton, Stark County, Ohio, as of December 31, 2010, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General and the Community and Economic Development Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, during the year ended December 31, 2010 the City adopted the provisions of Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

101 Central Plaza South, 700 Chase Tower, Canton, Ohio 44702-1509
Phone: 330-438-0617 or 800-443-9272 Fax: 330-471-0001
www.auditor.state.oh.us

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2011, 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.

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

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provides additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We and the other auditors also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the report of the other auditors, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We and the other auditors did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Dave Yost
Auditor of State

June 20, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the City of Canton's financial performance provides an overview of the City's financial activities as of December 31, 2010. Please read it in conjunction with the City's basic financial statements, which begin on page 13.

FINANCIAL HIGHLIGHTS

- The City's net assets increased $5.5 million as a result of this year's operations. Net assets of our business-type activities increased by $7.9 million, or 8.8 percent, and net assets of governmental activities decreased by $2.4 million, or 1.9 percent.

- The City saw its Bond Ratings downgraded to Aa3 per Moody's and to A+ status from Fitch in 2010.

- For the third consecutive year, the City was unable to reduce its unfunded compensated absence debt. The unfunded compensated absence debt went from $7,161,616 at the end of 2009 to $7,289,166 at the end of 2010.

USING THIS ANNUAL FINANCIAL REPORT

This annual financial report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 13 and 14-15) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements begin on page 16. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most financially significant funds.

Reporting the City as a Whole

The Statement of Net Assets and the Statement of Activities

Our analysis of the City as a whole begins on page 13. One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's *net assets* and changes in them. You can think of the City's net assets, the difference between assets, what the citizens own, and liabilities, what

the citizens owe, as one way to measure the City's financial health, or *financial position.* Over time, *increases or decreases* in the City's net assets are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other non-financial factors; however, such as changes in the City's property tax base, income tax base, and the condition of the City's capital assets (land, roads, building, water and sewer lines, etc...) to assess the *overall health* of the City.

In the Statement of Net Assets and the Statement of Activities, we divide the City into two types of activities:

Governmental Activities: Most of the City's basic services are reported here, including the police, fire, street and highway maintenance, capital improvement, vehicle acquisition, parks and recreation, and general administrative. Income taxes, property taxes, undivided local government, ambulance user fees and state and federal grants finance most of these activities.

Business-Type Activities: The City charges a fee to customers to help cover all or most of the cost of certain services it provides. The City's water, sewer and refuse operations are reported here.

Reporting the City's Most Significant Funds

Fund Financial Statements

Our analysis of the City's major funds begins on page 16. The fund financial statements provide detailed information about the most significant funds, not the City as a whole. Some funds are required to be established by State law. However, City Council establishes many other funds to help it control and manage money for particular purposes (Ex. Parking Deck Fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (Ex. grants received from the U.S. Department of Housing and Urban Development). The City's two kinds of funds, governmental and proprietary, use different accounting approaches.

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

Proprietary funds: When the City charges customers for the full cost of the services it provides whether to outside customers or to other units of the City, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the City's enterprise funds (a component of business type funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as a Statement of Cash Flows. We use internal service funds, Health Insurance, Worker's Compensation Insurance, and Compensated Absences Claim funds, (the other component of proprietary funds) to report activities that provide a service to the City's other programs and activities.

THE CITY AS A WHOLE

The City's *combined* net assets changed from a year ago, *increasing* from $218.3 million to $223.8 million. The City experienced a decrease in its governmental net assets and an increase in business-type activities separately. Our analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the City's governmental and business-type activities.

Table 1
Net Assets
(In Millions)

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Assets						
Current and Other Assets	$ 57.2	$ 62.6	$ 34.0	$ 26.5	$ 91.2	$ 89.1
Capital Assets, Net	109.4	107.8	95.1	93.9	204.5	201.7
Total Assets	$ 166.6	$ 170.4	$ 129.1	$ 120.4	$ 295.7	$ 290.8
Liabilities						
Current and Other Liabilities	$ 12.4	$ 10.3	$ 2.0	$ 2.2	$ 14.4	$ 12.5
Due Within One Year	4.6	4.3	2.2	2.2	6.8	6.5
Long-Term Liabilities:						
Due Within More Than One Year	23.3	27.1	27.4	26.5	50.7	53.6
Total Liabilities	40.3	41.7	31.6	30.9	71.9	72.6
Net Assets						
Invested in Capital Assets Net of Debt	96.7	94.0	65.5	65.2	162.2	159.2
Restricted	34.5	38.1	-	-	34.5	38.1
Unrestricted	(4.9)	(3.4)	32.0	24.4	27.1	21.0
Total Net Assets	$ 126.3	$ 128.7	$ 97.5	$ 89.6	$ 223.8	$ 218.3

Net assets in the City's governmental activities decreased by 1.9 percent ($128.7 million compared to $126.3 million). Unrestricted net assets, the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements decreased from $(3.4) million at December 31, 2009 to ($4.9) million at the end of 2010. Restricted net assets, those restricted mainly for capital projects and special purposes such as street cleaning or maintenance decreased from $38.1 million at the end of 2009 to $34.5 million at the end of 2010. The investments in capital assets, net of debt category increased by $2.7 million.

Net assets in the City's business-type activities increased by 8.8 percent ($89.6 million compared to $97.5 million) in 2010. The City generally can only use these net assets to finance the continuing operations of the water, sewer, and refuse operations.

Table 2 shows the changes in net assets for the year ended, December 31, 2010. The City's Governmental Activities revenue decreased in 2010 from $90.4 million to $85.9 million and expenses decreased by $3.1 million or 3.4% resulting in a decrease in governmental net assets of $2.4 million. The City's Business-Type Activities revenue increased by $3.1 million and expenses decreased by $1.8 million resulting in a net asset increase of $7.9 million.

Table 2
Change in Net Assets
(In Millions)

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenues						
Program Revenues:						
Charges for Services	$ 14.2	$ 12.8	$ 34.3	$ 27.7	$ 48.5	$ 40.5
Operating Grants and Contributions	11.3	15.2	-	0.1	11.3	15.3
Capital Grants and Contributions	6.7	4.3	0.2	2.9	6.9	7.2
Total Program Revenues	32.2	32.3	34.5	30.7	66.7	63.0
General Revenues:						
City Income Taxes	38.6	40.9	-	-	38.6	40.9
Property Taxes	3.7	3.6	-	-	3.7	3.6
Intergovernmental	8.8	8.9	-	-	8.8	8.9
Interest and Investment Earnings	0.2	0.7	-	-	0.2	0.7
Other	2.4	3.9	0.3	1.0	2.7	4.9
Gain on Sale of Assets	-	0.1	-	-	-	0.1
Total General Revenues	53.7	58.1	0.3	1.0	54.0	59.1
Total Revenues	$ 85.9	$ 90.4	$ 34.8	$ 31.7	$ 120.7	$ 122.1

Table 2
Change in Net Assets (continued)
(In Millions)

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Expenses						
Program Expenses:						
General Government	$ 17.9	$ 21.4	$ -	$ -	$ 17.9	$ 21.4
Security of Persons and Property	38.0	39.7	-	-	38.0	39.7
Public Health	6.8	6.5	-	-	6.8	6.5
Transportation	12.6	14.6	-	-	12.6	14.6
Community Development	9.3	5.4	-	-	9.3	5.4
Leisure Time Activities	2.9	2.9	-	-	2.9	2.9
Interest on Long-Term Debt	0.8	0.9	-	-	0.8	0.9
Water	-	-	10.9	11.8	10.9	11.8
Sewer	-	-	11.1	11.6	11.1	11.6
Refuse	-	-	4.9	5.3	4.9	5.3
Total Program Expenses	88.3	91.4	26.9	28.7	115.2	120.1
Increase (Decrease) in Net Assets	(2.4)	(1.0)	7.9	3.0	5.5	2.0
Net Assets 1/1/2010	128.7	129.7	89.6	86.6	218.3	216.3
Net Assets 12/31/2010	$ 126.3	$ 128.7	$ 97.5	$ 89.6	$ 223.8	$ 218.3

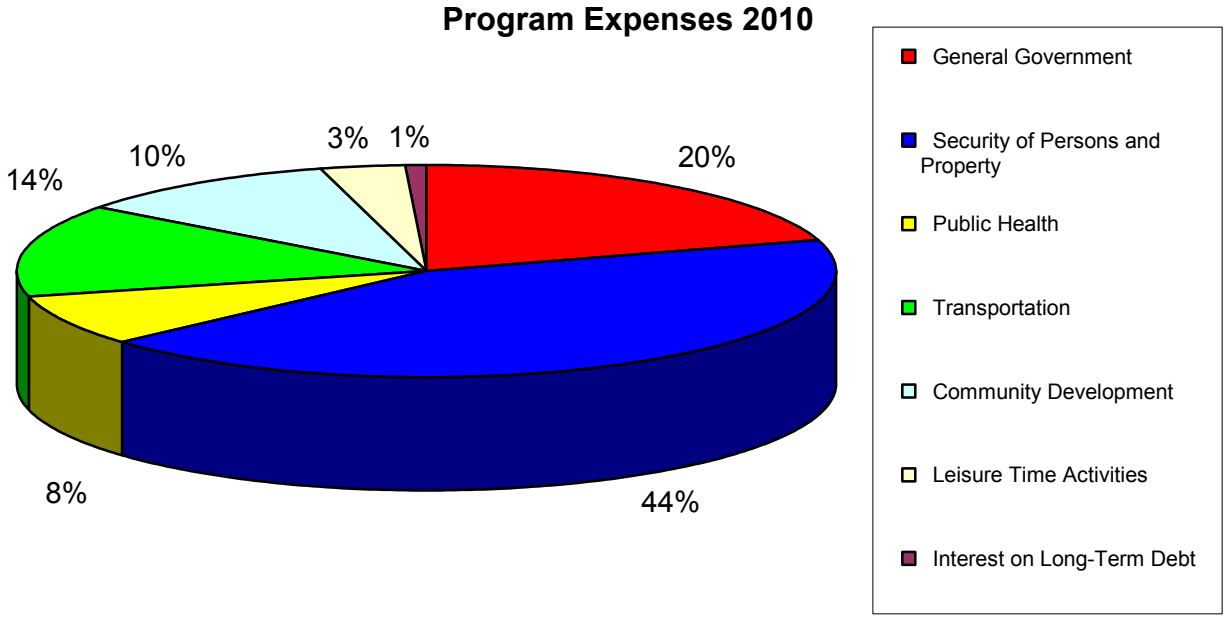
Governmental Activities

The 2.0 percent income tax is the largest revenue source for the City. Designated by ordinance, the Capital Acquisition and Improvement Fund receives 20 percent of net income tax received. In addition, the Motor Vehicle Fund receives 5 percent of net income tax received. The remaining 75 percent is allocated to the General Fund and is used for such things as Police and Fire Protection, Street Maintenance, and other purposes determined by council.

When looking at sources of income to support governmental activities, it should be noted that charges for services are only 16.5 percent of revenue. Revenues provided by sources other than city residents in the form of operating and capital grants comprise another 20.9 percent. The remaining revenues are primarily generated locally through property (4.3 percent) and income taxes (44.9 percent).

Chart 3 represents the cost of each of the City's Governmental programs: Security of Persons and Property, General Government, Transportation, Public Health, Leisure Time Activities, Community Development, and Interest on Long Term Debt. The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions. The increase in the net cost demonstrates the inability to recover the increased cost of the program under the current revenue policies. As indicated by Governmental Program Expenses, citizen's safety, health, and well-being is emphasized.

Chart 3
Program Expenses 2010



Business-Type Activities

The City's major Enterprise Funds consist of the Water Operating Fund, the Sewer Operating Fund and the Refuse Operating Fund. For a description of these funds, see the accompanying Notes to the Basic Financial Statements.

The basic financial statements for the major funds are included in this report. Because the focus on business-type funds is a cost of service measurement or capital maintenance, we have included these funds in Graph 5, which demonstrates capital asset balances. Graph 5 is located on page 11.

The City's Funds

Information about the City's major governmental funds begins on page 16. These funds are reported using the modified accrual basis of accounting. All Governmental funds had total revenues of $88.6 million and expenditures of $91.9 million including other financing sources and uses. The General Fund balance increased $58,122. Included in the General Fund Expenditures is the annual premium based contributions into the City's Compensated Absence Claim Fund of $1,836,597. In 2004, as part of cost cutting measures, the City established the Compensated Absences Claim Fund. This fund is receiving biweekly premiums from all other funds presently paying a salary. The money set aside will be used to pay for the salaries of employees using sick leave and cover the cost of benefits paid to employees at the point of termination. The success of this fund is obvious. The City has been successful in reducing its potential unfunded compensated absence obligation from $11,500,997 at the end of 2003 to $7,289,166 at the end of 2010. Unfortunately, 2010 saw the third consecutive year in which the

unfunded compensated absence obligation increased. This can be attributed to two factors. One is the effect of increased retirements due to the forced retirement of safety forces that enrolled in the Police and Fire Pension DROP program in its initial year of eligibility. The second was due to reducing the premium percentage to 105% of the total cost of the sick leave accrued on a biweekly payroll. This was done in an attempt to maintain an adequate workforce in light of large revenue declines in 2009 and 2010.

The Community and Economic Development Fund balance decreased by $786,355, which can be attributed to a large increase in expenditures from funds previously received from the federal government's stimulus program. The Capital Projects Fund balance saw a decrease of $654,786 caused by a drop of over $200,000 in income tax and an increase in debt expenditures. The Motor Vehicle Purchase Fund balance increased by $633,952. The increase was caused by fewer vehicle purchases in 2010 and having a debt payment previously attributed to the Motor Vehicle Fund moved to the Capital Fund. There was one transfer in the governmental funds last year. The transfer was from the General Fund to Nonmajor Special Revenue Funds. The $40,000 transfer was done as a grant match. The Water, Sewer and Refuse funds had net asset increases of $3,954,793, $2,179,970 and $1,663,199 respectively. All three funds saw large increases in operating revenue, Water 22.6%, Sewer 13.7%, and Refuse 19%, coupled with reduced operating expenses. The large revenue increases are due to feeling the full effect of previously enacted rate increases and expansion projects. Expense savings are the result of attempts to cut costs and operate more efficiently throughout the City.

General Fund Budgeting Highlights

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the Alternative Tax Budget, the Certificate of Estimated Resources and the Appropriation Ordinance: all are prepared on the budgetary basis of accounting. The Certificate of Estimated Resources and the Appropriations Ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the account level split between salary and non-salary line items. Any budgetary modifications above account group level may only be made by resolution of City Council.

The City's fully automated financial system also maintains budgetary control through its requisition/purchase order/encumbrance feature. Department requisitions, which if processed, would result in an overrun of budget are placed into suspense and can only be authorized when additional appropriations are made available through Council ordinance or departmental transfer. The security of the financial system prohibits commitments in excess of appropriations. Requisitions not completed are removed at the close of each month. Requisitions meeting the required criteria are processed by the City Auditor resulting in the required purchase order. The purchase order provides for the reserved encumbrance against the current budget.

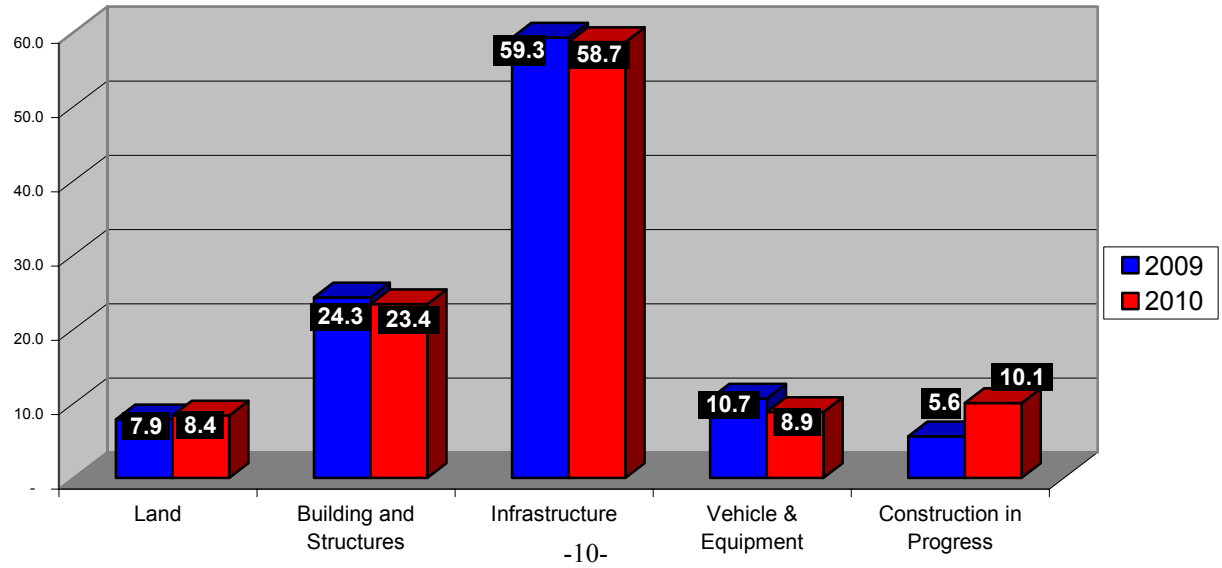
The City Auditor continually monitors the encumbrances and expenditures against the budgeted appropriations and against the County Auditor's Certificate of Estimated Resources. Using the budget prepared by the City the preceding July and including the carry over balances less carry over encumbrances at year-end, the County Auditor arrives at and issues the Certificate of Estimated Resources for the City. Ohio Law prohibits total fund appropriations from exceeding the amounts by fund on the County Auditor's certificate.

The City's General Fund variance from original estimated revenues increased by $3,912,321 increasing the overall General Fund estimated revenues to $60,301,173 as indicated on page 20. This change represents 6.5% of total revenue and is due to debt issued and advances. The General Fund variance from original appropriations to final appropriations was $4,602,564; this increased the overall General Fund appropriations to $61,183,333. This increase in appropriations was primarily due to the City issuing a second $2,000,000 manuscript debt note in 2010 and repaying a due to/due from other funds of $1,800,000. The actual expenditures were less than the final budget by $741,798. The small variance, 1.2% of total expenditures, was due to the careful monitoring of expenditures by all elected officials and department heads. The actual expenditures were greater than the original budget by $3,860,766. The actual variance was again due to the unexpected need to issue a second manuscript debt and the final repayment on an interfund borrowing.

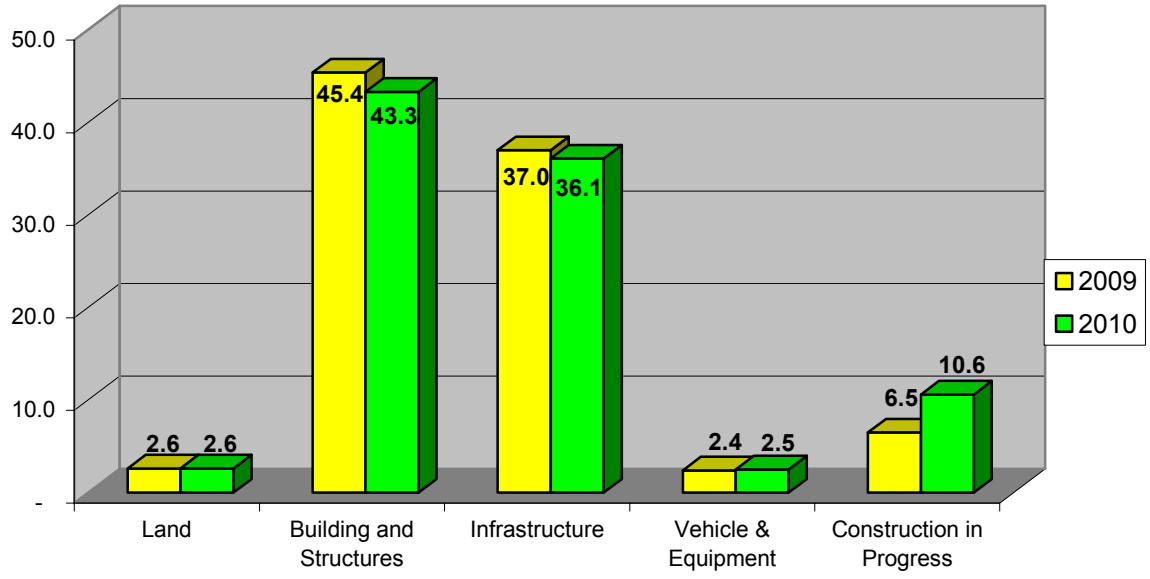
CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of 2010, the City had $204.5 million invested in a variety of capital assets, including police and fire equipment, land, buildings, park facilities, roads, bridges, and water and sewer lines (see following graphs). This amount represents a net increase over last year. Major additions for the Governmental Activities included the start of several major road and storm sewer projects, park equipment additions and renovations, and a major street lighting upgrade.

Graph 4
Governmental Capital Assets-Net of Depreciation
(Dollar Value in Millions)



Graph 5
Business-Type Capital Assets - Net of Depreciation
(Dollar Value in Millions)



Additions to Business-Type Activities included additional water and sewer line construction, the start of a major renovation project at the City's Water Reclamation Plant, and ongoing restoration work at two of the City's water plants.

The City's 2011 capital budget anticipates a spending level of $8.3 million for capital projects. The City will also continue to use the $15,850,000 generated from the sale of general obligation bonds during 2006 to construct a new fire station, renovate City Hall and improve infrastructure. More detailed information about the City's capital assets is presented in Note 8 to the basic financial statements.

Debt

At December 31, 2010, the City had $16.7 million in Governmental Activities General Obligation Bonds.

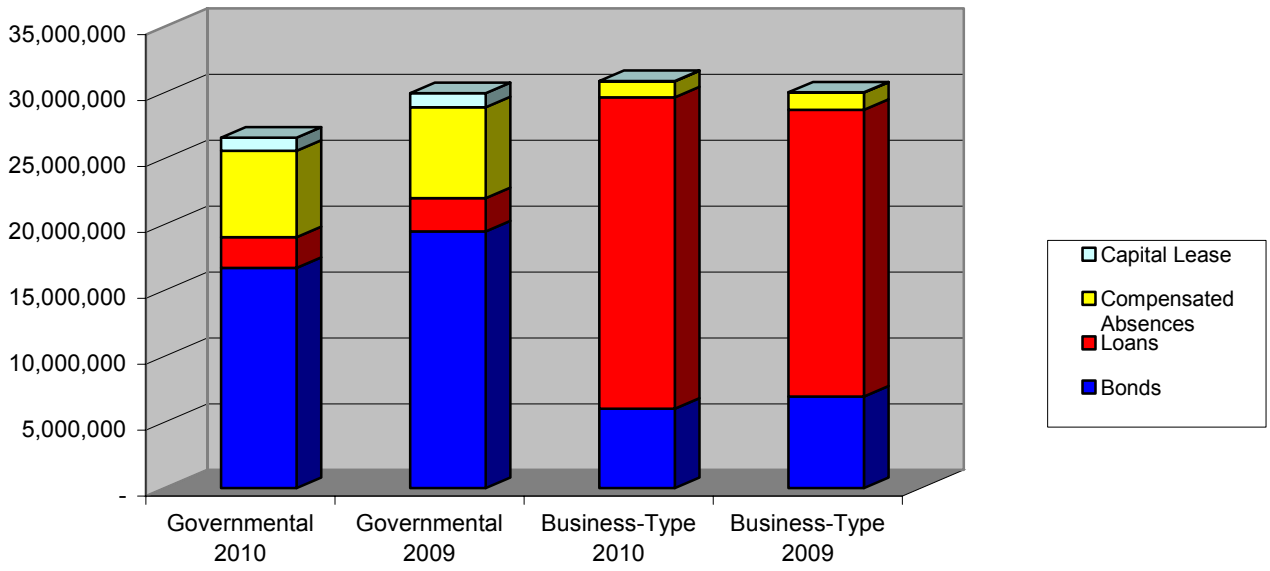
Table 6
General Obligation Bond Debt Outstanding at Year End

	Governmental Activities	
	2010	2009
Unvoted General Obligation Bonds:		
2009 Refunding Bonds	$ 7,460,000	$ 8,265,000
2001 Radio Communication	655,000	1,290,000
2006 Various Purpose	8,599,810	9,928,363
Total Unvoted General Obligation Bonds:	$ 16,714,810	$ 19,483,363

The City's overall legal debt margin was $73,360,170 as of December 31, 2010. The City's unvoted legal debt margin was $29,584,873 as of December 31, 2010.

At December 31, 2010, the City had outstanding long-term debt obligations in the amount of $26.6 million down from $30.1 million in 2009 for the governmental activities this represents a 13.2 percent decrease. The City's business-type activities debt obligation as of December 31, 2010 was $30.9 million up from $30.0 million in 2009 this represents an increase of 2.9 percent. The breakout on debt is presented in the graph below.

Graph 7
Total Debt Outstanding by Type



In 2010, Moody's Investor Services downgraded the City's rating to A1 from Aa3 and gave the City a negative outlook on general obligation bond issue. Fitch Rating service also downgraded the City from AA- to A+ but said its outlook is stable. Other obligations include accrued vacation pay and sick leave. More detailed information about the City's long-term liabilities is presented in Note 10 to the basic financial statements.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Richard A. Mallonn II-City Auditor, City of Canton, 218 Cleveland Ave., Canton, Ohio 44702. (Phone 330-489-3226 or Fax 330-580-2067).

City of Canton, Ohio

Statement of Net Assets

December 31, 2010

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	CCIC
Assets				
Current Assets				
Cash and Cash Equivalents	$ 24,561,430	$ 22,432,473	$ 46,993,903	$ 189,576
Cash and Cash Equivalents with Fiscal Agents	3,019	-	3,019	-
Accounts Receivable	2,341,445	8,512,141	10,853,586	233
Taxes Receivable	10,070,814	-	10,070,814	-
Loans Receivable	1,838,054	-	1,838,054	-
Due From Other Governments	18,075,234	836,814	18,912,048	13,322
Inventories	288,379	2,176,864	2,465,243	-
Internal Balances	14,566	(14,566)	-	-
Total Current Assets	57,192,941	33,943,726	91,136,667	203,131
Noncurrent Assets				
Capital Assets:				
Land and Construction in Progress	18,508,910	13,253,064	31,761,974	681,187
Other Capital Assets, Net of Depreciation	90,877,735	81,887,113	172,764,848	160,295
Total Noncurrent Assets	109,386,645	95,140,177	204,526,822	841,482
Total Assets	$ 166,579,586	$ 129,083,903	$ 295,663,489	$ 1,044,613
Liabilities				
Current Liabilities				
Accounts Payable	$ 3,759,762	$ 1,352,788	$ 5,112,550	$ 3,043
Accrued Wages and Benefits	1,470,279	371,899	1,842,178	4,110
Due to Other Governments	733,379	140,349	873,728	-
Retainage Payable	65,905	89,109	155,014	-
Note Payable	1,800,000	-	1,800,000	-
Claims Payable	2,662,071	-	2,662,071	-
Unearned Revenue	1,933,811	-	1,933,811	67,854
Long Term Liabilities Due Within One Year	4,200,659	2,233,268	6,433,927	-
Capital Lease Due Within One Year	330,118	13,124	343,242	-
Legal Claims Payable Due Within One Year	27,600	-	27,600	-
Total Current Liabilities	16,983,584	4,200,537	21,184,121	75,007
Noncurrent Liabilities				
Long Term Liabilities Due Within More Than One Year	22,608,205	27,427,054	50,035,259	-
Capital Lease Due Within More Than One Year	608,041	-	608,041	-
Legal Claims Payable Due Within More Than One Year	39,100	-	39,100	-
Total Noncurrent Liabilities	23,255,346	27,427,054	50,682,400	-
Total Liabilities	40,238,930	31,627,591	71,866,521	75,007
Net Assets				
Invested in Capital Assets, Net of Related Debt	96,658,405	65,466,731	162,125,136	841,482
Restricted for:				
Community Development Programs	13,310,283	-	13,310,283	-
Street Construction, Maintenance & Repair	2,065,539	-	2,065,539	-
Public Health Service Programs	3,949,412	-	3,949,412	-
Safety & Security Programs and Supplies	1,509,249	-	1,509,249	-
Court Programs	1,333,579	-	1,333,579	-
City Owned Parking Decks	28,396	-	28,396	-
Other Purposes	633,032	-	633,032	-
Debt Service	22,586	-	22,586	-
Capital Projects	11,731,332	-	11,731,332	-
Unrestricted	(4,901,157)	31,989,581	27,088,424	128,124
Total Net Assets	126,340,656	97,456,312	223,796,968	969,606
Total Liabilities and Net Assets	$ 166,579,586	$ 129,083,903	$ 295,663,489	$ 1,044,613

See accompanying notes to the basic financial statements

City of Canton, Ohio

Statement of Activities

For the year ended December 31, 2010

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government				
Governmental Activities				
General Government	$ 17,916,837	$ 8,586,671	$ 470,681	$ -
Security of Persons and Property	38,021,732	4,013,007	1,601,327	293,100
Public Health	6,789,047	930,287	3,492,046	-
Transportation	12,594,651	41,744	1,210	4,908,325
Community Development	9,206,391	-	5,738,447	1,298,165
Leisure Time Activities	2,919,500	593,174	320	182,228
Interest on Long-Term Debt	815,188	-	-	-
Total Governmental Activities	88,263,346	14,164,883	11,304,031	6,681,818
Business-Type Activities				
Water	10,975,361	14,679,276	21,735	204,947
Sewer	11,135,229	13,061,066	-	1,511
Refuse	4,948,513	6,511,534	65,771	1,511
Total Business-Type Activities	27,059,103	34,251,876	87,506	207,969
Total Primary Government	$ 115,322,449	$ 48,416,759	$ 11,391,537	$ 6,889,787
Component Unit:				
CCIC	$ 753,319	$ 2,798	$ 777,854	$ -

General revenues:
- Taxes:
  - City Income Taxes
  - Property Taxes
- Intergovernmental-Unrestricted
- Interest and Investment Earnings
- Other
- Gains on Sale of Assets
  - Total General Revenues
    - Change in Net Assets

Net Assets -- Beginning (Restated, see Note 23)

Net Assets -- Ending

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets

Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	CCIC
$ (8,859,485)	$ -	$ (8,859,485)	$ -
(32,114,298)	-	(32,114,298)	-
(2,366,714)	-	(2,366,714)	-
(7,643,372)	-	(7,643,372)	-
(2,169,779)	-	(2,169,779)	-
(2,143,778)	-	(2,143,778)	-
(815,188)	-	(815,188)	-
(56,112,614)	-	(56,112,614)	-
-	3,930,597	3,930,597	-
-	1,927,348	1,927,348	-
-	1,630,303	1,630,303	-
-	7,488,248	7,488,248	-
(56,112,614)	7,488,248	(48,624,366)	-
-	-	-	27,333
38,633,612	-	38,633,612	-
3,711,729	-	3,711,729	-
8,796,360		8,796,360	-
235,190	55	235,245	-
2,384,563	306,861	2,691,424	47,772
-	2,798	2,798	-
53,761,454	309,714	54,071,168	47,772
(2,351,160)	7,797,962	5,446,802	75,105
128,691,816	89,658,350	218,350,166	894,501
$ 126,340,656	$ 97,456,312	$ 223,796,968	$ 969,606

City of Canton, Ohio

Balance Sheet
Governmental Funds
December 31, 2010

	General	Community and Economic Development	Capital Projects	Motor Vehicle Purchase
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 2,148,940	$ 926,009	$ 2,405,893	$ 739,306
Cash and Cash Equivalents in Segregated Accounts	-	-	-	-
Taxes Receivable	8,203,429	-	1,478,589	369,648
Accounts Receivable	1,751,743	509,306	-	-
Loans Receivable (net of uncollectibles)	-	1,838,054	-	-
Due From Other Funds	-	174,953	-	-
Due From Other Governments	3,550,964	10,606,597	-	-
Inventories	262,064	-	-	-
Total Assets	$ 15,917,140	$ 14,054,919	$ 3,884,482	$ 1,108,954
Liabilities				
Current				
Accounts Payable	$ 955,217	$ 625,002	$ 977,361	$ 3,529
Accrued Wages and Benefits	1,194,141	36,806	44,320	-
Due to Other Funds	122,892	30,441	2,407	-
Due to Other Governments	430,881	57,354	15,478	-
Retainage Payable	-	-	-	-
Note Payable	1,800,000	-	-	-
Deferred Revenue	6,683,276	10,480,141	241,475	60,369
Total Liabilities	11,186,407	11,229,744	1,281,041	63,898
Fund Balances				
Nonspendable	262,064	1,838,054	-	-
Restricted	50,320	987,121	-	1,045,056
Committed	620,913	-	2,603,441	-
Unassigned	3,797,436	-	-	-
Total Fund Balances	4,730,733	2,825,175	2,603,441	1,045,056
Total Liabilities and Fund Balances	$ 15,917,140	$ 14,054,919	$ 3,884,482	$ 1,108,954

See accompanying notes to the basic financial statements

City of Canton, Ohio

Reconciliation of Total Governmental Fund Balances
to Net Assets of Governmental Activities
December 31, 2010

Other Governmental Funds	Total Governmental Funds			
		Total Governmental Fund Balances		$ 25,987,763
		Amounts reported for governmental activities in the Statement of Net Assets are different because:		
$ 14,407,158	$ 20,627,306	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
3,019	3,019			
19,148	10,070,814	Land and Improvements	$ 8,396,817	
29,999	2,291,048	Buildings and Structures (net of depreciation)	23,364,006	
-	1,838,054	Vehicles & Equipment (net of depreciation)	8,854,256	
-	174,953	Infrastructure (net of depreciation)	58,659,473	
3,917,673	18,075,234	Construction in Progress	10,112,093	
26,315	288,379	Total		109,386,645
$ 18,403,312	$ 53,368,807			
		Internal service funds are used by management to charge the costs of insurance, compensated absences and workers compensation to individual funds. All of the assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Assets.		
$ 954,126	$ 3,515,235			
133,993	1,409,260			
178,401	334,141			(6,594,246)
215,327	719,040			
65,905	65,905	Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds		
-	1,800,000			
2,072,202	19,537,463			
3,619,954	27,381,044	Grants	11,310,265	
		Property Taxes	530,614	
		Intergovernmental	2,677,279	
26,315	2,126,433	Charges for Services	1,034,275	
14,616,428	16,698,925	Income Tax	1,207,374	
140,615	3,364,969	Special Assessments	808,646	
-	3,797,436	Other	35,199	
14,783,358	25,987,763	Total		17,603,652
$ 18,403,312	$ 53,368,807			
		Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
		General Obligation Bonds	(16,714,810)	
		Loans	(2,323,489)	
		Long-term Legal Claims	(66,700)	
		Capital Lease	(938,159)	
		Total		(20,043,158)
		Net Assets of Governmental Activities		$ 126,340,656

City of Canton, Ohio

Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the year ended December 31, 2010

	General	Community and Economic Development	Capital Projects	Motor Vehicle Purchase
Revenues				
Property and Other Taxes	$ 3,692,536	$ -	$ -	$ -
Municipal Income Tax	30,310,752	-	7,747,813	1,936,949
Charges for Services	10,834,094	88,756	2,115	-
Licenses, Permits, and Fees	1,290,592	-	-	-
Fines and forfeitures	387,372	-	337	-
Intergovernmental	6,110,500	-	-	-
Interest	213,996	-	-	-
Operating Grants and Contributions	151,964	6,542,632	-	-
Capital Grants and Contributions	-	20,283	531	-
Rentals	323,111	38,881	-	5,985
Other	1,393,819	358,452	206,885	13,356
Total Revenues	54,708,736	7,049,004	7,957,681	1,956,290
Expenditures				
Current				
General Government	15,779,004	-	-	-
Security of Persons and Property	32,845,383	-	-	-
Public Health	2,595,600	-	-	-
Transportation	1,286,884	-	-	-
Community Environment	-	7,838,685	-	-
Leisure Time Activities	2,035,593	-	-	-
Capital Outlay	-	-	5,022,905	1,334,656
Debt Service				
Principal	-	-	2,921,578	14,353
Interest and Fiscal Charges	68,150	-	674,205	3,883
Total Expenditures	54,610,614	7,838,685	8,618,688	1,352,892
Excess Revenues Over (Under) Expenditures	98,122	(789,681)	(661,007)	603,398
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	-	3,326	6,221	30,554
Issuance of Debt	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	(40,000)	-	-	-
Total Other Financing Sources and Uses	(40,000)	3,326	6,221	30,554
Net Change in Fund Balance	58,122	(786,355)	(654,786)	633,952
Fund Balance at Beginning of Year	4,672,611	3,611,530	3,258,227	411,104
Fund Balance at End of Year	$ 4,730,733	$ 2,825,175	$ 2,603,441	$ 1,045,056

See accompanying notes to the basic financial statements

City of Canton, 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, 2010

Other Governmental Funds	Total Governmental Funds		
		Net change in fund balances-Total Government Funds	
		Amounts reported for governmental activities in the Statement of Activities are different because	
$ -	$ 3,692,536		
-	39,995,514	Governmental funds report capital outlays as expenditures.	
1,352,856	12,277,821	However, in the Statement of Activities, the cost of those	
250,286	1,540,878	assets is allocated over their estimated useful lives as	
160,462	548,171	depreciation expense. This is the amount by which capital outlay	
3,136,104	9,246,604	exceeds depreciation in the current period.	
21,194	235,190	Capital Asset Additions	$ 9,360,282
4,940,691	11,635,287	Depreciation Expense	(7,756,693)
6,619,083	6,639,897		
46,212	414,189		
228,264	2,200,776	The net effect of various miscellaneous transactions involving	
16,755,152	88,426,863	capital assets (i.e., sales and donations) is to decrease net assets.	
		Loss on disposal of capital asset	
1,182,736	16,961,740	Repayment of long-term debt is reported as an expenditure in	
3,047,464	35,892,847	the governmental funds, but the repayment reduces long-term	
4,036,376	6,631,976	liabilities in the Statement of Net Assets.	
2,443,849	3,730,733	Bond Principal Payments	2,768,553
1,337,700	9,176,385	Loan Principal Payments	258,856
207,747	2,243,340	Capital Lease Payments	132,381
6,929,383	13,286,944	Legal Claims Payments	27,600
223,859	3,159,790		
68,950	815,188	Change in Long Term Debt Due to the issuance of a new	
19,478,064	91,898,943	loan.	
(2,722,912)	(3,472,080)		
		Some revenues that will not be collected for several months	
		after the City's year end are not considered "available" revenues	
-	40,101	and are deferred in the governmental funds.	
54,641	54,641		
40,000	40,000	Internal service funds are used by management to charge the	
-	(40,000)	costs of certain activities, such as insurance, to individual	
94,641	94,742	funds. The net revenue (expense) of the internal service funds	
		is reported with governmental activities.	
(2,628,271)	(3,377,338)		
17,411,629	29,365,101	*Change in Net Assets of Governmental Activities*	
$ 14,783,358	$ 25,987,763		

City of Canton, Ohio

Statement of Revenues, Expenditures
and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual
General and Major Special Revenue Funds (continued)
For the year ended December 31, 2010

	General Fund			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Over/(Under)
Revenues				
Property and Other Taxes	$ 3,885,000	$ 3,692,536	$ 3,692,536	$ -
Municipal Income Tax	29,843,967	30,074,765	29,987,663	(87,102)
Intergovernmental	6,065,700	6,192,391	6,191,468	(923)
Charges for Services	10,738,772	10,723,359	10,808,610	85,251
Licenses, Permits and Fees	1,306,383	1,317,042	1,280,289	(36,753)
Fines and Forfeitures	254,550	392,834	393,250	416
Interest	390,340	243,206	230,081	(13,125)
Operating Grants	332,009	150,024	152,719	2,695
Rentals	346,500	334,065	326,903	(7,162)
Other	1,223,631	1,355,766	1,386,294	30,528
Total Revenues	54,386,852	54,475,988	54,449,813	(26,175)
Expenditures				
Current				
General Government				
Service Director Support Administration	375,898	316,898	312,784	4,114
Service Director	106,449	106,249	102,610	3,639
Annexation	12,171	13,871	10,171	3,700
Purchasing Administration	514,619	507,119	489,643	17,476
Building Maintenance	1,200,292	1,141,091	1,130,802	10,289
Income Tax	1,315,135	1,315,134	1,170,687	144,447
Mayor Administration	374,850	383,850	381,744	2,106
Human Resources	95,878	119,378	108,164	11,214
Mayor-Compliance Administration	22,031	22,531	21,675	856
Council	593,487	568,988	566,255	2,733
Judges	1,896,139	1,839,140	1,830,733	8,407
Clerk of Courts	1,474,503	1,367,502	1,351,636	15,866
Law Department	1,873,273	1,748,773	1,695,459	53,314
Auditor's Office	1,965,492	1,939,341	1,903,434	35,907
Treasurer's Office	614,721	478,721	415,817	62,904
Civil Service	298,552	305,552	298,453	7,099
Zoning Board	8,558	8,558	8,537	21
Department of Motor Vehicles	3,058,506	3,008,044	2,882,779	125,265
Management Information Systems	1,071,515	1,071,515	1,018,125	53,390
Total General Government	16,872,069	16,262,255	15,699,508	562,747
Security of Persons and Property				
Safety Director	172,425	166,426	165,076	1,350
Code Enforcement	1,006,181	1,000,681	996,245	4,436
Police	14,631,115	15,413,544	15,381,672	31,872
Fire	13,553,454	14,868,034	14,846,353	21,681
Central Communication	1,292,662	1,279,162	1,267,090	12,072
Traffic Engineer/Parking Meters	111,159	119,159	115,908	3,251
Total Security of Persons and Property	$ 30,766,996	$ 32,847,006	$ 32,772,344	$ 74,662

City of Canton, Ohio

Statement of Revenues, Expenditures
and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual
General and Major Special Revenue Funds (continued)
For the year ended December 31, 2010

	General Fund			
	Budgeted Amounts			Variance with Final Budget Over/(Under)
	Original	Final	Actual Amounts	
Public Health				
Administration	$ 993,402	$ 937,955	$ 896,906	$ 41,049
Nurses	852,024	848,151	846,271	1,880
Lab	268,550	272,501	270,509	1,992
Environmental Administration	645,909	566,396	560,930	5,466
Total Public Health	2,759,885	2,625,003	2,574,616	50,387
Transportation				
Engineering - Daily Operations	43,169	46,169	43,280	2,889
Street Department	1,205,496	1,324,696	1,321,907	2,789
Total Transportation	1,248,665	1,370,865	1,365,187	5,678
Leisure Time Activities				
Civic Center - Administration	1,160,267	1,009,267	978,500	30,767
Park	1,126,055	1,100,055	1,085,398	14,657
Baseball Stadium	35,532	35,532	32,647	2,885
Total Leisure Time Activities	2,321,854	2,144,854	2,096,545	48,309
Debt Service				
Principal	380,000	-	-	-
Interest and Fiscal Charges	136,300	68,150	68,150	-
Total Debt Service	516,300	68,150	68,150	-
Total Expenditures	54,485,769	55,318,133	54,576,350	741,783
Excess Revenues (Under) Expenditures	(98,917)	(842,145)	(126,537)	715,608
Other Financing Sources (Uses)				
Proceeds from Debt Issues	-	1,800,000	1,800,000	-
Advances In	2,002,000	4,025,185	4,025,185	-
Advances Out	(2,055,000)	(5,825,200)	(5,825,185)	15
Transfers Out	(40,000)	(40,000)	(40,000)	-
Total Other Financing (Uses)	(93,000)	(40,015)	(40,000)	15
Excess of Revenues and Other Financing Sources (Under) Expenditures and Other Financing Uses	(191,917)	(882,160)	(166,537)	715,623
Fund Balance at Beginning of Year	1,069,005	1,069,005	1,069,005	-
Unexpended Prior Year Encumbrances	214,781	214,781	214,781	-
Fund Balance at End of Year	$ 1,091,869	$ 401,626	$ 1,117,249	$ 715,623

See accompanying notes to the basic financial statements

City of Canton, Ohio

Statement of Revenues, Expenditures
and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual
General and Major Special Revenue Funds *(continued)*
For the year ended December 31, 2010

	Community and Economic Development			
	Budgeted Amounts			Variance with Final Budget Over/(Under)
	Original	Final	Actual Amounts	
Revenues				
Charges for Services	$ -	$ 95,228	$ 89,083	$ (6,145)
Operating Grant	12,350,446	12,860,077	6,962,497	(5,897,580)
Capital Grant	-	515,283	20,283	(495,000)
Contributions and Donations	-	35	300	265
Rentals	65,000	65,000	38,831	(26,169)
Other	100,000	233,136	283,155	50,019
Total Revenues	12,515,446	13,768,759	7,394,149	(6,374,610)
Expenditures				
Current				
Community Environment				
Youth Development	364,840	881,650	280,490	601,160
Mayor-Compliance Administration	227,469	235,705	184,038	51,667
Community Development Administration	3,695,045	4,715,825	4,033,420	682,405
Federal Stimulus Funding	4,663,904	5,110,362	4,775,092	335,270
Energy Efficiency Grant	803,000	803,000	362,259	440,741
Community Development Demolition	408,525	408,525	377,690	30,835
Fair Housing Administration	117,826	126,327	91,978	34,349
Economic Development Grants/Loans	194,453	644,453	644,453	-
Total Expenditures	10,475,062	12,925,847	10,749,420	2,176,427
Excess Revenues Over (Under) Expenditures	2,040,384	842,912	(3,355,271)	(4,198,183)
Other Financing Sources (Uses)				
Sale of Assets	-	798	3,326	2,528
Advances In	-	174,953	-	(174,953)
Advances Out	(174,953)	(174,953)	(174,953)	-
Total Other Financing (Uses)	(174,953)	798	(171,627)	(172,425)
Excess of Revenues Over (Under) Expenditures and Other Financing Uses	1,865,431	843,710	(3,526,898)	(4,370,608)
Fund Balance at Beginning of Year	(1,385,219)	(1,385,219)	(1,385,219)	-
Unexpended Prior Year Encumbrances	921,047	921,047	921,047	-
Fund Balance at End of Year	$ 1,401,259	$ 379,538	$ (3,991,070)	$ (4,370,608)

See the accompanying notes to the basic financial statements

City of Canton, Ohio

Statement of Fund Net Assets
Proprietary Funds
December 31, 2010

	Business-Type Activities				Governmental Activities
	Water Operating Fund	Sewer Operating Fund	Refuse Operating Fund	Total	Internal Service Fund
Assets					
Current Assets					
Equity in Pooled Cash and Cash Equivalents	$ 10,044,268	$ 10,839,885	$ 1,548,320	$ 22,432,473	$ 3,934,124
Accounts Receivable	3,612,383	2,557,728	2,342,030	8,512,141	50,397
Due From Other Funds	-	-	-	-	173,754
Due From Other Governments	537,888	298,926	-	836,814	-
Inventories	1,508,035	668,829	-	2,176,864	-
Total Current Assets	15,702,574	14,365,368	3,890,350	33,958,292	4,158,275
Noncurrent Assets					
Capital Assets:					
Land and Construction in Progress	12,434,878	811,686	6,500	13,253,064	-
Other Capital Assets, Net of Depreciation	37,801,853	43,357,820	727,440	81,887,113	-
Total Noncurrent Assets	50,236,731	44,169,506	733,940	95,140,177	-
Total Assets	$ 65,939,305	$ 58,534,874	$ 4,624,290	$ 129,098,469	$ 4,158,275
Liabilities					
Current					
Accounts Payable	$ 844,191	$ 470,085	$ 38,512	$ 1,352,788	$ 244,527
Accrued Wages and Benefits	158,546	125,990	87,363	371,899	61,019
Due to Other Funds	7,306	6,251	1,009	14,566	-
Due to Other Governments	50,480	69,338	20,531	140,349	14,339
Retainage Payable	89,109	-	-	89,109	-
Due Within One Year	1,229,754	1,003,514	-	2,233,268	1,056,288
Capital Lease Due Within One Year	5,342	7,782	-	13,124	-
Claims Payable	-	-	-	-	2,662,071
Total Current	2,384,728	1,682,960	147,415	4,215,103	4,038,244
Noncurrent					
Due Within More Than One Year	19,023,618	8,403,436	-	27,427,054	6,714,277
Total Liabilities	21,408,346	10,086,396	147,415	31,642,157	10,752,521
Net Assets					
Invested in Capital Assets, Net of Related Debt	29,978,017	34,754,774	733,940	65,466,731	-
Unrestricted	14,552,942	13,693,704	3,742,935	31,989,581	(6,594,246)
Total Net Assets	44,530,959	48,448,478	4,476,875	97,456,312	(6,594,246)
Total Net Assets and Liabilities	$ 65,939,305	$ 58,534,874	$ 4,624,290	$ 129,098,469	$ 4,158,275

See accompanying notes to the basic financial statements

City of Canton, Ohio

Statement of Revenues, Expenses
and Changes in Net Assets
Proprietary Funds
For the year ended December 31, 2010

	Business-Type Activities				Governmental Activities
	Water Operating Fund	Sewer Operating Fund	Refuse Operating Fund	Total	Internal Service Fund
Operating Revenues					
Charges for Services	$ 14,604,044	$ 12,541,929	$ 6,511,534	$ 33,657,507	$ 13,135,153
Operating Grants and Contributions	21,735	-	65,771	87,506	-
Rentals	67,945	23,463	-	91,408	-
Other	28,863	749,143	31,816	809,822	136,463
Total Operating Revenues	14,722,587	13,314,535	6,609,121	34,646,243	13,271,616
Operating Expenses					
Personal Services	5,892,793	4,919,518	3,035,150	13,847,461	151,420
Contractual Services	1,551,648	2,715,512	1,662,267	5,929,427	968,974
Materials and Supplies	1,142,154	512,844	57,755	1,712,753	236
Insurance Claims and Expenses	5,171	44,638	5,711	55,520	10,102,229
Benefit Claim Expenses	-	-	-	-	3,040,956
Depreciation	1,437,114	2,606,723	170,822	4,214,659	-
Other	118,656	42,045	16,808	177,509	320
Total Operating Expenses	10,147,536	10,841,280	4,948,513	25,937,329	14,264,135
Operating Income (Loss)	4,575,051	2,473,255	1,660,608	8,708,914	(992,519)
Nonoperating Revenues (Expenses)					
Gain or (Loss) on Disposal of Capital Assets	2,565	(847)	1,080	2,798	-
Interest	55	-	-	55	-
Interest Expense	(827,825)	(293,949)	-	(1,121,774)	-
Total Nonoperating Revenue (Expenses)	(825,205)	(294,796)	1,080	(1,118,921)	-
Income (Loss) Before Contributions and Transfers	3,749,846	2,178,459	1,661,688	7,589,993	(992,519)
Cash Capital Contributions	204,947	1,511	1,511	207,969	-
Change in Net Assets	3,954,793	2,179,970	1,663,199	7,797,962	(992,519)
Total Net Assets at Beginning of Year (Restated)	40,576,166	46,268,508	2,813,676	89,658,350	(5,601,727)
Total Net Assets at End of Year	$ 44,530,959	$ 48,448,478	$ 4,476,875	$ 97,456,312	$ (6,594,246)

See accompanying notes to the basic financial statements

City of Canton, Ohio

Statement of Cash Flows
Proprietary Funds
For the year ended December 31, 2010

	Business-Type Activities				Governmental Activities
	Water Operating Fund	Sewer Operating Fund	Refuse Operating Fund	Total	Internal Service
Cash Flows From Operating Activities					
Receipts from Customers	$ 13,975,782	$ 12,076,736	$ 5,991,563	$ 32,044,081	$ 13,127,643
Other Cash Receipts	121,090	831,899	100,318	1,053,307	158,984
Payments to Suppliers	(2,986,426)	(3,134,138)	(1,782,318)	(7,902,882)	(1,082,551)
Payments to Employees	(5,871,693)	(4,913,976)	(3,024,868)	(13,810,537)	(150,712)
Claims Paid	(5,171)	(44,638)	(5,711)	(55,520)	(13,666,374)
Other Cash Payments	(120,296)	(42,188)	(13,095)	(175,579)	(320)
Internal Activity - Repayment from Other Funds	-	-	-	-	1,800,000
Net Cash Provided by Operating Activities	5,113,286	4,773,695	1,265,889	11,152,870	186,670
Cash Flows From Capital and Related Financing Activities					
Proceeds from Capital Grants	317,758	1,511	1,511	320,780	-
Proceeds from Capital Debt	3,557,892	82,069	-	3,639,961	-
Proceeds from Sale of Capital Assets	2,565	-	1,080	3,645	-
Purchases of Capital Assets	(4,487,169)	(851,594)	(22,826)	(5,361,589)	-
Principal Paid on Capital Debt	(1,599,490)	(980,310)	-	(2,579,800)	-
Interest Paid on Capital Debt	(768,999)	(293,949)	-	(1,062,948)	-
Net Cash (Used) by Capital and Related Financing Activities	(2,977,443)	(2,042,273)	(20,235)	(5,039,951)	-
Cash Flows From Investing Activities					
Interest and Dividends	55	-	-	55	-
Net Cash Provided by Investing Activities	55	-	-	55	-
Net Increase in Cash and Cash Equivalents	2,135,898	2,731,422	1,245,654	6,112,974	186,670
Balance - Beginning of the Year	7,908,370	8,108,463	302,666	16,319,499	3,747,454
Balance - End of the Year	10,044,268	10,839,885	1,548,320	22,432,473	3,934,124
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Operating Income (Loss)	4,575,051	2,473,255	1,660,608	8,708,914	(992,519)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities					
Depreciation Expense	1,437,114	2,606,723	170,822	4,214,659	-
Change in Assets and Liabilities:					
Accounts Receivables, net	(625,715)	(106,974)	(540,740)	(1,273,429)	(20,007)
Intergovernmental Receivables, net	-	(298,926)	23,500	(275,426)	-
Inventories	48,340	(54,634)	-	(6,294)	-
Due From Other Funds	-	-	-	-	1,835,018
Accounts Payables	(431,177)	109,894	(60,309)	(381,592)	(113,341)
Accrued Wages Payable	21,958	9,727	11,175	42,860	574
Intergovernmental Payable	4,637	42,016	2,627	49,280	(4,196)
Retainage Payable	89,109	(4,400)	-	84,709	-
Due to Other Funds	(6,031)	(2,986)	(1,794)	(10,811)	-
Compensated Absences Payable	-	-	-	-	(428,269)
Claims Payable	-	-	-	-	(90,590)
Net Cash Provided (Used) by Operating Activities	$ 5,113,286	$ 4,773,695	$ 1,265,889	$ 11,152,870	$ 186,670

See accompanying notes to the basic financial statements

City of Canton, Ohio

Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2010

	Private Purpose Trust	
	Hartford Houtz	Agency Funds
Assets		
Equity in Pooled Cash and Cash Equivalents	$ -	$ 1,420,798
Cash and Cash Equivalents in Segregated Acounts	-	74,426
Investments in Segregated Accounts	134,149	-
Total Assets	$ 134,149	$ 1,495,224
Liabilities		
Due to Other Governments	$ -	$ 999,159
Undistributed Assets	-	161,619
Deposits Held and Due to Others	-	334,446
Total Liabilities	-	$ 1,495,224
Net Assets - Held in Trust for Individuals	$ 134,149	

See accompanying notes to the basic financial statements

City of Canton, Ohio

Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the year ended December 31, 2010

	Private Purpose Trust
	Hartford Houtz
Additions	
Investment Earnings:	
Interest	$ 2,530
Deductions	
Benefits	4,269
Total Deductions	4,269
Change in Net Assets	(1,739)
Net Assets-Beginning of Year	135,888
Net Assets-End of Year	$ 134,149

See accompanying notes to the basic financial statements

NOTE 1 - DESCRIPTION OF THE CITY AND REPORTING ENTITY

The City of Canton (the City) is a municipal corporation incorporated under the laws of the State of Ohio. The City operates under a Mayor-Council form of government. The Mayor and Council are elected. The City provides police and fire protection, emergency medical, parks and recreation, planning, zoning, street maintenance and repair, refuse collection and general administrative services to the citizens of the City.

Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that financial statements are not misleading. A primary government consists of all funds, departments, boards and agencies that are not legally separate from the City. The primary government of the City includes 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, sewer and sanitation.

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 for which the City authorizes the issuance of debt or the levying of taxes, or determines the budget. The City has the voting majority on the Canton Community Improvement Corporation (CCIC) Board with no other subdivisions having any representation, and the CCIC is completely dependent on the City for financial support. The City will report the financial status of the CCIC as a discretely presented component unit in its basic financial statements based on these criteria. A complete copy of the CCIC financial statements can be obtained by contacting the City's Community and Economic Development Department.

The City is associated with the Stark Area Regional Transit Authority, the Stark Council of Governments and the Stark County Regional Planning Commission as jointly governed organizations; Canton Tomorrow Inc., and the Downtown Canton Special Improvement District as joint ventures; and the Joint Recreation District as a related organization. See Notes 13, 14 and 15.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial 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 provided they do not conflict with or contradict GASB pronouncements. The City has not elected to apply FASB statements and interpretations issued after November 30, 1989. The most significant of the City's accounting policies are described below.

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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. 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 are clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. The only exception is for contributions from the City's Water, Sewer and Refuse Departments to the City's Motor Vehicle Department, Computer Department, and the City's Vehicle Self Insurance Fund. Activities of these three divisions are included with the Governmental-Activities, thus any contributions and corresponding expenses from other governmental funds are eliminated. This activity remains in the Business-Type funds in order to not distort the direct costs and program revenues reported for all of the functions involved.

Fund Financial Statements

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

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Community and Economic Development Fund – To account for HUD Community and Economic Development Block Grant money used for the acquisition of real property, administrative costs, public facilities, and the rehabilitation of real property.

Capital Projects Fund – To account for the City's capital projects and expenditures of 20 percent of the net income tax receipts.

Motor Vehicle Purchase Fund – To account for the purchase and maintenance of the City's vehicles and expenditures of 5 percent of the net income tax receipts.

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 changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

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 Operating Fund - The water operating enterprise fund accounts for the provision of water treatment and distribution to its residential and commercial users located within the City, and surrounding communities.

Sewer Operating Fund - The sewer operating enterprise fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City, and several surrounding communities.

Refuse Operating Fund - The refuse operating enterprise fund accounts for the provision of trash collection to the residents and commercial users located in the City.

Internal Service Funds - Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service fund reports on a self-insurance program for employee medical benefits, compensated absences, and the City's retrospective rating worker's compensation benefits.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City's only trust fund is a private-purpose trust fund established to account for monies donated to assist the poor of the City. The agency funds account for building permit fees collected on behalf of the State, municipal court collections that are distributed to various local governments, and the collection of payroll and employee deductions to be distributed to other governmental agencies. The City's agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All non-fiduciary assets and liabilities associated with the operation of the City are included on the Statement of 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 a reconciliation 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 Net Assets. The Statement of Changes in Fund Net Assets presents 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.

The private-purpose trust fund is reported using the economic resources measurement focus.

Basis of Accounting

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

Revenues - Exchange and Non-exchange 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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within sixty days of year-end. 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 6). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, state-levied locally shared taxes (including gasoline tax), fines and forfeitures, interest, tuition, grants, fees and rentals.

Unearned/Deferred Revenue

Unearned or deferred revenue arise when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2010, but which were levied to finance year 2011 operations, have been recorded as deferred revenue. Special assessments not received within the available period and grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue on modified accrual only.

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.

Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation ordinance must be passed by April 1 of each year, for the period January 1 to December 31. The appropriation ordinance fixes spending authority at the account level split between salary, non-salary and travel line items. The appropriation ordinance may be amended during the year by action of Council, as new information becomes available, provided that total

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

fund appropriations do not exceed current estimated resources, as certified. The allocation of appropriations among account groups and departments within a fund may be modified during the year by an ordinance of council.

Lapsing of Appropriations

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and is not re-appropriated.

Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Monies for all funds, except the private-purpose trust fund and funds requiring that interest proceeds follow the invested principal, are maintained in this pool. Individual fund integrity is maintained through the City's records.

The City utilizes financial institutions to service bonded debt as principal and interest come due. The balances in these accounts are presented as "Cash and Cash Equivalents with Fiscal Agent."

The City has segregated bank accounts for monies held separate from the City's central bank account. These monies are presented in the Statement of Fiduciary Net Assets as "Cash and Cash Equivalents in Segregated Accounts" and "Investments in Segregated Accounts" since they are not required to be deposited into the City treasury.

During 2010, investments were limited to certificates of deposit, money market investments, repurchase agreements, and STAROhio.

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

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. Investments in STAROhio are valued at STAROhio's share price, which is the price investments could be sold for on December 31, 2010.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the General Fund during 2010 amounted to $213,996, which includes $2,049, assigned from other City funds.

For purposes of the Statement of Cash Flows and for presentation on the Statement of Net Assets/Balance Sheet, investments with an original maturity of three months or less and investments of the cash management pool are considered to be cash equivalents.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventory

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Inventories of the proprietary funds are expensed when used.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2010, 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 it was consumed.

Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net 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. 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. The City's infrastructure consists of bridges, culverts, storm sewers, streets, streetlights, traffic signals and water and sewer lines. 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 enterprise capital assets is also capitalized.

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings & Structures	10 to 45 years	10 to 45 years
Vehicles & Equipment	10 to 15 years	10 to 15 years
Infrastructure	10 to 50 years	10 to 50 years

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund Balances

On fund financial statements, interfund loans are classified as "Due to/From Other Funds" on the Balance Sheet and are classified as nonspendable fund balance, which indicates that they do not constitute available expendable resources. These amounts are eliminated in the governmental and business-type activities columns of the Statement of Net Assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Compensated Absences

The City reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive 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 accumulated unused vacation time when earned for all eligible employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for unused 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.

The entire compensated absence liability is reported on the government-wide financial statements.

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, capital leases and long-term loans are recognized as a liability on the fund financial statements when due.

Fund Balance

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

> ***Nonspendable*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of receivable loans.
>
> ***Restricted*** Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City ordinances).

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party-such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by City Council.

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

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

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 or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 for water services, sewer treatment, refuse collection, the workers compensation, health insurance, and compensated absences claims internal service funds. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

Contributions of Capital

Contributions of capital in 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.

Interfund Activity

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in business-type activities. Interfund transfers are eliminated when reported in the entity wide financial statements for both the governmental and business-type activities. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund, and as a reduction of expenditures/expenses in the fund that is reimbursed.

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. Neither type of transaction occurred during 2010.

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.

NOTE 3 – FUND BALANCES

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

Fund Balances	General Fund	Community and Economic Development	Capital Projects	Motor Vehicle Purchase	Nonmajor Governmental Funds	Total
Nonspendable:						
Inventory	$ 262,064	$ -	$ -	$ -	$ 26,315	$ 288,379
Long Term Loans	-	1,838,054	-	-	-	1,838,054
Total Nonspendable	262,064	1,838,054	-	-	26,315	2,126,433
Restricted for:						
Unclaimed Monies	50,320	-	-	-	-	50,320
Road Improvements	-	-	-	-	1,320,761	1,320,761
Community Development Grants & Programs	-	987,121	-	-	7,525	994,646
Public Health Service Grants & Programs	-	-	-	-	2,703,342	2,703,342
Police Department Grants, Donations & Programs	-	-	-	-	856,338	856,338
Fire Department Grants, Donations & Programs	-	-	-	-	607,041	607,041
Judicial System Grants & Programs	-	-	-	-	1,292,158	1,292,158
Park Donations	-	-	-	-	38,871	38,871
Youth Development Donations & Programs	-	-	-	-	5,820	5,820
Employee Recognition Program	-	-	-	-	143	143
Debt Service Payments	-	-	-	-	3,438	3,438
Motor Vehicle Purchases	-	-	-	1,045,056	-	1,045,056
Infrastructure Improvements	-	-	-	-	2,185,838	2,185,838
Recreational Facility Improvements	-	-	-	-	778,642	778,642
Construction Projects	-	-	-	-	4,668,613	4,668,613
City Hall Renovations	-	-	-	-	147,898	147,898
Total Restricted	$ 50,320	$ 987,121	$ -	$ 1,045,056	$ 14,616,428	$ 16,698,925

NOTE 3 – FUND BALANCES (Continued)

Fund Balances	General Fund	Community and Economic Development	Capital Projects	Motor Vehicle Purchase	Nonmajor Governmental Funds	Total
Committed to						
Police Legal Claim Settlements	$ 231,825	$ -	$ -	$ -	$ -	$ 231,825
Vehicle Self Insurance	161,891	-	-	-	-	161,891
Motor Vehicle Maintenance	190,856	-	-	-	-	190,856
Management Information Services	36,341	-	-	-	-	36,341
Parking Deck Operations	-	-	-	-	28,395	28,395
Park Department Operations	-	-	-	-	104,160	104,160
Capital Improvements	-	-	2,603,441	-	-	2,603,441
Other Purposes	-	-	-	-	8,060	8,060
Total Committed	620,913	-	2,603,441	-	140,615	3,364,969
Unassigned/(Deficits):						
Income Tax Department Operations	(213,234)	-	-	-	-	(213,234)
General Fund Operations	4,010,670	-	-	-	-	4,010,670
Total Unassigned/ (Deficits)	3,797,436	-	-	-	-	3,797,436
Total Fund Balances	$4,730,733	$2,825,175	$2,603,441	$1,045,056	$14,783,358	$25,987,763

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain 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 Fund and Major Special Revenue Fund 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 GAAP basis are as follows:

1. Revenues and other sources are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).

2. Expenditures and other uses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).

3. Encumbrances are treated as expenditures (budget) rather than restricted, committed, or assigned fund balance (GAAP).

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING (Continued)

4. Unreported cash (cash on hand) 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.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund and the Community and Economic Development Fund.

Net Change in Fund Balance

	General Fund	Community and Economic Development Fund
GAAP Basis	$ 58,122	$ (786,355)
Net Adjustment for Revenue Accruals	5,566,262	345,145
Net Adjustment for Expenditure Accruals	(5,258,982)	(146,891)
Encumbrances	(531,939)	(2,938,797)
Budget Basis	$ (166,537)	$ (3,526,898)

NOTE 5 - DEPOSITS AND INVESTMENTS

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

Active deposits are public deposits necessary to meet current demands on the 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 5-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.

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

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

Interim monies may be 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 agreements must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

4. Bonds and other obligations of the State of Ohio;

5. No-load money market mutual funds consisting exclusively of obligations described in 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; and

6. The State Treasurer's investment pool (STAROhio).

Investments in stripped principal or interest obligation, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Cash on Hand

At year-end, the City had $214,994 in undeposited cash on hand which is included on the Financial Statements of the City as part of "Cash and Cash Equivalents."

Deposits with Financial Institutions

At December 31, 2010, the carrying amount of all City deposits was $16,062,114. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures," as of December 31, 2010, the City's bank balance was $44,548,114 of which $42,732,688 was exposed to custodial risk as discussed below, while $1,824,426 was covered by Federal Deposit Insurance Corporation.

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

Custodial credit risk is the risk that, in the event of bank failure, the City's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the City.

Investments

As of December 31, 2010, the City had the following investments and maturities:

Investment type	Balance at Fair Value	Investment Maturities 6 months or less
Certificates of Deposit	$ 7,000,000	$ 7,000,000
Money Markets	20,827,754	20,827,754
Star Ohio	4,736,427	4,736,427
Total Investments	$ 32,564,181	$ 32,564,181

The weighted average maturity is .17 years.

Credit Risk: The City has investments, in Star Ohio. Standard & Poor's has assigned Star Ohio AAAm money market rating. Ohio law requires that Star Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The City has no policy further restricting credit risk beyond the statutory guidelines, which limit investment choices.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counter party, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. For the City's investments in certificates of deposit the entire balance is collateralized by underlying securities pledged by the investment's counter party, not in the name of the City.

The following table includes the percentage of each investment type held by the City at December 31, 2010:

Investment type	Fair Value	% of Total
Certificates of Deposit	$ 7,000,000	21.50
Money Markets	20,827,754	63.96
Star Ohio	4,736,427	14.54
Total Investment	$ 32,564,181	100.00

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

Reconciliation of Cash and Investment to the Statement of Net Assets

The following is a reconciliation of cash and investments as reported in the footnote above to cash and investments as reported on the financial statements as of December 31, 2010:

Cash and Investments per footnote	
Carrying amount of deposits	$ 16,062,114
Investments	32,564,181
Total	$ 48,626,295
Cash and Investments per Statement of Net Assets	
Governmental Activities	$ 24,564,449
Business Type Activities	22,432,473
Fiduciary Funds	$ 1,629,373
Total	$ 48,626,295

NOTE 6 - RECEIVABLES

Receivables at December 31, 2010, consisted of taxes, accounts (billings for user charged services), loans and intergovernmental receivables. All of these receivables, except loans receivable, are considered fully collectible.

No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

Special assessments expected to be collected in more than one-year amount to $19,148 in the Debt Service Fund, and $1,192,885 for the other major and nonmajor governmental funds. Special assessments are included in either accounts receivable or taxes receivable.

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 2010 for real and public utility property taxes represents collections of the 2009 taxes. Property tax payments received during 2010 for tangible personal property (other than public utility property) is for 2010 taxes.

2010 real property taxes are levied after October 1, 2010, on the assessed value as of January 1, 2010, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2010 real property taxes are collected in and intended to finance 2011.

NOTE 6 - RECEIVABLES (Continued)

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 25 percent of true value. 2010 public utility property taxes became a lien December 31, 2009, are levied after October 1, 2010, and are collected in 2011 with real property taxes.

2010 tangible personal property taxes are levied after October 1, 2009, on the value as of December 31, 2009. Collections are made in 2010. Tangible personal property assessments are 12.5 percent of true value.

The assessed value upon which the 2010 taxes were collected was $875,505,940. Real estate represented 95.24 percent ($833,832,160) of this total, public utility tangible personal property represented 4.60 percent ($40,276,520) and general tangible personal property represented .16 percent ($1,397,260). The tax rates per $1,000 of assessed valuation for the year ended December 31, 2010, for all City operations applied to taxable property in the following taxing districts within the City limits was $3.40 for District 2 – Canton City School District, $2.00 for District 3 – Plain Local School District, $2.60 for District 4 – Canton Local School District, and $2.30 for District 90 – Osnaburg Local School District.

Real property taxes are payable annually or semiannually. If paid annually, the payment is due by December 31; if paid semiannually, 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.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single-county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30 with the remainder payable at September 20.

The County Treasurer collects property taxes on behalf of all taxing districts in the county including the City of Canton. The County Auditor periodically remits to the City its portion of the taxes. Property taxes other receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies, which are measurable as of December 31, 2010. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31, nor are they intended to finance 2010 operations. The receivable is offset by deferred revenue.

Income Taxes

The City levies a municipal income tax of two percent on all salaries, wages, commissions and compensation, and net profits earned within the City as well as incomes of residents earned outside of the City. In the latter case, the City allows a credit of 100 percent of the tax paid to another municipality to a maximum of the total amount assessed.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. By City ordinance, income tax proceeds, after income tax department expenditures, are credited to the following funds: 75 percent to the General Fund, 20 percent to the Capital Projects and 5 percent to the Motor Vehicle Purchase Capital Projects Funds. The allocation to the Motor Vehicle Purchase Fund is the only allocation that was actually voted upon and approved by the voters of Canton. This requires the fund balance for the Motor Vehicle Purchase Fund to be reported as restricted as seen on page 38.

NOTE 6 - RECEIVABLES (Continued)

Due From Other Governments

A summary of intergovernmental receivables follows:

	Amounts
Governmental Activities	
Local Government and Local Government Revenue Assistance	$ 3,065,944
Hotel Tax	10,966
Charges for Services	266,467
Courts	264,374
Gasoline and Excise Tax	1,075,418
Motor Vehicle Tax	112,951
Grants	13,279,114
Total Governmental Activities:	18,075,234
Business Activities	
Charges for Services	222,899
Principal	613,915
Total Business-Type Activities:	836,814
Total	$ 18,912,048

Loans Receivable

The special revenue funds reflect community development loans receivable in the amount of $1,838,054. The loans receivable represent the principal owed to the City for Community Development Block Grants. The loans bear interest at annual rates between 0 and 11 percent. The loans will be repaid over periods up to 20 years.

NOTE 7 - RISK MANAGEMENT

Workers' Compensation

Since 1989, the City has participated in the Ohio Bureau of Workers' Compensation Retrospective Rating Plan. Under the retrospective rating plan, the City assumes a portion of the risk in return for a reduction in current premiums. Current limits for claims incurred in 2010 are $200,000 per claim.

A minimum premium for fixed costs is charged by the Ohio Bureau of Workers' Compensation. A maximum premium, the employer's experience-rated premium multiplied by the maximum percentage selected by the employer, may be charged back to the City for a ten-year evaluation period per claim. For the policy year 2010, the City selected Tier 1 which calls for no claim limit and a 150 percent maximum premium limit.

NOTE 7 - RISK MANAGEMENT (Continued)

The claims liability of $1,707,856 reported in the Workers Compensation Internal Service Fund at December 31, 2010, is estimated by the third-party administrators and is based on the requirements of GASB Statement No. 10 which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in claims activity for the past two years are as follows:

	Balance Beginning of Year	Claims Incurred	Claim Payments	Balance End of Year
2009	$ 2,100,000	$ 1,556,869	$ 1,521,204	$ 2,135,665
2010	2,135,665	1,403,560	1,831,369	1,707,856

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. The City contracts with Affiliated FM Insurance Company for commercial property coverage, which has a $435,000,000 limit and a $100,000 deductible. The City also contracts with Cincinnati Insurance Company through Leonard Insurance Services Agency Inc. for boiler and machinery coverage, which has a $1,000,000 limit and a $2,500 deductible. The City contracts with Ohio Plan Risk Management, Inc. through Hylant Administrative Services for automobile combined coverage, which has a $6,000,000 limit and a $125,000 deductible. The City also contracts with Ohio Plan Risk Management, Inc. for liability coverages, which includes general liability, public officials liability and law enforcement liability. Each of these coverages has a $6,000,000 annual limit per claim and a $8,000,000 per year aggregate with a $125,000 deductible.

The City's elected officials are bonded for their respective terms. In addition, several specific employees (i.e., court bailiffs) are bonded where required by Ohio Revised Code.

Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been significant reduction in coverage from the prior year.

Medical

The City has elected to provide employees' major medical, hospitalization, prescription, dental and vision coverage through a self-insured program. The City maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. The City purchases stop-loss coverage of $150,000 specific per family. The third party administrators, Aultcare and Anthem Blue Cross, review all claims, which are then paid by the City.

The claims liability of $954,215 reported in the Health Insurance Internal Service Fund at December 31, 2010, is estimated by the third-party administrators and is based on the requirements of GASB Statement No. 10, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not report claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

NOTE 7 - RISK MANAGEMENT (Continued)

Changes in the fund's claims liability amount for the last two years follow:

	Balance Beginning of Year	Claims Incurred	Claim Payments	Balance End of Year
2009	$ 1,387,673	$ 9,385,053	$ 10,174,151	$ 598,575
2010	598,575	8,698,669	8,343,029	954,215

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2010, was as follows:

	(Restated) Balance 12/31/09	Additions	Deductions	Balance 12/31/10
Governmental Activities				
Capital Assets, not being depreciated:				
Land	$ 7,902,411	$ 494,406	$ -	$ 8,396,817
Construction in Progress	5,607,706	7,570,008	(3,065,621)	10,112,093
Total Capital Assets, not being Depreciated	13,510,117	8,064,414	(3,065,621)	18,508,910
Capital Assets, being Depreciated				
Buildings and Structures	43,527,142	197,730	(44,214)	43,680,658
Vehicles and Equipment	30,448,247	341,471	(863,351)	29,926,367
Infrastructure	353,186,661	3,822,288	(37,377)	356,971,572
Total Capital Assets, being Depreciated	427,162,050	4,361,489	(944,942)	430,578,597
Less Accumulated Depreciation				
Buildings and Structures	$ (19,211,525)	$ (1,137,606)	$ 32,479	$ (20,316,652)
Vehicles and Equipment	(19,798,165)	(2,097,939)	823,993	(21,072,111)
Infrastructure	(293,812,920)	(4,521,148)	21,969	(298,312,099)
Total Accumulated Depreciation	(332,822,610)	(7,756,693) *	878,441	(339,700,862)
Total Capital Assets, being Depreciated, net	94,339,440	(3,395,204)	(66,501)	90,877,735
Governmental Activities Capital Assets, net	$ 107,849,557	$ 4,669,210	$ (3,132,122)	$ 109,386,645

(Continued)

NOTE 8 - CAPITAL ASSETS (Continued)

	(Restated) Balance 12/31/09	Additions	Deductions	Balance 12/31/10
Business-Type Activities				
Capital Assets, not being depreciated				
Land	$ 2,631,525	$ -	$ -	$ 2,631,525
Construction in Progress	6,529,009	4,092,530	-	10,621,539
Total Capital Assets, not being Depreciated	9,160,534	4,092,530	-	13,253,064
Capital Assets, being Depreciated				
Buildings and Structures	97,099,070	48,980	-	97,148,050
Vehicles and Equipment	10,624,403	576,878	(102,709)	11,098,572
Infrastructure	154,564,578	643,201	-	155,207,779
Total Capital Assets, being Depreciated	262,288,051	1,269,059	(102,709)	263,454,401
Less Accumulated Depreciation				
Buildings and Structures	(51,694,898)	(2,173,527)	-	(53,868,425)
Vehicles and Equipment	(8,194,776)	(523,291)	101,862	(8,616,205)
Infrastructure	(117,564,817)	(1,517,841)	-	(119,082,658)
Total Accumulated Depreciation	(177,454,491)	(4,214,659)	101,862	(181,567,288)
Total Capital Assets, being Depreciated, net	84,833,560	(2,945,600)	(847)	81,887,113
Business-Type Actitivites Capital Assets, net	$ 93,994,094	$ 1,146,930	$ (847)	$ 95,140,177

* Depreciation expense was charged to governmental functions as follows:

General Government	$ 514,425
Security of Persons and Property	1,598,431
Public Health	90,153
Transportation	4,889,946
Community Development	7,449
Leisure Time Activities	656,289
Total Depreciation Expense	$ 7,756,693

NOTE 9 - COMPENSATED ABSENCES

The criteria for determining vacation and sick leave components are derived from negotiated agreements, City ordinances and State laws. Employees earn two to six weeks of vacation per year, depending upon length of service. Twelve days of vacation may be carried forward into the next year.

Employees may bank up to 75 days earned vacation time toward retirement, payable at retirement or termination. No more than 15 days of earned vacation may be banked in any one-year in minimum increments of five days. In March 2003, the City eliminated banked vacation for individuals in management and non-bargaining classifications. In lieu of, or in addition to banking vacation, an employee may request to receive cash payment for unused vacation of no more than 10 days per year in minimum increments of five days calculated at 90 percent of the current rate of pay. Employees must declare their desire to receive cash payment no later than October 1 of each year. Payment shall be made on the first regular pay day in November of each year. Approval of the cash payment is within the sole discretion of the appointing authority.

Employees earn sick leave at the rate 4.6 hours per 80 hours worked. Sick leave accumulation is unlimited. Upon retirement or death, an employee can be paid 100 percent to a maximum of 150 days or 1,200 hours of accumulated, unused sick leave. Firefighters and police can be paid 100 percent to a maximum of 187.5 days or 1,500 hours.

In 2004, the City established a Compensated Absences Claim Fund for the purpose of depositing sick expense premiums from the employees labor fund distribution to pay both current and previous unfunded compensated absences. The expense associated with current and future obligations is being charged as a direct claim against the Compensated Absences Claim Fund. The premium supporting the fund is included in the personal service charge for each fund. Prior to 2009, and the collapse of the City of Canton operational income, the premium was equal to 125% of the total cost of the sick leave accrued on biweekly payrolls. In an attempt to maintain an adequate workforce in light of this revenue decline, the premium was reduced to 105% of the total cost of the sick leave accrued on a biweekly payroll for 2009 and 2010. The premium reset to 125% effective 1/1/2011.

Note 10 – LONG-TERM OBLIGATIONS

General Obligation Bonds

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. The City's most recent general obligation bond issuance was in 2009 for $8,575,000. The purpose of the issuance was to refund two previous issuances, a 1998 Pension Refunding Bond and a 1999 Various Purpose Bond. At the time, the refinancing resulted in an economic gain of $729,829 for the City.

The remainder of the City's general obligation bonds currently outstanding are as follows:

Purpose	Interest Rates	Original Amount
Governmental Activities, 2009 Various Purpose Improvement Refunding	3.0-4.0%	8,575,000
Governmental Activities, 2001 Radio Communication	4.0 - 2.25%	5,610,000
Governmental Activities, 2006 Various Purpose	4.00%	13,650,000
Business-Type Activities, 2006 Various Purpose/Refunding	4.00%	9,570,000
		$ 37,405,000

NOTE 10 - LONG-TERM OBLIGATIONS (Continued)

Annual debt service requirements to maturity for general obligation bonds are as follows:

General Obligation Bonds

Year Ending	Governmental Activities		Business-Type Activities	
December 31	Principal	Interest	Principal	Interest
2011	2,879,398	633,763	970,601	241,187
2012	2,295,245	526,987	1,009,755	202,363
2013	2,376,092	443,727	1,048,908	161,973
2014	2,467,817	357,483	1,092,183	120,017
2015	2,554,541	267,871	1,135,459	76,329
2016-2020	4,141,717	290,289	772,771	30,911
Total	$ 16,714,810	$ 2,520,120	$ 6,029,677	$ 832,780

The City has annual debt requirements for the following loans, both related to governmental activities. A State Infrastructure Bank loan was entered into in 1998 for the Market Avenue Streetscape project. The interest rate for this loan is 4% with an original outstanding balance of $1,179,031. Also, a State of Ohio Urban Redevelopment loan was issued in 2000, with an interest rate of 4% and an original outstanding balance of $1,650,916 and was used to build the Millennium Parking Deck. Both loans were issued as part of the City's continuing effort to improve its downtown business district.

Annual debt service requirements to maturity for the State Infrastructure Bank Loan and the Urban Redevelopment Loan are as follows:

State Infrastructure Bank Loan

Year Ending	Governmental Activities	
December 31	Principal	Interest
2011	73,123	22,277
2012	75,519	19,881
2013	77,993	17,407
2014	80,548	14,852
2015	83,187	12,213
2016-2019	315,758	20,687
Total	$ 706,128	$ 107,317

Urban Redevelopment Loan (Millenium Parking Deck)

Year Ending	Governmental Activities	
December 31	Principal	Interest
2011	126,763	29,180
2012	131,834	23,793
2013	137,107	18,190
2014	142,591	12,363
2015	148,294	6,303
Total	$ 686,589	$ 89,829

NOTE 10 - LONG-TERM OBLIGATIONS (Continued)

The City entered into various loan agreements with the Ohio Public Works Commission for the purpose of improving the water pollution control and storm sewer operations. These are interest free loans. The City has pledged future revenues, net of operating expenses, in the Sewer Operating Fund to repay loans used to renovate the water pollution control system. The debt is payable from net revenues and is payable through 2023. Annual principal payments on the debt issues are expected to require 0.9 percent of net revenues. The total principal remaining to be paid on the debt is $64,740. Principal paid for the current year and total net revenues were $5,395 and $5,079,978, respectively. The following is a list of outstanding debt with the Ohio Public Works Commission.

Purpose	Interest Rates	Original Amount
Governmental Activities, 35th St. N.E. Storm Sewer Reconstruction	0.00%	380,812
Governmental Activities, Market Ave North Sewer Replacement	0.00%	300,000
Governmental Activities, 30th St. N.E. Storm Sewer Improvement	0.00%	494,000
Business-Type Activities, Water Pollution Control Center	0.00%	724,423
Business-Type Activities, Harmont Ave Pump Station	0.00%	107,900
		$ 2,007,135

Annual debt service requirements to maturity for Ohio Public Works Commission loans are as follows:

Ohio Public Works Commission Loan

Year Ending	Governmental Activities		Business-Type Activities	
December 31	Principal	Interest	Principal	Interest
2011	65,087	-	5,395	-
2012	65,087	-	5,395	-
2013	65,087	-	5,395	-
2014	65,087	-	5,395	-
2015	65,087	-	5,395	-
2016-2020	261,968	-	26,975	-
2021-2025	191,000	-	10,790	-
2026-2030	98,806	-	-	-
Total	$ 877,209	$ -	$ 64,740	$ -

NOTE 10 - LONG-TERM OBLIGATIONS (Continued)

The City entered into various loan agreements with the Ohio Water Development Authority for the purpose of improving and expanding both the water and the water pollution control operations. The City has pledged future revenues, net of operating expenses, to repay these loans in the business-type activities funds. The debt is payable from net revenues and is payable through 2027. Annual principal and interest payments on the debt issues are expected to require 23.8 percent of net water operating revenue and 19.3 percent of net sewer operating revenue. The total principal and interest remaining to be paid on the debt is $5,510,094 for water and $8,850,678 for sewer. Principal and interest paid for the current year and total net revenues were $1,431,709 and $6,012,165, respectively, for water and $983,409 and $5,079,978, respectively, for sewer. The Ohio Water Development Authority loans outstanding were as follows:

Purpose	Interest Rates	Original Amount
Governmental Activities, Harmont Ave NE Improvement	3.25%	60,100
Business-Type Activities, Steiner Heights Water Line Extension	6.39%	591,671
Business-Type Activities, Plain Township Water Line Extension (55th St)	4.74%	1,653,459
Business-Type Activities, Water Main Extension (Norwood Hills)	4.55%	527,230
Business-Type Activities, Perry Township Water Extension	4.65%	1,459,754
Business-Type Activities, Lake Local School Waterline	4.64%	1,980,974
Business-Type Activities, Lawrence Chester Water Main Extension	5.01%	250,606
Business-Type Activities, Osnaburg Water Main Extension	3.62%	1,402,001
Business-Type Activities, Sugarcreek Water Plant Improvement	3.25%	3,365,682
Business-Type Activities, NW Water Plant Improvement	3.25%	7,094,093
Business-Type Activities, NE Water Plant Improvement	5.74%	1,511,821
Business-Type Activities, WRF Phosphorus/Nitrogen Removal Project	3.20%	2,802,000
Business-Type Activities, Water Pollution System	2.64%	14,230,181
Business-Type Activities, Discharge Line (J.L.)	4.56%	835,606
		$ 37,765,178

Annual debt service requirements to maturity for Ohio Water Development Authority loans are as follows:

Ohio Water Development Authority Loan

Year Ending	Business-Type Activities	
December 31	Principal	Interest
2011	1,257,272	390,100
2012	1,233,870	347,290
2013	1,089,637	307,327
2014	1,108,439	272,442
2015	1,127,216	237,581
2016-2020	5,204,903	635,675
2021-2025	901,138	95,525
2026-2030	147,116	5,241
Total	$ 12,069,591	$ 2,291,181

During 2010, the Northwest Water Treatment Plant Improvement Project, the Northeast Water Treatment Plant Improvement Project, the Water Reclamation Phosphorus Project and the Harmont Ave Sewer Project all received OWDA loan proceeds. As of the end of the audit period, the final amount borrowed for all four loans had not been determined. Also, the Ohio Water Development Authority, had not yet done a final

NOTE 10 - LONG-TERM OBLIGATIONS (Continued)

reconciliation for the Sugarcreek Project Loan. Due to these issues, no payment schedules were available for any of the five loans. Consequently, none of the loans were included in the yearly break down shown above nor was there an amount calculated as being due within one year in the schedule that follows.

Changes in long-term obligations of the City during the year ended December 31, 2010, were as follows:

	Outstanding 12/31/09	Additions	Reductions	Outstanding 12/31/10	Due Within One Year
Business Type Activities					
OPWC Loan:					
Sewer Fund:					
2003 Harmont Lift Station 0%	70,135	-	(5,395)	64,740	5,395
OWDA Loans:					
Water Fund:					
2001Water Main Extension (Norwood Hills) 4.55%	125,214	-	(61,202)	64,012	64,019
2000 Steiner Heights Water Line Extension 6.39%	39,234	-	(39,234)	-	-
2001 Plain Township Water Line Ext. (55th St) 4.74%	1,204,995	-	(72,601)	1,132,394	76,083
2002 Perry Twshp Water Extension 4.65%	510,270	-	(162,334)	347,936	169,970
2002 Lake Schl Water 4.64%	1,482,348	-	(85,302)	1,397,046	89,306
2003 Lawrence Water Main Extension 5.01%	128,168	-	(26,068)	102,100	27,390
2007 Osnaburg Water Main Extension 3.62%	1,281,677	-	(53,556)	1,228,121	55,512
2007 SC Wtr Plant Imprv 3.25%	2,883,810	-	(127,807)	2,756,003	-
2008 NW Wtr Plant Imprv 3.25%	4,451,822	922,246	(249,544)	5,124,524	-
2009 NE Wtr Plant Imprv 5.47%	1,007,053	2,450,638	-	3,457,691	-
Sewer Fund:					
1997 Water Pollution System 2.64%	8,054,653	-	(712,623)	7,342,030	731,808
1999 Discharge Line (J.L.) 4.56%	497,536	-	(41,584)	455,952	43,184
2010 Phosphorus/Nitrogen Removal Prj 3.20%	-	158,096	-	158,096	-
Total OWDA Loans	21,666,780	3,530,980	(1,631,855)	23,565,905	1,257,272
General Obligation Bonds:					
Water Fund:					
2006 Refunding Bonds 4.0%	5,360,866	-	(717,321)	4,643,545	747,474
Sewer Fund:					
2006 Various Purpose 4.0%	1,600,258	-	(214,126)	1,386,132	223,127
Total General Obligation Bonds	6,961,124	-	(931,447)	6,029,677	970,601
Compensated Absences	1,303,742	512,394	(610,075)	1,206,061	196,971
Capital Lease	24,227	-	(11,103)	13,124	13,124
Total Business Type Activities	$ 30,026,008	$ 4,043,374	$ (3,189,875)	$ 30,879,507	$ 2,443,363

NOTE 10 - LONG-TERM OBLIGATIONS (Continued)

	Outstanding 12/31/09	Additions	Reductions	Outstanding 12/31/10	Due Within One Year
Governmental Activities					
General Obligation Bonds:					
2009 Refunding Bonds 3.0%-4.0%	3,915,000	-	(380,000)	3,535,000	395,000
2009 Refunding Bonds 3.0%-4.0%	4,350,000	-	(425,000)	3,925,000	445,000
2001 Radio Communication Bonds 4.0%-2.25%	1,290,000	-	(635,000)	655,000	655,000
2006 Various Purpose 4.0%	9,928,363	-	(1,328,553)	8,599,810	1,384,398
Total General Obligation Bonds	19,483,363	-	(2,768,553)	16,714,810	2,879,398
1998 SIB Loan	776,931	-	(70,803)	706,128	73,123
2000 Legal Claims	94,300	-	(27,600)	66,700	27,600
2000 Millenium Parking Deck Loan 4%	808,477	-	(121,888)	686,589	126,763
2010 OWDA Loan Harmont Ave Sewer Extension 3.25%	-	54,641	(1,078)	53,563	-
OPWC Loan:					
2003 35th St NE Storm Sewer 0%	215,796	-	(25,387)	190,409	25,387
2004 Market Ave Sewer 0%	232,500	-	(15,000)	217,500	15,000
2009 30th St NE Storm Sewer 0%	494,000	-	(24,700)	469,300	24,700
Total OPWC Loans	942,296	-	(65,087)	877,209	65,087
Compensated Absences	6,895,092	2,081,005	(2,411,593)	6,564,504	859,317
Capital Leases	1,070,540	-	(132,381)	938,159	330,118
Total Governmental Activities	30,070,999	2,135,646	(5,598,983)	26,607,662	4,361,406
Totals	$ 60,097,007	$ 6,179,020	$ (8,788,858)	$ 57,487,169	$ 6,804,769

*Note: The above schedule of long-term debt obligations would differ from the government wide Statement of Net Assets as a result of the compensated absences payable associated with business activities being included with the long-term liabilities of the governmental activities. The internal service Compensated Absences Claim Fund is responsible for the payment of both the governmental and business type compensated absences liabilities. Since governmental activities are the primary user of the internal service funds, GAAP requires the internal service funds to be reported with the governmental activities. The result is a discrepancy of $1,009,090 between the debt reflected in the above schedule for governmental and business type activities and the debt numbers reflected in the Due in More Than One Year line item on the Statement of Net Assets on page 13. A similar discrepancy of $196,971 results for the Due Within One Year line item. The City's overall legal debt margin was $73,360,170 and an unvoted debt margin of $29,584,873 at December 31, 2010.

NOTE 11 - DEFINED BENEFIT PENSION PLANS

Ohio Public Employees Retirement System

The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional 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 contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, 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 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 that may be obtained by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

The 2010 member contribution rates were 10.0% for members in the state and local classifications. Public safety and law enforcement members contribute 10.5% and 11.1% respectively. The 2010 employer contribution rate for state and local employers was 14.0% of covered payroll. For both the law enforcement and public safety divisions, the employer contribution rate for 2010 was 17.87%. The Ohio Revised Code provides statutory authority for member and employer contributions. For 2010, member and employer contribution rates were consistent across all three plans. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan. The contribution rates are determined actuarially. The City's required contributions to OPERS for the years ended December 31, 2010, 2009, and 2008 were $4,153,931, $4,129,898, and $4,162,668, respectively. The full amount has been contributed for 2009 and 2008. 89.1 percent has been contributed for 2010 with the remainder being presented as "Due to Other Governments" in the payroll clearing, agency fund.

Ohio Police and Fire Pension Fund

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 the Ohio Police and Firemen's Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Police and firefighters are required to contribute 10 percent of their annual covered salary to fund pension obligations and for 2010 the City was required to contribute 19.5 percent for police and 24.0 percent for firefighters. Contributions are authorized by State statute. For 2010, a portion of the City's contribution equal to 6.75 percent of covered payroll was allocated to fund the post-employment health care plan. The

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

City's contributions to the fund for police and firefighters were $1,936,464 and $2,452,065 for the year ending December 31, 2010, $1,992,982 and $2,412,232 for the year ended December 31, 2009, $2,077,463 and $2,389,567 for the year ended December 31, 2008. The full amount has been contributed for 2009 and 2008. 74.24 and 72.93 percent, respectively, have been contributed for 2010 with the remainder being presented as "Due to Other Governments" in the payroll clearing, agency fund.

NOTE 12 - POSTEMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the traditional and the combined plans. Health care coverage for disability recipients and qualified survivor benefit recipients is available. Members of the member-directed plan do not qualify for ancillary benefits, including post-employment health care coverage. 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.

A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on the authority granted by Ohio Revised Code Chapter 145. In 2010, state and local employers contributed at a rate of 14.0% of covered payroll, and public safety and law enforcement employers contributed at 17.87%. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.0 percent of covered payroll for state and local employer units and 18.1% of covered payroll for law and public safety employer units. Active members do not make contributions to the post-employment benefit plan. OPERS' post employment health care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS retirement board determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. For 2010, the employer contribution allocated to the health care plan for members in the traditional plan was 5.5% from January 1 through February 28, 2010 and 5.0% from March 1 through December 31, 2010. The portion of employer contributions allocated to health care for members in the combined plan was 4.73% from January 1 to February 28, 2010 and 4.23% from March 1 through December 31, 2010. Actual City contributions for 2010 that were used to fund postemployment benefits were $1,345,007. The OPERS retirement board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. Member and employer contribution rates for state and local employers increased on January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

Ohio Police and Fire Pension Fund

The City contributes to the OP&F sponsored healthcare program, a cost-sharing multiple-employer defined postemployment healthcare plan administered by OP&F. OP&F provides healthcare benefits including

NOTE 12 - POSTEMPLOYMENT BENEFITS (Continued)

coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents. OP&F provides access to post-retirement healthcare 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 healthcare coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement No. 45.

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 healthcare coverage to eligible participants and to establish and amend benefits 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, OH 43215-5164.

The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5 percent and 24 percent of covered payroll for police and fire employers, respectively. The Ohio Revised Code states the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree healthcare benefits. For the year ended December 31, 2010, the employer contribution allocated to the healthcare plan was 6.75% of covered payroll. The amount of employer contributions allocated to the healthcare plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and also is limited by the provisions of Sections 115 and 401(h).

The OP&F board of trustees also is authorized to establish requirements for contributions to the healthcare 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 actual contributions for 2010 that were used to fund postemployment benefits were $670,404 for police and $689,766 for fire. OP&F's total health care expense for the year ended December 31, 2009, (the latest information available) was $168,744,032, which was net of member contributions of $59,148,831. The number of OP&F participants eligible to receive health care benefits as of December 31, 2009, was 14,797 for police and 10,915 for firefighters.

NOTE 13 - JOINT VENTURES

Canton Tomorrow, Inc.

The City participates in Canton Tomorrow, Inc., formed under Chapter 1702 of the Ohio Revised Code. Of the 26 member board, the City appoints three members. The degree of control exercised by any participating government is limited to its representation on the board. Canton Tomorrow, Inc., was formed to serve as a catalyst to bring together the vision, initiative and action necessary for the continuing revitalization of the City. Continued existence of Canton Tomorrow, Inc. is dependent on the City's continued participation, despite its minimal contribution to the overall budget; however, the City does not have an equity interest in Canton Tomorrow, Inc. (Agency). The Agency is not accumulating significant financial resources or experiencing fiscal stress, which would cause additional financial benefit or burden to the City. Canton Tomorrow Inc.'s funding comes from a grant given by the City to the Canton Regional Chamber of Commerce. In 2010, the grant was for $175,000 and the Chamber of Commerce is responsible for dividing it up amongst is various agencies like Canton Tomorrow, Inc. Complete financial statements can be obtained from Canton Tomorrow, Inc.

Downtown Canton Special Improvement District

The City participates in the Downtown Canton Special Improvement District (District), formed under Chapter 1710 of the Ohio Revised Code. Of the 13 member board, the City appoints two members. The degree of control exercised by any participating government is limited to its representation on the board. The District was created for the purpose of developing and implementing plans for public improvements and public services. Continued existence of the District is dependent on the City's continued participation; however, the City does not have an equity interest in the District. In 2010, the City contributed $180,471 to the District, which represents 100 percent of total contributions. Complete financial statements can be obtained from the Downtown Canton Special Improvement District.

NOTE 14 – RELATED ORGANIZATION

Joint Recreation District

The City appoints three of the five members of the Joint Recreation District (District) Board. The District manages recreational activities at sites within the City at facilities owned by either the City or Canton City Schools. The District hires and fires its own staff and does not rely on the City to finance deficits. The City is not financially accountable for the District nor is the District financially dependent on the City. The District serves as its own budgeting, taxing and debt issuance authority. The City did not make any contributions during 2010. Complete financial statements can be obtained from the Canton Recreation Department.

NOTE 15 - JOINTLY GOVERNED ORGANIZATIONS

Stark Area Regional Transit Authority

The City participates in the Stark Area Regional Transit Authority (Authority), which is a jointly governed organization between Stark County and the cities of Canton, Massillon and Alliance. A nine-member board of trustees oversees the operation of the Authority whose purpose is to provide a low cost mass transportation system for Stark County. The City appoints three of the nine members. Each member's control over the operation of the Authority is limited to its representation on the Board. The Board exercises total authority for the day-to-day operations of the Authority, which include budgeting, appropriating, contracting and designating management. The City has no financial responsibility for any of the Authority's liabilities. The City made no monetary contributions to assist in the operational expenses of the Authority during 2010. Complete financial statements may be obtained from the Stark Area Regional Transit Authority.

NOTE 15 - JOINTLY GOVERNED ORGANIZATIONS (Continued)

Stark Council of Governments

The Stark Council of Governments (SCOG) is a jointly governed organization. SCOG is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. Currently, SCOG's functions include the funding and operation of the Stark County Metropolitan Narcotics Unit and the Canton Crime Lab. SCOG is governed by the membership, including Stark County, and other cities and villages and townships. The membership elects a nine member executive committee. Based on recommendations of the executive committee, the membership approves its own budget, appoints personnel and performs accounting and finance related activities. Continued existence of the agency is dependent on the City's continued participation; however, the City does not have an equity interest in the agency. The agency is not accumulating significant financial resources or experiencing fiscal stress, which would cause additional financial benefit or burden to the City. The City contributed $674,307 from the General Fund for 2010 for the operation of SCOG, which represents 50.04 percent of total contributions. Complete financial statements may be obtained from the Stark Council of Governments.

Stark County Regional Planning Commission

The City participates in the Stark County Regional Planning Commission (Commission), which is a statutorily created political subdivision of the State. The commission is jointly governed among Stark County, and other cities, villages, and townships. Of the 88-member board, the City appoints 5 members. The degree of control exercised by any participating government is limited to its representation on the board. The principal aim of the Commission is to provide comprehensive planning, both long and short-term range, dealing with the economic and physical environment of Stark County. The board exercises total authority for the day-to-day operations of the Commission. These include budgeting, appropriating, contracting, and designating management. The City has no financial responsibility for any of the Commission's liabilities. In 2010, the City contributed $7,500 to the Commission. Complete financial statements can be obtained from the Stark County Regional Planning Commission, Stark County, Ohio.

NOTE 16 – DISCRETELY PRESENTED COMPONENT UNIT

The component unit column in the government-wide financial statements identifies the financial data of the City's component unit, Canton Community Improvement Corporation. It is reported separately to emphasize that it is legally separate from the City.

Canton Community Improvement Corporation

Canton Community Improvement Corporation (CCIC) is a legally separate, not-for-profit, community improvement corporation, as authorized under Chapter 1724 of the Ohio Revised Code. The seven-member board is comprised of the following; the City's Mayor, three appointed or elected officials, chosen by the Mayor, and three recommended by the Mayor and approved by the other three board members. The CCIC was organized for the purpose of advancing, encouraging, and promoting the industrial, economic, and commercial and civic development of the community. The City's Community and Economic Development Department, as authorized by City Council, provides an annual grant to pay for all operational costs associated with the CCIC. Complete financial statements can be obtained from the Canton Community Improvement Corporation.

NOTE 17 - COMMITMENTS

As of December 31, 2010, the City had significant encumbrances as follows:

	Encumbrances as of 12/31/10
Major Funds	
General Fund	$ 995,811
Community and Economic Development Fund	4,916,992
Capital Project Fund	1,414,608
Motor Vehicle Purchase Fund	242,211
Water Fund	12,074,166
Sewer Fund	1,347,651
Refuse Fund	180,488
Nonmajor Funds	8,549,971
Total	$ 29,721,898

As of December 31, 2010, the City had significant contractual commitments as follows:

Company	Project	Amount Remaining On Contract
Abbott Electric	Fire Station #4	$ 253,881
Augere Construction	Fire Station #4	1,791,324
Burgess & Niple LTD	NE Water Treatment Plant Upgrade	940,840
CT Consultants	Water Reclaimation Facility Phosphorus Project	417,931
Cormony Development Corporation	Remediation at Hercules Factory Project	1,935,862
DDK Property Group	Neighborhood Stabilization Program	284,123
Environmental Mangement Specialist	Remediation at Stein Industrial Park	367,551
Freed Housing	Green Homes Program	500,000
Habitat for Humanity	Construction of seven homes with federal dollars	400,000
Habitat for Humanity	Neighborhood Stabilization Program	374,748
HZW Environmental Consultants	Professional Services for Bison Remediation Project	465,834
Standard Plumbing	Fire Station #4	592,720
Stark State College of Technology	Brownfield Job Training	302,740
Stanley Miller Construction	NE Water Treatment Plant Upgrade	5,210,046
Penn-Ohio Electric	NE Water Treatment Plant Upgrade	2,941,159
Standard Plumbing	NE Water Treatment Plant Upgrade	1,033,522

NOTE 18 – LEASES

Operating Leases

The City has entered into multiple year non-cancelable operating leases for equipment and vehicles. In addition, some of the operating leases have options to purchase the equipment or vehicle at the end of the lease, at this time, the City does not anticipate exercising this option. Total rental costs for such leases were $192,879 for the year ended December 31, 2010. The minimum rental commitments under all such non-cancelable leases are as follows:

Year Ending	Amount
2011	192,879
2012	189,832
2013	11,382
Total	$ 394,093

Capital Leases

In 2010, the City did not enter into any new capital lease agreements. The City currently has capital leases outstanding for the City phone system, 5 police motorcycles and a fire truck and all of which are capitalized. The following is a schedule of the future minimum lease payments for all of the City's previous capital leases and the present value of the minimum lease payments as of December 31, 2010.

Year Ending	Governmental Activities	Business-Type Activities
2011	$ 382,660	$ 14,625
2012	227,193	-
2013	227,193	-
2014	208,957	-
Total Minimum Lease Payments	1,046,003	14,625
Less Amount Representing Interest	107,844	1,501
Present Value of Minimum Lease Payments	938,159	13,124

NOTE 19 - CONTINGENT LIABILITIES

Grants

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

NOTE 19 - CONTINGENT LIABILITIES (Continued)

Litigation

The Case of Bobby J. Wright vs. City of Canton, Et Al, was settled on May 14, 2001 in the United States District Court, Northern District of Ohio, Case No. 5:00CV2717, as authorized by the City Council. The terms of this settlement resulted in an obligation of $506,200 payable over the next twelve years.

Year Ending	Amount
2011	27,600
2012	27,600
2013	11,500
Total	$ 66,700

The City is a party to various other legal proceedings. The City management is of the opinion that ultimate disposition of those subsequent pending claims and legal proceedings will likely not have a material adverse effect, if any, on the financial condition of the City. However any pending litigation that could be successful against the City would in all likelihood not exceed a maximum exposure of $250,000.

NOTE 20 - NOTES PAYABLE

The following is a summary of note transactions for the year ended December 31, 2010 reflected in the General Fund on the balance sheet and the governmental activities in the government-wide financial statements:

	Governmental Activities
	General Fund
Notes Payable at January 1, 2010	$ -
New notes issued	1,800,000
Notes Retired	-
Notes Payable at December 31, 2010	$ 1,800,000

The above mentioned, note is backed by the full faith and credit of the City and will mature within one year from the date of issuance, July 22, 2010. The note was issued at a 1% interest rate resulting in an $18,000 interest payment due upon maturity. The note is being issued in anticipation of a long-term bond financing and the note can be refinanced if necessary until such bonds are issued. The purpose of the issuance is to pay for the settlement of a civil suit in which the City agreed to pay the plaintiff $1,800,000.

NOTE 21 - INTERFUND BALANCES AND TRANSFERS

During 2010, the City made one transfer. The transfer of $40,000 was done to honor the City's obligation for a grant match. Interfund transfers for the year ended December 31, 2010, consisted of the following:

NOTE 21 - INTERFUND BALANCES AND TRANSFERS (Continued)

	Transfer From	
Transfer to	General Fund	Total
Nonmajor Special Revenue	$ 40,000	$ 40,000
Total	$ 40,000	$ 40,000

Transfers are used to move resources from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorization.

At December 31, 2010, the Nonmajor Special Revenue Funds had a due to the Community and Economic Development Fund of $174,953. This internal borrowing represents a grant advance that took place between a Major Special Revenue Fund and a Nonmajor Special Revenue fund. $173,754 due from other funds is in the Nonmajor Internal Service Funds and represents outstanding premium obligations due from various operating funds to the Compensated Absences Fund and the Health Insurance Fund. Both of the above mentioned obligations should be satisfied using the appropriate grant and program revenues associated with each fund.

	Due to		
Due From	Community and Economic Development	Nonmajor Internal Service	Total
General Fund	$ -	$ 122,892	$ 122,892
Community and Economic Development Fund	-	30,441	30,441
Capital Projects	-	2,407	2,407
Water Fund	-	7,306	7,306
Sewer Fund	-	6,251	6,251
Refuse Fund	-	1,009	1,009
Nonmajor Special Revenue	174,953	3,448	178,401
Total	$ 174,953	$ 173,754	$ 348,707

NOTE 22 – ACCOUNTABILITY AND COMPLIANCE

Accountability

Fund balances at December 31, 2010 included the following individual fund deficits:

	Deficit Fund Balance
Nonmajor Funds:	
Health Insurance	943,414
Compensated Absences Claims	7,216,302

These deficits in these nonmajor funds are the result of adjustments for accrued liabilities. The general fund is liable for any deficit in these funds and will provide transfers when cash is required, not when accruals occur. Contrary to Ohio Revised Code Section 5705.36(A)(4) appropriations in the Community and Economic Development Fund and the Clean Ohio Revitalization Fund exceeded actual resources.

NOTE 23 – RESTATEMENT OF NET ASSETS

During 2010, the City found an error in how its equipment and building values were being reported for Business-Type Activities. The following table illustrates the net affect of these adjustments on the overall net assets.

	Business-Type Activities	Water Fund	Sewer Fund
Net Assets, December 31, 2009	$ 89,563,293	$ 40,560,999	$ 46,188,618
Adjustments to Buildings and Structures	79,890	-	79,890
Adjustments to Vehicles and Equipment	15,167	15,167	-
Restated Net Assets, January 1, 2010	$ 89,658,350	$ 40,576,166	$ 46,268,508

NOTE 24 – CHANGES IN ACCOUNTING PRINCIPLES

For 2010, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 51, "Accounting and Financial Reporting for Intangible Assets", GASB Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments", and GASB Statement No. 58 "Accounting and Financial Reporting for Chapter 9 Bankruptcies". The City also early implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions".

GASB Statement No. 51 addresses accounting and financial reporting standards for intangible assets, which are assets that lack physical substance, are nonfinancial in nature, and have an initial useful life extending beyond a single reporting period. Examples of intangible assets include easements, water rights, computer software, patents, and trademarks. GASB Statement No. 51 improves the quality of financial reporting by creating consistency in the recognition, initial measurement, and amortization of intangible assets. The implementation of GASB Statement No. 51 did not have an effect on the financial statements of the City.

GASB Statement No. 53 addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. Derivative instruments are financial arrangements used by governments to manage specific risks or to make investments. Common types of derivative instruments include interest rate and commodity swaps, interest rate locks, options, swaptions, forward contracts, and futures contracts. The implementation of GASB Statement No. 53 did not have an effect on the financial statements of the City.

GASB Statement No. 58 establishes accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. GASB Statement No. 58 requires governments to remeasure liabilities that are adjusted in bankruptcy when the bankruptcy court confirms a new payment plan. The implementation of GASB Statement No. 58 did not have an effect on the financial statements of the City.

GASB Statement No. 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that compromise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Combining, Statements and

Individual Fund Schedules

Special Revenue Funds are established to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are restricted by law and administrative action to expenditures for specified purposes.

Street Construction, Maintenance and Repair Fund Required by the Ohio Revised Code to account for that portion of the State gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City.

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

Municipal Road Fund To account for County grant money used for various street projects approved through the county's municipal road fund.

Cornerstone Parking Deck Fund To account for parking fees collected at City owned parking facilities.

Health Services Fund To account for State and Federal grant funds used for various health education, prevention, and treatment programs in the City.

Crime Lab Fund To account for monies received for the operational costs of the City's Crime Lab.

Court's Computer Fund To account for monies used to maintain court computer systems.

Litter Prevention Fund To account for grant monies used for Canton Municipal Court litter cleanup.

Court Fund To account for special revenues received from Canton Municipal Court fines.

Law Department Dispute Resolution Fund To provide for the receipt of fees charged for discretionary public services provided to resolve various types of disputes.

Park Department Fund To account for park donations and operational fees charged by the department.

Youth Development Fund To account for grant monies used for summer youth employment programs.

Federal Forfeiture Fund To account for the proceeds from seizures in federal cases.

Enforcement and Education Fund To account for fines which are used 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.

Indigent Driver Alcohol Treatment Fund To account for fines collected by the municipal court from persons whose driver's license or permit was suspended for driving under the influence of alcohol. By order of the court, this fund will provide for the cost of rehabilitation for those deemed to be indigent.

Law Enforcement Trust Fund To account for monies received from the sale or disposition of seized contraband. Expenditures from this fund are made for law enforcement purposes.

Municipal Probation Services Fund To account for fines and forfeitures used for various probation projects.

Community Sanction Grant Fund To account for grant dollars from the Department of Rehabilitation and Correction to be used to meet the needs of low level offenders, divert additional offenders from prison and enhance public safety.

Prisoner Housing Fund To account for fines collected used for the housing and/or treatment of indigent offenders.

Local Law Enforcement Block Grant Fund To account for block grant monies used for law enforcement purposes.

Supplementary Police Forces Fund To account for the receipts and expenditures associated with the City's Auxiliary Police Force and Police Youth Corp.

Police Grants & Donations Fund To account for the receipt and expenditure of various grants and donations received by the City's Police Department.

Fire Grants & Donations Fund To account for the receipts and expenditures of various grants and donations received by the City's Fire Department.

Clean Ohio Revitalization Fund To account for the receipts and expenditures associated with the Clean Ohio Revitalization Grant received by the City for asbestos abatement projects.

Other Smaller special revenue funds operated by the City and subsidized in part by Local, State and Federal monies as well as miscellaneous sources. These funds are as follows:

Employee Recognition Fund
City Hall Plaza Fund
Recycle Ohio Grant Fund
Guardrail/Attenuator Replacement Fund
Southeast Community Center Fund
Canton Rail Station Fund
Thurman Munson Memorial Stadium Donation Fund
Clerk of Courts Administration Fund

Nonmajor Debt Service Funds

Debt Service Funds are established to account for the accumulation of resources for, and the payment of, general and special assessment long-term debt principal and interest and related costs.

General Obligation Bond Retirement Fund To account for the accumulation of resources to pay principal and interest on general obligation debt.

Special Assessment Bond Retirement Fund To account for the collection of special assessments levied against properties for the payment of special assessment bonds and related interest costs.

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

2006 City Infrastructure Bond Fund To account for the portions of a 2006 City bond issue spent for roadway, storm sewer, and other infrastructure improvements.

Traffic Signalization Fund To account for costs associated with a traffic signal improvement project.

2006 Recreational Bond Fund To account for the portions of a 2006 City bond issue spent for a water park, baseball field upgrades, and other recreational facility improvements.

2006 Construction/Reconstruction Bond Fund To account for the portions of a 2006 City bond issue spent for building renovations and construction being done throughout the City.

Judges Facilities/City Hall Renovation Fund To account for the portions of a 2006 City bond issue spent on a renovation project being undertaken at City Hall.

Civic Center Improvement Fund To account for improvements at the Civic Center.

Fulton Rd & Park Rd Intersection Improvement Fund To account for all costs associated with the improvement of the Fulton Road and Stadium Park Road Intersection.

49th St & Gardendale Project Fund To account for all costs associated with the 49th St & Gardendale project.

30th St NE Trunk Sewer Fund To account for all costs associated with the 30th St NE trunk sewer project.

25th St NE Storm Sewer Fund To account for all costs associated with the of 25th St. NE storm sewer project.

Sherrick Road Project Fund To account for all costs associated with the Sherrick Road project.

Cleveland Ave Resurfacing Fund To account for all costs associated with the repaving of Cleveland Ave.

Harmont Ave Sanitary Sewer Project Fund To account for all costs associated with the Harmont Ave sewer project.

Guilford Ave Bridge Replacement Fund To account for all costs associated with the replacement of the Guilford Avenue Bridge.

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Property and Other Taxes	$ 3,692,536	$ 3,692,536	$ -
Municipal Income Tax	30,074,765	29,987,663	(87,102)
Charges for Services	10,723,359	10,808,610	85,251
Licenses, Permits and Fees	1,317,042	1,280,289	(36,753)
Fines and Forfeitures	392,834	393,250	416
Intergovernmental	6,192,391	6,191,468	(923)
Operating Grants	150,024	152,719	2,695
Interest	243,206	230,081	(13,125)
Rentals	334,065	326,903	(7,162)
Other	1,355,766	1,386,294	30,528
Total Revenue	54,475,988	54,449,813	(26,175)
Expenditures			
Current:			
General Government:			
Service Director-Support Administration:			
Personal Services	1,049	204	845
Materials and Supplies	8,498	8,498	-
Contractual Services	196,151	193,149	3,002
Other	111,200	110,933	267
Total Service Director-Support Administration	316,898	312,784	4,114
Service Director-Service Director Administration:			
Personal Services	79,779	78,162	1,617
Materials and Supplies	70	-	70
Contractual Services	24,100	22,465	1,635
Other	2,300	1,983	317
Total Service Director-Service Director Admin	106,249	102,610	3,639
Service Director-Purchase Administration:			
Personal Services	272,334	270,456	1,878
Materials and Supplies	224,560	212,824	11,736
Contractual Services	10,225	6,363	3,862
Total Service Director-Purchase Administration	507,119	489,643	17,476
Service Director-Annexation:			
Personal Services	10,671	9,608	1,063
Materials and Supplies	841	54	787
Contractual Services	2,359	509	1,850
Total Service Director-Annexation	13,871	10,171	3,700
Building and Maintenance-Other Building:			
Personal Services	713,322	713,253	69
Materials and Supplies	43,127	39,508	3,619
Contractual Services	382,373	376,491	5,882
Other	2,269	1,550	719
Total Building and Maintenance-Other Building	1,141,091	1,130,802	10,289
Total Income Tax-Income Tax Administration			
Personal Services	976,476	878,717	97,759
Materials and Supplies	97,145	89,358	7,787
Contractual Services	104,737	82,650	22,087
Capital Outlay	11,000	-	11,000
Other	125,776	119,962	5,814
Total Income Tax - Income Tax Administration	$ 1,315,134	$ 1,170,687	$ 144,447

(continued)

City of Canton, 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, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Mayor - Administration:			
Personal Services	$ 349,929	$ 348,825	$ 1,104
Materials and Supplies	4,705	4,474	231
Contractual Services	26,716	26,208	508
Other	2,500	2,237	263
Total Mayor-Mayor Administration	383,850	381,744	2,106
Mayor-Human Resources Administration:			
Personal Services	95,047	94,681	366
Materials and Supplies	1,150	473	677
Contractual Services	23,181	13,010	10,171
Total Mayor-Human Resources Administration	119,378	108,164	11,214
Mayor - Compliance Administration:			
Personal Services	22,529	21,675	854
Materials and Supplies	2	-	2
Total Mayor-Compliance Administration	22,531	21,675	856
Council-Council Administration:			
Personal Services	524,652	522,476	2,176
Materials and Supplies	1,666	1,630	36
Contractual Services	42,670	42,149	521
Total Council-Council Administration	568,988	566,255	2,733
Courts/Judge-Judge Administration:			
Personal Services	1,754,797	1,750,656	4,141
Materials and Supplies	19,818	18,935	883
Contractual Services	63,025	60,296	2,729
Capital Outlay	1,000	656	344
Other	500	190	310
Total Courts/Judge-Judge Administration	1,839,140	1,830,733	8,407
Courts/Clerk-Clerk of Courts Administration:			
Personal Services	1,254,708	1,253,039	1,669
Materials and Supplies	57,732	52,302	5,430
Contractual Services	50,862	44,802	6,060
Capital Outlay	1,000	563	437
Other	3,200	930	2,270
Total Courts/Clerk-Clerk of Courts Admin	1,367,502	1,351,636	15,866
Law Director-Law Administration:			
Personal Services	1,300,526	1,288,969	11,557
Materials and Supplies	12,735	12,438	297
Contractual Services	145,978	107,861	38,117
Other	255,434	252,091	3,343
Total Law Director-Law Administration	1,714,673	1,661,359	53,314
Law Director-Police Settlement			
Contractual Services	2,500	2,500	-
Legal Claims	31,600	31,600	-
Total Law Director-Police Settlement	$ 34,100	$ 34,100	$ -

(continued)

City of Canton, 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, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Auditor-Auditor Administration:			
Personal Services	$ 1,016,282	$ 1,015,015	$ 1,267
Materials and Supplies	11,023	10,846	177
Contractual Services	22,987	21,929	1,058
Other	156,329	122,962	33,367
Total Auditor-Auditor Administration	1,206,621	1,170,752	35,869
Auditor-Legally Binding Expenses:			
Contractual Services	700,100	700,062	38
Other	32,620	32,620	-
Total Auditor-Legally Binding Expenses	732,720	732,682	38
Treasurer- Administration & Operations:			
Personal Services	249,113	248,839	274
Materials and Supplies	1,550	506	1,044
Contractual Services	32,708	27,114	5,594
Other	195,350	139,358	55,992
Total Treasurer-Operations	478,721	415,817	62,904
Board of Commission-Civil Service:			
Personal Services	270,025	267,813	2,212
Materials and Supplies	2,560	2,391	169
Contractual Services	32,767	28,122	4,645
Other	200	127	73
Total Board of Commission-Civil Service	305,552	298,453	7,099
Board of Commission-Zoning Board:			
Personal Services	8,558	8,537	21
Total Board of Commission-Zoning Board	8,558	8,537	21
Motor Vehicle-Administration:			
Personal Services	171,229	136,689	34,540
Materials and Supplies	250	-	250
Contractual Services	163,443	131,213	32,230
Other	100	-	100
Total Motor Vehicle-Administration	335,022	267,902	67,120
Motor Vehicle-Service and Repair:			
Personal Services	755,808	755,205	603
Materials and Supplies	1,583,139	1,538,251	44,888
Contractual Services	65,325	55,227	10,098
Capital Outlay	200	-	200
Other	268,550	266,194	2,356
Total Motor Vehicle-Service and Repair	2,673,022	2,614,877	58,145
Management Information Systems:			
Personal Services	963,629	936,755	26,874
Materials and Supplies	6,791	4,663	2,128
Contractual Services	100,895	76,707	24,188
Other	200	-	200
Total Management Information Systems	1,071,515	1,018,125	53,390
Total General Government	$ 16,262,255	$ 15,699,508	$ 562,747

(continued)

City of Canton, 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, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Security of Persons and Property:			
Safety Director-Safety Director Administration:			
Personal Services	$ 125,091	$ 124,750	$ 341
Materials and Supplies	495	114	381
Contractual Services	38,487	38,112	375
Other	2,353	2,100	253
Total Safety Director-Safety Director Admin	166,426	165,076	1,350
Safety Director-Code Enforcement Admin:			
Personal Services	816,902	815,521	1,381
Materials and Supplies	10,534	9,611	923
Contractual Services	168,804	167,197	1,607
Other	4,441	3,916	525
Total Safety Director-Code Enforcement Admin	1,000,681	996,245	4,436
Safety Director-Central Communication Admin:			
Salaries and Wages	1,222,698	1,215,161	7,537
Materials and Supplies	750	635	115
Contractual Services	55,514	51,136	4,378
Capital Outlay	200	158	42
Total Safety Director-Central Communication Admin	1,279,162	1,267,090	12,072
Police Administration:			
Personal Services	14,865,048	14,860,921	4,127
Materials and Supplies	82,536	79,797	2,739
Contractual Services	451,503	427,526	23,977
Capital Outlay	930	928	2
Other	13,527	12,500	1,027
Total Police Administration	15,413,544	15,381,672	31,872
Fire Administration:			
Personal Services	14,235,794	14,234,204	1,590
Materials and Supplies	216,563	206,803	9,760
Contractual Services	390,278	383,364	6,914
Capital Outlay	4,645	4,642	3
Other	20,754	17,340	3,414
Total Fire Administration	14,868,034	14,846,353	21,681
Traffic Divisions-Traffic Engineer/Parking Meter:			
Personal Services	104,161	103,283	878
Materials and Supplies	9,851	7,816	2,035
Contractual Services	5,106	4,809	297
Other	41	-	41
Total Traffic Divisions-Traffic Engineer/Parking Meter	119,159	115,908	3,251
Total Security of Persons and Property	32,847,006	32,772,344	74,662
Public Health:			
Health Administration:			
Personal Services	466,852	464,286	2,566
Materials and Supplies	16,965	14,693	2,272
Contractual Services	134,202	129,442	4,760
Capital Outlay	100	-	100
Other	319,836	288,485	31,351
Total Health Administration	$ 937,955	$ 896,906	$ 41,049

(continued)

City of Canton, 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, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Health-Nurses:			
Personal Services	$ 796,102	$ 795,776	$ 326
Materials and Supplies	47,200	46,669	531
Contractual Services	4,084	3,488	596
Other	765	338	427
Total Health-Nurses	848,151	846,271	1,880
Health-Lab:			
Personal Services	219,272	218,624	648
Materials and Supplies	34,916	33,850	1,066
Contractual Services	18,313	18,035	278
Total Health-Lab	272,501	270,509	1,992
Health-Environmental Health Administration:			
Personal Services	554,384	553,855	529
Materials and Supplies	5,116	3,150	1,966
Contractual Services	5,296	3,451	1,845
Capital Outlay	900	-	900
Other	700	474	226
Total Health-Environmental Health Administration	566,396	560,930	5,466
Total Public Health	2,625,003	2,574,616	50,387
Transportation:			
Engineering-Daily Operations:			
Personal Services	44,309	42,871	1,438
Contractual and Services	1,860	409	1,451
Total Engineering-Daily Operations	46,169	43,280	2,889
Street-Maintenance:			
Personal Services	134,015	133,970	45
Materials and Supplies	146,023	144,555	1,468
Contractual Services	1,040,529	1,039,638	891
Other	4,129	3,744	385
Total Street-Maintenance	1,324,696	1,321,907	2,789
Total Transportation	1,370,865	1,365,187	5,678
Leisure Time Activities:			
Park Division-Park Administration:			
Personal Services	1,021,526	1,014,708	6,818
Materials and Supplies	24,321	20,451	3,870
Contractual Services	48,728	46,377	2,351
Other	5,480	3,862	1,618
Total Park Division-Park Administration	1,100,055	1,085,398	14,657
Mayor-Baseball:			
Materials and Supplies	8,732	7,354	1,378
Contractual Services	26,800	25,293	1,507
Total Mayor-Baseball	$ 35,532	$ 32,647	$ 2,885

(continued)

City of Canton, 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, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Civic Center-Civic Center Administration:			
Personal Services	$ 345,670	$ 341,126	$ 4,544
Materials and Supplies	100,030	89,894	10,136
Contractual Services	503,087	489,180	13,907
Other	60,480	58,300	2,180
Total Civic Center-Civic Center Administration	1,009,267	978,500	30,767
Total Leisure Time Activities	2,144,854	2,096,545	48,309
Debt Service:			
Interest and Fiscal Charges:			
General Obligation Various Improvement Bonds	68,150	68,150	-
Total Interest and Fiscal Charges	68,150	68,150	-
Total Debt Service	68,150	68,150	-
Total Expenditures	55,318,133	54,576,350	741,783
Excess of Revenues Over (Under) Expenditures	(842,145)	(126,537)	715,608
Other Financing Sources (Uses)			
Sale of Note	1,800,000	1,800,000	-
Advances In	4,025,185	4,025,185	-
Advances Out	(5,825,200)	(5,825,185)	15
Operating Transfers Out	(40,000)	(40,000)	-
Total Other Financing Sources (Uses)	(40,015)	(40,000)	15
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(882,160)	(166,537)	715,623
Fund Balances Beginning of Year	1,069,005	1,069,005	-
Unexpended Prior Year Encumbrances	214,781	214,781	-
Fund Balances End of Year	$ 401,626	$ 1,117,249	$ 715,623

City of Canton, Ohio

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2010

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 6,097,655	$ 419	$ 8,309,084	$ 14,407,158
Cash and Cash Equivalents in Segregated Accounts	-	3,019	-	3,019
Taxes Receivable	-	19,148	-	19,148
Accounts Receivable	29,235	-	764	29,999
Due From Other Governments	3,659,438	-	258,235	3,917,673
Inventories	26,315	-	-	26,315
Total Assets	$ 9,812,643	$ 22,586	$ 8,568,083	$ 18,403,312
Liabilities and Fund Balances				
Current				
Accounts Payable	$ 232,939	$ -	$ 721,187	$ 954,126
Accrued Wages and Benefits	133,993	-	-	133,993
Due to Other Funds	178,401	-	-	178,401
Due to Other Governments	215,327	-	-	215,327
Retainage Payable	-	-	65,905	65,905
Deferred Revenue	2,053,054	19,148	-	2,072,202
Total Liabilities	2,813,714	19,148	787,092	3,619,954
Fund Balances				
Nonspendable	26,315	-	-	26,315
Restricted	6,831,999	3,438	7,780,991	14,616,428
Committed	140,615	-	-	140,615
Total Fund Balances	6,998,929	3,438	7,780,991	14,783,358
Total Liabilities and Fund Balances	$ 9,812,643	$ 22,586	$ 8,568,083	$ 18,403,312

City of Canton, Ohio

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the year ended December 31, 2010

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Charges for Services	$ 1,351,256	$ -	$ 1,600	$ 1,352,856
Licenses, Permits, and Fees	250,286	-	-	250,286
Fines and forfeitures	160,462	-	-	160,462
Intergovernmental	3,136,104	-	-	3,136,104
Interest	1,354	5,765	14,075	21,194
Operating Grants and Contributions	4,940,691	-	-	4,940,691
Capital Grants and Contributions	1,727,782	-	4,891,301	6,619,083
Rentals	46,212	-	-	46,212
Other	210,627	-	17,637	228,264
Total Revenues	11,824,774	5,765	4,924,613	16,755,152
Expenditures				
Current				
General Government	1,179,420	3,316	-	1,182,736
Security of Persons and Property	3,047,464	-	-	3,047,464
Public Health	4,036,376	-	-	4,036,376
Transportation	2,443,849	-	-	2,443,849
Community Environment	1,337,700	-	-	1,337,700
Leisure Time Activities	207,747	-	-	207,747
Capital Outlay	-	-	6,929,383	6,929,383
Debt Service				
Principal	29,199	-	194,660	223,859
Interest and Fiscal Charges	8,729	2,030	58,191	68,950
Total Expenditures	12,290,484	5,346	7,182,234	19,478,064
Excess Revenues Over (Under) Expenditures	(465,710)	419	(2,257,621)	(2,722,912)
Other Financing Sources				
Issuance of Debt	-	-	54,641	54,641
Transfers In	40,000	-	-	40,000
Total Other Financing Sources	40,000	-	54,641	94,641
Net Change in Fund Balance	(425,710)	419	(2,202,980)	(2,628,271)
Fund Balance at Beginning of Year	7,424,639	3,019	9,983,971	17,411,629
Fund Balance at End of Year	$ 6,998,929	$ 3,438	$ 7,780,991	$ 14,783,358

City of Canton, Ohio

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2010

	Street Maintenance	State Highway	Municipal Road	Cornerstone Parking Deck	Health Service
Assets					
Equity in Pooled Cash and Cash Equivalents	$ 309,471	$ 189,731	$ 519,377	$ 39,807	$ 2,518,542
Accounts Receivable	8,366	-	-	1,000	19,869
Due From Other Governments	1,104,700	83,669	16,492	-	1,667,391
Inventories	26,315	-	-	-	-
Total Assets	$ 1,448,852	$ 273,400	$ 535,869	$ 40,807	$ 4,205,802
Liabilities and Fund Balances					
Current					
Accounts Payable	$ 94,377	$ 575	$ 33,843	$ 5,319	$ 20,172
Accrued Wages and Benefits	46,164	2,692	-	5,744	57,605
Due to Other Funds	3,296	152	-	-	-
Due to Other Governments	10,849	633	-	1,349	178,613
Deferred Revenue	665,184	53,280	-	-	1,246,070
Total Liabilities	819,870	57,332	33,843	12,412	1,502,460
Fund Balances					
Nonspendable	26,315	-	-	-	-
Restricted	602,667	216,068	502,026	-	2,703,342
Committed	-	-	-	28,395	-
Total Fund Balances	628,982	216,068	502,026	28,395	2,703,342
Total Liabilities and Fund Balances	$ 1,448,852	$ 273,400	$ 535,869	$ 40,807	$ 4,205,802

(continued)

City of Canton, Ohio

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2010

	Crime Lab	Court Computer	Litter Prevention	Court	Law Department Dispute Resolution	Park
Assets						
Equity in Pooled Cash and Cash Equivalents	$ 25,797	$ 481,327	$ -	$ 434,982	$ 604	$ 318,315
Accounts Receivable	-	-	-	-	-	-
Due From Other Governments	783	21,448	-	28,524	-	-
Inventories	-	-	-	-	-	-
Total Assets	$ 26,580	$ 502,775	$ -	$ 463,506	$ 604	$ 318,315
Liabilities and Fund Balances						
Current						
Accounts Payable	$ -	$ 2,143	$ -	$ 1,709	$ -	$ 331
Accrued Wages and Benefits	-	4,657	-	4,817	-	-
Due to Other Funds	-	-	-	-	-	174,953
Due to Other Governments	-	1,095	-	1,132	-	-
Deferred Revenue	-	-	-	-	-	-
Total Liabilities	-	7,895	-	7,658	-	175,284
Fund Balances						
Nonspendable	-	-	-	-	-	-
Restricted	26,580	494,880	-	455,848	-	38,871
Committed	-	-	-	-	604	104,160
Total Fund Balances	26,580	494,880	-	455,848	604	143,031
Total Liabilities and Fund Balances	$ 26,580	$ 502,775	$ -	$ 463,506	$ 604	$ 318,315

Youth Development	Federal Forfeiture	Enforcement and Education	Indigent Driver Alcohol Treatment	Law Enforcement Trust	Municipal Probation Services	Community Sanction Grant	Prisoner Housing	Local Law Enforcement Block Grant
$ 6,695	$ 540,258	$ 13,419	$ 19,779	$ 123,168	$ 171,420	$ 57,257	$ 39,803	$ 48,816
-	-	-	-	-	-	-	-	-
-	14,455	508	9,964	564	14,021	85,300	463	-
-	-	-	-	-	-	-	-	-
$ 6,695	$ 554,713	$ 13,927	$ 29,743	$ 123,732	$ 185,441	$ 142,557	$ 40,266	$ 48,816
$ 1,737	$ 8,134	$ -	$ 5,563	$ 4,879	$ 1,563	$ 35	$ -	$ -
-	5,072	-	-	768	2,825	3,649	-	-
-	-	-	-	-	-	-	-	-
-	1,192	-	-	181	664	857	-	-
-	-	-	-	-	-	42,650	-	-
1,737	14,398	-	5,563	5,828	5,052	47,191	-	-
-	-	-	-	-	-	-	-	-
4,958	540,315	13,927	24,180	117,904	180,389	95,366	40,266	48,816
-	-	-	-	-	-	-	-	-
4,958	540,315	13,927	24,180	117,904	180,389	95,366	40,266	48,816
$ 6,695	$ 554,713	$ 13,927	$ 29,743	$ 123,732	$ 185,441	$ 142,557	$ 40,266	$ 48,816

(continued)

City of Canton, Ohio

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2010

	Supplementary Police Forces	Police Grants & Donations	Fire Grants & Donations	Clean Ohio	Other	Total Nonmajor Special Revenue Funds
Assets						
Equity in Pooled Cash and Cash Equivalents	$ 2,658	$ 87,483	$ 129,335	$ 2,405	$ 17,206	$ 6,097,655
Accounts Receivable	-	-	-	-	-	29,235
Due From Other Governments	-	37,417	535,791	37,948	-	3,659,438
Inventories	-	-	-	-	-	26,315
Total Assets	$ 2,658	$ 124,900	$ 665,126	$ 40,353	$ 17,206	$ 9,812,643
Liabilities and Fund Balances						
Current						
Accounts Payable	$ -	$ -	$ 12,215	$ 40,344	$ -	$ 232,939
Accrued Wages and Benefits	-	-	-	-	-	133,993
Due to Other Funds	-	-	-	-	-	178,401
Due to Other Governments	-	18,762	-	-	-	215,327
Deferred Revenue	-	-	45,870	-	-	2,053,054
Total Liabilities	-	18,762	58,085	40,344	-	2,813,714
Fund Balances						
Nonspendable	-	-	-	-	-	26,315
Restricted	2,658	106,138	607,041	9	9,750	6,831,999
Committed	-	-	-	-	7,456	140,615
Total Fund Balances	2,658	106,138	607,041	9	17,206	6,998,929
Total Liabilities and Fund Balances	$ 2,658	$ 124,900	$ 665,126	$ 40,353	$ 17,206	$ 9,812,643

City of Canton, Ohio

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the year ended December 31, 2010

	Street Maintenance	State Highway	Municipal Road	Cornerstone Parking Deck	Health Service
Revenues					
Charges for Services	$ -	$ -	$ -	$ 348,756	$ 3,317
Licenses, Permits, and Fees	-	-	-	-	250,286
Fines and forfeitures	-	-	-	-	-
Intergovernmental	2,933,186	202,918	-	-	-
Interest	208	155	-	-	-
Operating Grants and Contributions	-	-	-	-	3,036,594
Capital Grants and Contributions	-	-	16,492	-	-
Rentals	-	-	-	19,250	-
Other	33,537	1,826	-	-	104,202
Total Revenues	2,966,931	204,899	16,492	368,006	3,394,399
Expenditures					
Current					
General Government	-	-	-	-	-
Security of Persons and Property	1,120,719	2,000	-	400,277	-
Public Health	-	-	-	-	4,036,376
Transportation	1,841,820	163,737	438,292	-	-
Community Environment	-	-	-	-	-
Leisure Time Activities	-	-	-	-	-
Debt Service					
Principal	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
Total Expenditures	2,962,539	165,737	438,292	400,277	4,036,376
Excess Revenues Over (Under) Expenditures	4,392	39,162	(421,800)	(32,271)	(641,977)
Other Financing Sources					
Transfers In	-	-	-	-	40,000
Total Other Financing Sources	-	-	-	-	40,000
Net Change in Fund Balance	4,392	39,162	(421,800)	(32,271)	(601,977)
Fund Balance at Beginning of Year	624,590	176,906	923,826	60,666	3,305,319
Fund Balance at End of Year	$ 628,982	$ 216,068	$ 502,026	$ 28,395	$ 2,703,342

(continued)

City of Canton, Ohio

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the year ended December 31, 2010

	Crime Lab	Court Computer	Litter Prevention	Court	Law Department Dispute Resolution	Park
Revenues						
Charges for Services	$ 12,781	$ 338,529	$ -	$ 427,403	$ 615	$ -
Licenses, Permits, and Fees	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Operating Grants and Contributions	-	-	-	-	-	320
Capital Grants and Contributions	-	-	-	-	-	182,228
Rentals	-	-	-	-	-	26,962
Other	-	-	3,648	512	-	515
Total Revenues	12,781	338,529	3,648	427,915	615	210,025
Expenditures						
Current						
General Government	-	254,500	-	259,949	1,300	-
Security of Persons and Property	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Community Environment	-	-	-	-	-	-
Leisure Time Activities	-	-	-	-	-	207,747
Debt Service						
Principal	-	-	-	29,199	-	-
Interest and Fiscal Charges	-	-	-	8,729	-	-
Total Expenditures	-	254,500	-	297,877	1,300	207,747
Excess Revenues Over (Under) Expenditures	12,781	84,029	3,648	130,038	(685)	2,278
Other Financing Sources						
Transfers In	-	-	-	-	-	-
Total Other Financing Sources	-	-	-	-	-	-
Net Change in Fund Balance	12,781	84,029	3,648	130,038	(685)	2,278
Fund Balance at Beginning of Year	13,799	410,851	(3,648)	325,810	1,289	140,753
Fund Balance at End of Year	$ 26,580	$ 494,880	$ -	$ 455,848	$ 604	$ 143,031

Youth Development	Federal Forfeiture	Enforcement and Education	Indigent Driver Alcohol Treatment	Law Enforcement Trust	Municipal Probation Services	Community Sanction Grant	Prisoner Housing	Local Law Enforcement Block Grant
$ -	$ -	$ -	$ -	$ -	$ 219,855	$ -	$ -	$ -
-	-	-	-	-	-	-	-	-
-	43,942	7,965	53,133	46,232	-	-	9,190	-
-	-	-	-	-	-	-	-	-
-	556	-	-	-	-	-	-	435
239,730	58,581	-	-	-	-	178,029	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
55,000	2,618	3,425	-	3,591	197	406	-	-
294,730	105,697	11,390	53,133	49,823	220,052	178,435	9,190	435
291,437	-	-	64,658	-	151,931	155,645	-	-
-	345,824	8,240	-	123,403	-	-	-	56,903
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
291,437	345,824	8,240	64,658	123,403	151,931	155,645	-	56,903
3,293	(240,127)	3,150	(11,525)	(73,580)	68,121	22,790	9,190	(56,468)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
3,293	(240,127)	3,150	(11,525)	(73,580)	68,121	22,790	9,190	(56,468)
1,665	780,442	10,777	35,705	191,484	112,268	72,576	31,076	105,284
$ 4,958	$ 540,315	$ 13,927	$ 24,180	$ 117,904	$ 180,389	$ 95,366	$ 40,266	$ 48,816

(continued)

City of Canton, Ohio

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the year ended December 31, 2010

	Supplementary Police Forces	Police Grants & Donations	Fire Grants & Donations	Clean Ohio	Other	Total Nonmajor Special Revenue Funds
Revenues						
Charges for Services	$ -	$ -	$ -	$ -	$ -	$ 1,351,256
Licenses, Permits, and Fees	-	-	-	-	-	250,286
Fines and forfeitures	-	-	-	-	-	160,462
Intergovernmental	-	-	-	-	-	3,136,104
Interest	-	-	-	-	-	1,354
Operating Grants and Contributions	-	952,945	474,492	-	-	4,940,691
Capital Grants and Contributions	-	-	251,180	1,257,882	20,000	1,727,782
Rentals	-	-	-	-	-	46,212
Other	1,150	-	-	-	-	210,627
Total Revenues	1,150	952,945	725,672	1,257,882	20,000	11,824,774
Expenditures						
Current						
General Government	-	-	-	-	-	1,179,420
Security of Persons and Property	528	861,970	127,600	-	-	3,047,464
Public Health	-	-	-	-	-	4,036,376
Transportation	-	-	-	-	-	2,443,849
Community Environment	-	-	-	1,317,700	20,000	1,337,700
Leisure Time Activities	-	-	-	-	-	207,747
Debt Service						
Principal	-	-	-	-	-	29,199
Interest and Fiscal Charges	-	-	-	-	-	8,729
Total Expenditures	528	861,970	127,600	1,317,700	20,000	12,290,484
Excess Revenues Over (Under) Expenditures	622	90,975	598,072	(59,818)	-	(465,710)
Other Financing Sources						
Transfers In	-	-	-	-	-	40,000
Total Other Financing Sources	-	-	-	-	-	40,000
Net Change in Fund Balance	622	90,975	598,072	(59,818)	-	(425,710)
Fund Balance at Beginning of Year	2,036	15,163	8,969	59,827	17,206	7,424,639
Fund Balance at End of Year	$ 2,658	$ 106,138	$ 607,041	$ 9	$ 17,206	$ 6,998,929

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Community and Economic Development Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 95,228	$ 89,083	$ (6,145)
Operating Grants	12,860,077	6,962,497	(5,897,580)
Capital Grants	515,283	20,283	(495,000)
Contributions and Donations	35	300	265
Rentals	65,000	38,831	(26,169)
Other	233,136	283,155	50,019
Total Revenues	13,768,759	7,394,149	(6,374,610)
Expenditures			
Current:			
Community Environment:			
Youth Development Administration:			
Personnel Costs	207,278	166,913	40,365
Materials and Supplies	14,012	9,878	4,134
Contractual Services	633,603	82,990	550,613
Capital Outlay	25,858	20,709	5,149
Other	899	-	899
Total Youth Development Administration	881,650	280,490	601,160
Compliance Administration:			
Personnel Costs	78,602	59,381	19,221
Materials and Supplies	15,765	2,162	13,603
Contractual Services	32,370	14,827	17,543
Capital Outlay	800	-	800
Other	108,168	107,668	500
Total Compliance Development Administration	235,705	184,038	51,667
Community Development Administration:			
Personnel Costs	938,637	912,094	26,543
Materials and Supplies	30,052	21,784	8,268
Contractual Services	969,556	851,751	117,805
Capital Outlay	139,134	128,356	10,778
Other	2,638,446	2,119,435	519,011
Total Community Development Administration	4,715,825	4,033,420	682,405
Federal Stimulus Funding:			
Personnel Costs	171,271	148,314	22,957
Materials and Supplies	5,956	1,337	4,619
Contractual Services	2,448,500	2,242,657	205,843
Capital Outlay	35,466	22,078	13,388
Other	2,449,169	2,360,706	88,463
Total Federal Stimulus Funding	5,110,362	4,775,092	335,270
Energy Efficiency Conservation:			
Materials and Supplies	286,286	285,266	1,020
Contractual Services	75,000	75,000	-
Capital Outlay	441,714	1,993	439,721
Total Energy Efficiency Conservation	$ 803,000	$ 362,259	$ 440,741

(continued)

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Community and Economic Development Fund (continued)
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Community Development Demolition:			
Personnel Costs	$ 164,400	$ 145,723	$ 18,677
Materials and Supplies	14,000	9,350	4,650
Contractual Services	230,125	222,617	7,508
Total Community Development Demolition	408,525	377,690	30,835
Fair Housing Administration:			
Personnel Costs	100,971	84,673	16,298
Materials and Supplies	4,746	500	4,246
Contractual Services	10,610	500	10,110
Capital Outlay	1,000	-	1,000
Other	9,000	6,305	2,695
Total Fair Housing Administration	126,327	91,978	34,349
Economic Development Grants/Loans:			
Contractual Services	644,453	644,453	-
Total Expenditures	12,925,847	10,749,420	2,176,427
Excess of Revenues Over (Under) Expenditures	842,912	(3,355,271)	(4,198,183)
Other Financing Sources (Uses)			
Sale of Capital Assets	798	3,326	2,528
Advances In	174,953		(174,953)
Advances Out	(174,953)	(174,953)	-
Total Other Financing Sources (Uses)	798	(171,627)	(172,425)
Excess of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	843,710	(3,526,898)	(4,370,608)
Fund Balance (Deficit) Beginning of Year	(1,385,219)	(1,385,219)	-
Unexpended Prior Year Encumbrances	921,047	921,047	-
Fund Balance (Deficit) End of Year	$ 379,538	$ (3,991,070)	$ (4,370,608)

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Street Construction, Maintenance, and Repair Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Intergovernmental	$ 2,895,000	$ 2,951,737	$ 56,737
Interest	500	208	(292)
Other	-	34,707	34,707
Total Revenues	2,895,500	2,986,652	91,152
Expenditures			
Current:			
Security of Persons and Property:			
Traffic Divisions-Traffic Engineer Administration:			
Personnel Costs	297,133	292,842	4,291
Materials and Supplies	3,440	2,555	885
Contractual Services	27,802	26,650	1,152
Other	1,346	554	792
Total Traffic Divisions-Traffic Engineer Administration	329,721	322,601	7,120
Traffic Divisions-Traffic Sign and Paint:			
Personnel Costs	244,162	238,514	5,648
Materials and Supplies	50,140	45,557	4,583
Contractual Services	53,079	44,269	8,810
Capital Outlay	2,286	1,729	557
Other	820	100	720
Total Traffic Divisions-Traffic Sign and Paint	350,487	330,169	20,318
Traffic Divisions-Traffic Signal:			
Personnel Costs	299,113	298,406	707
Materials and Supplies	29,649	28,007	1,642
Contractual Services	198,249	131,713	66,536
Capital Outlay	2,100	2,100	-
Other	263	200	63
Total Traffic Divisions-Traffic Signal	529,374	460,426	68,948
Total Security Persons and Property	1,209,582	1,113,196	96,386
Transportation:			
Street Maintenance:			
Personnel Costs	1,201,066	1,194,993	6,073
Materials and Supplies	492,440	488,841	3,599
Contractual Services	182,271	171,039	11,232
Other	7,590	7,514	76
Total Transportation	1,883,367	1,862,387	20,980
Total Expenditures	3,092,949	2,975,583	117,366
Excess of Revenues Over (Under) Expenditures	(197,449)	11,069	208,518
Fund Balance Beginning of Year	157,667	157,667	-
Unexpended Prior Year Encumbrances	41,447	41,447	-
Fund Balance End of Year	$ 1,665	$ 210,183	$ 208,518

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Intergovernmental	$ 199,000	$ 205,111	$ 6,111
Interest	200	155	(45)
Other	-	1,826	1,826
Total Revenues	199,200	207,092	7,892
Expenditures			
Current:			
Security of Persons and Property:			
Traffic Divisions-Traffic Signal:			
Contractual Services	45,356	2,000	43,356
Transportation:			
Street Maintenance:			
Personnel Costs	196,265	114,964	81,301
Materials and Supplies	27,908	19,670	8,238
Contractual Services	34,767	28,919	5,848
Other	500	-	500
Total Transportation	259,440	163,553	95,887
Total Expenditures	304,796	165,553	139,243
Excess of Revenues Over (Under) Expenditures	(105,596)	41,539	147,135
Fund Balance Beginning of Year	94,289	94,289	-
Unexpended Prior Year Encumbrances	53,412	53,412	-
Fund Balance End of Year	$ 42,105	$ 189,240	$ 147,135

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Municipal Road Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Capital Grants	$ 79,609	$ 79,609	$ -
Expenditures			
Current:			
Transportation:			
Engineering-Engineering Administration:			
Contractual Services	195,314	195,313	1
Capital Outlay	445,662	382,942	62,720
Total Engineering Administration	640,976	578,255	62,721
30th St NE Trunk Sewer Imprv:			
Capital Outlay	1,473	1,473	-
East Side Park Trail & Bridges:			
Capital Outlay	265,000	265,000	-
Total Expenditures	907,449	844,728	62,721
Excess of Revenues (Under) Expenditures	(827,840)	(765,119)	62,721
Fund Balance Beginning of Year	663,867	663,867	-
Unexpended Prior Year Encumbrances	163,973	163,973	-
Fund Balance End of Year	$ -	$ 62,721	$ 62,721

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Cornerstone Parking Deck Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 352,144	$ 348,993	$ (3,151)
Rentals	14,556	18,250	3,694
Total Revenues	366,700	367,243	543
Expenditures			
Current:			
Security of Persons & Property:			
Safety Director-Safety Director Administration:			
Personnel Costs	255,418	254,360	1,058
Materials and Supplies	12,252	8,416	3,836
Contractual Services	223,419	215,912	7,507
Capital Outlay	100	-	100
Other	2,286	1,811	475
			-
Total Security of Persons & Property	493,475	480,499	12,976
Total Expenditures	493,475	480,499	12,976
Excess of Revenues (Under) Expenditures	(126,775)	(113,256)	13,519
Fund Balance Beginning of Year	138,083	138,083	-
Unexpended Prior Year Encumbrances	4,207	4,207	-
Fund Balance End of Year	$ 15,515	$ 29,034	$ 13,519

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Health Services Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 3,317	$ 3,317	$ -
Licenses, Permits and Fees	247,547	249,768	2,221
Operating Grants	3,966,685	3,802,487	(164,198)
Contributions and Donations	1,000	1,000	-
Other	100,804	111,579	10,775
Total Revenues	4,319,353	4,168,151	(151,202)
Expenditures			
Current:			
Public Health:			
Health Administration:			
Personnel Costs	2,628,889	2,124,256	504,633
Materials and Supplies	514,964	132,581	382,383
Contractual Services	259,866	122,912	136,954
Capital Outlay	452,694	115,852	336,842
Other	1,953,832	1,532,128	421,704
Total Expenditures	5,810,245	4,027,729	1,782,516
Excess of Revenues Over (Under) Expenditures	(1,490,892)	140,422	1,631,314
Other Financing Sources (Uses)			
Advances In	25,185	25,185	-
Advances Out	(25,185)	(25,185)	-
Transfers In	40,000	40,000	-
Total Other Financing Sources	40,000	40,000	-
Excess of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(1,450,892)	180,422	1,631,314
Fund Balance Beginning of Year	2,174,196	2,174,196	-
Unexpended Prior Year Encumbrances	79,561	79,561	-
Fund Balance End of Year	$ 802,865	$ 2,434,179	$ 1,631,314

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Employee Recognition Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues	$ -	$ -	$ -
Expenditures			
Current:			
General Government:			
Mayor Administration:			
Contractual Services	143	-	143
Excess of Revenues Over (Under) Expenditures	(143)	-	143
Fund Balance Beginning of Year	143	143	-
Fund Balance End of Year	$ -	$ 143	$ 143

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
City Hall Plaza Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues	$ -	$ -	$ -
Expenditures	-	-	-
Excess of Revenues Over (Under) Expenditures	-	-	-
Fund Balance Beginning of Year	173	173	-
Fund Balance End of Year	$ 173	$ 173	$ -

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Crime Lab
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance Favorable Over/(Under)
Revenues			
Charges for Services	$ 12,000	$ 13,848	$ 1,848
Expenditures			
Current:			
Security of Persons and Property:			
Police Administration:			
Other	14,000	-	14,000
Excess of Revenues Over (Under) Expenditures	(2,000)	13,848	15,848
Fund Balance Beginning of Year	11,949	11,949	-
Fund Balance End of Year	$ 9,949	$ 25,797	$ 15,848

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Court's Computer Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 320,000	$ 340,994	$ 20,994
Expenditures			
Current:			
General Government:			
Courts/Judge-Judge Administration:			
Personnel Costs	133,465	130,620	2,845
Materials and Supplies	40,681	19,189	21,492
Contractual Services	84,632	69,210	15,422
Capital Outlay	77,198	35,619	41,579
Other	11,000	99	10,901
Total Expenditures	346,976	254,737	92,239
Excess of Revenues Over (Under) Expenditures	(26,976)	86,257	113,233
Fund Balance Beginning of Year	370,373	370,373	-
Unexpended Prior Year Encumbrances	11,208	11,208	-
Fund Balance End of Year	$ 354,605	$ 467,838	$ 113,233

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Recycle Ohio Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues	$ -	$ -	$ -
Expenditures	-	-	-
Excess of Revenues Over (Under) Expenditures	-	-	-
Fund Balance Beginning of Year	7,515	7,515	-
Fund Balance End of Year	$ 7,515	$ 7,515	$ -

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Guardrail/Attenuator Replacement Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues	$ -	$ -	$ -
Expenditures			
Current:			
General Government:			
Law Director-Administration:			
Capital Outlay	7,283	-	7,283
Excess of Revenues Over (Under) Expenditures	(7,283)	-	7,283
Fund Balance Beginning of Year	7,283	7,283	-
Fund Balance End of Year	$ -	$ 7,283	$ 7,283

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Litter Prevention
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Operating Grants	$ 3,648	$ -	$ (3,648)
Expenditures	-	-	-
Excess of Revenues Over (Under) Expenditures	3,648	-	(3,648)
Fund Balance Beginning of Year	-	-	-
Fund Balance End of Year	$ 3,648	$ -	$ (3,648)

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Southeast Community Center Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues	$ -	$ -	$ -
Expenditures	-	-	-
Excess of Revenues Over (Under) Expenditures	-	-	-
Fund Balance Beginning of Year	862	862	-
Fund Balance End of Year	$ 862	$ 862	$ -

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Canton Rail Station Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Capital Grants	$ 41,040	$ 20,000	$ (21,040)
Expenditures			
Current:			
Community Environment:			
Community Development Planning:			
Capital Outlay	41,040	20,000	21,040
Excess of Revenues Over (Under) Expenditures	-	-	-
Fund Balance Beginning of Year	-	-	-
Fund Balance End of Year	$ -	$ -	$ -

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Court Capital Improvement Special Project Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 339,488	$ 360,260	$ 20,772
Other	512	512	-
Total Revenues	340,000	360,772	20,772
Expenditures			
Current:			
General Government:			
Courts/Judge-Judge Administration:			
Personnel Costs	210,919	197,759	13,160
Materials and Supplies	43,500	18,627	24,873
Contractual Services	55,919	14,870	41,049
Capital Outlay	163,558	8,137	155,421
Other	26,275	11,668	14,607
Total Judge Administration	500,171	251,061	249,110
Debt Service:			
Principal Retirement	29,199	29,199	-
Interest and Fiscal Charges	8,729	8,729	-
Total Debt Service	37,928	37,928	-
Total Expenditures	538,099	288,989	249,110
Excess of Revenues Over (Under) Expenditures	(198,099)	71,783	269,882
Fund Balance Beginning of Year	236,802	236,802	-
Unexpended Prior Year Encumbrances	1,294	1,294	-
Fund Balance End of Year	$ 39,997	$ 309,879	$ 269,882

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Legal Research Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 100	$ 131	$ 31
Expenditures			
Current:			
General Government:			
Courts/Judge-Judge Administration:			
Contractual Services	750	-	750
Excess of Revenues Over (Under) Expenditures	(650)	131	781
Fund Balance Beginning of Year	650	650	-
Fund Balance End of Year	$ -	$ 781	$ 781

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Law Department Dispute Resolution Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 585	$ 615	$ 30
Expenditures			
Current:			
General Government:			
Courts/Judge-Judge Administration:			
Contractual Services	1,865	1,300	565
Excess of Revenues (Under) Expenditures	(1,280)	(685)	595
Fund Balance Beginning of Year	1,289	1,289	-
Fund Balance End of Year	$ 9	$ 604	$ 595

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Court GPS Cost
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 2,200	$ -	$ (2,200)
Expenditures			
Current:			
General Government:			
Courts/Judge-Judge Administration:			
Contractual Services	17,976	4,392	13,584
Excess of Revenues (Under) Expenditures	(15,776)	(4,392)	11,384
Fund Balance Beginning of Year	2,192	2,192	-
Unexpended Prior Year Encumbrances	13,584	13,584	-
Fund Balance End of Year	$ -	$ 11,384	$ 11,384

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Ignition Interlock/Alcohol Monitoring
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 66,710	$ 71,267	$ 4,557
Expenditures			
Current:			
General Government:			
Courts/Judge-Judge Administration:			
Contractual Services	48,000	-	48,000
Excess of Revenues Over Expenditures	18,710	71,267	52,557
Fund Balance Beginning of Year	39,404	39,404	-
Fund Balance End of Year	$ 58,114	$ 110,671	$ 52,557

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Park Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenue			
Capital Grants	$ 198,000	$ 182,228	$ (15,772)
Contributions and Donations	250	320	70
Rentals	27,350	26,962	(388)
Other	-	515	515
Total Revenues	225,600	210,025	(15,575)
Expenditures			
Current:			
Leisure Time Activities:			
Park Division - Special Parks Funds:			
Materials and Supplies	72,929	12,380	60,549
Contractual Services	37,261	6,906	30,355
Capital Outlay	37,252	22,294	14,958
Other	176,803	176,723	80
Total Expenditures	324,245	218,303	105,942
Excess of Revenues (Under) Expenditures	(98,645)	(8,278)	90,367
Other Financing Sources			
Advances In	174,953	174,953	-
Excess of Revenues and Other Financing Sources Over Expenditures	76,308	166,675	90,367
Fund Balance Beginning of Year	(45,679)	(45,679)	-
Unexpended Prior Year Encumbrances	9,940	9,940	-
Fund Balance (Deficit) End of Year	$ 40,569	$ 130,936	$ 90,367

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Youth Development Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Operating Grants	$ 285,667	$ 230,667	$ (55,000)
Contributions and Donations	8,470	9,063	593
Other	-	55,000	55,000
Total Revenues	294,137	294,730	593
Expenditures			
Current:			
General Government:			
Youth Development Administration:			
Personnel Costs	230,722	230,722	-
Materials and Supplies	6,324	3,743	2,581
Contractual Services	2,230	2,230	-
Other	55,385	55,371	14
Total Expenditures	294,661	292,066	2,595
Excess of Revenues Over (Under) Expenditures	(524)	2,664	3,188
Fund Balance Beginning of Year	1,667	1,667	-
Fund Balance End of Year	$ 1,143	$ 4,331	$ 3,188

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Federal Forfeiture Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Fines and Forfeitures	$ 34,559	$ 32,306	$ (2,253)
Operating Grants	-	57,941	57,941
Interest	800	570	(230)
Contributions and Donations	-	640	640
Other	441	3,059	2,618
Total Revenues	35,800	94,516	58,716
Expenditures			
Current:			
Security of Persons and Property:			
Police Administration:			
Personnel Costs	135,000	128,885	6,115
Materials and Supplies	34,014	31,631	2,383
Contractual Services	44,847	35,468	9,379
Capital Outlay	181,966	144,037	37,929
Other	23,428	4,786	18,642
Total Expenditures	419,255	344,807	74,448
Excess of Revenues (Under) Expenditures	(383,455)	(250,291)	133,164
Fund Balance Beginning of Year	776,401	776,401	-
Unexpended Prior Year Encumbrances	6,630	6,630	-
Fund Balance End of Year	$ 399,576	$ 532,740	$ 133,164

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Enforcement and Education Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Fines and Forfeitures	$ 8,392	$ 7,876	$ (516)
Other	3,308	3,425	117
Total Revenues	11,700	11,301	(399)
Expenditures			
Current:			
Security of Persons and Property:			
Police Administration:			
Other	20,270	8,560	11,710
Excess of Revenues Over (Under) Expenditures	(8,570)	2,741	11,311
Fund Balance Beginning of Year	10,089	10,089	-
Unexpended Prior Year Encumbrances	270	270	-
Fund Balance End of Year	$ 1,789	$ 13,100	$ 11,311

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Indigent Driver Alcohol Treatment Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Fines and Forfeitures	$ 43,000	$ 45,084	$ 2,084
Expenditures			
Current:			
General Government:			
Courts/Judge-Judge Administration:			
Contractual Services	81,000	76,125	4,875
Excess of Revenues (Under) Expenditures	(38,000)	(31,041)	6,959
Fund Balance Beginning of Year	37,053	37,053	-
Unexpended Prior Year Encumbrances	1,000	1,000	-
Fund Balance End of Year	$ 53	$ 7,012	$ 6,959

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Law Enforcement Trust Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Fines and Forfeitures	$ 100,709	$ 103,036	$ 2,327
Other	3,591	3,591	-
Total Revenues	104,300	106,627	2,327
Expenditures			
Current:			
Security of Persons and Property:			
Police Administration:			
Personnel Costs	52,367	42,639	9,728
Materials and Supplies	11,920	10,190	1,730
Contractual Services	76,891	71,697	5,194
Capital Outlay	2,060	2,000	60
Other	11,000	1,071	9,929
Total Expenditures	154,238	127,597	26,641
Excess of Revenues (Under) Expenditures	(49,938)	(20,970)	28,968
Fund Balance Beginning of Year	135,715	135,715	-
Unexpended Prior Year Encumbrances	3,780	3,780	-
Fund Balance End of Year	$ 89,557	$ 118,525	$ 28,968

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
D.A.R.E. Program Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Operating Grants	$ -	$ 672	$ 672
Expenditures			
Current:			
Security of Persons and Property:			
Police Administration:			
Materials and Supplies	12,162	3,174	8,988
Excess of Revenues (Under) Expenditures	(12,162)	(2,502)	9,660
Fund Balance Beginning of Year	12,162	12,162	-
Fund Balance End of Year	$ -	$ 9,660	$ 9,660

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Municipal Probation Services Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 200,000	$ 221,346	$ 21,346
Other	-	197	197
Total Revenues	200,000	221,543	21,543
Expenditures			
Current:			
General Government:			
Courts/Judge-Judge Administration:			
Personnel Costs	178,470	119,126	59,344
Materials and Supplies	52,770	6,874	45,896
Contractual Services	16,834	16,370	464
Capital Outlay	41,140	1,125	40,015
Other	10,831	7,218	3,613
Total Expenditures	300,045	150,713	149,332
Excess of Revenues Over (Under) Expenditures	(100,045)	70,830	170,875
Fund Balance Beginning of Year	100,019	100,019	-
Unexpended Prior Year Encumbrances	575	575	-
Fund Balance End of Year	$ 549	$ 171,424	$ 170,875

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Misdemeanor Community Sanction Grant Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Operating Grants	$ 185,457	$ 185,457	$ -
Other	406	406	-
Total Revenues	185,863	185,863	-
Expenditures			
Current:			
General Government:			
Courts/Judge-Judge Administration:			
Personnel Costs	158,506	151,194	7,312
Materials and Supplies	8,272	1,105	7,167
Other	3,823	3,172	651
Total Courts/Judge-Judge Administration	170,601	155,471	15,130
Excess of Revenues Over Expenditures	15,262	30,392	15,130
Fund Balance Beginning of Year	26,865	26,865	-
Fund Balance End of Year	$ 42,127	$ 57,257	$ 15,130

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Prisoner Housing Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Fines and Forfeitures	$ 10,000	$ 9,938	$ (62)
Expenditures			
Current:			
General Government:			
Courts/Judge-Judge Administration:			
Contractual Services	34,864	-	34,864
Excess of Revenues Over (Under) Expenditures	(24,864)	9,938	34,802
Fund Balance Beginning of Year	29,865	29,865	-
Fund Balance End of Year	$ 5,001	$ 39,803	$ 34,802

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Local Law Enforcement Block Grant Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Interest	$ 437	$ 435	$ (2)
Expenditures			
Current:			
Security of Persons and Property:			
Police Administration:			
Materials and Supplies	5,000	628	4,372
Contractual Services	850	-	850
Capital Outlay	756	346	410
Other	75,495	53,049	22,446
Total Expenditures	82,101	54,023	28,078
Excess of Revenues (Under) Expenditures	(81,664)	(53,588)	28,076
Fund Balance Beginning of Year	100,156	100,156	-
Unexpended Prior Year Encumbrances	1,755	1,755	-
Fund Balance End of Year	$ 20,247	$ 48,323	$ 28,076

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Safe Neighborhood Heroes Grant
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues	$ -	$ -	$ -
Expenditures	-	-	-
Excess of Revenues Over (Under) Expenditures	-	-	-
Fund Balance Beginning of Year	1,000	1,000	-
Fund Balance End of Year	$ 1,000	$ 1,000	$ -

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Police Donation
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Contributions and Donations	$ 6,600	$ 11,350	$ 4,750
Expenditures			
Current:			
Security of Persons and Property:			
Police Administration:			
Materials and Supplies	2,000	1,528	472
Excess of Revenues Over Expenditures	4,600	9,822	5,222
Fund Balance Beginning of Year	2,000	2,000	-
Fund Balance End of Year	$ 6,600	$ 11,822	$ 5,222

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Canton Police Youth Corp Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues	$ -	$ -	$ -
Expenditures	-	-	-
Excess of Revenues Over (Under) Expenditures	-	-	-
Fund Balance Beginning of Year	8	8	-
Fund Balance End of Year	$ 8	$ 8	$ -

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Canton Police Auxiliary Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Other	$ 1,150	$ 1,150	$ -
Expenditures			
Current:			
Security of Persons and Property:			
Police Administration:			
Materials and Supplies	970	119	851
Contractual Services	144	144	-
Other	737	265	472
Total Expenditures	1,851	528	1,323
Excess of Revenues Over (Under) Expenditures	(701)	622	1,323
Fund Balance Beginning of Year	1,678	1,678	-
Unexpended Prior Year Encumbrances	351	351	-
Fund Balance End of Year	$ 1,328	$ 2,651	$ 1,323

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
2009 COPS Hiring Recovery Program
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Operating Grants	$ 659,785	$ 659,785	$ -
Expenditures			
Current:			
Security of Persons and Property:			
Federal Stimulus Funding for Police:			
Other	659,731	659,731	-
Excess of Revenues Over Expenditures	54	54	-
Fund Balance Beginning of Year	-	-	-
Fund Balance End of Year	$ 54	$ 54	$ -

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Byrne Memorial Recovery Act
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Operating Grants	$ 112,500	$ 57,941	$ (54,559)
Expenditures			
Current:			
Security of Persons and Property:			
Federal Stimulus Funding for Police:			
Other	112,500	57,941	54,559
Excess of Revenues Over (Under) Expenditures	-	-	-
Fund Balance Beginning of Year	-	-	-
Fund Balance End of Year	$ -	$ -	$ -

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Fire Donation Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues	$ -	$ -	$ -
Expenditures			
Current:			
Security of Persons and Property:			
Fire Administration:			
Materials and Supplies	4,216	-	4,216
Excess of Revenues Over (Under) Expenditures	(4,216)	-	4,216
Fund Balance Beginning of Year	4,216	4,216	-
Fund Balance End of Year	$ -	$ 4,216	$ 4,216

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Byrne Memorial Justice Assistance Grant
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Operating Grants	$ 157,112	$ 120,834	$ (36,278)
Expenditures			
Current:			
Security of Persons and Property:			
Federal Stimulus Funding for Police:			
Personnel Costs			-
Materials and Supplies	51,774	48,141	3,633
Contractual Services	30,000	-	30,000
Capital Outlay	37,000	34,355	2,645
Other	38,338	38,338	-
Total Expenditures	157,112	120,834	36,278
Excess of Revenues Over (Under) Expenditures	-	-	-
Fund Balance Beginning of Year	-	-	-
Fund Balance End of Year	$ -	$ -	$ -

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
2010 Local Solicitation Byrne Grant
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Operating Grants	$ 64,946	$ 64,946	$ -
Expenditures	-	-	-
Excess of Revenues Over Expenditures	64,946	64,946	-
Fund Balance Beginning of Year	-	-	-
Fund Balance End of Year	$ 64,946	$ 64,946	$ -

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Clerk of Courts Administration Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues	$ -	$ -	$ -
Expenditures	-	-	-
Excess of Revenues Over (Under) Expenditures	-	-	-
Fund Balance Beginning of Year	1,229	1,229	-
Fund Balance End of Year	$ 1,229	$ 1,229	$ -

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
EMS Training and Equipment Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Operating Grants	$ 4,500	$ 4,500	$ -
Expenditures			
Current:			
Security of Persons and Property:			
Fire Administration:			
Materials and Supplies	11,607	4,452	7,155
Excess of Revenues Over (Under) Expenditures	(7,107)	48	7,155
Fund Balance Beginning of Year	3,157	3,157	-
Fund Balance End of Year	$ (3,950)	$ 3,205	$ 7,155

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Firefighters Assistance Grant Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Capital Grants	$ 253,040	$ 231,251	$ (21,789)
Expenditures			
Current:			
Security of Persons and Property:			
Fire Administration:			
Materials and Supplies	126,330	110,936	15,394
Capital Outlay	119,410	22,770	96,640
Other	7,300	7,073	227
Total Expenditures	253,040	140,779	112,261
Excess of Revenues Over (Under) Expenditures	-	90,472	90,472
Fund Balance Beginning of Year	162	162	-
Fund Balance End of Year	$ 162	$ 90,634	$ 90,472

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Clean Ohio Revitalization Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Capital Grants	$ 7,461,488	$ 1,278,856	$ (6,182,632)
Expenditures			
Current:			
Community Environment:			
Community Development Administration:			
Capital Outlay	7,046,773	4,769,056	2,277,717
Excess of Revenues Over (Under) Expenditures	414,715	(3,490,200)	(3,904,915)
Fund Balance (Deficit) Beginning of Year	(2,984,453)	(2,984,453)	-
Unexpended Prior Year Encumbrances	2,786,242	2,786,242	-
Fund Balance (Deficit) End of Year	$ 216,504	$ (3,688,411)	$ (3,904,915)

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Ford Road Grant
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Capital Grants	$ 500,000	$ -	$ (500,000)
Expenditures			
Current:			
Community Environment:			
Community Development Administration:			
Contractual Services	500,000	-	500,000
Excess of Revenues Over (Under) Expenditures	-	-	-
Fund Balance (Deficit) Beginning of Year	-	-	-
Fund Balance (Deficit) End of Year	$ -	$ -	$ -

City of Canton, Ohio

Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2010

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service
Assets			
Equity in Pooled Cash and Cash Equivalents	$ 419	$ -	$ 419
Cash and Cash Equivalents in Segregated Accounts	3,019	-	3,019
Taxes Receivable	-	19,148	19,148
Total Assets	$ 3,438	$ 19,148	$ 22,586
Liabilities and Fund Balances			
Current			
Deferred Revenue	$ -	$ 19,148	$ 19,148
Fund Balances			
Restricted	3,438	-	3,438
Total Fund Balances	3,438	-	3,438
Total Liabilities and Fund Balances	$ 3,438	$ 19,148	$ 22,586

City of Canton, Ohio

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Debt Service Funds
For the year ended December 31, 2010

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
Revenues			
Interest	$ 5,765	$ -	$ 5,765
Expenditures			
Current			
General Government	3,316	-	3,316
Debt Service			
Interest and Fiscal Charges	2,030	-	2,030
Total Expenditures	5,346	-	5,346
Net Change in Fund Balance	419	-	419
Fund Balance at Beginning of Year	3,019	-	3,019
Fund Balance at End of Year	$ 3,438	$ -	$ 3,438

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
General Obligation Bond Retirement Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Interest	$ 5,765	$ 5,765	$ -
Expenditures			
Current:			
General Government:			
Auditor-Auditor Administration:			
Contractual Services	3,316	3,316	-
Debt Service:			
Interest and Fiscal Charges:			
Various Purpose Notes	2,030	2,030	-
Total Expenditures	5,346	5,346	-
Excess of Revenues Over Expenditures	419	419	-
Fund Balance Beginning of Year	-	-	-
Fund Balance End of Year	$ 419	$ 419	$ -

City of Canton, Ohio

Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2010

	2006 City Infrastructure Bond	Traffic Signalization	2006 Recreational Bond	2006 Construct/ Reconstruct Bond	Judges Facilities/ City Hall Renovation	Civic Center Improvement
Assets						
Equity in Pooled Cash and Cash Equivalents	$ 2,248,944	$ -	$ 778,642	$ 5,131,452	$ 150,046	$ -
Accounts Receivable	255	-	-	509	-	-
Due From Other Governments	-	-	-	-	-	-
Total Assets	$ 2,249,199	$ -	$ 778,642	$ 5,131,961	$ 150,046	$ -
Liabilities and Fund Balances						
Current						
Accounts Payable	$ 58,968	$ -	$ -	$ 401,836	$ 2,148	$ -
Retainage Payable	4,393	-	-	61,512	-	-
Total Liabilities	63,361	-	-	463,348	2,148	-
Fund Balances						
Restricted	2,185,838	-	778,642	4,668,613	147,898	-
Total Liabilities and Fund Balances	$ 2,249,199	$ -	$ 778,642	$ 5,131,961	$ 150,046	$ -

Fulton Road & Park Road Improvement	49th & Gardendale Project	30th St NE Trunk Sewer	25th St NE Storm Sewer	Sherrick Road Project	Cleveland Ave Resurfacing	Harmont Ave Sanitary Sewer Extension	Guilford Ave Bridge Replacement	Total Nonmajor Capital Projects Funds
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 8,309,084
-	-	-	-	-	-	-	-	764
3,502	-	24,165	-	3,285	6,039	20,227	201,017	258,235
$ 3,502	$ -	$ 24,165	$ -	$ 3,285	$ 6,039	$ 20,227	$ 201,017	$ 8,568,083
$ 3,502	$ -	$ 24,165	$ -	$ 3,285	$ 6,039	$ 20,227	$ 201,017	$ 721,187
-	-	-	-	-	-	-	-	65,905
3,502	-	24,165	-	3,285	6,039	20,227	201,017	787,092
-	-	-	-	-	-	-	-	7,780,991
$ 3,502	$ -	$ 24,165	$ -	$ 3,285	$ 6,039	$ 20,227	$ 201,017	$ 8,568,083

City of Canton, Ohio

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Capital Project Funds
For the year ended December 31, 2010

	2006 City Infrastructure Bond	Traffic Signalization	2006 Recreational Bond	2006 Construct/ Reconstruct Bond	Judges Facilities/ City Hall Renovation	Civic Center Improvement
Revenues						
Charges for Services	$ -	$ -	$ -	$ 1,600	$ -	$ -
Interest	4,772	-	815	8,287	201	-
Capital Grants and Contributions	-	-	-	-	-	-
Other	16,779	-	-	-	858	-
Total Revenues	21,551	-	815	9,887	1,059	-
Expenditures						
Current						
Capital Outlay	951,886	26	-	868,155	163,372	2
Debt Service						
Principal	-	-	194,660	-	-	-
Interest and Fiscal Charges	-	-	58,191	-	-	-
Total Expenditures	951,886	26	252,851	868,155	163,372	2
Excess Revenues Over (Under) Expenditures	(930,335)	(26)	(252,036)	(858,268)	(162,313)	(2)
Other Financing Sources						
Issuance of Debt	-	-	-	-	-	-
Total Other Financing Sources	-	-	-	-	-	-
Net Change in Fund Balance	(930,335)	(26)	(252,036)	(858,268)	(162,313)	(2)
Fund Balance at Beginning of Year	3,116,173	26	1,030,678	5,526,881	310,211	2
Fund Balance at End of Year	$ 2,185,838	$ -	$ 778,642	$4,668,613	$ 147,898	$ -

Fulton Road & Park Road Improvement	49th & Gardendale Project	30th St NE Trunk Sewer	25th St NE Storm Sewer	Sherrick Road Project	Cleveland Ave Resurfacing	Harmont Ave Sanitary Sewer Extension	Guilford Ave Bridge Replacement	Total Nonmajor Capital Projects Funds
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,600
-	-	-	-	-	-	-	-	14,075
860,257	18,793	86,136	1,444,400	995,519	1,223,134	62,045	201,017	4,891,301
-	-	-	-	-	-	-	-	17,637
860,257	18,793	86,136	1,444,400	995,519	1,223,134	62,045	201,017	4,924,613
860,257	18,793	86,136	1,444,400	995,519	1,223,134	116,686	201,017	6,929,383
-	-	-	-	-	-	-	-	194,660
-	-	-	-	-	-	-	-	58,191
860,257	18,793	86,136	1,444,400	995,519	1,223,134	116,686	201,017	7,182,234
-	-	-	-	-	-	(54,641)	-	(2,257,621)
-	-	-	-	-	-	54,641	-	54,641
-	-	-	-	-	-	54,641	-	54,641
-	-	-	-	-	-	-	-	(2,202,980)
-	-	-	-	-	-	-	-	9,983,971
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 7,780,991

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Capital Projects Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Municipal Income Tax	$ 7,384,432	$ 7,658,950	$ 274,518
Charges for Services	1,600	2,115	515
Fines and Forfeitures	337	337	-
Capital Grants	-	531	531
Other	162,692	206,885	44,193
Total Revenues	7,549,061	7,868,818	319,757
Expenditures			
Capital Outlay:			
Safety Director:			
Police Department-Police Administration	45,325	43,594	1,731
Fire Department-Fire Administration	334,296	323,942	10,354
Traffic Divisions:			
Traffic Signal	60,027	60,000	27
Service Director:			
Service Director Administration	245,942	175,262	70,680
Engineering Administration	1,454,658	1,275,148	179,510
Engineering - 30th St. NE Trunk Sewer & Improvement	45,243	45,243	-
Engineering - 25th St. NE Storm Sewer	75,000	-	75,000
Engineering - West Side Park Trail & Bridge	7,130	-	7,130
Engineering - East Side Park Trail & Bridge	109,994	101,324	8,670
Street Administration	63	-	63
Street Paving	2,563,804	2,302,443	261,361
Civic Center Administration	8,130	8,130	-
Building Maintenance Administration	36,093	27,823	8,270
Collection System Department	290,679	252,823	37,856
Health:			
Health Administration	1,931	1,931	-
Park Division:			
Park Administration	33,775	28,952	4,823
Management Information Systems:			
Information Technology Manager	299,903	294,428	5,475
Council:			
Council Administration	30,000	27,830	2,170
Judges:			
Judge Administration	57,698	-	57,698
Auditor:			
Auditor Administration	133,166	133,166	-
Auditor-Legally Binding Expenses	148,399	148,399	-
Total Capital Outlay	$ 5,981,256	$ 5,250,438	$ 730,818

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Capital Projects Fund (continued)
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Debt Service:			
Principal Retirement	$ 2,932,308	$ 2,932,308	$ -
Interest and Fiscal Charges	675,434	675,434	-
Total Debt Service	3,607,742	3,607,742	-
Total Expenditures	9,588,998	8,858,180	730,818
Excess of Revenues (Under) Expenditures	(2,039,937)	(989,362)	1,050,575
Other Financing Sources			
Sale of Capital Assets	2,939	6,221	3,282
Excess of Revenues and Other Financing Sources (Under) Expenditures	(2,036,998)	(983,141)	1,053,857
Fund Balance Beginning of Year	1,617,725	1,617,725	-
Unexpended Prior Year Encumbrances	350,739	350,739	-
Fund Balance End of Year	$ (68,534)	$ 985,323	$ 1,053,857

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Motor Vehicle Purchase Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Municipal Income Tax	$ 1,887,000	$ 1,914,734	$ 27,734
Rentals	18,000	5,985	(12,015)
Other	-	13,356	13,356
Total Revenues	1,905,000	1,934,075	29,075
Expenditures			
Capital Outlay:			
Safety Director:			
Safety Director Administration	4,300	4,227	73
Code Enforcement Administration	6,841	6,841	-
Central Communication Administration	165,000	165,000	-
Police Department-Police Administration	590,566	588,119	2,447
Fire Department-Fire Administration	491,383	490,297	1,086
Traffic Divisions-Engineer Administration	5,755	5,755	-
Traffic Divisions-Traffic Sign & Paint	13,909	13,909	-
Traffic Divisions-Traffic Signal	10,022	10,022	-
Service Director:			
Engineering Administration	4,611	4,538	73
Maintenance	205,216	185,216	20,000
Civic Center Administration	3,937	3,937	-
Building Maintenance Administration	5,717	5,717	-
Health:			
Health Administration	25,346	25,282	64
Park Division:			
Park Administration	20,466	20,466	-
Mayor:			
Mayor Administration	4,300	4,227	73
Judges:			
Judge Administration	13,380	13,334	46
Total Expenditures	1,570,749	1,546,887	23,862
Excess of Revenues Over Expenditures	334,251	387,188	52,937
Other Financing Sources (Uses)			
Sale of Capital Assets	20,000	30,554	10,554
Transfer Out	(19,010)	-	19,010
Total Other Financing Sources	990	30,554	29,564
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	335,241	417,742	82,501
Fund Balance Beginning of Year	76,460	76,460	-

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
2006 City Infrastructure Bond Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Interest	$ 3,000	$ 4,598	$ 1,598
Expenditures			
Capital Outlay:			
Service Director:			
Service Director Administration	938,259	331,585	606,674
Engineering - 49th St & Gardendale	239,947	4,514	235,433
Engineering - 25th St NE Storm Sewer	375,367	102,728	272,639
Engineering - Mahoning Rd Corr Prj	440,000	440,000	-
Engineering - 12th St N Corridor Prj	631,741	-	631,741
Total Expenditures	2,625,314	878,827	1,746,487
Excess of Revenues (Under) Expenditures	(2,622,314)	(874,229)	1,748,085
Fund Balance Beginning of Year	2,773,165	2,773,165	-
Unexpended Prior Year Encumbrance	30,020	30,020	-
Fund Balance End of Year	$ 180,871	$ 1,928,956	$ 1,748,085

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Traffic Signalization Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues	$ -	$ -	$ -
Expenditures			
Capital Outlay:			
Auditor:			
Auditor Administration	26	26	-
Excess of Revenues (Under) Expenditures	(26)	(26)	-
Fund Balance Beginning of Year	26	26	-
Fund Balance End of Year	$ -	$ -	$ -

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
2006 Recreational Bond Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Capital Grants	$ 186,314	$ 186,314	$ -
Interest	700	802	102
Total Revenues	187,014	187,116	102
Expenditures			
Capital Outlay:			
Service Director:			
Service Director Administration	200,087	87	200,000
Park Division:			
Park - Mallonn Memorial Park	273	-	273
Total Service Administration:	200,360	87	200,273
Debt Service:			
Principal Retirement	770,854	194,660	576,194
Interest and Fiscal Charges	60,000	58,191	1,809
Total Debt Service	830,854	252,851	578,003
Total Expenditures	1,031,214	252,938	778,276
Excess of Revenues (Under) Expenditures	(844,200)	(65,822)	778,378
Fund Balance Beginning of Year	843,941	843,941	-
Unexpended Prior Year Encumbrance	360	360	-
Fund Balance End of Year	$ 101	$ 778,479	$ 778,378

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
2006 Construct/Reconstruct Bond Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 1,600	$ 1,600	$ -
Interest	6,900	7,796	896
Total Revenues	8,500	9,396	896
Expenditures			
Capital Outlay:			
Service Director:			
Service Director Administration	3,556,361	3,060,544	495,817
Judges:			
Judges City Hall Renovation Project	1,913,242	-	1,913,242
Total Expenditures	5,469,603	3,060,544	2,409,059
Excess of Revenues (Under) Expenditures	(5,461,103)	(3,051,148)	2,409,955
Fund Balance Beginning of Year	5,467,686	5,467,686	-
Unexpended Prior Year Encumbrance	20,647	20,647	-
Fund Balance End of Year	$ 27,230	$ 2,437,185	$ 2,409,955

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
2006 Judge Facilities/City Hall Reconstruction Bond
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Interest	$ 185	$ 207	$ 22
Other	-	858	858
Total Revenues	185	1,065	880
Expenditures			
Capital Outlay:			
Judges:			
Judges City Hall Renovation Project	309,670	186,000	123,670
Excess of Revenues (Under) Expenditures	(309,485)	(184,935)	124,550
Fund Balance Beginning of Year	306,925	306,925	-
Unexpended Prior Year Encumbrances	3,004	3,004	-
Fund Balance End of Year	$ 444	$ 124,994	$ 124,550

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Civic Center Improvement Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues	$ -	$ -	$ -
Expenditures			
Capital Outlay:			
Auditor:			
Auditor Administration	1	1	-
Excess of Revenues (Under) Expenditures	(1)	(1)	-
Fund Balance Beginning of Year	1	1	-
Fund Balance End of Year	$ -	$ -	$ -

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Fulton Road & Park Intersection Improvement Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Capital Grants	$ 1,749,080	$ 856,755	$ (892,325)
Expenditures			
Capital Outlay:			
Engineering - Fulton Rd & Park Intersection	1,749,080	918,075	831,005
Excess of Revenues Over (Under) Expenditures	-	(61,320)	(61,320)
Fund Balance Beginning of Year	-	-	-
Fund Balance (Deficit) End of Year	$ -	$ (61,320)	$ (61,320)

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
49th St & Gardendale NE Storm Sewer Project
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Capital Grants	$ 686,691	$ 313,758	$ (372,933)
Expenditures			
Capital Outlay:			
Engineering - 49th St & Gardendale	385,781	12,848	372,933
Excess of Revenues Over Expenditures	300,910	300,910	-
Fund Balance (Deficit) Beginning of Year	(313,481)	(313,481)	-
Unexpended Prior Year Encumbrances	12,571	12,571	-
Fund Balance End of Year	$ -	$ -	$ -

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
30th St NE Trunk Sewer
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Capital Grants	$ 504,449	$ 152,118	$ (352,331)
Expenditures			
Capital Outlay:			
Engineering - 30th St. NE Trunk Sewer & Improvement	260,379	29,389	230,990
Excess of Revenues Over Expenditures	244,070	122,729	(121,341)
Fund Balance (Deficit) Beginning of Year	(168,373)	(168,373)	-
Unexpended Prior Year Encumbrances	16,256	16,256	-
Fund Balance (Deficit) End of Year	$ 91,953	$ (29,388)	$ (121,341)

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
25th St NE Storm Sewer Project
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Capital Grants	$ 2,423,971	$ 1,607,260	$ (816,711)
Expenditures			
Capital Outlay:			
Engineering - 25th St NE Storm Sewer	827,034	20,646	806,388
Excess of Revenues Over Expenditures	1,596,937	1,586,614	(10,323)
Fund Balance (Deficit) Beginning of Year	(1,706,360)	(1,706,360)	-
Unexpended Prior Year Encumbrances	109,423	109,423	-
Fund Balance (Deficit) End of Year	$ -	$ (10,323)	$ (10,323)

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Sherrick Road Project
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Capital Grants	$ 1,500,000	$ 992,234	$ (507,766)
Expenditures			
Capital Outlay:			
Engineering - Sherrick Road Project	1,500,000	1,243,553	256,447
Excess of Revenues Over (Under) Expenditures	-	(251,319)	(251,319)
Fund Balance Beginning of Year	-	-	-
Fund Balance (Deficit) End of Year	$ -	$ (251,319)	$ (251,319)

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Cleveland Avenue Resurfacing Project
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Capital Grants	$ 1,830,346	$ 1,217,095	$ (613,251)
Expenditures			
Capital Outlay:			
Engineering - Cleveland Ave Resurfacing Project	1,830,346	1,432,034	398,312
Excess of Revenues Over (Under) Expenditures	-	(214,939)	(214,939)
Fund Balance Beginning of Year	-	-	-
Fund Balance (Deficit) End of Year	$ -	$ (214,939)	$ (214,939)

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Harmont Ave Sanitary Sewer Project
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Capital Grants	$ 125,000	$ 62,045	$ (62,955)
Expenditures			
Capital Outlay:			
Engineering - Harmont Sanitary Sewer Project	125,000	109,186	15,814
Excess of Revenues Over (Under) Expenditures	-	(47,141)	(47,141)
Other Financing Sources			
Proceeds of Loan	-	34,414	34,414
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	-	(12,727)	(12,727)
Fund Balance Beginning of Year	-	-	-
Fund Balance (Deficit) End of Year	$ -	$ (25,454)	$ (25,454)

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Guilford Ave Bridge Replacement
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Capital Grants	$ 386,380	$ -	$ (386,380)
Expenditures			
Capital Outlay:			
Engineering - Guilford Ave Bridge Replacement Project	386,380	312,607	73,773
Excess of Revenues Over (Under) Expenditures	-	(312,607)	(312,607)
Fund Balance Beginning of Year	-	-	-
Fund Balance (Deficit) End of Year	$ -	$ (312,607)	$ (312,607)

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
12th St N Corridor Project
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Capital Grants	$ 743,852	$ -	$ (743,852)
Expenditures			
Capital Outlay:			
Engineering - 12th St N Corridor Project	743,852	-	743,852
Excess of Revenues Over (Under) Expenditures	-	-	-
Fund Balance Beginning of Year	-	-	-
Fund Balance End of Year	$ -	$ -	$ -

City of Canton, Ohio

Schedule of Revenues, Expenses and Changes
In Fund Equity-Budget (Non-GAAP Basis) and Actual
Water Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 13,578,951	$ 13,982,426	$ 403,475
Interest	-	56	56
Capital Grants	636,997	317,758	(319,239)
Operating Grants	-	21,735	21,735
Rentals	65,295	67,945	2,650
Other	18,762	24,907	6,145
Total Revenues	14,300,005	14,414,827	114,822
Expenses			
Personnel Costs	6,191,113	5,871,693	319,420
Material and Supplies	1,501,896	1,183,063	318,833
Contractual Services	4,029,731	3,631,549	398,182
Capital Outlay	14,644,187	12,079,864	2,564,323
Claims	22,134	5,164	16,970
Other	168,200	121,236	46,964
Debt Service:			
Principal Retirement	1,625,564	1,599,915	25,649
Interest and Fiscal Charges	1,299,140	769,045	530,095
Total Expenses	29,481,965	25,261,529	4,220,436
Excess of Revenues (Under) Expenses	(15,181,960)	(10,846,702)	4,335,258
Other Financing Sources			
Sale of Capital Assets	1,845	2,565	720
Proceeds of Loans	20,057,636	3,557,892	(16,499,744)
Total Other Financing Sources	20,059,481	3,560,457	(16,499,024)
Excess of Revenues and Other Financing Sources Over/(Under) Expenses	4,877,521	(7,286,245)	(12,163,766)
Fund Equity Beginning of Year	4,813,054	4,813,054	-
Unexpended Prior Year Encumbrances	420,411	420,411	-
Fund Balance (Deficit) End of Year	$ 10,110,986	$ (2,052,780)	$ (12,163,766)

City of Canton, Ohio

Schedule of Revenues, Expenses and Changes
In Fund Equity-Budget (Non-GAAP Basis) and Actual
Sewer Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 11,480,744	$ 12,107,462	$ 626,718
Capital Grants	1,511	1,511	-
Rentals	23,000	23,463	463
Other	1,306,594	808,121	(498,473)
Total Revenues	12,811,849	12,940,557	128,708
Expenses			
Personnel Costs	5,409,626	4,913,785	495,841
Material and Supplies	1,057,511	701,036	356,475
Contractual Services	4,367,787	3,520,891	846,896
Capital Outlay	1,454,923	584,464	870,459
Claims	46,180	44,629	1,551
Other	115,887	50,422	65,465
Debt Service:			
Principal Retirement	980,928	980,928	-
Interest and Fiscal Charges	294,016	294,016	-
Total Expenses	13,726,858	11,090,171	2,636,687
Excess of Revenues Over (Under) Expenses	(915,009)	1,850,386	2,765,395
Fund Equity Beginning of Year	7,191,957	7,191,957	-
Unexpended Prior Year Encumbrances	357,315	357,315	-
Fund Equity End of Year	$ 6,634,263	$ 9,399,658	$ 2,765,395

City of Canton, Ohio

Schedule of Revenues, Expenses and Changes
In Fund Equity-Budget (Non-GAAP Basis) and Actual
Refuse Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 5,803,200	$ 5,969,624	$ 166,424
Capital Grants	1,511	1,511	-
Operating Grants	90,000	66,991	(23,009)
Other	31,780	33,327	1,547
Total Revenues	5,926,491	6,071,453	144,962
Expenses			
Personnel Costs	3,479,959	3,024,868	455,091
Material and Supplies	81,721	60,411	21,310
Contractual Services	1,890,339	1,779,864	110,475
Capital Outlay	57,120	31,000	26,120
Claims	8,080	5,572	2,508
Other	52,268	34,625	17,643
Total Expenses	5,569,487	4,936,340	633,147
Excess of Revenues Over Expenses	357,004	1,135,113	778,109
Other Financing Sources			
Sale of Capital Assets	-	1,080	1,080
Excess of Revenues and Other Financing Sources Over Expenses	357,004	1,136,193	779,189
Fund Equity Beginning of Year	180,639	180,639	-
Unexpended Prior Year Encumbrances	13,894	13,894	-
Fund Equity End of Year	$ 551,537	$ 1,330,726	$ 779,189

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

Workers' Compensation Retrospective Fund To account for the charges to operating funds on a percentage of payroll basis and the payment of premiums and claims under the retrospective rating plan as provided by the Ohio Bureau of Workers' Compensation.

Health Insurance Fund To account for charges to the operating funds on a per employee basis for the health and hospitalization self-insurance, eye and dental insurance and for payments to AFSCME for the unions' administered employees' eye and dental premiums. This fund also pays the salaries and fringe benefits of the employees responsible for administering and processing claims.

Compensated Absences Claim Fund To account for charges to the operating funds on a per employee basis for the claims associated with and mandated by local and state fringe benefit provisions including accumulated sick time, continuing disability, banked vacation, and termination pay.

City of Canton, Ohio

Combining Statement of Net Assets
Nonmajor Internal Service Funds
December 31, 2010

	Workers Compensation	Health Insurance	Compensated Absences Claims	Total Nonmajor Internal Service
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 3,279,980	$ 172,745	$ 481,399	$ 3,934,124
Accounts Receivable	-	50,397	-	50,397
Due From Other Funds	-	30,441	143,313	173,754
Total Assets	$ 3,279,980	$ 253,583	$ 624,712	$ 4,158,275
Liabilities				
Current				
Accounts Payable	$ 4,326	$ 240,201	$ -	$ 244,527
Accrued Wages and Benefits	1,885	2,090	57,044	61,019
Due to Other Governments	443	491	13,405	14,339
Due Within One Year	-	-	1,056,288	1,056,288
Claims Payable Due Within One Year	1,707,856	954,215	-	2,662,071
Total Current	1,714,510	1,196,997	1,126,737	4,038,244
Noncurrent				
Due Within More Than One Year	-	-	6,714,277	6,714,277
Total Noncurrent	-	-	6,714,277	6,714,277
Total Liabilities	1,714,510	1,196,997	7,841,014	10,752,521
Net Assets				
Unrestricted	1,565,470	(943,414)	(7,216,302)	(6,594,246)
Total Net Assets and Liabilities	$ 3,279,980	$ 253,583	$ 624,712	$ 4,158,275

City of Canton, Ohio

Combining Statement of Revenues, Expenses
and Changes in Fund Net Assets
Nonmajor Internal Service Funds
For the year ended December 31, 2010

	Workers Compensation	Health Insurance	Compensated Absences Claims	Total Nonmajor Internal Service
Revenues				
Charges for Services	$ 1,223,487	$ 9,004,530	$ 2,907,136	$ 13,135,153
Other	18,568	117,895	-	136,463
Total Revenue	1,242,055	9,122,425	2,907,136	13,271,616
Operating Expenses				
Personal Services	73,889	77,531	-	151,420
Contractual Services	53,553	909,431	5,990	968,974
Materials and Supplies	236	-	-	236
Insurance Claims and Expenses	1,403,560	8,698,669	-	10,102,229
Benefit Claim Expenses	-	-	3,040,956	3,040,956
Other	320	-	-	320
Total Operating Expenses	1,531,558	9,685,631	3,046,946	14,264,135
Change in Net Assets	(289,503)	(563,206)	(139,810)	(992,519)
Total Net Assets at Beginning of Year	1,854,973	(380,208)	(7,076,492)	(5,601,727)
Total Net Assets at End of Year	$ 1,565,470	$ (943,414)	$ (7,216,302)	$ (6,594,246)

City of Canton, Ohio

Combining Statement of Cash Flows
Nonmajor Internal Service Funds
For the year ended December 31, 2010

	Workers Compensation	Health Insurance	Compensated Absences Claims	Total
Cash Flows From Operating Activities				
Receipts from Customers and Users	$ 1,223,487	$ 8,962,009	$ 2,942,147	$ 13,127,643
Other Cash Receipts	18,568	140,416	-	158,984
Payments to Suppliers	(51,858)	(1,024,703)	(5,990)	(1,082,551)
Payments to Employees	(73,635)	(77,077)	-	(150,712)
Claims Paid	(1,831,369)	(8,343,029)	(3,491,976)	(13,666,374)
Other Cash Payments	(320)	-	-	(320)
Internal Activity - Repayment From Other Funds	1,800,000	-	-	1,800,000
Net Cash Provided (Used) by Operating Activities	1,084,873	(342,384)	(555,819)	186,670
Net Increase (Decrease) in Cash and Cash Equivalents	1,084,873	(342,384)	(555,819)	186,670
Balance - Beginning of the Year	2,195,107	515,129	1,037,218	3,747,454
Balance - End of the Year	3,279,980	172,745	481,399	3,934,124
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	(289,503)	(563,206)	(139,810)	(992,519)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities				
Change in Assets and Liabilities:				
Accounts Receivables, net	-	(20,007)	-	(20,007)
Due From Other Funds	1,800,000	7	35,011	1,835,018
Accounts Payables	1,931	(115,272)	-	(113,341)
Accrued Wages Payable	206	368		574
Intergovernmental Payable	48	86	(4,330)	(4,196)
Compensated Absences Payable	-	-	(428,269)	(428,269)
Claims Payable	(427,809)	355,640	(18,421)	(90,590)
Net Cash Provided (Used) by Operating Activities	$ 1,084,873	$ (342,384)	$ (555,819)	$ 186,670

City of Canton, Ohio

Schedule of Revenues, Expenses and Changes
In Fund Equity-Budget (Non-GAAP Basis) and Actual
Workers' Compensation Retrospective Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 1,223,487	$ 1,223,487	$ -
Other	118	18,568	18,450
Total Revenues	1,223,605	1,242,055	18,450
Expenses			
Personnel Costs	98,046	73,635	24,411
Material and Supplies	1,180	236	944
Contractual Services	154,675	79,141	75,534
Claims	2,050,000	1,831,369	218,631
Other	320	320	-
Total Expenses	2,304,221	1,984,701	319,520
Excess of Revenues (Under) Expenses	(1,080,616)	(742,646)	337,970
Other Financing Sources			
Advances In	-	1,800,000	1,800,000
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	(1,080,616)	1,057,354	2,137,970
Fund Equity Beginning of Year	2,186,147	2,186,147	-
Unexpended Prior Year Encumbrances	6,475	6,475	-
Fund Equity End of Year	$ 1,112,006	$ 3,249,976	$ 2,137,970

City of Canton, Ohio

Schedule of Revenues, Expenses and Changes
In Fund Equity-Budget (Non-GAAP Basis) and Actual
Health Insurance Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 8,944,479	$ 8,962,274	$ 17,795
Other	137,830	140,416	2,586
Total Revenues	9,082,309	9,102,690	20,381
Expenses			
Personnel Costs	78,640	77,077	1,563
Material and Supplies	785	-	785
Contractual Services	1,060,151	1,026,341	33,810
Capital Outlay	370	-	370
Claims	8,457,228	8,343,323	113,905
Total Expenses	9,597,174	9,446,741	150,433
Excess of Revenues (Under) Expenses	(514,865)	(344,051)	170,814
Fund Equity Beginning of Year	484,505	484,505	-
Unexpended Prior Year Encumbrances	30,360	30,360	-
Fund Equity End of Year	$ -	$ 170,814	$ 170,814

City of Canton, Ohio

Schedule of Revenues, Expenses and Changes
In Fund Equity-Budget (Non-GAAP Basis) and Actual
Compensated Absences Claim Fund
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 2,938,494	$ 2,942,147	$ 3,653
Expenses			
Contractual Services	5,000	5,000	-
Benefit Claims Expense	3,610,695	3,491,976	118,719
Total Expenses	3,615,695	3,496,976	118,719
Excess of Revenues (Under) Expenses	(677,201)	(554,829)	122,372
Fund Equity Beginning of Year	1,036,230	1,036,230	-
Fund Equity End of Year	$ 359,029	$ 481,401	$ 122,372

Fiduciary funds are used to account for assets held by the City in trustee capacity, or as an agent for individuals, private organizations, other governments, and/or other funds.

Private Purpose Trust

This fund is accounted for in essentially the same manner as proprietary funds.

Hartford Houtz Fund To account for monies donated to be used to improve the health and education of children.

Agency Funds

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

Building Escrow Fund To account for receipts from insurance companies, under City and State statutes, necessary to ensure compliance with building codes after a structure fire. Disbursements are normally to property owners upon release from the code enforcement department.

Payroll Clearing Fund To account for payroll taxes and other related payroll deductions accumulated from the funds for distribution to other governmental units and private organizations.

Employee Buyout Incentive Fund To account for money being held and disbursed in conjunction with the City's 2002 Incentive Retirement Plan.

Auditor's Transfer Fund To account for and hold receipts from various entities until proper disbursement.

Municipal Court Fund To account for municipal court activities, including the civil division and trusteeship accounts, not currently reflected on the City's records.

Ticketmaster Fund To account for money received and reimbursed for event tickets sold through the Ticketmaster System.

Building Department State Assessment Fund To account for assessments that are collected by the City on building projects on behalf of the state.

Downtown Special Improvement District Fund To keep track of property taxes collect by the City for a Special Improvement District. Once the City receives the money it is immediately reimbursed to the board of the district.

Civic Center Event Expense Clearing Fund To account for money the City receives from event promoters that then must be paid to individuals or associations that performed work during the event.

City of Canton, Ohio

Combining Statement of Changes in Assets and Liabilities
Fiduciary Funds
For the year ended December 31, 2010

	Balance 01/01/10	Additions	Reductions	Balance 12/31/10
Building Escrow				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 118,709	$ 244,000	$ 177,406	$ 185,303
Liabilities				
Deposits Held and Due to Others	$ 118,709	$ 244,000	$ 177,406	$ 185,303
Payroll Clearing				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 919,515	$ 13,140,704	$ 13,061,060	$ 999,159
Liabilities				
Due to Other Governments	$ 919,515	$ 13,140,704	$ 13,061,060	$ 999,159
Employee Buyout Incentive				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 77,455	$ 148,430	$ 166,314	$ 59,571
Liabilities				
Deposits Held and Due to Others	$ 77,455	$ 148,430	$ 166,314	$ 59,571
Auditors Transfer				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 60,655	$ 114,482	$ 99,782	$ 75,355
Cash and Cash Equivalents in Segregated Accounts	545	-	545	-
Total Assets	$ 61,200	$ 114,482	$ 100,327	$ 75,355
Liabilities				
Deposits Held and Due to Others	$ 61,200	$ 114,482	$ 100,327	$ 75,355
Municipal Court				
Assets				
Cash and Cash Equivalents in Segregated Accounts	$ 165,912	$ 9,426,342	$ 9,517,828	$ 74,426
Liabilities				
Undistributed Assets	$ 165,912	$ 9,426,342	$ 9,517,828	$ 74,426

(continued)

City of Canton, Ohio

Combining Statement of Changes in Assets and Liabilities
Fiduciary Funds (continued)
For the year ended December 31, 2010

	Balance 01/01/10	Additions	Reductions	Balance 12/31/10
Ticketmaster				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 89,253	$ 311,470	$ 313,530	$ 87,193
Liabilities				
Undistributed Assets	$ 89,253	$ 311,470	$ 313,530	$ 87,193
Building Department State Assessment				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 601	$ 9,332	$ 9,552	$ 381
Liabilities				
Deposits Held and Due to Others	$ 601	$ 9,332	$ 9,552	$ 381
Downtown Special Improvement District				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ -	$ 180,471	$ 180,471	$ -
Liabilities				
Deposits Held and Due to Others	$ -	$ 180,471	$ 180,471	$ -
Civic Center Event Expense Clearing				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 13,135	$ 370,832	$ 370,131	$ 13,836
Liabilities				
Deposits Held and Due to Others	$ 13,135	$ 370,832	$ 370,131	$ 13,836
All Agency Funds				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 1,279,323	$ 14,519,721	$ 14,378,246	$ 1,420,798
Cash and Cash Equivalents in Segregated Accounts	166,457	9,426,342	9,518,373	74,426
Total Assets	$ 1,445,780	$ 23,946,063	$ 23,896,619	$ 1,495,224
Liabilities				
Due to Other Governments	$ 919,515	$ 13,140,704	$ 13,061,060	$ 999,159
Undistributed Assets	255,165	9,737,812	9,831,358	161,619
Deposits Held and Due to Others	271,100	1,067,547	1,004,201	334,446
Total Liabilities	$ 1,445,780	$ 23,946,063	$ 23,896,619	$ 1,495,224

This part of the City of Canton 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.

Financial Trends S1-S6
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity S7-S8
These schedules contain information to help the reader assess the City's most significant local revenue, municipal income tax.

Debt Capacity S9-S16
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.

Economic and Demographic Information S17-S18
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information S19-S21
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.

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 No. 34 in 2001.

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City of Canton, Ohio

Net Assets by Component,
Last Ten Years
(accrual basis of accounting)

	2010	Restated 2009	2008	2007	2006	2005	2004	2003	2002	2001
Governmental Activities										
Invested in Capital Assets, Net of Related Debt	$ 96,658,405	$ 93,997,414	$ 94,910,241	$ 93,469,817	$ 75,027,928	$ 82,872,262	$ 83,624,341	$ 98,931,209	$ 98,983,621	$ 103,476,691
Restricted	34,583,408	38,133,687	32,898,704	34,630,751	20,993,547	25,406,034	23,251,676	23,301,757	28,310,363	28,052,229
Unrestricted	(4,901,157)	(3,439,285)	1,897,801	2,288,255	23,324,075	1,934,685	6,550,811	(3,805,301)	(596,896)	5,137,112
Total Governmental Activities Net Assets	$ 126,340,656	$ 128,691,816	$ 129,706,746	$ 130,388,823	$ 119,345,550	$ 110,212,981	$ 113,426,828	$ 118,427,665	$ 126,697,088	$ 136,666,032
Business-Type Activities										
Invested in Capital Assets, Net of Related Debt	$ 65,466,731	$ 65,271,828	$ 63,926,597	$ 61,597,239	$ 56,337,077	$ 58,415,826	$ 54,636,994	$ 49,682,535	$ 50,200,502	$ 49,976,166
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	31,989,581	24,386,522	22,651,308	21,120,626	24,712,950	23,029,865	21,479,727	24,300,177	20,809,501	18,376,297
Total Business-Type Activities Net Assets	$ 97,456,312	$ 89,658,350	$ 86,577,905	$ 82,717,865	$ 81,050,027	$ 81,445,691	$ 76,116,721	$ 73,982,712	$ 71,010,003	$ 68,352,463
Primary Government										
Invested in Capital Assets, Net of Related Debt	$ 162,125,136	$ 159,269,242	$ 158,836,838	$ 155,067,056	$ 131,365,005	$ 141,288,088	$ 138,261,335	$ 148,613,744	$ 149,184,123	$ 153,452,857
Restricted	34,583,408	38,133,687	32,898,704	34,630,751	20,993,547	25,406,034	23,251,676	23,301,757	28,310,363	28,052,229
Unrestricted	27,088,424	20,947,237	24,549,109	23,408,881	48,037,025	24,964,550	28,030,538	20,494,876	20,212,605	23,513,409
Total Primary Government Net Assets	$ 223,796,968	$ 218,350,166	$ 216,284,651	$ 213,106,688	$ 200,395,577	$ 191,658,672	$ 189,543,549	$ 192,410,377	$ 197,707,091	$ 205,018,495

City of Canton, Ohio

Changes in Net Assets
Last Ten Years
(accrual basis of accounting)

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Expenses										
Governmental Activities:										
General Government	$ 17,916,837	$ 21,447,525	$ 20,109,980	$ 20,429,740	$ 19,042,092	$ 18,585,104	$ 16,658,224	$ 15,454,089	$ 16,975,011	$ 18,599,976
Security of Persons and Property	38,021,732	39,741,822	39,952,807	37,157,956	33,635,452	33,732,631	31,987,242	32,018,034	32,660,736	34,573,006
Public Health	6,789,047	6,503,089	6,232,337	6,117,315	5,368,723	5,407,095	4,691,879	4,847,020	4,481,286	4,600,280
Transportation	12,594,651	14,551,954	11,010,239	11,773,016	10,159,315	14,339,105	17,253,856	18,775,982	16,821,177	17,642,325
Community Development	9,206,391	5,393,621	6,011,649	6,612,257	6,554,058	7,898,906	6,523,014	5,002,599	6,530,815	7,450,015
Leisure Time Activities	2,919,500	2,943,691	2,986,053	3,041,931	2,873,234	2,880,704	2,470,793	2,344,346	2,721,562	2,904,796
Interest on Long-Term Debt	815,188	925,828	1,154,014	1,259,708	852,785	923,542	1,140,758	1,252,757	1,416,115	1,308,012
Total Governmental Activities Expenses	88,263,346	91,507,530	87,457,079	86,391,923	78,485,659	83,767,087	80,725,766	79,694,827	81,606,702	87,078,410
Business-Type Activities:										
Water	10,975,361	11,789,359	10,644,920	10,434,121	11,243,727	9,377,995	9,801,322	9,125,850	10,815,081	10,379,206
Sewer	11,135,229	11,586,485	10,344,713	11,688,039	10,560,129	9,934,130	10,472,024	9,978,082	10,098,802	9,099,094
Refuse	4,948,513	5,359,103	5,057,233	4,516,698	4,792,409	4,481,498	4,662,221	4,339,264	4,274,006	4,308,981
Total Business-Type Activities Expenses	27,059,103	28,734,947	26,046,866	26,638,858	26,596,265	23,793,623	24,935,567	23,443,196	25,187,889	23,787,281
Total Primary Government Expenses	$ 115,322,449	$ 120,242,477	$ 113,503,945	$ 113,030,781	$105,081,924	$107,560,710	$ 105,661,333	$ 103,138,023	$106,794,591	$ 110,865,691
Program Revenues										
Governmental Activities:										
Charges for Service:										
EMS Charges	$ 990,133	$ 370,403	$ 2,474,214	$ 1,985,989	$ 1,784,536	$ 2,371,411	$ 1,395,186	$ 1,558,680	$ 2,160,994	$ 1,879,504
Leisure Activities	593,174	323,320	646,817	798,451	773,910	813,852	232,984	288,023	285,019	300,007
Licenses & Permits	1,540,878	1,544,394	1,548,478	905,168	1,019,509	1,141,214	1,534,574	1,092,035	881,234	904,340
Municipal Court Receipts	4,091,161	3,458,692	3,350,496	3,098,405	3,008,935	2,851,322	2,533,514	2,383,706	1,808,609	1,656,428
Other Activities	6,949,537	7,094,576	6,922,471	8,568,936	5,832,267	3,818,855	6,276,902	6,124,680	5,777,392	5,435,255
Operating Grants & Contributions	11,304,031	15,211,394	7,017,103	7,976,893	8,754,801	7,142,814	7,575,379	7,317,218	6,261,103	9,971,475
Capital Grants & Contributions	6,681,818	4,334,246	3,743,113	5,061,069	761,444	1,424,710	2,527,019	865,422	1,211,848	43,518
Total Governmental Activities Program Revenues	32,150,732	32,337,025	25,702,692	28,394,911	21,935,402	19,564,178	22,075,558	19,629,764	18,386,199	20,190,527
Business-Type Activities:										
Charges for Service:										
Water	14,679,276	11,602,884	12,452,723	12,210,478	11,829,857	11,494,324	11,184,797	10,943,207	10,774,701	11,372,102
Sewer	13,061,066	10,696,780	10,570,525	9,877,966	9,954,669	10,037,212	10,058,832	10,156,755	10,458,396	9,469,606
Refuse	6,511,534	5,360,417	4,778,453	4,316,457	4,287,009	4,141,408	4,158,393	4,164,018	4,219,995	4,222,788
Operating Grants & Contributions	87,506	119,426	108,822	56,133	127,712	38,115	24,830	12,809	-	-
Capital Grants & Contributions	207,969	2,942,090	1,939,593	1,308,396	895,234	1,083,890	1,492,713	1,466,359	1,573,931	406,770
Total Business-Type Activities Program Revenues	34,547,351	30,721,597	29,850,116	27,769,430	27,094,481	26,794,949	26,919,565	26,743,148	27,027,023	25,471,266
Total Primary Government Program Revenues	$ 66,698,083	$ 63,058,622	$ 55,552,808	$ 56,164,341	$ 49,029,883	$ 46,359,127	$ 48,995,123	$ 46,372,912	$ 45,413,222	$ 45,661,793

City of Canton, Ohio

Changes in Net Assets (Continued)
Last Ten Years
(accrual basis of accounting)

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Net (Expenses)/Revenues										
Governmental Activities	$ (56,112,614)	$ (59,170,505)	$ (61,754,387)	$ (57,997,012)	$ (56,550,257)	$ (64,202,909)	$ (58,650,208)	$ (60,065,063)	$ (63,220,503)	$ (66,887,883)
Business-Type Activities	7,488,248	1,986,650	3,803,250	1,130,572	498,216	3,001,326	1,983,998	3,299,952	1,839,134	1,683,985
Total Primary Government Net Expense	$ (48,624,366)	$ (57,183,855)	$ (57,951,137)	$ (56,866,440)	$ (56,052,041)	$ (61,201,583)	$ (56,666,210)	$ (56,765,111)	$ (61,381,369)	$ (65,203,898)
Governmental Revenues and Other Changes in Net Assets										
Governmental Activities:										
Taxes:										
Income Tax	$ 38,633,612	$ 40,915,298	$ 43,086,906	$ 47,092,829	$ 43,149,683	$ 41,779,236	$ 38,977,012	$ 38,169,084	$ 37,737,290	$ 40,095,014
Property Tax	3,711,729	3,619,130	4,475,101	4,097,125	3,602,511	3,711,731	3,209,850	3,841,736	2,380,555	4,069,952
Intergovernmental	8,796,360	8,936,287	8,938,333	10,576,712	10,005,403	9,992,527	9,222,630	8,420,742	9,845,016	10,340,160
Grants and Contributions	-	-	-	145,890	425,686	401,785	10,513	13,811	376,555	500,000
Interest & Investment Earnings	235,190	662,192	1,592,671	3,187,667	2,048,038	1,289,382	654,913	477,079	914,642	2,453,323
Other	2,384,563	3,911,451	2,979,299	3,940,062	4,631,537	3,814,401	1,574,453	1,593,280	2,461,050	2,709,948
Proceeds on Sale of Capital Assets	-	111,217	-	-	148,468	-	-	6,182	83,122	594,847
Transfers	-	-	-	-	-	-	-	-	(420,982)	(173,084)
Total Governmental Activities	53,761,454	58,155,575	61,072,310	69,040,285	64,011,326	60,989,062	53,649,371	52,521,914	53,377,248	60,590,160
Business-Type Activities:										
Intergovernmental	-	-	-	-	33,167	33,167	17,992	-	-	8,040
Grants and Contributions	-	-	-	-	137,190	95,627	-	-	-	-
Interest & Investment Earnings	55	196	40,203	144,713	17,416	10,792	7,264	7,851	10,828	294,325
Other	306,861	989,811	220,621	373,715	141,585	2,188,058	115,130	182,873	102,496	775,704
Proceeds on Sale of Capital Assets	2,798	8,731	6,786	18,838	24,254	-	9,625	-	59,764	32,500
Transfers	-	-	-	-	-	-	-	-	420,982	173,084
Total Business-Type Activities	309,714	998,738	267,610	537,266	353,612	2,327,644	150,011	190,724	594,070	1,283,653
Total Primary Government	$ 54,071,168	$ 59,154,313	$ 61,339,920	$ 69,577,551	$ 64,364,938	$ 63,316,706	$ 53,799,382	$ 52,712,638	$ 53,971,318	$ 61,873,813
Change in Net Assets										
Governmental Activities	$ (2,351,160)	$ (1,014,930)	$ (682,077)	$ 11,043,273	$ 7,461,069	$ (3,213,847)	$ (5,000,837)	$ (7,543,149)	$ (9,843,255)	$ (6,297,723)
Business-Type Activities	7,797,962	2,985,388	4,070,860	1,667,838	851,828	5,328,970	2,134,009	3,490,676	2,433,204	2,967,638
Total Primary Government	$ 5,446,802	$ 1,970,458	$ 3,388,783	$ 12,711,111	$ 8,312,897	$ 2,115,123	$ (2,866,828)	$ (4,052,473)	$ (7,410,051)	$ (3,330,085)

City of Canton, Ohio

Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2008	2007	2006	2005	2004	2003	2002	2001
General Fund								
Reserved	$ 748,509	$ 838,116	$ 1,044,522	$ 1,009,423	$ 908,877	$ 750,688	$ 790,012	$ 1,265,812
Unreserved	6,947,380	8,358,711	8,067,957	9,662,068	8,292,671	8,540,085	9,306,674	12,360,556
Total General Fund	$ 7,695,889	$ 9,196,827	$ 9,112,479	$ 10,671,491	$ 9,201,548	$ 9,290,773	$ 10,096,686	$ 13,626,368
All Other Governmental Funds								
Reserved	$ 10,955,266	$ 13,060,640	$ 10,532,025	$ 8,967,059	$ 12,683,479	$ 10,820,672	$ 9,784,826	$ 15,591,292
Unreserved, reported in:								
Special Revenue Funds	3,806,492	4,742,049	1,633,424	2,111,575	2,009,268	2,206,052	2,460,107	1,870,544
Capital Projects Funds	10,284,524	8,878,112	15,670,214	2,714,187	1,260,394	2,442,560	4,029,681	4,899,720
Debt Service Funds	6,239	6,239	141,751	3,019	3,019	21,540	21,540	21,540
Total All Other Governmental Funds	$ 25,052,521	$ 26,687,040	$ 27,977,414	$ 13,795,840	$ 15,956,160	$ 15,490,824	$ 16,296,154	$ 22,383,096

	2010	2009
General Fund		
Nonspendable	$ 262,064	$ 176,964
Restricted	50,320	281,200
Committed	620,913	808,009
Assigned	-	-
Unassigned	3,797,436	3,406,438
Total General Fund	$ 4,730,733	$ 4,672,611
All Other Governmental Funds		
Nonspendable	$ 1,864,369	$ 1,783,687
Restricted	16,648,605	19,478,655
Committed	2,744,056	3,433,796
Assigned	-	-
Unassigned	-	(3,648)
Total All Other Governmental Funds	$ 21,257,030	$ 24,692,490

Note: The City implemented GASB 54 in 2010

City of Canton, Ohio

Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2010	2009	2008	2007	2006
Revenues					
Property and Other Taxes	$ 3,692,536	$ 3,710,390	$ 4,385,206	$ 4,010,683	$ 3,610,790
Municipal Income Tax	39,995,514	41,105,833	44,532,380	44,556,112	43,084,333
Charges for Services	12,277,821	11,428,095	10,613,296	10,878,541	10,325,731
Licenses, Permits, and Fees	1,540,878	1,544,393	1,548,479	1,161,430	1,274,175
Fines and Forfeitures	548,171	443,673	1,001,384	1,582,608	412,659
Intergovernmental	9,246,604	9,521,398	10,378,440	11,375,148	10,414,121
Interest	235,190	662,192	1,592,671	3,187,667	2,048,038
Operating Grants and Contributions	11,635,287	9,664,268	6,054,006	8,091,451	9,108,680
Capital Grants and Contribtuions	6,639,897	4,447,416	3,635,597	5,065,148	1,517,020
Rentals	414,189	450,788	413,470	452,450	425,220
Other	2,200,776	1,874,355	1,293,285	2,692,726	3,033,021
Total Revenues	88,426,863	84,852,801	85,448,214	93,053,964	85,253,788
Expenditures					
General Government	16,961,740	18,597,391	18,576,448	20,015,769	20,031,972
Security of Persons and Property	35,892,847	35,973,764	37,208,163	36,419,061	34,117,057
Public Health	6,631,976	6,136,493	6,005,406	6,052,678	5,513,038
Transportation	3,730,733	3,826,361	4,170,057	4,447,301	3,467,363
Community Environment	9,176,385	5,289,321	4,862,896	6,613,047	6,623,411
Leisure Time Activities	2,243,340	2,204,394	2,290,022	2,531,251	2,383,428
Capital Outlay	13,286,944	13,859,942	11,554,194	13,986,290	10,616,931
Debt Service:					
Principal	3,159,790	3,039,749	3,166,213	3,672,211	2,731,941
Interest and Fiscal Charges	815,188	925,828	1,154,014	1,259,708	852,785
Total Expenditures	91,898,943	89,853,243	88,987,413	94,997,316	86,337,926
Excess of Revenues Over (Under) Expenditures	(3,472,080)	(5,000,442)	(3,539,199)	(1,943,352)	(1,084,138)
Other Financing Sources (Uses)					
Proceeds from Sale of Capital Assets	40,101	223,066	54,166	54,020	652,505
Issuance of Refunding Bonds	-	8,575,000	-	-	-
Refunded Bonds Redeemed	-	(8,560,000)	-	-	-
Bond Issuance Costs	-	(433,203)	-	-	(236,199)
Bond Premiums	-	418,203	-	-	236,199
Issuance of Debt/Capital Lease	54,641	1,415,910	360,534	643,788	13,350,000
Transfers In	40,000	40,000	40,000	62,776	55,000
Transfers Out	(40,000)	(40,000)	(40,000)	(62,776)	(55,000)
Total Other Financing Sources (Uses)	94,742	1,638,976	414,700	697,808	14,002,505
Net Change in Fund Balances	$ (3,377,338)	$ (3,361,466)	$ (3,124,499)	$ (1,245,544)	$ 12,918,367
Debt Service as a Percentage of Noncapital Expenditures	4.82%	4.89%	5.43%	5.87%	4.61%

(continued)

City of Canton, Ohio

Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)-continued

	2005	2004	2003	2002	2001
Revenues					
Property and Other Taxes	$ 3,277,108	$ 3,365,270	$ 3,796,530	$ 1,798,881	$ 4,388,193
Municipal Income Tax	41,602,373	39,412,489	37,675,217	37,994,777	39,865,721
Charges for Services	9,575,642	8,912,605	8,543,008	8,056,371	7,136,779
Licenses, Permits, and Fees	1,390,410	1,763,050	1,304,683	1,075,767	1,094,256
Fines and Forfeitures	447,482	684,146	865,628	640,344	563,440
Intergovernmental	10,276,283	9,917,733	9,198,241	10,958,112	12,365,535
Interest	1,242,630	527,075	475,363	912,257	2,453,323
Operating Grants and Contributions	8,873,767	8,418,812	6,537,512	8,073,254	9,039,142
Capital Grants and Contribtuions	2,004,520	1,131,680	865,422	1,244,749	34,300
Rentals	395,741	240,364	197,605	172,880	310,190
Other	1,575,116	1,308,413	1,468,410	1,891,633	2,046,065
Total Revenues	80,661,072	75,681,637	70,927,619	72,819,025	79,296,944
Expenditures					
General Government	17,522,987	15,863,178	15,087,910	16,786,625	18,123,377
Security of Persons and Property	31,771,722	31,834,597	31,208,197	32,844,347	32,859,014
Public Health	5,233,094	4,834,353	4,705,880	4,406,174	4,110,072
Transportation	3,388,270	3,190,067	3,073,759	3,672,284	3,851,048
Community Environment	7,858,937	6,537,550	4,988,427	6,597,736	7,652,400
Leisure Time Activities	2,414,290	1,945,545	1,909,681	2,306,005	2,355,592
Capital Outlay	9,765,750	7,546,563	7,708,011	13,646,316	8,252,011
Debt Service:					
Principal	2,978,916	2,846,457	2,678,898	2,636,815	3,051,820
Interest and Fiscal Charges	923,542	1,140,758	1,252,757	1,416,115	1,308,012
Total Expenditures	81,857,508	75,739,068	72,613,520	84,312,417	81,563,346
Excess of Revenues Over (Under) Expenditures	(1,196,436)	(57,431)	(1,685,901)	(11,493,392)	(2,266,402)
Other Financing Sources (Uses)					
Proceeds from Sale of Capital Assets	34,849	364,314	33,955	513,021	594,847
Issuance of Refunding Bonds	-	-	-	-	-
Refunded Bonds Redeemed	-	-	-	-	-
Bond Issuance Costs	-	-	-	-	-
Bond Premiums	-	-	-	-	-
Issuance of Debt	245,611	237,935	197,266	-	5,670,347
Transfers In	100,783	78,377	55,000	7,113,205	6,193,051
Transfers Out	(100,783)	(78,377)	(55,000)	(5,761,399)	(5,367,163)
Total Other Financing Sources (Uses)	280,460	602,249	231,221	1,864,827	7,091,082
Net Change in Fund Balances	$ (915,976)	$ 544,818	$ (1,454,680)	$ (9,628,565)	$ 4,824,680
Debt Service as a Percentage of Noncapital Expenditures	5.27%	5.74%	5.81%	5.71%	5.94%

City of Canton, Ohio

Income Tax Revenue Base and Collections
Last Ten Years
(cash basis of accounting)

Tax Year	Tax Rate *	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes from Corporations	Percentage of Taxes from Corporations	Taxes from Individuals	Percentage of Taxes from Individuals	Taxes From Delinquent Accounts	Percentage of Taxes from Delinquent Accounts
2010	2.00 %	$ 40,464,283	$ 34,373,674	84.95 %	$ 2,434,182	6.02 %	$ 2,315,207	5.72 %	$ 1,341,220	3.31 %
2009	2.00	42,313,527	35,240,263	83.28	3,341,617	7.90	2,530,425	5.98	1,201,222	2.84
2008	2.00	45,535,181	37,560,808	82.49	4,027,322	8.84	2,534,879	5.57	1,412,172	3.10
2007	2.00	45,750,000	36,943,041	80.75	4,946,090	10.81	2,503,996	5.47	1,356,873	2.97
2006	2.00	43,790,171	36,222,083	82.72	3,798,488	8.67	2,401,463	5.48	1,368,137	3.12
2005	2.00	42,124,201	34,617,380	82.18	3,152,772	7.48	2,649,296	6.29	1,704,753	4.05
2004	2.00	38,841,304	32,302,994	83.17	1,751,090	4.51	2,671,442	6.88	2,115,778	5.45
2003	2.00	39,077,338	32,998,125	84.44	1,971,188	5.04	2,777,089	7.11	1,330,936	3.41
2002	2.00	39,388,494	33,149,784	84.16	2,109,187	5.35	3,012,244	7.65	1,117,279	2.84
2001	2.00	39,760,207	33,304,873	83.76	2,070,375	5.21	3,104,528	7.81	1,280,431	3.22

* = Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

City of Canton, Ohio

Income Tax Filers by Income Level
Tax Years 2010 and 2001

Tax Year 2010

Income Range	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
Over $100,000	628	1.97 %	$ 92,835,864	13.89 %
$75,001-$100,000	901	2.83	77,041,554	11.52
$50,001-$75,000	2,466	7.75	149,132,950	22.31
$25,001-$50,000	6,034	18.96	212,423,414	31.77
Under $25,000	21,797	68.49	137,141,543	20.51
Total	31,826	100.00	$ 668,575,325	100.00

Tax Year 2001

Income Range	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
Over $100,000	550	1.76 %	$ 94,459,732	12.02 %
$75,001-$100,000	833	2.66	71,018,152	9.04
$50,001-$75,000	2,743	8.77	164,299,633	20.92
$25,000-$50,000	7,587	24.25	271,213,810	34.53
Under $25,000	19,568	62.56	184,499,971	23.49
Total	31,281	100.00	$ 785,491,298	100.00

(1) Source: City of Canton Income Tax Department

City of Canton, Ohio

Ratios of Outstanding Debt by Type
Last Ten Years

	Governmental Activities				Business-Type Activities							
	General Obligation Bonds	Loans	Notes Payable	Capital Lease	General Obligation Bonds	Loans	Capital Lease	Total Primary Government	Total Personal Income	Percent of Personal Income	Pop. (1)	Per Capita
2010	$ 16,714,810	$ 2,323,489	$ 1,800,000	$ 938,159	$ 6,029,677	$23,630,645	$ 13,124	$ 51,449,904	$ 1,834,444,050	2.80 %	73,007	$ 705
2009	19,483,363	2,527,704	-	1,070,540	6,961,124	21,736,915	24,227	51,803,873	2,004,784,350	2.58	78,362	$ 661
2008	21,656,948	2,568,042	-	465,455	7,857,538	17,569,394	36,339	50,153,716	2,004,784,350	2.50	78,319	$ 640
2007	23,865,120	3,115,974	-	515,030	10,294,366	16,982,328	48,450	54,821,268	1,972,351,850	2.78	78,924	695
2006	26,865,000	3,659,547	-	-	12,735,000	16,131,342	-	59,390,889	1,931,177,300	3.08	79,478	747
2005	15,710,000	4,196,488	-	-	12,335,000	17,663,967	-	49,905,455	1,863,333,800	2.68	79,478	628
2004	18,120,000	4,519,793	-	-	14,480,000	19,502,793	-	56,622,586	1,748,721,800	3.24	79,946	708
2003	20,420,000	4,828,315	-	-	16,555,000	20,976,695	-	62,780,010	1,788,760,700	3.51	80,243	782
2002	22,580,000	5,149,947	-	-	18,570,000	19,940,180	-	66,240,127	1,808,101,400	3.66	80,369	824
2001	24,700,000	5,666,762	-	-	20,430,000	16,435,764	-	67,232,526	1,820,470,050	3.69	80,604	834

(1) Source: US Census Bureau.

City of Canton, Ohio

Ratios of General Bonded Debt Outstanding
Last Ten Years

	General Bonded Debt Outstanding			Estimated True Value of Taxable Property (1)	Ratio of Net Bonded Debt to Estimated True Value of Taxable Property	Net Bonded Debt per Capita
	Governmental Obligation	Business-Type Obligation	Total			
2010	$ 16,714,810	$ 6,029,677	$ 22,744,487	$ 2,570,000,309	0.88 %	$ 311.54
2009	19,483,363	6,961,124	26,444,487	2,754,356,786	0.96	337.65
2008	21,656,948	7,857,538	29,514,486	3,519,099,073	0.84	376.85
2007	23,865,120	10,294,366	34,159,486	3,584,977,264	0.95	432.81
2006	26,865,000	12,735,000	39,600,000	3,276,005,877	1.21	498.25
2005	15,710,000	12,335,000	28,045,000	3,253,043,207	0.86	352.86
2004	18,120,000	14,480,000	32,600,000	3,178,195,614	1.03	407.78
2003	20,420,000	16,555,000	36,975,000	2,930,018,677	1.26	460.79
2002	22,580,000	18,570,000	41,150,000	3,121,013,277	1.32	512.01
2001	24,700,000	20,430,000	45,130,000	3,026,159,601	1.49	559.90

(1) Source: Stark County Auditor's Office

City of Canton, Ohio

Direct and Overlapping Government Activities Debt
As of December 31, 2010

	General Obligation Debt Outstanding (1)	Percentage Applicable to City (2)	Amount Applicable to City of Canton
Direct			
City of Canton	$ 16,714,810	100.00%	$ 16,714,810
Overlapping Debt			
Stark County	-	12.36%	-
Canton City Schools	44,431,000	91.82%	40,796,544
Plain Local Schools	54,445,940	21.61%	11,765,768
Canton Local Schools	752,274	2.35%	17,678
Osnaburg Local Schools	8,595,246	0.60%	51,571
Total Overlapping Debt	108,224,460		52,631,562
Total	$ 124,939,270		$ 69,346,372

Source: Stark County, Ohio; County Auditor

(1) Includes general obligation bonds except for those payable from enterprise funds

(2) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the City by the assessed valuation of the political subdivision.

City of Canton, Ohio

Legal Debt Margin Information
Last Ten Years

	2010	2009	2008	2007	2006
Overall Debt Limitation (10.5% of Assessed Valuation)	$ 91,928,124	$ 98,857,297	$ 104,291,997	$ 110,800,481	$ 106,126,404
Net Debt Within 10.5% Limitations	18,567,954	19,483,363	17,573,728	19,461,900	21,976,356
Overall Legal Debt Margin Within 10.5% Limitations	$ 73,360,170	$ 79,373,934	$ 86,718,269	$ 91,338,581	$ 84,150,048
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	20.20%	19.71%	16.85%	17.56%	20.71%
Unvoted Debt Limitation (5.5% of Assesed Valuation)	$ 48,152,827	$ 51,782,394	$ 54,629,141	$ 58,038,347	$ 55,590,021
Net Debt Within 5.5% Limitations	18,567,954	19,483,363	17,573,728	19,461,900	21,976,356
Unvoted Legal Debt Margin Within 5.5% Limitations	$ 29,584,873	$ 32,299,031	$ 37,055,413	$ 38,576,447	$ 33,613,665
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	38.56%	37.63%	32.17%	33.53%	39.53%

Note: Under State of Ohio finance law, the City of Canton's outstanding general obligation debt should not exceed 10.5% of total assessed property value. In addition, the outstanding general obligation debt net voted debt should not exceed 5.5% of total assessed property value. By law, the general obligation debt subject to the limitation is offset by amounts set aside for repaying general obligation bonds.

2005	2004	2003	2002	2001
$ 109,151,590	$ 106,935,582	$ 97,338,180	$ 102,180,167	$ 104,920,357
10,710,000	12,835,000	14,841,477	22,561,477	24,681,477
$ 98,441,590	$ 94,100,582	$ 82,496,703	$ 79,618,690	$ 80,238,880
9.81%	12.00%	15.25%	22.08%	23.52%
$ 57,174,642	$ 56,013,876	$ 50,986,666	$ 53,522,945	$ 54,958,282
10,710,000	12,835,000	14,841,477	22,561,477	24,681,477
$ 46,464,642	$ 43,178,876	$ 36,145,189	$ 30,961,468	$ 30,276,805
18.73%	22.91%	29.11%	42.15%	44.91%

City of Canton, Ohio

Computation of Legal Debt Margin
As of December 31, 2010

Total Assessed Property Value		$ 875,505,940
Overall Debt Limitation (10 1/2 % of Assessed Valuation)		$ 91,928,124
Gross Indebtedness		51,449,904
Less:	Enterprise Funds' G.O. Bonds	(6,029,677)
	OWDA Loans	(23,565,905)
	OPWC Loan	(941,949)
	SIB Loan	(706,128)
	Millennium Parking Deck	(686,589)
	Capital Lease	(951,283)
	Debt Service Fund Balance	(419)
Net Debt Within 10 1/2 % Limitations		18,567,954
Legal Debt Margin Within 10 1/2 % Limitations		$ 73,360,170
Unvoted Debt Limitation (5 1/2 % of Assessed Valuation)		$ 48,152,827
Gross Indebtedness		51,449,904
Less:	Enterprise Funds' G.O. Bonds	(6,029,677)
	OWDA Loans	(23,565,905)
	OPWC Loan	(941,949)
	SIB Loan	(706,128)
	Millennium Parking Deck	(686,589)
	Capital Lease	(951,283)
	Debt Service Fund Balance	(419)
Net Debt Within 5 1/2 % Limitations		18,567,954
Legal Debt Margin Within 5 1/2 % Limitations		$ 29,584,873

Source: Stark County, Ohio: County Auditor

City of Canton, Ohio

Pledged Revenue Coverage-Water

Last Ten Years

Year	Water Operating Revenues	Water Operating Expenses (1)	Net Available Revenues	Debt Service (2)		Coverage
				Principal	Interest	
2010	$ 14,722,587	$ 8,710,422	$ 6,012,165	$ 877,648	$ 554,061	4.20
2009	12,012,071	9,739,900	2,272,171	639,403	423,296	2.14
2008	12,803,465	8,718,793	4,084,672	536,889	303,144	4.86
2007	12,636,294	8,523,683	4,112,611	454,831	260,446	5.75
2006	11,949,721	9,098,828	2,850,893	400,767	244,735	4.42
2005	11,638,498	7,212,194	4,426,304	381,700	263,803	6.86
2004	11,590,939	6,712,965	4,877,974	351,007	274,182	7.80
2003	11,473,063	6,826,676	4,646,387	329,557	288,012	7.52
2002	11,663,776	8,797,197	2,866,579	115,822	95,803	13.55
2001	11,994,325	8,174,684	3,819,641	679,600	89,900	4.96

(1) Direct operating expenses do not include depreciation expense.

(2) Revenue debt only includes OWDA loans payable solely from net revenues in the water enterprise fund.

City of Canton, Ohio

Pledged Revenue Coverage-Sewer

Last Ten Years

Year	Sewer Operating Revenues	Sewer Operating Expenses (1)	Net Available Revenues	Debt Service (2)		Coverage
				Principal	Interest	
2010	$ 13,314,535	$ 8,234,557	$ 5,079,978	$ 759,602	$ 229,202	5.14
2009	11,713,312	8,767,929	2,945,383	762,748	249,423	2.91
2008	11,087,091	7,551,028	3,536,063	766,440	269,098	3.41
2007	10,603,629	8,768,381	1,835,248	1,162,952	298,256	1.26
2006	10,682,423	7,768,104	2,914,319	1,131,858	329,885	1.99
2005	10,913,729	7,091,988	3,821,741	1,457,126	372,734	2.09
2004	11,164,680	6,881,006	4,283,674	1,372,546	395,904	2.42
2003	11,081,552	7,069,693	4,011,859	1,373,083	468,593	2.18
2002	11,245,738	7,324,071	3,921,667	969,387	440,054	2.78
2001	10,086,502	6,397,955	3,688,547	1,163,418	200,947	2.70

(1) Direct operating expenses do not include depreciation expense.

(2) Revenue debt only includes OWDA and OPWC loans payable solely from net revenues in the sewer enterprise fund.

City of Canton, Ohio

Demographic and Economic Statistics
Last Ten Years

	Population (1)	Total Personal Income	Per Capita Income	Unemployment Rate
2010	73,007	$ 1,834,444,050	$ 25,127	11.2%
2009	78,362	1,888,534,400	24,100	11.4
2008	78,319	2,004,784,350	25,598	6.9
2007	78,924	1,972,351,850	24,991	5.9
2006	79,478	1,931,177,300	24,298	5.6
2005	79,478	1,863,333,800	23,445	6.4
2004	79,946	1,748,721,800	21,874	6.6
2003	80,243	1,788,760,700	22,292	6.8
2002	80,369	1,808,101,400	22,497	5.6
2001	80,604	1,820,470,050	22,585	6.4

(1) Source: US Census Bureau.

City of Canton, Ohio

Principal Employers

Current Year and Ten Years Ago

2010

Employer	Nature of Activity	Employees	Percentage of Total City Employment
Aultman Hospital	Health Services	4,143	13.02 %
Stark County	County government	2,526	7.94
Mercy Medical Center	Health Services	2,356	7.40
The Timken Company	Tapered roller bearings and steel	2,355	7.40
Canton City School District	Education	1,359	4.27
City of Canton	Municipal government	1,041	3.27
Fresh Mark Inc.	Meat processing	859	2.70
Nationwide Insurance	Insurance Provider	815	2.56
Republic Engineered Steels, Inc.	Hot-rolled and cold finished steel bars and specialty steels	788	2.48
United States Postal Service	Federal Government	514	1.62
Total		16,756	52.66
Total Employment within the City		31,826	

2001

Employer	Nature of Activity	Employees	Percentage of Total City Employment
The Timken Company	Tapered roller bearings and steel	5,249	14.93 %
Aultman Hospital	Health Services	3,500	9.96
Stark County	County government	2,852	8.11
Mercy Medical Center	Health Services	2,600	7.40
Republic Engineered Steels, Inc.	Hot-rolled and cold finished steel bars and specialty steels	2,222	6.32
Canton City School District	Education	1,850	5.26
City of Canton	Municipal government	1,083	3.08
Diebold, Inc.	Bank security and systems equipment	800	2.28
Fresh Mark Inc.	Meat processing	740	2.10
Nationwide Insurance	Insurance Provider	650	1.85
Total		21,546	61.29
Total Employment within the City		35,158	

Source: Survey of Employers performed by City Community Development Department and City Income Tax Department

City of Canton, Ohio

Full-Time Equivalent City Government Employees by Function/Program
Last Ten Years

Function/Program	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Governmental Employees										
General Government	183	181	193	194	196	187	193	193	197	219
Security of Persons and Property	396	409	434	428	423	400	407	416	424	462
Public Health	51	50	53	52	51	53	50	51	53	52
Transportation	45	50	49	50	44	42	43	44	50	60
Community Development	23	23	22	17	18	20	22	23	22	25
Leisure Time Activities	21	21	27	27	26	28	26	23	26	36
Total Governmental Employees	**719**	**734**	**778**	**768**	**758**	**730**	**741**	**750**	**772**	**854**
Business-Type Employees										
Water	87	91	96	101	97	97	94	89	93	93
Sewer	73	80	79	79	76	76	76	75	68	70
Refuse	54	58	58	58	59	58	59	57	54	56
Total Business-Type Employees	**214**	**229**	**233**	**238**	**232**	**231**	**229**	**221**	**215**	**219**
Total Employees	*933*	*963*	*1,011*	*1,006*	*990*	*961*	*970*	*971*	*987*	*1,073*

Method: Part-time and seasonal employees are not included

Source: City of Canton Auditor's Office

City of Canton, Ohio

Capital Assets Statistics by Function/Program

Last Ten Years

Function/Program	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General Government										
Departmental Vehicles	22	22	23	24	21	18	16	16	20	18
Security of Persons and Property										
Police Stations	5	5	5	5	5	5	4	3	3	3
Police Department Vehicles	124	129	110	124	124	85	87	89	110	107
Fire Stations	8	8	8	8	8	8	8	9	9	9
Fire Department Vehicles	40	40	37	39	36	32	30	30	33	32
Intersections with Traffic Lights	224	226	227	228	230	232	231	230	230	230
Traffic Department Vehicles	17	19	20	29	23	21	21	20	19	21
Public Health										
Departmental Vehicles	12	14	14	23	24	22	18	18	17	12
Transportation										
Area (in square miles)	25.70	25.50	25.40	25.40	25.30	23.94	23.94	23.29	20.99	20.99
Miles of Streets	414.30	414.40	413.83	413.87	411.39	412.19	409.50	408.96	405.79	405.39
Bridges	23	23	23	23	23	23	23	23	23	23
Miles of Storm Sewers	217.40	214.56	214.33	214.09	211.92	211.70	209.40	209.40	208.82	205.60
Departmental Vehicles	112	114	110	124	116	114	108	114	119	124
Leisure Time Activies										
Number of Parks	61	61	61	61	61	60	60	60	60	60
Park Acreage	812	812	800	710	710	700	700	700	700	700
Number of Shelters	23	22	22	22	21	21	21	21	21	21
Number of Baseball Fields	43	43	43	43	42	43	43	43	43	43
Walking Tracks	4	4	4	4	4	4	4	4	4	4
Walking Bridges	16	14	14	14	13	13	13	13	13	13
Play Equipment Sets	37	37	36	36	35	35	35	34	34	34
Restrooms	19	19	19	19	19	19	19	19	19	19
Number of Tennis Courts	8	8	8	8	8	8	8	8	7	7
Swimming Pools	0	0	0	0	1	1	1	1	1	1
Community Centers	1	1	1	1	1	1	1	1	2	2
Departmental Vehicles	46	47	44	46	47	46	43	43	45	41
Water										
Miles of Water Mains	658.80	658.69	658.68	655.89	651.36	649.58	646.27	642.32	632.34	609.63
Water Treatment Plants	3	3	3	3	3	3	3	3	3	3
Maximum Daily Capacity in Gallons (in millions)	40,500	40,500	39,000	39,000	39,000	39,000	39,000	40,800	40,800	40,800
Number of Fire Hydrants	3,252	3,252	3,243	3,212	3,163	3,141	3,094	3,063	3,002	2,739
Departmental Vehicles	68	62	59	60	56	60	58	60	62	64
Sewer										
Miles of Sanitary Sewers	363.00	362.83	360.10	359.70	357.51	357.26	357.08	356.27	355.95	352.98
Sewer Treatment Plants	1	1	1	1	1	1	1	1	1	1
Maximum Daily Capacity in Gallons (in millions)										
Wet Weather	67,000	67,000	67,000	67,000	67,000	67,000	67,000	67,000	67,000	67,000
Dry Weather	39,000	39,000	39,000	39,000	39,000	39,000	39,000	39,000	39,000	39,000
Departmental Vehicles	63	52	59	59	47	40	30	30	27	28
Refuse										
Departmental Vehicles	23	25	28	37	35	32	30	31	33	33

Source: Various City of Canton Departments

City of Canton, Ohio

Operating Indicators by Function/Program

Last Ten Years

Function/Program	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General Government										
Auditor										
Purchase Orders Issued	7,228	6,988	6,811	7,141	6,787	6,551	6,440	6,078	6,438	7,354
Checks Issued	16,431	16,817	17,513	18,195	18,545	19,735	16,780	16,256	17,764	18,637
Payroll Checks Issued	29,027	30,031	31,847	30,540	29,844	30,401	33,796	30,424	33,008	34,149
Civil Service										
Tests Administered	12	12	21	13	18	17	13	15	15	17
Courts										
Cases Heard	39,557	32,403	32,201	36,014	34,457	30,730	29,351	31,444	32,824	32,803
Trials Held	290	217	208	218	270	256	234	234	218	222
Probation Cases	395	423	513	388	413	354	393	294	383	332
Community Service Cases	2,681	2,578	2,416	2,494	2,197	2,488	2,510	2,689	3,017	3,190
House Arrest Cases	120	183	694	155	164	292	243	489	616	351
Income Tax										
Refunds Issued	2,870	3,182	3,332	3,145	3,378	3,965	3,486	5,922	5,793	5,119
Tax Booklets Mailed	32,693	35,484	34,258	36,347	35,091	34,884	35,089	35,365	34,672	35,961
Law Department										
Claims	176	127	216	180	131	276	282	236	155	196
Trials Conducted	22	44	116	121	143	112	93	102	124	110
Pretrials Conducted	7,735	7,428	7,719	8,102	7,401	6,515	7,092	7,182	8,077	8,071
Prosecutor Hearings	121	109	151	307	297	278	411	626	643	689
Criminal Intakes	2,107	2,241	2,188	1,987	2,086	2,468	2,306	2,400	2,904	2,961
Security of Persons and Property										
Code Enforcement										
Building Permits Issued	819	4,097	2,449	1,364	4,715	5,506	5,415	1,469	1,450	4,393
Building Permits Estimated Value (in millions)	$ 42,510	$ 73,781	$ 59,247	$ 90,644	$ 103,290	$ 174,606	$ 122,004	$ 104,411	$ 86,955	$ 60,784
Police										
Physical Arrests	4,201	4,466	5,228	5,218	4,620	4,964	4,758	4,606	4,368	3,155
Traffic Violations	15,328	6,162	6,189	6,429	8,638	5,971	7,287	5,212	7,230	7,263
Parking Violations	10,422	10,789	9,966	10,188	8,000	14,949	19,282	18,523	22,771	24,324
Fire										
Calls Answered	20,687	12,602	12,952	15,904	10,475	5,639	14,467	14,376	13,666	12,494
Public Health										
Birth Certificates Issued	12,413	14,859	16,136	20,653	18,442	16,673	16,854	17,294	19,754	19,146
Death Certificates Issued	7,875	9,715	10,040	9,321	9,572	10,180	10,661	11,653	11,819	12,362
Nursing										
Home Vists	408	425	350	267	49	62	112	114	160	151
Air Pollution Complaints Investigated	63	167	222	486	1,999	222	339	257	384	327
Food Service Inspections	971	1,240	926	1,429	966	1,319	1,193	1,296	1,440	1,251
Transportation										
Road Salt Expense	$ 516,835	$ 681,366	$ 630,012	$ 353,321	$ 456,317	$ 366,801	$ 496,357	$ 445,584	$ 404,192	$ 302,324
Leisure Time Activies										
Shelter Permits Issued	453	520	371	481	470	534	592	604	N/A	N/A
Water										
Number of Service Connections	44,171	44,179	44,200	44,152	43,961	43,777	43,285	42,878	42,495	41,404
Daily Average Consumption in Gallons (in millions)	19,970	19,983	23,660	22,475	21,763	22,468	22,151	22,577	22,226	22,305
Sewer										
Number of Active Sewer Acounts	27,000	27,178	27,274	28,354	27,624	28,066	28,241	33,046	28,995	28,995
Daily Average Treatment in Gallons (in millions)	30,326	27,800	29,230	28,330	30,120	30,760	33,290	31,460	26,350	25,956

Source: Various City of Canton Departments