City of Canton, Ohio

Comprehensive Annual

Financial Report

For the Year Ended December 31, 2006

Richard A Mallonn II
City Auditor

Prepared by the City Auditor's Office

City of Canton, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2006
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RICHARD A. MALLONN II

CANTON CITY AUDITOR

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June 11, 2007

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, 2006 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 CAFR is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, a list of City officials, the City's organizational chart and the Certificate of Achievement. The financial section includes reporting under Governmental Accounting Standard Board Statement No. 34, Independent Accountants' Report, the Management Discussion and Analysis, the Basic Financial Statements including corresponding Notes, the Combining Statements for Non-major Funds and other relevant supplemental financial statements and schedules for 2006. The statistical section includes selected financial and demographic information, generally presented on a multi year basis.

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 2000 population of 80,806 placed it as the largest city in the County and the ninth 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, Public Safety, Chief of Staff, 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 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 the Water and Sewer activities was sufficient to meet all expenses. For 2006, the Refuse Department had an operating deficit and required the use of a previously existing cash balance to meet expenses. Refuse rates have been adjusted to correct the problem for 2007.

Reporting Entity

The City has reviewed its reporting entity definition in order 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 2006.

Neither the Canton City School District nor the Plain Local School District 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.

Economic Condition and Outlook

Eight 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. Warner Cable provides 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, Detroit Diesel, 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.

The City has experienced an increase in overall revenue for the third consecutive year. In addition the City saw a consistent increase in income tax revenue in 2006. However, the pace of growth slowed in the third and fourth quarter of 2006, giving rise to slower growth estimates for 2007. The gradual economic improvement that has affected the entire nation's economy from 2004 through 2006 continues to impact Canton's overall economic outlook. The economic future continues to improve, even as significant governmental and private construction initiatives come to a close. The City issued $15,850,000 in general revenue bonds to build a new fire station, a new sewer collection facility, a new wade park and reconstruction of existing recreational facilities. These construction projects show continued governmental construction initiatives in the coming months. The City must continue to commit substantial resources to attract permanent industrial, retail, and service businesses in order to sustain the revenue increase generated by the various construction projects within the City.

The Canton City School District has embarked on a $176 million Design for the Future program. Under the seven-year program, the School District will replace nine elementary schools and one middle school, provide major additions and renovations to McKinley Senior High School and renovate almost all remaining schools in the School District. Approximately three-quarters of the entire program costs will be funded by more than $129 million of direct State aid, with the remainder funded by approximately $46.7 million of voter-approved debt and additional funds. In the fall of 2006 and winter of 2007 the School District opened three newly constructed elementary buildings and plans to open the last of its nine new elementary buildings in the fall of 2007. The renovations at McKinley Senior High School are slated for completion sometime in 2008. In conjunction with the program, School District officials have substantially completed a $35 million improvement project at the Timken High School Regional Campus. The Campus encompasses a ten-block area and was completed in the fall of 2006. The project was funded through state grants and a $10 million grant from the Timken Foundation. The Campus offers Stark State College of Technology courses, an Automotive and Manufacturing Academy, the Timken Academic and Fine Performing Arts Academy, and an Early College High School program. Final site work for the project will be completed in early 2007. The City believes these major public works have dramatically improved the condition of the School District's facilities that have already been completed.

Malone College, 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 (682 beds) and Mercy Medical Center (476 beds), and three additional acute care hospitals located in the County: Doctors Hospital of Stark County (183 beds), Alliance Community Hospital (204 beds) and Massillon Community Hospital (268 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 projected, 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. Aultman Hospital continues to play a pivotal role in the financial stability of the City of Canton.

The Canton Park System maintains 61 parks and covers approximately 710 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 past first lady Ida Saxton. 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.

The City is also the home of the National Professional Football Hall of Fame, which attracts more than 200,000 visitors annually. In 2006, the museum completed construction on a new multifunction outdoor plaza area. The new area will be used to host more events at the Hall of Fame and provides additional space for the annual induction ceremony. The $400,000 project was funded by the state through the Ohio Cultural Facilities Commission. Also in 2006 the Hall of Fame in cooperation with Canton City Schools began a $5 million fund raising drive for the renovation of nearby Fawcett Stadium. Money raised will be used for 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 the school owned stadium. Sufficient funds were raised during the year to install the new scoreboard and to begin the structural repairs. The renovation work is being done to ensure the future viability of the Hall of Fame Football Game as part of the annual induction ceremonies as well as create opportunities for future museum expansion.

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 and 2006, 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 fairs. In 2003, SARTA opened its roughly $2.5 million Cornerstone Transfer Station, which included a 3,163 square foot customer service building in Downtown Canton. In 2005, SARTA finished renovating its primary administrative and maintenance facility in Canton. The project was funded by grants from the Federal Transit Authority, the Ohio Department of Transportation, and the Ohio Public Transit Association. The renovations were needed to address the functionality and space issues in the old facility.

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, 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 2,700 acres, most of which is located in Summit County, directly north of and adjacent to Stark County, on Interstate 77. The airport has two intersecting runways, a 24-hour tower, 170,000 square foot terminal, branded concessions and 40 daily departures on five airlines. The number of passengers using the Airport in 2006 was approximately 1,438,304, an increase of 0.3 percent from 2005. In 2001 the Airport officials began a $60 million, 5-year capital improvement and expansion campaign referred to as the STAR Expansion Project. To date, the multiple-phase project has included extending runways, a new baggage claim area, a new food court, a new security screening area, enlarged gathering space, and additional parking. The final piece of the plan is a $24 million terminal gate renovation that will allow the Airport to handle up to 1.6 million passengers annually. The gate renovation was completed in late 2006. Along with the STAR Project, the airport is also in the process of investing $10 million in a new deicing facility and $55 million in runway extensions to meet new Federal Aviation Administration regulations. As part of its Interstate 77-widening project, the State of Ohio is also investing money in new off-ramps for the Airport to ease congestion and increase overall traffic flow.

For additional information on the City's economic status and financial outlook, refer to the Management Discussion and Analysis starting on page 3.

MAJOR INITIATIVES

In 2006, the City annexed approximately 600 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 has partnered with Historic Onesto LLC to convert a downtown city landmark into loft style apartments. This $6 million joint housing project will provide a unique new housing opportunity in Canton's growing downtown. The City was able to secure a $900,000 Clean Ohio Grant from the State of Ohio to provide funding for asbestos removal while Historic Onesto LLC will spend $5.1 million on reconstruction and renovation.

The City has granted a $750,000 loan to Greystone Limited Partnership to assist in Greystone's plan to renovate a once thriving office building and parking facility. Greystone has committed $7 million to establish 508 parking spaces as well as refurbishing 300,000 square feet of office and retail space in downtown Canton. The facility is slated to be available for parking in 2007 while office space renovation will be on going.

The City in a joint venture with the federal government has acquired land for the purpose of constructing a new Federal Campus in downtown Canton. This campus will eventually house various federal employees including employees from FBI, Bankruptcy Court and the IRS just to name a few. This joint venture will represent an investment in downtown Canton in excess of $20 million before completion.

The City is collaborating with the Urban Housing Foundation of Stark County (Foundation) to build market-rate housing along 10th and 11th Streets NW, in the Summit Neighborhood and thereby aid in the renewal of that area. The project calls for the Foundation to build 14 market-rate houses. The City has contributed $1,066,000 to this project, to assist with the acquisition, demolition and re-grading of the property. Acquisition and demolition work was substantially complete by the end of 2006.

The City Engineering Department oversees all stages of street and sewer improvement projects. During 2006, the City completed a $2,233,433 street improvement project at the intersection of 4th St. and Shorb Ave NW. and a $770,018 street improvement project on 44th St. NE. The engineer's office also over saw the completion of a $166,928 renovation project at a City owned parking lot on East Tuscarawas St. Engineering projects in various stages of planning, development, and construction include: Guilford Ave. NW Bridge Replacement, Midway Ave. NE improvement, Tuscarawas St. improvement, Fulton Road/Monument Park Intersection, Steese Area Drainage Project, 38th St. NW improvement, 30th St. NE storm sewer project, 49th & Gardendale Ave NE. storm sewer project, and a Downtown Canton Bike Trail.

During 2006, the City's Sewer Department completed work on the Faircrest Annexation Sewer Line and the Market Ave. North Sewer Line. The department also began work on a biofilter media restoration project and continued work on a sludge pump restoration project. The City's Water Department completed various waterline extensions and improvements throughout the year adding an additional $574,860 of value to the overall system.

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 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 department level. Any budgetary modifications at this level may only be made by resolution of the City Council. Budgetary control at the department level provides the flexibility necessary to move appropriations among their respective expense account line items in order 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. Purchase orders which result in an overrun of budget are not released 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 purchase request 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 was 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 that 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 that the cost of a control should not exceed the benefits likely to be derived from its implementation, and that the evaluation of costs and benefits should require estimates and judgments by management. We believe that the City's internal accounting controls adequately safeguard the City's assets and provide reasonable assurance of proper recording and reporting of financial transactions.

Debt Administration

The gross indebtedness of the City at the end of 2005 was $49,905,455. At the end of 2006, the gross indebtedness of the City was $59,390,889. In 2006, the City did not issue notes, receive OPWC Loan proceeds, or receive OWDA Loan proceeds. The City did issue $7,370,000 in new bonds to refinance a previous issuance from 1995 for the City's water system. The previous issuance had an outstanding balance of $7,325,000 at the time of the refinancing. The City also issued $15,850,000 in new construction bonds for various renovation and new construction projects.

As of December 31, 2006, the City had $772,614 and $15,928,185 in outstanding OPWC and OWDA loans, respectively. The City also had $12,735,000 outstanding in the enterprise funds and $26,865,000 for bonds payable in the governmental funds. The City had a legal claim and judgment outstanding of $177,100. The City had $3,090,090 in long-term HUD, SIB and Urban Redevelopment Loans outstanding as of December 31, 2006.

The City has maintained it's A-2 rating formerly known as A+ by Moody's Investor Services, Inc and an A+ rating by Standard & Poor's and Fitch Rating Services on general obligation bond issue. 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 $84,150,048 and an unvoted debt margin of $33,613,665 as of December 31, 2006.

Risk Management

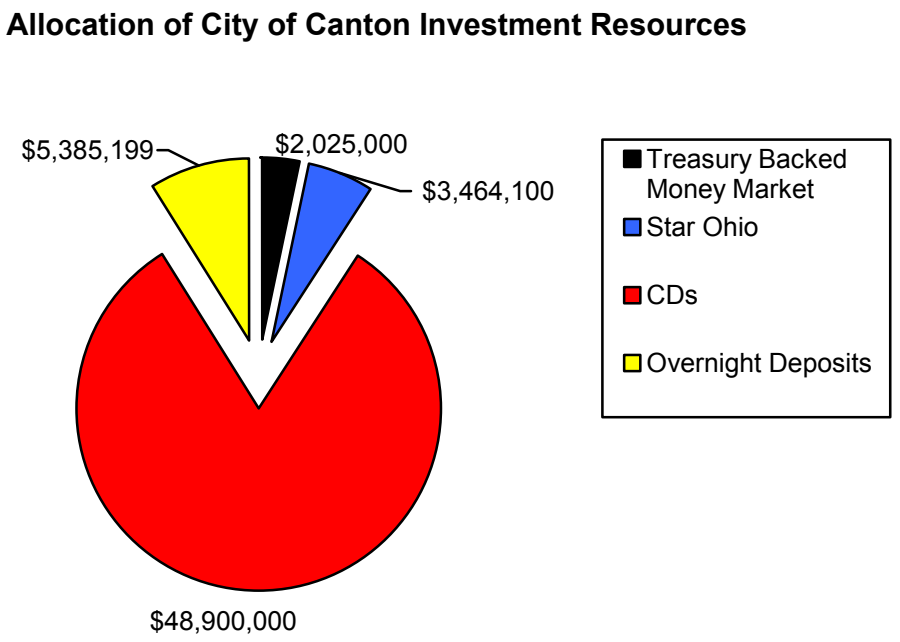
The City participates in the Workers' Compensation Retrospective Rating Plan. In the retrospective rating plan, the City assumes a portion of the risk in return for a reduction in current premiums.

The City contracts with Acordia of Ohio LLC for commercial property coverage, which has a $378,617,809 limit and a $100,000 deductible. The City also contracts with Leonard Insurance Agency Inc. for boiler and machinery coverage, which has a $1,000,000 limit and a $2,500 deductible. The City contracts with Ohio Municipal League for automobile combined coverage, which has a $5,000,000 limit and a $125,000 deductible. The City also contracts with the Ohio Municipal League for general liability. This coverage has a $5,000,000 limit and a $125,000 deductible for bodily injury and property damage, fire damage, employee benefit liability, and personal and advertising.

The City has elected to provide employees' major medical, hospitalization, prescription, and dental/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 employee. Third party administrators, Aultcare and Benefit Services Inc., review all claims prior to payment by the City. Advantages of the self-insurance arrangement include holding the reserves and earning interest on them and saving on administrative costs. Control of the plans rests with the City.

Cash Management

At December 31, 2006, the City had $59.8 million in cash and investments. The allocation of these investment resources is included in the chart below:



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, 2005. The Certificate of Achievement is the highest form of recognition for excellence in state and local government.

In order 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.

Independent Audit

The financial records, books of accounts and transactions of the City of Canton, Ohio, for the year ending December 31, 2006, have been audited by the Auditor of State Mary Taylor'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.

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, James Carman, John Slebodnik and Gary Young for their continued dedication and commitment to sound financial reporting 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, 2005

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

Janet Weir Creighton

Council Members

Allen Schulman, President

Joseph Carbenia
Donald Casar
Mary Cirelli
David Dougherty
James E. Griffin
Richard D. Hart
Gregory Hawk
Karl Kraus
Terry Prater
Bill Smuckler
Thomas West
Kelly Zachary

City Auditor
Richard A Mallonn II

City Treasurer
Robert C. Schirack

Law Director
Joseph Martuccio

Director of Income Tax
Cynthia Allensworth

Chief of Staff
Chip Conde

Director of Public Safety
Bernard Hunt

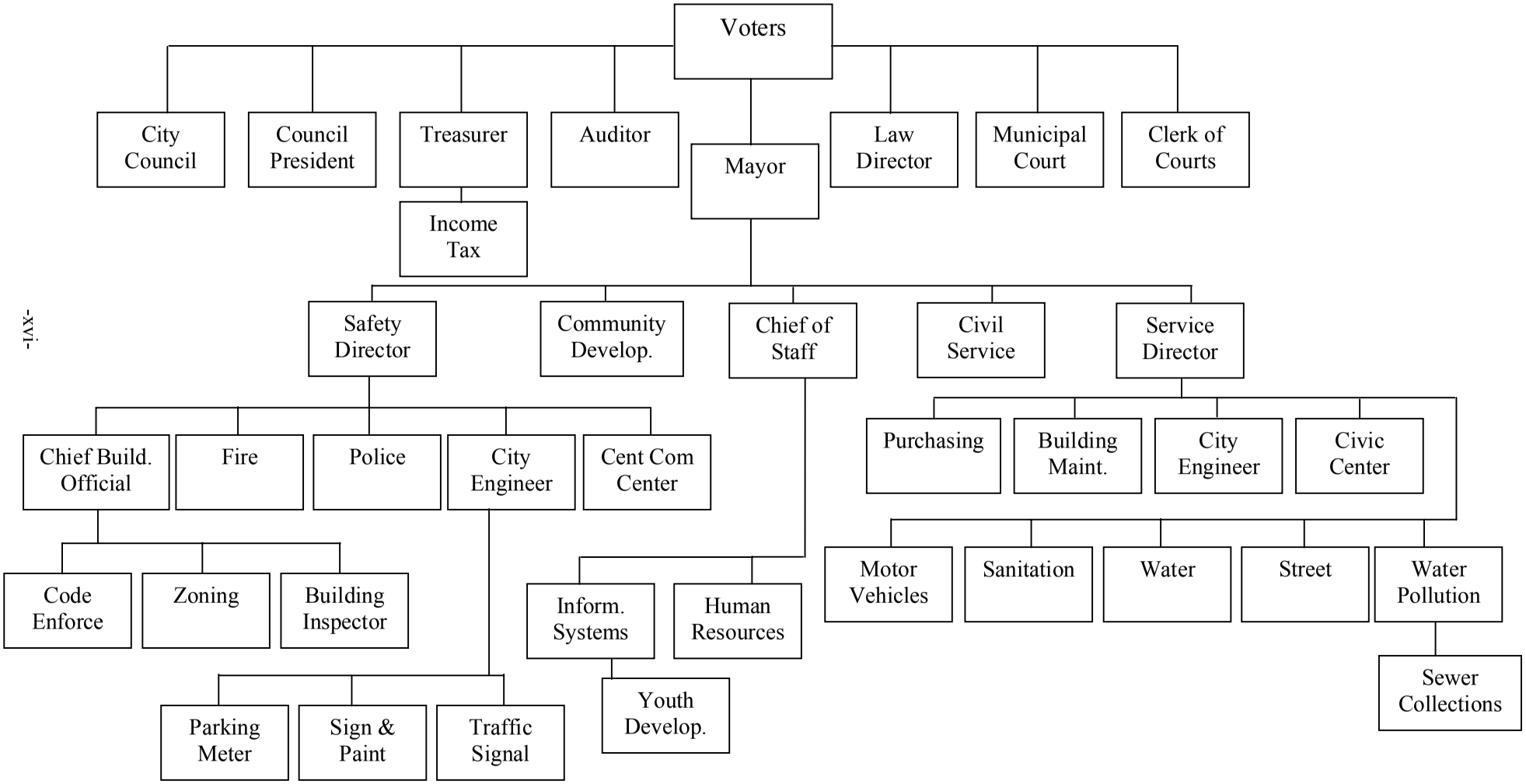
Director of Public Service
Joseph Concatto

Fire Chief
James Scott

Police Chief
Dean McKimm

City Engineer
Dan Moeglin

City of Canton
Organizational Chart



Mary Taylor, CPA
Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

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

To the Honorable Mayor and City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the discretely presented component unit and aggregate remaining fund information of the City of Canton, Stark County, Ohio, (the City) as of and for the year ended December 31, 2006, 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 3 percent, 4 percent, and 9 percent, respectively, of the assets, net assets, and revenues for the discretely presented component unit and aggregate 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 *Government Auditing Standards,* issued by the Comptroller General of the United States. 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 that 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 the 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 discretely presented component unit and aggregate remaining fund information of the City of Canton, Stark County, Ohio, as of December 31, 2006, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparison for the General Fund and Special Revenue Community and Economic Development Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2007, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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

Mary Taylor

Mary Taylor, CPA
Auditor of State

June 11, 2007

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, 2006. 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 $8.3 million as a result of this year's operations. Net assets of our business-type activities increased by $0.8 million, or 1.1 percent, and net assets of governmental activities increased by $7.5 million, or 6.7 percent.

- The City issued General Obligation Bonds totaling $23,220,000 in 2006. Of the total issuance, $7,370,000 was for the refinancing of previously issued water bonds.

- The City maintained Bond Ratings of A-2 per Moody's and it's A+ status from Standards and Poor's, and Fitch in 2006.

- In 2006 the City was able to reduce its unfunded compensated absence debt from $6,960,789 at the end of 2005 to $4,791,346 at the end of 2006.

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. Southeast Community 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 $191.6 million to $199.9 million. Looking at the net assets and net expenses of governmental and business-type activities separately, different stories emerge. 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	
	2006	2005	2006	2005	2006	2005
Assets						
Current and Other Assets	$ 69.3	$ 54.3	$ 26.3	$ 24.4	$ 95.6	$ 78.7
Capital Assets, Net	100.4	98.9	85.2	87.2	185.6	186.1
Total Assets	$ 169.7	$ 153.2	$ 111.5	$ 111.6	$ 281.2	$ 264.8
Liabilities						
Current and Other						
Liabilities	$ 11.1	$ 12.9	$ 1.7	$ 1.4	$ 12.8	$ 14.3
Due Within One Year	4.7	3.8	4.0	3.7	8.7	7.5
Long-Term Liabilities:						
Due Within More Than One Year	35.0	25.1	24.8	26.3	59.8	51.4
Total Liabilities	50.8	41.8	30.5	31.4	81.3	73.2
Net Assets						
Invested in Capital						
Assets Net of Debt	74.6	84.1	56.3	57.2	130.9	141.3
Restricted:						
Special Revenue	15.0	18.6	-	-	15.0	18.6
Debt Services	-	-	-	-	-	-
Capital Projects	6.0	6.8	-	-	6.0	6.8
Unrestricted	23.3	1.9	24.7	23.0	48.0	24.9
Total Net Assets	$ 118.9	$ 111.4	$ 81.0	$ 80.2	$ 199.9	$ 191.6

Net assets in the City's governmental activities increased by 6.3 percent ($111.4 million compared to $118.9 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—increased from $1.9 million at December 31, 2005 to $23.3 million at the end of 2006. Restricted net assets, those restricted mainly for capital projects and special purposes such as street cleaning or maintenance decreased from $25.4 million at the end of 2005 to $21.0 million at the end of 2006. The investments in capital assets, net of debt category decreased by $9.5 million.

Net assets in the City's business-type activities decreased by 1.0 percent ($80.2 million compared to $81.0 million) in 2006. 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, 2006. The City's Governmental Activities revenue increased in 2006 from $80.5 million to $86.0 million and expenses decreased by $4.0 million or 5.1% resulting in an increase in governmental net assets of $7.5 million. The City's Business-Type Activities revenue decreased by $1.8 million and expenses increased by $1.5 million resulting in a net asset increase of $0.8 million.

Table 2
Change in Net Assets
(In Millions)

	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
Revenues						
Program Revenues:						
Charges for Services	$ 12.4	$ 11.0	$ 26.1	$ 25.7	$ 38.5	$ 36.7
Operating Grants and Contributions	8.8	7.1	0.1	-	8.9	7.1
Capital Grants and Contributions	0.8	1.4	0.9	1.1	1.7	2.5
Total Program Revenues	22.0	19.5	27.1	26.8	49.1	46.3
General Revenues:						
City Income Taxes	43.2	41.8	-	-	43.2	41.8
Property Taxes	3.6	3.7	-	-	3.6	3.7
Intergovernmental	10.0	10.0	-	-	10.0	10.0
Grants and Contributions	0.4	0.4	0.1	-	0.5	0.4
Interest and Investment Earnings	2.0	1.3	-	-	2.0	1.3
Other	4.6	3.8	0.1	2.3	4.7	6.1
Gain or Loss on Sale of Assets	0.2	-	-	-	0.2	-
Total General Revenues	64.0	61.0	0.2	2.3	64.2	63.3
Total Revenues	$ 86.0	$ 80.5	$ 27.3	$ 29.1	$ 113.3	$ 109.6

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

	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
Expenses						
Program Expenses:						
General Government	$ 19.0	$ 18.6	$ -	$ -	$ 19.0	$ 18.6
Security of Persons and Property	33.6	33.7	-	-	33.6	33.7
Public Health	5.4	5.4	-	-	5.4	5.4
Transportation	10.1	13.1	-	-	10.1	13.1
Community Development	6.6	7.9	-	-	6.6	7.9
Leisure Time Activities	2.9	2.9	-	-	2.9	2.9
Interest on Long-Term Debt	0.9	0.9	-	-	0.9	0.9
Water	-	-	11.2	9.4	11.2	9.4
Sewer	-	-	10.5	11.1	10.5	11.1
Refuse	-	-	4.8	4.5	4.8	4.5
Total Program Expenses	78.5	82.5	26.5	25.0	105.0	107.5
Increase (Decrease) in Net Assets	7.5	(2.0)	0.8	4.1	8.3	2.1
Net Assets 1/1/2006-Restated	111.4	113.4	80.2	76.1	191.6	189.5
Net Assets 12/31/2006	$ 118.9	$ 111.4	$ 81.0	$ 80.2	$ 199.9	$ 191.6

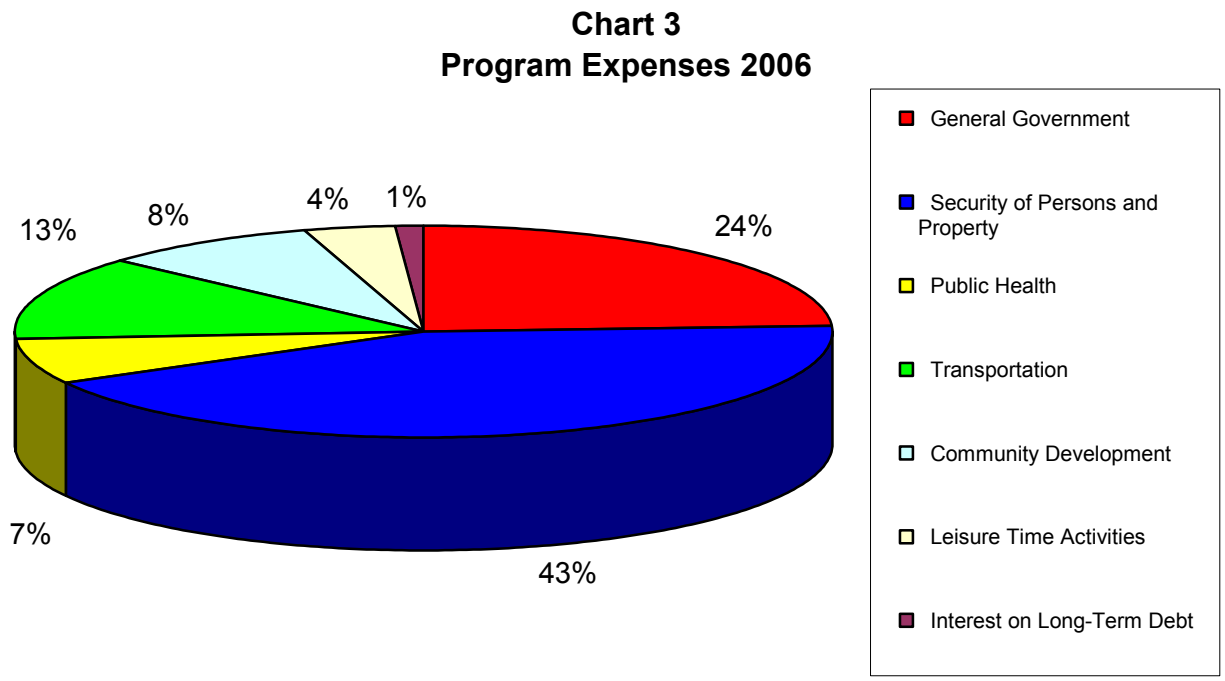
Governmental Activities

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, etc.

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.

When looking at sources of income to support governmental activities, it should be noted that charges for service are only 14.4 percent of revenue. Revenues provided by sources other than city residents in the form of operating and capital grants comprise another 11.2 percent. The remaining revenues are primarily generated locally through property (4.2 percent) and income taxes (50.2 percent).



Business-Type Funds

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 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 at the end of this section.

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 $85.3 million and expenditures of $86.3 million excluding other financing sources and uses. The General Fund balance decreased $1,521,070. Within the General Fund, expenditures exceeded revenue by $1,466,071. Included in the General Fund Expenditures was an additional contribution into the City's Compensated Absence Claim Fund of $2,417,239 therefore, when comparing current revenue to current expenditures without the contribution, the City experienced revenues in excess of expenditures $951,168. The cost saving steps taken in previous years has allowed the General Fund to continue to have a budget surplus. In 2004, as

part of cost cutting measures, the City established the Compensated Absences Claim Fund. The new 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 new 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 $4,791,346 at the end of 2006, including a reduction of $2,169,443 since the end of 2005.

The Community Development Fund balance increased by $1,299,929 solely due to increases in accounts receivable and cash on hand. The Capital Projects Fund balance decreased by $359,621. There were two transfers in the governmental funds last year. Both transfers were from the General Fund to a Nonmajor Special Revenue Fund. The transfers (one for $40,000 and one for $15,000) were for grant matches. The Motor Vehicle Fund balance decreased by $188,246 due to an increase in money spent on new vehicles and a decrease in the money brought in on the disposal of old vehicles. The Water fund balance increased by $944,185 and the Sewer fund balance increased by $267,662. Both increases were due to additional customers, the full effect of previous fee increases, and an increase in capital grants received. The Refuse fund balance decreased by $360,019 due largely to increased expenses despite a minimal increase in fees.

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 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 departmental level. Any budgetary modifications at this 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

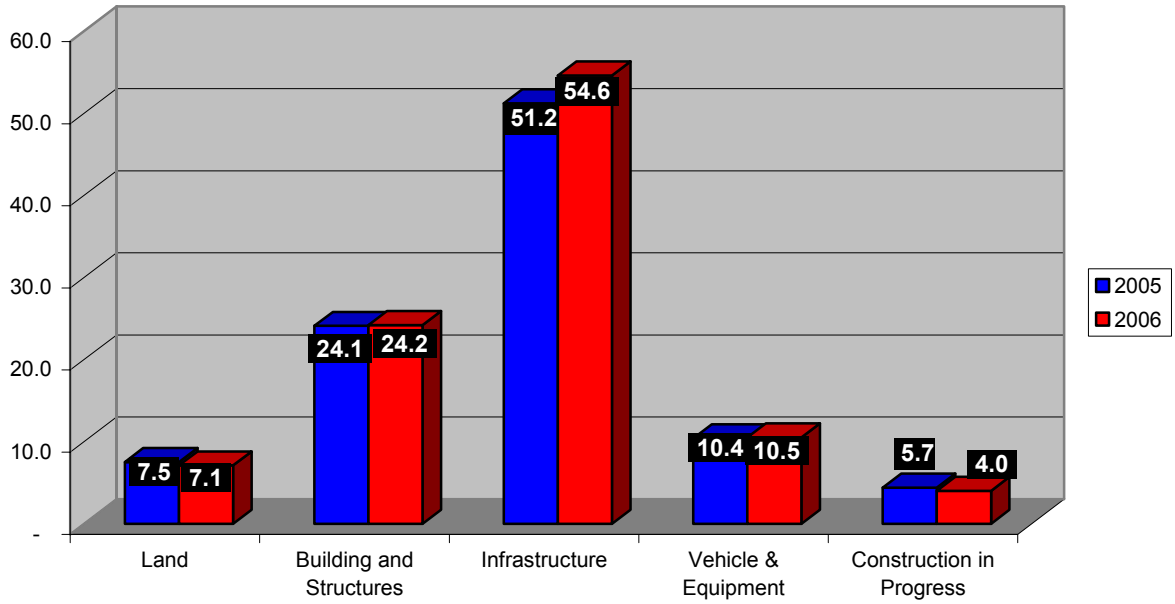
Certificate of Estimated Resources for the City. Ohio Law prohibits total fund appropriations from exceeding the amounts by fund on the County Auditor's certificate.

The City's General Fund variance from original estimated revenues increased by $614,306 increasing the overall General Fund estimated revenues to $57,208,555 as indicated on page 20. This change represents 1.1% of total revenue. The General Fund variance from original appropriations to final appropriations was $3,316,703, this increased the overall General Fund appropriations to $59,931,105. Upon reviewing the initial success of the Compensated Absence Fund, members of City Council decided it would be prudent to allocate a portion of the increased revenue the City was receiving to bringing down the compensated absence obligation and further stabilizing the City's long term financial health. Appropriations were increased to allow for the additional contributions to the Compensated Absence Fund. Actual revenue fell below the final certificate by $528,854 due entirely to overstated budgetary needs in the City's Income Tax Department, whose estimate revenue must match estimated expenses and whose actual revenue must match actual expenditures by year end. Actual expenditures were below the final budget by $1.5 million. This variance is due to City Council and the City Department Heads constant monitoring of expenditures throughout the year.

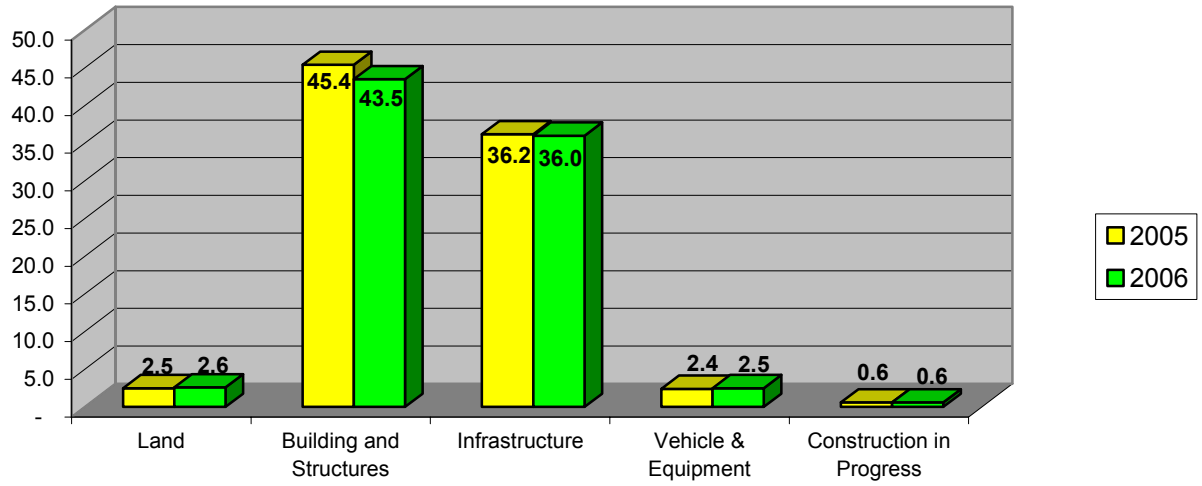
CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of 2006, the City had $185.6 million invested in a broad range of capital assets, including police, fire and radio equipment, land, buildings, park facilities, roads, bridges, and water and sewer lines (see below). This amount represents a net decrease over last year.

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)



This year's major additions in the Governmental Activities included land for the new federal campus project, a new ambulance, 18 police cruisers, 47 in car police cameras, additional work done on several ongoing street projects, and substantial upgrades to the City's traffic light system. Additions to Business-Type Activities included additional water line and sewer line extensions and restoration work being done on sludge pumps at the City's Waste Water Treatment Plant.

The City's 2007 capital budget anticipates a spending level of $10.5 million for capital projects. The City will also be using $15,850,000 generated from the sale of general obligation bonds during 2006 to construct a new fire station, a new sewer collection facility, a new wade park and reconstruct some existing recreational facilities. More detailed information about the City's capital assets is presented in Note 7 to the basic financial statements.

Debt

At December 31, 2006, the City had $26.9 million in Governmental Activities General Obligation Bonds.

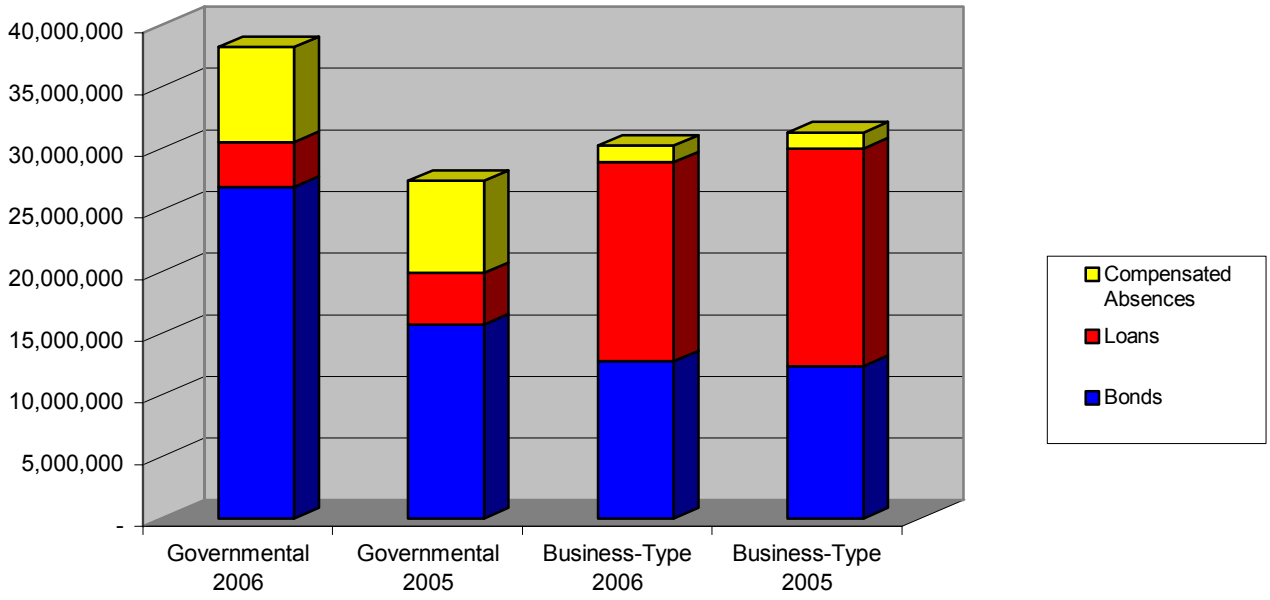
Table 6
General Obligation Bond Debt Outstanding at Year End

	Governmental Activities	
	2006	2005
Unvoted General Obligation Bonds:		
1993 Various Refunding Bonds	$ 615,000	$ 1,645,000
1998 Pension Refunding Bonds	4,705,000	5,000,000
1999 Various Purpose Refunding	5,155,000	5,475,000
2001 Radio Communication	3,040,000	3,590,000
2006 Various Purpose	13,350,000	-
Total Unvoted General Obligation Bonds:	$ 26,865,000	$ 15,710,000

The City's overall legal debt margin was $84,150,048 as of December 31, 2006. The City's unvoted legal debt margin was $33,613,665 as of December 31, 2006.

At December 31, 2006, the City had outstanding long-term debt obligations in the amount of $38.4 million up from $27.6 million in 2005 for the governmental activities this represents a 39.1 percent increase. The City's business-type activities debt obligation as of December 31, 2006 was $30.2 million down from $31.3 million in 2005 this represents a decrease of 3.5 percent. The breakout on debt is presented in the graph below.

Graph 7
Total Debt Outstanding by Type



The City's general obligation bond rating is A-2 from Moody's and A+ from Standard and Poor's. Other obligations include accrued vacation pay and sick leave. More detailed information about the City's long-term liabilities is presented in Note 9 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, 2006

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	CCIC
Assets				
Current Assets				
Cash and Cash Equivalents	$ 39,722,007	$ 18,097,480	$ 57,819,487	$ 390,643
Cash and Cash Equivalents with Fiscal Agents	3,019	-	3,019	-
Accounts Receivable	3,540,380	6,645,745	10,186,125	17,762
Taxes Receivable	10,766,076	-	10,766,076	-
Loans Receivable	3,478,076	-	3,478,076	-
Due From Other Governments	11,545,095	37,442	11,582,537	-
Inventories	194,875	1,599,174	1,794,049	-
Internal Balances	88,159	(88,159)	-	-
Total Current Assets	69,337,687	26,291,682	95,629,369	408,405
Noncurrent Assets				
Capital Assets:				
Land and Construction in Progress	11,111,576	3,266,746	14,378,322	21,000
Other Capital Assets, Net of Depreciation	89,311,891	81,943,097	171,254,988	542,141
Total Noncurrent Assets	100,423,467	85,209,843	185,633,310	563,141
Total Assets	$ 169,761,154	$ 111,501,525	$ 281,262,679	$ 971,546
Liabilities				
Current Liabilities				
Accounts Payable	$ 2,263,178	$ 1,024,972	$ 3,288,150	$ 207,118
Accrued Wages and Benefits	2,115,580	505,717	2,621,297	1,281
Due to Other Governments	369,025	48,043	417,068	-
Claims Payable	3,717,223	-	3,717,223	-
Unearned Revenue	2,610,218	-	2,610,218	-
Long Term Liabilities				
Due Within One Year	4,668,239	4,024,389	8,692,628	-
Legal Claims Payable				
Due Within One Year	27,600	-	27,600	-
Total Current Liabilities	15,771,063	5,603,121	21,374,184	208,399
Noncurrent Liabilities				
Long Term Liabilities				
Due Within More Than One Year	34,919,049	24,848,377	59,767,426	-
Legal Claims Payable				
Due Within More Than One Year	149,500	-	149,500	-
Total Noncurrent Liabilities	35,068,549	24,848,377	59,916,926	-
Total Liabilities	50,839,612	30,451,498	81,291,110	208,399
Net Assets				
Invested in Capital Assets , Net of Related Debt	74,603,920	56,337,077	130,940,997	563,141
Restricted for:				
Special Revenue	14,959,141	-	14,959,141	-
Debt Service	25,641	-	25,641	-
Capital Projects	6,008,765	-	6,008,765	-
Unrestricted	23,324,075	24,712,950	48,037,025	200,006
Total Net Assets	118,921,542	81,050,027	199,971,569	763,147
Total Liabilities and Net Assets	$ 169,761,154	$ 111,501,525	$ 281,262,679	$ 971,546

See accompanying notes to the basic financial statements

City of Canton, Ohio

Statement of Activities

For the year ended December 31, 2006

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	$ 19,042,092	$ 6,320,032	$ 888,615	$ -
Security of Persons and Property	33,635,452	3,877,384	47,911	114,247
Public Health	5,368,723	809,843	2,684,514	-
Transportation	10,159,315	673,188	-	609,961
Community Development	6,554,058	4,000	5,133,761	37,236
Leisure Time Activities	2,873,234	734,710	-	-
Interest on Long-Term Debt	852,785	-	-	-
Total Governmental Activities	78,485,659	12,419,157	8,754,801	761,444
Business-Type Activities				
Water	11,243,727	11,829,857	-	252,928
Sewer	10,560,129	9,954,669	-	642,306
Refuse	4,792,409	4,287,009	127,712	-
Total Business-Type Activities	26,596,265	26,071,535	127,712	895,234
Total Primary Government	$ 105,081,924	$ 38,490,692	$ 8,882,513	$ 1,656,678
Component Unit:				
CCIC	$ 1,549,931	$ 24,590	$ 2,187,367	$ -

General revenues:
- Taxes:
  - City Income Taxes
  - Property Taxes
- Intergovernmental-Unrestricted
- Grants and Contributions-Unrestricted
- Interest and Investment Earnings
- Other
- Gains on Sale of Assets

Total General Revenues

Change in Net Assets

Net Assets -- Beginning - (Restated, see Note 22)

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
$ (11,833,445)	$ -	$ (11,833,445)	$ -
(29,595,910)	-	(29,595,910)	-
(1,874,366)	-	(1,874,366)	-
(8,876,166)	-	(8,876,166)	-
(1,379,061)	-	(1,379,061)	-
(2,138,524)	-	(2,138,524)	-
(852,785)	-	(852,785)	-
(56,550,257)	-	(56,550,257)	-
-	839,058	839,058	-
-	36,846	36,846	-
-	(377,688)	(377,688)	-
-	498,216	498,216	-
(56,550,257)	498,216	(56,052,041)	-
-	-	-	662,026
43,149,683	-	43,149,683	-
3,602,511	-	3,602,511	-
10,005,403	33,167	10,038,570	-
425,686	137,190	562,876	-
2,048,038	17,416	2,065,454	-
4,631,537	141,585	4,773,122	3,513
148,468	24,254	172,722	-
64,011,326	353,612	64,364,938	3,513
7,461,069	851,828	8,312,897	665,539
111,460,473	80,198,199	191,658,672	97,608
$ 118,921,542	$ 81,050,027	$ 199,971,569	$ 763,147

City of Canton, Ohio

Balance Sheet
Governmental Funds
December 31, 2006

	General	Community and Economic Development	Capital Projects	Motor Vehicle Purchase
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 4,693,808	$ 578,917	$ 3,081,127	$ 1,160,035
Cash and Cash Equivalents in Segregated Accounts	-	-	-	-
Taxes Receivable	8,827,413	-	1,531,919	382,979
Accounts Receivable	2,658,585	437,033	2,722	-
Loans Receivable (net of uncollectibles)	-	3,478,076	-	-
Due From Other Governments	3,921,069	4,927,907	-	-
Inventories	175,444	-	-	-
Total Assets	$ 20,276,319	$ 9,421,933	$ 4,615,768	$ 1,543,014
Liabilities				
Current				
Accounts Payable	$ 681,618	$ 232,927	$ 642,802	$ 306,584
Accrued Wages and Benefits	1,787,592	41,333	124,159	-
Due to Other Funds	100,612	873,015	-	-
Due to Other Governments	82,143	47,329	3,551	-
Deferred Revenue	8,511,875	4,607,126	333,714	83,428
Total Liabilities	11,163,840	5,801,730	1,104,226	390,012
Fund Balances				
Reserved for:				
Inventories	175,444	-	-	-
Encumbrances	869,078	3,962,100	1,193,170	542,856
Loans Receivable	-	3,478,076	-	-
Unreserved:				
Undesignated, Reported in :				
General Fund	8,067,957	-	-	-
Special Revenue Funds (Deficit)	-	(3,819,973)	-	-
Debt Service Funds	-	-	-	-
Capital Projects Funds	-	-	2,318,372	610,146
Total Fund Balances	9,112,479	3,620,203	3,511,542	1,153,002
Total Liabilities and Fund Balances	$ 20,276,319	$ 9,421,933	$ 4,615,768	$ 1,543,014

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, 2006

Other Governmental Funds	Total Governmental Funds			
		Total Governmental Fund Balances		$ 37,089,893
		Amounts reported for governmental activities in the statement of net assets are different because:		
$ 19,134,361	$ 28,648,248	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
3,019	3,019			
23,765	10,766,076	Land and Improvements	$ 7,131,285	
47,496	3,145,836	Buildings and Structures (net of depreciation)	24,221,604	
-	3,478,076	Vehicles & Equipment (net of depreciation)	10,484,723	
2,696,119	11,545,095	Infrastructure (net of depreciation)	54,605,564	
19,431	194,875	Construction in Progress	3,980,291	
$ 21,924,191	$ 57,781,225	Total		100,423,467
		The internal service fund is used by management to charge the costs of insurance 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.		
$ 220,347	$ 2,084,278			
157,021	2,110,105			
-	973,627			(445,165)
225,087	358,110			
1,629,069	15,165,212	Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds		
2,231,524	20,691,332			
		Grants	5,208,933	
		Property Taxes	426,344	
19,431	194,875	Intergovernmental	2,576,914	
1,336,392	7,903,596	Charge for Service	1,932,460	
-	3,478,076	Income Tax	1,668,568	
		Special Assessments	730,684	
		Other	11,091	
-	8,067,957	Total		12,554,994
5,453,397	1,633,424			
141,751	141,751	Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
12,741,696	15,670,214			
19,692,667	37,089,893			
$ 21,924,191	$ 57,781,225	General Obligation Bonds	(26,865,000)	
		Loans	(3,659,547)	
		Long-term Legal Claims	(177,100)	
		Total		(30,701,647)
		Net Assets of Governmental Activities		$ 118,921,542

City of Canton, Ohio

Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the year ended December 31, 2006

	General	Community and Economic Development	Capital Projects	Motor Vehicle Purchase
Revenues				
Property and Other Taxes	$ 3,610,790	$ -	$ -	$ -
Municipal Income Tax	32,711,309	-	8,242,825	2,130,199
Charges for Services	9,036,483	237,442	-	-
Licenses, Permits, and Fees	1,019,509	-	-	-
Fines and forfeitures	218,241	2,500	-	-
Intergovernmental	7,010,165	49,436	-	-
Interest	1,831,422	-	-	-
Operating Grants and Contributions	94,440	5,515,418	-	-
Capital Grants and Contributions	-	-	13,982	4,863
Rentals	385,002	-	-	18,597
Other	733,512	1,208,585	745,042	9,072
Total Revenues	56,650,873	7,013,381	9,001,849	2,162,731
Expenditures				
Current				
General Government	18,674,326	-	-	-
Security of Persons and Property	32,222,091	-	-	-
Public Health	2,496,861	-	-	-
Transportation	1,820,804	-	-	-
Community Environment	-	5,555,519	-	-
Leisure Time Activities	2,381,337	-	-	-
Capital Outlay	-	-	7,738,416	1,721,267
Debt Service				
Principal	295,000	335,000	1,551,941	550,000
Interest and Fiscal Charges	226,525	49,271	444,496	132,493
Total Expenditures	58,116,944	5,939,790	9,734,853	2,403,760
Excess Revenues Over (Under) Expenditures	(1,466,071)	1,073,591	(733,004)	(241,029)
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	1	226,338	373,383	52,783
Issuance of Debt	-	-	-	-
Bond Issue Costs	-	-	-	-
Bond Premium	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	(55,000)	-	-	-
Total Other Financing Sources and Uses	(54,999)	226,338	373,383	52,783
Net Change in Fund Balance	(1,521,070)	1,299,929	(359,621)	(188,246)
Fund Balance at Beginning of Year	10,671,491	2,320,274	3,871,163	1,341,248
Increase (Decrease) in Reserve for Inventory	(37,942)	-	-	-
Fund Balance at End of Year	$ 9,112,479	$ 3,620,203	$ 3,511,542	$ 1,153,002

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, 2006

Other Governmental Funds	Total Governmental Funds			
		Net change in fund balances-Total Government Funds		$ 12,918,367
		Amounts reported for governmental activities in the statement of activities are different because		
$ -	$ 3,610,790			
-	43,084,333	Governmental funds report capital outlays as expenditures.		
1,051,806	10,325,731	However, in the statement of activities, the cost of those		
254,666	1,274,175	assets is allocated over their estimated useful lives as		
191,918	412,659	depreciation expense. This is the amount by which capital outlay		
3,354,520	10,414,121	exceed depreciation in the current period.		
216,616	2,048,038	Capital Outlay	$ 8,593,757	
3,498,822	9,108,680	Depreciation Expense	(6,574,543)	
1,498,175	1,517,020			2,019,214
21,621	425,220			
336,810	3,033,021	The net effect of various miscellaneous transactions involving		
10,424,954	85,253,788	capital assets (i.e., sales and donations) is to decrease net assets.		
		Sale proceeds for capital asset deletes		(504,044)
1,357,646	20,031,972			
1,894,966	34,117,057	Repayment of long-term debt is reported as an expenditure in		
3,016,177	5,513,038	the governmental funds, but the repayment reduces long-term		
1,646,559	3,467,363	liabilities in the statement of net assets.		
1,067,892	6,623,411	Bond Principal Payments	2,195,000	
2,091	2,383,428	Loan Principal Payments	536,941	
1,157,248	10,616,931	Legal Claims Payments	27,600	
				2,759,541
-	2,731,941			
-	852,785	Change in Long Term Debt Due to the issuance of new		
10,142,579	86,337,926	bonds by the City		(13,350,000)
282,375	(1,084,138)			
		Consumable inventory is reported using the purchase		
-	652,505	method on a modified accrual basis, but is reported using the		
13,350,000	13,350,000	consumption method for full accrual. This amount represents		
(236,199)	(236,199)	the increase in inventory that took place during the fiscal year		(295,806)
236,199	236,199			
55,000	55,000	Some revenues that will not be collected for several months		
-	(55,000)	after the City's year end are not considered "available" revenues		
13,405,000	14,002,505	and are deferred in the governmental funds.		(430,140)
13,687,375	12,918,367	Internal service funds are used by management to charge the		
		costs of certain activities, such as insurance, to individual		
6,263,156	24,467,332	funds. The net revenue (expense) of the internal service funds		
(257,864)	(295,806)	is reported with governmental activities		4,343,937
$ 19,692,667	$ 37,089,893			
		Change in Net Assets of Governmental Activities		$ 7,461,069

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
For the year ended December 31, 2006

	General Fund			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Over/(Under)
Revenues				
Property and Other Taxes	$ 3,291,000	$ 3,592,000	$ 3,610,790	$ 18,790
Municipal Income Tax	33,065,923	32,883,668	32,788,537	(95,131)
Intergovernmental	7,005,850	7,090,450	7,016,681	(73,769)
Charges for Services	9,062,160	9,319,786	9,022,454	(297,332)
Licenses, Permits and Fees	1,518,915	1,134,478	1,026,871	(107,607)
Fines and Forfeitures	290,000	291,200	219,351	(71,849)
Interest	1,573,000	1,740,650	1,777,566	36,916
Operating Grant	49,000	80,300	86,842	6,542
Rentals	323,500	439,137	404,507	(34,630)
Other	414,901	636,886	726,102	89,216
Total Revenues	56,594,249	57,208,555	56,679,701	(528,854)
Expenditures				
Current				
General Government				
Service Director Support Administration	273,623	2,716,063	2,701,763	14,300
Service Director	87,694	90,694	84,982	5,712
Annexation	21,219	22,219	18,103	4,116
Purchasing Administration	517,533	535,533	513,385	22,148
Building Maintenance	1,375,423	1,409,178	1,349,895	59,283
Income Tax	3,080,846	1,958,691	1,694,145	264,546
Mayor Administration	561,834	828,934	784,605	44,329
EEO Office Administrator	5,000	5,000	443	4,557
Human Resources	136,865	182,465	134,347	48,118
Youth Development	197,504	197,504	159,743	37,761
Council	661,217	641,217	598,441	42,776
Judges	1,866,585	1,750,585	1,731,705	18,880
Clerk of Courts	1,495,272	1,445,273	1,402,531	42,742
Law Department	1,731,496	1,831,495	1,659,602	171,893
Auditor's Office	1,745,265	1,845,265	1,783,582	61,683
Treasurer's Office	237,418	237,418	227,115	10,303
Civil Service	240,916	263,416	259,940	3,476
Zoning Board	8,847	8,847	8,396	451
Department of Motor Vehicles	2,631,775	2,831,775	2,779,849	51,926
Management Information Systems	1,094,976	1,113,188	1,039,419	73,769
Total General Government	17,971,308	19,914,760	18,931,991	982,769
Security of Persons and Property				
Safety Director	138,505	144,205	142,534	1,671
Code Enforcement	903,657	998,369	970,907	27,462
Code Enforcement - Demolitions	128,702	173,131	153,033	20,098
Police	15,971,774	16,153,776	16,084,968	68,808
Fire	13,544,453	13,876,390	13,753,049	123,341
Central Communication	928,893	1,003,893	990,485	13,408
Traffic Engineer/Parking Meters	159,304	175,305	171,870	3,435
Total Security of Persons and Property	$ 31,775,288	$ 32,525,069	$ 32,266,846	$ 258,223

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, 2006

	General Fund			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Over/(Under)
Health				
Administration	$ 805,256	$ 970,961	$ 950,619	$ 20,342
Nurses	725,328	650,328	640,126	10,202
Lab	243,528	228,528	219,566	8,962
Environmental Administration	683,929	683,929	680,518	3,411
Total Health	2,458,041	2,533,746	2,490,829	42,917
Transportation				
Engineering - Daily Operations	97,694	97,694	83,947	13,747
Street Department	1,308,071	1,769,756	1,746,508	23,248
Total Transportation	1,405,765	1,867,450	1,830,455	36,995
Leisure Time Activities				
Civic Center - Administration	1,320,355	1,390,355	1,282,273	108,082
Park	1,145,260	1,136,340	1,108,145	28,195
Baseball Stadium	16,860	41,860	30,987	10,873
Total Leisure Time Activities	2,482,475	2,568,555	2,421,405	147,150
Debt Service				
Principal	295,000	295,000	295,000	-
Interest and Fiscal Charges	226,525	226,525	226,525	-
Total Debt Service	521,525	521,525	521,525	-
Total Expenditures	56,614,402	59,931,105	58,463,051	1,468,054
Excess Revenues Over (Under) Expenditures	(20,153)	(2,722,550)	(1,783,350)	939,200
Other Financing Sources (Uses)				
Sale of Assets	-	-	1	1
Advances In	-	57,000	60,547	3,547
Advances Out	(165,000)	(40,000)	(33,243)	6,757
Transfers Out	(40,000)	(55,000)	(55,000)	-
Total Other Financing (Uses)	(205,000)	(38,000)	(27,695)	10,305
Excess of Revenues and Other Financing Sources (Under) Expenditures and Other Financing Uses	(225,153)	(2,760,550)	(1,811,045)	949,505
Fund Balance at Beginning of Year	4,918,031	4,918,031	4,918,031	-
Unexpended Prior Year Encumbrances	326,688	326,688	326,688	-
Fund Balance at End of Year	$ 5,019,566	$ 2,484,169	$ 3,433,674	$ 949,505

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, 2006

	Community and Economic Development			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Over/(Under)
Revenues				
Charges for Services	$ 135,000	$ 135,000	$ 237,442	$ 102,442
Operating Grant	13,770,000	13,650,000	5,725,974	(7,924,026)
Interest	384,271	-	-	-
Other	655,000	655,000	885,783	230,783
Total Revenues	14,944,271	14,440,000	6,849,199	(7,590,801)
Expenditures				
Current				
Community Environment	9,689,211	10,977,177	8,446,271	2,530,906
Debt Service				
Principal	335,000	335,000	335,000	-
Interest and Fiscal Charges	49,271	49,271	49,271	-
Total Expenditures	10,073,482	11,361,448	8,830,542	2,530,906
Excess Revenues Over (Under) Expenditures	4,870,789	3,078,552	(1,981,343)	(5,059,895)
Other Financing Sources (Uses)				
Sale of Assets	-	-	228,338	228,338
Advances Out	-	(1,426,985)	(1,426,985)	-
Transfers In	1,000,000	1,000,000	-	(1,000,000)
Total Other Financing Sources (Uses)	1,000,000	(426,985)	(1,198,647)	(771,662)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	5,870,789	2,651,567	(3,179,990)	(5,831,557)
Fund Balance at Beginning of Year	(1,224,875)	(1,224,875)	(1,224,875)	-
Unexpended Prior Year Encumbrances	806,695	806,695	806,695	-
Fund Balance at End of Year	$ 5,452,609	$ 2,233,387	$ (3,598,170)	$ (5,831,557)

See the accompanying notes to the basic financial statements

City of Canton, Ohio

Statement of Fund Net Assets
Proprietary Funds
December 31, 2006

	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	$ 7,741,072	$ 9,725,246	$ 631,162	$ 18,097,480	$ 11,073,759
Accounts Receivable	2,904,335	2,224,107	1,517,303	6,645,745	394,544
Due From Other Funds	-	-	-	-	1,061,786
Due From Other Governments	-	-	37,442	37,442	-
Inventories	1,087,968	511,206	-	1,599,174	-
Total Current Assets	11,733,375	12,460,559	2,185,907	26,379,841	12,530,089
Noncurrent Assets					
Capital Assets:					
Land and Construction in Progress	2,066,628	1,200,118	-	3,266,746	-
Other Capital Assets, Net of Depreciation	34,457,207	46,624,025	861,865	81,943,097	-
Total Noncurrent Assets	36,523,835	47,824,143	861,865	85,209,843	-
Total Assets	$ 48,257,210	$ 60,284,702	$ 3,047,772	$ 111,589,684	$ 12,530,089
Liabilities					
Current					
Accounts Payable	$ 303,683	$ 503,333	$ 217,956	$ 1,024,972	$ 178,900
Accrued Wages and Benefits	222,710	180,835	102,172	505,717	5,475
Due to Other Funds	15,833	4,203	68,123	88,159	-
Due to Other Governments	21,157	17,179	9,707	48,043	10,915
Due Within One Year	1,694,646	2,303,128	26,615	4,024,389	1,125,300
Claims Payable	-	-	-	-	3,717,223
Total Current	2,258,029	3,008,678	424,573	5,691,280	5,037,813
Noncurrent					
Due Within More Than One Year	11,765,442	12,809,550	273,385	24,848,377	7,937,441
Total Liabilities	14,023,471	15,818,228	697,958	30,539,657	12,975,254
Net Assets					
Invested in Capital Assets, Net of Related Debt	23,063,747	32,711,465	561,865	56,337,077	-
Unrestricted	11,169,992	11,755,009	1,787,949	24,712,950	(445,165)
Total Net Assets	34,233,739	44,466,474	2,349,814	81,050,027	(445,165)
Total Net Assets and Liabilities	$ 48,257,210	$ 60,284,702	$ 3,047,772	$ 111,589,684	$ 12,530,089

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, 2006

	Business-Type Activities				Governmental Activities
	Water Operating Fund	Sewer Operating Fund	Refuse Operating Fund	Total	Internal Service Fund
Operating Revenues					
Charges for Services	$ 11,889,987	$ 9,781,924	$ 4,287,009	$ 25,958,920	$16,159,242
Rentals	20,250	14,975	-	35,225	-
Other	39,484	885,524	2,127	927,135	548,931
Total Operating Revenues	11,949,721	10,682,423	4,289,136	26,921,280	16,708,173
Operating Expenses					
Personal Services	5,997,637	4,794,053	2,980,624	13,772,314	148,430
Contractual Services	1,535,809	2,418,011	1,602,504	5,556,324	378,117
Materials and Supplies	1,392,015	510,572	66,072	1,968,659	1,478
Insurance Claims and Expenses	19,652	1,679	2,418	23,749	8,183,433
Benefit Claim Expenses	-	-	-	-	3,469,369
Depreciation	1,297,606	2,298,502	121,485	3,717,593	-
Other	153,715	43,789	13,998	211,502	150
Total Operating Expenses	10,396,434	10,066,606	4,787,101	25,250,141	12,180,977
Operating Income (Loss)	1,553,287	615,817	(497,965)	1,671,139	4,527,196
Nonoperating Revenues (Expenses)					
Bond Premium	8,990	38,924	5,308	53,222	-
Noncapital Grants	-	-	127,712	127,712	16,800
Gain/(Loss) on Disposal of Capital Assets	12,750	1,799	9,705	24,254	-
Intergovernmental	33,167	-	-	33,167	-
Interest	11,400	5,487	529	17,416	-
Capital Grants and Contributions	171,884	99,158	-	271,042	-
Benefit Claim Expenses-Nonoperating	-	-	-	-	(200,059)
Interest Expense	(793,303)	(454,599)	-	(1,247,902)	-
Bond Issue Costs	(53,990)	(38,924)	(5,308)	(98,222)	-
Total Nonoperating Revenue (Expenses)	(609,102)	(348,155)	137,946	(819,311)	(183,259)
Change in Net Assets	944,185	267,662	(360,019)	851,828	4,343,937
Total Net Assets at Beginning of Year (Restated, See Note 22)	33,289,554	44,198,812	2,709,833	80,198,199	(4,789,102)
Total Net Assets at End of Year	$ 34,233,739	$ 44,466,474	$ 2,349,814	$ 81,050,027	$ (445,165)

See accompanying notes to the basic financial statements

City of Canton, Ohio

Statement of Cash Flows
Proprietary Funds
For the year ended December 31, 2006

	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	$ 11,793,686	$ 9,710,399	$ 4,196,226	$ 25,700,311	$ 16,144,278
Other Cash Receipts	85,319	881,832	2,112	969,263	625,812
Payments to Suppliers	(2,533,022)	(3,113,287)	(1,561,402)	(7,207,711)	(510,148)
Payments to Employees	(5,979,230)	(4,797,888)	(2,912,479)	(13,689,597)	(146,667)
Claims Paid	(19,652)	(1,679)	(2,418)	(23,749)	(12,505,689)
Other Cash Payments	(152,110)	(43,869)	(14,392)	(210,371)	(257)
Internal Activity - Expense to Other Funds	-	-	-	-	1,426,985
Net Cash Provided (Used) by Operating Activities	3,194,991	2,635,508	(292,353)	5,538,146	5,034,314
Cash Flows from Non Capital Financing Activities					
Grant Subsidy	-	-	90,270	90,270	16,800
Cash Flows From Capital and Related Financing Activities					
Proceeds from Capital Grants	205,051	99,158	-	304,209	-
Premium on Sale of Capital Debt	8,990	38,924	5,308	53,222	-
Issuance Costs Paid for Capital Debt	(53,990)	(38,924)	(5,308)	(98,222)	-
Proceeds from Capital Debt	7,370,000	2,200,000	300,000	9,870,000	-
Proceeds from Sale of Capital Assets	12,750	1,799	9,705	24,254	-
Purchases of Capital Assets	(789,938)	(960,559)	-	(1,750,497)	-
Principal Paid on Capital Debt	(8,930,768)	(2,071,855)	-	(11,002,623)	-
Interest Paid on Capital Debt	(793,303)	(454,599)	-	(1,247,902)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(2,971,208)	(1,186,056)	309,705	(3,847,559)	-
Cash Flows From Investing Activities					
Interest and Dividends	9,616	-	-	9,616	-
Net Cash Provided by Investing Activities	9,616	-	-	9,616	-
Net Increase (Decrease) in Cash and Cash Equivalents	233,399	1,449,452	107,622	1,790,473	5,051,114
Balance - Beginning of the Year	7,507,673	8,275,794	523,540	16,307,007	6,022,645
Balance - End of the Year	7,741,072	9,725,246	631,162	18,097,480	11,073,759
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Operating Income (Loss)	1,553,287	615,817	(497,965)	1,671,139	4,527,196
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities					
Depreciation Expense	1,297,606	2,298,502	121,485	3,717,593	-
Change in Assets and Liabilities:					
Accounts Receivables, net	(70,716)	(90,192)	(90,798)	(251,706)	71,418
Inventories	256,089	(100,523)	-	155,566	-
Due From Other Funds	-	-	-	-	1,417,484
Accounts Payables	140,318	(84,261)	106,780	162,837	(129,107)
Accrued Wages Payable	14,138	(5,313)	1,142	9,967	192
Intergovernmental Payable	1,342	1,302	109	2,753	(499)
Due to Other Funds	2,927	176	66,894	69,997	-
Compensated Absences Payable	-	-	-	-	129,131
Claims Payable	-	-	-	-	(981,501)
Net Cash Provided (Used) by Operating Activities	$ 3,194,991	$ 2,635,508	$ (292,353)	$ 5,538,146	$ 5,034,314

See accompanying notes to the basic financial statements

City of Canton, Ohio

Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2006

	Private Purpose Trust	
	Hartford Houtz	Agency Funds
Assets		
Equity in Pooled Cash and Cash Equivalents	$ -	$ 1,740,590
Cash and Cash Equivalents in Segregated Acounts	-	78,447
Investments in Segregated Accounts	132,756	-
Total Assets	$ 132,756	$ 1,819,037
Liabilities		
Due to Other Governments	$ -	$ 950,924
Undistributed Assets	-	229,305
Deposits Held and Due to Others	-	638,808
Total Liabilities	-	$ 1,819,037
Net Assets - Held in Trust for Individuals	$ 132,756	

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, 2006

	Private Purpose Trust
	Hartford Houtz
Additions	
Investment Earnings:	
Interest	$ 5,381
Deductions	
Benefits	5,550
Administrative Expenses	36
Total Deductions	5,586
Change in Net Assets	(205)
Net Assets-Beginning of Year	132,961
Net Assets-End of Year	$ 132,756

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 organizations. 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 will report the financial status of the Canton Community Improvement Corporation (CCIC) as a discretely presented component unit in its basic financial statements. 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 Commissions 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 12, 13 and 14.

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.

Fund Financial Statements

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 – 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 all 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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within sixty days of year-end. 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 5). 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, 2006, but which were levied to finance year 2007 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 fund, department level. The appropriation ordinance may be amended during the year by

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

action of Council, as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The allocation of appropriations among departments and objects 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 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 2006, investments were limited to certificates of deposit, a money market investment, 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, 2006.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2006 amounted to $1,831,422, which includes $84,269, 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, 2006, 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, 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 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:

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Interfund Balances

On fund financial statements, long-term interfund loans are classified as "due to/from other funds" on the balance sheet and are equally offset by a fund balance reserve account, 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 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 and internal service funds respectively, 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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Reserves

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

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

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 absence 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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 2006.

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 - 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 Funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and 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/expenses 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 as a reservation of fund balance (GAAP).

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.

NOTE 3 - BUDGETARY BASIS OF ACCOUNTING (Continued)

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	$ (1,521,070)	$ 1,299,929
Net Adjustment for Revenue Accruals	89,375	(162,182)
Net Adjustment for Expenditure Accruals	(61,233)	(1,617,547)
Encumbrances	(318,117)	(2,700,190)
Budget Basis	$ (1,811,045)	$ (3,179,990)

NOTE 4 - DEPOSITS AND INVESTMENTS

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

Active deposits are public deposits necessary to meet current demands on the 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 4 - 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 $224,308 in undeposited cash on hand which is included on the Financial Statements of the City as part of "Cash and Cash Equivalents."

NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)

Deposits with Financial Institutions

At December 31, 2006, the carrying amount of all City deposits was $715,278. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures," as of December 31, 2006, $60,241,429 of the City's bank balance of $61,041,429 was exposed to custodial risk as discussed below, while $800,000 was covered by Federal Deposit Insurance Corporation.

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, 2006, the City had the following investments and maturities:

		Investment Maturities	
Investment type	Balance at Fair Value	6 months or less	7 to 12 months
Certificates of Deposit	$ 48,900,000	$ 40,900,000	$ 8,000,000
Money Markets	2,025,000	2,025,000	-
Star Ohio	3,464,100	3,464,100	-
Repurchase Agreement	4,669,921	4,669,921	-
Total Investments	$ 59,059,021	$ 51,059,021	$ 8,000,000

The weighted average maturity is .32 years.

Credit Risk: The City has investments, in Star Ohio. Standard & Poor's has assigned Star Ohio AAAm money market rating

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. For the City's investments in certificates of deposit the entire balance is collateralized by underlying securities pledged by the investment's counterparty, not in the name of the City. The City's investments in repurchase agreements of $4,669,921 were subject to custodial credit risk. This was due to the underlying securities being uninsured, not registered and held by the counterparty but not in the City's name.

NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)

The following table includes the percentage of each investment type held by the City at December 31, 2006:

Investment type	Fair Value	% of Total
Certificates of Deposit	$ 48,900,000	82.80
Money Markets	2,025,000	3.43
Star Ohio	3,464,100	5.87
Repurchase Agreements	4,669,921	7.91
Total Investment	$ 59,059,021	100.00

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, 2006:

Cash and Investments per footnote	
Carrying amount of deposits	$ 715,278
Investments	59,059,021
Total	$ 59,774,299
Cash and Investments per Statement of Net Assets	
Governmental Activities	$ 39,725,026
Business Type Activities	18,097,480
Fiduciary Funds	1,951,793
Total	$ 59,774,299

NOTE 5 - RECEIVABLES

Receivables at December 31, 2006, 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 $23,765 in the Debt Service Fund, and $706,919 for the other governmental funds. Special assessments are included in either accounts receivable or taxes receivable.

NOTE 5 - RECEIVABLES (Continued)

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 2006 for real and public utility property taxes represents collections of the 2005 taxes. Property tax payments received during 2006 for tangible personal property (other than public utility property) is for 2006 taxes.

2006 real property taxes are levied after October 1, 2006, on the assessed value as of January 1, 2006, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2006 real property taxes are collected in and intended to finance 2007.

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. 2006 public utility property taxes became a lien December 31, 2005, are levied after October 1, 2006, and are collected in 2007 with real property taxes.

2006 tangible personal property taxes are levied after October 1, 2005, on the value as of December 31, 2005. Collections are made in 2006. Tangible personal property assessments are 24 percent of true value.

The assessed value upon which the 2006 taxes were collected was $1,010,727,658. Real estate represented 82.04 percent ($829,157,600) of this total, public utility tangible personal property represented 4.56 percent ($46,042,110) and general tangible personal property represented 13.40 percent ($135,527,948). The tax rates per $1,000 of assessed valuation for the year ended December 31, 2006, for all City operations applied to taxable property in the following taxing districts within the City limits was $3.40 for District 2 – Canton Local School District, $2.00 for District 3 – Plain Local School District, and $2.60 for District 4 – Canton City 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 receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies, which are measurable as of December 31, 2006. 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 2006 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 other

NOTE 5 - RECEIVABLES (Continued)

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.

Due From Other Governments

A summary of intergovernmental receivables follows:

	Amounts
Governmental Activities	
Local Government and Local Government Revenue Assistance	$ 3,531,799
Charges for Service	465,647
Courts	65,579
Gasoline and Excise Tax	881,930
Motor Vehicle Tax	66,564
Grants	6,533,576
Total Governmental Activities:	11,545,095
Business Activities	
Grants	37,442
Total	$ 11,582,537

Loans Receivable

The special revenue funds reflect community development loans receivable in the amount of $3,478,076. 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 are to be repaid over periods ranging from 2 months to 20 years.

NOTE 6 - 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 2006 are $250,000 per claim.

NOTE 6 - RISK MANAGEMENT (Continued)

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 2006, the City selected Tier 1which calls for no claim limit and a 200 percent maximum premium limit.

The claims liability of $2,730,700 reported in the workers compensation internal service fund at December 31, 2006, 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	Current Year Claims	Claim Payments	Balance End of Year
2005	$ 2,885,168	$ 679,997	$ 383,600	$ 3,181,565
2006	3,181,565	924,508	1,375,373	2,730,700

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 Acordia of Ohio LLC for commercial property coverage, which has a $378,617,809 limit and a $100,000 deductible. The City also contracts with 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 Municipal League for automobile combined coverage, which has a $5,000,000 limit and a $125,000 deductible. The City also contracts with the Ohio Municipal League for general liability. This coverage has a $5,000,000 limit and a $125,000 deductible for bodily injury and property damage, fire damage, employee benefit liability, and personal and advertising.

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 employee. The third party administrators, Aultcare and Benefit Services Inc., review all claims, which are then paid by the City.

NOTE 6 - RISK MANAGEMENT (Continued)

The claims liability of $877,103 reported in the health insurance internal service fund at December 31, 2006, is estimated by the third-party administrators and is based on the requirements of Governmental Accounting Standards Board 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.

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

	Balance Beginning of Year	Current Year Claims	Claim Payments	Balance End of Year
2005	$ 621,229	$ 8,693,812	$ 7,912,736	$ 1,402,305
2006	1,402,305	7,258,925	7,784,127	877,103

NOTE 7 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2006, was as follows:

	Balance 12/31/05 (Restated)	Additions	Deductions	Balance 12/31/06
Governmental Activities				
Capital Assets, not being depreciated:				
Land	$ 7,508,654	$ 78,171	$ (455,540)	$ 7,131,285
Construction in Progress	5,664,690	3,494,675	(5,179,074)	3,980,291
Total Capital Assets, not being Depreciated	13,173,344	3,572,846	(5,634,614)	11,111,576
Capital Assets, being Depreciated				
Buildings and Structures	39,148,241	1,045,719	-	40,193,960
Vehicles and Equipment	25,819,624	1,979,335	(145,094)	27,653,865
Infrastructure	329,768,476	7,174,935	(733,296)	336,210,115
Total Capital Assets, being Depreciated	394,736,341	10,199,989	(878,390)	404,057,940

(Continued)

NOTE 7 - CAPITAL ASSETS (Continued)

	Balance 12/31/05 (Restated)	Additions	Deductions	Balance 12/31/06
Less Accumulated Depreciation				
Buildings and Structures	$ (15,002,803)	$ (969,553)	$ -	$ (15,972,356)
Vehicles and Equipment	(15,444,380)	(1,857,592)	132,830	(17,169,142)
Infrastructure	(278,554,205)	(3,747,402)	697,056	(281,604,551)
Total Accumulated Depreciation	(309,001,388)	(6,574,547) *	829,886	(314,746,049)
Total Capital Assets, being Depreciated, net	85,734,953	3,625,442	(48,504)	89,311,891
Governmental Activities Capital Assets, net	$ 98,908,297	$ 7,198,288	$ (5,683,118)	$ 100,423,467

Business-Type Activities				
Capital Assets, not being depreciated				
Land	$ 2,525,514	$ 106,011	$ -	$ 2,631,525
Construction in Progress	670,376	420,410	(455,565)	635,221
Total Capital Assets, not being Depreciated	3,195,890	526,421	(455,565)	3,266,746
Capital Assets, being Depreciated				
Buildings and Structures	89,873,727	-	-	89,873,727
Vehicles and Equipment	10,682,973	482,842	(147,804)	11,018,011
Infrastructure	147,916,800	1,196,799	-	149,113,599
Total Capital Assets, being Depreciated	248,473,500	1,679,641	(147,804)	250,005,337
Less Accumulated Depreciation				
Buildings and Structures	(44,514,115)	(1,881,502)	-	(46,395,617)
Vehicles and Equipment	(8,254,418)	(413,977)	147,804	(8,520,591)
Infrastructure	(111,723,921)	(1,422,111)	-	(113,146,032)
Total Accumulated Depreciation	(164,492,454)	(3,717,590)	147,804	(168,062,240)
Total Capital Assets, being Depreciated, net	83,981,046	(2,037,949)	-	81,943,097
Business-Type Actitivites Capital Assets, net	$ 87,176,936	$ (1,511,528)	$ (455,565)	$ 85,209,843

NOTE 7 - CAPITAL ASSETS (Continued)

* Depreciation expense was charged to governmental functions as follows:

General Government	$	473,279
Security of Persons and Property		1,331,935
Public Health		82,377
Transportation		4,115,375
Community Environment		6,210
Leisure Time Activities		565,371
Total Depreciation Expense	$	6,574,547

NOTE 8 - 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 of accumulated, unused sick leave. Firefighters and police can be paid 100 percent to a maximum of 187.5 days or 1,500 hours, respectively. All other employees can be paid 100 percent to a maximum of 150 days or 1,200 hours.

In 2004 the City establish a Compensated Absence 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. The premium is equal to 125% of the total cost of the sick leave accrued on biweekly payrolls.

Note 9 – 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 for 10 years and came in 2006 at a total value of $23,220,000. The purpose is for building construction and renovation, infrastructure and roadway improvements, and recreational facility construction. Also, $7,370,000 of the issuance was used to refund the City's 1995 Water Works System Improvement Bonds, which at the time had an outstanding balance of $7,325,000. At the date of refunding, $7,423,990 (including premium and after underwriting fees) was deposited in a refunding escrow fund to provide for all future payments on the refunded bonds. As of December 31, 2006, $7,325,000 of these bonds are considered defeased. The refunding bonds were issued with a premium of $8,990 and had issuance costs of $53,990. Due to the immaterial nature of the premium and costs in relation to the total issuance, both line items will not be amortized over the life of the bond. The issuance resulted in a difference between the cash flow required to service the old debt and the cash flows required to service the new debt of $589,891. The issuance resulted in an economic gain of $554,634. The remainder of the City's general obligation bonds currently outstanding are as follows:

Purpose	Interest Rates	Original Amount
Governmental Activities, 1993 Various Purpose Refunding	2.5 - 5.375%	$ 6,375,000
Governmental Activities, 1998 Pension Refunding	3.15 - 1.75%	6,080,000
Governmental Activities, 1999 Various Purpose Bonds	3.50%	6,635,000
Governmental Activities, 2001 Radio Communication	4.0 - 2.25%	5,610,000
Governmental Activities, 2006 Various Purpose	4.00%	13,350,000
Business-Type Activities, 1993 Various Purpose Refunding	2.5 - 5.375%	2,365,000
Business-Type Activities, 1995 Water Works System	4.6 - 5.85%	10,070,000
Business-Type Activities, 1998 Utility System	4.1 - 5.0%	7,995,000
Business-Type Activities, 2006 Various Purpose/Refunding	4.00%	9,870,000
		$ 68,350,000

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
2007	2,999,367	1,143,689	2,440,634	534,928
2008	2,454,490	1,017,118	2,190,510	424,774
2009	2,540,485	919,471	924,515	324,154
2010	2,654,354	816,786	960,646	287,174
2011	2,768,973	707,790	1,001,027	248,748
2012-2016	11,402,331	1,979,755	5,217,668	610,150
2017-2021	2,045,000	150,837	-	-
Total	$ 26,865,000	$ 6,735,446	$ 12,735,000	$ 2,429,928

NOTE 9 - LONG-TERM OBLIGATIONS (Continued)

The City has annual debt requirements for the following three loans, all related to governmental activities. A Housing and Urban Development loan was entered into in 1995 for the Cornerstone improvement and construction project. The interest rate for this loan is 4% with an original outstanding balance of $2,320,000. In 2004, the City chose to refinance the outstanding balance of the Housing and Urban Development loan resulting in a savings in interest payments. The balance refinanced was $1,650,000 with an interest rate of 2.31% for the first payment rising incrementally to 5.19% for the final payment. 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. Finally, 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. These loans were all issued as part of the City's continuing effort to improve its downtown business district.

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

Housing and Urban Development Loan

Year Ending	Governmental Activities	
December 31	Principal	Interest
2007	335,000	38,919
2008	335,000	26,792
2009	310,000	13,392
Total	$ 980,000	$ 79,103

State Infrastructure Bank Loan

Year Ending	Governmental Activities	
December 31	Principal	Interest
2007	59,827	40,313
2008	62,398	37,744
2009	65,078	35,064
2010	67,873	32,269
2011	70,788	29,354
2012-2016	402,245	98,465
2017-2021	235,154	15,201
Total	$ 963,363	$ 288,410

Urban Redevelopment Loan

Year Ending	Governmental Activities	
December 31	Principal	Interest
2007	108,358	48,736
2008	112,692	44,131
2009	117,200	39,341
2010	121,888	34,360
2011	126,763	29,180
2012-2016	559,826	60,648
Total	$ 1,146,727	$256,396

NOTE 9 - 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 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%	197,266
Governmental Activities, Market Ave North Sewer Replacement	0.00%	54,389
Business-Type Activities, Water Pollution Control Center	0.00%	724,423
Business-Type Activities, Harmont Ave Pump Station	0.00%	107,900
		$ 1,083,978

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 Acitivites	
December 31	Principal	Interest	Principal	Interest
2007	40,387	-	52,130	-
2008	40,387	-	52,130	-
2009	40,387	-	28,763	-
2010	40,387	-	5,395	-
2011	40,387	-	5,395	-
2012-2016	201,937	-	26,975	-
2017-2021	113,081	-	26,975	-
2022-2026	52,504	-	5,394	-
Total	$ 569,457	$ -	$ 203,157	$ -

NOTE 9 - LONG-TERM OBLIGATIONS (Continued)

The City entered in to 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. These loans will be repaid from business-type activity revenue. The Ohio Water Development Authority loans outstanding were as follows:

Purpose	Interest Rates	Original Amount
Steiner Heights Water Line Extension	6.39%	591,671
Plain Township Water Line Extension (55th St)	4.74%	1,653,459
Water Main Extension (Norwood Hills)	4.55%	527,230
Perry Township Water Extension	4.65%	1,459,754
Lake Local School Waterline	4.64%	1,980,974
Lawerence Chester Water Main Extension	5.01%	250,606
Water Pollution System	2.64%	14,230,181
Discharge Line (J.L.)	4.56%	835,606
Odor Corrosion	3.20%	1,954,886
		$ 23,484,367

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

Ohio Water Development Authority Loan

Year Ending	Business-Type Acitivites	
December 31	Principal	Interest
2007	1,531,624	522,957
2008	1,156,167	472,745
2009	1,197,967	430,946
2010	1,200,950	387,472
2011	1,201,760	346,172
2012-2016	5,412,506	1,178,898
2017-2021	4,015,870	345,920
2022-2026	211,341	6,659
Total	$ 15,928,185	$ 3,691,769

NOTE 9 - LONG-TERM OBLIGATIONS (Continued)

Changes in long-term obligations of the City during the year ended December 31, 2006, were as follows:

	Outstanding 12/31/05	Additions	Reductions	Refunding	Outstanding 12/31/06	Due Within One Year
Business Type Activities						
OPWC Loan:						
Sewer Fund:						
Water Pollution Control Center 0%	$ 163,572	-	(46,735)	-	$ 116,837	$ 46,735
2003 Harmont Lift Station 0%	91,715	-	(5,395)	-	86,320	5,395
Total OPWC Loans	255,287	-	(52,130)	-	203,157	52,130
OWDA Loans:						
Water Fund:						
2001Water Main Extension (Norwood Hills) 4.55%	344,264	-	(51,122)	-	293,142	53,475
2000 Steiner Heights Water Line Extension 6.39%	312,410	-	(61,992)	-	250,418	66,016
2001 Plain Township Water Line Ext. (55th St) 4.74%	1,463,658	-	(60,195)	-	1,403,463	63,082
2002 Perry Twshp Water Extension 4.65%	1,089,878	-	(135,069)	-	954,809	141,423
2002 Lake Schl Water 4.64%	1,786,990	-	(71,003)	-	1,715,987	74,336
2003 Lawrence Water Main Extension 5.01%	220,446	-	(21,386)	-	199,060	22,472
Sewer Fund:						
2002 Odor Corrosion 3.20%	818,835	-	(403,182)	-	415,653	415,653
1997 Water Pollution System 2.64%	10,723,165	-	(640,786)	-	10,082,379	658,035
1999 Discharge Line (J.L.) 4.56%	649,034	-	(35,760)	-	613,274	37,133
Total OWDA Loans	17,408,680	-	(1,480,495)	-	15,928,185	1,531,625
General Obligation Bonds:						
Water Fund:						
1998 Utility System 4.1%-5%	1,865,000	-	(595,000)	-	1,270,000	620,000
1995 Water Works System 4.6%-5.85%	7,935,000	-	(610,000)	(7,325,000)	-	-
2006 Refunding Bonds 4.0%	-	7,370,000	-	-	7,370,000	653,842
Sewer Fund:						
2006 Various Purpose 4.0%	-	2,200,000	-	-	2,200,000	195,177
1998 Utility System 4.1%-5%	1,865,000	-	(595,000)	-	1,270,000	620,000
1993 Various Purpose Refunding 2.5%-5.375%	670,000	-	(345,000)	-	325,000	325,000
Refuse Fund:						
2006 Various Purpose 4.0%	-	300,000	-	-	300,000	26,615
Total Bonds	12,335,000	9,870,000	(2,145,000)	(7,325,000)	12,735,000	2,440,634
Compensated Absences	1,279,836	623,933	(543,963)	-	1,359,806	274,924
Total Business Type Activities	$ 31,278,803	$ 10,493,933	$ (4,221,588)	$ (7,325,000)	$ 30,226,148	$ 4,299,313

NOTE 9 - LONG-TERM OBLIGATIONS (Continued)

	Outstanding 12/31/05	Additions	Reductions	Refunding	Outstanding 12/31/06	Due Within One Year
Governmental Activities						
1993 Various Purpose Refunding Bonds 2.5%-5.375%	$ 1,645,000	$ -	$ (1,030,000)	$ -	$ 615,000	$ 615,000
1998 Pension Refunding Bonds 3.15%-1.75%	5,000,000	-	(295,000)	-	4,705,000	305,000
1999 Various Purpose Bonds 3.50%	5,475,000	-	(320,000)	-	5,155,000	330,000
2001 Radio Communication Bonds 4.0%-2.25%	3,590,000	-	(550,000)	-	3,040,000	565,000
2006 Various Purpose 4.0%	-	13,350,000	-	-	13,350,000	1,184,367
Total Bonds	15,710,000	13,350,000	(2,195,000)	-	26,865,000	2,999,367
1995 HUD Loan 2.31%-5.19%	1,315,000	-	(335,000)	-	980,000	335,000
1998 SIB Loan	1,020,727	-	(57,364)	-	963,363	59,827
2000 Legal Claims	204,700	-	(27,600)	-	177,100	27,600
2000 Millenium Parking Deck Loan 4%	1,250,917	-	(104,190)	-	1,146,727	108,358
OPWC Loan:						
2003 35th St NE Storm Sewer 0%	317,344	-	(25,387)	-	291,957	25,387
2004 Market Ave Sewer 0%	292,500	-	(15,000)	-	277,500	15,000
Total OPWC Loans	609,844	-	(40,387)	-	569,457	40,387
Compensated Absences	7,453,715	2,568,220	(2,319,000)	-	7,702,935	850,376
Total Governmental Activities	27,564,903	15,918,220	(5,078,541)	-	38,404,582	4,420,915
Totals	$ 58,843,706	$ 26,412,153	$ (9,300,129)	$ (7,325,000)	$ 68,630,730	$ 8,720,228

*Note: During 1998, the City issued utility system general obligation bonds. The proceeds reported in the water enterprise fund and the sewer enterprise fund of $5,375,000 and $5,375,000, respectively, were used for a water meters project. The utility system general obligation bonds are reported net of the unamortized premium of $3,212 in the water enterprise fund and $3,212 in the sewer enterprise fund. Also, 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 Absence Claim Fund is responsible for the payment of both the governmental and business type compensated absence 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 $1,359,806 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 $274,924 results for the Due Within One Year line item. The City's overall legal debt margin was $84,150,048 and an unvoted debt margin of $33,613,665 at December 31, 2006.

NOTE 10 - DEFINED BENEFIT PENSION PLANS

Ohio Public Employee 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

NOTE 10 - DEFINED BENEFIT PENSION PLANS (Continued)

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) 222-6701 or (800) 222-7377.

Plan members are required to contribute 9.0 percent of their annual covered salary to fund pension obligations and the City is required to contribute 13.70 percent for the year 2006. Contributions are authorized by State statute. The contribution rates are determined actuarially. The City's required contributions to OPERS for the years ended December 31, 2006, 2005, and 2004 were $3,589,118, $3,329,426, and $3,204,912, respectively. The full amount has been contributed for 2005 and 2004. 92.46 percent has been contributed for 2006 with the remainder being presented as "Due to Other Governments" in the payroll clearing, agency fund. Contributions to the member-directed plan for 2006 were $3,589,118 made by the City and $2,357,815 made by the plan members or by the City on their behalf where contracts and ordinances dictate.

Ohio Police and Firemen's Pension Fund

The City contributes to the Ohio Police and Firemen's Disability and 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 2006 the City was required to contribute 19.5 percent for police and 24.0 percent for firefighters. Contributions are authorized by State statute. The City's contributions to the fund for police and firefighters were $1,938,374 and $2,103,337 for the year ending December 31, 2006, $1,791,119 and $2,018,805 for the year ended December 31, 2005, $1,698,203 and $1,981,171 for the year ended December 31, 2004. The full amount has been contributed for 2005 and 2004. 74.91 and 76.39 percent, respectively, have been contributed for 2006 with the remainder being presented as "Due to Other Governments" in the payroll clearing, agency fund.

NOTE 11 - 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. Health care coverage for disability recipients and qualified survivor benefit recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage.

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 State statute. The 2006 local government employer contribution rate was 13.70 percent of covered payroll; 4.5 percent was the portion that was used to fund health care for 2006.

Benefits are advanced-funded using the individual entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2005, include a rate of return on investments of 6.5 percent, an annual increase in active employee total payroll of 4 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between 0.50 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase at the projected wage inflation rate plus an additional factor ranging from .5 to 6 percent annually for the next nine years and 4 percent annually after nine years.

All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12 percent corridor.

The number of active contributing participants in the traditional and combined plans was 369,214. The number of active contributing participants for both plans used in the December 31, 2005 actuarial valuation was 358,804. Actual City contributions for 2006 that were used to fund postemployment benefits were $1,179,025. The actual contributions and the actuarially required contribution amounts are the same. The actuarial value of OPERS's net assets available for payment of benefits at December 31, 2005, (the latest information available) was $11.1 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were $31.3 billion and $20.2 billion, respectively.

On September 9, 2004 the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. To improve the solvency of the Health Care Fund, OPERS created a separate investment pool for health care assets. Member and employer contribution rates increase as of January 1, 2006 and January 1, 2007, which will allow additional funds to be allocated to the health care plan.

Ohio Police and Firemen's Pension Fund

The Ohio Police and Firemen's Pension Fund (OP&F) provides postretirement health care coverage to any person who receives or is eligible to receive a monthly service, disability or survivor benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending full-time or on a 2/3 basis.

The Ohio Revised Code provides the authority allowing the OP&F's board of trustees to provide health care

NOTE 11 - POSTEMPLOYMENT BENEFITS (Continued)

coverage and states that health care costs paid from the funds of OP&F shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution is 19.5 percent of covered payroll and the total firefighter employer contribution rate is 24 percent of covered payroll, of which 7.75 percent of covered payroll was applied to the postemployment health care program during 2006 and 2005. In addition, since July 1, 1992, most retirees and survivors have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001 all retirees and survivors have monthly health care contributions. The City's actual contributions for 2006 that were used to fund postemployment benefits were $770,310 for police and $679,167 for fire. OP&F's total health care expense for the year ended December 31, 2005, (the latest information available) was $108,039,449, which was net of member contributions of $55,271,881. The number of OP&F participants eligible to receive health care benefits as of December 31, 2005, was 13,922 for police and 10,537 for firefighters.

NOTE 12 - JOINT VENTURES

Canton Tomorrow, Inc.

The City participates in Canton Tomorrow, Inc., formed under Chapter 1702 of the Ohio Revised Code. Of the 21 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's funding comes from a grant given by the City to the Canton Regional Chamber of Commerce. In 2006 the grant was for $175,000 and the Chamber of Commerce is responsible for dividing it up amongst is various agencies like Canton Tomorrow. 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 9 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 2006, the City contributed $215,125 to the District, which represents 100 percent of total contributions. Complete financial statements can be obtained from the Downtown Canton Special Improvement District.

NOTE 13 – 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

NOTE 13 – RELATED ORGANIZATION (Continued)

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 2006. Complete financial statements can be obtained from the Canton Recreation Department.

NOTE 14 - 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 SARTA during 2006. Complete financial statements may be obtained from the Stark Area Regional Transit Authority.

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 $667,985 from the General Fund for 2006 for the operation of SCOG, which represents 48.5 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 48-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 2006, the City contributed $92,113 to the Commission. Complete financial statements can be obtained from the Stark County Regional Planning Commission, Stark County, Ohio.

NOTE 15 – DISCRETELY PRESENTED COMPONENT UNIT

The component unit column in the combined 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.

NOTE 16 - CONTRACTUAL COMMITMENTS

As of December 31, 2006, the City had significant contractual commitments as follows:

Company	Project	Remaining On Contract
Sutphen Corporation	Pumper Truck	$ 301,609
Central Allied	38th St Storm Sewer Project	222,405
Valley Sterling Trucks of Canton	2 Dump Trucks with Plows	209,746
FRI Roofing Inc.	City Hall Roof Project	146,700
Burgess & Niple LTD	Water Infrastructure Design Project	865,700
HZW Environmental Consultants	Bison Project	192,574

NOTE 17 – 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. Total rental costs for such leases were $202,550 for the year ended December 31, 2006. The minimum rental commitments under all such non-cancelable leases are as follows:

Year Ending	Amount
2007	$ 202,550
2008	186,717
2009	181,679
2010	65,067
Total	$ 636,013

NOTE 18 - 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.

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
2007	$ 27,600
2008	27,600
2009	27,600
2010	27,600
2011	27,600
2012-2016	39,100
Total	$ 177,100

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 litigation that could be successful against the City would in all likelihood not exceed a maximum exposure of $600,000.

NOTE 19 - NOTES PAYABLE

GASB Statement No. 38 requires that short-term debt activity during the year be disclosed, even if no short-term debt is outstanding at year-end. Details are to include a schedule of changes in short-term debt, disclosing beginning and end of year balances, increases and decreases and the purpose for which the short-term debt was issued. The City had no short debt obligations for 2006.

NOTE 20 - INTERFUND BALANCES AND TRANSFERS

All transfers made by the City during 2006 were used to meet the City's matching obligations for grants. Interfund transfers for the year ended December 31, 2006, consisted of the following:

	Transfer From	
Transfer to	General Fund	Total
Nonmajor Special Revenue	$ 55,000	$ 55,000
Total	$ 55,000	$ 55,000

NOTE 20 - INTERFUND BALANCES AND TRANSFERS (Continued)

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, 2006, the Community and Economic Development Fund had an interfund due to balance of $873,015 and the Nonmajor Internal Service Funds interfund balance included a due from of $873,015. The obligation between the Nonmajor Internal Service Funds and the Community and Economic Development Fund represents the outstanding balance of an advance that was initially needed to fund a federal project. The balance of the Nonmajor Internal Service Funds due from balance of $188,771 represents outstanding obligations to various operating funds for outstanding compensated absence obligations due to the Compensated Absence Fund. All of the above mentioned obligations should be satisfied using the appropriate grant and program revenues associated with each fund.

	Due to	
	Nonmajor Internal Service	Total
Due From		
General Fund	$ 100,612	$ 100,612
Community and Economic Development Fund	873,015	873,015
Water Fund	15,833	15,833
Sewer Fund	4,203	4,203
Refuse Fund	68,123	68,123
Total	$ 1,061,786	$1,061,786

NOTE 21 – ACCOUNTABILITY AND COMPLIANCE

Accountability

Fund balances at December 31, 2006 included the following individual fund deficits:

	Deficit Fund Balance
Nonmajor Funds:	
Compensated Absence Claims	4,772,390

The deficit in this nonmajor fund is the result of adjustments for accrued liabilities. The general fund is liable for any deficit in this fund and will provide transfers when cash is required, not when accruals occur.

Legal Compliance

Contrary to Ohio Revised Code section 5705.41 (D), expenditures to sub-recipients tested for the WIC Program Grant were not certified by the City Auditor and the Health Commissioner prior to incurring the obligation.

NOTE 22 – RESTATEMENT OF NET ASSETS

During the 2006 audit, it was determined that a construction project previously recorded by the City as a construction in progress figure solely in the Sewer Operating Fund should be partially recorded in Governmental Activities. The result of this discovery was a reduction in the 2005 ending balance of the Land and Construction in Progress line item for the Sewer Operating Fund and a corresponding increase in the same line item for Governmental Activities. The following tables illustrate the net affect of the change on the overall net assets.

	Water Operating Fund	Sewer Operating Fund	Refuse Operating Fund	Business-Type Activities Total
Net Assets, December 31, 2005	$ 33,289,554	$ 45,446,304	$ 2,709,833	$ 81,445,691
Adjustments to Land and Construction in Progress	-	(1,247,492)	-	(1,247,492)
Restated Net Assets, December 31, 2005	$ 33,289,554	$ 44,198,812	$ 2,709,833	$ 80,198,199

	Governmental Activities	Business-Type Activities
Net Assets, December 31, 2005	$ 110,212,981	$ 81,445,691
Adjustments to Land and Construction in Progress	1,247,492	(1,247,492)
Restated Net Assets, December 31, 2005	$ 111,460,473	$ 80,198,199

NOTE 23 – CHANGES IN ACCOUNTING PRINCIPLES

For 2006, the City has implemented GASB Statement No. 44, "Economic Condition Reporting: The Statistical Section," GASB Statement No. 46, "Net Assets Restricted by Enabling Legislation" and GASB Statement No. 47, "Accounting for Termination Benefits."

The purpose of GASB Statement No. 44 is to improve the understandability and usefulness of the information that state and local governments present as supplementary information in the statistical section.

GASB Statement No. 46 defines enabling legislation and specifics how net assets should be reported in the financial statements when there are changes in such legislation. The Statement also requires governments to disclose in the notes to the financial statements the amount of net assets restricted by enabling legislation.

GASB Statement No. 47 establishes accounting standards for termination benefits.

The implementation of GASB Statement No. 46 and GASB Statement No. 47 did not have an effect on the fund balances/net assets of the City as previously reported at December 31, 2005.

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 used for the upkeep of the Cornerstone Parking Deck.

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

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

Recycle Ohio Fund To account for grant monies used for the City's recycling program.

Canton Rail Station Fund To account for grant monies used in conjunction with the building of the Scenic Valley Railroad train station.

Court Fund To account for revenues received from Canton Municipal Court fines and to account for how such revenues are spent.

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

Convention Center Feasibility Fund To account for state grant monies used to study the feasibility of a convention center in Canton.

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

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 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.

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.

Safe Neighborhood Fund To account for the receipts and expenditures associated with small private grants the City's police force receives.

Police Donation Fund To account for the receipts and expenditures associated with donations given to the City's Police Department.

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

Fire Donation Fund To account for the receipts and expenditures associated with donations given to 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
Guardrail/Attenuator Replacement Fund
Southeast Community Center Fund
Bryne Memorial Mediation Fund
Park Fund
Federal Forfeiture Fund
D.A.R.E. Program Fund
Drug Law Enforcement Fund
Misdemeanor Community Sanction Grant Fund
Thermal Imaging System Fund
Clerk of Courts Administration Fund
EMS Training & Equipment Fund
Firefighters Assistance Grant 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.

Nonmajor Capital Projects Funds

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

Radio Communication Fund To account for the purchase of a Digital Radio Communication System.

Harmount Sidewalk Improvement Fund To account for improvements of Harmount Street sidewalks.

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 the maintenance of the traffic signals within the City.

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.

Street & Storm Sewer Improvement Fund To account for some of the costs associated with the repair, improvement, and construction of streets or storm sewer projects.

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

Shorb & 4th Street Roadway Improvement Fund To account for all costs associated with the revamping and rerouting of Shorb Avenue and 4th Street NW.

Midway Fund To account for all costs associated with the renovation and repaving of Midway Ave NE.

38th Street Improvement Fund To account for all the costs associated with the renovation of 38th Street NW.

City of Canton, Ohio

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2006

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 5,434,146	$ 138,644	$ 13,561,571	$ 19,134,361
Cash and Cash Equivalents in Segregated Accounts	-	3,019	-	3,019
Taxes Receivable	-	23,765	-	23,765
Accounts Receivable	23,867	88	23,541	47,496
Due From Other Governments	2,696,119	-	-	2,696,119
Inventories	19,431	-	-	19,431
Total Assets	$ 8,173,563	$ 165,516	$ 13,585,112	$ 21,924,191
Liabilities and Fund Balances				
Current				
Accounts Payable	$ 177,888	$ -	$ 42,459	$ 220,347
Accrued Wages and Benefits	157,021	-	-	157,021
Due to Other Governments	225,087	-	-	225,087
Deferred Revenue	1,605,304	23,765	-	1,629,069
Total Liabilities	2,165,300	23,765	42,459	2,231,524
Net Assets and Other Credits				
Fund Balances				
Reserved for:				
Inventories	19,431	-	-	19,431
Encumbrances	535,435	-	800,957	1,336,392
Unreserved:				
Undesignated, Reported in :				
Special Revenue Funds	5,453,397	-	-	5,453,397
Debt Service Funds	-	141,751	-	141,751
Capital Projects Funds	-	-	12,741,696	12,741,696
Total Fund Balances	6,008,263	141,751	13,542,653	19,692,667
Total Liabilities and Fund Balances	$ 8,173,563	$ 165,516	$ 13,585,112	$ 21,924,191

City of Canton, Ohio

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2006

	Street Maintenance	State Highway	Municipal Road	Cornerstone Parking Deck	Health Service
Assets					
Equity in Pooled Cash and Cash Equivalents	$ 495,108	$ 78,759	$ 869,531	$ 227,781	$ 1,910,457
Accounts Receivable	2,570	-	-	-	21,297
Due From Other Governments	879,129	69,365	-	-	1,579,876
Inventories	19,431	-	-	-	-
Total Assets	$ 1,396,238	$ 148,124	$ 869,531	$ 227,781	$ 3,511,630
Liabilities and Fund Balances					
Current					
Accounts Payable	$ 44,180	$ 8,798	$ -	$ 6,084	$ 17,992
Accrued Wages and Benefits	64,790	3,471	-	3,523	70,090
Due to Other Governments	6,155	330	-	67,090	150,074
Deferred Revenue	524,314	42,329	-	-	1,017,096
Total Liabilities	639,439	54,928	-	76,697	1,255,252
Net Assets and Other Credits					
Fund Balances					
Reserved for:					
Inventories	19,431	-	-	-	-
Encumbrances	50,703	12,546	67,007	20,603	40,530
Unreserved:					
Undesignated, Reported in :					
Special Revenue Funds (Deficit)	686,665	80,650	802,524	130,481	2,215,848
Total Fund Balances	756,799	93,196	869,531	151,084	2,256,378
Total Liabilities and Fund Balances	$ 1,396,238	$ 148,124	$ 869,531	$ 227,781	$ 3,511,630

(continued)

City of Canton, Ohio

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2006

	Court Computer	Recycle Ohio	Canton Rail Station	Court	Law Department Dispute Resolution	Convention Center Feasibility Grant
Assets						
Equity in Pooled Cash and Cash Equivalents	$ 145,098	$ 7,516	$ -	$ 150,521	$ 2,871	$ 723,975
Accounts Receivable	-	-	-	-	-	-
Due From Other Governments	24,226	-	-	21,931	-	-
Inventories	-	-	-	-	-	-
Total Assets	$ 169,324	$ 7,516	$ -	$ 172,452	$ 2,871	$ 723,975
Liabilities and Fund Balances						
Current						
Accounts Payable	$ 1,663	$ -	$ -	$ 16,496	$ -	$ -
Accrued Wages and Benefits	5,942	-	-	2,784	-	-
Due to Other Governments	564	-	-	265	-	-
Deferred Revenue	-	-	-	-	-	-
Total Liabilities	8,169	-	-	19,545	-	-
Net Assets and Other Credits						
Fund Balances						
Reserved for:						
Inventories	-	-	-	-	-	-
Encumbrances	17,928	-	-	2,041	-	-
Unreserved:						
Undesignated, Reported in :						
Special Revenue Funds (Deficit)	143,227	7,516	-	150,866	2,871	723,975
Total Fund Balances	161,155	7,516	-	152,907	2,871	723,975
Total Liabilities and Fund Balances	$ 169,324	$ 7,516	$ -	$ 172,452	$ 2,871	$ 723,975

Youth Development	Enforcement and Education	Indigent Driver Alcohol Treatment	Law Enforcement Trust	Municipal Probation Services	Prisoner Housing	Local Law Enforcement Block Grant	Safe Neighborhood	Police Donation
$ 7,933	$ 13,318	$ 93,456	$ 62,581	$ 56,668	$ 6,914	$ 944	$ 1,000	$ 2,000
-	-	-	-	-	-	-	-	-
-	973	1,014	7,448	11,411	626	-	-	-
-	-	-	-	-	-	-	-	-
$ 7,933	$ 14,291	$ 94,470	$ 70,029	$ 68,079	$ 7,540	$ 944	$ 1,000	$ 2,000
$ 4,723	$ -	$ 9,127	$ 4,409	$ 2,170	$ -	$ -	$ -	$ -
-	-	-	-	3,604	-	-	-	-
-	-	-	-	342	-	-	-	-
-	-	-	-	-	-	-	-	-
4,723	-	9,127	4,409	6,116	-	-	-	-
-	-	-	-	-	-	-	-	-
4,288	1,535	-	189	-	-	-	-	-
(1,078)	12,756	85,343	65,431	61,963	7,540	944	1,000	2,000
3,210	14,291	85,343	65,620	61,963	7,540	944	1,000	2,000
$ 7,933	$ 14,291	$ 94,470	$ 70,029	$ 68,079	$ 7,540	$ 944	$ 1,000	$ 2,000

(continued)

City of Canton, Ohio

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2006

	Supplementary Police Forces	Fire Donation	Clean Ohio	Other	Total Nonmajor Special Revenue Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	$ 3,828	$ 2,080	$ 14	$ 571,793	$ 5,434,146
Accounts Receivable	-	-	-	-	23,867
Due From Other Governments	-	-	56,990	43,130	2,696,119
Inventories	-	-	-	-	19,431
Total Assets	$ 3,828	$ 2,080	$ 57,004	$ 614,923	$ 8,173,563
Liabilities and Fund Balances					
Current					
Accounts Payable	$ -	$ -	$ 56,990	$ 5,256	$ 177,888
Accrued Wages and Benefits	-	-	-	2,817	157,021
Due to Other Governments	-	-	-	267	225,087
Deferred Revenue	-	-	-	21,565	1,605,304
Total Liabilities	-	-	56,990	29,905	2,165,300
Net Assets and Other Credits					
Fund Balances					
Reserved for:					
Inventories	-	-	-	-	19,431
Encumbrances	-	-	298,593	19,472	535,435
Unreserved:					
Undesignated, Reported in :					
Special Revenue Funds (Deficit)	3,828	2,080	(298,579)	565,546	5,453,397
Total Fund Balances	3,828	2,080	14	585,018	6,008,263
Total Liabilities and Fund Balances	$ 3,828	$ 2,080	$ 57,004	$ 614,923	$ 8,173,563

City of Canton, Ohio

Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2006

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service
Assets			
Equity in Pooled Cash and Cash Equivalents	$ 138,644	$ -	$ 138,644
Cash and Cash Equivalents in Segregated Accounts	3,019	-	3,019
Taxes Receivable	-	23,765	23,765
Accounts Receivable	88	-	88
Total Assets	$ 141,751	$ 23,765	$ 165,516
Liabilities and Fund Balances			
Current			
Deferred Revenue	-	23,765	$ 23,765
Net Assets and Other Credits			
Fund Balances			
Unreserved:			
Undesignated, Reported in :			
Debt Service Funds	141,751	-	141,751
Total Fund Balances	141,751	-	141,751
Total Liabilities and Fund Balances	$ 141,751	$ 23,765	$ 165,516

City of Canton, Ohio

Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2006

	Radio Communication Systems	Harmount Sidewalk Improvement	2006 City Infrastructure Bond	Traffic Signalization	2006 Recreational Bond
Assets					
Equity in Pooled Cash and Cash Equivalents	$ 1,786	$ -	$ 5,400,000	$ 1,397	$ 2,000,000
Accounts Receivable	-	-	9,522	-	3,527
Total Assets	$ 1,786	$ -	$ 5,409,522	$ 1,397	$ 2,003,527
Liabilities and Fund Balances					
Current					
Accounts Payable	$ -	$ -	$ -	$ -	$ -
Net Assets and Other Credits					
Fund Balances					
Reserved for:					
Encumbrances	-	-	-	1,397	-
Unreserved:					
Undesignated, Reported in :					
Capital Projects Funds	1,786	-	5,409,522	-	2,003,527
Total Fund Balances	1,786	-	5,409,522	1,397	2,003,527
Total Liabilities and Fund Balances	$ 1,786	$ -	$ 5,409,522	$ 1,397	$ 2,003,527

2006 Construct/ Reconstruct Bond	Street & Storm Sewer Improvement	Civic Center Improvement	Shorb & 4th Street Roadway Improvement	Midway Avenue Improvement	38th Street Improvement	Total Nonmajor Capital Projects Funds
$ 5,950,000	$ 57,575	$ 150,813	$ -	$ -	$ -	$ 13,561,571
10,492	-	-	-	-	-	23,541
$ 5,960,492	$ 57,575	$ 150,813	$ -	$ -	$ -	$ 13,585,112
$ -	$ -	$ 42,459	$ -	$ -	$ -	$ 42,459
-	160,162	31,745	-	9,733	597,920	800,957
5,960,492	(102,587)	76,609	-	(9,733)	(597,920)	12,741,696
5,960,492	57,575	108,354	-	-	-	13,542,653
$ 5,960,492	$ 57,575	$ 150,813	$ -	$ -	$ -	$ 13,585,112

City of Canton, Ohio

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the year ended December 31, 2006

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Charges for Services	$ 1,051,806	$ -	$ -	$ 1,051,806
Licenses, Permits, and Fees	254,666	-	-	254,666
Fines and forfeitures	191,918	-	-	191,918
Intergovernmental	3,354,520	-	-	3,354,520
Interest	43,176	138,732	34,708	216,616
Operating Grants and Contributions	3,498,822	-	-	3,498,822
Capital Grants and Contributions	967,288	-	530,887	1,498,175
Rentals	21,621	-	-	21,621
Other	160,244	-	176,566	336,810
Total Revenues	9,544,061	138,732	742,161	10,424,954
Expenditures				
Current				
General Government	1,357,646	-	-	1,357,646
Security of Persons and Property	1,894,966	-	-	1,894,966
Public Health	3,016,177	-	-	3,016,177
Transportation	1,646,559	-	-	1,646,559
Community Environment	1,067,892	-	-	1,067,892
Leisure Time Activities	2,091	-	-	2,091
Capital Outlay	-	-	1,157,248	1,157,248
Total Expenditures	8,985,331	-	1,157,248	10,142,579
Excess Revenues Over (Under) Expenditures	558,730	138,732	(415,087)	282,375
Other Financing Sources				
Issuance of Debt	-	-	13,350,000	13,350,000
Bond Issue Costs	-	-	(236,199)	(236,199)
Bond Premium	-	-	236,199	236,199
Transfers In	55,000	-	-	55,000
Total Other Financing Sources	55,000	-	13,350,000	13,405,000
Net Change in Fund Balance	613,730	138,732	12,934,913	13,687,375
Fund Balance at Beginning of Year	5,652,397	3,019	607,740	6,263,156
Increase (Decrease) in Reserve for Inventory	(257,864)	-	-	(257,864)
Fund Balance at End of Year	$ 6,008,263	$ 141,751	$ 13,542,653	$ 19,692,667

City of Canton, Ohio

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the year ended December 31, 2006

	Street Maintenance	State Highway	Municipal Road	Cornerstone Parking Deck	Health Service
Revenues					
Charges for Services	$ -	$ -	$ -	$ 315,380	$ -
Licenses, Permits, and Fees	-	-	-	-	254,666
Fines and forfeitures	-	-	-	-	-
Intergovernmental	2,947,918	198,347	208,255	-	-
Interest	12,535	3,384	-	-	-
Operating Grants and Contributions	-	-	-	-	2,619,202
Capital Grants and Contributions	-	-	-	-	-
Rentals	-	-	-	1,500	-
Other	27,036	-	-	-	108,772
Total Revenues	2,987,489	201,731	208,255	316,880	2,982,640
Expenditures					
Current					
General Government	-	-	-	456,868	-
Security of Persons and Property	1,259,840	28,632	-	14,207	-
Public Health	-	-	-	-	3,016,177
Transportation	1,466,734	179,825	-	-	-
Community Environment	-	-	-	-	-
Leisure Time Activities	-	-	-	-	-
Total Expenditures	2,726,574	208,457	-	471,075	3,016,177
Excess Revenues Over (Under) Expenditures	260,915	(6,726)	208,255	(154,195)	(33,537)
Other Financing Sources					
Transfers In	-	-	-	-	40,000
Total Other Financing Sources	-	-	-	-	40,000
Net Change in Fund Balance	260,915	(6,726)	208,255	(154,195)	6,463
Fund Balance at Beginning of Year	753,748	99,922	661,276	305,279	2,249,915
Increase (Decrease) in Reserve for Inventory	(257,864)				
Fund Balance at End of Year	$ 756,799	$ 93,196	$ 869,531	$ 151,084	$ 2,256,378

(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, 2006

	Court Computer	Recycle Ohio	Canton Rail Station	Court	Law Department Dispute Resolution
Revenues					
Charges for Services	$ 294,064	$ -	$ -	$ 259,076	$ 2,015
Licenses, Permits, and Fees	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Interest	-	-	-	-	-
Operating Grants and Contributions	-	-	-	22,581	-
Capital Grants and Contributions	-	-	-	-	-
Rentals	-	-	-	-	-
Other	-	-	-	-	-
Total Revenues	294,064	-	-	281,657	2,015
Expenditures					
Current					
General Government	207,232	-	-	204,430	2,035
Security of Persons and Property	-	-	-	-	-
Public Health	-	-	-	-	-
Transportation	-	-	-	-	-
Community Environment	-	27,255	74,200	-	-
Leisure Time Activities	-	-	-	-	-
Total Expenditures	207,232	27,255	74,200	204,430	2,035
Excess Revenues Over (Under) Expenditures	86,832	(27,255)	(74,200)	77,227	(20)
Other Financing Sources					
Transfers In	-	-	-	-	-
Total Other Financing Sources	-	-	-	-	-
Net Change in Fund Balance	86,832	(27,255)	(74,200)	77,227	(20)
Fund Balance at Beginning of Year	74,323	34,771	74,200	75,680	2,891
Increase (Decrease) in Reserve for Inventory					
Fund Balance at End of Year	$ 161,155	$ 7,516	$ -	$ 152,907	$ 2,871

Convention Center Feasibility Grant	Youth Development	Enforcement and Education	Indigent Driver Alcohol Treatment	Law Enforcement Trust	Municipal Probation Services	Prisoner Housing	Local Law Enforcement Block Grant	Safe Neighborhood
$ -	$ -	$ -	$ -	$ -	$ 181,271	$ -	$ -	$ -
-	-	-	-	-	-	-	-	-
-	-	10,931	46,931	65,964	-	10,027	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	2,901	-
723,975	35,403	-	-	-	-	-	-	-
-	-	-	-	-	-	-	114,247	-
-	-	-	-	-	-	-	-	-
-	-	-	-	60	18,760	-	1,905	-
723,975	35,403	10,931	46,931	66,024	200,031	10,027	119,053	-
-	52,773	-	92,921	-	203,021	6,040	-	-
-	-	3,606	-	173,033	-	-	169,894	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	52,773	3,606	92,921	173,033	203,021	6,040	169,894	-
723,975	(17,370)	7,325	(45,990)	(107,009)	(2,990)	3,987	(50,841)	-
-	15,000	-	-	-	-	-	-	-
-	15,000	-	-	-	-	-	-	-
723,975	(2,370)	7,325	(45,990)	(107,009)	(2,990)	3,987	(50,841)	-
-	5,580	6,966	131,333	172,629	64,953	3,553	51,785	1,000
$ 723,975	$ 3,210	$ 14,291	$ 85,343	$ 65,620	$ 61,963	$ 7,540	$ 944	$ 1,000

(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, 2006

	Police Donation	Supplementary Police Forces	Fire Donation	Clean Ohio	Other	Total Nonmajor Special Revenue Funds
Revenues						
Charges for Services	$ -	$ -	$ -	$ -	$ -	$ 1,051,806
Licenses, Permits, and Fees	-	-	-	-	-	254,666
Fines and forfeitures	-	-	-	-	58,065	191,918
Intergovernmental	-	-	-	-	-	3,354,520
Interest	-	-	-	-	24,356	43,176
Operating Grants and Contributions	2,000	-	1,025	-	94,636	3,498,822
Capital Grants and Contributions	-	-	-	853,041	-	967,288
Rentals	-	-	-	-	20,121	21,621
Other	-	1,030	-	-	2,681	160,244
Total Revenues	2,000	1,030	1,025	853,041	199,859	9,544,061
Expenditures						
Current						
General Government	-	-	-	48,584	83,742	1,357,646
Security of Persons and Property	-	1,313	-	-	244,441	1,894,966
Public Health	-	-	-	-	-	3,016,177
Transportation	-	-	-	-	-	1,646,559
Community Environment	-	-	-	966,437	-	1,067,892
Leisure Time Activities	-	-	-	-	2,091	2,091
Total Expenditures	-	1,313	-	1,015,021	330,274	8,985,331
Excess Revenues Over (Under) Expenditures	2,000	(283)	1,025	(161,980)	(130,415)	558,730
Other Financing Sources						
Transfers In	-	-	-	-	-	55,000
Total Other Financing Sources	-	-	-	-	-	55,000
Net Change in Fund Balance	2,000	(283)	1,025	(161,980)	(130,415)	613,730
Fund Balance at Beginning of Year	-	4,111	1,055	161,994	715,433	5,652,397
Increase (Decrease) in Reserve for Inventory						(257,864)
Fund Balance at End of Year	$ 2,000	$ 3,828	$ 2,080	$ 14	$ 585,018	$ 6,008,263

City of Canton, Ohio

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Debt Service Funds
For the year ended December 31, 2006

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
Revenues			
Interest	$ 138,732	$ -	$ 138,732
Expenditures	-	-	-
Net Change in Fund Balance	138,732	-	138,732
Fund Balance at Beginning of Year	3,019	-	3,019
Increase (Decrease) in Reserve for Inventory			-
Fund Balance at End of Year	$ 141,751	$ -	$ 141,751

City of Canton, Ohio

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Capital Project Funds
For the year ended December 31, 2006

	Radio Communication Systems	Harmount Sidewalk Improvement	2006 City Infrastructure Bond	Traffic Signalization
Revenues				
Interest	$ -	$ 324	$ 9,522	$ -
Capital Grants and Contributions	-	-	-	-
Other	-	-	-	-
Total Revenues	-	324	9,522	-
Expenditures				
Current				
Capital Outlay	5,057	13,016	-	-
Excess Revenues Over (Under) Expenditures	(5,057)	(12,692)	9,522	-
Other Financing Sources				
Issuance of Debt	-	-	5,400,000	-
Advances In	-	-	(95,541)	-
Advances Out	-	-	95,541	-
Total Other Financing Sources	-	-	5,400,000	-
Net Change in Fund Balance	(5,057)	(12,692)	5,409,522	-
Fund Balance at Beginning of Year	6,843	12,692	-	1,397
Fund Balance at End of Year	$ 1,786	$ -	$ 5,409,522	$ 1,397

2006 Recreational Bond	2006 Construct/ Reconstruct Bond	Street & Storm Sewer Improvement	Civic Center Improvement	Shorb & 4th Street Roadway Improvement	Midway Avenue Improvement	38th Street Improvement	Total Nonmajor Capital Projects Funds
$ 3,527	$ 10,492	$ -	$ 10,843	$ -	$ -	$ -	$ 34,708
-	-	-	50,000	-	480,887	-	530,887
-	-	-	-	176,566	-	-	176,566
3,527	10,492	-	60,843	176,566	480,887	-	742,161
-	-	180,324	371,949	106,015	480,887	-	1,157,248
3,527	10,492	(180,324)	(311,106)	70,551	-	-	(415,087)
2,000,000	5,950,000	-	-	-	-	-	13,350,000
(35,386)	(105,272)	-	-	-	-	-	(236,199)
35,386	105,272	-	-	-	-	-	236,199
2,000,000	5,950,000	-	-	-	-	-	13,350,000
2,003,527	5,960,492	(180,324)	(311,106)	70,551	-	-	12,934,913
-	-	237,899	419,460	(70,551)	-	-	607,740
$ 2,003,527	$ 5,960,492	$ 57,575	$ 108,354	$ -	$ -	$ -	$ 13,542,653

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 Absence 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, 2006

	Workers Compensation	Health Insurance	Compensated Absences Claims	Total Nonmajor Internal Service
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 3,955,546	$ 2,846,818	$ 4,271,395	$ 11,073,759
Accounts Receivable	-	394,544	-	394,544
Due From Other Funds	873,015	-	188,771	1,061,786
Total Assets	$ 4,828,561	$ 3,241,362	$ 4,460,166	$ 12,530,089
Liabilities				
Current				
Accounts Payable	$ 491	$ 178,409	$ -	$ 178,900
Accrued Wages and Benefits	2,253	3,222	-	5,475
Due to Other Governments	214	306	10,395	10,915
Due Within One Year	-	-	1,125,300	1,125,300
Claims Payable - Current	2,730,700	877,103	109,420	3,717,223
Total Current	2,733,658	1,059,040	1,245,115	5,037,813
Noncurrent				
Due Within More Than One Year	-	-	7,937,441	7,937,441
Total Liabilities	2,733,658	1,059,040	9,182,556	12,975,254
Net Assets				
Unrestricted	2,094,903	2,182,322	(4,722,390)	(445,165)
Total Net Assets and Liabilities	$ 4,828,561	$ 3,241,362	$ 4,460,166	$ 12,530,089

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, 2006

	Workers Compensation	Health Insurance	Compensated Absences Claims	Total Nonmajor Internal Service
Revenues				
Charges for Services	$ 1,179,533	$ 9,066,882	$ 5,912,827	$ 16,159,242
Other	35,042	513,889	-	548,931
Total Revenue	1,214,575	9,580,771	5,912,827	16,708,173
Operating Expenses				
Personal Services	59,997	88,433	-	148,430
Contractual Services	73,942	299,175	5,000	378,117
Materials and Supplies	1,371	107	-	1,478
Insurance Claims and Expenses	924,508	7,258,925	-	8,183,433
Benefit Claim Expenses	-	-	3,469,369	3,469,369
Other	150	-	-	150
Total Operating Expenses	1,059,968	7,646,640	3,474,369	12,180,977
Operating (Income) Loss	154,607	1,934,131	2,438,458	4,527,196
Nonoperating Revenues (Expenses)				
Benefit Claim Expenses-Nonoperating	-	-	(200,059)	(200,059)
Noncapital Grants	16,800	-	-	16,800
Total Nonoperating Revenue (Expenses)	16,800	-	(200,059)	(183,259)
Change in Net Assets	171,407	1,934,131	2,238,399	4,343,937
Total Net Assets at Beginning of Year	1,923,496	248,191	(6,960,789)	(4,789,102)
Total Net Assets at End of Year	$ 2,094,903	$ 2,182,322	$ (4,722,390)	$ (445,165)

City of Canton, Ohio

Combining Statement of Cash Flows
Nonmajor Internal Service Funds
For the year ended December 31, 2006

	Workers Compensation	Health Insurance	Compensated Absences Claims	Total
Cash Flows From Operating Activities				
Receipts from Customers and Users	$ 1,179,533	$ 9,061,419	$ 5,903,326	$ 16,144,278
Other Cash Receipts	57,418	568,394	-	625,812
Payments to Suppliers	(93,888)	(411,260)	(5,000)	(510,148)
Payments to Employees	(59,903)	(86,764)	-	(146,667)
Claims Paid	(1,375,373)	(7,784,127)	(3,346,189)	(12,505,689)
Other Cash Payments	(150)	(107)	-	(257)
Internal Activity - Repayment From Other Funds	1,426,985	-	-	1,426,985
Net Cash Provided (Used) by Operating Activities	1,134,622	1,347,555	2,552,137	5,034,314
Cash Flows from Non Capital Financing Activities				
Grant Subsidy	16,800	-	-	16,800
Net Increase (Decrease) in Cash and Cash Equivalents	1,151,422	1,347,555	2,552,137	5,051,114
Balance - Beginning of the Year	2,804,124	1,499,263	1,719,258	6,022,645
Balance - End of the Year	3,955,546	2,846,818	4,271,395	11,073,759
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	154,607	1,934,131	2,438,458	4,527,196
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities				
Change in Assets and Liabilities:				
Accounts Receivables, net	22,376	49,042	-	71,418
Due From Other Funds	1,426,985	-	(9,501)	1,417,484
Accounts Payables	(18,575)	(110,532)	-	(129,107)
Accrued Wages Payable	86	106	-	192
Intergovernmental Payable	8	10	(517)	(499)
Compensated Absences Payable	-	-	129,131	129,131
Claims Payable	(450,865)	(525,202)	(5,434)	(981,501)
Net Cash Provided (Used) by Operating Activities	$ 1,134,622	$ 1,347,555	$ 2,552,137	$ 5,034,314

Combining Statements-Fiduciary Funds

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, 2006

	Balance 01/01/06	Additions	Reductions	Balance 12/31/06
Building Escrow				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 140,379	$ 452,762	$ 232,143	$ 360,998
Liabilities				
Deposits Held and Due to Others	$ 140,379	$ 452,762	$ 232,143	$ 360,998
Payroll Clearing				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 887,048	$ 11,836,906	$ 11,773,030	$ 950,924
Liabilities				
Due to Other Governments	$ 887,048	$ 11,836,906	$ 11,773,030	$ 950,924
Employee Buyout Incentive				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 66,781	$ 110,524	$ 106,413	$ 70,892
Liabilities				
Deposits Held and Due to Others	$ 66,781	$ 110,524	$ 106,413	$ 70,892
Auditors Transfer				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 163,852	$ 168,673	$ 140,367	$ 192,158
Cash and Cash Equivalents in Segregated Accounts	550	17,150	17,215	485
Total Assets	$ 164,402	$ 185,823	$ 157,582	$ 192,643
Liabilities				
Deposits Held and Due to Others	$ 164,402	$ 185,823	$ 157,582	$ 192,643
Municipal Court				
Assets				
Cash and Cash Equivalents in Segregated Accounts	$ 56,493	$ 7,768,491	$ 7,747,022	$ 77,962
Liabilities				
Undistributed Assets	$ 56,493	$ 7,768,491	$ 7,747,022	$ 77,962

City of Canton, Ohio

Combining Statement of Changes in Assets and Liabilities
Fiduciary Funds (continued)
For the Year Ended December 31, 2006

	Balance 01/01/06	Additions	Reductions	Balance 12/31/06
Ticketmaster				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 110,167	$ 1,041,114	$ 999,938	$ 151,343
Liabilities				
Undistributed Assets	$ 110,167	$ 1,041,114	$ 999,938	$ 151,343
Building Department State Assessment				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 9,098	$ 7,443	$ 8,736	$ 7,805
Liabilities				
Deposits Held and Due to Others	$ 9,098	$ 7,443	$ 8,736	$ 7,805
Downtown Special Improvement District				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 52,390	$ 162,735	$ 215,125	$ -
Liabilities				
Deposits Held and Due to Others	$ 52,390	$ 162,735	$ 215,125	$ -
Civic Center Event Expense Clearing				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 1,814	$ 216,214	$ 211,558	$ 6,470
Liabilities				
Deposits Held and Due to Others	$ 1,814	$ 216,214	$ 211,558	$ 6,470
All Agency Funds				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 1,431,529	$ 13,996,371	$ 13,687,310	$ 1,740,590
Cash and Cash Equivalents in Segregated Accounts	57,043	7,785,641	7,764,237	78,447
Total Assets	$ 1,488,572	$ 21,782,012	$ 21,451,547	$ 1,819,037
Liabilities				
Due to Other Governments	$ 887,048	$ 11,836,906	$ 11,773,030	$ 950,924
Undistributed Assets	166,660	8,809,605	8,746,960	229,305
Deposits Held and Due to Others	434,864	1,135,501	931,557	638,808
Total Liabilities	$ 1,488,572	$ 21,782,012	$ 21,451,547	$ 1,819,037

Individual Fund Schedules of Revenues, Expenditures/Expenses and

Changes in Fund Balance/Fund Equity – Budget (Non-GAAP Basis) and Actual

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Property and Other Taxes	$ 3,592,000	$ 3,610,790	$ 18,790
Municipal Income Tax	32,883,668	32,788,537	(95,131)
Charges for Services	9,319,786	9,022,454	(297,332)
Licenses, Permits and Fees	1,134,478	1,026,871	(107,607)
Fines and Forfeitures	291,200	219,351	(71,849)
Intergovernmental	7,090,450	7,016,681	(73,769)
Operating Grants	80,300	86,842	6,542
Interest	1,740,650	1,777,566	36,916
Rentals	439,137	404,507	(34,630)
Other	636,886	726,102	89,216
Total Revenue	57,208,555	56,679,701	(528,854)
Expenditures			
Current:			
General Governmental:			
Service Director-Support Administration :			
Personal Services	2,422,240	2,422,048	192
Materials and Supplies	5,650	5,275	375
Contractual Services	177,351	164,683	12,668
Capital Outlay	19,000	19,000	-
Other	91,822	90,757	1,065
Total Service Director-Support Administration	2,716,063	2,701,763	14,300
Service Director-Service Director Administration:			
Personal Services	73,103	71,241	1,862
Materials and Supplies	138	-	138
Contractual Services	15,253	11,565	3,688
Other	2,200	2,176	24
Total Service Director-Service Director Admin	90,694	84,982	5,712
Service Director-Purchase Administration:			
Personal Services	261,254	252,752	8,502
Materials and Supplies	264,191	252,397	11,794
Contractual Services	10,088	8,236	1,852
Total Service Director-Purchase Administration	535,533	513,385	22,148
Service Director-Annexation:			
Personal Services	10,489	9,967	522
Materials and Supplies	1,900	1,128	772
Contractual Services	9,830	7,008	2,822
Total Service Director-Annexation	22,219	18,103	4,116
Building and Maintenance-Other Building:			
Personal Services	886,167	864,608	21,559
Materials and Supplies	57,872	52,846	5,026
Contractual Services	456,310	429,076	27,234
Capital Outlay	5,400	-	5,400
Other	3,429	3,365	64
Total Building and Maintenance-Other Building	$ 1,409,178	$ 1,349,895	$ 59,283

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Mayor - EEO Officer Admin			
Materials and Supplies	$ 700	$ 383	$ 317
Contractual Services	1,300	-	1,300
Other	3,000	60	2,940
Total Mayor-EEO Officer Admin	5,000	443	4,557
Total Income Tax-Income Tax Administration			
Personal Services	1,225,506	1,010,171	215,335
Materials and Supplies	103,081	97,916	5,165
Contractual Services	107,221	83,915	23,306
Capital Outlay	21,859	19,221	2,638
Other	501,024	482,922	18,102
Total Income Tax - Income Tax Administration	1,958,691	1,694,145	264,546
Mayor - Administration			
Personal Services	404,921	402,428	2,493
Materials and Supplies	5,294	3,771	1,523
Contractual Services	85,189	69,095	16,094
Other	333,530	309,311	24,219
Total Mayor-Mayor Administration	828,934	784,605	44,329
Mayor-Human Resources Administration:			
Personal Services	128,440	118,057	10,383
Materials and Supplies	1,308	644	664
Contractual Services	52,717	15,646	37,071
Total Mayor-Human Resources Administration	182,465	134,347	48,118
Mayor-Youth Development Administration:			
Personal Services	184,789	148,562	36,227
Materials and Supplies	143	81	62
Contractual Services	9,332	7,860	1,472
Other	3,240	3,240	-
Total Mayor-Youth Development Administration	197,504	159,743	37,761
Council-Council Administration:			
Personal Services	558,199	552,781	5,418
Materials and Supplies	3,984	3,369	615
Contractual Services	73,534	40,967	32,567
Other	5,500	1,324	4,176
Total Council-Council Administration	641,217	598,441	42,776
Courts/Judge-Judge Administration:			
Personal Services	1,645,611	1,637,031	8,580
Materials and Supplies	38,628	33,711	4,917
Contractual Services	42,800	38,559	4,241
Capital Outlay	600	310	290
Other	22,946	22,094	852
Total Courts/Judge-Judge Administration	1,750,585	1,731,705	18,880
Courts/Clerk-Clerk of Courts Administration:			
Personal Services	1,333,784	1,321,445	12,339
Materials and Supplies	63,053	45,313	17,740
Contractual Services	43,606	35,713	7,893
Other	4,830	60	4,770
Total Courts/Clerk-Clerk of Courts Admin	$ 1,445,273	$ 1,402,531	$ 42,742

(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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Law Director-Law Administration:			
Personal Services	$ 1,283,601	$ 1,248,219	$ 35,382
Materials and Supplies	11,290	8,640	2,650
Contractual Services	174,022	153,359	20,663
Other	334,982	221,784	113,198
Total Law Director-Law Administration	1,803,895	1,632,002	171,893
Law Director-Police Settlement			
Legal Claims	27,600	27,600	-
Total Law Director-Police Settlement	27,600	27,600	-
Auditor-Auditor Administration:			
Personal Services	978,657	978,599	58
Materials and Supplies	42,325	40,710	1,615
Contractual Services	712,508	704,090	8,418
Other	111,775	60,183	51,592
Total Auditor-Auditor Administration	1,845,265	1,783,582	61,683
Treasurer- Administration & Operations:			
Personal Services	227,953	222,639	5,314
Materials and Supplies	1,395	419	976
Contractual Services	7,770	3,867	3,903
Other	300	190	110
Total Treasurer-Operations	237,418	227,115	10,303
Board of Commission-Civil Service:			
Personal Services	220,362	220,314	48
Materials and Supplies	2,240	1,439	801
Contractual Services	39,214	36,587	2,627
Capital Outlay	1,600	1,600	-
Total Board of Commission-Civil Service	263,416	259,940	3,476
Board of Commission-Zoning Board:			
Personal Services	8,847	8,396	451
Total Board of Commission-Zoning Board	8,847	8,396	451
Motor Vehicle-Administration:			
Personal Services	182,886	182,548	338
Materials and Supplies	855	209	646
Contractual Services	152,595	149,764	2,831
Capital Outlay	500	-	500
Other	100	98	2
Total Motor Vehicle-Administration	336,936	332,619	4,317
Motor Vehicle-Service and Repair:			
Personal Services	915,755	901,569	14,186
Materials and Supplies	1,502,664	1,475,809	26,855
Contractual Services	66,428	60,411	6,017
Capital Outlay	400	-	400
Other	9,592	9,441	151
Total Motor Vehicle-Service and Repair	$ 2,494,839	$ 2,447,230	$ 47,609

(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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Management Information Systems:			
Personal Services	$ 896,384	$ 865,994	$ 30,390
Materials and Supplies	36,478	24,843	11,635
Contractual Services	163,194	139,408	23,786
Capital Outlay	8,332	1,883	6,449
Other	8,800	7,291	1,509
Total Management Information Systems	1,113,188	1,039,419	73,769
Total General Government	19,914,760	18,931,991	982,769
Security of Persons and Property:			
Safety Director-Safety Director Administration:			
Personal Services	138,856	138,791	65
Materials and Supplies	153	48	105
Contractual Services	3,376	2,717	659
Other	1,820	978	842
Total Safety Director-Safety Director Admin	144,205	142,534	1,671
Safety Director-Code Enforcement Admin:			
Personal Services	792,604	792,510	94
Materials and Supplies	17,501	11,511	5,990
Contractual Services	177,764	160,198	17,566
Other	10,500	6,688	3,812
Total Safety Director-Code Enforcement Admin	998,369	970,907	27,462
Safety Director-Code Enforcement Demolition:			
Personal Services	19,905	19,893	12
Contractual Services	153,226	133,140	20,086
Total Safety Director-Code Enforcement Demo	173,131	153,033	20,098
Safety Director-School Police Administration:			
Personal Services	150,680	149,790	890
Total Safety Director-School Police Admin	150,680	149,790	890
Safety Director-Central Communication Admin:			
Salaries and Wages	951,584	944,735	6,849
Materials and Supplies	700	168	532
Contractual Services	51,509	45,582	5,927
Capital Outlay	100	-	100
Total Safety Director-Central Communication Admin	1,003,893	990,485	13,408
Police Administration:			
Personal Services	15,480,345	15,445,703	34,642
Materials and Supplies	85,483	80,652	4,831
Contractual Services	411,770	383,384	28,386
Other	25,498	25,439	59
Total Police Administration	16,003,096	15,935,178	67,918
Fire Administration:			
Personal Services	13,117,309	13,111,986	5,323
Materials and Supplies	171,570	166,334	5,236
Contractual Services	558,724	446,837	111,887
Other	28,787	27,892	895
Total Fire Administration	$ 13,876,390	$ 13,753,049	$ 123,341

(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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Traffic Divisions-Traffic Engineer/Parking Meter:			
Personal Services	$ 166,597	$ 164,901	$ 1,696
Materials and Supplies	4,338	2,792	1,546
Contractual Services	3,696	3,550	146
Other	674	627	47
Total Traffic Divisions-Traffic Engineer/Parking Meter	175,305	171,870	3,435
Total Security of Persons and Property	32,525,069	32,266,846	258,223
Public Health:			
Health Administration:			
Personal Services	554,884	546,875	8,009
Materials and Supplies	12,300	9,531	2,769
Contractual Services	144,488	136,233	8,255
Capital Outlay	500	-	500
Other	258,789	257,980	809
Total Health Administration	970,961	950,619	20,342
Health-Nurses:			
Personal Services	619,643	611,921	7,722
Materials and Supplies	26,460	24,715	1,745
Contractual Services	3,105	2,774	331
Other	1,120	716	404
Total Health-Nurses	650,328	640,126	10,202
Health-Lab:			
Personal Services	198,939	191,938	7,001
Materials and Supplies	22,933	22,623	310
Contractual Services	6,259	4,975	1,284
Other	397	30	367
Total Health-Lab	228,528	219,566	8,962
Health-Environmental Health Administration:			
Personal Services	672,504	671,494	1,010
Materials and Supplies	5,470	5,051	419
Contractual Services	4,455	2,678	1,777
Other	1,500	1,295	205
Total Health-Environmental Health Administration	683,929	680,518	3,411
Total Public Health	2,533,746	2,490,829	42,917
Transportation:			
Engineering-Daily Operations:			
Personal Services	93,340	79,613	13,727
Contractual and Services	4,354	4,334	20
Total Engineering-Daily Operations	97,694	83,947	13,747
Street-Maintenance:			
Personal Services	579,200	576,026	3,174
Materials and Supplies	335,094	333,579	1,515
Contractual Services	851,910	833,903	18,007
Other	3,552	3,000	552
Total Street-Maintenance	1,769,756	1,746,508	23,248
Total Transportation	$ 1,867,450	$ 1,830,455	$ 36,995

(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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Leisure Time Activities:			
Park Division-Park Administration:			
Personal Services	$ 1,041,112	$ 1,030,606	$ 10,506
Materials and Supplies	32,494	28,648	3,846
Contractual Services	56,977	44,721	12,256
Other	5,757	4,170	1,587
Total Park Division-Park Administration	1,136,340	1,108,145	28,195
Mayor-Baseball:			
Materials and Supplies	10,789	5,101	5,688
Contractual Services	31,071	25,886	5,185
Total Mayor-Baseball	41,860	30,987	10,873
Civic Center-Civic Center Administration:			
Personal Services	552,130	526,109	26,021
Materials and Supplies	189,223	162,276	26,947
Contractual Services	635,320	580,629	54,691
Other	13,682	13,259	423
Total Civic Center-Civic Center Administration	1,390,355	1,282,273	108,082
Total Leisure Time Activities	2,568,555	2,421,405	147,150
Debt Service:			
Principal Retirement:			
General Obligation Various Improvement Bonds	295,000	295,000	-
Total Principal Retirement	295,000	295,000	-
Interest and Fiscal Charges			
General Obligation Various Improvement Bonds	226,525	226,525	-
Total Interest and Fiscal Charges	226,525	226,525	-
Total Debt Service	521,525	521,525	-
Total Expenditures	59,931,105	58,463,051	1,468,054
Excess of Revenues Over (Under) Expenditures	(2,722,550)	(1,783,350)	939,200
Other Financing Sources (Uses)			
Sale of Fixed Assets	-	1	1
Advances In	57,000	60,547	3,547
Advances Out	(40,000)	(33,243)	6,757
Operating Transfers Out	(55,000)	(55,000)	-
Total Other Financing Sources	(38,000)	(27,695)	10,305
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,760,550)	(1,811,045)	949,505
Fund Balances Beginning of Year	4,918,031	4,918,031	-
Unexpended Prior Year Encumbrances	326,688	326,688	-
Fund Balances End of Year	$ 2,484,169	$ 3,433,674	$ 949,505

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 135,000	$ 237,442	$ 102,442
Operating Grants	13,650,000	5,725,974	(7,924,026)
Other	655,000	885,783	230,783
Total Revenues	14,440,000	6,849,199	(7,590,801)
Expenditures			
Current:			
Community Environment:			
Community Development Administration:			
Personnel Costs	1,489,333	1,198,609	290,724
Materials and Supplies	48,873	21,410	27,463
Contractual Services	2,380,794	1,662,099	718,695
Capital Outlay	829,440	373,377	456,063
Other	6,228,737	5,190,776	1,037,961
Total Community Environment	10,977,177	8,446,271	2,530,906
Debt Service:			
Principal Retirement	335,000	335,000	-
Interest and Fiscal Charges	49,271	49,271	-
Total Debt Service	384,271	384,271	-
Total Expenditures	11,361,448	8,830,542	2,530,906
Excess of Revenues Over (Under) Expenditures	3,078,552	(1,981,343)	(5,059,895)
Other Financing Sources (Uses)			
Sale of Capital Assets	-	228,338	228,338
Advances Out	(1,426,985)	(1,426,985)	-
Transfers In	1,000,000	-	(1,000,000)
Total Other Financing Sources	(426,985)	(1,198,647)	(771,662)
Excess of Revenues and Other Financing Sources (Under) Expenditures and Other Financing Uses	2,651,567	(3,179,990)	(5,831,557)
Fund Balance (Deficit) Beginning of Year	(1,224,876)	(1,224,876)	-
Unexpended Prior Year Encumbrances	806,695	806,695	-
Fund Balance (Deficit) End of Year	$ 2,233,386	$ (3,598,171)	$ (5,831,557)

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Municipal Income Tax	$ 8,954,495	$ 8,262,898	$ (691,597)
Capital Grants	-	13,982	13,982
Other	737,737	744,762	7,025
Proceeds of Loans	96,138	-	(96,138)
Total Revenues	9,788,370	9,021,642	(766,728)
Expenditures			
Capital Outlay:			
Safety Director:			
Safety Director Administration	35,000	3,842	31,158
Code Enforcement Administration	29,256	27,282	1,974
Police Department-Police Administration	100,156	99,967	189
Fire Department-Fire Administration	315,847	203,893	111,954
Traffic Divisions:			
Traffic Divisions-Engineer Administration	157,592	157,592	-
Service Director:			
General Government-Support Administration	549,808	423,657	126,151
Service Director Administration	762,360	510,464	251,896
Engineering Administration	3,198,964	1,857,259	1,341,705
Engineering - 1051 35th St. Reconstruction	3,200	-	3,200
Engineering - Steese Area Drainage Project	4,498	4,498	-
Engineering - 49th St. & Gardendale	51,501	51,501	-
Engineering - 30th St. NE Trunk Sewer & Improvement	1,682	1,682	-
Engineering - 25th St. NE Storm Sewer	74,950	74,950	-
Engineering - Midway Ave NE Improvement	175,000	175,000	-
Engineering - Tuscarawas St. Improvment	127,976	127,976	-
Engineering - 38th St Improvement	350,000	222,405	127,595
Street Administration	25,588	24,603	985
Street Paving	2,054,650	1,978,341	76,309
Civic Center Administration	222,000	220,897	1,103
Building Maintenance Administration	250,071	246,364	3,707
Health:			
Health Administration	25,018	25,000	18
Park Division:			
Park Administration	191,421	122,604	68,817
Mayor:			
Human Resources Administration	5,000	4,946	54
Youth Development Administration	8,055	4,465	3,590
Management Information Systems:			
Systems	$ 361,906	$ 297,261	$ 64,645

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Judges:			
Judge Administration	$ 67,829	$ 33,279	$ 34,550
Court-Clerks:			
Clerk of Courts Administration	30,000	29,911	89
Law Director:			
Law Administration	24,300	21,986	2,314
Auditor:			
Auditor Administration	165,047	160,447	4,600
Income Tax:			
Income Tax Administration	16,864	16,642	222
Boards and Comissions:			
Civil Services	4,000	3,132	868
Total Capital Outlay	9,389,539	7,131,846	2,257,693
Debt Service:			
Principal Retirement	1,551,941	1,551,941	-
Interest and Fiscal Charges	444,496	444,496	-
Total Debt Service	1,996,437	1,996,437	-
Total Expenditures	11,385,976	9,128,283	2,257,693
Excess of Revenues (Under) Expenditures	(1,597,606)	(106,641)	1,490,965
Other Financing Sources			
Sale of Capital Assets	373,383	373,383	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	(1,224,223)	266,742	1,490,965
Fund Balance Beginning of Year	825,140	825,140	-
Unexpended Prior Year Encumbrances	418,043	418,043	-
Fund Balance End of Year	$ 18,960	$ 1,509,925	$ 1,490,965

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Municipal Income Tax	$ 2,197,000	$ 2,135,217	$ (61,783)
Capital Grants	-	4,863	4,863
Rentals	17,460	19,035	1,575
Other	9,000	9,072	72
Total Revenues	2,223,460	2,168,187	(55,273)
Expenditures			
Capital Outlay:			
Safety Director:			
Code Enforcement Administration	130,780	106,487	24,293
Central Communication Administration	203,825	197,703	6,122
Police Department-Police Administration	559,480	551,715	7,765
Fire Department-Fire Administration	336,970	325,394	11,576
Traffic Divisions-Traffic Sign & Paint	482	-	482
Service Director:			
Engineering Administration	25,000	24,234	766
Maintenance	264,734	250,326	14,408
Motor Vehicle Administration	21,000	20,590	410
Health:			
Health Administration	54,000	46,965	7,035
Park Division:			
Park Administration	108,700	105,733	2,967
Mayor:			
Youth Development Administration	4,315	4,315	-
Management Information Systems:			
MIS Administration	16,444	16,444	-
Judges:			
Judge Administration	9,504	9,504	-
Total Capital Outlay	1,735,234	1,659,410	75,824
Debt Service:			
Principal Retirement	550,000	550,000	-
Interest and Fiscal Charges	132,493	132,493	-
Total Debt Service	682,493	682,493	-
Total Expenditures	2,417,727	2,341,903	75,824
Excess of Revenues (Under) Expenditures	(194,267)	(173,716)	20,551
Other Financing Sources			
Sale of Capital Assets	46,500	52,783	6,283
Excess of Revenues and Other Financing Sources (Under) Expenditures	(147,767)	(120,933)	26,834
Fund Balance Beginning of Year	429,626	429,626	-
Unexpended Prior Year Encumbrances	552	552	-
Fund Balance End of Year	$ 282,411	$ 309,245	$ 26,834

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 11,667,000	$ 11,812,261	$ 145,261
Capital Grants	481,100	134,300	(346,800)
Interest	-	9,616	9,616
Intergovernmental	43,500	33,167	(10,333)
Rentals	44,000	44,278	278
Other	72,300	41,041	(31,259)
Total Revenues	12,307,900	12,074,663	(233,237)
Expenses			
Personnel Costs	6,141,459	5,979,230	162,229
Material and Supplies	1,320,166	1,180,612	139,554
Contractual Services	2,271,198	2,088,600	182,598
Capital Outlay	1,092,516	1,061,571	30,945
Claims	32,000	19,636	12,364
Other	215,676	158,000	57,676
Debt Service:			
Principal Retirement	1,605,768	8,930,768	(7,325,000)
Interest and Fiscal Charges	793,303	793,303	-
Total Expenses	13,472,086	20,211,720	(6,739,634)
Excess of Revenues (Under) Expenses	(1,164,186)	(8,137,057)	(6,972,871)
Other Financing Sources (Uses)			
Sale of Capital Assets	11,200	12,750	1,550
Proceeds of Bonds	-	7,370,000	7,370,000
Bond Issue Costs	-	(53,990)	(53,990)
Bond Premium	-	8,990	8,990
Transfers Out	(35,000)	-	35,000
Total Other Financing Sources (Uses)	(23,800)	7,337,750	7,361,550
Excess of Revenues and Other Financing Sources (Under) Expenses and Other Financing (Uses)	(1,187,986)	(799,307)	388,679
Fund Equity Beginning of Year	7,167,610	7,167,610	-
Unexpended Prior Year Encumbrances	99,462	99,462	-
Fund Equity End of Year	$ 6,079,086	$ 6,467,765	$ 388,679

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 9,310,825	$ 9,705,312	$ 394,487
Rentals	14,175	14,975	800
Other	765,754	866,857	101,103
Total Revenues	10,090,754	10,587,144	496,390
Expenses			
Personnel Costs	5,651,941	4,797,888	854,053
Material and Supplies	1,150,156	680,287	469,869
Contractual Services	3,795,114	2,778,562	1,016,552
Capital Outlay	1,597,722	857,123	740,599
Claims	30,000	1,679	28,321
Other	138,050	45,210	92,840
Debt Service:			
Principal Retirement	2,071,855	2,071,855	-
Interest and Fiscal Charges	454,599	454,599	-
Total Expenses	14,889,437	11,687,203	3,202,234
Excess of Revenues (Under) Expenses	(4,798,683)	(1,100,059)	3,698,624
Other Financing Sources (Uses)			
Sale of Fixed Assets	-	1,799	1,799
Proceeds of Bonds	2,200,000	2,200,000	-
Bond Issue Costs	-	(38,924)	(38,924)
Bond Premium	-	38,924	38,924
Transfers Out	(260,000)	-	260,000
Total Other Financing Sources	1,940,000	2,201,799	261,799
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	(2,858,683)	1,101,740	3,960,423
Fund Equity Beginning of Year	7,060,531	7,060,531	-
Unexpended Prior Year Encumbrances	463,716	463,716	-
Fund Equity End of Year	$ 4,665,564	$ 8,625,987	$ 3,960,423

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 4,645,000	$ 4,192,815	$ (452,185)
Operating Grants	-	90,270	90,270
Other	-	2,112	2,112
Total Revenues	4,645,000	4,285,197	(359,803)
Expenses			
Personnel Costs	3,153,581	2,972,642	180,939
Material and Supplies	82,217	66,051	16,166
Contractual Services	1,594,655	1,571,281	23,374
Capital Outlay	196,000	13,621	182,379
Claims	12,000	2,124	9,876
Other	18,147	15,804	2,343
Total Expenses	5,056,600	4,641,523	415,077
Excess of Revenues (Under) Expenses	(411,600)	(356,326)	55,274
Other Financing Sources			
Sale of Capital Assets	-	9,705	9,705
Proceeds of Bonds	300,000	300,000	-
Bond Issue Costs	-	(5,308)	(5,308)
Bond Premium	-	5,308	5,308
Operating Transfers Out	-	-	-
Total Other Financing Sources	300,000	309,705	9,705
Excess of Revenues and Other Financing Sources (Under) Expenses	(111,600)	(46,621)	64,979
Fund Equity Beginning of Year	407,267	407,267	-
Unexpended Prior Year Encumbrances	8,078	8,078	-
Fund Equity End of Year	$ 303,745	$ 368,724	$ 64,979

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Intergovernmental	$ 2,897,000	$ 2,998,963	$ 101,963
Interest	3,000	12,535	9,535
Other	-	27,126	27,126
Total Revenues	2,900,000	3,038,624	138,624
Expenditures			
Current:			
Security of Persons and Property:			
Traffic Divisions-Traffic Engineer Administration:			
Personnel Costs	261,853	248,646	13,207
Materials and Supplies	22,058	19,036	3,022
Contractual Services	33,357	31,399	1,958
Capital Outlay	14,369	12,909	1,460
Other	1,150	650	500
Total Traffic Divisions-Traffic Engineer Administration	332,787	312,640	20,147
Traffic Divisions-Traffic Sign and Paint:			
Personnel Costs	255,901	255,883	18
Materials and Supplies	66,477	65,299	1,178
Contractual Services	81,080	73,279	7,801
Capital Outlay	1,127	1,127	-
Other	740	649	91
Total Traffic Divisions-Traffic Sign and Paint	405,325	396,237	9,088
Traffic Divisions-Traffic Signal:			
Personnel Costs	322,238	312,466	9,772
Materials and Supplies	27,155	25,509	1,646
Contractual Services	266,131	247,131	19,000
Capital Outlay	2,760	2,760	-
Other	554	384	170
Total Traffic Divisions-Traffic Signal	618,838	588,250	30,588
Total Security Persons and Property	1,356,950	1,297,127	59,823
Transportation:			
Street Maintenance:			
Personnel Costs	1,198,655	1,002,303	196,352
Materials and Supplies	98,195	95,083	3,112
Contractual Services	370,936	366,352	4,584
Capital Outlay	589	529	60
Other	14,755	14,492	263
Total Transportation	1,683,130	1,478,759	204,371
Total Expenditures	3,040,080	2,775,886	264,194
Excess of Revenues Over (Under) Expenditures	(140,080)	262,738	402,818
Fund Balance Beginning of Year	122,178	122,178	-
Unexpended Prior Year Encumbrances	29,548	29,548	-
Fund Balance End of Year	$ 11,646	$ 414,464	$ 402,818

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Intergovernmental	$ 203,000	$ 214,718	$ 11,718
Interest	500	3,384	2,884
Total Revenues	203,500	218,102	14,602
Expenditures			
Current:			
Security of Persons and Property:			
Traffic Divisions-Traffic Signal:			
Contractual Services	55,885	43,000	12,885
Transportation:			
Street Maintenance:			
Personnel Costs	115,484	95,785	19,699
Materials and Supplies	45,193	44,800	393
Contractual Services	37,074	36,933	141
Other	650	150	500
Total Transportation	198,401	177,668	20,733
Total Expenditures	254,286	220,668	33,618
Excess of Revenues (Under) Expenditures	(50,786)	(2,566)	48,220
Fund Balance Beginning of Year	46,704	46,704	-
Unexpended Prior Year Encumbrances	13,278	13,278	-
Fund Balance End of Year	$ 9,196	$ 57,416	$ 48,220

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Intergovernmental	$ 251,346	$ 208,255	$ (43,091)
Expenditures			
Current:			
Transportation:			
Engineering-Engineering Administration:			
Materials and Supplies	912,620	67,007	845,613
Excess of Revenues Over (Under) Expenditures	(661,274)	141,248	802,522
Fund Balance Beginning of Year	619,165	619,165	-
Unexpended Prior Year Encumbrances	42,109	42,109	-
Fund Balance End of Year	$ -	$ 802,522	$ 802,522

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 301,300	$ 314,767	$ 13,467
Rentals	-	1,400	1,400
Total Revenues	301,300	316,167	14,867
Expenditures			
Current:			
General Government:			
Service Director-Service Director Administration:			
Contractual Services	380,710	354,397	26,313
Security of Persons & Property:			
Safety Director-Safety Director Administration:			
Personnel Costs	77,163	26,953	50,210
Materials and Supplies	13,295	13,015	280
Contractual Services	42,818	26,412	16,406
Capital Outlay	11,457	8,389	3,068
Other	500	400	100
			-
Total Security of Persons & Property	145,233	75,169	70,064
Total Expenditures	525,943	429,566	96,377
Excess of Revenues (Under) Expenditures	(224,643)	(113,399)	111,244
Fund Balance Beginning of Year	304,430	304,430	-
Unexpended Prior Year Encumbrances	11,344	11,344	-
Fund Balance End of Year	$ 91,131	$ 202,375	$ 111,244

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Licenses, Permits and Fees	$ 259,425	$ 254,791	$ (4,634)
Operating Grants	2,896,496	2,591,406	(305,090)
Contributions and Donations	1,100	1,600	500
Other	111,645	116,083	4,438
Total Revenues	3,268,666	2,963,880	(304,786)
Expenditures			
Current:			
Public Health:			
Health Administration:			
Personnel Costs	2,075,735	1,815,910	259,825
Materials and Supplies	443,117	83,015	360,102
Contractual Services	288,071	104,416	183,655
Capital Outlay	334,435	83,030	251,405
Other	1,435,938	901,264	534,674
Total Expenditures	4,577,296	2,987,635	1,589,661
Excess of Revenues (Under) Expenditures	(1,308,630)	(23,755)	1,284,875
Other Financing Sources (Uses)			
Advances In	-	18,243	18,243
Advances Out	(45,547)	(45,547)	-
Transfers In	40,000	40,000	-
Total Other Financing Sources	(5,547)	12,696	18,243
Excess of Revenues and Other Financing Sources (Under) Expenditures and Other Financing Uses	(1,314,177)	(11,059)	1,303,118
Fund Balance Beginning of Year	1,798,467	1,798,467	-
Unexpended Prior Year Encumbrances	34,898	34,898	-
Fund Balance End of Year	$ 519,188	$ 1,822,306	$ 1,303,118

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Contributions and Donations	$ 2,500	$ 2,600	$ 100
Expenditures			
Current:			
General Government:			
Mayor Administration:			
Contractual Services	2,500	2,400	100
Excess of Revenues Over (Under) Expenditures	-	200	200
Fund Balance Beginning of Year	-	-	-
Fund Balance End of Year	$ -	$ 200	$ 200

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, 2006

	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
Court's Computer Fund
For the Year Ended December 31, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 245,975	$ 290,736	$ 44,761
Expenditures			
Current:			
General Government:			
Courts/Judge-Judge Administration:			
Personnel Costs	153,523	153,489	34
Materials and Supplies	24,926	16,907	8,019
Contractual Services	54,241	38,382	15,859
Capital Outlay	9,000	7,698	1,302
Other	1,400	278	1,122
Total Expenditures	243,090	216,754	26,336
Excess of Revenues Over Expenditures	2,885	73,982	71,097
Fund Balance Beginning of Year	47,856	47,856	-
Unexpended Prior Year Encumbrances	3,667	3,667	-
Fund Balance End of Year	$ 54,408	$ 125,505	$ 71,097

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Operating Grants	$ 80,000	$ -	$ (80,000)
Expenditures			
Current:			
Community Environment:			
Community Development Planning:			
Materials and Supplies	6,000	-	6,000
Contractual Services	53,861	-	53,861
Other	3,200	3,156	44
Total Expenditures	63,061	3,156	59,905
Excess of Revenues Over (Under) Expenditures	16,939	(3,156)	(20,095)
Fund Balance Beginning of Year	4,210	4,210	-
Unexpended Prior Year Encumbrances	6,461	6,461	-
Fund Balance End of Year	$ 27,610	$ 7,515	$ (20,095)

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Other	$ 2,976	$ 4,409	$ 1,433
Expenditures	-	-	-
Excess of Revenues Over Expenditures	2,976	4,409	1,433
Fund Balance Beginning of Year	1,385	1,385	-
Fund Balance End of Year	$ 4,361	$ 5,794	$ 1,433

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues	$ -	$ -	$ -
Expenditures	-	-	-
Excess of Revenues Over (Under) Expenditures	-	-	-
Fund Balance Beginning of Year	863	863	-
Fund Balance End of Year	$ 863	$ 863	$ -

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Capital Grants	$ 14,115	$ -	$ (14,115)
Expenditures			
Current:			
Community Environment:			
Community Development Planning:			
Capital Outlay	14,115	-	14,115
Other	74,200	74,200	-
Total Expenditures	88,315	74,200	14,115
Excess of Revenues (Under) Expenditures	(74,200)	(74,200)	-
Fund Balance Beginning of Year	60,085	60,085	-
Unexpended Prior Year Encumbrances	14,115	14,115	-
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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 239,000	$ 254,604	$ 15,604
Operating Grants	-	22,581	22,581
Total Revenues	239,000	277,185	38,185
Expenditures			
Current:			
General Government:			
Courts/Judge-Judge Administration:			
Personnel Costs	132,566	121,243	11,323
Materials and Supplies	28,213	22,178	6,035
Contractual Services	81,227	38,883	42,344
Capital Outlay	9,431	8,234	1,197
Other	42,116	10,401	31,715
Total Expenditures	293,553	200,939	92,614
Excess of Revenues Over (Under) Expenditures	(54,553)	76,246	130,799
Fund Balance Beginning of Year	51,185	51,185	-
Unexpended Prior Year Encumbrances	3,553	3,553	-
Fund Balance End of Year	$ 185	$ 130,984	$ 130,799

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 1,000	$ 608	$ (392)
Expenditures			
Current:			
General Government:			
Courts/Judge-Judge Administration:			
Contractual Services	1,505	-	1,505
Excess of Revenues Over (Under) Expenditures	(505)	608	1,113
Fund Balance Beginning of Year	1,504	1,504	-
Fund Balance End of Year	$ 999	$ 2,112	$ 1,113

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 1,000	$ 2,015	$ 1,015
Expenditures			
Current:			
General Government:			
Courts/Judge-Judge Administration:			
Materials and Supplies	3,000	2,035	965
Excess of Revenues (Under) Expenditures	(2,000)	(20)	1,980
Fund Balance Beginning of Year	2,891	2,891	-
Fund Balance End of Year	$ 891	$ 2,871	$ 1,980

City of Canton, Ohio

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

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Operating Grants	$ 7,321	$ 7,321	$ -
Expenditures			
Current:			
General Government:			
Mayor Administration:			
Contractual Services	7,321	7,321	-
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
Convention Center Feasibility Grant
For the Year Ended December 31, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Operating Grants	$ 723,975	$ 723,975	$ -
Expenditures			
Current:			
General Government:			
Mayor Administration:			
Contractual Services	723,975	-	723,975
Excess of Revenues Over (Under) Expenditures	-	723,975	723,975
Fund Balance Beginning of Year	-	-	-
Fund Balance End of Year	$ -	$ 723,975	$ 723,975

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenue			
Fines and Forfeitures	$ -	$ 104	$ 104
Rentals	16,415	19,221	2,806
Other	1,385	913	(472)
Total Revenues	17,800	20,238	2,438
Expenditures			
Current:			
Leisure Time Activities:			
Park Division - Special Parks Funds:			
Materials and Supplies	76,491	1,664	74,827
Contractual Services	9,843	2,246	7,597
Capital Outlay	273	136	137
Total Expenditures	86,607	4,046	82,561
Excess of Revenues Over (Under) Expenditures	(68,807)	16,192	84,999
Fund Balance Beginning of Year	79,250	79,250	-
Unexpended Prior Year Encumbrances	2,757	2,757	-
Fund Balance End of Year	$ 13,200	$ 98,199	$ 84,999

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Operating Grants	$ 47,000	$ 31,903	$ (15,097)
Contributions and Donations	3,270	3,500	230
Other	1,000	-	(1,000)
Total Revenues	51,270	35,403	(15,867)
Expenditures			
Current:			
General Government:			
Youth Development Administration:			
Personnel Costs	27,728	26,960	768
Materials and Supplies	22,981	21,606	1,375
Contractual Services	5,274	4,034	1,240
Other			-
Total Expenditures	55,983	52,600	3,383
Excess of Revenues (Under) Expenditures	(4,713)	(17,197)	(12,484)
Other Financing Sources (Uses)			
Advances In	15,000	15,000	-
Advances Out	(30,000)	(15,000)	15,000
Operating Transfers In	15,000	15,000	-
Total Other Financing Sources (Uses)	-	15,000	15,000
Excess of Revenues and Other Financing Sources (Under) Expenditures and Other Financing (Uses)	(4,713)	(2,197)	2,516
Fund Balance Beginning of Year	4,825	4,825	-
Unexpended Prior Year Encumbrances	755	755	-
Fund Balance End of Year	$ 867	$ 3,383	$ 2,516

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Fines and Forfeitures	$ 57,961	$ 57,961	$ -
Interest	20,113	24,619	4,506
Total Revenues	78,074	82,580	4,506
Expenditures			
Current:			
Security of Persons and Property:			
Police Administration:			
Personnel Costs	29,100	13,141	15,959
Materials and Supplies	282,305	68,989	213,316
Contractual Services	62,797	44,048	18,749
Capital Outlay	97,546	97,543	3
Other	29,434	22,796	6,638
Total Expenditures	501,182	246,517	254,665
Excess of Revenues (Under) Expenditures	(423,108)	(163,937)	259,171
Fund Balance Beginning of Year	549,070	549,070	-
Unexpended Prior Year Encumbrances	1,182	1,182	-
Fund Balance End of Year	$ 127,144	$ 386,315	$ 259,171

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Fines and Forfeitures	$ 8,500	$ 9,958	$ 1,458
Expenditures			
Current:			
Security of Persons and Property:			
Police Administration:			
Materials and Supplies	3,000	1,824	1,176
Other	3,966	3,317	649
Total Expenditures	6,966	5,141	1,825
Excess of Revenues Over Expenditures	1,534	4,817	3,283
Fund Balance Beginning of Year	6,966	6,966	-
Fund Balance End of Year	$ 8,500	$ 11,783	$ 3,283

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Fines and Forfeitures	$ 42,000	$ 47,421	$ 5,421
Expenditures			
Current:			
General Government:			
Courts/Judge-Judge Administration:			
Contractual Services	144,675	90,960	53,715
Excess of Revenues (Under) Expenditures	(102,675)	(43,539)	59,136
Fund Balance Beginning of Year	119,319	119,319	-
Unexpended Prior Year Encumbrances	14,675	14,675	-
Fund Balance End of Year	$ 31,319	$ 90,455	$ 59,136

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Fines and Forfeitures	$ 58,576	$ 58,516	$ (60)
Other	-	60	60
Total Revenues	58,576	58,576	-
Expenditures			
Current:			
Security of Persons and Property:			
Police Administration:			
Personnel Costs	3,500	2,197	1,303
Materials and Supplies	4,266	4,266	-
Contractual Services	966	709	257
Capital Outlay	125,055	125,055	-
Other	36,508	36,408	100
Total Expenditures	170,295	168,635	1,660
Excess of Revenues (Under) Expenditures	(111,719)	(110,059)	1,660
Fund Balance Beginning of Year	172,153	172,153	-
Unexpended Prior Year Encumbrances	294	294	-
Fund Balance End of Year	$ 60,728	$ 62,388	$ 1,660

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues	$ -	$ -	$ -
Expenditures	-	-	-
Excess of Revenues Over (Under) Expenditures	-	-	-
Fund Balance Beginning of Year	21,379	21,379	-
Fund Balance End of Year	$ 21,379	$ 21,379	$ -

City of Canton, Ohio

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

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Fines and Forfeitures	$ 3,000	$ -	$ (3,000)
Other	-	1	1
Total Revenues	3,000	1	(2,999)
Expenditures			
Current:			
Security of Persons and Property:			
Police Administration:			
Personnel Costs	3,659	3,659	-
Materials and Supplies	299	299	-
Contractual Services	9,314	8,910	404
Capital Outlay	1,955	1,955	-
Total Expenditures	15,227	14,823	404
Excess of Revenues (Under) Expenditures	(12,227)	(14,822)	(2,595)
Fund Balance Beginning of Year	14,822	14,822	-
Fund Balance End of Year	$ 2,595	$ -	$ (2,595)

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 218,000	$ 182,481	$ (35,519)
Other	-	18,760	18,760
Total Revenues	218,000	201,241	(16,759)
Expenditures			
Current:			
General Government:			
Courts/Judge-Judge Administration:			
Personnel Costs	220,791	188,849	31,942
Materials and Supplies	7,601	7,074	527
Contractual Services	31,791	1,291	30,500
Capital Outlay	939	540	399
Other	15,119	6,774	8,345
Total Expenditures	276,241	204,528	71,713
Excess of Revenues (Under) Expenditures	(58,241)	(3,287)	54,954
Fund Balance Beginning of Year	58,111	58,111	-
Unexpended Prior Year Encumbrances	240	240	-
Fund Balance End of Year	$ 110	$ 55,064	$ 54,954

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Operating Grants	$ 75,736	$ 75,736	$ -
Other	-	334	334
Total Revenues	75,736	76,070	334
Expenditures			
Current:			
General Government:			
Courts/Judge-Judge Administration:			
Personnel Costs	79,660	68,759	10,901
Materials and Supplies	2,450	1,787	663
Other	2,921	2,921	-
Total Expenditures	85,031	73,467	11,564
Excess of Revenues Over (Under) Expenditures	(9,295)	2,603	11,898
Fund Balance Beginning of Year	9,295	9,295	-
Fund Balance End of Year	$ -	$ 11,898	$ 11,898

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Fines and Forfeitures	$ 10,211	$ 10,211	$ -
Expenditures			
Current:			
General Government:			
Courts/Judge-Judge Administration:			
Contractual Services	4,186	3,740	446
Excess of Revenues Over Expenditures	6,025	6,471	446
Fund Balance Beginning of Year	-	-	-
Unexpended Prior Year Encumbrances	443	443	-
Fund Balance End of Year	$ 6,468	$ 6,914	$ 446

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Capital Grants	$ 116,247	$ 114,247	$ (2,000)
Interest	-	2,901	2,901
Other	1,905	1,905	-
Total Revenues	118,152	119,053	901
Expenditures			
Current:			
Security of Persons and Property:			
Police Administration:			
Materials and Supplies	500	500	-
Capital Outlay	167,531	167,488	43
Other	1,906	1,906	-
Total Expenditures	169,937	169,894	43
Excess of Revenues (Under) Expenditures	(51,785)	(50,841)	944
Fund Balance Beginning of Year	51,785	51,785	-
Fund Balance End of Year	$ -	$ 944	$ 944

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Safe Neighborhood Hero's Grant
For the Year Ended December 31, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues	$ -	$ -	$ -
Expenditures			
Current:			
Security of Persons and Property:			
Police Administration:			
Materials and Supplies	1,000	-	1,000
Excess of Revenues Over (Under) Expenditures	(1,000)	-	1,000
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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Contributions and Donations	$ 2,000	$ 2,000	$ -
Expenditures	-	-	-
Excess of Revenues Over Expenditures	2,000	2,000	-
Fund Balance Beginning of Year	-	-	-
Fund Balance End of Year	$ 2,000	$ 2,000	$ -

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Other	$ 1,000	$ -	$ (1,000)
Expenditures			
Current:			
Security of Persons and Property:			
Police Administration:			
Contractual Services	1,000	-	1,000
Excess of Revenues Over (Under) Expenditures	-	-	-
Fund Balance Beginning of Year	7	7	-
Fund Balance End of Year	$ 7	$ 7	$ -

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Other	$ 1,000	$ 1,030	$ 30
Expenditures			
Current:			
Security of Persons and Property:			
Police Administration:			
Contractual Services	4,400	1,030	3,370
Other	600	283	317
Total Expenditures	5,000	1,313	3,687
Excess of Revenues (Under) Expenditures	(4,000)	(283)	3,717
Fund Balance Beginning of Year	4,104	4,104	-
Fund Balance End of Year	$ 104	$ 3,821	$ 3,717

City of Canton, Ohio

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

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues	$ -	$ -	$ -
Expenditures			
Current:			
Security of Persons and Property:			
Fire Administration:			
Materials and Supplies			-
Contractual Services	200	183	17
Capital Outlay	8,528	-	8,528
Total Expenditures	8,728	183	8,545
Excess of Revenues (Under) Expenditures	(8,728)	(183)	8,545
Fund Balance Beginning of Year	8,728	8,728	-
Fund Balance End of Year	$ -	$ 8,545	$ 8,545

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Contributions and Donations	$ 1,000	$ 1,025	$ 25
Expenditures			
Current:			
Security of Persons and Property:			
Fire Administration:			
Materials and Supplies	2,055	-	2,055
Excess of Revenues Over (Under) Expenditures	(1,055)	1,025	2,080
Fund Balance Beginning of Year	1,055	1,055	-
Fund Balance End of Year	$ -	$ 2,080	$ 2,080

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, 2006

	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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Operating Grants	$ 3,500	$ 3,500	$ -
Expenditures			
Current:			
Security of Persons and Property:			
Fire Administration:			
Materials and Supplies	5,327	-	5,327
Excess of Revenues Over (Under) Expenditures	(1,827)	3,500	5,327
Fund Balance Beginning of Year	1,797	1,797	-
Unexpended Prior Year Encumbrances	30	30	-
Fund Balance End of Year	$ -	$ 5,327	$ 5,327

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Operating Grants	$ -	$ 479	$ 479
Contributions and Donations	2,480	2,000	(480)
Total Revenues	2,480	2,479	(1)
Expenditures			
Current:			
Security of Persons and Property:			
Fire Administration:			
Materials and Supplies	5,080	455	4,625
Excess of Revenues Over (Under) Expenditures	(2,600)	2,024	4,624
Fund Balance Beginning of Year	2,600	2,600	-
Fund Balance End of Year	$ -	$ 4,624	$ 4,624

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Capital Grants	$ 1,769,377	$ 966,451	$ (802,926)
Expenditures			
Current:			
Community Environment:			
Community Development Administration:			
Capital Outlay	1,646,012	1,198,657	447,355
Excess of Revenues Over (Under) Expenditures	123,365	(232,206)	(355,571)
Fund Balance (Deficit) Beginning of Year	(181,377)	(181,377)	-
Unexpended Prior Year Encumbrances	58,012	58,012	-
Fund Balance (Deficit) End of Year	$ -	$ (355,571)	$ (355,571)

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Interest	$ 138,644	$ 138,644	$ -
Expenditures	-	-	-
Excess of Revenues Over Expenditures	138,644	138,644	-
Fund Balance Beginning of Year	-	-	-
Fund Balance End of Year	$ 138,644	$ 138,644	$ -

City of Canton, Ohio

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

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues	$ -	$ -	$ -
Expenditures			
Capital Outlay:			
Safety Director:			
Radio Communication System Bond	6,843	5,057	1,786
Excess of Revenues (Under) Expenditures	(6,843)	(5,057)	1,786
Fund Balance Beginning of Year	6,843	6,843	-
Fund Balance End of Year	$ -	$ 1,786	$ 1,786

City of Canton, Ohio

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

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Interest	$ 365	$ 365	$ -
Expenditures			
Capital Outlay:			
Engineering Administration	13,016	13,016	-
Excess of Revenues (Under) Expenditures	(12,651)	(12,651)	-
Fund Balance Beginning of Year	12,651	12,651	-
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 City Infrastructure Bond Fund
For the Year Ended December 31, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues	$ -	$ -	$ -
Expenditures	-	-	-
Excess of Revenues Over (Under) Expenditures	-	-	-
Other Financing Sources			
Proceeds of Bonds	5,400,000	5,400,000	-
Bond Issue Costs	-	(95,541)	(95,541)
Bond Premium	-	95,541	95,541
Total Other Financing Sources	5,400,000	5,400,000	-
Excess of Revenues and Other Financing Sources Over Expenditures	5,400,000	5,400,000	-
Fund Balance Beginning of Year	-	-	-
Fund Balance End of Year	$ 5,400,000	$ 5,400,000	$ -

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues	$ -	$ -	$ -
Expenditures			
Capital Outlay:			
Safety Director:			
Traffic Divisions:			
Traffic Divisions-Engineering Administration	1,396	1,396	-
Excess of Revenues Over (Under) Expenditures	(1,396)	(1,396)	-
Fund Balance Beginning of Year	1,396	1,396	-
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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues	$ -	$ -	$ -
Expenditures	-	-	-
Excess of Revenues Over (Under) Expenditures	-	-	-
Other Financing Sources			
Proceeds of Bonds	2,000,000	2,000,000	-
Bond Issue Costs	-	(35,386)	(35,386)
Bond Premium	-	35,386	35,386
Total Other Financing Sources	2,000,000	2,000,000	-
Excess of Revenues and Other Financing Sources Over Expenditures	2,000,000	2,000,000	-
Fund Balance Beginning of Year	-	-	-
Fund Balance End of Year	$ 2,000,000	$ 2,000,000	$ -

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues	$ -	$ -	$ -
Expenditures	-	-	-
Excess of Revenues Over (Under) Expenditures	-	-	-
Other Financing Sources			
Proceeds of Bonds	5,950,000	5,950,000	-
Bond Issue Costs	-	(105,272)	(105,272)
Bond Premium	-	105,272	105,272
Total Other Financing Sources	5,950,000	5,950,000	-
Excess of Revenues and Other Financing Sources Over Expenditures	5,950,000	5,950,000	-
Fund Balance Beginning of Year	-	-	-
Fund Balance End of Year	$ 5,950,000	$ 5,950,000	$ -

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Street & Storm Sewer Project Fund
For the Year Ended December 31, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Capital Grants	$ 439,226	$ -	$ (439,226)
Other	52,622	-	(52,622)
Total Revenues	491,848	-	(491,848)
Expenditures			
Capital Outlay:			
Engineering Administration	680,342	340,485	339,857
Excess of Revenues (Under) Expenditures	(188,494)	(340,485)	(151,991)
Fund Balance Beginning of Year	25,116	25,116	-
Unexpended Prior Year Encumbrance	212,783	212,783	-
Fund Balance (Deficit) End of Year	$ 49,405	$ (102,586)	$ (151,991)

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Market Avenue Sanitary Sewer Fund
For the Year Ended December 31, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues	$ -	$ -	$ -
Expenditures			
Capital Outlay:			
Engineering Administration	30,050	-	30,050
Excess of Revenues Over (Under) Expenditures	(30,050)	-	30,050
Other Financing Sources			
Transfer In	150,000	-	(150,000)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	119,950	-	(119,950)
Fund Balance Beginning of Year	-	-	-
Fund Balance End of Year	$ 119,950	$ -	$ (119,950)

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, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Capital Grants	$ -	$ 50,000	$ 50,000
Interest	12,382	12,293	(89)
Total Revenues	12,382	62,293	49,911
Expenditures			
Capital Outlay:			
Service Director:			
Civic Center Administration	298,026	281,711	16,315
Excess of Revenues (Under) Expenditures	(285,644)	(219,418)	66,226
Fund Balance Beginning of Year	280,626	280,626	-
Unexpended Prior Year Encumbrance	15,400	15,400	-
Fund Balance End of Year	$ 10,382	$ 76,608	$ 66,226

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
Shorb & 4th Street Roadway Improvement Fund
For the Year Ended December 31, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Other	$ 60,229	$ 60,229	$ -
Expenditures			
Capital Outlay:			
Engineering Administration	61,174	61,174	-
Excess of Revenues (Under) Expenditures	(945)	(945)	-
Fund Balance Beginning of Year	945	945	-
Fund Balance End of Year	$ -	$ -	$ -

City of Canton, Ohio

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

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Capital Grants	$ 490,620	$ 480,887	$ (9,733)
Expenditures			
Capital Outlay:			
Engineering - Midway Ave NE Improvement	490,620	490,620	-
Excess of Revenues Over (Under) Expenditures	-	(9,733)	(9,733)
Fund Balance Beginning of Year	-	-	-
Fund Balance (Deficit) End of Year	$ -	$ (9,733)	$ (9,733)

City of Canton, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balances -Budget (Non-GAAP Basis) and Actual
38th Street Improvement Fund
For the Year Ended December 31, 2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Capital Grants	$ 597,920	$ -	$ (597,920)
Expenditures			
Capital Outlay:			
Engineering Administration	597,920	597,920	-
Excess of Revenues Over (Under) Expenditures	-	(597,920)	(597,920)
Fund Balance Beginning of Year	-	-	-
Fund Balance (Deficit) End of Year	$ -	$ (597,920)	$ (597,920)

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 31,2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 1,100,000	$ 1,179,533	$ 79,533
Operating Grants	-	16,800	16,800
Other	-	57,418	57,418
Total Revenues	1,100,000	1,253,751	153,751
Expenses			
Personnel Costs	61,022	59,903	1,119
Material and Supplies	5,000	1,371	3,629
Contractual Services	108,056	93,531	14,525
Claims	1,470,000	1,375,373	94,627
Other	200	150	50
Total Expenses	1,644,278	1,530,328	113,950
Excess of Revenues (Under) Expenses	(544,278)	(276,577)	267,701
Other Financing Sources (Uses)			
Advances In	2,300,000	1,426,985	(873,015)
Advances Out	(970,000)	-	970,000
Total Other Financing Sources	1,330,000	1,426,985	96,985
Excess of Revenues and Other Financing Sources Over Expenditures	785,722	1,150,408	364,686
Fund Equity Beginning of Year	2,793,623	2,793,623	-
Unexpended Prior Year Encumbrances	8,455	8,455	-
Fund Equity End of Year	$ 3,587,800	$ 3,952,486	$ 364,686

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 31,2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 9,010,950	$ 9,066,882	$ 55,932
Other	570,614	568,394	(2,220)
Total Revenues	9,581,564	9,635,276	53,712
Expenses			
Personnel Costs	88,085	86,764	1,321
Materials and Supplies	350	107	243
Contractual Services	429,198	410,640	18,558
Claims	9,600,678	8,719,658	881,020
Total Expenses	10,118,311	9,217,169	901,142
Excess of Revenues Over (Under) Expenditures	(536,747)	418,107	954,854
Fund Equity Beginning of Year	504,699	504,699	-
Unexpended Prior Year Encumbrances	828,576	828,576	-
Fund Equity End of Year	$ 796,528	$ 1,751,382	$ 954,854

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 31,2006

	Final Budget	Actual	Variance with Final Budget Over/(Under)
Revenues			
Charges for Services	$ 5,843,163	$ 5,843,163	$ -
Expenses			
Contractual Services	5,000	5,000	-
Benefit Claims Expense	3,812,000	3,346,189	465,811
Total Expenses	3,817,000	3,351,189	465,811
Excess of Revenues Over Expenses	2,026,163	2,491,974	465,811
Fund Equity Beginning of Year	1,719,258	1,719,258	-
Fund Equity End of Year	$ 3,745,421	$ 4,211,232	$ 465,811

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-S14
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 S15-S16
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 S17-S20
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; schedules presenting government-wide information on a full accrual basis include information beginning in that year.

City of Canton, Ohio

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

	2006	2005	2004	2003	2002	2001
Governmental Activities						
Invested in Capital Assets, Net of Related Debt	$ 74,603,920	$ 82,872,262	$ 83,624,341	$ 98,931,209	$ 98,983,621	$ 103,476,691
Restricted	20,993,547	25,406,034	23,251,676	23,301,757	28,310,363	28,052,229
Unrestricted	23,324,075	1,934,685	6,550,811	(3,805,301)	(596,896)	5,137,112
Total Governmental Activities Net Assets	$ 118,921,542	$ 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	$ 56,337,077	$ 58,415,826	$ 54,636,994	$ 49,682,535	$ 50,200,502	$ 49,976,166
Restricted	-	-	-	-	-	-
Unrestricted	24,712,950	23,029,865	21,479,727	24,300,177	20,809,501	18,376,297
Total Business-Type Activities Net Assets	$ 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	$ 130,940,997	$ 141,288,088	$ 138,261,335	$ 148,613,744	$ 149,184,123	$ 153,452,857
Restricted	20,993,547	25,406,034	23,251,676	23,301,757	28,310,363	28,052,229
Unrestricted	48,037,025	24,964,550	28,030,538	20,494,876	20,212,605	23,513,409
Total Primary Government Net Assets	$ 199,971,569	$ 191,658,672	$ 189,543,549	$ 192,410,377	$ 197,707,091	$ 205,018,495

City of Canton, Ohio

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

	2006	2005	2004	2003	2002	2001
Expenses						
Governmental Activities:						
General Government	$ 19,042,092	$ 18,585,104	$ 16,658,224	$ 15,454,089	$ 16,975,011	$ 18,599,976
Security of Persons and Property	33,635,452	33,732,631	31,987,242	32,018,034	32,660,736	34,573,006
Public Health	5,368,723	5,407,095	4,691,879	4,847,020	4,481,286	4,600,280
Transportation	10,159,315	14,339,105	17,253,856	18,775,982	16,821,177	17,642,325
Community Development	6,554,058	7,898,906	6,523,014	5,002,599	6,530,815	7,450,015
Leisure Time Activities	2,873,234	2,880,704	2,470,793	2,344,346	2,721,562	2,904,796
Interest on Long-Term Debt	852,785	923,542	1,140,758	1,252,757	1,416,115	1,308,012
Total Governmental Activities Expenses	78,485,659	83,767,087	80,725,766	79,694,827	81,606,702	87,078,410
Business-Type Activities:						
Water	11,243,727	9,377,995	9,801,322	9,125,850	10,815,081	10,379,206
Sewer	10,560,129	9,934,130	10,472,024	9,978,082	10,098,802	9,099,094
Refuse	4,792,409	4,481,498	4,662,221	4,339,264	4,274,006	4,308,981
Total Business-Type Activites Expenses	26,596,265	23,793,623	24,935,567	23,443,196	25,187,889	23,787,281
Total Primary Government Expenses	$ 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	$ 1,784,536	$ 2,371,411	$ 1,395,186	$ 1,558,680	$ 2,160,994	$ 1,879,504
Leisure Activities	773,910	813,852	232,984	288,023	285,019	300,007
Licenses & Permits	1,019,509	1,141,214	1,534,574	1,092,035	881,234	904,340
Municiple Court Receipts	3,008,935	2,851,322	2,533,514	2,383,706	1,808,609	1,656,428
Other Activities	5,832,267	3,818,855	6,276,902	6,124,680	5,777,392	5,435,255
Operating Grants and Contributions	8,754,801	7,142,814	7,575,379	7,317,218	6,261,103	9,971,475
Capital Grants and Contributions	761,444	1,424,710	2,527,019	865,422	1,211,848	43,518
Total Governmental Activities Program Revenues	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	11,829,857	11,494,324	11,184,797	10,943,207	10,774,701	11,372,102
Sewer	9,954,669	10,037,212	10,058,832	10,156,755	10,458,396	9,469,606
Refuse	4,287,009	4,141,408	4,158,393	4,164,018	4,219,995	4,222,788
Operating Grants and Contributions	127,712	38,115	24,830	12,809	-	-
Capital Grants and Contributions	895,234	1,083,890	1,492,713	1,466,359	1,573,931	406,770
Total Business-Type Activities Program Revenues	27,094,481	26,794,949	26,919,565	26,743,148	27,027,023	25,471,266
Total Primary Government Program Revenues	$ 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 Six Years
(accrual basis of accounting)

	2006	2005	2004	2003	2002	2001
Net (Expenses)/Revenues						
Governmental Activities	$ (56,550,257)	$ (64,202,909)	$ (58,650,208)	$ (60,065,063)	$ (63,220,503)	$ (66,887,883)
Business-Type Activities	498,216	3,001,326	1,983,998	3,299,952	1,839,134	1,683,985
Total Primary Government Net Expense	$ (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	$ 43,149,683	$ 41,779,236	$ 38,977,012	$ 38,169,084	$ 37,737,290	$ 40,095,014
Property Tax	3,602,511	3,711,731	3,209,850	3,841,736	2,380,555	4,069,952
Intergovernmental	10,005,403	9,992,527	9,222,630	8,420,742	9,845,016	10,340,160
Grants and Contributions	425,686	401,785	10,513	13,811	376,555	500,000
Interest and Investment Earnings	2,048,038	1,289,382	654,913	477,079	914,642	2,453,323
Other	4,631,537	3,814,401	1,574,453	1,593,280	2,461,050	2,709,948
Proceeds on Sale of Fixed Assets	148,468	-	-	6,182	83,122	594,847
Transfers	-	-	-	-	(420,982)	(173,084)
Total Governmental Activities	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 and Investment Earnings	17,416	10,792	7,264	7,851	10,828	294,325
Other	141,585	2,188,058	115,130	182,873	102,496	775,704
Proceeds on Sale of Fixed Assets	24,254	-	9,625	-	59,764	32,500
Transfers	-	-	-	-	420,982	173,084
Total Business-Type Activities	353,612	2,327,644	150,011	190,724	594,070	1,283,653
Total Primary Government	$ 64,364,938	$ 63,316,706	$ 53,799,382	$ 52,712,638	$ 53,971,318	$ 61,873,813
Change in Net Assets						
Governmental Activities	$ 7,461,069	$ (3,213,847)	$ (5,000,837)	$ (7,543,149)	$ (9,843,255)	$ (6,297,723)
Business-Type Activities	851,828	5,328,970	2,134,009	3,490,676	2,433,204	2,967,638
Total Primary Government	$ 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)

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
General Fund										
Reserved	$ 1,044,522	$ 1,009,423	$ 908,877	$ 750,688	$ 790,012	$ 1,265,812	$ 692,384	$ 640,874	$ 615,971	$ 494,673
Unreserved	8,067,957	9,662,068	8,292,671	8,540,085	9,306,674	12,360,556	11,304,218	4,945,953	7,185,403	4,943,369
Total General Fund	$ 9,112,479	$ 10,671,491	$ 9,201,548	$ 9,290,773	$ 10,096,686	$ 13,626,368	$ 11,996,602	$ 5,586,827	$ 7,801,374	$ 5,438,042
All Other Governmental Funds										
Reserved	$ 10,532,025	$ 8,967,059	$ 12,683,479	$ 10,820,672	$ 9,784,826	$ 15,591,292	$ 12,331,318	$ 16,549,673	$ 16,768,720	$ 10,823,939
Unreserved, reported in:										
Special Revenue Funds	1,633,424	2,111,575	2,009,268	2,206,052	2,460,107	1,870,544	(2,076,962)	4,289,279	5,521,404	953,134
Capital Projects Funds	15,670,214	2,714,187	1,260,394	2,442,560	4,029,681	4,899,720	4,049,784	3,584,711	2,732,739	2,428,521
Debt Sevice Funds	141,751	3,019	3,019	21,540	21,540	21,540	21,540	254,714	425,671	592,050
Total All Other Governmental Funds	$ 27,977,414	$ 13,795,840	$ 15,956,160	$ 15,490,824	$ 16,296,154	$ 22,383,096	$ 14,325,680	$ 24,678,377	$ 25,448,534	$ 14,797,644

City of Canton, Ohio

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

	2006	2005	2004	2003	2002
Revenues					
Property and Other Taxes	$ 3,610,790	$ 3,277,108	$ 3,365,270	$ 3,796,530	$ 1,798,881
Municipal Income Tax	43,084,333	41,602,373	39,412,489	37,675,217	37,994,777
Charges for Services	10,325,731	9,575,642	8,912,605	8,543,008	8,056,371
Licenses, Permits, and Fees	1,274,175	1,390,410	1,763,050	1,304,683	1,075,767
Fines and Forfeitures	412,659	447,482	684,146	865,628	640,344
Intergovernmental (1)	10,414,121	10,276,283	9,917,733	9,198,241	10,958,112
Interest	2,048,038	1,242,630	527,075	475,363	912,257
Operating Grants and Contributions (1)	9,108,680	8,873,767	8,418,812	6,537,512	8,073,254
Capital Grants and Contribtuions (1)	1,517,020	2,004,520	1,131,680	865,422	1,244,749
Rentals	425,220	395,741	240,364	197,605	172,880
Other	3,033,021	1,575,116	1,308,413	1,468,410	1,891,633
Total Revenues	85,253,788	80,661,072	75,681,637	70,927,619	72,819,025
Expenditures					
General Government	20,031,972	17,522,987	15,863,178	15,087,910	16,786,625
Security of Persons and Property	34,117,057	31,771,722	31,834,597	31,208,197	32,844,347
Public Health	5,513,038	5,233,094	4,834,353	4,705,880	4,406,174
Transportation	3,467,363	3,388,270	3,190,067	3,073,759	3,672,284
Community Environment	6,623,411	7,858,937	6,537,550	4,988,427	6,597,736
Leisure Time Activities	2,383,428	2,414,290	1,945,545	1,909,681	2,306,005
Capital Outlay	10,616,931	9,765,750	7,546,563	7,708,011	13,646,316
Debt Service:					
Principal	2,731,941	2,978,916	2,846,457	2,678,898	2,636,815
Interest and Fiscal Charges	852,785	923,542	1,140,758	1,252,757	1,416,115
Total Expenditures	86,337,926	81,857,508	75,739,068	72,613,520	84,312,417
Excess of Revenues Over (Under) Expenditures	(1,084,138)	(1,196,436)	(57,431)	(1,685,901)	(11,493,392)
Other Financing Sources (Uses)					
Proceeds from Sale of Capital Assets	652,505	34,849	364,314	33,955	513,021
Payment to Police and Fire Pension	-	-	-	-	-
Net Other Financing Sources (2)	-	-	-	-	-
Bond Issuance Costs	(236,199)	-	-	-	-
Bond Premiums	236,199	-	-	-	-
Issuance of Debt	13,350,000	245,611	237,935	197,266	-
Transfers In	55,000	100,783	78,377	55,000	7,113,205
Transfers Out	(55,000)	(100,783)	(78,377)	(55,000)	(5,761,399)
Total Other Financing Sources (Uses)	14,002,505	280,460	602,249	231,221	1,864,827
Net Change in Fund Balances	$ 12,918,367	$ (915,976)	$ 544,818	$ (1,454,680)	$ (9,628,565)
Debt Service as a Percentage of Noncapital Expenditures	4.73%	5.41%	5.85%	6.06%	5.74%

(1) Operating and Capital Grants were not reported separately from intergovernmental revenue until 2001

(2) This line item was not reported in more detail until 1998

(continued)

2001	2000	1999	1998	1997
$ 4,388,193	$ 2,401,232	$ 2,254,280	$ 2,422,190	$ 2,483,018
39,865,721	36,636,782	36,724,553	34,900,540	35,482,894
7,136,779	7,424,259	7,209,402	9,639,932	7,115,907
1,094,256	1,119,591	869,806	1,032,032	1,621,127
563,440	583,792	674,756	689,129	653,787
12,365,535	21,083,678	21,224,994	18,889,000	19,683,391
2,453,323	2,209,972	3,210,336	2,653,904	1,925,902
9,039,142	168,162	57,133	6,450	15,412
34,300	-	-	-	-
310,190	157,555	147,685	253,281	144,067
2,046,065	768,959	246,703	141,770	116,069
79,296,944	72,553,982	72,619,648	70,628,228	69,241,574
18,123,377	15,094,284	15,400,997	15,046,758	12,810,369
32,859,014	31,022,880	30,466,841	28,345,165	28,242,747
4,110,072	3,865,933	3,771,963	2,853,878	3,590,596
3,851,048	3,903,035	3,846,145	4,156,173	7,115,278
7,652,400	5,723,281	5,852,892	4,847,217	4,781,204
2,355,592	2,155,148	2,527,589	2,496,990	2,370,522
8,252,011	8,608,103	19,415,297	6,377,863	5,581,370
3,051,820	6,570,000	6,158,168	1,740,000	1,599,000
1,308,012	1,586,624	1,418,736	986,289	954,271
81,563,346	78,529,288	88,858,628	66,850,333	67,045,357
(2,266,402)	(5,975,306)	(16,238,980)	3,777,895	2,196,217
594,847	93,933	207,971	69,104	-
-	-	-	(6,629,117)	-
-	-	-	-	(70,366)
-	-	-	-	-
-	-	-	-	-
5,670,347	1,857,235	12,960,000	11,057,743	780,000
6,193,051	10,221,280	3,862,565	2,453,238	4,226,068
(5,367,163)	(10,221,280)	(3,862,565)	(2,453,238)	(5,179,441)
7,091,082	1,951,168	13,167,971	4,497,730	(243,739)
$ 4,824,680	$ (4,024,138)	$ (3,071,009)	$ 8,275,625	$ 1,952,478
5.95%	11.67%	10.91%	4.51%	4.15%

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
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
2000	2.00	37,753,345	31,759,298	84.12	1,796,264	4.76	3,031,718	8.03	1,166,065	3.09
1999	2.00	37,556,061	30,201,855	80.42	2,676,172	7.13	3,079,030	8.20	1,599,004	4.26
1998	2.00	36,554,256	30,171,331	82.54	2,427,078	6.64	2,750,824	7.53	1,205,023	3.30
1997	2.00	35,320,593	28,783,069	81.49	2,538,040	7.19	2,653,423	7.51	1,346,061	3.81

* = 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 2006 and 2000 (1)

Tax Year 2006

Income Range	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
Over $100,000	549	1.80 %	$ 88,801,925	12.31 %
$75,001-$100,000	878	2.88	75,126,607	10.41
$50,001-$75,000	2,685	8.81	162,263,362	22.48
$25,000-$50,000	6,711	22.01	236,871,684	32.82
Under $25,000	19,664	64.50	158,608,790	21.98
Total	30,487	100.00	$ 721,672,368	100.00

Tax Year 2000

Income Range	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
Over $100,000	513	1.58 %	$ 85,850,795	11.10 %
$75,001-$100,000	734	2.27	62,523,599	8.08
$50,001-$75,000	2,641	8.15	158,207,661	20.46
$25,000-$50,000	7,811	24.12	279,186,293	36.10
Under $25,000	20,688	63.88	187,644,599	24.26
Total	32,387	100.00	$ 773,412,947	100.00

(1) Earliest information available

City of Canton, Ohio

Ratios of Outstanding Debt by Type
Last Ten Years

	Governmental Activities				Business-Type Activities						
	General Obligation Bonds	Loans	Notes Payable	Legal Claims	General Obligation Bonds	Loans	Total Primary Government	Total Personal Income	Percent of Personal Income	Population (1)	Per Capita
2006	$ 26,865,000	$ 3,659,547	$ -	$ 177,100	$ 12,735,000	$ 16,131,342	$ 59,567,989	1,931,177,300	3.08 %	79,478	749
2005	15,710,000	4,196,488	-	204,700	12,335,000	17,663,967	50,110,155	1,863,333,800	2.69	79,478	630
2004	18,120,000	4,519,793	-	232,300	14,480,000	19,502,793	56,854,886	1,748,721,800	3.25	79,946	711
2003	20,420,000	4,828,315	-	259,900	16,555,000	20,976,695	63,039,910	1,788,760,700	3.52	80,243	786
2002	22,580,000	5,149,947	-	287,500	18,570,000	19,940,180	66,527,627	1,808,101,400	3.68	80,369	828
2001	24,700,000	5,666,762	-	390,100	20,430,000	16,435,764	67,622,626	1,820,470,050	3.71	80,604	839
2000	20,785,000	7,869,888	-	506,200	22,090,000	18,174,113	69,425,201	1,739,550,800	3.99	80,806	859
1999	22,395,000	6,948,595	4,625,000	-	23,690,000	18,319,480	75,978,075	1,664,044,250	4.57	78,582	967
1998	16,530,000	5,212,373	4,335,000	-	25,230,000	13,843,388	65,150,761	1,646,107,750	3.96	79,258	822
1997	10,745,000	10,759,907	400,000	-	15,120,000	7,447,945	44,472,852	1,571,824,600	2.83	80,069	555

(1) Source: US Census Bureau. The 2005 estimate was the most recent information available at the time of printing.

City of Canton, Ohio

Ratios of General Bonded Debt Outstanding
Last Ten Years

	General Obligation Bonds (1)	Estimated True Value of Taxable Property (2)	Ratio of Net Bonded Debt to Estimated True Value of Taxable Property	Net Bonded Debt per Capita
2006	$ 26,865,000	3,276,005,877	0.82 %	338.02
2005	15,710,000	3,253,043,207	0.48	197.66
2004	18,120,000	3,178,195,614	0.57	226.65
2003	20,420,000	2,930,018,677	0.70	254.48
2002	22,580,000	3,121,013,277	0.72	280.95
2001	24,700,000	3,026,159,601	0.82	306.44
2000	20,785,000	2,613,861,089	0.80	257.22
1999	22,395,000	2,595,700,311	0.86	284.99
1998	16,530,000	2,540,382,942	0.65	208.56
1997	10,745,000	2,235,674,045	0.48	134.20

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

(2) Source: Stark County Auditor's Office

City of Canton, Ohio

Direct and Overlapping Government Activities Debt
As of December 31, 2006

	General Obligation Debt Outstanding (1)	Percentage Applicable to City (2)	Amount Applicable to City of Canton
Direct			
City of Canton	$ 22,580,000	100.00%	$ 22,580,000
Overlapping Debt			
Stark County	-	17.80%	-
Canton City Schools	45,655,000	93.02%	42,468,281
Plain Local Schools	60,641,550	21.86%	13,256,243
Total Overlapping Debt	106,296,550		55,724,524
Total	128,876,550		78,304,524

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

	2006	2005	2004	2003	2002	2001
Overall Debt Limitation (10.5% of Assessed Valuation)	$ 106,126,404	$ 109,151,590	$ 106,935,582	$ 97,338,180	$ 102,180,167	$ 104,920,357
Net Debt Within 10.5% Limitations	21,976,356	10,710,000	12,835,000	14,841,477	22,561,477	24,681,477
Overall Legal Debt Margin Within 10.5% Limitations	$ 84,150,048	$ 98,441,590	$ 94,100,582	$ 82,496,703	$ 79,618,690	$ 80,238,880
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	20.71%	9.81%	12.00%	15.25%	22.08%	23.52%
Unvoted Debt Limitation (5.5% of Assesed Valuation)	$ 55,590,021	$ 57,174,642	$ 56,013,876	$ 50,986,666	$ 53,522,945	$ 54,958,282
Net Debt Within 5.5% Limitations	21,976,356	10,710,000	12,835,000	14,841,477	22,561,477	24,681,477
Unvoted Legal Debt Margin Within 5.5% Limitations	$ 33,613,665	$ 46,464,642	$ 43,178,876	$ 36,145,189	$ 30,961,468	$ 30,276,805
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	39.53%	18.73%	22.91%	29.11%	42.15%	44.91%

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.

2000	1999	1998	1997
$ 90,852,901	$ 90,718,553	$ 89,063,913	$ 78,371,161
20,763,460	26,765,286	20,629,329	10,152,950
$ 70,089,441	$ 63,953,267	$ 68,434,584	$ 68,218,211
22.85%	29.50%	23.16%	12.95%
$ 47,589,615	$ 47,519,242	$ 46,652,526	$ 41,051,560
20,763,460	26,765,286	20,629,329	10,152,950
$ 26,826,155	$ 20,753,956	$ 26,023,197	$ 30,898,610
43.63%	56.33%	44.22%	24.73%

City of Canton, Ohio

Computation of Legal Debt Margin
December 31, 2006

Total Assessed Property Value		$ 1,010,727,658
Overall Debt Limitation (10 1/2 % of Assessed Valuation)		$ 106,126,404
Gross Indebtedness		59,390,892
Less:	Enterprise Funds' Bonds	(12,735,000)
	Pension Refunding Bonds	(4,705,000)
	OWDA Loans	(15,928,188)
	OPWC Loan	(772,614)
	HUD Loan	(980,000)
	SIB Loan	(963,363)
	Millennium Parking Deck	(1,146,727)
	Debt. Service Fund Balance	(183,644)
Net Debt Within 10 1/2 % Limitations		21,976,356
Legal Debt Margin Within 10 1/2 % Limitations		$ 84,150,048
Unvoted Debt Limitation (5 1/2 % of Assessed Valuation)		$ 55,590,021
Gross Indebtedness		59,390,892
Less:	Enterprise Funds' Bonds	(12,735,000)
	Pension Refunding Bonds	(4,705,000)
	OWDA Loans	(15,928,188)
	OPWC Loan	(772,614)
	HUD Loan	(980,000)
	SIB Loan	(963,363)
	Millennium Parking Deck	(1,146,727)
	Debt. Service Fund Balance	(183,644)
Net Debt Within 5 1/2 % Limitations		21,976,356
Legal Debt Margin Within 5 1/2 % Limitations		$ 33,613,665

Source: Stark County, Ohio: County Auditor

City of Canton, Ohio

Demographic and Economic Statistics
Last Ten Years

	Population (1)	Total Personal Income	Per Capita Income	Unemployment Rate
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
2000	80,806	1,739,550,800	21,527	6.6
1999	78,582	1,664,044,250	21,176	7.1
1998	79,258	1,646,107,750	20,769	6.5
1997	80,069	1,571,824,600	19,631	7.6

(1) Source: US Census Bureau. The 2005 estimate was the most recent information available at the time of printing.

City of Canton, Ohio

Principal Employers

Current Year and Eight Years Ago (1)

2006

Employer	Nature of Activity	Employees	Percentage of Total City Employment
Aultman Hospital	Health Services	4,982	16.34 %
The Timken Company	Tapered roller bearings and steel	2,469	8.10
Mercy Medical Center	Health Services	2,395	7.86
Canton City School District	Education	1,983	6.50
Stark County	County government	1,843	6.05
City of Canton	Municipal government	990	3.25
Nationwide Insurance	Insurance provider	755	2.48
Fresh Mark Inc.	Meat processing	700	2.30
United States Postal Service	Federal government	638	2.09
Republic Engineered Steels, Inc.	Hot-rolled and cold finished steel bars and specialty steels	519	1.70
Total		17,274	56.67
Total Employment within the City		30,487	

1998

Employer	Nature of Activity	Employees	Percentage of Total City Employment
The Timken Company	Tapered roller bearings and steel	3,730	10.76 %
Stark County	County government	2,800	8.08
Aultman Hospital	Health Services	2,677	7.72
Mercy Medical Center	Health Services	2,600	7.50
Canton City School District	Education	1,600	4.62
City of Canton	Municipal government	1,030	2.97
Republic Engineered Steels, Inc.	Hot-rolled and cold finished steel bars and specialty steels	1,000	- 2.88
Diebold, Inc.	Bank security and systems equipment	609	1.76
American Electric Power	Electric utility	608	1.75
Fresh Mark Inc.	Meat processing	578	1.67
Total		17,232	49.71
Total Employment within the City		34,669	

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

(1) Earliest information available

City of Canton, Ohio

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

Function/Program	2006	2005	2004	2003	2002	2001	2000
Governmental Employees							
General Government	196	187	193	193	197	219	221
Security of Persons and Property	423	400	407	416	424	462	464
Public Health	51	53	50	51	53	52	53
Transportation	44	42	43	44	50	60	60
Community Development	18	20	22	23	22	25	25
Leisure Time Activities	26	28	26	23	26	36	38
Total Governmental Employees	**758**	**730**	**741**	**750**	**772**	**854**	**861**
Business-Type Employees							
Water	97	97	94	89	93	93	84
Sewer	76	76	76	75	68	70	69
Refuse	59	58	59	57	54	56	56
Total Business-Type Employees	**232**	**231**	**229**	**221**	**215**	**219**	**209**
Total Employees	*990*	*961*	*970*	*971*	*987*	*1,073*	*1,070*

Method: Part-time and seasonal employees are not included

(1) Earliest information available

City of Canton, Ohio

Capital Assets Statistics by Function/Program

Last Six Years (1)

Function/Program	2006	2005	2004	2003	2002	2001
General Government						
Departmental Vehicles	21	18	16	16	20	18
Security of Persons and Property						
Police Stations	5	5	4	3	3	3
Police Department Vehicles	124	85	87	89	110	107
Fire Stations	8	8	8	9	9	9
Fire Department Vehicles	36	32	30	30	33	32
Intersections with Traffic Lights	230	232	231	230	230	230
Traffic Department Vehicles	23	21	21	20	19	21
Public Health						
Departmental Vehicles	24	22	18	18	17	12
Transportation						
Area (in square miles)	25.30	23.94	23.94	23.29	20.99	20.99
Miles of Streets	411.39	412.19	409.50	408.96	405.79	405.39
Bridges	23	23	23	23	23	23
Miles of Storm Sewers	211.92	211.70	209.40	209.40	208.82	205.60
Departmental Vehicles	116	114	108	114	119	124
Leisure Time Activies						
Number of Parks	61	60	60	60	60	60
Park Acreage	710	700	700	700	700	700
Number of Shelters	21	21	21	21	21	21
Number of Baseball Fields	42	43	43	43	43	43
Walking Tracks	4	4	4	4	4	4
Walking Bridges	13	13	13	13	13	13
Play Equipment Sets	35	35	35	34	34	34
Restrooms	19	19	19	19	19	19
Number of Tennis Courts	8	8	8	8	7	7
Swimming Pools	1	1	1	1	1	1
Community Centers	1	1	1	1	2	2
Departmental Vehicles	47	46	43	43	45	41
Water						
Miles of Water Mains	651.36	649.58	646.27	642.32	632.34	609.63
Water Treatment Plants	3	3	3	3	3	3
Maximum Daily Capacity in Gallons	39,000,000	39,000,000	39,000,000	40,800,000	40,800,000	40,800,000
Number of Fire Hydrants	3,163	3,141	3,094	3,063	3,002	2,739
Departmental Vehicles	56	60	58	60	62	64
Sewer						
Miles of Sanitary Sewers	357.51	357.26	357.08	356.27	355.95	352.98
Sewer Treatment Plants	1	1	1	1	1	1
Maximum Daily Capacity in Gallons						
Wet Weather	67,000,000	67,000,000	67,000,000	67,000,000	67,000,000	67,000,000
Dry Weather	39,000,000	39,000,000	39,000,000	39,000,000	39,000,000	39,000,000
Departmental Vehicles	47	40	30	30	27	28
Refuse						
Departmental Vehicles	35	32	30	31	33	33

(1) Earliest information available

City of Canton, Ohio

Operating Indicators by Function/Program

Last Six Years (1)

Function/Program	2006	2005	2004	2003	2002	2001
General Government						
Auditor						
Purchase Orders Issued	6,787	6,551	6,440	6,078	6,438	7,354
Checks Issued	18,545	19,735	16,780	16,256	17,764	18,637
Payroll Checks Issued	29,844	30,401	33,796	30,424	33,008	34,149
Civil Service						
Tests Administered	18	17	13	15	15	17
Courts						
Cases Heard	34,457	30,730	29,351	31,444	32,824	32,803
Trials Held	270	256	234	234	218	222
Probation Cases	413	354	393	294	383	332
Community Service Cases	2,197	2,488	2,510	2,689	3,017	3,190
House Arrest Cases	164	292	243	489	616	351
Income Tax						
Refunds Issued	5,073	5,574	5,332	5,922	5,793	5,119
Tax Booklets Mailed	35,091	34,884	35,089	35,365	34,672	35,961
Law Department						
Claims	131	276	282	236	155	196
Trials Conducted	143	112	93	102	124	110
Pretrials Conducted	7,401	6,515	7,092	7,182	8,077	8,071
Prosecutor Hearings	297	278	411	626	643	689
Criminal Intakes	2,086	2,468	2,306	2,400	2,904	2,961
Security of Persons and Property						
Code Enforcement						
Building Permits Issued	4,715	5,506	5,415	1,469	1,450	4,393
Building Permits Estimated Value	$ 103,290,635	$ 174,606,021	$ 122,004,616	$ 104,411,163	$ 86,955,612	$ 60,784,741
Police						
Physical Arrests	4,620	4,964	4,758	4,606	4,368	3,155
Traffic Violations	8,638	5,971	7,287	5,212	7,230	7,263
Parking Violations	8,000	14,949	19,282	18,523	22,771	24,324
Fire						
Calls Answered	10,475	5,639	14,467	14,376	13,666	12,494
Inspections Conducted	728	2,380	6,070	2,758	3,191	3,302
Public Health						
Birth Certificates Issued	18,442	16,673	16,854	17,294	19,754	19,146
Death Certificates Issued	9,572	10,180	10,661	11,653	11,819	12,362
Nursing						
Home Vists	49	62	112	114	160	151
Auxiliary Vists	1,490	1,337	2,046	2,859	2,480	2,412
Air Pollution Complaints Investigated	1,999	222	339	257	384	327
Food Service Inspections	966	1,319	1,193	1,296	1,440	1,251
Solid and Infectious Waste Inspection	108	134	94	114	102	57
Environmental Hazard Inspections	1,176	1,407	1,443	1,539	1,661	1,456
Transportation						
Road Salt Expense	$ 456,317	$ 366,801	$ 496,357	$ 445,584	$ 404,192	$ 302,324

(continued)

City of Canton, Ohio

Operating Indicators by Function/Program

Last Six Years (1)

Function/Program	2006	2005	2004	2003	2002	2001
Community Development						
Redevelopment Loans	36	33	18	8	8	6
Business Sub-Grants	3	7	6	2	6	1
Leisure Time Activies						
Shelter Permits Issued	470	534	592	604	N/A	N/A
Water						
Number of Service Connections	43,961	43,777	43,285	42,878	42,495	41,404
Daily Average Consumption in Gallons	21,763,000	22,468,000	22,151,000	22,577,000	22,226,000	22,305,000
Sewer						
Number of Active Sewer Acounts	27,624	28,066	28,241	33,046	28,995	28,995
Daily Average Treatment in Gallons	30,120,000	30,760,000	33,290,000	31,460,000	26,350,000	25,956,000

(1) Earliest information available

N/A - Information is not available for these years