



Dave Yost • Auditor of State



CITY OF SIDNEY  
SHELBY COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2015 .....	1
Notes to the Schedule of Expenditures of Federal Awards .....	2
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	3
Independent Auditor's Report on Compliance with Requirements Applicable to the Major Federal Program and on Internal Control Over Compliance Required By the Uniform Guidance .....	5
Schedule of Findings.....	9

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CITY OF SIDNEY  
SHELBY COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2015

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Total Federal Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<i>Passed Through the Ohio Department of Education</i>			
Summer Food Service Program for Children	10.559	N/A	<u>\$35,499</u>
Total U.S. Department of Agriculture			<u>35,499</u>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
<i>Passed Through the Ohio Development Services Agency and Miami County Economic Development Department</i>			
Home Investment Partnerships Program	14.239	A-C-13-2DR-2	<u>153,156</u>
Total Home Investment Partnerships Program			<u>153,156</u>
<i>Passed Through the Ohio Development Services Agency</i>			
Community Development Block Grants/State's Program And Non-Entitlement Grants in Hawaii	14.228	A-C-13-2DR-1	29,461
Community Development Block Grants/State's Program And Non-Entitlement Grants in Hawaii	14.228	A-F-13-2DR-1	863
Community Development Block Grants/State's Program And Non-Entitlement Grants in Hawaii	14.228	A-F-14-2DR-1	35,108
Community Development Block Grants/State's Program And Non-Entitlement Grants in Hawaii	14.228	A-C-15-2DR-1	<u>16,123</u>
Total Community Development Block Grant/State's Program			<u>81,555</u>
Total U.S. Department of Housing and Urban Development			<u>234,711</u>
<b>U.S. DEPARTMENT OF JUSTICE</b>			
<i>Direct Program</i>			
Equitable Sharing Program	16.922	N/A	<u>213</u>
<i>Passed Through the Ohio Department of Public Safety</i>			
BulletProof Vest Partnership Program	16.607	2012-BUBX12062284	<u>734</u>
Total U.S. Department of Justice			<u>947</u>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>			
<i>Direct Program</i>			
Airport Improvement Program	20.106	3-39-0071-020-2015	<u>45,084</u>
Total Airport Improvement Program			<u>45,084</u>
<i>Passed Through the Ohio Department of Transportation</i>			
Formula Grants for Rural Areas	20.509	OH-18-X034	325,077
Formula Grants for Rural Areas	20.509	OH-18-X034	35,333
Formula Grants for Rural Areas	20.509	OH-18-X034	99,678
Formula Grants for Rural Areas	20.509	OH-18-X034	<u>400</u>
Total Formula Grants for Rural Areas			<u>460,488</u>
<i>Passed Through the Ohio Department of Transportation</i>			
Highway Planning and Construction	20.205	93853	372,038
Highway Planning and Construction	20.205	95244	<u>142,079</u>
<b>Total Highway Planning and Construction</b>			<u>514,117</u>
Total U.S. Department of Transportation			<u>1,019,689</u>
<b>U.S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES</b>			
<i>Passed Through the Area Agency on Aging, PSA 2</i>			
Special Programs for the Aging_Title III, Part B_Grants for Supportive Services and Senior Centers	93.044	N/A	<u>8,906</u>
<i>Passed Through the Centers for Medicare and Medicaid Services</i>			
Medical Assistance Program	93.778	N/A	<u>7,999</u>
Total U.S. Department of Health & Human Services			<u>16,905</u>
Total Expenditures of Federal Awards			<u><u>\$1,307,751</u></u>

The accompanying notes are an integral part of this schedule.

**CITY OF SIDNEY  
SHELBY COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
2 CFR 200.510(b)(6)  
FOR THE YEAR ENDED DECEMBER 31, 2015**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Sidney (the City's) under programs of the federal government for the year ended December 31, 2015. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in OMB Circular A-87 *Cost Principles for State, Local, and Indian Tribal Governments* (codified in 2 CFR Part 225 or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The City has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE C - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS WITHOUT CONTINUING COMPLIANCE REQUIREMENTS**

The City has a revolving loan fund (RLF) program to provide low-interest loans to businesses to create jobs for low to moderate income persons and also to lend money to eligible persons to rehabilitate homes. The federal Department of Housing and Urban Development (HUD) grants money for these loans to the City, passed through the Ohio Development Services Agency. The City has two outstanding loans in the amount of \$23,317 as of December 31, 2015. In 2015, the City receipted in \$10,920 of principal repayment of these revolving loan funds. The Schedule reports loans made and administrative costs as disbursements on the Schedule. Subsequent loans are subject to the same compliance requirements imposed by HUD as the initial loans.

These loans are collateralized by personal guarantees.

**NOTE D - MATCHING REQUIREMENTS**

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.



# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

City of Sidney  
Shelby County  
201 West Poplar Street  
Sidney, Ohio 45365

To the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sidney, Shelby County, (the City) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 29, 2016, wherein we noted the City adopted provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and also GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

***Compliance and Other Matters***

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

June 29, 2016





# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

City of Sidney  
Shelby County  
201 West Poplar Street  
Sidney, Ohio 45365

To the City Council:

### ***Report on Compliance for the Major Federal Program***

We have audited the City of Sidney's (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the City of Sidney's major federal program for the year ended December 31, 2015. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City's major federal program.

### ***Management's Responsibility***

The City's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

### ***Auditor's Responsibility***

Our responsibility is to opine on the City's compliance for the City's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the City's major program. However, our audit does not provide a legal determination of the City's compliance.

### ***Opinion on the Major Federal Program***

In our opinion, the City of Sidney complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2015.

**Report on Internal Control Over Compliance**

The City's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

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**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Sidney (the City) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated June 29, 2016. Our opinion also explained that the City adopted *Governmental Accounting Standards Board Statements No. 68 and 71* during the year. We conducted our audit to opine on the City's' basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



**Dave Yost**  
Auditor of State  
Columbus, Ohio

June 29, 2016

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**CITY OF SIDNEY  
SHELBY COUNTY**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
DECEMBER 31, 2015**

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material weaknesses in internal control reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under 2 CFR § 200.516(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	CFDA #20.205 – Highway Planning and Construction
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee under 2 CFR §200.520?	Yes

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

None

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None

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# City of Sidney Ohio



## Comprehensive Annual Financial Report

For the Year Ended  
December 31, 2015

City of Sidney, Ohio  
Comprehensive Annual Financial Report  
Year Ended December 31, 2015



Prepared by:  
Finance Department  
Ginger S. Adams, CPA, Finance Officer



**City of Sidney**  
**Comprehensive Annual Financial Report**  
**Table of Contents**  
**For the Year Ended December 31, 2015**

**Page**

**I. INTRODUCTORY SECTION**

A.	LIST OF PRINCIPAL OFFICIALS	i
B.	LETTER OF TRANSMITTAL	ii – x
C.	CITY ORGANIZATIONAL CHART	xi
D.	CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING	xii

**II. FINANCIAL SECTION**

A.	INDEPENDENT AUDITORS' REPORT	1-3
B.	MANAGEMENT'S DISCUSSION AND ANALYSIS	4-15
C.	BASIC FINANCIAL STATEMENTS	

*Government-wide Financial Statements*

	Statement of Net Position	16
	Statement of Activities	17

*Fund Statements*

	Balance Sheet – Governmental Funds	18
	Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities	19
	Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	20
	Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances of Governmental Fund to the Statement of Activities	21
	Statement of Net Position – Proprietary Funds	22
	Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds	23
	Statement of Cash Flows – Proprietary Funds	24
	Statement of Fiduciary Net Position – Fiduciary Funds	25
	Statement of Changes in Fiduciary Net Position – Fiduciary Funds	26

**City of Sidney**  
**Comprehensive Annual Financial Report**  
**Table of Contents**  
**For the Year Ended December 31, 2015**

Page

	<u><i>Notes to the Basic Financial Statements</i></u>	27-55
D.	REQUIRED SUPPLEMENTARY INFORMATION	
	Proportionate Share of the Net Pension Liability – Ohio Public Employees Retirement System	56
	Proportionate Share of the Net Pension Liability – Police & Fire Pension Fund	57
	Schedule of Ohio Public Employees Retirement System Payments– Last Nine Years	58
	Schedule of Ohio Police and Fire Pension Fund Payments – Last Nine Years	59
	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – General Fund	60
	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – Street Repair & Maintenance Fund	61
	Notes to the Required Supplementary Information	62-63
E.	SUPPLEMENTAL SECTION	
	<u><i>Fund Descriptions</i></u>	65-69
	<u><i>Combining Statements – Non-Major Funds:</i></u>	
	Combining Balance Sheet – Non-major Governmental Funds	70
	Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Governmental Funds	71
	Combining Balance Sheet – Non-major Special Revenue Funds	72-75
	Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Special Revenue Funds	76-79
	Combining Statement of Net Position – Non-major Enterprise Funds	80
	Combining Statement of Revenues, Expenses and Changes in Net Position– Non-major Enterprise Funds	81
	Combining Statement of Cash Flows – Non-major Enterprise Funds	82

**City of Sidney**  
**Comprehensive Annual Financial Report**  
**Table of Contents**  
**For the Year Ended December 31, 2015**

<u>Page</u>	
83	Combining Statement of Net Position – Internal Service Funds
84	Combining Statement of Revenues, Expenses and Changes in Net Position– Internal Service Funds
85	Combining Statement of Cash Flows – Internal Service Funds
86	Combining Statement of Net Position – Agency Funds
87	Combining Statement of Changes in Assets and Liabilities – Agency Funds
88	Combining Statement of Net Position – Private-Purpose Trust Funds
89	Combining Statement of Changes in Net Position – Private-Purpose Trust Funds
<b><u>Budget-to-Actual Schedules – General Fund</u></b>	
90-92	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control - General Fund
<b><u>Budget-to-Actual Schedules – Special Revenue Funds</u></b>	
93	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Street Repair & Maintenance Fund
94	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – State Highway Fund
94	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – County Auto License Fund
95	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Convention & Visitors’ Bureau Fund
95	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Parking Enforcement Fund

**City of Sidney**  
**Comprehensive Annual Financial Report**  
**Table of Contents**  
**For the Year Ended December 31, 2015**

	<u>Page</u>
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Drug Law Enforcement Fund	96
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Law Enforcement Fund	96
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Indigent Driver Alcohol Treatment Fund	97
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Enforcement & Education Fund	97
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – E-Share Federal Forfeiture Fund	98
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Health Department Building Lease Fund	98
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – F.E.M.A. Grant Fund	99
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Probation Grant Fund	99
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Municipal Court Special Projects Fund	100
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Indigent Driver Interlock & Alcohol Monitoring Fund	100

**City of Sidney**  
**Comprehensive Annual Financial Report**  
**Table of Contents**  
**For the Year Ended December 31, 2015**

	<u>Page</u>
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – IDAT - Surplus Fund	101
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Municipal Court Computer Fund	101
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Cemetery Fund	102
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Cemetery Maintenance Fund	102
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Mausoleum Maintenance Fund	103
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – C.D.B.G. Fund	103
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – C.D.B.G. Revolving Loan Fund	104
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – C.D.B.G. Program Income Fund	104
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – H.O.M.E. Program Income Fund	105
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Neighborhood Stabilization Program Grant Fund	105
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – E-911 Wireless Fund	106

**City of Sidney**  
**Comprehensive Annual Financial Report**  
**Table of Contents**  
**For the Year Ended December 31, 2015**

<u>Page</u>	
106	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Fire Loss Security Fund
107	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – CRA Fund
107	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – TIF-Kuther Road Fund
108	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – TIF-Menards Fund
108	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – TIF-Echo Fund
<b><u>Budget-to-Actual Schedules – Capital Projects Funds</u></b>	
109	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Capital Improvement Fund
110	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Municipal Earned Income Tax for Street Capital Fund
110	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Brookside Park Fund
<b>III STATISTICAL SECTION</b>	
112	Narrative overview
113	Schedule 1 – Net Position by Category – Last Ten Fiscal Years
114-115	Schedule 2 – Changes in Net Position – Last Ten Fiscal Years
116	Schedule 3 – Fund Balances, Governmental Funds – Last Ten Fiscal Years
117	Schedule 4 – Changes in Fund Balances, Governmental Funds –

**City of Sidney**  
**Comprehensive Annual Financial Report**  
**Table of Contents**  
**For the Year Ended December 31, 2015**

	<u>Page</u>
Last Ten Fiscal Years	
Schedule 5 – Income Tax by Payer Type and Income Tax Rate – Last Ten Fiscal Years	118
Schedule 6 – Ranking of Top Ten Income Tax Withholders, Current Year and Nine Years Ago	119
Schedule 7 – Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	120
Schedule 8 – Ratios of Outstanding Debt and Legal Debt Margins – Last Ten Fiscal Years	121
Schedule 9 – Computation of Direct and Overlapping General Obligation Debt – December 31, 2015	122
Schedule 10 – Demographic and Economic Statistics – Last Ten Fiscal Years	123
Schedule 11 – Principal Employers – Current Year and Nine Years Ago	124
Schedule 12 – Full-Time Equivalent City Government Employees by Function – Last Ten Fiscal Years	125
Schedule 13 – Operating Indicators by Function / Program – Last Ten Fiscal Years	126
Schedule 14 – Capital Asset and Infrastructure Statistics by Function / Program – Last Ten Fiscal Years	127

**CITY OF SIDNEY, OHIO  
LIST OF PRINCIPAL OFFICIALS  
DECEMBER 31, 2015**

**CITY COUNCIL MEMBERS**

Michael Barhorst, Mayor

Martha Milligan, Vice-Mayor

Janet Born

Edward Hamaker

Joe Ratermann

Darryl Thurber

Steve Wagner

**CITY MANAGER**

Mark S. Cundiff

**LAW DIRECTOR**

Jeffrey Amick

**CITY CLERK**

Kari Egbert

**SENIOR DIRECTORS**

Gary Clough	Assistant City Manager/Public Works Director
Ginger Adams, CPA	Finance Officer
William Balling	Police Chief
Barbara Dulworth	Community Services Director
Duane Gaier	Parks & Recreation Director
Bradley Jones	Fire Chief





## **City of Sidney**

### **Letter of Transmittal for 2015 Comprehensive Annual Financial Report**

June 29, 2016

Honorable Mayor, Members of City Council and Citizens of the Sidney, Ohio:

The Comprehensive Annual Financial Report (CAFR) of the City of Sidney, Ohio for the year ended December 31, 2015, is hereby submitted for your review.

Ohio law requires that cities file their annual financial reports with the Ohio Auditor of State's office. Additionally, the Ohio Administrative Code requires that those reports be prepared pursuant to generally accepted accounting principles. The preparation of this CAFR represents the commitment of the City of Sidney to adhere to nationally recognized standards of excellence in financial reporting.

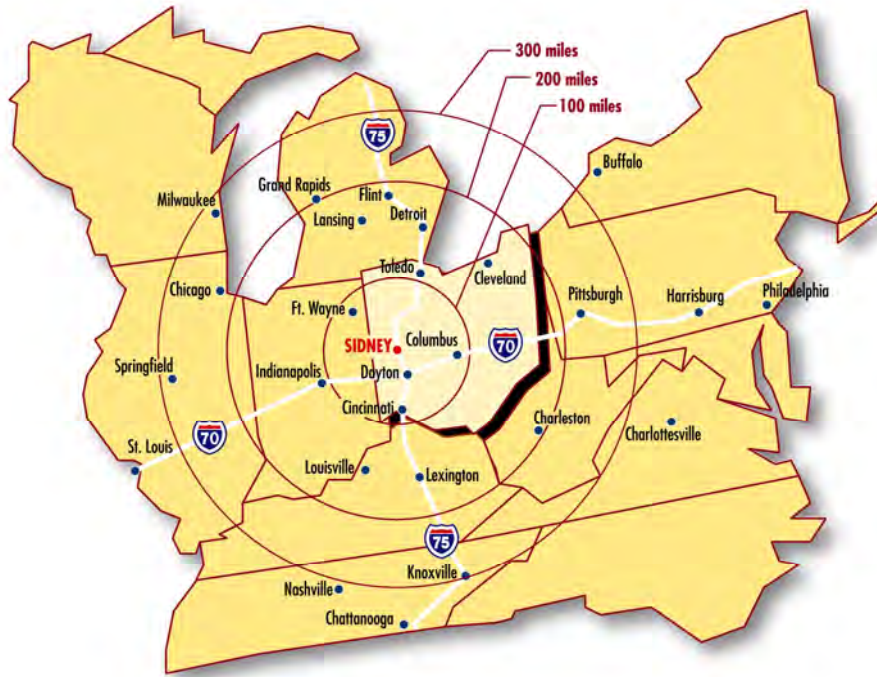
City of Sidney staff prepared all statements, schedules, and other presentations in this report. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal control established for this purpose. Since the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

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

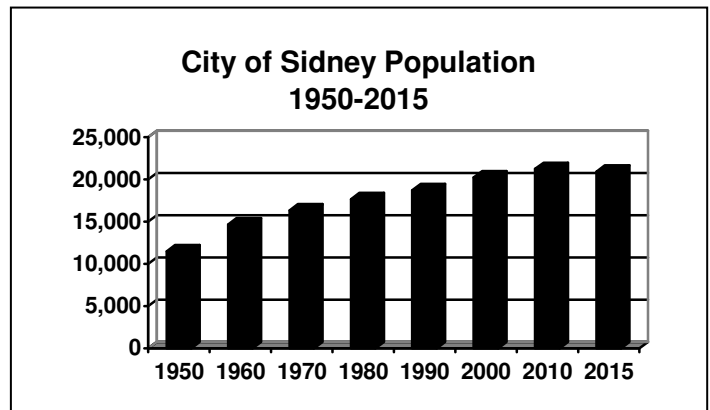
The Ohio Auditor of State audited the basic financial statements of the City of Sidney that are included in this report. The financial statements have received an unmodified ("clean") opinion. The independent auditor's report is located at the front of the financial section of this report. The audit was designed to meet the requirements of the Federal Single Audit Act and the related Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The auditors' report on internal controls and compliance with applicable laws and regulations can be found in a separately issued single audit report.

## PROFILE OF THE CITY

The City of Sidney is a progressive, growing community located on Interstate 75 in west central Ohio, approximately 37 miles north of Dayton, 85 miles west of Columbus, 100 miles south of Toledo, and 120 miles east of Indianapolis. The City is serviced by Interstate 75 and State Routes 29 and 47, as well as CSX and Conrail railroads. The City of Sidney is the county seat of Shelby County and is the only city within the county.



The City's population growth trend averaged 14.1% per decade from 1950 to 2010. The 2010 Census reported a total population of 21,229, an increase of 5.0% over the 2000 census. The population estimate for 2015 is 20,905 which equates to a 1.5% decrease in population over the last 5 years.



### Municipal Services and Facilities

Sidney is a total service community providing a broad range of services for the citizens of the community, including: police and fire protection; emergency medical / ambulance services; water treatment and distribution; sanitary sewer and waste water treatment services; storm water monitoring and management; street construction and maintenance; refuse / garbage collection and disposal; parks and recreation facilities and programs; operation and maintenance of a municipal

cemetery; operation and maintenance of a municipal airport; and operation and maintenance of a county-wide transit system.

### **Governmental Organization**

In 1954, the voters of Sidney adopted a charter and approved a council-manager form of government. Accordingly, the City may exercise all powers of local self-government under the Ohio Constitution to the extent not in conflict with applicable general laws of the State. This form of “home rule” provides a great measure of local administrative and legislative control and efficiencies while maintaining direct participation by the residents of the community.

The legislative authority of the City is vested in a seven-member Council. Three members are elected at large and four represent specific wards of the City. Council members are elected to over-lapping four-year terms. The Council enacts legislation to provide for City services, adopts budgets, levies taxes, borrows money, licenses and regulates businesses and trades, and performs such other duties consistent with the Charter. The presiding officer of the Council is the Mayor, who is a member of Council. The Mayor is elected to that position by a vote of the Council members. Council positions, including the Mayor, are part-time positions. The chief executive and administrative officer of the City is the City Manager, who is appointed for an indefinite term and serves at the pleasure of Council.

### **Budgetary Controls**

City Council adopts an annual budget for all funds and approves subsequent amendments to that budget as needed. The annual budget serves as the foundation for the City’s financial control. The “legal level of control” is the level of detail as approved by Council in its appropriation ordinances. Total expenditures and encumbrances cannot exceed the amount approved by Council at the legal level of control. Legal level of control for the City of Sidney is based on object of expenditure for each department as follows: 1) Personal Services and 2) Contractual, Materials and Other.

As a budgetary control, a purchasing control system is maintained which generally requires that an applicable appropriation be encumbered, or reserved, before a purchase may be made or a contract executed.

## **ECONOMIC CONDITIONS AND OUTLOOK**

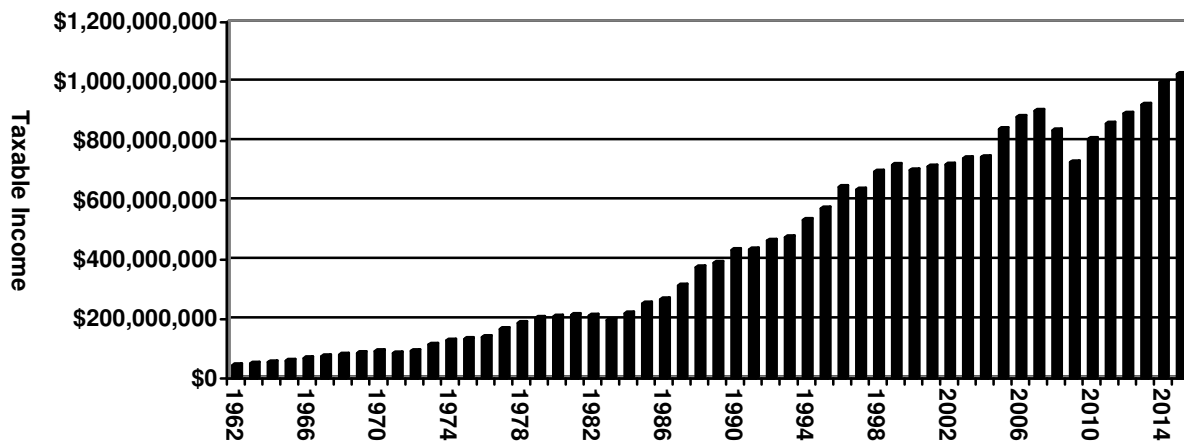
### **Economic Environment - Historically**

Sidney’s history as a strong industrial center is rooted in its strategic location. The construction of the Miami-Erie Canal between 1825 and 1837 connected Sidney with the major trade centers in Ohio to the north and south. The need for labor to construct the canals provided an influx of settlers to the area. The opening of the canal in 1837 brought an increase in regional trade and the first significant period of economic growth in Sidney. As the influence of the canal declined, railroads emerged. East-west rail began to be laid in Sidney in 1851, followed by north-south rail in 1856. The rail system offered a more rapid and economical means of transport for goods and passengers, further enhancing growth in Sidney. Sidney is still served by these railroad lines today. The construction of I-75 through Sidney in 1962 was another major event in the City’s development. Creating a transportation link between Michigan and Florida, the interstate sparked an inflow of automobile-related factories, as well as warehouse and distribution

facilities. Today, Sidney has four interchanges on Interstate 75, providing quick and convenient access for both commercial and industrial users.

The local economy grew at a robust pace from 1962 through 1999, reflected by an average growth rate in the City of Sidney income tax base of 8.0% per year. Even though the growth rate slowed somewhat over the years, it still averaged 6.6% growth per year from 1990 through 1999.

## City of Sidney Income Tax Taxable Income 1962-2015



From 1999 through 2004, the City experienced an economic slowdown. There was a “bounce back” year of considerable growth in 2005 with an increase in taxable income of 12.7%. The most recent national recession resulted in the loss of nearly 20% of the City’s tax base from 2007 to 2009. Average annual growth for the decade ended December 31, 2009 was 0.35%.

With average annual growth of 5.91% since 2009, the City’s income tax base steadily returned to pre-recession levels by 2013. This recovery has been fueled in large part by growth in the taxable net profits of the City’s businesses, while the growth in taxes withheld from Sidney’s employees has been modest. Since 2009, the average annual increase in taxable net profits of Sidney’s businesses has been nearly 21%, with the average annual increase in taxes withheld from employees being almost 2.72%.

### **2015 Economic Activity and Outlook for the Future**

Sidney is a City with fundamental strengths – interstate highway location, a large and diverse industrial foundation, stable political environment, long-term close relationship between City government and the private sector, developable land, and capacity to provide services as the City grows.

The City of Sidney has a strong industrial base that is diversified and not dependent upon one sector of the economy. The ten largest employers operating within the City in 2015 were:

<u>Employer</u>	<u>Primary Business</u>	<u>Ave. no. of employees</u>
Emerson Climate Technologies	Air compressor manufacturing	1,635
Wilson Memorial Hospital	Acute care facility	734
NK Parts Industries	Test, assemble, and ship auto parts	514
Cargill, Inc.	Soybean refining, meal & oil	452
Sidney Board of Education	Public education	394
Freshway Foods	Processor of fresh foods	392
American Trim	Auto and appliance stampings	350
Area Energy & Electric Inc.	Electrical, heating and plumbing services	340
Advanced Composites	Plastic supplier to automotive industry	323
Ross Casting & Innovation, LLC	Producer of aluminum castings	294

*Source: West Ohio Development Council*

In addition, a Honda of America Mfg., Inc. auto engine plant with approximately 2,600 employees is located just eight miles outside of the City. It is Honda's largest engine plant in the world and significantly benefits the City's industrial, commercial, residential and income tax bases. In 2015, Honda invested \$340 million in this plant to produce a new line of engines. This expansion included adding a third assembly line.

To encourage further economic growth, the City has reserved vacant acreage considered choice industrial sites in an Industrial Zoning Classification. These sites generally have all utilities within connection distance.

According to Labor Department statistics, Shelby County realizes a net gain of 5,755 workers on a daily basis. While Sidney and Shelby County import a significant portion of their workers, surrounding counties export workers. Miami County sustains a net loss of 5,822 workers per day, Darke County loses 5,170 workers, and Auglaize County loses a net 2,991 workers each day.

In order to fund both multi-million dollar wastewater plant and sewer system capital and operating upgrades required by the Ohio Environmental Protection Agency (Ohio EPA) and the acquisition and construction of a new water source, significant utility rate increases were implemented in 2013 through 2015. Such increases contributed to Sidney's combined water and sewer charges dropping from 5<sup>th</sup> lowest in a City of Oakwood survey of 63 area communities in 2012 to 52<sup>nd</sup> in that same survey for 2015. Since many area communities are likely to experience the same regulatory burden and mandated cost outlays in upcoming years, it is anticipated that once those cities raise their rates to comply, Sidney's rates will once again rank lower compared to peer communities.

Looking at a more comprehensive cost comparison, the City of Sidney ranks as a low cost city. A 2013 City of Troy survey that rated certain Quality of Life Costs in Southwest Ohio communities, Sidney ranked the lowest cost out of 31 area cities. "Quality of Life Costs" ranked in this survey included such expenses as household property & income taxes; refuse, storm water and license plate fee; and water and sewer costs. Tipp City conducted a similar study in 2009 and Sidney ranked the lowest cost city when compared to 27 area cities. Most recently, in 2015, the City of Piqua conducted a Municipal Cost Comparison, adding electric charges as one of the

variables. Sidney ranked as the 29<sup>th</sup> lowest cost of the 31 cities Piqua surveyed. To achieve such a favorable outcome in light of the City's recent utility rate increases speaks favorably for the City of Sidney's economic environment.

Another factor that contributes to the growth and stability in Sidney is a spirit of cooperation between the public and private sectors. The Sidney-Shelby Economic Partnership (SSEP) (formerly West Ohio Development Council) is a non-profit corporation organized to create more employment opportunities and retain the existing employment base in the Sidney and Shelby County area.

The City works to promote and encourage economic development. The City makes available a Municipal Job Creation Income Tax Credit program. Where appropriate, the City utilizes tax increment financing (TIF) as an economic development tool to help grow our community. The City's first TIF arrangement, entered into during 2006, opened up approximately 43 acres on the west end of the City for commercial development. The TIF arrangement is an economic development tool that, in this case, financed the elimination of the sewer pump station at the corner of Vandemark Road and Fair Road and the construction of a 24" extension of the Southwest Sanitary Sewer Interceptor. In 2007, the City arranged its second TIF arrangement to finance the construction of water and sewer infrastructure that not only allowed an area manufacturer to relocate its operations within the City, but also opened up an additional 290 acres for possible future industrial development. In 2009, another TIF arrangement was approved to finance future construction of public infrastructure to serve the Echo Business Center subdivision located on Vandemark Road.

Another economic development tool utilized by Sidney where appropriate is the creation of Community Reinvestment Act (CRA) areas and related CRA tax abatements. The most recent example of that is a ten-year 90% CRA property tax abatement awarded to a property owner who invested approximately \$4.8 million constructing a new hotel.

### **Focuses on Long –Term Planning and Financial Policies**

The City Council and staff of the City of Sidney are committed to making financial decisions based on a long-term perspective and rooted in sound financial policies. City Council has adopted a comprehensive set of financial policies covering subjects such as fund balance reserves, debt, user charge coverage, and budget-balancing strategies. Council and staff review these policies each year. Those policies act as guardrails around the decisions made by staff and Council. One very important such policy is that the City will maintain a long-term focus in its financial planning activities. Toward that end, City Council adopts an annual update to a five-year capital and operating financial plan.

The product of the five-year plan is a set of strategies for maintaining financial stability and compliance with our financial policies. The City has used this planning process to make early identification of financial trends and timely implementation of financial strategies to counteract the impact of recent economic difficulties. Due to recent economic conditions, the City has begun to update the five-year financial plan more often than annually in order to make mid-year budget adjustments as necessary. The goal is to make timely expenditure reductions as necessary to maintain fiscal stability for now and the future.

## **Major Initiatives**

### **For the Year and the Future:**

- The year 2015 marks the first year collecting an additional 0.25% income tax dedicated to constructing, reconstructing, resurfacing and maintaining Sidney's streets, alleys, bridges, curbs and gutters. Partial year collections totaled \$2.2 million. Over the five-year levy, this tax should generate at least \$17.5 million. Over \$1.0 million was spent in 2015 with another \$2.7 million budgeted for 2016 road and bridge projects.
- Income tax collections in 2015 of the City's permanent 1.5% income tax surpassed pre-recession levels by \$1.8 million. This helped fill the void created when State legislators reduced Local Government Fund distributions by 50%, eliminated estate taxes and withdrew tangible personal property reimbursement, cutting Sidney funding by \$1.3 million annually. In 2015, the total of all other sources of General Fund revenue was \$5.4 million, a decline of \$1.5 million when compared to pre-recession revenue.
- In late 2014, State legislators approved legislation to require greater uniformity in local income tax laws. Changes to State law in 2003 mandated that municipalities achieve uniformity in a number of key municipal income taxation provisions including the definition of taxable wages, due dates, appeals processes, and apportionment of business profits. There remained a few areas in which there is a lack of uniformity. Unfortunately, state legislation, as approved, also includes provisions to change what is uniform among municipalities in order to reduce taxes paid to municipalities. Current estimates place the reduction in Sidney's income tax collections at approximately \$95,000 per year when provisions of the new legislation are enacted in 2016.
- Given the uncertainty of future income tax levels and the reduction/elimination of other sources of General Fund revenues, the City continues to maintain the reduced workforce achieved primarily through attrition and targeted reductions. Staffing is at 211 full-time equivalents (FTEs) in 2015 down from 243 FTE's in 2008.
- To provide funding for water system capital improvements, water flow rates were increased 29% in 2014 and 15% in 2015. This 2015 increase represented the final year of larger-than-normal water rate increases designed to pay the debt service on several significant water source projects. The most extensive of the projects is the acquisition and construction of a new water source, initially proposed in 2005. With final construction expected to cost \$24.5 million, the City in late 2015 received a 30-year, 3.3% loan from the Ohio Water Development Authority to finance this portion.
- Wastewater treatment plant and sewer collection system improvements, now estimated to cost \$20 million over a multi-year period, have been designed to achieve compliance with Ohio Environmental Protection Agency (OEPA) regulations. In 2015, the City received a 20-year, 2.18% loan from the Ohio Water Pollution Control Loan Fund to finance this project.
- Begun in 2014, a multi-year project to make traffic safety improvements to State Route 47 continues. Starting construction in 2016, phase II of the project, expected to cost approximately \$1.5 million, would provide driveway and traffic signal upgrades from

Vandemark Road to Walnut Avenue and include realignment of the Wayfarer/Folkerth/State Route 47 intersection. Net cost to the City for this portion of the project is expected to be about \$150,000 after receiving a 90% ODOT Safety Grant.

- During 2015 the reconstruction of Port Jefferson Road from Russell Road to Wells Drive was nearly completed costing nearly \$1.8 million. Grant funding reduced the City's Capital Improvement Fund share to about \$140,000. Replacement of sanitary sewer and laterals was completed at an anticipated cost of \$260,000 paid for from the Sewer Improvement Fund.
- The Michigan Street Bridge over CSX railroad is expected to be replaced in 2016 permitting fully loaded trucks, buses and large fire equipment to pass. The City was awarded ODOT Bridge Replacement Program funds to pay for almost \$878,000 of the \$1.1 million estimated cost.
- The City's lime lagoon, constructed in 1978, has exceeded its designed life span of 16 years. Construction of the service lime lagoon is expected to be completed in 2016 at a cost of about \$525,000. Following that, the sludge in the primary lagoon will be removed and repairs made to the lagoon at a projected cost of \$6.1 million, financed by issuing debt.
- Standard & Poor's acknowledged the City's "strong financial management policies" and upgraded the City's bond rating to AA in 2009. Standard & Poor's reaffirmed that rating in 2010, 2011, 2013 and again in 2014. City staff and Council are committed to making the financial adjustments necessary to maintain the strong financial position of the City.

## AWARDS

*Certificate of Achievement for Excellence in Financial Reporting.* The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Sidney for its comprehensive annual financial report for the fiscal year ended December 31, 2014. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for one year only. The City of Sidney has received the Certificate of Achievement for seventeen consecutive years. We believe that this comprehensive annual financial report for the year ended December 31, 2015 continues to meet the Certificate of Achievement Program's requirements and we will submit it to the GFOA to determine its eligibility for another certificate.

*Distinguished Budget Presentation Award.* The City received the GFOA's Distinguished Budget Presentation Award for its annual budget document for 2015, the seventeenth consecutive year the City has received this award. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.



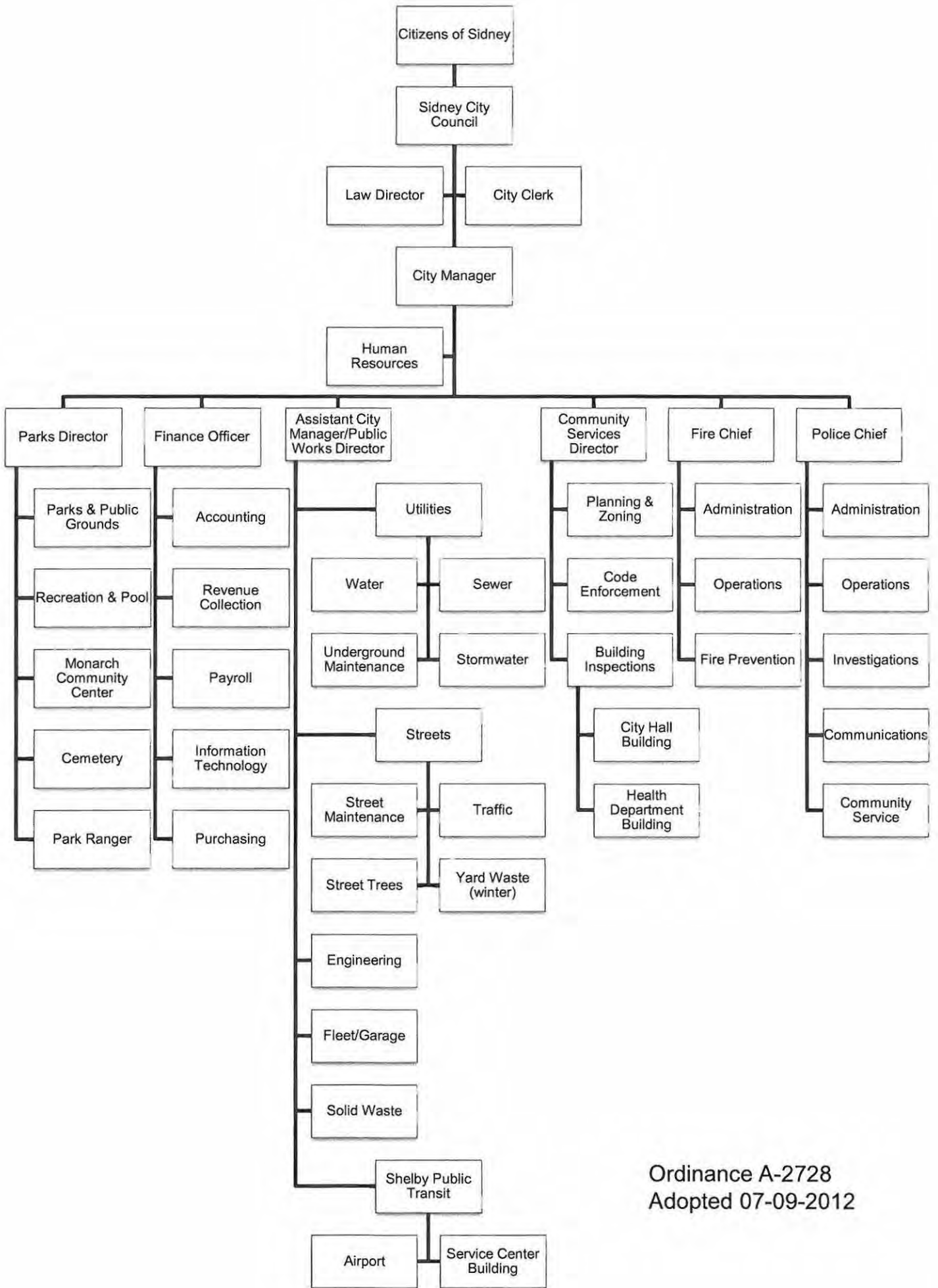
## **ACKNOWLEDGEMENTS**

The preparation of this report was made possible by the efforts of the Finance Department staff, including Jennifer Wagner, Accountant, and Lori Rittenhouse, Account Clerk. Special recognition is extended to Assistant Finance Officer Renee DuLaney, CPA, for her skillful preparation of the financial statements. Our sincere appreciation is extended to all members of the City of Sidney staff, whose efforts have made this report possible.

Finally, special thanks are extended to Mayor Michael Barhorst and all City Council members whose support enables the City of Sidney to strive for excellence in its financial reporting and to maintain high standards of financial integrity.

Respectfully submitted,

Ginger S. Adams, CPA  
Finance Officer



Ordinance A-2728  
 Adopted 07-09-2012



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Sidney  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2014**

Executive Director/CEO



FINANCIAL SECTION



# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

City of Sidney  
Shelby County  
201 West Poplar Street  
Sidney, Ohio 45365

To the City Council:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sidney, Shelby County, Ohio (the City), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sidney, Shelby County, Ohio, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As discussed in Note 18 to the financial statements, during the year ended December 31, 2015, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and also GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. We did not modify our opinion regarding this matter.

### **Other Matters**

#### *Required Supplementary Information*

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

#### *Supplementary and Other Information*

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

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

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

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2016, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

June 29, 2016

**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

The management of the City of Sidney provides the following information as an introduction, overview and analysis of the City's financial statements for the year ended December 31, 2015. Readers should also review the basic financial statements on pages 16 – 26 to further enhance their understanding of the City's financial performance.

**Using this Annual Financial Report**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can first understand the City of Sidney as a financial whole. The statements then proceed to provide an increasingly detailed look at specific financial information.

The Statement of Net Position and Statement of Activities (referred to collectively as the government-wide statements) provide information about the activities as an entire operating entity, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major fund statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The proprietary funds' statements are prepared on the same basis as the government-wide statements.

**Reporting on the City of Sidney as a Whole**

***Statement of Net Position and Statement of Activities***

These government-wide statements answer the question, "How did the City as a whole do financially during 2015?" They are prepared on the accrual basis of accounting, much the same way as for a private enterprise. This basis of accounting includes all assets and liabilities and takes into account all of the reporting year's revenues and expenses regardless of when the cash was received or paid.

- *The Statement of Net Position.* This statement (page 16) reports all assets and liabilities of the City as of December 31, 2015. The difference between total assets and total liabilities is reported as "net position". Over time, increases in net position generally indicate an improvement in financial position while decreases may indicate a deterioration of financial position.
- *The Statement of Activities.* This statement (page 17) serves the purpose of the traditional income statement. It provides consolidated reporting of the results of all activities of the City for the year ended December 31, 2015. Changes in net position are recorded in the period in which the underlying event takes place, which may differ from the period in which cash is received or disbursed. The Statement of Activities displays the expense of the City's various programs net of related revenues, as well as a separate presentation of revenues available for general purposes.

Both of the government-wide statements distinguish functions of the City of Sidney that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, police, fire, judicial, street repair and maintenance, community development and parks. The business-type activities of the City include water, sewer, solid and yard waste collection, stormwater, public transportation, airport, and swimming pool.

**Reporting on the City of Sidney's Most Significant Funds**

***Fund financial statements***

These statements provide financial position and results of the City's major funds. A fund is an accounting entity created to account for a specific activity or purpose. Major funds of the City of Sidney are the General Fund, Street Repair & Maintenance Fund, Capital Improvement Fund, Municipal Earned Income Tax for Street Capital Fund, Water Fund, Sewer Fund, and Stormwater Fund. The creation of some funds is mandated by law and others are created by management to demonstrate financial compliance with



**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

budgetary or legal requirements. Funds are classified into three broad categories: governmental funds, proprietary funds, and fiduciary funds.

- *Governmental funds.* Governmental funds are used to account for “governmental-type” activities. Unlike the government-wide financial statements, governmental fund statements use a “flow of financial resources” measurement focus. That is to say, the operating statement of a governmental fund attempts to answer the question “Are there more or less resources that can be spent in the near future as a result of events and transactions of the reporting period?” Increases in spendable resources are reported in the operating statement as “revenues” or “other financing sources.” Decreases in spendable resources are reported as “expenditures” or “other financing uses.” We describe the differences between governmental funds and governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) in reconciliations presented beside the governmental fund financial statements on pages 19 and 21.

The City of Sidney maintains 35 separate governmental funds. The governmental fund financial statements on pages 18 and 20 separately display the governmental funds considered to be major funds. All other governmental funds - the “non-major” funds - are combined into a single column. Detailed financial data for each of the non-major governmental funds is provided in combining statements in the supplementary information section of this report.

- *Proprietary funds.* There are two types of proprietary funds: enterprise funds and internal service funds.
  - Enterprise funds – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises for which either 1) the intent is that the costs (expenses, including depreciation) be recovered primarily through user charges, or 2) determination of net income is appropriate for management control, accountability or other purposes.

The City of Sidney’s Water Fund, Sewer Fund, and Stormwater Fund are all considered to be major funds and are displayed separately in the proprietary fund statements on pages 22 through 24. The City has six other proprietary funds, the activities of which are combined into one column for non-major funds.

- Internal service funds – Often, governments wish to allocate the cost of providing certain centralized services (e.g., fleet maintenance, revenue collections, information technology) to the other departments of the government entity that use the services. An internal service fund is the appropriate accounting mechanism when it is the intent of the government to recover the full cost of providing the service through user charges to other departments.

The City of Sidney’s five internal service funds are combined into a single column in the proprietary fund financial statements. Detailed financial data for those funds can be found in the combining statements in the supplementary information section of this report.

- *Fiduciary funds.* Fiduciary funds are used to account for resources held for the benefit of parties outside the City government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City’s own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Of the City of Sidney’s seven fiduciary funds, four are agency funds and three are private-purpose trust funds. The agency funds are combined and shown as a single column as well as private-purpose trust funds are combined into a single column in the fiduciary statement of net position, on page 25 of this report. The statement of changes in fiduciary net position reported on page 26 includes the private-

**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

purpose trust funds reported in a single column. Detailed financial data for the agency funds can be found in the combining statements in the supplementary information section of this report.

**Other Information**

***Notes to the basic financial statements.***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 27 – 55 of this report.

***Required supplementary information.***

In addition to the basic financial statements and notes, this report also contains required supplementary information (RSI). Included in the RSI is the proportionate share of net pension liability and schedule of pension payment amounts. RSI also contains the budgetary schedules for the General Fund and major special revenue funds. This data is on pages 56 to 63 of this report.

**The City of Sidney as a Whole**

The following table presents condensed information on net position as of December 31, 2015 and 2014.

	<b>Net Position</b>					
	<b>December 31, 2015 and 2014</b>					
	<b><u>Governmental Activities</u></b>		<b><u>Business-Type Activities</u></b>		<b><u>Total</u></b>	
	<b><u>2015</u></b>	<b><u>2014, as restated</u></b>	<b><u>2015</u></b>	<b><u>2014, as restated</u></b>	<b><u>2015</u></b>	<b><u>2014, as restated</u></b>
<b><u>Assets:</u></b>						
Current and other assets	\$ 24,196,552	\$ 21,801,226	\$ 17,045,305	\$ 14,365,681	\$ 41,241,857	\$ 36,166,907
Capital assets	<u>53,742,629</u>	<u>52,436,926</u>	<u>51,606,043</u>	<u>49,595,914</u>	<u>105,348,672</u>	<u>102,032,840</u>
Total assets	<u>77,939,181</u>	<u>74,238,152</u>	<u>68,651,348</u>	<u>63,961,595</u>	<u>146,590,529</u>	<u>138,199,747</u>
Deferred outflows	<u>2,208,422</u>	<u>1,765,542</u>	<u>495,195</u>	<u>368,858</u>	<u>2,703,617</u>	<u>2,134,400</u>
Total assets and deferred outflows	80,147,603	76,003,694	69,146,543	64,330,453	149,294,146	140,334,147
<b><u>Liabilities:</u></b>						
Long-term liabilities	7,301,306	7,935,090	15,958,842	15,757,784	23,260,148	23,692,874
Net pension liability	18,318,600	17,353,763	2,384,655	2,371,836	20,703,255	19,725,599
Other liabilities	<u>1,790,701</u>	<u>1,746,369</u>	<u>1,330,008</u>	<u>1,787,154</u>	<u>3,120,709</u>	<u>3,533,523</u>
Total liabilities	<u>27,410,607</u>	<u>27,035,222</u>	<u>19,673,505</u>	<u>19,916,774</u>	<u>47,084,112</u>	<u>46,951,996</u>
Deferred inflows	<u>2,276,124</u>	<u>2,068,078</u>	<u>45,572</u>	<u>-</u>	<u>2,321,696</u>	<u>2,068,078</u>
Total liabilities and deferred inflows	<u>29,686,731</u>	<u>29,103,300</u>	<u>19,719,077</u>	<u>19,916,774</u>	<u>49,405,808</u>	<u>49,020,074</u>
<b><u>Net Position:</u></b>						
Net investment in capital assets	48,421,398	46,471,032	39,086,912	37,688,256	87,508,310	84,159,288
Restricted	6,070,942	3,922,451	-	-	6,070,942	3,922,451
Unrestricted	<u>(4,031,468)</u>	<u>(3,493,089)</u>	<u>10,340,554</u>	<u>6,725,423</u>	<u>6,309,086</u>	<u>3,232,334</u>
Total net position	<u>\$ 50,460,872</u>	<u>\$ 46,900,394</u>	<u>\$ 49,427,466</u>	<u>\$ 44,413,679</u>	<u>\$ 99,888,338</u>	<u>\$ 91,314,073</u>

**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

The City's assets and deferred outflows were greater than its liabilities and deferred inflows of resources by nearly \$99.9 million at the close of 2015, as compared to approximately \$91.3 million at close of 2014, an increase of nearly \$8.6 million.

During 2015, the City adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions-and Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all governmental financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability. GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information in these statements.

Under the new standards required by GASB 68, the net pension liability equals the City's proportionate share of each plan's collective:

1. Present value of estimated future pension benefits attributable to active and inactive employee's past service
2. Minus plan assets available to pay these benefits

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" –that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system against the public employer. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return of investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability of the statement of net position.

In accordance with GASB 68, the City's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's change in net pension liability not accounted for as deferred inflows/outflows.

**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

As a result of implementing GASB 68, the City is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the following effect of restating net position at December 31, 2014 for governmental activities changed from nearly \$62.5 million to \$46.9 million, for business-type activities from \$46.4 million to \$44.4 million.

The component, "Net investment in capital assets" increased approximately \$3.3 million, or 3.9%, from approximately \$84.2 million at December 31, 2014 to nearly \$87.5 million at December 31, 2015. Increases in this category of net position generally means that the sum of capital asset additions and bond principal repayments were more than the sum of depreciation expense, disposed assets, and additional debt now associated with capital assets. During 2015 the City invested nearly \$8.7 million for capital additions. Nearly \$2.4 million was related to the new water source project and were purchased with a nearly \$1.1 million Ohio Water Development Authority loan. Another \$1.1 million was spent for sewer equipment for the sewer inflow and infiltration reduction program and waste water treatment plant design changes required by the Ohio EPA of which nearly \$400,000 of restricted cash (bond proceeds) was used. Bond principal repayments were about \$1.6 million and total depreciation expense for capital assets were nearly \$5.4 million.

Restricted net position is subject to external restrictions as to their use. This category increased approximately \$2.1 million, or 54.8%, from \$3.9 million at December 31, 2014 to nearly \$6.1 million at December 31, 2015. About \$1.9 million of this increase is attributable to the new street municipal income tax levy of one quarter of a percent restricted for street capital projects only which commenced in 2015.

Unrestricted net position is available for future use as directed by City Council. Overall, this category increased nearly \$3.1 million from nearly \$3.2 million at December 31, 2014 to about \$6.3 million at December 31, 2015. It is important to note that although the total unrestricted net position is \$6.3 million, the unrestricted net position of the City's business-type activities, approximately \$10.3 million, may not be used to fund governmental activities. Unrestricted net position of the City's governmental activities decline nearly \$540,000, or 15.4%, from a negative \$3.5 million to a negative \$4.0 million. This decrease relates to the increase in net pension liability. For the City's business-type activities, the unrestricted net position increased nearly \$3.6 million from approximately \$6.7 million to \$10.3 million. Utility rates were increased in 2015 to fund the increased water debt service costs for the water source project and lime sludge lagoon and sewer debt service costs for programs mandated by the Ohio EPA. Generally, increases in unrestricted net position indicate an improvement in financial position.

The majority of the City's net position reflects its investment in capital assets (e.g. land, buildings, infrastructure, machinery and equipment); less any related debt used to acquire those assets that is still outstanding plus any significant unspent bond proceeds. The City uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Although the City's investment in capital assets is calculated net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

The following pie charts graphically illustrate the components of net position.



**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

The following table presents condensed information on the changes in net position for the years ended December 31, 2015 and December 31, 2014.

**Changes in Net Position For the Years Ended December 31, 2015 and 2014**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014, as restated</u>	<u>2015</u>	<u>2014, as restated</u>	<u>2015</u>	<u>2014, as restated</u>
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$2,144,975	\$2,029,699	\$14,383,057	\$14,110,686	\$16,528,032	\$16,140,385
Operating grants and contributions	1,302,328	1,412,088	480,380	462,338	1,782,708	1,874,426
Capital grants and contributions	1,130,734	823,515	483,115	380,866	1,613,849	1,204,381
General revenues:						
Income taxes	17,882,075	15,394,876	-	-	17,882,075	15,394,876
Property taxes	1,026,383	1,028,049	-	-	1,026,383	1,028,049
Payments in lieu of taxes	151,114	131,681	-	-	151,114	131,681
Lodging taxes	377,602	291,434	-	-	377,602	291,434
Other taxes	1,534	1,865	-	-	1,534	1,865
Grants and other contributions not restricted to specific program:	580,241	590,138	-	-	580,241	590,138
Investment income	82,194	88,087	129,961	121,169	212,155	209,256
Gain (loss) on sale of capital assets	28,540	41,481	28,985	1,554	57,525	43,035
Miscellaneous	387,378	484,173	507,594	326,562	894,972	810,735
<b>Total revenues</b>	<b>25,095,098</b>	<b>22,317,086</b>	<b>16,013,092</b>	<b>15,403,175</b>	<b>41,108,190</b>	<b>37,720,261</b>
<b>Expenses:</b>						
General government	1,116,603	1,222,533	-	-	1,116,603	1,222,533
Police	6,209,699	6,069,441	-	-	6,209,699	6,069,441
Fire	5,580,150	5,028,715	-	-	5,580,150	5,028,715
Judicial	1,635,776	1,701,791	-	-	1,635,776	1,701,791
Health	244,416	211,378	-	-	244,416	211,378
Street repair & maintenance	3,227,534	3,233,573	-	-	3,227,534	3,233,573
Community development	530,928	467,887	-	-	530,928	467,887
Community environment	561,260	572,458	-	-	561,260	572,458
Parks and recreation	1,470,735	1,464,155	-	-	1,470,735	1,464,155
Basic utility services	384,464	101,582	-	-	384,464	101,582
Interest on long-term debt	147,997	161,053	-	-	147,997	161,053
Water	-	-	3,694,200	3,791,600	3,694,200	3,791,600
Sewer	-	-	4,140,648	4,139,110	4,140,648	4,139,110
Solid waste	-	-	1,420,502	1,362,006	1,420,502	1,362,006
Stormwater	-	-	570,482	524,541	570,482	524,541
Transportation	-	-	889,156	895,381	889,156	895,381
Airport	-	-	473,200	455,229	473,200	455,229
Swimming pool	-	-	153,601	186,461	153,601	186,461
Concession Stand	-	-	45,087	-	45,087	-
Yard waste	-	-	37,487	38,997	37,487	38,997
<b>Total expenses</b>	<b>21,109,562</b>	<b>20,234,566</b>	<b>11,424,363</b>	<b>11,393,325</b>	<b>32,533,925</b>	<b>31,627,891</b>
Excess (deficiency) before transfers	3,985,536	2,082,520	4,588,729	4,009,850	8,574,265	6,092,370
Transfers	(425,058)	(261,955)	425,058	261,955	-	-
Change in net position	3,560,478	1,820,565	5,013,787	4,271,805	8,574,265	6,092,370
Net position, beginning of year	46,900,394	N/A	44,413,679	N/A	91,314,073	N/A
<b>Net position, end of year</b>	<b>\$ 50,460,872</b>	<b>\$ 46,900,394</b>	<b>\$ 49,427,466</b>	<b>\$ 44,413,679</b>	<b>\$ 99,888,338</b>	<b>\$ 91,314,073</b>

**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

The City's net position increased nearly \$8.6 million for the year ended December 31, 2015 as compared to an increase of nearly \$6.1 million for the prior year. Several reclassifications have been recorded in 2014 among other taxes revenues, payments in lieu of taxes, lodging tax, miscellaneous revenue, general governmental expenditures, basic utility services, as well as a reduction of a miscellaneous revenue and street repair and maintenance interfund expenditures which none of these have any effect on total change in net position. Also results for 2014 have been restated to reflect pension changes for GASB 68 as discussed below.

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$1,765,542 of governmental activities and \$368,858 of business-type activities computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$2,734,343. Consequently, in order to compare 2015 total program expense to 2014, the following adjustments are needed.

	Governmental activities	Business-type activities
Total 2015 program expenses under GASB 68	\$ 21,109,562	\$ 11,424,363
Pension expense under GASB 68	(2,435,636)	(298,707)
2015 contractually required contributions	1,836,256	366,654
Adjusted 2015 program expenses	20,510,182	11,492,310
Total 2014 program expenses under GASB 27	20,234,566	11,393,325
Increase in program expenses not related to pension	\$ 275,616	\$ 98,985

Total revenues increased nearly \$3.4 million, or 8.9%. Income tax revenue increased nearly \$2.5 million due to new income tax levy of one quarter of a percent for street capital projects and an increase primarily in direct collections on individual and corporate income tax returns. Capital grants and contributions increased roughly \$400,000, from \$1.2 million in 2014 to \$1.6 million in 2015. The majority of the 2015 capital grants financed the Port Jefferson Road reconstruction. Charges for services increased nearly \$400,000, or 2.4%, from \$16.1 million in 2014 to \$16.5 million in 2015. Nearly all of this increase is attributable to increased water and sewer flow rates to pay for the new water source, lime sludge lagoon and the EPA-mandated waste water project. Lodging taxes increased nearly \$90,000 from \$290,000 in 2014 to \$380,000 in 2015. This relates primarily to a new hotel opening in early 2015.

Total expenses increased approximately \$900,000, or 2.8%, from nearly \$31.6 million in 2014 to \$32.5 million in 2015. Fire expenses increased about \$550,000, or 11.0%, largely a result of increased expenditures related to fire loss security, new pension reporting and depreciation on capital expenditures. Basic utility services expenditures increase about \$280,000 in 2015 this is a result of more stormwater projects paid with general revenue. Police costs are approximately \$140,000 higher than 2014 as a result of the new pension reporting. Water expenses decreased nearly \$100,000, or 2.6%, from nearly \$3.8 million in 2014 to almost \$3.7 million in 2015 largely attributable to a vacant position.

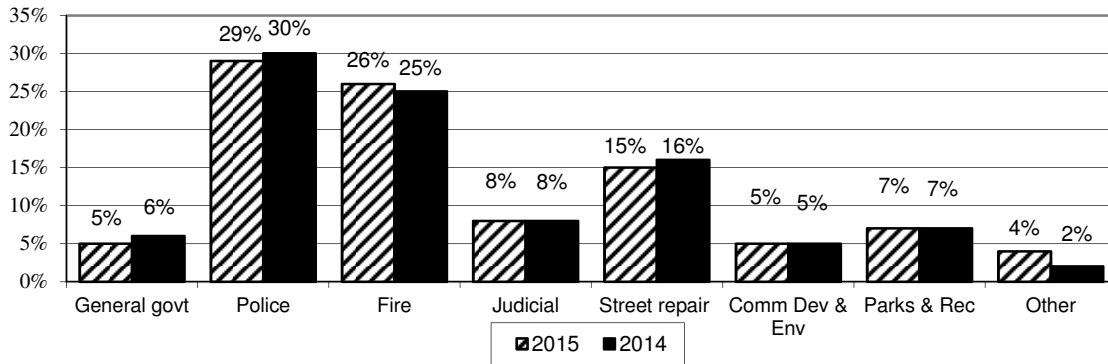
Governmental activities

Governmental activities net position increased nearly \$3.6 million, or 7.6%, from nearly \$46.9 million at December 31, 2014 to nearly \$50.5 million at December 31, 2015. The category, net investment

**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

in capital assets, increased nearly \$2.0 million, or 4.2%, from nearly \$46.5 million to \$48.4 million representing the City's net increase of new capital additions of nearly \$4.6 million and bond principal payments related to debt of approximately \$0.6 million decreased by \$3.2 million of depreciation expense. Restricted net position increased approximately \$2.1 million. Primary increase in restricted resources for street capital projects through the new municipal income tax levy of one quarter of one percent. Unrestricted net position decreased nearly \$540,000 or 15.4%, from a negative \$3.5 million to a negative \$4.0 million, a result of implementing GASB 68. The components of governmental activities' expenses are as follows:

**Governmental Expenses by Program**



The composition of expenses by program remained relatively stable from 2014 to 2015. The two largest components of governmental expenses are public safety -- police and fire. Police makes up 29% to 30% of the total, while fire contributes another 25% to 26%. Judicial - consisting mainly of municipal court activities - comprises about 8% of governmental activities' expenses. Street repair and maintenance (which includes winter street clean-up) accounts for 15% to 16% of expenses. The community development and environment program expenditures, which includes such activities as community planning, engineering, building inspection, and code enforcement, make up 5% of total governmental expenses. The parks and recreation program is responsible for 7% of governmental expenses.

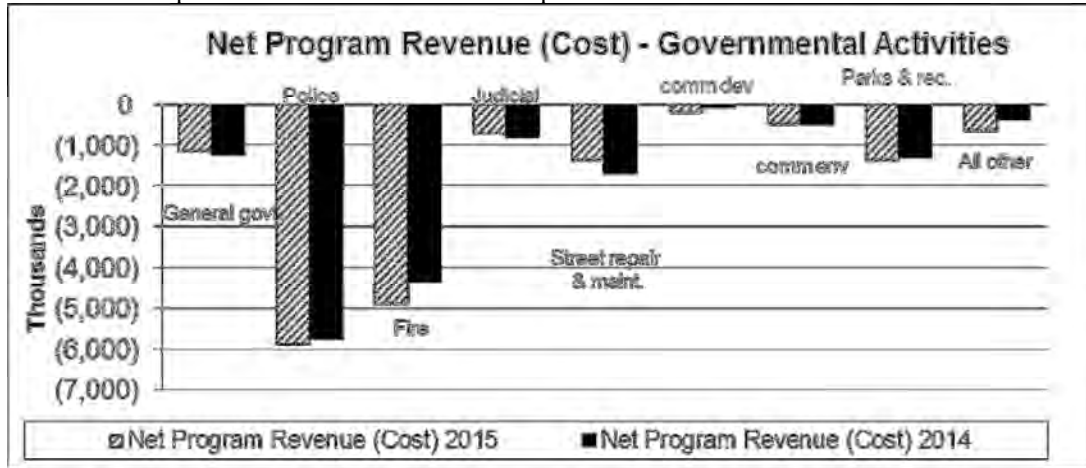
The Statement of Activities reports the expenses of each of the governmental activities programs and the related program revenue that offsets the cost of each program. The amount by which the cost of a particular program exceeds its program revenue represents the extent to which that program must be subsidized by general revenues, such as income taxes, property taxes and unrestricted contributions. The following table and graph summarize the net cost of each program:

**Expenses and Program Revenues - Governmental Activities**

	Year Ended December 31, 2015			Year Ended December 31, 2014, as restated		
	Expense	Program Revenue	Net Revenue (Cost)	Expense	Program Revenue	Net Revenue (Cost)
General government	\$ 1,116,603	\$ -	\$ (1,116,603)	\$ 1,222,533	\$ -	\$ (1,222,533)
Police	6,209,699	352,453	(5,857,246)	6,069,441	335,842	(5,733,599)
Fire	5,580,150	702,442	(4,877,708)	5,028,715	700,607	(4,328,108)
Judicial	1,635,776	932,008	(703,768)	1,701,791	916,951	(784,840)
Street repair & maintenance	3,227,534	1,874,992	(1,352,542)	3,233,573	1,547,509	(1,686,064)
Community development	530,928	350,151	(180,777)	467,887	389,547	(78,340)
Community environment	561,260	96,715	(464,545)	572,458	79,255	(493,203)
Parks & recreation	1,470,735	123,973	(1,346,762)	1,464,155	173,419	(1,290,736)
All others	776,877	145,303	(631,574)	474,013	122,172	(351,841)
<b>Total governmental activities</b>	<b>\$ 21,109,562</b>	<b>\$ 4,578,037</b>	<b>\$ (16,531,525)</b>	<b>\$ 20,234,566</b>	<b>\$ 4,265,302</b>	<b>\$ (15,969,264)</b>

**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

Overall, the net program cost of governmental activities increased by nearly \$600,000, or 3.5%, from a net program cost of about \$15.9 million in 2014 to \$16.5 million in 2015. The most significant change was the fire program which changed from a net program cost of about \$4.3 million in 2014 to a net program cost of nearly \$4.9 million in 2015, primarily due to the increase from pension expense GASB 68 as well as additional depreciation from capital additions. To reflect proper functional expense category \$170,000 has been restated in 2014 from general governmental expenses to basic utility services as well as a reduction of street repair and maintenance interfund expense.



Business-type activities

Business-type activities' net position increased nearly \$5.0 million, or 11.3%, from nearly \$44.4 million at December 31, 2014 to \$49.4 million at December 31, 2015. Of this increase, nearly \$1.4 million was in the category, net investment in capital assets as a result of increased additions of \$4.1 million and principal payments on debt of \$0.9 million over depreciation of nearly \$2.2 million and debt financed of \$1.1 million. Unrestricted portion of net position increased \$3.6 million or 53.7%, utility rates have been increased significantly in order to be in a position to pay future debt service on major capital projects.

It is the City's policy that revenues of some of the City's business-type activities (Water, Sewer and Solid Waste Fund) are expected to cover all program costs over the long term. The revenues of other business-type activities cover specified portions of program costs. The following table summarizes the expenses and program revenues for business-type activities:

	Year Ended December 31, 2015			Year Ended December 31, 2014		
	Expense	Program Revenue	Net Revenue (Cost)	Expense	Program Revenue	Net Revenue (Cost)
Water	\$ 3,694,200	\$ 5,615,833	\$ 1,921,633	\$ 3,791,600	\$ 4,988,388	\$ 1,196,788
Sewer	4,140,648	6,393,250	2,252,602	4,139,110	6,706,435	2,567,325
Solid Waste	1,420,502	1,457,325	36,823	1,362,006	1,388,994	26,988
Stormwater	570,482	382,292	(188,190)	524,541	378,838	(145,703)
Transportation	889,156	827,430	(61,726)	895,381	798,330	(97,051)
Airport	473,200	574,375	101,175	455,229	608,625	153,396
Swimming Pool	153,601	57,121	(96,480)	186,461	66,595	(119,866)
Concession Stand	45,087	21,110	(23,977)	-	-	-
Yard Waste	37,487	17,816	(19,671)	38,997	17,685	(21,312)
<b>Total business-type activities</b>	<b>\$ 11,424,363</b>	<b>\$ 15,346,552</b>	<b>\$ 3,922,189</b>	<b>\$ 11,393,325</b>	<b>\$ 14,953,890</b>	<b>\$ 3,560,565</b>



**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

Overall, the net program cost of the City's business-type activities changed from net program revenue of nearly \$3.6 million for the year ended December 31, 2014 to a net program revenue of \$3.9 million for the year ended December 31, 2015. Program revenue for business-type activities increased roughly \$390,000, or 2.4%, while program expenses increased approximately \$30,000, or 0.3%. Key components of the changes in net program cost for each significant program change are as follows:

- The City's water program changed from net program revenue of nearly \$1.2 million in 2014 to net program revenue of nearly \$1.9 million in 2015. This change is largely due to the 15% rate increase implemented in 2015 designed to cover current and future operations including debt service.
- The City's sewer program changed from net program revenue of nearly \$2.6 million in 2014 to net program revenue of nearly \$2.3 million in 2015. Program revenues decreased about \$300,000 because of a decrease in industrial waste sewer surcharges.

**Individual funds summary and analysis**

Governmental funds, as stated earlier, focus on spendable resources and near-term inflows and outflows of those resources. As such, fund balance measures net resources available for spending at the end of the fiscal year, subject to any stated restrictions on their use.

The combined fund balance of the City's governmental funds at December 31, 2015 was nearly \$14.9 million. Approximately 42.6% of this total amount represents unassigned fund balances available for spending at the City's discretion. Roughly 31.2% of the combined fund balance is in a nonspendable or restricted form. The portion of fund balance committed by City Council, the highest level of decision making authority, is 3.8% and those balances assigned are 22.4%. Nearly \$1.7 million of fund balance has already been assigned to liquidate purchase orders of the prior periods.

Total fund balances of the City's governmental funds increased \$1.4 million, or 16.8%, from \$13.5 million at December 31, 2014 to nearly \$14.9 million at December 31, 2015. (See the governmental funds' statement of revenue, expenditures & changes in fund balance on page 20.)

The General Fund is the primary operating fund of the City of Sidney, accounting for such activities as police and fire protection, emergency medical services, and parks and recreation. The General Fund balance increased approximately \$700,000, or 9.5%, from \$7.6 million at December 31, 2014 to \$8.3 million at December 31, 2015. Local tax revenue increased from approximately \$13.1 million for the year ended December 31, 2014 to nearly \$13.6 million for the year ended December 31, 2015, largely due to income tax revenue allocated to this fund. General Fund expenditures increased about \$300,000 or 2.2%, from \$14.6 million for 2014 to roughly \$14.9 million for 2015. General fund transfers out to subsidize various funds, including the street repair & maintenance, transportation services, yard waste, airport, cemetery operations, and the swimming pool increased from nearly \$430,000 for the year ended December 31, 2014 to about \$805,000 for the year ended December 31, 2015.

The Street Repair & Maintenance Fund, used to account for the state-levied gasoline tax and motor vehicle registration fees, is restricted by law for street maintenance and repair activities. Intergovernmental revenues remained relatively constant in 2015 as compared to 2014 but these revenue sources remain below budget expectations. Expenditures increased slightly by \$69,000 from 2014 to 2015. For 2015, the General Fund provided a \$320,000 operating subsidy to the Street Repair & Maintenance Fund. Its fund balance increased by nearly \$177,000 from nearly \$456,000 at December 31, 2014 to nearly \$633,000 at December 31, 2015.

The Capital Improvement Fund is used to account for the income tax resources earmarked for capital improvements used for the general improvement of all City facilities and operations. Annually, twenty percent of the net income tax proceeds are allocated to this Fund. For the year ended December 31, 2015,

**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

this fund balance decreased about \$753,000 from \$2.5 million at December 31, 2014 to nearly \$1.8 million at December 31, 2015. In 2015, income tax revenues allocated to this fund increased \$162,000, or 6.0%. Capital expenditures for this fund increased nearly \$1.7 million from \$2.9 million at December 31, 2014 to nearly \$4.6 at December 31, 2015.

The Municipal Earned Income Tax for Street Capital Fund established in late 2014 is used to account for the income tax levy of an additional one-quarter of one percent annual tax on earned income. These funds are restricted for the construction, reconstruction, resurfacing and maintenance of streets, alleys, bridges, curbs, and gutters and cost incidental thereto. For 2015, the special levy income tax revenues reported to this fund is \$2.3 million. The fund balance at December 31, 2015 is at \$1.4 million.

The City of Sidney's proprietary fund statements (found on pages 22-23) provide the same type of information found in the government-wide financial statements, but in more detail. Explanations of significant changes in these funds are found on pages 12 & 13.

In 2015, amounts budgeted for General Fund local tax revenue was under actual receipts as result of timing of year-end receipts larger than anticipated. Actual revenues exceeded budget expectations by roughly \$1.3 million.

**Capital asset and debt administration**

*Capital asset activity*

Significant capital activity for the year ended December 31, 2015 included:

- ✓ Approximately \$882,000 of fire equipment including the purchase of a new quint that serves as both an engine and a ladder truck.
- ✓ Nearly \$1.3 million of street resurfacing was completed with about \$890,000 paid with Ohio Department of Transportation grants.
- ✓ Approximately \$895,000 was spent on construction in progress for Port Jefferson road reconstruction and about \$372,000 was ODOT grant federal funding and about \$90,000 of Ohio Public Works Commission grant state funding.
- ✓ About \$530,000 was added to the sewer system's construction in progress for design of waste water treatment changes to comply with Ohio EPA's requirements. An additional \$300,000 of construction in progress was for Port Jefferson Road sewer lines reconstruction.
- ✓ Nearly \$2.4 million was related to the new water source project of which about \$1.1 million was financed with OWDA loans.

Additional detail on the capital asset activity for the year ended December 31, 2015 is presented in the Notes to the Basic Financial Statements in Note 7 on pages 37 – 38.

*Debt*

Ohio law restricts the amount of debt that a City may issue. The aggregate principal amount of unvoted "net indebtedness" may not exceed 5.5% of the assessed valuation for property tax purposes of all real and personal property located within the City. At December 31, 2015, that debt ceiling was about \$19.6 million. Certain debt with a repayment source other than general tax revenues is excluded from the definition of net indebtedness. Under that definition, the City has approximately \$4.8 million of net indebtedness as of December 31, 2015, leaving a legal debt margin for unvoted debt of approximately nearly \$14.8 million.

An additional statutory limitation restricts total indebtedness – both voted and unvoted – to 10.5% of the real and personal property assessed valuation. That limitation would restrict total City net indebtedness to \$37.4 million, leaving a total debt margin of nearly \$32.6 million.

A summary of debt outstanding at December 31, 2015 and 2014 is as follows:

**CITY OF SIDNEY, OHIO**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

	<u>December 31, 2015</u>	<u>December 31, 2014</u>
Governmental activities	\$ 5,552,498	\$ 6,227,343
Business-type activities	<u>15,508,561</u>	<u>15,336,558</u>
Total	<u>\$ 21,061,059</u>	<u>\$ 21,563,901</u>

See additional detailed data for all debt of the City of Sidney is presented in the Notes to the Basic Financial Statements in Note 8 on pages 39 - 41 and in Schedules 7-9 in the Statistical Section of this report.

**Contacting the City's management**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with an overview of the City's finances. If you have questions or need additional financial information, please contact the Finance Officer, City of Sidney, 201 West Poplar Street, Sidney, Ohio 45365.

**CITY OF SIDNEY, OHIO**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2015**

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Pooled cash	\$ 6,458,540	\$ 2,933,652	\$ 9,392,192
Restricted cash	-	2,989,430	2,989,430
Cash	333,014	-	333,014
Cash held by outside agent	678,888	-	678,888
Pooled investments	8,837,435	8,092,398	16,929,833
Receivables:			
Income taxes	4,138,874	-	4,138,874
Property taxes	1,119,152	-	1,119,152
Other taxes	25,318	-	25,318
Accounts	-	2,128,205	2,128,205
Interest	13,339	22,913	36,252
Loans	558,368	-	558,368
Special assessments	155,518	-	155,518
Other	235,356	311,022	546,378
Internal balances	316,635	(316,635)	-
Receivables from other governments	988,654	482,293	1,470,947
Inventory	193,880	364,261	558,141
Prepaid items	143,581	37,766	181,347
Capital assets:			
Capital assets not subject to depreciation:			
Land	7,944,415	3,095,240	11,039,655
Construction in progress	1,530,275	9,824,285	11,354,560
Capital assets net of accumulated depreciation	44,267,939	38,686,518	82,954,457
Total assets	<u>77,939,181</u>	<u>68,651,348</u>	<u>146,590,529</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension	2,208,422	495,195	2,703,617
Total deferred inflows of resources	<u>2,208,422</u>	<u>495,195</u>	<u>2,703,617</u>
Total assets and deferred outflows	<u>\$ 80,147,603</u>	<u>\$ 69,146,543</u>	<u>\$ 149,294,146</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 1,241,291	\$ 531,632	\$ 1,772,923
Salaries and benefits payable	526,718	106,471	633,189
Unearned revenue	11,000	463,027	474,027
Accrued interest payable	11,692	33,442	45,134
Refundable deposits	-	195,436	195,436
Noncurrent liabilities:			
Due within one year	759,396	942,879	1,702,275
Due in more than one year			
Net pension liability	18,318,600	2,384,655	20,703,255
Other amounts due in more than one year	6,541,910	15,015,963	21,557,873
Total liabilities	<u>27,410,607</u>	<u>19,673,505</u>	<u>47,084,112</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue	2,198,651	-	2,198,651
Pension	77,473	45,572	123,045
Total deferred inflows of resources	<u>2,276,124</u>	<u>45,572</u>	<u>2,321,696</u>
<b>NET POSITION</b>			
Net investment in capital assets	48,421,398	39,086,912	87,508,310
Restricted for:			
Capital projects	8,054	-	8,054
Street capital projects	1,904,590	-	1,904,590
Street repair and maintenance	1,328,285	-	1,328,285
Community development projects	806,321	-	806,321
Judicial costs	610,494	-	610,494
Cemetery - Expendable	895,718	-	895,718
Cemetery - Nonexpendable	30,376	-	30,376
Police	254,201	-	254,201
Other purposes - externally imposed restrictions	232,903	-	232,903
Unrestricted	(4,031,468)	10,340,554	6,309,086
Total net position	<u>50,460,872</u>	<u>49,427,466</u>	<u>99,888,338</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 80,147,603</u>	<u>\$ 69,146,543</u>	<u>\$ 149,294,146</u>

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, OHIO  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2015**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental Activities:</b>							
General government	\$ 1,116,603	\$ -	\$ -	\$ -	\$ (1,116,603)		\$ (1,116,603)
Police	6,209,699	285,218	13,451	53,784	(5,857,246)		(5,857,246)
Fire	5,580,150	698,627	3,815	-	(4,877,708)		(4,877,708)
Judicial	1,635,776	839,390	92,618	-	(703,768)		(703,768)
Health	244,416	145,303	-	-	(99,113)		(99,113)
Street repair and maintenance	3,227,534	35,953	1,146,585	692,454	(1,352,542)		(1,352,542)
Community development	530,928	25,895	1,260	322,996	(180,777)		(180,777)
Community environment	561,260	96,715	-	-	(464,545)		(464,545)
Parks and recreation	1,470,735	17,874	44,599	61,500	(1,346,762)		(1,346,762)
Basic utility services	384,464	-	-	-	(384,464)		(384,464)
Interest on long-term debt	147,997	-	-	-	(147,997)		(147,997)
Total governmental activities	<u>21,109,562</u>	<u>2,144,975</u>	<u>1,302,328</u>	<u>1,130,734</u>	<u>(16,531,525)</u>		<u>(16,531,525)</u>
<b>Business-type activities:</b>							
Water	3,694,200	5,496,952	-	118,881		\$ 1,921,633	1,921,633
Sewer	4,140,648	6,358,031	-	35,219		2,252,602	2,252,602
Solid Waste	1,420,502	1,457,325	-	-		36,823	36,823
Stormwater	570,482	382,292	-	-		(188,190)	(188,190)
Transportation	889,156	270,747	477,380	79,303		(61,726)	(61,726)
Airport	473,200	324,663	-	249,712		101,175	101,175
Swimming Pool	153,601	54,121	3,000	-		(96,480)	(96,480)
Concession Stand	45,087	21,110	-	-		(23,977)	(23,977)
Yard Waste	37,487	17,816	-	-		(19,671)	(19,671)
Total business-type activities	<u>11,424,363</u>	<u>14,383,057</u>	<u>480,380</u>	<u>483,115</u>		<u>3,922,189</u>	<u>3,922,189</u>
<b>Total</b>	<u>\$ 32,533,925</u>	<u>\$ 16,528,032</u>	<u>\$ 1,782,708</u>	<u>\$ 1,613,849</u>	<u>(16,531,525)</u>	<u>3,922,189</u>	<u>(12,609,336)</u>
<b>General revenues:</b>							
<b>Taxes:</b>							
Income taxes				17,882,075	-		17,882,075
Property taxes				1,026,383	-		1,026,383
Payments in lieu of taxes				151,114	-		151,114
Lodging taxes				377,602	-		377,602
Other taxes				1,534	-		1,534
Grants and contributions not restricted to specific programs				580,241	-		580,241
Investment earnings				82,194	129,961		212,155
Gain on sale of capital assets				28,540	28,985		57,525
Miscellaneous				387,378	507,594		894,972
Transfers				(425,058)	425,058		-
Total general revenues and transfers				<u>20,092,003</u>	<u>1,091,598</u>		<u>21,183,601</u>
Change in net position				3,560,478	5,013,787		8,574,265
Net position - beginning, as restated				<u>46,900,394</u>	<u>44,413,679</u>		<u>91,314,073</u>
Net position - ending				<u>\$ 50,460,872</u>	<u>\$ 49,427,466</u>		<u>\$ 99,888,338</u>

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, OHIO  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2015**

	General Fund	Street Repair & Maintenance Fund	Capital Improvement Fund	Municipal Earned Income Tax for Street Capital Fund	Non-major Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Pooled cash	\$ 3,680,358	\$ 197,981	\$ 617,235	\$ 543,111	\$ 1,198,697	\$ 6,237,382
Cash held by outside agent	522,028	-	-	-	156,860	678,888
Pooled investments	5,024,930	270,774	856,762	743,579	1,640,462	8,536,507
Receivables:						
Income taxes	3,503,218	-	-	635,656	-	4,138,874
Property taxes	967,830	-	-	-	151,322	1,119,152
Other taxes	19,028	-	-	-	6,290	25,318
Interest	10,342	840	-	-	2,157	13,339
Loans	-	-	-	-	558,368	558,368
Special assessments	147,484	-	8,034	-	-	155,518
Other	163,632	-	-	-	71,724	235,356
Due from other funds	-	-	159,584	77,185	-	236,769
Advances to other funds	36,000	-	229,200	-	-	265,200
Receivables from other governments	270,250	566,203	55,708	-	96,493	988,654
Inventory	75,921	108,956	-	-	-	184,877
Prepaid items	29,193	517	698	-	16,469	46,877
Total assets	<u>\$ 14,450,214</u>	<u>\$ 1,145,271</u>	<u>\$ 1,927,221</u>	<u>\$ 1,999,531</u>	<u>\$ 3,898,842</u>	<u>\$ 23,421,079</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 809,768	\$ 7,447	\$ 126,595	\$ 94,941	\$ 87,564	\$ 1,126,315
Salaries and benefits payable	470,755	15,332	-	-	9,454	495,541
Advances from other funds	-	-	-	-	-	-
Unearned revenue	11,000	-	-	-	-	11,000
Due to other funds	236,769	-	-	-	-	236,769
Total liabilities	<u>1,528,292</u>	<u>22,779</u>	<u>126,595</u>	<u>94,941</u>	<u>97,018</u>	<u>1,869,625</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue	4,637,251	489,759	8,034	503,901	1,007,679	6,646,624
Total deferred inflows of resources	<u>4,637,251</u>	<u>489,759</u>	<u>8,034</u>	<u>503,901</u>	<u>1,007,679</u>	<u>6,646,624</u>
<b>FUND BALANCES:</b>						
Nonspendable	105,114	109,473	698	-	16,469	231,754
Restricted	-	523,260	-	1,400,689	2,491,509	4,415,458
Committed	283,076	-	-	-	286,167	569,243
Assigned	1,541,086	-	1,791,894	-	-	3,332,980
Unassigned	6,355,395	-	-	-	-	6,355,395
Total fund balances	<u>8,284,671</u>	<u>632,733</u>	<u>1,792,592</u>	<u>1,400,689</u>	<u>2,794,145</u>	<u>14,904,830</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 14,450,214</u>	<u>\$ 1,145,271</u>	<u>\$ 1,927,221</u>	<u>\$ 1,999,531</u>	<u>\$ 3,898,842</u>	<u>\$ 23,421,079</u>

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, OHIO  
RECONCILIATION OF TOTAL  
GOVERNMENTAL FUND BALANCES TO NET  
POSITION OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2015**

Total governmental fund balances	\$ 14,904,830
 <i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
Some assets used in governmental activities are not financial resources and therefore are not reported in the funds:	
Capital Assets	53,194,336
 Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
Income taxes receivable	3,170,896
Other taxes and intergovernmental receivables	964,712
Other receivables	312,365
 Internal service funds are used to charge the costs of certain activities, such as the central garage, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	
Net position of Internal Service Funds	742,488
Internal service fund activity allocated to enterprise funds	51,435
 The net pension liability is not due and payable in the current period; therefore the liability and related deferred inflows/outflows are not reported in the governmental funds:	
Deferred Outflows - Pension	2,073,596
Deferred Inflows - Pension	(65,078)
Net Pension Liability	(17,670,080)
 Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore not reported in the funds:	
Bonds payable	(5,530,000)
Premium on bond	(22,498)
Compensated absences	(1,654,438)
Accrued interest on long-term debt	(11,692)
	<hr/>
Net position of governmental activities	<u>\$ 50,460,872</u>

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, OHIO**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	General Fund	Street Repair & Maintenance Fund	Capital Improvement Fund	Municipal Earned Income Tax for Street Capital Fund	Non-major Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>						
Local taxes	\$ 13,587,074	\$ -	\$ 2,883,396	\$ 2,322,158	\$ 245,514	\$ 19,038,142
Intergovernmental revenues	647,081	996,333	705,170	-	513,071	2,861,655
Special assessments	243,196	-	33,327	-	1,175	277,698
Charges for services	1,233,874	-	-	-	315,407	1,549,281
Fines, licenses and permits	373,199	-	-	-	92,869	466,068
Investment income	65,276	2,776	-	-	25,032	93,084
Miscellaneous receipts and reimbursements	330,923	83,539	177,754	-	72,160	664,376
<b>Total revenues</b>	<b>16,480,623</b>	<b>1,082,648</b>	<b>3,799,647</b>	<b>2,322,158</b>	<b>1,265,228</b>	<b>24,950,304</b>
<b>EXPENDITURES:</b>						
Current:						
General government	1,089,085	-	-	-	-	1,089,085
Police	5,625,077	-	-	-	63,844	5,688,921
Fire	4,931,902	-	-	-	108,369	5,040,271
Judicial	1,322,802	-	-	-	214,502	1,537,304
Health	-	-	-	-	156,677	156,677
Street repair and maintenance	-	1,225,723	-	-	70,000	1,295,723
Community development	165,292	-	-	-	289,679	454,971
Community environment	540,591	-	-	-	25,110	565,701
Parks and recreation	1,240,974	-	-	-	-	1,240,974
Capital outlay	6,587	-	3,875,937	984,734	419,386	5,286,644
Debt service:						
Principal	30,000	-	585,000	-	55,000	670,000
Interest	5,594	-	119,938	-	28,450	153,982
<b>Total expenditures</b>	<b>14,957,904</b>	<b>1,225,723</b>	<b>4,580,875</b>	<b>984,734</b>	<b>1,431,017</b>	<b>23,180,253</b>
Excess (deficiency) of revenues over (under) expenditures	1,522,719	(143,075)	(781,228)	1,337,424	(165,789)	1,770,051
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	320,000	-	63,265	55,000	438,265
Sale of capital assets	-	-	28,187	-	-	28,187
Transfers out	(805,028)	-	-	-	-	(805,028)
<b>Total other financing sources (uses)</b>	<b>(805,028)</b>	<b>320,000</b>	<b>28,187</b>	<b>63,265</b>	<b>55,000</b>	<b>(338,576)</b>
Net change in fund balances	717,691	176,925	(753,041)	1,400,689	(110,789)	1,431,475
Fund balances, beginning of year	7,566,980	455,808	2,545,633	-	2,904,934	13,473,355
Fund balances, end of year	<u>\$ 8,284,671</u>	<u>\$ 632,733</u>	<u>\$ 1,792,592</u>	<u>\$ 1,400,689</u>	<u>\$ 2,794,145</u>	<u>\$ 14,904,830</u>

See Notes to the Basic Financial Statements.



**CITY OF SIDNEY, 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, 2015**

Net change in fund balances - total governmental funds \$ 1,431,475

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

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

Capital asset additions	4,391,680
Current year depreciation	(3,128,932)
Transfer of net book value of assets from proprietary funds	11,340

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

Income taxes	394,562
Intergovernmental revenue	79,965
Investment income	6,275
Other revenue	(4,763)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 670,000

Governmental funds report the sale of assets only to the extent proceeds are received. In the Statement of Activities, gains are reported in General revenues and losses are included in expenses of Governmental Activities.

Proceeds from sale of assets	(28,187)
Gain on sale of assets	27,180
Loss on sale of assets	(35,985)
Contributed capital from internal service funds	1,511

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of activities reports these amounts as deferred outflows. 1,736,338

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities. (2,364,943)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Vacation and sick leave benefits	(83,601)
Interest payable	1,140
Amortization of bond premium	4,845

Internal service funds are used by management to charge the costs of certain activities, such as the central garage, to individual funds. The net revenue (expense) of the internal service funds related to governmental activities is reported with governmental activities.

Change in Net Position	654,394
Add: Enterprise allocation	(203,816)

Change in net position of governmental activities \$ 3,560,478

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, OHIO**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2015**

	Business-type Activities					Governmental Activities - Internal Service Funds
	Water	Sewer	Stormwater	Non-major Enterprise Funds	Totals	
<b>ASSETS</b>						
Current assets:						
Pooled cash	\$ 2,217,343	\$ 193,776	\$ 249,030	\$ 273,503	\$ 2,933,652	\$ 221,158
Cash	-	-	-	-	-	333,014
Pooled investments	3,032,775	4,349,915	340,949	368,759	8,092,398	300,928
Restricted cash	-	2,989,430	-	-	2,989,430	-
Receivables:						
Accounts	1,071,601	902,865	11,904	141,835	2,128,205	-
Interest	9,413	13,500	-	-	22,913	-
Loans	-	-	-	-	-	-
Other	224,904	86,118	-	-	311,022	-
Receivables from other governments	-	-	-	482,293	482,293	-
Inventory	243,123	74,534	14,085	32,519	364,261	9,003
Due from other funds	-	-	-	-	-	-
Prepaid items	19,085	15,419	27	3,235	37,766	96,704
Total current assets	<u>6,818,244</u>	<u>8,625,557</u>	<u>615,995</u>	<u>1,302,144</u>	<u>17,361,940</u>	<u>960,807</u>
Noncurrent assets:						
Capital assets not subject to depreciation:						
Land	1,909,568	126,320	-	1,059,352	3,095,240	-
Construction in progress	3,626,971	2,975,190	12,857	3,209,267	9,824,285	-
Capital assets net of accumulated depreciation	<u>11,747,897</u>	<u>18,609,512</u>	<u>4,698,546</u>	<u>3,630,563</u>	<u>38,686,518</u>	<u>548,293</u>
Total noncurrent assets	<u>17,284,436</u>	<u>21,711,022</u>	<u>4,711,403</u>	<u>7,899,182</u>	<u>51,606,043</u>	<u>548,293</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Pension	<u>167,648</u>	<u>199,838</u>	<u>35,304</u>	<u>92,405</u>	<u>495,195</u>	<u>134,826</u>
Total deferred outflows of resources	<u>167,648</u>	<u>199,838</u>	<u>35,304</u>	<u>92,405</u>	<u>495,195</u>	<u>134,826</u>
Total assets & deferred outflows	<u>24,270,328</u>	<u>30,536,417</u>	<u>5,362,702</u>	<u>9,293,731</u>	<u>69,463,178</u>	<u>\$ 1,643,926</u>
<b>LIABILITIES</b>						
Current liabilities:						
Accounts payable	\$ 148,735	\$ 81,633	\$ 53,862	\$ 247,402	\$ 531,632	\$ 114,976
Salaries and benefits payable	37,030	44,236	6,684	18,521	106,471	31,177
Advances from other funds	-	-	-	265,200	265,200	-
Current portion of long term debt	294,743	625,000	-	-	919,743	-
Compensated absences	4,353	14,715	1,101	2,967	23,136	3,896
Unearned revenue	-	233,262	33,652	196,113	463,027	-
Refundable deposits	195,146	-	-	290	195,436	-
Accrued interest payable	13,587	19,855	-	-	33,442	-
Total current liabilities	<u>693,594</u>	<u>1,018,701</u>	<u>95,299</u>	<u>730,493</u>	<u>2,538,087</u>	<u>150,049</u>
Noncurrent liabilities:						
Noncurrent portion of long term debt	7,087,050	7,501,768	-	-	14,588,818	-
Net pension liability	806,601	961,760	172,194	444,100	2,384,655	648,520
Compensated absences	151,646	179,943	17,999	77,557	427,145	90,474
Total noncurrent liabilities	<u>8,045,297</u>	<u>8,643,471</u>	<u>190,193</u>	<u>521,657</u>	<u>17,400,618</u>	<u>738,994</u>
Total liabilities	<u>8,738,891</u>	<u>9,662,172</u>	<u>285,492</u>	<u>1,252,150</u>	<u>19,938,705</u>	<u>889,043</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Pension	<u>15,415</u>	<u>18,380</u>	<u>3,291</u>	<u>8,486</u>	<u>45,572</u>	<u>12,395</u>
Total deferred inflows of resources	<u>15,415</u>	<u>18,380</u>	<u>3,291</u>	<u>8,486</u>	<u>45,572</u>	<u>12,395</u>
<b>NET POSITION</b>						
Net investment in capital assets	9,902,643	16,573,684	4,711,403	7,899,182	39,086,912	548,293
Restricted	-	-	-	-	-	-
Unrestricted	<u>5,613,379</u>	<u>4,282,181</u>	<u>362,516</u>	<u>133,913</u>	<u>10,391,989</u>	<u>194,195</u>
Total net position	<u>15,516,022</u>	<u>20,855,865</u>	<u>5,073,919</u>	<u>8,033,095</u>	<u>49,478,901</u>	<u>742,488</u>
Total liabilities, deferred inflows and net position	<u>\$ 24,270,328</u>	<u>\$ 30,536,417</u>	<u>\$ 5,362,702</u>	<u>\$ 9,293,731</u>	<u>\$ 69,463,178</u>	<u>\$ 1,643,926</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					(51,435)	
Total position from above					<u>49,478,901</u>	
Net position of business-type activities					<u>\$ 49,427,466</u>	

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, OHIO**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES**  
**IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Business-type Activities				Totals	Governmental Activities - Internal Service Funds
	Water	Sewer	Stormwater	Non-major Enterprise Funds		
<b>OPERATING REVENUES:</b>						
Charges for services	\$ 5,536,495	\$ 6,358,031	\$ 382,292	\$ 2,145,746	\$ 14,422,564	\$ 2,384,897
Other revenue	<u>44,045</u>	<u>779</u>	<u>384,464</u>	<u>81,342</u>	<u>510,630</u>	<u>855,832</u>
Total operating revenues	<u>5,580,540</u>	<u>6,358,810</u>	<u>766,756</u>	<u>2,227,088</u>	<u>14,933,194</u>	<u>3,240,729</u>
<b>OPERATING EXPENSES:</b>						
Personal services	1,160,042	1,480,771	269,097	624,072	3,533,982	898,344
Operations and maintenance	1,756,192	1,576,442	121,570	2,226,529	5,680,733	1,587,227
Depreciation & amortization	<u>680,979</u>	<u>1,081,584</u>	<u>194,586</u>	<u>206,703</u>	<u>2,163,852</u>	<u>100,935</u>
Total operating expenses	<u>3,597,213</u>	<u>4,138,797</u>	<u>585,253</u>	<u>3,057,304</u>	<u>11,378,567</u>	<u>2,586,506</u>
Operating income (loss)	<u>1,983,327</u>	<u>2,220,013</u>	<u>181,503</u>	<u>(830,216)</u>	<u>3,554,627</u>	<u>654,223</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>						
Investment income	97,628	32,333	-	-	129,961	322
Intergovernmental	39,795	35,219	-	806,395	881,409	-
Gain (loss) on disposal of assets	-	20,705	-	8,280	28,985	1,360
Interest expense	<u>(165,491)</u>	<u>(84,121)</u>	<u>-</u>	<u>-</u>	<u>(249,612)</u>	<u>-</u>
Total nonoperating revenues (expenses)	<u>(28,068)</u>	<u>4,136</u>	<u>-</u>	<u>814,675</u>	<u>790,743</u>	<u>1,682</u>
(Loss) before contributions and transfers	1,955,259	2,224,149	181,503	(15,541)	4,345,370	655,905
Capital contributions	39,543	-	-	69,635	109,178	-
Transfers out	-	-	-	(15,090)	(15,090)	(1,511)
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>370,513</u>	<u>370,513</u>	<u>-</u>
Change in net position	1,994,802	2,224,149	181,503	409,517	4,809,971	654,394
Total net position - beginning, as restated	<u>13,521,220</u>	<u>18,631,716</u>	<u>4,892,416</u>	<u>7,623,578</u>		<u>88,094</u>
Total net position - ending	<u>\$ 15,516,022</u>	<u>\$ 20,855,865</u>	<u>\$ 5,073,919</u>	<u>\$ 8,033,095</u>		<u>\$ 742,488</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					<u>203,816</u>	
Change in net position of business-type activities					<u>\$ 5,013,787</u>	

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, OHIO**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Business-type Activities					Governmental Activities - Internal Service Funds
	Water	Sewer	Stormwater	Non-major Enterprise Funds	Totals	
<b>Cash flows from operating activities:</b>						
Receipts from customers and users	\$ 5,521,206	\$ 6,347,707	\$ 288,294	\$ 1,996,842	\$ 14,154,049	\$ 73,494
Receipts from interfund services	28,831	11,925	481,511	45,404	567,671	3,167,235
Payments to suppliers	(982,314)	(914,623)	(28,017)	(1,737,456)	(3,662,410)	(1,426,651)
Payments to employees	(1,261,271)	(1,522,852)	(272,865)	(629,183)	(3,686,171)	(1,000,861)
Payments for interfund services used	(763,237)	(746,864)	(64,326)	(412,925)	(1,987,352)	(136,256)
Net cash provided by (used for) operating activities	<u>2,543,215</u>	<u>3,175,293</u>	<u>404,597</u>	<u>(737,318)</u>	<u>5,385,787</u>	<u>676,961</u>
<b>Cash flows from noncapital financing activities:</b>						
Transfers in	-	-	-	366,763	366,763	-
Intergovernmental	-	-	-	477,380	477,380	-
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>844,143</u>	<u>844,143</u>	<u>-</u>
<b>Cash flows from capital and related financing activities:</b>						
Acquisition of capital assets	(1,685,981)	(1,161,667)	(114,282)	(138,578)	(3,100,508)	(169,541)
Proceeds from sale of capital assets	-	20,705	-	8,280	28,985	1,360
Principal paid on capital debt	(279,035)	(625,000)	-	-	(904,035)	-
Interest paid on capital debt	(108,012)	(250,761)	-	-	(358,773)	-
Capital contributions	39,795	35,219	-	329,015	404,029	-
Net cash provided by (used for) capital and related financing activities	<u>(2,033,233)</u>	<u>(1,981,504)</u>	<u>(114,282)</u>	<u>198,717</u>	<u>(3,930,302)</u>	<u>(168,181)</u>
<b>Cash flows from investing activities:</b>						
Proceeds from sales and maturities of investments	6,777,444	9,131,260	464,080	518,323	16,891,107	515,526
Purchase of investments	(7,058,266)	(9,799,397)	(629,541)	(689,895)	(18,177,099)	(613,832)
Interest on investments	38,652	49,098	-	-	87,750	322
Net cash & cash equivalent used for investing activities	<u>(242,170)</u>	<u>(619,039)</u>	<u>(165,461)</u>	<u>(171,572)</u>	<u>(1,198,242)</u>	<u>(97,984)</u>
Net increase in cash & cash equivalents	267,812	574,750	124,854	133,970	1,101,386	410,796
Pooled cash & cash equivalents, beginning of year	<u>1,949,531</u>	<u>2,608,456</u>	<u>124,176</u>	<u>139,533</u>	<u>4,821,696</u>	<u>143,376</u>
Pooled cash & cash equivalents, end of year	<u>\$ 2,217,343</u>	<u>\$ 3,183,206</u>	<u>\$ 249,030</u>	<u>\$ 273,503</u>	<u>\$ 5,923,082</u>	<u>\$ 554,172</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>						
Operating income (loss)	\$ 1,983,327	\$ 2,220,013	\$ 181,503	\$ (830,216)	\$ 3,554,627	\$ 654,223
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation & amortization	680,979	1,081,584	194,586	206,703	2,163,852	100,935
Change in assets and liabilities:						
Accounts receivable	(47,700)	35,150	3,023	(9,442)	(18,969)	-
Other receivables	12,767	18,526	-	(183,153)	(151,860)	-
Prepaid items	(1,054)	(5,255)	5	913	(5,391)	(37,536)
Inventory	5,554	(5,249)	24,179	17,742	42,226	3,107
Accounts payable	6,141	(74,541)	5,043	23,393	(39,964)	58,749
Salaries and benefits payable and compensated absences	(101,229)	(42,081)	(3,768)	(5,111)	(152,189)	(102,517)
Advances in	-	-	-	36,000	36,000	-
Due to other funds	-	-	-	(1,900)	(1,900)	-
Refundable deposits	4,430	-	-	-	4,430	-
Unearned revenue	-	(52,854)	26	7,753	(45,075)	-
Net cash provided by (used for) operating activities	<u>\$ 2,543,215</u>	<u>\$ 3,175,293</u>	<u>\$ 404,597</u>	<u>\$ (737,318)</u>	<u>\$ 5,385,787</u>	<u>\$ 676,961</u>
<b>Noncash investing, capital and financing activities:</b>						
Purchase of equipment on account	\$ 49,742	\$ 15,765	\$ 48,084	\$ -	\$ 113,591	\$ -
Prior year purchase of equipment on account	\$ 147,714	\$ 213,050	\$ -	\$ 14,789	\$ 375,553	\$ -
Contributions of capital assets	\$ 39,543	\$ -	\$ -	\$ 69,635	\$ 109,178	\$ (1,511)
Transfer net book value of equipment	\$ -	\$ -	\$ -	\$ (11,340)	\$ (11,340)	\$ -
Debt payment paid by third party	\$ 1,076,888	\$ -	\$ -	\$ -	\$ 1,076,888	\$ -
Debt interest paid by federal subsidy	\$ 57,855	\$ -	\$ -	\$ -	\$ 57,855	\$ -

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, OHIO**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**DECEMBER 31, 2015**

	Agency Funds	Private-Purpose Trust Funds
<b>ASSETS</b>		
Pooled cash	\$ 31,125	\$ 4,480
Pooled investments	42,611	6,128
Cash held by outside agent	232,712	-
Receivable		
Accounts	10,020	-
Interest	-	20
Prepaid expenses	803	-
	<u>317,271</u>	<u>10,628</u>
Total assets	<u>\$ 317,271</u>	<u>\$ 10,628</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 6,957	-
Due to other governments	112,874	-
Undistributed monies	197,440	-
	<u>317,271</u>	<u>-</u>
Total liabilities	<u>\$ 317,271</u>	<u>\$ -</u>
<b>NET POSITION</b>		
Net position held in trust		
for other purposes		<u>\$ 10,628</u>

See Notes to the Basic Financial Statements

**CITY OF SIDNEY, OHIO**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Private-Purpose Trust Funds</u>
<b>ADDITIONS</b>	
Private contributions	\$ -
Investment income	<u>89</u>
	<u>89</u>
<b>DEDUCTIONS</b>	
Purchase of flowers	<u>347</u>
	<u>347</u>
Change in net position	(258)
Net position, beginning of year	<u>10,886</u>
Net position, end of year	<u><u>\$ 10,628</u></u>

See Notes to the Basic Financial Statements

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

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1. Summary of Significant Accounting Policies:

A. Reporting Entity

The City of Sidney, Ohio (City) is a political unit incorporated and established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The City was incorporated in 1820, and has a Council-Manager form of government. The City provides the following services: police, fire, judicial, highways and streets, water, sewer, sanitation, recreation, public transportation, public improvements, planning and zoning and general administrative services.

For financial reporting purposes, the City includes in this report all funds, agencies, boards, commissions, and departments in accordance with criteria established in Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statement No. 39. Under the provisions of GASB Statement No. 14 (as amended), the City of Sidney is the primary government, since it is a general purpose government that has a separate elected governing body; functions as a separate legal entity; and is fiscally independent of other state and local governments. As used in GASB Statement No. 14, fiscally independent means that the City may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue debt. As required by accounting principles generally accepted in the United States of America, these basic financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data is combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government. There are no blended or discretely presented component units at December 31, 2015.

Certain units of local governments, over which the City exercises no authority, such as the Shelby County Library District, Shelby County Health District and Upper Valley Career Center, are other local governmental and non-profit entities with independent elected officials and are excluded from the accompanying basic financial statements. The City is not a component unit of any other entity and does not have any component units, which require inclusion in the basic financial statements.

Other local governments and non-profit entities that overlap the City's boundaries are Shelby County and the Sidney City School District. These entities do not meet the reporting entity criteria and, therefore, are not included in the City's financial reports.

B. Basis of Presentation

Government-wide financial statements

The statement of net position and the statement of activities display information about the City as a whole. These statements distinguish between activities that are governmental in nature, which are normally supported by taxes and intergovernmental revenues; and business-type activities, which rely to a significant extent upon fees and charges for support. During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in the business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

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Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers are eliminated as well and are included in the internal balances on the government-wide statement of net position. The government-wide financial statements do not include the City's fiduciary funds.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The government-wide statement of activities presents a comparison between expenses and program revenues for each segment of the business-type activities of the City and for each governmental program. Program revenues include charges paid by the recipients of the goods or services as well as grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business-type segment is self-supporting or relies upon general revenues of the City.

The caption "Net investment in capital assets" consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Net position is reported as restricted when constraints placed upon their use are either: 1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or 2) imposed by law through constitutional provisions or enabling legislation. The net position is restricted for other purposes result from special revenue funds and the restrictions on their intended use. When both restricted and non-restricted resources are available for use, it is the City's policy to use restricted resources first, and then non-restricted resources, as they are needed.

#### Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Fiduciary funds are excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported in separate columns in the fund financial statements. All other funds are aggregated and reported as non-major governmental or non-major enterprise funds.

The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America for local governments as prescribed by the GASB. The accounts of the City are organized based on funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets and deferred outflows, liabilities and deferred inflows, fund equity, revenues and expenditures (expenses). Fund accounting segregates funds according to the intended purpose and is used to aid management in demonstrating compliance with financial-related legal and contractual provisions.

#### Governmental Funds

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



**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

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funds. The City reports the following major governmental funds:

General Fund - The General Fund is used to account for government resources not accounted for in any other fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the City Charter and/or the general laws of the State of Ohio. In addition, it accounts for the collection, collection costs, and distribution of City-levied income tax.

Street Repair & Maintenance Fund – To account for state-levied and controlled gasoline tax and motor vehicle registration fees restricted for street maintenance and repair.

Capital Improvement Fund – To account for the income tax resources for capital improvements used for general improvement of all City facilities and operations.

Municipal Earned Income Tax for Street Capital Fund – To account for the one-quarter percent (0.25%) levy and shall be used entirely for the construction, reconstruction, resurfacing, or maintenance of streets, alley, bridges, curbs and gutters in the City and the cost incidental thereto.

Proprietary (Business-type) Funds

The proprietary funds are used to account for the City's ongoing activities that are similar to those found in the private sector where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City reports the following major proprietary funds:

Water Fund – Accounts for the operation of the waterworks distribution system and related expenses, including capital improvement and debt service. The operation is exclusively financed by customer user charges.

Sewer Fund – Accounts for the operation of the sanitary sewer collection and treatment system and related expenses, including capital improvement and debt service. The operation is exclusively financed by customer user charges.

Stormwater Fund - Accounts for the operation and maintenance of the stormwater system, and related expenses, including capital improvement. The operations are financed through customer user charges.

Additionally, the City reports the following fund types:

Internal service funds – Account for services, such as information management, vehicle maintenance, revenue collections, health care self-insurance and service center operations, provided to other departments of the City on a cost-reimbursement basis.

Fiduciary funds – Generally are used to account for assets held in a fiduciary capacity on behalf of others. The City holds assets in agency funds for four other entities: (1) Municipal Court, (2) City employees' medical reimbursement plan, (3) Village of Port Jefferson's sewer bills, and (4) the Great Miami River Watershed Protection Project. The City also has three private-purpose trust funds: (1) C. Truster Flower Trust Fund, (2) B. Bennett Flower Trust Fund, and (3) Ike Mausoleum Family Trust Fund.

C. Basis of Accounting

**Governmental Funds.** The accounting and financial reporting treatment that applies to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

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resources measurement focus. With this measurement focus, only current assets or deferred outflows and current liabilities or deferred inflows are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in current financial resources.

The modified accrual basis of accounting is used for all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be reasonably determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers revenues available if they are collected within 30 days after year-end. Expenditures are recorded generally when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Those revenues susceptible to accrual are property taxes, income taxes, franchise taxes, special assessments, licenses, interest revenue and charges for services. Fines, permits and parking meter revenues are not susceptible to accrual because they are generally not measurable until received in cash.

The City reports deferred inflows of resources on its governmental funds' balance sheet. Deferred inflows of resources arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred inflows of resources also arise when the City receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred inflow of resources is removed from the balance sheet and revenue is recognized.

Because governmental funds' financial statements use a different measurement focus and basis of accounting than the government-wide statements, governmental funds' financial statements include reconciliations to the government-wide statements.

***Proprietary Funds.*** All proprietary funds – enterprise funds and internal service funds - are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows and all liabilities and deferred inflows associated with the operation of these funds are included on the balance sheet.

Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in the net total position. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The accrual basis of accounting is utilized by proprietary funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

***Fiduciary Funds.*** Private purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency funds, being custodial in nature, have no measurement focus but utilize the accrual basis of accounting for reporting merely assets and liabilities.

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

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**D. Budgets and Budgetary Accounting**

The City follows procedures prescribed by State law in establishing the budgetary data reflected in the financial statements as follows:

- (1) The County Budget Commission has suspended the requirement to prepare a tax budget. In lieu of the tax budget, about January 1 of each year, the City will submit to the Budget Commission a report of estimated revenue and actual unencumbered cash balances by fund. Thereafter, the County Budget Commission will issue an Official Certificate of Estimated Resources (OCER).
- (2) Unencumbered appropriations lapse at year-end. No contract, agreement or other obligation involving the expenditure of money shall be entered into unless the Finance Officer first certifies that the money required for such contract, agreement, obligation or expenditure is in the treasury, or is anticipated to come into the treasury, before the maturity of such contract.
- (3) All funds of the City have annual budgets legally adopted by the City Council.

The City Manager acts as budget officer for the City and submits a proposed operating budget to the City Council on an annual basis. Public hearings are held to obtain taxpayer comments. The Council enacts the budget through passage of an ordinance. The appropriations ordinance controls expenditures at the level of (1) personal services and (2) contractual, materials and other. Council can amend the budget at the legal level of control, through the passage of supplemental ordinances. Management can amend appropriations below this level without council approval. Supplemental appropriations to the original appropriations ordinance were made during the year, but were not material in relation to the original appropriations.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary control in the governmental funds.

While reporting financial position, results of operations and changes in fund balances on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis, as provided by law, is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Budget (Non-GAAP) Basis for the General Fund and major special revenue funds are presented on the budgetary basis in the Required Supplementary Information to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (1) Revenues are recorded when received in cash (budget) as opposed to when they are both measurable and available (GAAP).
- (2) Expenditures are recorded when paid in cash (budget) as opposed to restricted, committed, or assigned fund balance (GAAP).
- (3) Encumbrances are recorded as the equivalent of expenditures (budget) as opposed to a restricted, committed, or assigned fund balance (GAAP).

**E. Cash and Cash Equivalents**

To improve cash management, most of the cash received by the City is pooled. The exceptions to this policy are as follows:

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

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- Municipal Court, an agency fund, maintains its deposits in a separate checking account.
- An outside agency, Shelby County, is holding cash deposits for the County Auto License Fund.
- Miami Valley Risk Management Association, a joint insurance pool, is holding a cash reserve for the City's insurance purposes included in the General Fund.
- Insurance premiums collected and paid for on behalf of the City employees' health insurance are held in a separate checking account reported in the Self Insurance Fund.

Monies for all other funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through City records. Each fund's interest in the pool is presented as "Pooled Cash" on the balance sheet.

For purposes of the statements of cash flows and for presentation on the statement of net position/balance sheet, investments with an original maturity of three months or less and restricted cash are considered to be cash equivalents.

**F. Pooled Investments**

All investments of the City are recorded at fair value, in accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." The statement established accounting and reporting guidelines for government investments and investment pools. Interest earnings from investments are allocated to the General Fund except for funds derived from contract, trust agreement, grant terms or City policy that requires crediting otherwise.

**G. Inventory and Prepaid Items**

Inventory is valued at cost using the first-in/first out (FIFO) method. The proprietary funds' inventories are recorded as expenses when used. Inventory in governmental funds consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are used. Reported inventories are included within the nonspendable fund balance classification in the governmental funds category, which indicates that it does not constitute available resources.

Payments made to vendors for services that will benefit periods beyond December 31, 2015 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.

**H. Capital Assets**

Capital assets include land, improvements to land, buildings, building improvements, machinery, equipment, infrastructure and all other assets that are used in operations and that have initial useful lives extending beyond a single reporting period. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure include roads, bridges, sidewalks, and similar items.

The City defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. All capital assets are valued at historical cost, or estimated historical cost, if actual cost is not available. Donated capital assets are valued at their estimated fair market value at the time received. Interest incurred during the construction phase of capital assets of business-type activities and proprietary funds is capitalized.

When capital assets are purchased, they are capitalized and depreciated in the government-wide statements and the proprietary fund statements. Capital assets are recorded as expenditures of the current period in the governmental fund financial statements.

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

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Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. Estimated useful lives of the various classes of depreciable capital assets are as follows:

<u>Description</u>	<u>Estimated Useful Life (In Years)</u>
Land improvements	10 to 26
Buildings and improvements	10 to 45
Machinery and equipment	3 to 20
Infrastructure	23 to 50

**I. Compensated Absences**

City employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation and sick leave at various rates.

Vested vacation and sick leave is recorded as an expense in the government-wide statements for the period in which such leave was earned. For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements.

Payment of vacation and sick leave recorded in the government-wide financial statements is dependent upon many factors; therefore, timing of future payments is not readily determinable. Management believes that sufficient resources will be made available when payment is due.

**J. Fund Balance**

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The following categories are used:

Nonspendable – resources that are not in spendable form (inventory & prepaid expenses) or have a legal or contractual requirement to maintain the balance intact.

Restricted – resources that have external purpose restraints imposed on them by providers, such as creditors, grantors, or other regulators, or through enabling legislation.

Committed – resources that are constrained for specific purposes that are internally imposed on them by the government by formal action (ordinance) at its highest level of decision-making authority, City Council. These committed amounts cannot be used for any other purpose unless the City Council changes the specified use by taking the same type of action it employed previously to commit those amounts.

Assigned – resources that are intended to be used for specific purposes as approved by the City Manager with authority given by City Charter.

Unassigned – residual fund balance within the General Fund that is not restricted, committed, or assigned. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from incurred expenses for specific purposes exceeding amounts that had been restricted, committed or assigned for said purposes.

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

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The City applies restricted resources first when an expense is incurred for purposes that both restricted and unrestricted net position is available. The City considers committed, assigned, and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be used.

**K. Net Position**

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

**L. Restricted Assets**

The City has certain resources from bond issuances classified as restricted cash on the Statement of Net Position because their use is limited by bond covenants. Of the restricted cash and investment amount, \$2,989,430 remains to fund wastewater system and plant improvements.

**M. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

**N. Grants and Other Intergovernmental Revenues**

Federal grants and assistance awards made on the basis of entitlement periods are recorded as intergovernmental receivables and revenues when entitlement occurs. All other reimbursement-type grants are recorded as intergovernmental receivables and revenues when the related expenditures are incurred.

**O. Interfund Activity**

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

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

**P. Estimates**

The preparation of these financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenditure/expenses during the reporting period. Actual results could differ from those estimates.

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

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2. Cash and Cash Equivalents:

The City maintains a cash deposit and investment pool for all funds, except for the following:

- Municipal Court, an agency fund, maintains its deposits in a separate checking account.
- An outside agency, Shelby County, is holding cash deposits for the County Auto License Fund.
- Miami Valley Risk Management Association, a joint insurance pool, is holding a cash reserve for the City's insurance purposes included in the General Fund.
- Insurance premiums collected and paid for on behalf of the City employees' health insurance are held in a separate checking account reported in the Self Insurance Fund.
- Imprest cash held on hand and was \$3,100 at December 31, 2015.

At December 31, 2015, the carrying amount of the City's deposits was \$13,429,127 and the bank balance was \$14,751,738. Of the bank balance:

1. \$906,860 was covered by federal depository insurance;
2. \$13,844,878 was collateralized with securities held by the pledging financial institution's trust departments or agents, but not in the City's name.

3. Pooled Investments:

Each fund's share of investments is shown separately on the combined balance sheet as "pooled investments." Income accrued on investments is shown collectively by fund on the balance sheet as "interest receivable."

The State of Ohio by statute has established collateral requirements for financial institutions acting as public depositories. The public depositories must either pledge specific qualified securities with a market value of at least equal to 102% of the total amount of all public deposits to be secured, or pledge a pool of collateral with a market value of at least 105% of the total amount of public deposits secured. Pooled securities so pledged provide the equivalent of a deposit insurance fund. This approach protects all public entities against a single public depository collapse. The state has implemented collateral pools to minimize the interest penalty to public entities for protecting public deposits. All investments are reported at fair value, which is based on quoted market prices.

The City's pooled investments consisted of U.S. Government-Sponsored corporations totaling \$16,978,580 at December 31, 2015. These pooled investments have weighted average maturity of approximately three months. The weighted average maturity was calculated using estimated maturity dates at December 31, 2015 based on the City's Investment Advisor's estimate of when an investment will be called.

*Interest Rate Risk.* To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. In accordance with its investment policy, the City manages its exposure to declines in fair values by not directly investing in securities maturing more than 5 years from the date of purchase unless matched to a specific cash flow requirement.

*Credit Risk.* As of December 31, 2015, the City's investments in government-sponsored corporations were rated AA+ by Standard & Poor's and Aaa by Moody's Investors Service. The City's investment policy is silent regarding credit risk of investments.

*Custodial Credit Risk.* The ORC, the City's charter, and the City's investment policy authorize the City to invest in the State Treasury Asset Reserve of Ohio (STAR Ohio), certificates of deposit, repurchase agreements, United States treasury bills and notes, notes issued by United States agencies and government-sponsored corporations, bankers' acceptances and commercial paper of the highest rating. The above legislative investment policy applies to all funds and fund types. All deposits are made to authorized public depositories and contracts with such institutions that are in accordance with the ORC and the City's charter.

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

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*Concentration of Credit Risk.* To avoid over-concentration in securities from a specific issuer or business sector (excluding securities of the U.S. Treasury, U.S. government-sponsored agencies, and U.S. government-sponsored corporations), the City has established the following maximum allocations based on investments valued at cost:

Certificates of Deposit	40%
Commercial Paper and Banker Acceptances	25%
Repurchase agreements, money market funds, STAR Ohio, and NOW accounts	50%

Investments in any issuer that represents 5% or more of the total investments (excluding cash and cash equivalents) at December 31, 2015 include:

<u>Issuer</u>	<u>Fair Value</u>	<u>Percent</u>
U.S. Government-Sponsored Corporations:		
Federal National Mortgage Association	\$3,989,080	23%
Federal Home Loan Mortgage Company	\$12,989,500	77%

4. Income Taxes:

Municipalities within the State of Ohio are permitted by state statute to levy an income tax up to a maximum rate of 1% subject to the approval of the local legislative body. Any rate in excess of 1% requires the approval of a majority of the eligible voters residing within the municipal corporation. The City of Sidney levies a permanent 1.5% tax on all wages, salaries, commissions and other compensation paid by employers and the net profits from a business or professional person earned within the City, excluding income from intangible personal property. In addition, City residents pay City income tax on income earned outside the City, net of a credit for income taxes paid to other municipalities.

During election that was held on November 2014, voters approved an income tax levy of an additional annual tax on income at the rate of one-quarter of one percent (.25%) commencing on and after January 1, 2015 and sunseting December 31, 2019 to provide funds for the construction, reconstruction, resurfacing and maintenance of streets, alleys, bridges, curbs and gutters and cost incidental thereto.

5. Property Taxes:

Property taxes are levied against all real and public utility property located in the City. Revenues from property taxes are used by the City pursuant to state statutes for General Fund operations and as a partial provision for payment of accrued police and fire pension costs.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% (10 mills) of assessed value without a vote of the people. Under current procedures, the City's share is 0.320% (3.2 mills) of assessed value, including .6 mills to fund the police and fire unfunded pension liability.

Real property and public utility taxes collected during 2015 were levied on December 31, 2014 on assessed values listed as of January 1, 2014, the lien date. One-half of these taxes were due on February 14, 2015 with the remaining balance due on July 20, 2015.

Assessed values of real property are established by State law at 35% of appraised market value. A revaluation of all property is required to be completed no less than every six years with equalization adjustments in the third year following reappraisal. The last revaluation was completed in 2014. Public utility property taxes are assessed on tangible personal property as well as land and improvements at true value (50% of cost). The assessed value for 2014 upon which the 2015 levy was based was approximately \$352,538,170. The assessed value for 2015 upon which the 2016 levy will be based is approximately \$356,048,730.



**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

The Shelby County Treasurer collects property taxes on behalf of all taxing districts, including the City of Sidney. The County Auditor periodically remits to the City its portion of taxes collected.

6. Interfund Receivables and Payables:

Interfund balances in the basic financial statements at December 31, 2015 were as follows:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General	\$ -	\$ 236,769
Capital Improvement	159,584	-
Municipal Earned Income Tax for		
Street Capital	<u>77,185</u>	<u>-</u>
	<u>\$ 236,769</u>	<u>\$ 236,769</u>

Interfund balances at December 31, 2015 resulted from the timing difference of when reimbursable expenditures occurred and when the payments between funds were made.

Cash advances in the basic financial statements at December 31, 2015 were as follows:

<u>Fund</u>	<u>Purpose</u>	<u>Cash Advance To Other Funds</u>	<u>Cash Advance From Other Funds</u>
General		\$ 36,000	\$ -
Capital Improvement		229,200	-
Non-major enterprise funds	Grant reimbursable/ Timing of receipts	<u>-</u>	<u>265,200</u>
		<u>\$ 265,200</u>	<u>\$ 265,200</u>

7. Capital Assets:

Capital asset activity for the year ended December 31, 2015 was as follows:

Governmental activities:

	Beginning Balance	Additions	Disposals	Net Transfers	Ending Balance
<i>Capital assets not being depreciated:</i>					
Land	\$ 7,751,656	\$ 181,419	\$ -	\$ 11,340	\$ 7,944,415
Construction in progress	578,835	951,440	-	-	1,530,275
Subtotal	<u>8,330,491</u>	<u>1,132,859</u>	<u>-</u>	<u>11,340</u>	<u>9,474,690</u>
<i>Capital assets being depreciated:</i>					
Buildings and improvements	18,433,225	40,512	(41,610)	-	18,432,127
Machinery and equipment	10,561,465	1,557,145	(224,632)	101,441	11,995,419
General infrastructure	54,763,465	1,830,706	-	-	56,594,171
Subtotal	<u>83,758,155</u>	<u>3,428,363</u>	<u>(266,242)</u>	<u>101,441</u>	<u>87,021,717</u>
Totals at historical cost	<u>92,088,646</u>	<u>4,561,222</u>	<u>(266,242)</u>	<u>112,781</u>	<u>96,496,407</u>
<i>Less accumulated depreciation for:</i>					
Buildings and improvements	6,766,994	464,520	(5,625)	-	7,225,889
Machinery and equipment	8,265,953	672,120	(223,625)	101,441	8,815,889
General infrastructure	24,618,773	2,093,227	-	-	26,712,000
Total accumulated depreciation	<u>39,651,720</u>	<u>3,229,867</u>	<u>(229,250)</u>	<u>101,441</u>	<u>42,753,778</u>
Net capital assets	<u>\$ 52,436,926</u>	<u>\$ 1,331,355</u>	<u>\$ (36,992)</u>	<u>\$ 11,340</u>	<u>\$ 53,742,629</u>

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

Depreciation was charged to governmental activities as follows:

General government	\$ 36,160
Police	318,009
Fire	296,134
Judicial	101,963
Health	41,662
Street repairs and maintenance	2,149,212
Community environment	846
Parks and recreation	<u>184,946</u>

Total governmental funds depreciation expense \$3,128,932

Portion of internal service funds' depreciation allocable to governmental activities 100,935

Total additions to accumulated depreciation of governmental activities \$3,229,867

Business-type activities:

	Beginning Balance	Additions	Disposals	Net Transfers	Ending Balance
<i>Capital assets not being depreciated:</i>					
Land	\$ 2,718,263	\$ 377,231	\$ -	\$ (254)	\$ 3,095,240
Construction in progress	7,329,761	3,063,758	-	(569,234)	9,824,285
Subtotal	<u>10,048,024</u>	<u>3,440,989</u>	<u>-</u>	<u>(569,488)</u>	<u>12,919,525</u>
<i>Capital assets being depreciated:</i>					
Buildings, improvements and Infrastructure	62,377,598	152,488	-	513,725	63,043,811
Machinery and equipment	13,617,192	591,844	(175,631)	(57,019)	13,976,386
Subtotal	<u>75,994,790</u>	<u>744,332</u>	<u>(175,631)</u>	<u>456,706</u>	<u>77,020,197</u>
Totals at historical cost	<u>86,042,814</u>	<u>4,185,321</u>	<u>(175,631)</u>	<u>(112,782)</u>	<u>89,939,722</u>
<i>Less accumulated depreciation for:</i>					
Buildings, improvements and Infrastructure	27,336,345	1,436,070	-	-	28,772,415
Machinery and equipment	9,110,555	727,782	(175,631)	(101,442)	9,561,264
Total accumulated depreciation	<u>36,446,900</u>	<u>2,163,852</u>	<u>(175,631)</u>	<u>(101,442)</u>	<u>38,333,679</u>
Net capital assets	<u>\$ 49,595,914</u>	<u>\$ 2,021,469</u>	<u>\$ -</u>	<u>\$ (11,340)</u>	<u>\$ 51,606,043</u>

Depreciation was charged to business-type activities as follows:

Water	\$ 680,979
Sewer	1,081,584
Transportation	89,028
Stormwater	194,586
Airport	85,668
Swimming Pool	31,840
Concession Stand	<u>167</u>

Total additions to accumulated depreciation of business-type activities \$2,163,852

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

8. Noncurrent Liabilities:

The following is a summary of changes for noncurrent liabilities of the City for the year ended December 31, 2015:

<b>Governmental activities:</b>	Balance January 1, 2015 as restated	Additions	Reductions	Balance December 31, 2015	Due Within One Year
<b>Capital Improvement fund:</b>					
<i>G.O. bonds, 2011-2018, 2.0%, Monumental Bldg renovation</i>	\$ 730,000	\$ -	\$ 180,000	\$550,000	\$ 185,000
<i>Current Refunding G.O. bonds, 2013-2024, 2.52% avg. Police Facility Construction</i>	4,455,000	-	405,000	4,050,000	415,000
<b>General fund:</b>					
<i>G.O. bonds, 2011-2022, 2.0% to 2.5%, Fire &amp; Police Pension</i>	260,000	-	30,000	230,000	30,000
<b>Kuther Road TIF fund:</b>					
<i>G.O. bonds 2010-2030, 2.0% to 4.25%, , Kuther Road TIF, Water &amp; Sewer Infrastructure</i>	205,000	-	10,000	195,000	10,000
<b>Menards TIF fund:</b>					
<i>G.O. bonds, 2010-2025, 2.0% to 4.0%, Menards TIF, Sewer Infrastructure</i>	550,000	-	45,000	505,000	45,000
Premium on Bonds	27,343	-	4,845	22,498	-
Net Pension Liability					
Ohio Public Employees Retirement System (OPERS)	3,942,877	110,937	-	4,053,814	-
Ohio Police & Fire Pension Fund (OPF)	13,410,886	853,900	-	14,264,786	-
Accrued vacation and sick leave	<u>1,707,747</u>	<u>956,049</u>	<u>914,988</u>	<u>1,748,808</u>	<u>74,396</u>
<b>Total</b>	<b><u>\$ 25,288,853</u></b>	<b><u>\$ 1,920,886</u></b>	<b><u>\$ 1,589,833</u></b>	<b><u>\$25,619,906</u></b>	<b><u>\$ 759,396</u></b>

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

<b>Business-type activities:</b>	Balance January 1, 2015 as restated	Additions	Reductions	Balance December 31, 2015	Due Within One Year
<b>Water fund:</b>					
<i>O.W.D.A. loans, 2009-2029, 0% ARRA –Distribution system upgrades, Automated water meter reads system</i>	\$ 3,285,526	-	\$219,035	\$3,066,491	\$219,035
<i>O.W.D.A. loans, 2009-2029, 0% ARRA – NMHP distribution system</i>	235,620	-	15,708	219,912	15,708
<i>G.O. bonds, 2010-2040, 2.0% to 4.5% Water Source testing</i>	655,000	-	15,000	640,000	15,000
<i>O.W.D.A. Construction loans, 3.3% Water transmission lines</i>	0	1,094,997	0	1,094,997	0
Premium on Bonds	3,533	-	141	3,392	-
<i>Recovery Zone Economic Development Bonds –Taxable G.O. bonds, 2010-2040, coupon interest rate of 5.45% to 6.0% (45% Federal interest subsidy to reduce interest cost) Water source property acquisition and other water source projects</i>	2,402,000	-	45,000	2,357,000	45,000
<b>Sewer fund:</b>					
<i>G.O. bonds, 2011-2022, 2.0% to 2.5% - Wastewater system improvements</i>	4,095,000	-	480,000	3,615,000	480,000
<i>G.O. bonds, 2013-2037, 1.0% to 4.5% - Wastewater system and plant improvements</i>	4,635,000	-	145,000	4,490,000	145,000
Premium on Bonds	24,878	-	3,109	21,769	-
Net pension liability - OPERS	2,371,836	12,819	-	2,384,655	
Accrued vacation and sick leave	<u>421,226</u>	<u>237,725</u>	<u>208,670</u>	<u>450,281</u>	<u>23,136</u>
<b>Total</b>	<u>\$ 18,129,619</u>	<u>\$ 1,345,541</u>	<u>\$ 1,131,663</u>	<u>\$ 18,343,497</u>	<u>\$ 942,879</u>

The full faith and credit of the City are pledged as collateral for all general obligation bonds.

The Sewer Fund's general obligation bonds are expected to be paid with sewer revenues generated from sewer rates. The Water Fund's general obligation bonds are expected to be paid with water revenues generated from water rates. The Kuther Road TIF and Menard TIF general obligation bonds are expected to be paid with payments-in-lieu of taxes received from property owners.

During fiscal year 2009 the City entered into two loans with the Ohio Water Development Authority (OWDA). The first loan was issued for the purpose of making improvements to the water meter read and

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

distribution system. Water revenue, net of operating and maintenance expenses, is pledged as repayment for this loan.

The second loan was issued on behalf of Northbrook Mobile Home Park to provide them with financing for water system upgrades. Repayment of this loan is the responsibility of the Northbrook Mobile Home Park; however, the loan is backed by water revenues of the City in the case of default. A receivable in the amount of \$219,912 at December 31, 2015 is recorded in the basic financial statements.

To repay the loans issued by OWDA the City has pledged future water customer revenues, net of specified operating expenses. The loans are payable solely from water customer net revenues and are payable through 2029. Annual payments on the loans are expected to require less than 5% of net revenues. The total principal payments to be paid on the loans as of December 31, 2015 are \$3,286,403. Principal paid and total customer net revenues for 2015 were \$234,743 and \$5,536,495, respectively.

A 30-year construction loan from OWDA in the amount of \$22,148,558 was entered into during November 2015. The interest rate is 3.30% and the City has drawn down \$1,092,596 on this loan as of December 31, 2015. Accrued interest of \$2,401 has been added to the principal balance. This loan is for the construction of wells at the new water source and transmission lines back to the Water Treatment Plant. Also, a 20-year loan from Water Pollution Control Loan Fund (WPCLF) in the amount up to \$9 million, which is administered jointly by the Ohio Environmental & Finance Assistance (OEFA) and OWDA was entered into in October 2015. This loan is to provide funding for various sewer projects designed to achieve compliance with Ohio Environmental Agency mandates. The interest rate is 2.18%. No amounts have been drawn on this loan as of December 31, 2015.

The City has 30-year taxable general obligation Recovery Zone Economic Development Bonds issued in 2010 in the amount of \$2,542,000. The federal government subsidizes the bonds by reimbursing the City for a portion of the interest payments listed below. Bond proceeds were used to pay for water related capital projects.

Annual requirements to pay principal and interest on long-term debt at December 31, 2015 are:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Federal Interest</u>
	Principal	Interest	Principal	Interest	<u>Subsidy</u>
2016	685,000	140,306	919,743	401,301	(56,737)
2017	685,000	126,056	966,662	422,034	(55,713)
2018	705,000	111,806	982,385	405,236	(54,575)
2019	535,000	96,606	1,008,133	387,863	(53,437)
2020	540,000	84,706	1,018,904	369,794	(52,185)
2021-2025	2,295,000	203,456	3,712,022	1,560,310	(240,557)
2026-2030	85,000	11,438	2,665,775	1,216,972	(198,908)
2031-2035	-	-	2,154,439	799,819	(141,692)
2036-2040	-	-	1,743,948	281,822	(60,385)
2041-2045	-	-	255,187	35,083	-
2046	-	-	56,202	1,855	-
<b>Total</b>	<b>\$ 5,530,000</b>	<b>\$ 774,374</b>	<b>\$15,483,400</b>	<b>\$ 5,882,089</b>	<b>\$ (914,189)</b>

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

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9. Contingent Liabilities:

The City is the defendant in various court actions, but either it is covered by insurance or the amount involved is not material in relation to the basic financial statements.

The City participates in several federally assisted programs (primarily Transportation and Community Development Block Grants) which are subject to program compliance audits by the grantors or their representatives. The grantor agencies, at their option, may perform economy and efficiency audits, program results audits or conduct monitoring visits. Such audits and visits could lead to reimbursement to the grantor agencies. Management believes such reimbursements, if any, would not be material.

10. Interfund Transfers:

Interfund transfers in the basic financial statements for the year ended December 31, 2015 were:

	<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General		\$ -	\$ 805,028
Street Repair & Maintenance		320,000	-
Municipal Earned Income for Street Capital		63,265	-
Non-major governmental funds		55,000	-
Non-major enterprise funds		366,763	-
		<u>\$ 805,028</u>	<u>\$ 805,028</u>

All interfund transfers are routine in nature and are to subsidize the operations of the applicable funds.

11. Risk Management:

The City is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. The City has joined the Miami Valley Risk Management Association, Inc. (MVRMA), a joint insurance pool. The pool consists of twenty municipalities who pool risk for property, crime, liability, boiler and machinery and public official liability.

The City pays an annual premium to MVRMA for this coverage. The agreement provides that the MVRMA will be self-sustaining through member premiums and the purchase of excess and stop-loss insurance. The deductible per occurrence for all types of claims is \$2,500. During 2015, the Association's per-occurrence retention limit for property was \$250,000, with the exception of boiler and machinery for which there was a \$5,000 per occurrence retention limit. Liability had a per-occurrence retention limit of \$500,000. After the retention limits are reached, excess insurance will cover up to the limits stated below.

General Liability (including law enforcement)	\$10,000,000 per occurrence
Automobile Liability	\$10,000,000 per occurrence
Public Officials Liability	\$10,000,000 per occurrence
Boiler and Machinery	\$100,000,000 per occurrence
Property	\$1,000,000,000 per occurrence
Earthquake	\$25,000,000 per occurrence
Flood	\$25,000,000 per occurrence
Cyber Liability	\$2,000,000 per occurrence
Pollution Liability	\$1,000,000 per occurrence

There were no significant reductions in insurance coverage during the year in any category of risk. Settled claims did not exceed insurance coverage in each of the past three years.

12. Components of Fund Balance:

Fund balance is classified as nonspendable, restricted, committed, assigned, and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

	General Fund	Street Repair & Maintenance Fund	Capital Improvement Fund	Municipal Earned Income Tax for Street Capital Fund	Other Non-major Governmental Funds	Total
<b>Fund balances:</b>						
<b>Nonspendable</b>						
Inventory	\$ 75,921	\$ 108,956	\$ -	\$ -	\$ -	\$ 184,877
Prepaid Expenses	29,193	517	698	-	16,469	46,877
<b>Restricted for:</b>						
Streets & Highways	-	523,260	-	1,400,689	12,966	1,936,915
Law Enforcement	-	-	-	-	253,938	253,938
Municipal Court	-	-	-	-	595,313	595,313
Cemetery	-	-	-	-	873,170	873,170
Community development	-	-	-	-	304,983	304,983
Tax incremental financing	-	-	-	-	386,351	386,351
Other purposes	-	-	-	-	64,788	64,788
<b>Committed to:</b>						
Separation pay	283,076	-	-	-	-	283,076
Health	-	-	-	-	198,550	198,550
Other purposes	-	-	-	-	87,617	87,617
<b>Assigned to:</b>						
Capital projects	280,958	-	1,791,894	-	-	2,072,852
Future commitments	1,140,611	-	-	-	-	1,140,611
Other purposes	119,517	-	-	-	-	119,517
<b>Unassigned:</b>	6,355,395	-	-	-	-	6,355,395
	<u>\$ 8,284,671</u>	<u>\$ 632,733</u>	<u>\$ 1,792,592</u>	<u>\$ 1,400,689</u>	<u>\$ 2,794,145</u>	<u>\$ 14,904,830</u>

13. Self-Insurance:

During 2015, the City chose to establish a risk financing fund for risks associated with the employees' health insurance plan. The City is now a member of a Medical Purchasing Cooperative through Ohio Benefits Cooperative where Jefferson Health Plan is the administrative party through which to purchase insurance, stop loss insurance, and other benefit services including the use of Anthem as the third party administrator processing claims. The risk financing fund is accounted for as an internal service fund where assets are set aside for claim settlements. A premium is charged to each fund that accounts for part-time or full-time employees. The total charge allocated to each of the funds is calculated using trends in actual claims experience. Provisions are also made for unexpected and unusual claims.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs, and other economic and social factors. Changes in the balances of claims liabilities during the past fiscal year are as follows:

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

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	2015
Unpaid claims, beginning of the year	\$ -
Incurred claims (including IBNR's)	406,230
Claim payments	(339,221)
Unpaid claims, end of year	\$ 67,009

14. Fund Deficits at December 31, 2015:

The Revenue Collections Fund has a deficit fund balance of \$268,398. This fund has a deficit balance primarily due to the accrual of compensated absences, which is long term in nature. The Solid Waste Fund has a deficit fund balance of \$83,436. Solid Waste charges are billed and collected in advance; therefore, the recording of receivables and unearned income using the accrual basis of accounting generates the fund's deficit balance. The Garage/Fleet Fund has a deficit fund balance of \$46,330, due to the accrual of pension under GASB 68, which is long term in nature. The Concession Stand Fund has a deficit fund balance of \$20,227, due to start-up expenses supplemented by a cash advance from the General Fund of \$36,000 shown only on the balance sheet.

15. Joint Venture:

The City has entered into a joint venture with Logan/Shelby County N911 in order to provide proper management for the combined 911 system and the shared services for all affected members. The property used with the 911 system will be equally owned by all of the initial departments regardless of physical location. As of December 31, 2015 this acquisition was encumbered but not spent under the current financial resources measurement focus.

16. Contractual Commitment:

The encumbrances (amounts committed to liquidate purchase orders of the prior periods) at December 31, 2015 for governmental activities are as follows:

<u>Fund</u>	<u>Total Encumbrances</u>
General	\$ 119,517
Street	116,409
Capital Improvement	1,066,393
Municipal Income Tax for Street Capital Projects	115,207
Non-major	259,009
Total	\$ 1,676,535

17. Subsequent Event:

On April 25, 2016, City Council authorized the City Manager to apply for a 30-year construction loan from OWDA in the amount up to \$6.0 million dollars. The current interest rate is 3.31%, less a half point credit for the City receiving a previous OWDA loan. This loan if approved would provide funding for the construction of a lime sludge lagoon.

18. Change in Accounting Principle and Restatement of Net Position:

For 2015, the City of Sidney implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement



**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

No. 68.” GASB 68 established standards for measuring and recognizing pension liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditure.

The implementation of this pronouncement had the following effect on net position as reported December 31, 2014:

	<u>Governmental Activities</u>	<u>Business -Type Activities</u>
Net position December 31, 2014	\$62,488,615	\$46,416,657
Adjustments:		
Net Pension Liability	(17,353,763)	(2,371,836)
Deferred Outflow - Payments Subsequent to Measurement Date	<u>1,765,542</u>	<u>368,858</u>
Restated Net Position December 31, 2014	<u><u>\$46,900,394</u></u>	<u><u>\$44,413,679</u></u>

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Stormwater Fund</u>	<u>Non-major Enterprise Funds</u>	<u>Total Enterprise</u>	<u>Total Internal Service</u>
Net position December 31, 2014	\$14,244,213	\$19,416,795	\$5,026,774	\$7,984,126	\$46,671,908	\$643,359
Adjustments:						
Net Pension Liability	(856,135)	(929,655)	(159,101)	(426,945)	(\$2,371,836)	(\$657,519)
Deferred Outflow - Payments Subsequent to Measurement Date	<u>133,142</u>	<u>144,576</u>	<u>24,743</u>	<u>66,397</u>	<u>368,858</u>	<u>102,254</u>
Restated Net Position December 31, 2014	<u><u>\$13,521,220</u></u>	<u><u>\$18,631,716</u></u>	<u><u>\$4,892,416</u></u>	<u><u>\$7,623,578</u></u>	<u><u>\$44,668,930</u></u>	<u><u>\$88,094</u></u>

Other than employer contributions subsequent to the measurement date, the City of Sidney made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

19. Defined Benefit Pension Plans:

***Net Pension Liability***

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the City’s proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

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average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the City's obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees' services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *salaries and benefits payable* on both the accrual and modified accrual bases of accounting.

***Plan Description – Ohio Public Employees Retirement System (OPERS)***

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional and combined pension plans are cost-sharing, multiple-employer defined benefit pension plans. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan, substantially all employee members are in either the OPERS' traditional plan or the combined plan; therefore, the following disclosure focuses on these two pension plans.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
<b>Age and Service Requirements:</b>	<b>Age and Service Requirements:</b>	<b>Age and Service Requirements:</b>
Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Formula:</b>	<b>Formula:</b>	<b>Formula:</b>
2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	<u>State and Local</u>
<b>2015 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee	10.0 %
 <b>2015 Actual Contribution Rates</b>	
Employer:	
Pension	12.0 %
Post-employment Health Care Benefits	<u>2.0</u>
 Total Employer	 <u>14.0 %</u>
 Employee	 <u>10.0 %</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$989,912 for 2015. Of this amount, \$81,303 is reported as salaries and benefits payable.

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

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***Plan Description – Ohio Police & Fire Pension Fund (OPF)***

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF provides retirement and disability pension 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. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon attaining a qualifying age with sufficient years of service, a member of OPF may retire and receive a lifetime monthly pension. OPF offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before after July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit.

Under normal service retirement, retired members who are at least 55 years old and have been receiving OPF benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either three percent or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to three percent of their base pension or disability benefit.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

	<u>Police</u>	<u>Firefighters</u>
<b>2015 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee:		
January 1, 2015 through July 1, 2015	11.50 %	11.50 %
July 2, 2015 through December 31, 2015	12.25 %	12.25 %
<b>2015 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee:		
January 1, 2015 through July 1, 2015	11.50 %	11.50 %
July 2, 2015 through December 31, 2015	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$1,213,048 for 2015. Of this amount \$134,164 is reported as salaries and benefits payable.

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

The net pension liability for OPERS was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2014, and was determined by rolling forward the total pension liability as of January 1, 2014, to December 31, 2014. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$6,438,469	\$14,264,786	\$20,703,255
Proportion of the Net Pension Liability	0.053553%	0.2753598%	
Pension Expense	\$881,780	\$1,852,563	\$2,734,343

At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

	OPERS	OP&F	Total
<b>Deferred Outflows of Resources</b>			
Net difference between projected and actual earnings on pension plan investments	\$347,057	\$153,700	\$500,757
City contributions subsequent to the measurement date	989,812	1,213,048	2,202,860
Total Deferred Outflows of Resources	\$1,336,869	\$1,366,748	\$2,703,617
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$123,045	\$0	\$123,045

\$2,202,860 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS	OP&F	Total
Year Ending December 31:			
2016	\$33,208	\$38,425	\$71,633
2017	33,208	38,425	71,633
2018	76,874	38,425	115,299
2019	85,647	38,425	124,072
2020	(1,117)	0	(1,117)
Thereafter	(3,808)	0	(3,808)
Total	\$224,012	\$153,700	\$377,712

**Actuarial Assumptions - OPERS**

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.75 percent
Future Salary Increases, including inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA	3 percent, simple
Investment Rate of Return	8 percent
Actuarial Cost Method	Individual Entry Age

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

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Mortality rates were based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

The most recent experience study was completed for the five year period ended December 31, 2010.

The long-term rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 6.95 percent for 2014.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2014 and the long-term expected real rates of return:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	23.00 %	2.31 %
Domestic Equities	19.90	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	19.10	7.40
Other investments	18.00	4.59
Total	<u>100.00 %</u>	<u>5.28 %</u>

***Discount Rate***

The discount rate used to measure the total pension liability was 8 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

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***Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate***

The following table presents the City's proportionate share of the net pension liability calculated using the current period discount rate assumption of 8 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one- percentage-point lower (7 percent) or one- percentage-point higher (9 percent) than the current rate:

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability			
Traditional	\$11,901,514	\$6,469,254	\$1,893,922
Combined	\$3,998	(\$30,785)	(\$58,368)

***Actuarial Assumptions – OPF***

OPF's total pension liability as of December 31, 2014 is based on the results of an actuarial valuation date of January 1, 2014, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2014, are presented below:

Valuation Date	January 1, 2014
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.60 percent and 3.00 percent

Rates of death are based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

The most recent experience study was completed January 1, 2012.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF's target asset allocation as of



**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

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December 31, 2014 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	- %	(0.25) %
Domestic Equity	16.00	4.47
Non-US Equity	16.00	4.47
Core Fixed Income *	20.00	1.62
Global Inflation Protected *	20.00	1.33
High Yield	15.00	3.39
Real Estate	12.00	3.93
Private Markets	8.00	6.98
Timber	5.00	4.92
Master Limited Partnerships	8.00	7.03
Total	<u>120.00 %</u>	

\* levered 2x

OPF's Board of Trustees has incorporated the "risk parity" concept into OPF's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate** The total pension liability was calculated using the discount rate of 8.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.25 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.25 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.25 percent), or one percentage point higher (9.25 percent) than the current rate.

	<u>1% Decrease (7.25%)</u>	<u>Current Discount Rate (8.25%)</u>	<u>1% Increase (9.25%)</u>
City's proportionate share of the net pension liability	\$19,730,357	\$14,264,786	\$9,637,109

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

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Post-Employment Benefits:

A. Ohio Public Employees Retirement System

OPERS maintains two cost-sharing multiple-employer defined benefit post-employment health care trusts, which fund multiple health care plans including a medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the Traditional Pension and the Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage.

In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. Please see the Plan Statement in the OPERS 2014 CAFR for details.

The ORC permits, but does not mandate, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

The Ohio Revised Code provides the statutory authority requiring employers to fund health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2015, state and local employers contributed at a rate of 14.0% of earnable salary. These are the maximum employer contribution rates permitted by Ohio Revised Code. Active member contributions do not fund health care.

OPERS' maintains three health care trusts. The two cost-sharing, multiple-employer trusts, the 401(h) Health Care Trust and the 115 Health Care Trust, work together to provide health care funding to eligible retirees of the Traditional and Combined plans. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) that provides for a Retiree Medical Account for Member-Directed Plan members. Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contribution allocated to the health care for members in the Traditional Plan and Combined Plan was 2.0% during calendar year 2015. As recommended by the OPERS' actuary, the portion of employer contribution allocated to the health care beginning January 1, 2016 remained at 2.0% for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the VEBA for participants in the Member-Directed Plan for 2015 was 4.5%.

The portion of the City's contributions that was used to fund post-employment benefits for the years ending December 31, 2015, 2014 and 2013, was \$141,359, \$140,235, and \$69,558 respectively; 82% has been contributed for 2015 and 100% for 2014 and 2013.

**CITY OF SIDNEY, OHIO**  
**Notes to the Basic Financial Statements**  
**December 31, 2015**

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

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

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement No. 45.

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F's website at [www.op-f.org](http://www.op-f.org).

The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5% and 24.0% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was .5% of covered payroll from January 1, 2015 thru December 31, 2015. The amount of employer contributions allocated to the health care plan each year is subject to the Trustee's primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Section 115 and 401(h).

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

The City's actual contributions for 2015, 2014 and 2013 that were used to fund post-employment benefits for police and firefighters were \$28,079, \$27,334, and \$187,253, respectively; 89% has been contributed for 2015, 100% for 2014, and 100% for 2013.

**CITY OF SIDNEY, OHIO**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF THE CITY OF SIDNEY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM**  
**LAST TWO FISCAL YEARS (1)**

	<u>2014</u>	<u>2013</u>
City of Sidney's Proportion of the Net Pension Liability	0.053553%	0.053553%
City of Sidney's Proportionate Share of the Net Pension Liability		
Traditional Pension Plan	\$6,469,254	\$6,323,103
Combined Plan	(\$30,785)	(\$8,390)
City of Sidney's Covered-Employee Payroll	\$7,070,086	\$7,014,545
City of Sidney's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	91.07%	90.02%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability -		
Traditional Pension Plan	86.45%	86.36%
Combined Plan	114.83%	104.56%

(1) Information prior to 2013 is not available.

**CITY OF SIDNEY, OHIO**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF THE CITY OF SIDNEY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**POLICE AND FIRE PENSION FUND**  
**LAST TWO FISCAL YEARS (1)**

	<u>2014</u>	<u>2013</u>
City of Sidney's Proportion of the Net Pension Liability	0.275360%	0.275360%
City of Sidney's Proportionate Share of the Net Pension Liability	\$14,264,786	\$13,410,886
City of Sidney's Covered-Employee Payroll	\$5,479,757	\$5,407,719
City of Sidney's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	260.32%	248.00%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	72.20%	73.00%

(1) Information prior to 2013 is not available.

**CITY OF SIDNEY, OHIO  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF OPERS PAYMENTS  
LAST NINE YEARS**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Contractually Required Contribution	\$ 1,028,384	\$ 1,056,656	\$ 1,073,234	\$ 1,036,503	\$ 1,038,742	\$ 958,670	\$ 974,203	\$ 982,036	\$ 989,812
Contributions in Relation to the Contractually Required Contribution	<u>\$ 1,028,384</u>	<u>\$ 1,056,656</u>	<u>\$ 1,073,234</u>	<u>\$ 1,036,503</u>	<u>\$ 1,038,742</u>	<u>\$ 958,670</u>	<u>\$ 974,203</u>	<u>\$ 982,036</u>	<u>\$ 989,812</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered-Employee Payroll	\$ 7,345,603	\$ 7,547,541	\$ 7,665,960	\$ 7,403,596	\$ 7,419,588	\$ 6,847,645	\$ 6,958,595	\$ 7,014,545	\$ 7,070,086
Contributions as a Percentage of Covered-Employee Payroll	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

**CITY OF SIDNEY, OHIO  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF POLICE & FIRE PENSION FUND PAYMENTS  
LAST NINE YEARS**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Contractually Required Contribution	\$ 1,095,109	\$ 1,118,018	\$ 1,146,485	\$ 1,132,112	\$ 1,217,552	\$ 1,123,282	\$ 1,156,627	\$ 1,179,781	\$ 1,213,048
Contributions in Relation to the Contractually Required Contribution	<u>\$ 1,095,109</u>	<u>\$ 1,118,018</u>	<u>\$ 1,146,485</u>	<u>\$ 1,132,112</u>	<u>\$ 1,217,552</u>	<u>\$ 1,123,282</u>	<u>\$ 1,156,627</u>	<u>\$ 1,179,781</u>	<u>\$ 1,213,048</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered-Employee Payroll	\$ 5,054,697	\$ 5,156,307	\$ 5,282,483	\$ 5,230,233	\$ 5,608,040	\$ 5,171,001	\$ 5,297,966	\$ 5,407,719	\$ 5,479,757
Contributions as a Percentage of Covered-Employee Payroll	21.67%	21.68%	21.70%	21.65%	21.71%	21.72%	21.83%	21.82%	22.14%

**CITY OF SIDNEY, OHIO**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Original Budget	Final Budget	Actual Including Encumbrances	Variance from Final Budget
<b>REVENUES:</b>				
Local taxes	\$ 12,408,562	\$ 12,408,562	\$ 13,718,572	\$ 1,310,010
Intergovernmental revenues	617,113	617,113	649,875	32,762
Special assessments	239,500	239,500	243,194	3,694
Charges for services	1,272,772	1,272,772	1,480,307	207,535
Fines, licenses and permits	122,741	122,741	140,981	18,240
Investment income	38,000	38,000	83,456	45,456
Miscellaneous receipts and reimbursements	-	-	-	-
	<u>1,540,329</u>	<u>1,540,329</u>	<u>1,561,511</u>	<u>21,182</u>
Total revenues	<u>16,239,017</u>	<u>16,239,017</u>	<u>17,877,896</u>	<u>1,638,879</u>
<b>EXPENDITURES:</b>				
Current:				
General government	2,750,230	2,765,602	2,568,454	197,148
Police	6,044,054	6,045,137	5,892,464	152,673
Fire	4,948,200	5,172,830	5,026,246	146,584
Judicial	1,271,022	1,270,988	1,253,190	17,798
Community development	206,742	176,642	169,199	7,443
Community environment	590,413	615,732	605,288	10,444
Parks and recreation	1,345,717	1,327,392	1,290,654	36,738
Capital outlay	<u>12,500</u>	<u>12,700</u>	<u>9,037</u>	<u>3,663</u>
Total expenditures	<u>17,168,878</u>	<u>17,387,023</u>	<u>16,814,532</u>	<u>572,491</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(929,861)</u>	<u>(1,148,006)</u>	<u>1,063,364</u>	<u>2,211,370</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	<u>(741,763)</u>	<u>(741,763)</u>	<u>(741,763)</u>	<u>-</u>
Total other financing sources	<u>(741,763)</u>	<u>(741,763)</u>	<u>(741,763)</u>	<u>-</u>
Net change in fund balance	(1,671,624)	(1,889,769)	321,601	2,211,370
Fund Balances, beginning of year	7,909,222	7,909,222	7,909,222	-
Prior Year Encumbrances	<u>249,232</u>	<u>249,232</u>	<u>249,232</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 6,486,830</u>	<u>\$ 6,268,685</u>	<u>\$ 8,480,055</u>	<u>\$ 2,211,370</u>

See Notes to the Required Supplementary Information.



**CITY OF SIDNEY, OHIO**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**STREET REPAIR AND MAINTENANCE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Original Budget	Final Budget	Actual Including Encumbrances	Variance from Final Budget
<b>REVENUES:</b>				
Intergovernmental revenues	\$ 1,042,854	\$ 1,042,854	\$ 997,003	\$ (45,851)
Investment Income	1,000	1,000	3,239	2,239
Miscellaneous receipts and reimbursements	80,030	80,030	83,538	3,508
Total revenues	<u>1,123,884</u>	<u>1,123,884</u>	<u>1,083,780</u>	<u>(40,104)</u>
<b>EXPENDITURES:</b>				
Current:				
Street repair & maintenance	1,461,477	1,606,279	1,342,149	264,130
Total expenditures	<u>1,461,477</u>	<u>1,606,279</u>	<u>1,342,149</u>	<u>264,130</u>
Deficiency of revenues under expenditures	<u>(337,593)</u>	<u>(482,395)</u>	<u>(258,369)</u>	<u>224,026</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	320,000	320,000	320,000	-
Total other financing sources	<u>320,000</u>	<u>320,000</u>	<u>320,000</u>	<u>-</u>
Net change in fund balance	(17,593)	(162,395)	61,631	224,026
Fund Balances, beginning of year	134,449	134,449	134,449	-
Prior Year Encumbrances	<u>145,259</u>	<u>145,259</u>	<u>145,259</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 262,115</u>	<u>\$ 117,313</u>	<u>\$ 341,339</u>	<u>\$ 224,026</u>

See Notes to the Required Supplementary Information.

**CITY OF SIDNEY, OHIO**  
Notes to the Required Supplementary Information  
For the Year Ended December 31, 2015

**Basis of Budgeting**

Basis of budgeting refers to when revenues and expenditures or expenses are recognized in the accounts. The City of Sidney's budget for all funds is prepared on a cash-encumbrance basis by which transactions are recorded when cash is received or disbursed, or when a commitment has been recorded as an encumbrance against an applicable appropriation. All annual appropriations lapse at year-end to the extent they have not been expended or lawfully encumbered. Fund balances shown are unencumbered cash balances. This basis is utilized for all interim financial statements issued during the year.

The basis of budgeting differs from the accounting principles generally accepted in the United States of America (GAAP) used for the City's year-end financial statements contained in the Comprehensive Annual Financial Report (CAFR). Under that basis of accounting, revenues are generally recognized when the obligation to the City arises; the budget basis, however, recognizes revenue only when cash has been received. In the CAFR, expenditures are generally recognized in the period in which they are incurred. Under the budget basis, expenditures are recognized when cash has been disbursed or when an encumbrance has been placed against an appropriation.

Unencumbered appropriations lapse at year end. State law provides that, generally, no contract, agreement or other obligation involving the expenditure of money shall be entered into unless the Finance Officer first certifies that the money required for such contract, agreement, obligation or expenditure is in the treasury, or is anticipated to come into the treasury, before the maturity of such contract. (O.R.C. 5705.41)

**Budget Process**

The policy of the City is to have the annual operating and capital budgets approved prior to January 1 of each year.

The City follows procedures prescribed by State law and local policy in establishing its budgets as follows:

1. About January 1, the City must submit to the County Budget Commission a statement, classified by fund, of estimated cash receipts for the year and beginning-of-year unencumbered fund balances. The County Budget Commission certifies these estimates and issues an Official Certificate of Estimated Resources, (the "Certificate") limiting the maximum amount the City may expend from a given fund during the year to the estimated resources available. The City may, from time to time throughout the year, request an amended Certificate to reflect updated resource estimates.
2. The *five-year financial plan* is updated on an annual basis, usually in September. The plan is prepared after receiving input from all departments. The plan shall include all major operating funds and all capital improvement funds of the City. The purpose of this plan is to:
  - a. Identify major policy issues for City Council consideration prior to the preparation of the annual budget;
  - b. establish capital project priorities and make advance preparation for the funding of projects within the five-year horizon;
  - c. make conservative financial projections for all major operating funds and all capital improvements to provide assurance that adequate funding exists for proposed projects and services;
  - d. identify financial trends in advance or in the early stages so that timely corrective action can be taken, if needed;
  - e. communicate the City's intermediate plans to the public and provide an opportunity for the public to offer input.
3. The *operating budget* is recommended to Council based upon the City-Manager-approved requests submitted by each department. The City Manager acts as budget officer for the City and submits a proposed operating budget to the City Council on an annual basis. Public hearings are held to obtain taxpayer input. The Council enacts the budget through passage of an ordinance. All funds of the City have annual budgets legally adopted by the City Council.

**CITY OF SIDNEY, OHIO**  
Notes to the Required Supplementary Information  
For the Year Ended December 31, 2015

4. *Modifications to the budget* may be made from time to time during the budget year. The Statement of Financial Policies provides the permissible methods of amending the budget.

**Reconciliation of Budget Basis to GAAP Basis**

The adjustments necessary to convert the results of operations for the year ended December 31, 2015, from the GAAP basis to the budget basis are as follows:

	General Fund	Street Repair & Maintenance Fund	
Net change in fund balance - <i>GAAP Basis</i>	\$ 717,691	\$ 176,925	
Increase / (decrease):			
Due to revenues	1,397,273	1,132	
Due to expenditures	(1,793,363)	(116,426)	
Net change in fund balance - Budget Basis	\$ 321,601	\$ 61,631	



SUPPLEMENTAL  
SECTION

**CITY OF SIDNEY, OHIO**  
**Fund Descriptions**

**GENERAL FUND**

The General Fund is used to account for government resources not accounted for in any other fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the City Charter and/or the general laws of the State of Ohio.

**SPECIAL REVENUE FUNDS**

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

**Major special revenue fund:**

**Street Repair & Maintenance Fund.** To account for state-levied and controlled gasoline tax and motor vehicle registration fees designated for street maintenance and repair.

**Non-major special revenue funds:**

**State Highway Fund.** To account for the portion of the state gasoline tax and motor vehicle registration fees restricted for street maintenance and repair of state highways within the City.

**County Auto License Fund.** To account for county-levied motor vehicle registration fees restricted for street construction, maintenance and repair.

**Convention and Visitors Bureau Fund.** To account for 25% of the funds received from the 6% lodging tax for the operation of a convention and visitors' bureau. The remaining 75% of the tax proceeds are accounted for in the General Fund.

**Parking Enforcement Fund.** Accounts for the operation of the parking system and related expenditures. The operating expenditures and capital improvements are supported by fines, customer charges, and additional funding, as necessary, from the General Fund.

**Drug Law Enforcement Fund.** To account for mandatory fines collected for drug offenses.

**Law Enforcement Fund.** To account for the proceeds from the confiscation of contraband.

**Indigent Driver Alcohol Treatment Fund.** To account for mandatory fines for DUI arrests that are used to treat drivers who cannot afford the rehabilitation.

**Enforcement & Education Fund.** To account for financial resources used to educate and treat persons with alcohol related problems and to enhance law enforcement activities as a deterrent to the operation of motor vehicles while under the influence of alcohol.

**E-Share Federal Forfeitures Fund.** To account for the proceeds from the E-share federal forfeiture funds to be used for law enforcement activities.

**Health Department Building Lease Fund.** To account for the operation and maintenance of the building that is leased to the county health department.

**F.E.M.A. Grant Fund.** To account for funds received from Federal Emergency Management Association (FEMA).

**Probation Grant Fund.** To account for funds received from the Ohio Department of Rehabilitation and Corrections for the operation of the Municipal Court's probation department.

**Municipal Court Special Projects Fund.** To account for additional court fees levied in accordance with Ohio Revised Code for the purpose to acquire and pay for special projects of the court.

**CITY OF SIDNEY, OHIO**  
**Fund Descriptions**

**Indigent Driver Interlock and Alcohol Monitoring Fund (Municipal Court).** To account for additional court fees levied in accordance with Ohio Revised Code for the purpose of providing alcohol monitoring equipment for those cases that cannot afford to purchase it.

**IDAT - Surplus Fund (Municipal Court).** To account for the resources and expenditures declared to be Indigent Driver Alcohol Treatment Surplus funds. This fund is not required to have a legally adopted budget.

**Municipal Court Computer Fund.** To account for additional court fees levied in accordance with Ohio Revised Code for the sole purpose of procuring and maintaining computer systems for the office of the clerk of courts.

**Cemetery Fund.** To account for the operation and maintenance of the cemetery facilities.

**Cemetery Maintenance Fund.** To account for that portion of cemetery sales revenue committed by City policy to be held for the perpetual care of Graceland Cemetery.

**Mausoleum Maintenance Fund.** To account for that portion of cemetery sales revenue committed by City policy to be held for the perpetual maintenance and repair of the mausoleum at Graceland Cemetery.

**C.D.B.G. Fund.** To account for state funds and federal funds passed through state agencies for community development activities.

**C.D.B.G. Revolving Loan Fund.** To account for loans and repayment of loans for businesses who qualify for low interest loans for economic development.

**C.D.B.G. Program Income Fund.** To account for the income generated from C.D.B.G. grant programs. Funds must be used for grant-eligible activities.

**H.O.M.E. Program Income Fund.** To account for income generated from HOME grant programs, primarily loans and repayments of loans made in HOME-funded housing projects. Funds must be used for grant-eligible activities.

**Neighborhood Stabilization Program Grant Fund.** To account for funds received as part of the Regional Neighborhood Stabilization Program. The U.S. Department of Housing & Urban Development awarded funding to states and communities to address abandoned and foreclosed homes. Proceeds are to be used for eligible demolition and renovation projects in the City of Sidney.

**E-911 Wireless Fund.** To account for funds collected by the State of Ohio from cell phone users and redistributed back to Ohio counties for use in implementation and maintenance of wireless 9-1-1 systems. The County is distributing 50% of those receipts to the City for the upkeep and maintenance of the wireless 9-1-1 system.

**Fire Loss Security Fund.** To account for the holding of a portion of insurance proceeds from fire loss of private property, held as security against the cost of removing, securing or repairing the damaged structure.

**CRA Fund.** To account for the annual fees paid by owners benefiting Community Reinvestment Area (CRA) tax abatement. This fee may be used to pay for expenses incurred in preparing the CRA annual report or expenses incurred by the tax incentive review committee.

**TIF – Kuther Rd Fund.** To account for the financial resources and expenditures related to the development of the water and sewer infrastructure along Kuther Road.

**TIF – Menards Fund.** To account for the financial resources and expenditures related to the development of the southwest sanitary sewer.

**TIF – Echo Fund.** To account for the financial resources and expenditures related to the development of the Echo Business Center subdivision.

**CITY OF SIDNEY, OHIO**  
**Fund Descriptions**

**CAPITAL PROJECTS FUNDS**

Capital projects funds are used to account for the acquisition and construction of major capital facilities, other than those financed by proprietary funds and trust funds.

**Major capital projects fund:**

**Capital Improvement Fund.** To account for the income tax resources earmarked for capital improvements used for general improvement of all City facilities and operations.

**Municipal Earned Income Tax for Street Capital Fund.** To account for the one-quarter of one percent (0.25%) levy and shall be used entirely for the construction, reconstruction, resurfacing, or maintenance of streets, alley, bridges, curbs and gutters in the City and the costs incidental thereto.

**Non-major capital projects funds:**

**Brookside Park Fund.** To account for the resources earmarked for capital improvements used for the development of Brookside Park and operations.

**ENTERPRISE FUNDS**

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises for which 1) the intent of the government's legislative body is that goods or services provided to the general public on a continuing basis be financed or recovered primarily through user charges or 2) the government's legislative body has decided that periodic determination of net income is appropriate for accountability purposes.

**Major enterprise funds:**

**Water Fund.** Accounts for the operation of the waterworks distribution system and related expenses, including capital improvement and debt service. The operation is exclusively financed by customer user charges.

**Sewer Fund.** Accounts for the operation of the sanitary sewer collection and treatment system and related expenses, including capital improvement and debt service. The operation is exclusively financed by customer user charges.

**Stormwater Fund.** Accounts for the operation and maintenance of the stormwater system, and related expenses, including capital improvement. The operating expenses are financed through user charges, and as necessary, a subsidy from the General Fund. The Capital Improvements are subsidized by the General Fund.

**Non-major enterprise funds:**

**Transportation Fund.** Accounts for the operation and maintenance of the Shelby Public Transit (formerly Dial-A-Ride) service, and related expenses, including capital improvement. The operating expenses and capital improvements are supported by customer charges and governmental grants. Any remaining funding is split 65% subsidy from the General Fund and 35% subsidy from Shelby County.

**Airport Fund.** Accounts for the operation of the airport facility and related expenses, including capital improvement. The operating expenses and capital improvements are supported by customer charges and a subsidy, as necessary, from the General Fund.

**Yard Waste Fund.** Accounts for the operation of the yard waste collection system and related expenses, including capital improvements. The operations are financed through a subsidy from the General Fund.

**CITY OF SIDNEY, OHIO**  
**Fund Descriptions**

**Solid Waste Fund.** Accounts for the operation of the solid waste collection system and related expenses, including capital improvements. The operations are financed through user charges.

**Swimming Pool Fund.** Accounts for the operation of the public swimming pool and related expenses, including capital improvements. The operating expenses are financed through user charges while the capital improvements are subsidized by the General Fund.

**Concession Stand Fund.** Accounts for the operations of the concession stand and related expenses, including capital improvements.

**INTERNAL SERVICE FUNDS**

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

**Service Center Building Fund.** To account for the operation of the Service Center building. This activity is funded by charges to City departments that use these services.

**Technology Fund.** To account for the costs of purchasing and maintaining the City's computer and phone systems and the allocation of those costs to the using departments on a cost-reimbursement basis.

**Self-Insurance Fund.** To account for the employees' health insurance plan, including the payment of insurance premiums and claims. The fund is exclusively financed by premiums paid by City employees and from various operating funds of the City.

**Revenue Collections Fund.** To account for the operation of the City's centralized income tax and utility billing and collections department. This activity is funded by charges to the City departments for which the monies are collected.

**Garage/Fleet Operation Fund.** To account for the operation of the municipal garage. This activity is funded by charges to City departments that use this service.

**AGENCY FUNDS**

Agency funds are used to account for assets held on behalf of other parties.

**Municipal Court Fund.** To account for assets received and disbursed by the Municipal Court as agent and custodian relative to civil or criminal court matters.

**Medical Reimbursement Fund.** To account for employee payroll withholdings designated for employees' medical reimbursement accounts established under a Section 125 Cafeteria Plan.

**Port Jefferson Fund.** To account for funds collected on behalf of the Village of Port Jefferson. These funds are collected with sewer bills from residents of the Village.

**River Clean Up Fund.** To account for funds collected and disbursed on behalf of the Upper Great Miami River Watershed Protection Project.



**CITY OF SIDNEY, OHIO**  
**Fund Descriptions**

**PRIVATE-PURPOSE TRUST FUND**

Private purpose funds are used to account for a trust arrangement where specific benefits accrue to specific individuals.

**C. Truster Flower Trust Fund.** To account for the purchase and placement of flowers upon the monument of Grantor and Grantor's sister at Memorial Day at the Graceland Cemetery until distribution amount is exhausted.

**B. Bennett Flower Trust Fund.** To account for the purchase and placement of flowers upon the monument of stated Grantor's for specific holidays at the Graceland Cemetery until distribution amount is exhausted.

**Ike Family Mausoleum Fund.** To account for the disbursement to the Ike family for maintenance and repairs to their private mausoleum.

**CITY OF SIDNEY, OHIO  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2015**

	Non-major Special Revenue Funds	Brookside Park Capital Projects Fund	Total Non-major Governmental Funds
<b>ASSETS</b>			
Pooled cash	\$ 1,198,697	\$ -	\$ 1,198,697
Cash held by outside agent	156,860	-	156,860
Pooled investments	1,640,462	-	1,640,462
Receivables:			
Property taxes	151,322	-	151,322
Other taxes	6,290	-	6,290
Interest	2,157	-	2,157
Loans	558,368	-	558,368
Other	71,724	-	71,724
Due from other funds	-	-	-
Receivables from other governments	96,493	-	96,493
Prepaid items	16,469	-	16,469
	<u>3,898,842</u>	<u>-</u>	<u>3,898,842</u>
Total assets	<u>\$ 3,898,842</u>	<u>\$ -</u>	<u>\$ 3,898,842</u>
<b>LIABILITIES</b>			
Liabilities:			
Accounts payable	\$ 87,564	\$ -	\$ 87,564
Salaries and benefits payable	9,454	-	9,454
	<u>97,018</u>	<u>-</u>	<u>97,018</u>
Total liabilities	<u>97,018</u>	<u>-</u>	<u>97,018</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue	1,007,679	-	1,007,679
Total deferred inflows of resources	1,007,679	-	1,007,679
<b>FUND BALANCES</b>			
Nonspendable	16,469	-	16,469
Restricted	2,491,509	-	2,491,509
Committed	286,167	-	286,167
Unassigned	-	-	-
	<u>2,794,145</u>	<u>-</u>	<u>2,794,145</u>
Total fund balances	<u>2,794,145</u>	<u>-</u>	<u>2,794,145</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,898,842</u>	<u>\$ -</u>	<u>\$ 3,898,842</u>

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Non-major Special Revenue Funds	Brookside Park Capital Projects Fund	Total Non-major Governmental Funds
<b>REVENUES:</b>			
Local taxes	\$ 245,514	\$ -	\$ 245,514
Intergovernmental revenues	513,071	-	513,071
Special assessments	1,175	-	1,175
Charges for services	315,407	-	315,407
Fines, licenses and permits	92,869	-	92,869
Investment income	25,032	-	25,032
Miscellaneous receipts and reimbursements	<u>72,160</u>	<u>-</u>	<u>72,160</u>
 Total revenues	 <u>1,265,228</u>	 <u>-</u>	 <u>1,265,228</u>
<b>EXPENDITURES:</b>			
Current:			
Police	63,844	-	63,844
Fire	108,369	-	108,369
Judicial	214,502	-	214,502
Health	156,677	-	156,677
Street repairs and maintenance	70,000	-	70,000
Community development	289,679	-	289,679
Community environment	25,110	-	25,110
Capital outlay	408,350	11,036	419,386
Debt service:			
Principal	55,000	-	55,000
Interest	<u>28,450</u>	<u>-</u>	<u>28,450</u>
 Total expenditures	 <u>1,419,981</u>	 <u>11,036</u>	 <u>1,431,017</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>(154,753)</u>	 <u>(11,036)</u>	 <u>(165,789)</u>
<b>OTHER FINANCING SOURCES:</b>			
Transfers in	<u>55,000</u>	<u>-</u>	<u>55,000</u>
 Total other financing sources	 <u>55,000</u>	 <u>-</u>	 <u>55,000</u>
 Net change in fund balance	 (99,753)	 (11,036)	 (110,789)
 Fund balances, beginning of year	 <u>2,893,898</u>	 <u>11,036</u>	 <u>2,904,934</u>
 Fund balances, end of year	 <u>\$ 2,794,145</u>	 <u>\$ -</u>	 <u>\$ 2,794,145</u>

**CITY OF SIDNEY, OHIO  
 COMBINING BALANCE SHEET  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2015**

	State Highway	County Auto License	Convention and Visitors Bureau	Parking Enforcement	Drug Law Enforcement	Law Enforcement	Indigent Driver Alcohol Treatment	Enforcement & Education
<b>ASSETS</b>								
Pooled cash	\$ 1,441	\$ 6,256	\$ 9,697	\$ 36,436	\$ 6,854	\$ 25,592	\$ 24,531	\$ 3,367
Cash held by outside agent	-	156,860	-	-	-	-	-	-
Pooled investments	1,972	8,566	13,276	49,886	9,385	35,039	33,586	4,611
Receivables:								
Property taxes	-	-	-	-	-	-	-	-
Other taxes	-	-	6,290	-	-	-	-	-
Interest	6	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Other	-	-	-	1,930	-	-	1,047	173
Receivables from other governments	41,582	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 45,001</b>	<b>\$ 171,682</b>	<b>\$ 29,263</b>	<b>\$ 88,252</b>	<b>\$ 16,239</b>	<b>\$ 60,631</b>	<b>\$ 59,164</b>	<b>\$ 8,151</b>
<b>LIABILITIES</b>								
Accounts payable	\$ -	\$ 10,890	\$ -	\$ 20	\$ -	\$ -	\$ 375	\$ -
Salaries and benefits payable	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>10,890</b>	<b>-</b>	<b>20</b>	<b>-</b>	<b>-</b>	<b>375</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue	35,967	156,860	-	615	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>35,967</b>	<b>156,860</b>	<b>-</b>	<b>615</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	9,034	3,932	29,263	-	16,239	60,631	58,789	8,151
Committed	-	-	-	87,617	-	-	-	-
<b>Total fund balances</b>	<b>9,034</b>	<b>3,932</b>	<b>29,263</b>	<b>87,617</b>	<b>16,239</b>	<b>60,631</b>	<b>58,789</b>	<b>8,151</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 45,001</b>	<b>\$ 171,682</b>	<b>\$ 29,263</b>	<b>\$ 88,252</b>	<b>\$ 16,239</b>	<b>\$ 60,631</b>	<b>\$ 59,164</b>	<b>\$ 8,151</b>

(continued)

**CITY OF SIDNEY, OHIO  
COMBINING BALANCE SHEET  
NON-MAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2015**

	Health Department Building Lease	F.E.M.A. Grant	Probation Grant	Municipal Court Special Projects	Indigent Driver Interlock & Alcohol Monitoring	IDAT - Surplus	Municipal Court Computer	E-Share Federal Forfeitures
<b>ASSETS</b>								
Pooled cash	\$ 83,808	\$ 4	\$ 14,179	\$ 207,322	\$ 647	\$ 1,465	\$ 10,647	\$ 1,586
Cash held by outside agent	-	-	-	-	-	-	-	-
Pooled investments	114,742	5	19,410	283,847	886	2,005	14,576	2,170
Receivables:								
Property taxes	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	7
Loans	-	-	-	-	-	-	-	-
Other	2,244	-	-	10,163	749	-	3,305	-
Receivables from other governments	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	15,181	-	-	-	-
<b>Total assets</b>	<b>\$ 200,794</b>	<b>\$ 9</b>	<b>\$ 33,589</b>	<b>\$ 516,513</b>	<b>\$ 2,282</b>	<b>\$ 3,470</b>	<b>\$ 28,528</b>	<b>\$ 3,763</b>
<b>LIABILITIES</b>								
Accounts payable	\$ -	\$ -	\$ -	\$ 24,294	\$ 2,282	\$ -	\$ -	\$ 2,731
Salaries and benefits payable	-	-	2,731	3,370	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>2,731</b>	<b>27,664</b>	<b>2,282</b>	<b>-</b>	<b>-</b>	<b>2,731</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue	2,244	-	-	-	-	-	-	7
<b>Total deferred inflows of resources</b>	<b>2,244</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7</b>
<b>FUND BALANCES</b>								
Nonspendable	-	-	-	15,181	-	-	-	-
Restricted	-	9	30,858	473,668	-	3,470	28,528	1,025
Committed	198,550	-	-	-	-	-	-	-
<b>Total fund balances</b>	<b>198,550</b>	<b>9</b>	<b>30,858</b>	<b>488,849</b>	<b>-</b>	<b>3,470</b>	<b>28,528</b>	<b>1,025</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 200,794</b>	<b>\$ 9</b>	<b>\$ 33,589</b>	<b>\$ 516,513</b>	<b>\$ 2,282</b>	<b>\$ 3,470</b>	<b>\$ 28,528</b>	<b>\$ 3,763</b>

(continued)

**CITY OF SIDNEY, OHIO  
COMBINING BALANCE SHEET  
NON-MAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2015**

	Cemetery	Cemetery Maintenance	Mausoleum Maintenance	C.D.B.G.	C.D.B.G. Revolving Loan	C.D.B.G. Program Income	H.O.M.E. Program Income	Neighborhood Stabilization Program Grant
<b>ASSETS</b>								
Pooled cash	\$ 39,113	\$ 317,935	\$ 14,839	\$ 100,132	\$ 12,912	\$ 5	\$ 30,900	\$ 91
Cash held by outside agent	-	-	-	-	-	-	-	-
Pooled investments	53,549	434,834	20,295	136,948	17,660	7	42,261	125
Receivables:								
Property taxes	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-
Interest	-	1,349	63	425	176	-	131	-
Loans	-	-	-	526,464	31,904	-	-	-
Other	51,050	-	1,063	-	-	-	-	-
Receivables from other governments	-	-	-	54,911	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 143,712</b>	<b>\$ 754,118</b>	<b>\$ 36,260</b>	<b>\$ 818,880</b>	<b>\$ 62,652</b>	<b>\$ 12</b>	<b>\$ 73,292</b>	<b>\$ 216</b>
<b>LIABILITIES</b>								
Accounts payable	\$ 4,219	\$ 424	\$ -	\$ 42,329	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	3,353	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>7,572</b>	<b>424</b>	<b>-</b>	<b>42,329</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue	50,449	1,349	1,126	576,546	31,063	-	131	-
<b>Total deferred inflows of resources</b>	<b>50,449</b>	<b>1,349</b>	<b>1,126</b>	<b>576,546</b>	<b>31,063</b>	<b>-</b>	<b>131</b>	<b>-</b>
<b>FUND BALANCES</b>								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	85,691	752,345	35,134	200,005	31,589	12	73,161	216
Committed	-	-	-	-	-	-	-	-
<b>Total fund balances</b>	<b>85,691</b>	<b>752,345</b>	<b>35,134</b>	<b>200,005</b>	<b>31,589</b>	<b>12</b>	<b>73,161</b>	<b>216</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 143,712</b>	<b>\$ 754,118</b>	<b>\$ 36,260</b>	<b>\$ 818,880</b>	<b>\$ 62,652</b>	<b>\$ 12</b>	<b>\$ 73,292</b>	<b>\$ 216</b>

(continued)

**CITY OF SIDNEY, OHIO  
 COMBINING BALANCE SHEET  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2015**

	E-911 Wireless	Fire Loss Security	CRA	TIF - Kuther Rd	TIF - Menards	TIF - Echo	Non-major Special Revenue Funds Totals
<b>ASSETS</b>							
Pooled cash	\$ 70,867	\$ 13,023	\$ 1,969	\$ 28,309	\$ 127,198	\$ 7,572	\$ 1,198,697
Cash held by outside agent	-	-	-	-	-	-	156,860
Pooled investments	97,025	17,829	2,695	38,758	174,148	10,366	1,640,462
Receivables:							
Property taxes	-	-	-	22,083	124,043	5,196	151,322
Other taxes	-	-	-	-	-	-	6,290
Interest	-	-	-	-	-	-	2,157
Loans	-	-	-	-	-	-	558,368
Other	-	-	-	-	-	-	71,724
Receivables from other governments	-	-	-	-	-	-	96,493
Prepaid items	1,288	-	-	-	-	-	16,469
<b>Total assets</b>	<b>\$ 169,180</b>	<b>\$ 30,852</b>	<b>\$ 4,664</b>	<b>\$ 89,150</b>	<b>\$ 425,389</b>	<b>\$ 23,134</b>	<b>\$ 3,898,842</b>
<b>LIABILITIES</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 87,564
Salaries and benefits payable	-	-	-	-	-	-	9,454
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>97,018</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue	-	-	-	22,083	124,043	5,196	1,007,679
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,083</b>	<b>124,043</b>	<b>5,196</b>	<b>1,007,679</b>
<b>FUND BALANCES</b>							
Nonspendable	1,288	-	-	-	-	-	16,469
Restricted	167,892	30,852	4,664	67,067	301,346	17,938	2,491,509
Committed	-	-	-	-	-	-	286,167
<b>Total fund balances</b>	<b>169,180</b>	<b>30,852</b>	<b>4,664</b>	<b>67,067</b>	<b>301,346</b>	<b>17,938</b>	<b>2,794,145</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 169,180</b>	<b>\$ 30,852</b>	<b>\$ 4,664</b>	<b>\$ 89,150</b>	<b>\$ 425,389</b>	<b>\$ 23,134</b>	<b>\$ 3,898,842</b>

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	State Highway	County Auto License	Convention and Visitors Bureau	Parking Enforcement	Drug Law Enforcement	Law Enforcement	Indigent Driver Alcohol Treatment	Enforcement & Education
<b>REVENUES:</b>								
Local taxes	\$ -	\$ -	\$ 94,401	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	72,453	-	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines, licenses and permits	-	-	-	33,916	9,492	28,124	17,413	3,924
Investment income	292	-	-	-	-	-	-	-
Miscellaneous receipts and reimbursements	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>72,745</u>	<u>-</u>	<u>94,401</u>	<u>33,916</u>	<u>9,492</u>	<u>28,124</u>	<u>17,413</u>	<u>3,924</u>
<b>EXPENDITURES:</b>								
Current:								
Police	-	-	-	-	11,107	9,258	-	6,752
Fire	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	9,675	-
Health	-	-	-	-	-	-	-	-
Street repairs and maintenance	70,000	-	-	-	-	-	-	-
Community development	-	-	97,600	-	-	-	-	-
Community environment	-	-	-	25,110	-	-	-	-
Capital outlay	-	95,000	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<u>70,000</u>	<u>95,000</u>	<u>97,600</u>	<u>25,110</u>	<u>11,107</u>	<u>9,258</u>	<u>9,675</u>	<u>6,752</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,745</u>	<u>(95,000)</u>	<u>(3,199)</u>	<u>8,806</u>	<u>(1,615)</u>	<u>18,866</u>	<u>7,738</u>	<u>(2,828)</u>
<b>OTHER FINANCING SOURCES:</b>								
Transfers in	-	-	-	-	-	-	-	-
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	2,745	(95,000)	(3,199)	8,806	(1,615)	18,866	7,738	(2,828)
Fund balances, beginning of year	<u>6,289</u>	<u>98,932</u>	<u>32,462</u>	<u>78,811</u>	<u>17,854</u>	<u>41,765</u>	<u>51,051</u>	<u>10,979</u>
Fund balances, end of year	<u>\$ 9,034</u>	<u>\$ 3,932</u>	<u>\$ 29,263</u>	<u>\$ 87,617</u>	<u>\$ 16,239</u>	<u>\$ 60,631</u>	<u>\$ 58,789</u>	<u>\$ 8,151</u>

(continued)



**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Health Department Building Lease	F.E.M.A. Grant	Probation Grant	Municipal Court Special Projects	Indigent Driver Interlock & Alcohol Monitoring	IDAT - Surplus	Municipal Court Computer	E-Share Federal Forfeitures
<b>REVENUES:</b>								
Local taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	-	-	92,618	-	-	-	-	-
Special Assessments	-	-	-	-	-	-	-	-
Charges for services	-	-	-	145,021	14,892	-	41,936	-
Fines, licenses and permits	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	27
Miscellaneous receipts and reimbursements	20,000	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>20,000</b>	<b>-</b>	<b>92,618</b>	<b>145,021</b>	<b>14,892</b>	<b>-</b>	<b>41,936</b>	<b>27</b>
<b>EXPENDITURES:</b>								
Current:								
Police	-	-	-	-	-	-	-	2,943
Fire	-	-	-	-	-	-	-	-
Judicial	-	-	61,139	83,031	19,427	8,140	33,090	-
Health	2,202	-	-	-	-	-	-	-
Street repairs and maintenance	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community environment	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	209,512	-	-	868	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>2,202</b>	<b>-</b>	<b>61,139</b>	<b>292,543</b>	<b>19,427</b>	<b>8,140</b>	<b>33,958</b>	<b>2,943</b>
Excess (deficiency) of revenues over (under) expenditures	17,798	-	31,479	(147,522)	(4,535)	(8,140)	7,978	(2,916)
<b>OTHER FINANCING SOURCES:</b>								
Transfers in	-	-	-	-	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balance	17,798	-	31,479	(147,522)	(4,535)	(8,140)	7,978	(2,916)
Fund balances, beginning of year	180,752	9	(621)	636,371	4,535	11,610	20,550	3,941
Fund balances, end of year	\$ 198,550	\$ 9	\$ 30,858	\$ 488,849	\$ -	\$ 3,470	\$ 28,528	\$ 1,025

(continued)

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Cemetery	Cemetery Maintenance	Mausoleum Maintenance	C.D.B.G.	C.D.B.G. Revolving Loan	C.D.B.G. Program Income	H.O.M.E. Program Income	Neighborhood Stabilization Program Grant
<b>REVENUES:</b>								
Local taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	-	-	-	300,816	-	-	-	-
Special Assessments	-	-	-	-	-	-	-	-
Charges for services	112,426	1,132	-	-	-	-	-	-
Fines, licenses and permits	-	-	-	-	-	-	-	-
Investment income	-	5,241	244	1,089	12,381	4	5,754	-
Miscellaneous receipts and reimbursements	1,615	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>114,041</b>	<b>6,373</b>	<b>244</b>	<b>301,905</b>	<b>12,381</b>	<b>4</b>	<b>5,754</b>	<b>-</b>
<b>EXPENDITURES:</b>								
Current:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	-	-
Health	153,831	644	-	-	-	-	-	-
Street repairs and maintenance	-	-	-	-	-	-	-	-
Community development	-	-	-	167,115	-	-	-	-
Community environment	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	92,301	-	4,711	4,734	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>153,831</b>	<b>644</b>	<b>-</b>	<b>259,416</b>	<b>-</b>	<b>4,711</b>	<b>4,734</b>	<b>-</b>
Excess (deficiency) of revenues over (under) expenditures	(39,790)	5,729	244	42,489	12,381	(4,707)	1,020	-
<b>OTHER FINANCING SOURCES:</b>								
Transfers in	55,000	-	-	-	-	-	-	-
<b>Total other financing sources</b>	<b>55,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balance	15,210	5,729	244	42,489	12,381	(4,707)	1,020	-
Fund balances, beginning of year	70,481	746,616	34,890	157,516	19,208	4,719	72,141	216
Fund balances, end of year	\$ 85,691	\$ 752,345	\$ 35,134	\$ 200,005	\$ 31,589	\$ 12	\$ 73,161	\$ 216

(continued)

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	E-911 Wireless	Fire Loss Security	CRA	TIF - Kuther Rd	TIF - Menards	TIF - Echo	Non-major Special Revenue Funds Totals
<b>REVENUES:</b>							
Local taxes	\$ -	\$ -	\$ -	\$ 22,052	\$ 123,872	\$ 5,189	\$ 245,514
Intergovernmental revenues	47,184	-	-	-	-	-	513,071
Special Assessments	-	-	1,175	-	-	-	1,175
Charges for services	-	-	-	-	-	-	315,407
Fines, licenses and permits	-	-	-	-	-	-	92,869
Investment income	-	-	-	-	-	-	25,032
Miscellaneous receipts and reimbursements	-	50,545	-	-	-	-	72,160
<b>Total revenues</b>	<b>47,184</b>	<b>50,545</b>	<b>1,175</b>	<b>22,052</b>	<b>123,872</b>	<b>5,189</b>	<b>1,265,228</b>
<b>EXPENDITURES:</b>							
Current:							
Police	33,784	-	-	-	-	-	63,844
Fire	-	108,369	-	-	-	-	108,369
Judicial	-	-	-	-	-	-	214,502
Health	-	-	-	-	-	-	156,677
Street repairs and maintenance	-	-	-	-	-	-	70,000
Community development	-	-	346	2,000	21,667	951	289,679
Community environment	-	-	-	-	-	-	25,110
Capital outlay	1,224	-	-	-	-	-	408,350
Debt service:							
Principal	-	-	-	10,000	45,000	-	55,000
Interest	-	-	-	8,025	20,425	-	28,450
<b>Total expenditures</b>	<b>35,008</b>	<b>108,369</b>	<b>346</b>	<b>20,025</b>	<b>87,092</b>	<b>951</b>	<b>1,419,981</b>
Excess (deficiency) of revenues over (under) expenditures	12,176	(57,824)	829	2,027	36,780	4,238	(154,753)
<b>OTHER FINANCING SOURCES:</b>							
Transfers in	-	-	-	-	-	-	55,000
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55,000</b>
Net change in fund balance	12,176	(57,824)	829	2,027	36,780	4,238	(99,753)
Fund balances, beginning of year	157,004	88,676	3,835	65,040	264,566	13,700	2,893,898
Fund balances, end of year	\$ 169,180	\$ 30,852	\$ 4,664	\$ 67,067	\$ 301,346	\$ 17,938	\$ 2,794,145

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF NET POSITION**  
**NON-MAJOR ENTERPRISE FUNDS**  
**DECEMBER 31, 2015**

	Transportation	Airport	Yard Waste	Solid Waste	Swimming Pool	Concession Stand	Enterprise Funds Totals
<b>ASSETS</b>							
Current assets:							
Pooled cash	\$ 88,338	\$ 50,866	\$ 1,771	\$ 97,460	\$ 27,495	\$ 7,573	273,503
Pooled investments	116,446	68,443	2,425	133,434	37,644	10,367	368,759
Receivables:							
Accounts	27,938	6,140	-	107,202	555	-	141,835
Receivables from other governments	48,541	433,752	-	-	-	-	482,293
Inventory	-	32,519	-	-	-	-	32,519
Prepaid items	1,285	1,815	-	-	60	75	3,235
Total current assets	<u>282,548</u>	<u>593,535</u>	<u>4,196</u>	<u>338,096</u>	<u>65,754</u>	<u>18,015</u>	<u>1,302,144</u>
Noncurrent assets:							
Capital assets:							
Capital assets not subject to depreciation:							
Land	55,000	1,004,352	-	-	-	-	1,059,352
Construction in progress	-	3,209,267	-	-	-	-	3,209,267
Capital assets net of accumulated depreciation							
	<u>1,417,876</u>	<u>1,340,656</u>	<u>-</u>	<u>-</u>	<u>868,448</u>	<u>3,583</u>	<u>3,630,563</u>
Total noncurrent assets	<u>1,472,876</u>	<u>5,554,275</u>	<u>-</u>	<u>-</u>	<u>868,448</u>	<u>3,583</u>	<u>7,899,182</u>
Total assets	<u>\$ 1,755,424</u>	<u>\$ 6,147,810</u>	<u>\$ 4,196</u>	<u>\$ 338,096</u>	<u>\$ 934,202</u>	<u>\$ 21,598</u>	<u>\$ 9,201,326</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
Pension	76,901	677	-	991	12,403	1,433	92,405
Total deferred outflows of resources	<u>76,901</u>	<u>677</u>	<u>-</u>	<u>991</u>	<u>12,403</u>	<u>1,433</u>	<u>92,405</u>
Total assets & deferred outflows of resources and net position	<u>\$ 1,832,325</u>	<u>\$ 6,148,487</u>	<u>\$ 4,196</u>	<u>\$ 339,087</u>	<u>\$ 946,605</u>	<u>\$ 23,031</u>	<u>\$ 9,293,731</u>
Current liabilities:							
Accounts payable	\$ 6,227	\$ 16,028	\$ 1,959	\$ 221,006	\$ 2,155	\$ 27	247,402
Salaries and benefits payable	17,344	180	-	204	724	69	18,521
Compensated absences	2,890	27	-	50	-	-	2,967
Due to Other Funds	-	-	-	-	-	-	-
Other accrued liabilities	-	-	-	-	-	-	-
Current portion of long-term debt	-	-	-	-	-	-	-
Refundable deposits	-	290	-	-	-	-	290
Unearned revenue	-	1,050	-	195,063	-	-	196,113
Advances from other funds	-	229,200	-	-	-	36,000	265,200
Total current liabilities	<u>26,461</u>	<u>246,775</u>	<u>1,959</u>	<u>416,323</u>	<u>2,879</u>	<u>36,096</u>	<u>730,493</u>
Noncurrent liabilities:							
Net pension liability	368,438	3,001	-	4,805	60,828	7,028	444,100
Compensated absences	74,272	1,982	-	1,303	-	-	77,557
Total noncurrent liabilities	<u>442,710</u>	<u>4,983</u>	<u>-</u>	<u>6,108</u>	<u>60,828</u>	<u>7,028</u>	<u>521,657</u>
Total liabilities	<u>469,171</u>	<u>251,758</u>	<u>1,959</u>	<u>422,431</u>	<u>63,707</u>	<u>43,124</u>	<u>1,252,150</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Pension	7,041	57	-	92	1,162	134	8,486
Total deferred inflows of resources	<u>7,041</u>	<u>57</u>	<u>-</u>	<u>92</u>	<u>1,162</u>	<u>134</u>	<u>8,486</u>
<b>NET POSITION</b>							
Net investment in capital assets	1,472,876	5,554,275	-	-	868,448	3,583	7,899,182
Unrestricted	(116,763)	342,397	2,237	(83,436)	13,288	(23,810)	133,913
Total net position	<u>1,356,113</u>	<u>5,896,672</u>	<u>2,237</u>	<u>(83,436)</u>	<u>881,736</u>	<u>(20,227)</u>	<u>8,033,095</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 1,832,325</u>	<u>\$ 6,148,487</u>	<u>\$ 4,196</u>	<u>\$ 339,087</u>	<u>\$ 946,605</u>	<u>\$ 23,031</u>	<u>\$ 9,293,731</u>

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN**  
**NET POSITION - NON-MAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Transportation	Airport	Yard Waste	Solid Waste	Swimming Pool	Concession Stand	Non-major Enterprise Funds Totals
<b>OPERATING REVENUES:</b>							
Charges for services	\$ 270,747	\$ 324,663	\$ 17,816	\$ 1,457,325	\$ 54,085	\$ 21,110	\$ 2,145,746
Other revenue	<u>6,403</u>	<u>65,827</u>	<u>-</u>	<u>-</u>	<u>9,112</u>	<u>-</u>	<u>81,342</u>
Total operating revenues	<u>277,150</u>	<u>390,490</u>	<u>17,816</u>	<u>1,457,325</u>	<u>63,197</u>	<u>21,110</u>	<u>2,227,088</u>
<b>OPERATING EXPENSES:</b>							
Personal services	511,625	9,070	-	7,489	67,339	28,549	624,072
Operations and maintenance	312,558	378,783	38,296	1,426,099	54,422	16,371	2,226,529
Depreciation	<u>89,028</u>	<u>85,668</u>	<u>-</u>	<u>-</u>	<u>31,840</u>	<u>167</u>	<u>206,703</u>
Total operating expenses	<u>913,211</u>	<u>473,521</u>	<u>38,296</u>	<u>1,433,588</u>	<u>153,601</u>	<u>45,087</u>	<u>3,057,304</u>
Operating loss	<u>(636,061)</u>	<u>(83,031)</u>	<u>(20,480)</u>	<u>23,737</u>	<u>(90,404)</u>	<u>(23,977)</u>	<u>(830,216)</u>
<b>NONOPERATING REVENUE:</b>							
Intergovernmental	556,683	249,712	-	-	-	-	806,395
Gain on disposal of assets	<u>3,605</u>	<u>4,675</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,280</u>
Total nonoperating revenue	<u>560,288</u>	<u>254,387</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>814,675</u>
Loss before transfers	<u>(75,773)</u>	<u>171,356</u>	<u>(20,480)</u>	<u>23,737</u>	<u>(90,404)</u>	<u>(23,977)</u>	<u>(15,541)</u>
Capital contributions	69,635	-	-	-	-	-	69,635
Transfers in	179,763	60,000	17,000	-	110,000	3,750	370,513
Transfers out	<u>-</u>	<u>-</u>	<u>(11,340)</u>	<u>-</u>	<u>(3,750)</u>	<u>-</u>	<u>(15,090)</u>
Change in net position	173,625	231,356	(14,820)	23,737	15,846	(20,227)	409,517
Net position - beginning as restated	<u>1,182,488</u>	<u>5,665,316</u>	<u>17,057</u>	<u>(107,173)</u>	<u>865,890</u>	<u>-</u>	<u>7,623,578</u>
Net position - ending	<u>\$ 1,356,113</u>	<u>\$ 5,896,672</u>	<u>\$ 2,237</u>	<u>\$ (83,436)</u>	<u>\$ 881,736</u>	<u>\$ (20,227)</u>	<u>\$ 8,033,095</u>

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF CASH FLOWS - NON-MAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Transportation	Airport	Yard Waste	Solid Waste	Swimming Pool	Concession Stand	Non-major Enterprise Funds Totals
<b>Cash flows from operating activities:</b>							
Receipts from customers and users	\$ 278,758	\$ 151,554	\$ 17,816	\$ 1,464,962	\$ 62,642	\$ 21,110	\$ 1,996,842
Receipts from interfund services	-	45,269	-	135	-	-	45,404
Payments to suppliers	(45,132)	(343,636)	(27,485)	(1,266,580)	(42,141)	(12,482)	(1,737,456)
Payments to employees	(517,831)	(4,500)	-	(6,911)	(77,190)	(22,751)	(629,183)
Payments for interfund services provided (used)	(264,447)	(21,623)	(9,165)	(139,468)	(10,285)	32,063	(412,925)
Net cash provided by (used for) operating activities	(548,652)	(172,936)	(18,834)	52,138	(66,974)	17,940	(737,318)
<b>Cash flows from noncapital financing activities:</b>							
Transfers in	179,763	60,000	17,000	-	110,000	-	366,763
Intergovernmental	477,380	-	-	-	-	-	477,380
Net cash provided by noncapital financing activities	657,143	60,000	17,000	-	110,000	-	844,143
<b>Cash flows from capital and related financing activities:</b>							
Proceeds from sale of capital assets	3,605	4,675	-	-	-	-	8,280
Acquisition of capital assets	(50,664)	(87,914)	-	-	-	-	(138,578)
Capital contributions	79,303	249,712	-	-	-	-	329,015
Net cash provided by (used for) capital and related financing activities	32,244	166,473	-	-	-	-	198,717
<b>Cash flows from investing activities:</b>							
Proceeds from sales and maturities of investments	108,732	100,459	8,367	261,513	36,980	2,272	518,323
Purchase of investments	(187,671)	(130,385)	(7,261)	(290,265)	(61,674)	(12,639)	(689,895)
Net cash provided by investing activities	(78,939)	(29,926)	1,106	(28,752)	(24,694)	(10,367)	(171,572)
Net decrease in pooled cash	61,796	23,611	(728)	23,386	18,332	7,573	133,970
Pooled cash, beginning of year	26,542	27,255	2,499	74,074	9,163	-	139,533
Pooled cash, end of year	\$ 88,338	\$ 50,866	\$ 1,771	\$ 97,460	\$ 27,495	\$ 7,573	\$ 273,503
<b>Reconciliation of operating loss to net cash used by operating activities:</b>							
Operating income (loss)	\$ (636,061)	\$ (83,031)	\$ (20,480)	\$ 23,737	\$ (90,404)	\$ (23,977)	\$ (830,216)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities:							
Depreciation	89,028	85,668	-	-	31,840	167	206,703
Change in assets and liabilities:							
Accounts receivable	(9,301)	(655)	-	1,069	(555)	-	(9,442)
Other receivables	10,909	(194,062)	-	-	-	-	(183,153)
Prepaid items	826	134	22	-	6	(75)	913
Inventory	-	17,742	-	-	-	-	17,742
Accounts payable	2,153	(2,452)	1,624	20,051	1,990	27	23,393
Advances from other funds	-	-	-	-	-	36,000	36,000
Salaries and benefits payable and compensated absences	(6,206)	4,570	-	578	(9,851)	5,798	(5,111)
Due to other funds	-	(1,900)	-	-	-	-	(1,900)
Unearned revenue	-	1,050	-	6,703	-	-	7,753
Net cash provided by (used for) operating activities	\$ (548,652)	\$ (172,936)	\$ (18,834)	\$ 52,138	\$ (66,974)	\$ 17,940	\$ (737,318)
<b>Noncash investing, capital and related financing activities:</b>							
Contributions of capital assets from government	\$ 69,635	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 69,635
Prior year purchase of equipment on account	\$ -	\$ 14,789	\$ -	\$ -	\$ -	\$ -	\$ 14,789
Transfer net book value of equipment	\$ -	\$ -	\$ (11,340)	\$ -	\$ (3,750)	\$ 3,750	\$ (11,340)

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**DECEMBER 31, 2015**

	Service Center Building	Technology	Self Insurance	Revenue Collections	Garage/Fleet Operations	Internal Service Totals
<b>ASSETS</b>						
Current assets:						
Pooled cash	\$ 44,758	\$ 127,872	\$ -	\$ 17,124	\$ 31,404	\$ 221,158
Cash	-	-	333,014	-	-	333,014
Pooled investments	61,278	175,071	-	23,445	41,134	300,928
Receivables (net):						
Inventory	170	1,048	-	-	7,785	9,003
Prepaid items	748	93,446	-	307	2,203	96,704
Total current assets	<u>106,954</u>	<u>397,437</u>	<u>333,014</u>	<u>40,876</u>	<u>82,526</u>	<u>960,807</u>
Noncurrent assets:						
Capital assets, net of						
accumulated depreciation	366,975	127,220	-	3,919	50,179	548,293
Total noncurrent assets	<u>366,975</u>	<u>127,220</u>	<u>-</u>	<u>3,919</u>	<u>50,179</u>	<u>548,293</u>
Total assets	<u>\$ 473,929</u>	<u>\$ 524,657</u>	<u>\$ 333,014</u>	<u>\$ 44,795</u>	<u>\$ 132,705</u>	<u>\$ 1,509,100</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Pension	-	42,350	-	57,418	35,058	134,826
Total deferred outflows of resources	<u>\$ -</u>	<u>\$ 42,350</u>	<u>\$ -</u>	<u>\$ 57,418</u>	<u>\$ 35,058</u>	<u>\$ 134,826</u>
Total assets & deferred outflows						
of resources and net position	<u>\$ 473,929</u>	<u>\$ 567,007</u>	<u>\$ 333,014</u>	<u>\$ 102,213</u>	<u>\$ 167,763</u>	<u>\$ 1,643,926</u>
<b>LIABILITIES</b>						
Current liabilities:						
Accounts payable	\$ 3,200	\$ 16,971	\$ 67,009	\$ 18,778	\$ 9,018	\$ 114,976
Salaries and benefits payable	-	11,370	-	12,566	7,241	31,177
Compensated absences	-	526	-	2,185	1,185	3,896
Total current liabilities	<u>3,200</u>	<u>28,867</u>	<u>67,009</u>	<u>33,529</u>	<u>17,444</u>	<u>150,049</u>
Noncurrent liabilities:						
Net pension liability	-	201,389	-	277,147	169,984	648,520
Compensated absences	-	12,420	-	54,638	23,416	90,474
Total noncurrent liabilities	<u>-</u>	<u>213,809</u>	<u>-</u>	<u>331,785</u>	<u>193,400</u>	<u>738,994</u>
Total liabilities	<u>3,200</u>	<u>242,676</u>	<u>67,009</u>	<u>365,314</u>	<u>210,844</u>	<u>889,043</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Pension	-	3,849	-	5,297	3,249	12,395
Total deferred inflows of resource	<u>-</u>	<u>3,849</u>	<u>-</u>	<u>5,297</u>	<u>3,249</u>	<u>12,395</u>
<b>NET POSITION</b>						
Net investment in capital assets	366,975	127,220	-	3,919	50,179	548,293
Unrestricted	103,754	193,262	266,005	(272,317)	(96,509)	194,195
Total net position	<u>470,729</u>	<u>320,482</u>	<u>266,005</u>	<u>(268,398)</u>	<u>(46,330)</u>	<u>742,488</u>
Total liabilities, deferred inflows						
of resources and net position	<u>\$ 473,929</u>	<u>\$ 567,007</u>	<u>\$ 333,014</u>	<u>\$ 102,213</u>	<u>\$ 167,763</u>	<u>\$ 1,643,926</u>

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN**  
**NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Service Center Building	Technology	Self Insurance	Revenue Collections	Garage/Fleet Operations	Internal Service Totals
<b>OPERATING REVENUES:</b>						
Charges for services	\$ 178,500	\$ 837,049	\$ -	\$ 602,291	\$ 767,057	\$ 2,384,897
Other revenue	<u>-</u>	<u>76</u>	<u>853,455</u>	<u>-</u>	<u>2,301</u>	<u>855,832</u>
Total operating revenues	<u>178,500</u>	<u>837,125</u>	<u>853,455</u>	<u>602,291</u>	<u>769,358</u>	<u>3,240,729</u>
<b>OPERATING EXPENSES:</b>						
Personal services	-	284,840	-	347,913	265,591	898,344
Operations and maintenance	63,583	332,605	587,772	176,069	427,198	1,587,227
Depreciation	<u>36,638</u>	<u>54,083</u>	<u>-</u>	<u>1,147</u>	<u>9,067</u>	<u>100,935</u>
Total operating expenses	<u>100,221</u>	<u>671,528</u>	<u>587,772</u>	<u>525,129</u>	<u>701,856</u>	<u>2,586,506</u>
Operating income (loss)	<u>78,279</u>	<u>165,597</u>	<u>265,683</u>	<u>77,162</u>	<u>67,502</u>	<u>654,223</u>
<b>NONOPERATING REVENUES:</b>						
Investment income	-	-	322	-	-	322
Gain (loss) on disposal of assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,360</u>	<u>1,360</u>
Total nonoperating revenues	<u>-</u>	<u>-</u>	<u>322</u>	<u>-</u>	<u>1,360</u>	<u>1,682</u>
Income (loss) before capital contributions and transfers	78,279	165,597	266,005	77,162	68,862	655,905
Transfers out	<u>(1,511)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,511)</u>
	<u>(1,511)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,511)</u>
Change in net position	76,768	165,597	266,005	77,162	68,862	654,394
Net position - beginning as restated	<u>393,961</u>	<u>154,885</u>	<u>-</u>	<u>(345,560)</u>	<u>(115,192)</u>	<u>88,094</u>
Net position - ending	<u>\$ 470,729</u>	<u>\$ 320,482</u>	<u>\$ 266,005</u>	<u>\$ (268,398)</u>	<u>\$ (46,330)</u>	<u>\$ 742,488</u>



**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Service Center Building	Technology	Self Insurance	Revenue Collections	Garage/Fleet Operations	Internal Service Totals
<b>Cash flows from operating activities:</b>						
Receipts from customers and users	\$ -	\$ 67,132	\$ -	\$ -	\$ 6,362	\$ 73,494
Receipts from interfund services	178,500	769,993	853,455	602,291	762,996	3,167,235
Payments to suppliers	(59,018)	(373,835)	(520,763)	(91,587)	(381,448)	(1,426,651)
Payments to employees	-	(299,159)	-	(429,568)	(272,134)	(1,000,861)
Payments for interfund services used	(6,731)	(4,714)	-	(76,536)	(48,275)	(136,256)
Net cash provided by operating activities	<u>112,751</u>	<u>159,417</u>	<u>332,692</u>	<u>4,600</u>	<u>67,501</u>	<u>676,961</u>
<b>Cash flows from capital and related financing activities:</b>						
Proceeds from sales of capital assets	-	-	-	-	1,360	1,360
Acquisition of capital assets	(104,774)	(41,187)	-	-	(23,580)	(169,541)
Net cash used for capital and related financing activities	<u>(104,774)</u>	<u>(41,187)</u>	<u>-</u>	<u>-</u>	<u>(22,220)</u>	<u>(168,181)</u>
<b>Cash flows from investing activities:</b>						
Proceeds from sales and maturities of investments	140,847	278,375	-	51,876	44,428	515,526
Purchase of investments	(144,700)	(345,275)	-	(54,257)	(69,600)	(613,832)
Interest on investments	-	-	322	-	-	322
Net cash provided by investing activities	<u>(3,853)</u>	<u>(66,900)</u>	<u>322</u>	<u>(2,381)</u>	<u>(25,172)</u>	<u>(97,984)</u>
Net decrease in pooled cash	4,124	51,330	333,014	2,219	20,109	410,796
Pooled cash, beginning of year	<u>40,634</u>	<u>76,542</u>	<u>-</u>	<u>14,905</u>	<u>11,295</u>	<u>143,376</u>
Pooled cash, end of year	<u>\$ 44,758</u>	<u>\$ 127,872</u>	<u>\$ 333,014</u>	<u>\$ 17,124</u>	<u>\$ 31,404</u>	<u>\$ 554,172</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>						
Operating income (loss)	\$ 78,279	\$ 165,597	\$ 265,683	\$ 77,162	\$ 67,502	\$ 654,223
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation	36,638	54,083	-	1,147	9,067	100,935
Change in assets and liabilities:						
Prepaid items	(370)	(35,145)	-	8	(2,029)	(37,536)
Inventory	(170)	591	-	-	2,686	3,107
Accounts payable	(1,626)	(11,390)	67,009	7,938	(3,182)	58,749
Salaries and benefits payable and compensated absences	-	(14,319)	-	(81,655)	(6,543)	(102,517)
Net cash provided by operating activities	<u>\$ 112,751</u>	<u>\$ 159,417</u>	<u>\$ 332,692</u>	<u>\$ 4,600</u>	<u>\$ 67,501</u>	<u>\$ 676,961</u>
<b>Noncash investing, capital and related financing activities:</b>						
Transfer net book value of equipment	\$ (1,511)	\$ -	\$ -	\$ -	\$ -	\$ (1,511)

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF NET POSITION**  
**AGENCY FUNDS**  
**DECEMBER 31, 2015**

	Municipal Court	Medical Reimbursement	Port Jefferson	River Clean-Up	Agency Funds Totals
<b>ASSETS</b>					
Pooled cash	\$ -	\$ 8,335	\$ 4,048	\$ 18,742	\$ 31,125
Pooled investments	-	11,411	5,541	25,659	42,611
Cash held by outside agent	232,712	-	-	-	232,712
Accounts Receivable	-	-	10,020	-	10,020
Prepaid Expenses	-	-	-	803	803
	<u>-</u>	<u>-</u>	<u>-</u>	<u>803</u>	<u>803</u>
Total assets	<u>\$ 232,712</u>	<u>\$ 19,746</u>	<u>\$ 19,609</u>	<u>\$ 45,204</u>	<u>\$ 317,271</u>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ -	\$ 6,957	\$ -	\$ 6,957
Due to other governments	100,222	-	12,652	-	112,874
Undistributed monies	132,490	19,746	-	45,204	197,440
	<u>132,490</u>	<u>19,746</u>	<u>-</u>	<u>45,204</u>	<u>197,440</u>
Total liabilities	<u>\$ 232,712</u>	<u>\$ 19,746</u>	<u>\$ 19,609</u>	<u>\$ 45,204</u>	<u>\$ 317,271</u>

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Balance at January 1, 2015	Additions	Deductions	Balance at December 31, 2015
<b><u>Municipal Court Fund</u></b>				
<b>ASSETS</b>				
Cash held by outside agent	\$ 198,073	\$ 2,492,729	\$ 2,458,090	\$ 232,712
Total assets	<u>\$ 198,073</u>	<u>\$ 2,492,729</u>	<u>\$ 2,458,090</u>	<u>\$ 232,712</u>
<b>LIABILITIES</b>				
Due to other governments	\$ 103,587	\$ 1,327,538	\$ 1,330,903	\$ 100,222
Undistributed monies	<u>94,486</u>	<u>1,165,191</u>	<u>1,127,187</u>	<u>132,490</u>
Total liabilities	<u>\$ 198,073</u>	<u>\$ 2,492,729</u>	<u>\$ 2,458,090</u>	<u>\$ 232,712</u>
<b><u>Medical Reimbursement Fund</u></b>				
<b>ASSETS</b>				
Pooled cash	\$ 8,183	\$ 152	\$ -	\$ 8,335
Pooled investments	<u>11,563</u>	<u>-</u>	<u>152</u>	<u>\$ 11,411</u>
Total assets	<u>\$ 19,746</u>	<u>\$ 152</u>	<u>\$ 152</u>	<u>\$ 19,746</u>
<b>LIABILITIES</b>				
Undistributed monies	\$ 19,746	\$ 152	\$ 152	<u>19,746</u>
Total liabilities	<u>\$ 19,746</u>	<u>\$ 152</u>	<u>\$ 152</u>	<u>\$ 19,746</u>
<b><u>Port Jefferson Fund</u></b>				
<b>ASSETS</b>				
Pooled cash	\$ 3,975	\$ 75,534	\$ 75,461	\$ 4,048
Pooled investments	5,617	-	76	5,541
Accounts receivable	<u>10,422</u>	<u>10,020</u>	<u>10,422</u>	<u>10,020</u>
Total assets	<u>\$ 20,014</u>	<u>\$ 85,554</u>	<u>\$ 85,959</u>	<u>\$ 19,609</u>
<b>LIABILITIES</b>				
Accounts payable	6,960	6,957	6,960	6,957
Due to other governments	<u>13,054</u>	<u>78,597</u>	<u>78,999</u>	<u>12,652</u>
Total liabilities	<u>\$ 20,014</u>	<u>\$ 85,554</u>	<u>\$ 78,999</u>	<u>\$ 19,609</u>
<b><u>River Clean-Up Fund</u></b>				
<b>ASSETS</b>				
Pooled cash	\$ 17,153	\$ 18,628	\$ 17,039	\$ 18,742
Pooled investments	24,240	1,419	-	25,659
Prepaid items	<u>999</u>	<u>-</u>	<u>196</u>	<u>803</u>
Total assets	<u>\$ 42,392</u>	<u>\$ 20,047</u>	<u>\$ 17,235</u>	<u>\$ 45,204</u>
<b>LIABILITIES</b>				
Undistributed monies	<u>42,392</u>	<u>20,047</u>	<u>17,235</u>	<u>45,204</u>
Total liabilities	<u>\$ 42,392</u>	<u>\$ 20,047</u>	<u>\$ 17,235</u>	<u>\$ 45,204</u>
<b><u>Total Agency Funds</u></b>				
<b>ASSETS</b>				
Pooled cash	\$ 29,311	\$ 94,314	\$ 92,500	\$ 31,125
Pooled investments	41,420	1,419	228	42,611
Cash held by outside agent	198,073	2,492,729	2,458,090	232,712
Accounts receivable	10,422	10,020	10,422	10,020
Prepaid items	<u>999</u>	<u>-</u>	<u>196</u>	<u>803</u>
Total assets	<u>\$ 280,225</u>	<u>\$ 2,598,482</u>	<u>\$ 2,561,436</u>	<u>\$ 317,271</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 6,960	\$ 6,957	\$ 6,960	\$ 6,957
Due to other governments	116,641	1,406,135	1,409,902	112,874
Undistributed monies	<u>156,624</u>	<u>1,185,390</u>	<u>1,144,574</u>	<u>197,440</u>
Total liabilities	<u>\$ 280,225</u>	<u>\$ 2,598,482</u>	<u>\$ 2,561,436</u>	<u>\$ 317,271</u>

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF NET POSITION**  
**PRIVATE-PURPOSE TRUST FUNDS**  
**DECEMBER 31, 2015**

	<u>C. Truster Flower Trust</u>	<u>B. Bennett Flower Trust</u>	<u>Ike Family Mausoleum Trust</u>	<u>Private-Purpose Trust Funds</u>
<b>ASSETS</b>				
Pooled cash	\$ 1,159	\$ 1,532	\$ 1,789	\$ 4,480
Pooled investments	1,585	2,095	2,448	6,128
Receivable				
Interest	<u>5</u>	<u>7</u>	<u>8</u>	<u>20</u>
Total assets	<u>\$ 2,749</u>	<u>\$ 3,634</u>	<u>\$ 4,245</u>	<u>\$ 10,628</u>
<b>LIABILITIES</b>				
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>NET POSITION</b>				
Net position held in trust for other purposes	<u>\$ 2,749</u>	<u>\$ 3,634</u>	<u>\$ 4,245</u>	<u>\$ 10,628</u>

**CITY OF SIDNEY, OHIO**  
**COMBINING STATEMENT OF CHANGES IN NET POSITION**  
**PRIVATE-PURPOSE TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>C. Truster Flower Trust</u>	<u>B. Bennett Flower Trust</u>	<u>Ike Family Mausoleum Trust</u>	<u>Private-Purpose Trust Funds</u>
<b>ADDITIONS</b>				
Investment income	\$ 24	\$ 31	\$ 34	\$ 89
	<u>24</u>	<u>31</u>	<u>34</u>	<u>89</u>
<b>DEDUCTIONS</b>				
Purchase of flowers	<u>40</u>	<u>307</u>	<u>-</u>	<u>347</u>
	<u>40</u>	<u>307</u>	<u>-</u>	<u>347</u>
Change in net position	(16)	(276)	34	(258)
Net position, beginning of year	<u>2,765</u>	<u>3,910</u>	<u>4,211</u>	<u>10,886</u>
Net position, end of year	<u>\$ 2,749</u>	<u>\$ 3,634</u>	<u>\$ 4,245</u>	<u>\$ 10,628</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
<b>REVENUES:</b>			
Local taxes	\$ 12,408,562	\$ 13,718,572	\$ 1,310,010
Intergovernmental revenues	617,113	649,875	32,762
Special assessments	239,500	243,194	3,694
Charges for services	1,272,772	1,480,307	207,535
Fines, licenses and permits	122,741	140,981	18,240
Investment income	38,000	83,456	45,456
Miscellaneous receipts and reimbursements	1,540,329	1,561,511	21,182
<b>Total revenues</b>	<b>16,239,017</b>	<b>17,877,896</b>	<b>1,638,879</b>
<b>EXPENDITURES:</b>			
<b>Current:</b>			
<b>General government</b>			
<b>City Council</b>			
Personal services	66,705	65,606	1,099
Contractual, materials and other	36,086	31,094	4,992
<b>City Administration</b>			
Personal services	207,390	203,810	3,580
Contractual, materials and other	23,671	21,502	2,169
<b>Finance</b>			
Personal services	388,990	387,764	1,226
Contractual, materials and other	134,883	134,292	591
<b>Law Director</b>			
Personal services	203,820	203,080	740
Contractual, materials and other	16,037	13,994	2,043
<b>Personnel</b>			
Personal services	190,920	190,212	708
Contractual, materials and other	208,213	192,941	15,272
<b>County Auditor Deductions</b>			
Contractual, materials and other	115,998	114,744	1,254
<b>Purchasing</b>			
Personal services	21,285	21,130	155
Contractual, materials and other	14,421	10,620	3,801
<b>City Hall</b>			
Personal services	61,000	60,999	1
Contractual, materials and other	163,030	149,950	13,080
<b>Miscellaneous</b>			
Personal services	250,000	129,387	120,613
Contractual, materials and other	669,153	639,931	29,222
<b>Total general government</b>	<b>2,771,602</b>	<b>2,571,056</b>	<b>200,546</b>
<b>Police</b>			
<b>Police Services</b>			
Personal services	4,828,218	4,766,759	61,459
Contractual, materials and other	994,419	906,059	88,360
<b>Street Lighting Department</b>			
Contractual, materials and other	222,500	219,646	2,854
<b>Total police</b>	<b>6,045,137</b>	<b>5,892,464</b>	<b>152,673</b>

(continued)

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
Fire			
Fire Services			
Personal services	4,392,313	4,317,462	74,851
Contractual, materials and other	780,517	708,784	71,733
Total fire	<u>5,172,830</u>	<u>5,026,246</u>	<u>146,584</u>
Judicial			
Municipal Court			
Personal services	948,010	946,379	1,631
Contractual, materials and other	322,978	306,811	16,167
Total judicial	<u>1,270,988</u>	<u>1,253,190</u>	<u>17,798</u>
Community environment			
Building Inspection			
Personal services	96,510	96,043	467
Contractual, materials and other	16,846	13,537	3,309
Engineering			
Personal services	276,103	273,135	2,968
Contractual, materials and other	112,553	112,179	374
Code Enforcement			
Personal services	81,990	81,716	274
Contractual, materials and other	31,730	28,678	3,052
Total community environment	<u>615,732</u>	<u>605,288</u>	<u>10,444</u>
Community development			
Community Planning & Development			
Personal services	150,230	146,874	3,356
Contractual, materials and other	26,412	22,325	4,087
Total community development	<u>176,642</u>	<u>169,199</u>	<u>7,443</u>
Parks and recreation			
Parks & Recreation - Administration			
Personal services	113,955	113,661	294
Contractual, materials and other	32,952	30,593	2,359
Parks & Recreation - Programs			
Personal services	95,770	95,258	512
Contractual, materials and other	77,219	74,726	2,493
Parks & Public Grounds			
Personal services	582,810	571,406	11,404
Contractual, materials and other	318,270	301,667	16,603

(continued)

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
Urban Forest			
Contractual, materials and other	62,691	61,986	705
Senior Center			
Contractual, materials and other	<u>50,425</u>	<u>47,792</u>	<u>2,633</u>
Total parks and recreation	<u>1,334,092</u>	<u>1,297,089</u>	<u>37,003</u>
Total expenditures	<u>17,387,023</u>	<u>16,814,532</u>	<u>572,491</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,148,006)</u>	<u>1,063,364</u>	<u>2,211,370</u>
OTHER FINANCING SOURCES (USES):			
Transfers out	<u>(741,763)</u>	<u>(741,763)</u>	<u>-</u>
Total other financing uses	<u>(741,763)</u>	<u>(741,763)</u>	<u>-</u>
Net change in fund balance	<u>(1,889,769)</u>	<u>321,601</u>	<u>2,211,370</u>
Fund Balances, beginning of year	7,909,222	7,909,222	-
Prior Year Encumbrances	<u>249,232</u>	<u>249,232</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 6,268,685</u>	<u>\$ 8,480,055</u>	<u>\$ 2,211,370</u>



**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**STREET REPAIR AND MAINTENANCE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 1,042,854	\$ 997,003	\$ (45,851)
Investment Income	1,000	3,239	2,239
Miscellaneous receipts and reimbursements	<u>80,030</u>	<u>83,538</u>	<u>3,508</u>
Total revenues	<u>1,123,884</u>	<u>1,083,780</u>	<u>(40,104)</u>
EXPENDITURES:			
Current:			
Street repair & maintenance			
Personal services	579,570	518,239	61,331
Contractual, materials and other	<u>1,026,709</u>	<u>823,910</u>	<u>202,799</u>
Total expenditures	<u>1,606,279</u>	<u>1,342,149</u>	<u>264,130</u>
Deficiency of revenues under expenditures	<u>(482,395)</u>	<u>(258,369)</u>	<u>224,026</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	<u>320,000</u>	<u>320,000</u>	<u>-</u>
Total other financing sources	<u>320,000</u>	<u>320,000</u>	<u>-</u>
Net change in fund balance	(162,395)	61,631	224,026
Fund Balances, beginning of year	134,449	134,449	-
Prior Year Encumbrances	<u>145,259</u>	<u>145,259</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 117,313</u>	<u>\$ 341,339</u>	<u>\$ 224,026</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**STATE HIGHWAY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
<b>REVENUES:</b>			
Intergovernmental revenues	\$ 79,958	\$ 72,522	\$ (7,436)
Investment income	200	295	95
<b>Total revenues</b>	<b>80,158</b>	<b>72,817</b>	<b>(7,341)</b>
<b>EXPENDITURES:</b>			
Current:			
Street repair & maintenance			
Contractual, materials and other	70,000	70,000	-
<b>Total expenditures</b>	<b>70,000</b>	<b>70,000</b>	<b>-</b>
Excess of revenues over expenditures	10,158	2,817	(7,341)
Fund Balances, beginning of year	599	599	-
Fund Balances, end of year	<u>\$ 10,757</u>	<u>\$ 3,416</u>	<u>\$ (7,341)</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**COUNTY AUTO LICENSE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
<b>REVENUES:</b>			
Intergovernmental revenue	\$ 95,864	\$ -	\$ (95,864)
<b>Total revenues</b>	<b>95,864</b>	<b>-</b>	<b>(95,864)</b>
<b>EXPENDITURES:</b>			
Current:			
Street repair & maintenance			
Contractual, materials and other	95,000	95,000	-
<b>Total expenditures</b>	<b>95,000</b>	<b>95,000</b>	<b>-</b>
Excess (deficiency) of revenues over (under) expenditures	864	(95,000)	(95,864)
Fund Balances, beginning of year	98,931	98,931	-
Fund Balances, end of year	<u>\$ 99,795</u>	<u>\$ 3,931</u>	<u>\$ (95,864)</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**CONVENTION AND VISITORS' BUREAU FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local taxes	\$ 79,007	\$ 94,519	\$ 15,512
Total revenues	<u>79,007</u>	<u>94,519</u>	<u>15,512</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	97,600	97,600	-
Total expenditures	<u>97,600</u>	<u>97,600</u>	<u>-</u>
Deficiency of revenues under expenditures	(18,593)	(3,081)	15,512
Fund Balances, beginning of year	26,054	26,054	-
Fund Balances, end of year	<u>\$ 7,461</u>	<u>\$ 22,973</u>	<u>\$ 15,512</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**PARKING ENFORCEMENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 18,745	\$ 33,625	\$ 14,880
Total revenues	<u>18,745</u>	<u>33,625</u>	<u>14,880</u>
EXPENDITURES:			
Current:			
Community Environment			
Personal services	12,214	11,592	622
Contractual, materials and other	13,515	13,508	7
Total expenditures	<u>25,729</u>	<u>25,100</u>	<u>629</u>
Excess (deficiency) of revenues over (under) expenditures	(6,984)	8,525	15,509
Fund Balances, beginning of year	77,648	77,648	-
Prior Year Encumbrances	149	149	-
Fund Balances, end of year	<u>\$ 70,813</u>	<u>\$ 86,322</u>	<u>\$ 15,509</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**DRUG LAW ENFORCEMENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 7,000	\$ 9,492	\$ 2,492
Total revenues	<u>7,000</u>	<u>9,492</u>	<u>2,492</u>
EXPENDITURES:			
Current:			
Police			
Personal services	4,510	108	4,402
Contractual, materials and other	<u>11,000</u>	<u>11,000</u>	<u>-</u>
Total expenditures	<u>15,510</u>	<u>11,108</u>	<u>4,402</u>
Deficiency of revenues under expenditures	(8,510)	(1,616)	6,894
Fund Balances, beginning of year	17,855	17,855	-
Fund Balances, end of year	<u>\$ 9,345</u>	<u>\$ 16,239</u>	<u>\$ 6,894</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**LAW ENFORCEMENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Miscellaneous receipts and reimbursements	\$ 2,500	\$ 28,124	\$ 25,624
Total Revenues	<u>2,500</u>	<u>28,124</u>	<u>25,624</u>
EXPENDITURES:			
Current:			
Police			
Contractual, materials and other	<u>19,250</u>	<u>9,259</u>	<u>9,991</u>
Total Expenditures	<u>19,250</u>	<u>9,259</u>	<u>9,991</u>
Excess (deficiency) of revenues over (under) expenditures	(16,750)	18,865	35,615
Fund Balances, beginning of year	41,766	41,766	-
Prior Year Encumbrances	-	-	-
Fund Balances, end of year	<u>\$ 25,016</u>	<u>\$ 60,631</u>	<u>\$ 35,615</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**INDIGENT DRIVER ALCOHOL TREATMENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 15,000	\$ 17,287	\$ 2,287
Total revenues	<u>15,000</u>	<u>17,287</u>	<u>2,287</u>
EXPENDITURES:			
Current:			
Judicial			
Contractual, materials and other	<u>13,819</u>	<u>9,300</u>	<u>4,519</u>
Total expenditures	<u>13,819</u>	<u>9,300</u>	<u>4,519</u>
Excess of revenues over expenditures	1,181	7,987	6,806
Fund Balances, beginning of year	50,130	50,130	-
Fund Balances, end of year	<u>\$ 51,311</u>	<u>\$ 58,117</u>	<u>\$ 6,806</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**ENFORCEMENT & EDUCATION FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 2,500	\$ 3,805	\$ 1,305
Total revenues	<u>2,500</u>	<u>3,805</u>	<u>1,305</u>
EXPENDITURES:			
Current:			
Police			
Personal services	8,672	8,672	-
Contractual, materials and other	<u>2,000</u>	<u>18</u>	<u>1,982</u>
Total expenditures	<u>10,672</u>	<u>8,690</u>	<u>1,982</u>
Deficiency of revenues under expenditures	(8,172)	(4,885)	3,287
Fund Balances, beginning of year	12,863	12,863	-
Fund Balances, end of year	<u>\$ 4,691</u>	<u>\$ 7,978</u>	<u>\$ 3,287</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**E-SHARE FEDERAL FORFEITURE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Investment income	\$ -	\$ 33	\$ 33
Total revenues	-	33	33
EXPENDITURES:			
Current:			
Police			
Contractual, materials and other	3,000	2,945	55
Total expenditures	3,000	2,945	55
Deficiency of revenues under expenditures	(3,000)	(2,912)	88
Fund Balances, beginning of year	3,939	3,939	-
Fund Balances, end of year	\$ 939	\$ 1,027	\$ 88

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**HEALTH DEPARTMENT BUILDING LEASE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Miscellaneous receipts and reimbursements	\$ 20,748	\$ 20,000	\$ (748)
Total revenues	20,748	20,000	(748)
EXPENDITURES:			
Current:			
Health			
Contractual, materials and other	156,294	12,410	143,884
Total expenditures	156,294	12,410	143,884
Excess (deficiency) of revenues over (under) expenditures	(135,546)	7,590	143,136
Fund Balances, beginning of year	169,982	169,982	-
Prior Year Encumbrances	10,764	10,764	-
Fund Balances, end of year	\$ 45,200	\$ 188,336	\$ 143,136

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**F.E.M.A. GRANT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:	\$ -	\$ -	\$ -
EXPENDITURES:	-	-	-
Net change in fund balance	-	-	-
Fund Balances, beginning of year	9	9	-
Fund Balances, end of year	<u>\$ 9</u>	<u>\$ 9</u>	<u>\$ -</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**PROBATION GRANT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 53,471	\$ 92,618	\$ 39,147
Total revenues	<u>53,471</u>	<u>92,618</u>	<u>39,147</u>
EXPENDITURES:			
Current:			
Judicial			
Personal services	58,459	57,769	690
Contractual, materials and other	<u>5,203</u>	<u>5,176</u>	<u>27</u>
Total expenditures	<u>63,662</u>	<u>62,945</u>	<u>717</u>
Excess (deficiency) of revenues over (under) expenditures	(10,191)	29,673	39,864
Fund Balances, beginning of year	3,916	3,916	-
Fund Balances, end of year	<u>\$ (6,275)</u>	<u>\$ 33,589</u>	<u>\$ 39,864</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**MUNICIPAL COURT SPECIAL PROJECTS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
<b>REVENUES:</b>			
Fines, licenses and permits	\$ 145,000	\$ 146,416	\$ 1,416
Miscellaneous receipts and reimbursements	-	-	-
Total revenues	<u>145,000</u>	<u>146,416</u>	<u>1,416</u>
<b>EXPENDITURES:</b>			
Current:			
Judicial			
Personal services	34,695	31,001	3,694
Contractual, materials and other	<u>444,673</u>	<u>393,004</u>	<u>51,669</u>
Total expenditures	<u>479,368</u>	<u>424,005</u>	<u>55,363</u>
Deficiency of revenues under expenditures	(334,368)	(277,589)	56,779
Fund Balances, beginning of year	631,880	631,880	-
Prior Year Encumbrances	<u>24,360</u>	<u>24,360</u>	-
Fund Balances, end of year	<u>\$ 321,872</u>	<u>\$ 378,651</u>	<u>\$ 56,779</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**INDIGENT DRIVER INTERLOCK & ALCOHOL MONITORING FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
<b>REVENUES:</b>			
Fines, licenses and permits	\$ 14,000	\$ 14,532	\$ 532
Total revenues	<u>14,000</u>	<u>14,532</u>	<u>532</u>
<b>EXPENDITURES:</b>			
Current:			
Judicial			
Contractual, materials and other	<u>18,276</u>	<u>18,276</u>	-
Total expenditures	<u>18,276</u>	<u>18,276</u>	-
Deficiency of revenues under expenditures	(4,276)	(3,744)	532
Fund Balances, beginning of year	<u>5,276</u>	<u>5,276</u>	-
Fund Balances, end of year	<u>\$ 1,000</u>	<u>\$ 1,532</u>	<u>\$ 532</u>



**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**IDAT - SURPLUS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Miscellaneous receipts and reimbursements	\$ -	\$ -	\$ -
Total revenues	-	-	-
EXPENDITURES:			
Current:			
Judicial			
Contractual, materials and other	10,605	8,341	2,264
Total expenditures	10,605	8,341	2,264
Deficiency of revenues under expenditures	(10,605)	(8,341)	2,264
Fund Balances, beginning of year	11,811	11,811	-
Fund Balances, end of year	<u>\$ 1,206</u>	<u>\$ 3,470</u>	<u>\$ 2,264</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**MUNICIPAL COURT COMPUTER FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Charges for services	\$ 39,160	\$ 41,680	\$ 2,520
Total Revenues	39,160	41,680	2,520
EXPENDITURES:			
Current:			
Judicial			
Contractual, materials and other	43,456	34,102	9,354
Total expenditures	43,456	34,102	9,354
Excess (deficiency) of revenues over (under) expenditures	(4,296)	7,578	11,874
Fund Balances, beginning of year	17,645	17,645	-
Fund Balances, end of year	<u>\$ 13,349</u>	<u>\$ 25,223</u>	<u>\$ 11,874</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**CEMETERY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
<b>REVENUES:</b>			
Charges for services	\$ 110,213	\$ 113,845	\$ 3,632
Miscellaneous receipts and reimbursements	-	3,515	3,515
<b>Total revenues</b>	<b>110,213</b>	<b>117,360</b>	<b>7,147</b>
<b>EXPENDITURES:</b>			
Current:			
Health			
Personal services	110,130	106,236	3,894
Contractual, materials and other	59,564	50,802	8,762
<b>Total expenditures</b>	<b>169,694</b>	<b>157,038</b>	<b>12,656</b>
Deficiency of revenues under expenditures	(59,481)	(39,678)	19,803
<b>OTHER FINANCING SOURCES:</b>			
Transfers in	55,000	55,000	-
<b>Total other financing sources</b>	<b>55,000</b>	<b>55,000</b>	<b>-</b>
Net change in fund balance	(4,481)	15,322	19,803
Fund Balances, beginning of year	70,130	70,130	-
Prior Year Encumbrances	3,297	3,297	-
Fund Balances, end of year	<u>\$ 68,946</u>	<u>\$ 88,749</u>	<u>\$ 19,803</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**CEMETERY MAINTENANCE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
<b>REVENUES:</b>			
Charges for services	\$ -	\$ 1,132	\$ 1,132
Investment income	6,000	6,176	176
<b>Total revenues</b>	<b>6,000</b>	<b>7,308</b>	<b>1,308</b>
<b>EXPENDITURES:</b>			
Current:			
Health			
Contractual, materials and other	500	337	163
<b>Total expenditures</b>	<b>500</b>	<b>337</b>	<b>163</b>
Excess of revenues over expenditures	5,500	6,971	1,471
Fund Balances, beginning of year	746,252	746,252	-
Fund Balances, end of year	<u>\$ 751,752</u>	<u>\$ 753,223</u>	<u>\$ 1,471</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**MAUSOLEUM MAINTENANCE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Charges for services	\$ -	\$ -	\$ -
Investment income	120	285	165
Total revenues	<u>120</u>	<u>285</u>	<u>165</u>
EXPENDITURES:	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	120	285	165
Fund Balances, beginning of year	34,870	34,870	-
Fund Balances, end of year	<u>\$ 34,990</u>	<u>\$ 35,155</u>	<u>\$ 165</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**C.D.B.G. FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenue	\$ 168,108	\$ 295,562	\$ 127,454
Investment income	-	1,345	1,345
Miscellaneous receipts and reimbursements	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>168,108</u>	<u>296,907</u>	<u>128,799</u>
EXPENDITURES:			
Current:			
Community development			
Personal services	1,842	1,839	3
Contractual, materials and other	<u>438,182</u>	<u>334,445</u>	<u>103,737</u>
Total expenditures	<u>440,024</u>	<u>336,284</u>	<u>103,740</u>
Deficiency of revenues under expenditures	(271,916)	(39,377)	232,539
Fund Balances, beginning of year	7,955	7,955	-
Prior Year Encumbrances	167,073	167,073	-
Fund Balances, end of year	<u>\$ (96,888)</u>	<u>\$ 135,651</u>	<u>\$ 232,539</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**C.D.B.G. REVOLVING LOAN FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Investment income	\$ 12,265	\$ 12,413	\$ 148
Total revenues	<u>12,265</u>	<u>12,413</u>	<u>148</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	20,000	-	20,000
Total expenditures	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Excess (deficiency) of revenues over (under) expenditures	(7,735)	12,413	20,148
Fund Balances, beginning of year	15,353	15,353	-
Prior Year Encumbrances	2,825	2,825	-
Fund Balances, end of year	<u>\$ 10,443</u>	<u>\$ 30,591</u>	<u>\$ 20,148</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**C.D.B.G. PROGRAM INCOME FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Investment income	\$ 30	\$ 7	\$ (23)
Total revenues	<u>30</u>	<u>7</u>	<u>(23)</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	4,720	4,712	8
Total expenditures	<u>4,720</u>	<u>4,712</u>	<u>8</u>
Deficiency of revenues under expenditures	(4,690)	(4,705)	(15)
Fund Balances, beginning of year	4,717	4,717	-
Fund Balances, end of year	<u>\$ 27</u>	<u>\$ 12</u>	<u>\$ (15)</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**H.O.M.E. PROGRAM INCOME FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Investment income	\$ 270	\$ 5,844	\$ 5,574
Total revenues	<u>270</u>	<u>5,844</u>	<u>5,574</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	<u>72,145</u>	<u>4,734</u>	<u>67,411</u>
Total expenditures	<u>72,145</u>	<u>4,734</u>	<u>67,411</u>
Excess (deficiency) of revenues over (under) expenditures	(71,875)	1,110	72,985
Fund Balances, beginning of year	<u>72,095</u>	<u>72,095</u>	-
Fund Balances, end of year	<u>\$ 220</u>	<u>\$ 73,205</u>	<u>\$ 72,985</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**NEIGHBORHOOD STABILIZATION PROGRAM GRANT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:			
Current:			
Community development			
Personal services	-	-	-
Contractual, materials and other	<u>216</u>	<u>216</u>	<u>-</u>
Total expenditures	<u>216</u>	<u>216</u>	<u>-</u>
Deficiency of revenues under expenditures	(216)	(216)	-
Fund Balances, beginning of year	-	-	-
Prior Year Encumbrances	<u>216</u>	<u>216</u>	<u>-</u>
Fund Balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**E-911 WIRELESS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 54,000	\$ 47,184	\$ (6,816)
Total revenues	<u>54,000</u>	<u>47,184</u>	<u>(6,816)</u>
EXPENDITURES:			
Current:			
Police			
Contractual, materials and other	<u>185,371</u>	<u>155,252</u>	<u>30,119</u>
Total expenditures	<u>185,371</u>	<u>155,252</u>	<u>30,119</u>
Deficiency of revenues under expenditures	(131,371)	(108,068)	23,303
Fund Balances, beginning of year	153,140	153,140	-
Prior Year Encumbrances	3,863	3,863	-
Fund Balances, end of year	<u>\$ 25,632</u>	<u>\$ 48,935</u>	<u>\$ 23,303</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**FIRE LOSS SECURITY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Miscellaneous receipts and reimbursements	\$ 50,545	\$ 50,545	\$ -
Total Revenues	<u>50,545</u>	<u>50,545</u>	<u>-</u>
EXPENDITURES:			
Current:			
Fire Services			
Contractual, materials and other	<u>139,221</u>	<u>108,369</u>	<u>30,852</u>
Total expenditures	<u>139,221</u>	<u>108,369</u>	<u>30,852</u>
Deficiency of revenues under expenditures	(88,676)	(57,824)	30,852
Fund Balances, beginning of year	88,676	88,676	-
Fund Balances, end of year	<u>\$ -</u>	<u>\$ 30,852</u>	<u>\$ 30,852</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**CRA FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Final Budget</u>	<u>Actual Including Encumbrances</u>	<u>Variance from Final Budget</u>
REVENUES:			
Special assessments	\$ 500	\$ 1,175	\$ 675
Total Revenues	<u>500</u>	<u>1,175</u>	<u>675</u>
EXPENDITURES:			
Current:			
Community development			
Personal services	397	346	51
Contractual, materials and other	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>397</u>	<u>346</u>	<u>51</u>
Excess of revenues over expenditures	103	829	726
Fund Balances, beginning of year	3,835	3,835	-
Fund Balances, end of year	<u>\$ 3,938</u>	<u>\$ 4,664</u>	<u>\$ 726</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**TIF -KUTHER ROAD FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Final Budget</u>	<u>Actual Including Encumbrances</u>	<u>Variance from Final Budget</u>
REVENUES:			
Local taxes	\$ 28,426	\$ 22,051	\$ (6,375)
Total revenues	<u>28,426</u>	<u>22,051</u>	<u>(6,375)</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	<u>20,025</u>	<u>20,025</u>	<u>-</u>
Total expenditures	<u>20,025</u>	<u>20,025</u>	<u>-</u>
Excess of revenues over expenditures	8,401	2,026	(6,375)
Fund Balances, beginning of year	65,041	65,041	-
Fund Balances, end of year	<u>\$ 73,442</u>	<u>\$ 67,067</u>	<u>\$ (6,375)</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**TIF -MENARDS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local Taxes	\$ 98,466	\$ 123,873	\$ 25,407
Total revenues	<u>98,466</u>	<u>123,873</u>	<u>25,407</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	<u>87,092</u>	<u>87,092</u>	<u>-</u>
Total expenditures	<u>87,092</u>	<u>87,092</u>	<u>-</u>
Excess of revenues over expenditures	11,374	36,781	25,407
Fund Balances, beginning of year	264,565	264,565	-
Fund Balances, end of year	<u>\$ 275,939</u>	<u>\$ 301,346</u>	<u>\$ 25,407</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**TIF - ECHO FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local Taxes	\$ 4,789	\$ 5,189	\$ 400
Total revenues	<u>4,789</u>	<u>5,189</u>	<u>400</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	<u>951</u>	<u>951</u>	<u>-</u>
Total expenditures	<u>951</u>	<u>951</u>	<u>-</u>
Excess of revenues over expenditures	3,838	4,238	400
Fund Balances, beginning of year	13,700	13,700	-
Fund Balances, end of year	<u>\$ 17,538</u>	<u>\$ 17,938</u>	<u>\$ 400</u>



**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**CAPITAL IMPROVEMENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
<b>REVENUES:</b>			
Local taxes	\$ 2,960,207	\$ 2,960,206	\$ (1)
Intergovernmental revenues	1,874,344	649,462	(1,224,882)
Interest income	-	-	-
Special assessments	50,000	33,327	(16,673)
Miscellaneous receipts and reimbursements	<u>95,864</u>	<u>109,211</u>	<u>13,347</u>
Total revenues	<u>4,980,415</u>	<u>3,752,206</u>	<u>(1,228,209)</u>
<b>EXPENDITURES:</b>			
Capital Outlay:			
Contractual, materials and other	<u>6,468,697</u>	<u>5,872,194</u>	<u>596,503</u>
Total expenditures	<u>6,468,697</u>	<u>5,872,194</u>	<u>596,503</u>
Deficiency of revenues under expenditures	<u>(1,488,282)</u>	<u>(2,119,988)</u>	<u>(631,706)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Capital contributions	81,550	68,100	(13,450)
Sale of asset	<u>15,000</u>	<u>28,187</u>	<u>13,187</u>
Total other financing sources	<u>96,550</u>	<u>96,287</u>	<u>(263)</u>
Net change in fund balance	(1,391,732)	(2,023,701)	(631,969)
Fund Balances, beginning of year	2,079,484	2,079,484	-
Prior Year Encumbrances	<u>264,715</u>	<u>264,715</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 952,467</u>	<u>\$ 320,498</u>	<u>\$ (631,969)</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**MUNICIPAL EARNED INCOME TAX FOR STREET CAPITAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Final Budget</u>	<u>Actual Including Encumbrances</u>	<u>Variance from Final Budget</u>
REVENUES:			
Local taxes	\$ 1,858,313	\$ 2,176,483	\$ 318,170
Total revenues	<u>1,858,313</u>	<u>2,176,483</u>	<u>318,170</u>
EXPENDITURES:			
Capital Outlay:			
Contractual, materials and other	<u>1,100,000</u>	<u>1,005,000</u>	<u>95,000</u>
Total expenditures	<u>1,100,000</u>	<u>1,005,000</u>	<u>95,000</u>
Excess of revenues over expenditures	758,313	1,171,483	413,170
Fund Balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 758,313</u>	<u>\$ 1,171,483</u>	<u>\$ 413,170</u>

**CITY OF SIDNEY, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS**  
**AT LEGAL LEVEL OF BUDGETARY CONTROL**  
**BROOKSIDE PARK FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Final Budget</u>	<u>Actual Including Encumbrances</u>	<u>Variance from Final Budget</u>
REVENUES:			
Miscellaneous receipts and reimbursements	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:			
Capital Outlay:			
Contractual, materials and other	<u>11,036</u>	<u>11,036</u>	<u>-</u>
Total expenditures	<u>11,036</u>	<u>11,036</u>	<u>-</u>
Deficiency of revenues under expenditures	(11,036)	(11,036)	-
Fund Balances, beginning of year	<u>11,036</u>	<u>11,036</u>	<u>-</u>
Fund Balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



STATISTICAL SECTION

**CITY OF SIDNEY, OHIO**  
**Statistical Section**  
**December 31, 2015**

This part of the City of Sidney’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends (Schedules 1 – 4)</b> These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	113 – 117
<b>Revenue Capacity (Schedules 5 – 6)</b> These schedules contain information to help the reader assess the City’s most significant local revenue source, the municipal income tax.	118 – 119
<b>Debt Capacity (Schedules 7 - 9)</b> These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	120 – 122
<b>Economic and Demographic Information (Schedules 10 – 11)</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place.	123 – 124
<b>Operating Information (Schedules 12 – 14)</b> These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	125 – 127

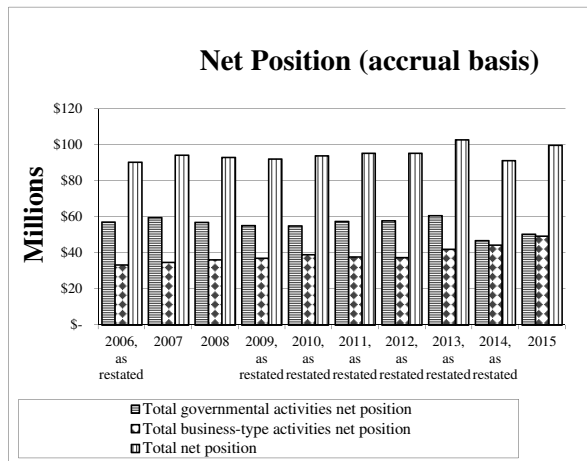
**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**CITY OF SIDNEY, OHIO  
NET POSITION BY CATEGORY  
LAST TEN FISCAL YEARS**

**Schedule 1**

	Year Ended December 31,									
	2006, as restated	2007	2008	2009, as restated	2010, as restated	2011, as restated	2012, as restated	2013, as restated	2014, as restated	2015
<b>Governmental activities</b>										
Net investments in capital assets	41,944,422	43,858,848	43,433,659	45,610,506	44,608,862	46,814,752	46,484,983	47,228,659	46,471,032	48,421,398
Restricted for:										
Other purposes	1,546,232	1,321,211	1,042,116	1,641,658	1,782,614	3,116,853	3,273,154	3,521,730	3,922,451	6,070,942
Unrestricted	13,638,819	14,559,542	12,449,516	7,917,041	8,591,834	7,609,599	8,197,220	9,917,661	(3,493,089)	(4,031,468)
Total governmental activities net position	<u>57,129,473</u>	<u>59,739,601</u>	<u>56,925,291</u>	<u>55,169,205</u>	<u>54,983,310</u>	<u>57,541,204</u>	<u>57,955,357</u>	<u>60,668,050</u>	<u>46,900,394</u>	<u>50,460,872</u>
<b>Business-type activities</b>										
Net investments in capital assets	29,250,922	29,300,583	31,074,156	31,619,476	34,273,069	33,450,981	32,434,937	36,286,139	37,688,256	39,086,912
Restricted	-	-	160,420	-	-	-	-	-	-	-
Unrestricted	4,059,842	5,387,473	4,928,706	5,458,953	4,722,342	4,368,997	4,961,412	5,858,713	6,725,423	10,340,554
Total business-type activities net position	<u>33,310,764</u>	<u>34,688,056</u>	<u>36,163,282</u>	<u>37,078,429</u>	<u>38,995,411</u>	<u>37,819,978</u>	<u>37,396,349</u>	<u>42,144,852</u>	<u>44,413,679</u>	<u>49,427,466</u>
<b>Total</b>										
Net investments in capital assets	71,195,344	73,159,431	74,507,815	77,229,982	78,881,931	80,265,733	78,919,920	83,514,798	84,159,288	87,508,310
Restricted for:										
Other purposes	1,546,232	1,321,211	1,202,536	1,641,658	1,782,614	3,116,853	3,273,154	3,521,730	3,922,451	6,070,942
Unrestricted	17,698,661	19,947,015	17,378,222	13,375,994	13,314,176	11,978,596	13,158,632	15,776,374	3,232,334	6,309,086
Total net position	<u>\$ 90,440,237</u>	<u>\$ 94,427,657</u>	<u>\$ 93,088,573</u>	<u>\$ 92,247,634</u>	<u>\$ 93,978,721</u>	<u>\$ 95,361,182</u>	<u>\$ 95,351,706</u>	<u>\$ 102,812,902</u>	<u>\$ 91,314,073</u>	<u>\$ 99,888,338</u>

**Note:** Accounting standards require that the net position be reported in three components in the financial statements: net investments in capital assets; restricted; and unrestricted. Net position is considered restricted when (1) an external party, such as the state or federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the City.



Note: The following restatements of prior years' balances are reflected in the above schedule:

- Change of transportation and stormwater management funds from governmental activities to business-type activities for 2006
- Change in classification between restricted and unrestricted net position for 2009 and 2010
- Change in accounting principle for GASB Statement No. 65, prior period adjustment for deferred gain on current refunding, and classification amongst net investments in capital assets, restricted and unrestricted net position as well as a reclassification for 2011 between program revenues and other taxes - prior year balances have not been restated
- Correction of water capital asset, stormwater and water receivable, and stormwater unearned revenue in 2012.
- Correction of sewer capitalized interest in 2013.
- Change in accounting principle of GASB Statement No. 68 for 2014, - prior year balances have not been restated

CITY OF SIDNEY, OHIO  
 CHANGES IN NET POSITION  
 LAST TEN FISCAL YEARS

Schedule 2

	Year Ended December 31,									
	2006, as restated	2007	2008	2009	2010	2011, as restated	2012, as restated	2013, as restated	2014, as restated	2015
<b>Expenses</b>										
Governmental activities:										
General government	1,741,846	1,726,929	1,842,173	1,314,285	928,165	822,047	1,043,097	1,280,552	1,222,533	1,116,603
Public safety										
Police	5,796,813	6,167,426	6,389,260	6,271,553	6,142,034	5,995,394	5,947,129	5,878,916	6,069,441	6,209,699
Fire	4,120,953	4,372,436	4,656,979	4,523,985	4,334,589	4,635,651	4,636,484	4,831,041	5,028,715	5,580,150
Judicial	1,517,325	1,686,848	1,588,281	1,636,905	1,563,723	1,638,942	1,574,631	1,644,204	1,701,791	1,635,776
Health	214,883	227,045	239,068	375,100	197,366	188,091	200,968	212,134	211,378	244,416
Transportation										
Public transportation							5,643	-	-	-
Street repair & maintenance	2,692,044	3,163,599	3,308,905	3,093,966	3,324,839	3,420,370	3,275,490	3,501,798	3,233,573	3,227,534
Community environment										
Community development	453,261	326,902	735,153	339,155	924,429	833,892	690,046	674,110	467,887	530,928
Community environment	973,205	1,291,112	1,152,583	1,167,276	1,301,521	783,027	704,322	522,557	572,458	561,260
Parks and recreation	1,461,172	1,628,824	1,670,604	1,504,878	1,388,202	1,365,458	1,488,367	1,453,956	1,464,155	1,470,735
Basic utility services	-	54,531	24,630	134,047	73,127	-	54,751	-	101,582	384,464
Bond issuance cost	-	-	-	-	-	-	-	14,234	-	-
Interest on long-term debt	411,424	392,921	386,824	364,625	353,017	321,257	295,729	291,005	161,053	147,997
Total governmental activities expenses	<u>19,382,926</u>	<u>21,038,573</u>	<u>21,994,460</u>	<u>20,725,775</u>	<u>20,531,012</u>	<u>20,004,129</u>	<u>19,916,657</u>	<u>20,304,507</u>	<u>20,234,566</u>	<u>21,109,562</u>
Business-type activities:										
Water	3,253,577	3,908,385	3,581,450	3,219,126	3,400,452	3,760,888	3,876,533	3,838,381	3,791,600	3,694,200
Sewer	3,464,976	3,720,157	3,812,880	3,864,227	3,724,801	3,631,479	3,473,960	3,915,727	4,139,110	4,140,648
Stormwater	644,140	567,091	538,199	579,263	561,378	543,603	568,224	491,391	524,541	570,482
Solid Waste	1,126,873	1,086,908	1,002,412	1,085,937	1,146,766	1,188,726	1,233,201	1,346,774	1,362,006	1,420,502
Other business-type activities	1,095,913	996,388	1,433,523	1,414,485	1,492,936	1,522,638	1,598,795	1,554,138	1,576,068	1,598,531
Total business-type activities expenses	<u>9,585,479</u>	<u>10,278,929</u>	<u>10,368,464</u>	<u>10,163,038</u>	<u>10,326,333</u>	<u>10,647,334</u>	<u>10,750,713</u>	<u>11,146,411</u>	<u>11,393,325</u>	<u>11,424,363</u>
Total Expenses	<u>28,968,405</u>	<u>31,317,502</u>	<u>32,362,924</u>	<u>30,888,813</u>	<u>30,857,345</u>	<u>30,651,463</u>	<u>30,667,370</u>	<u>31,499,293</u>	<u>31,627,891</u>	<u>32,533,925</u>
<b>Program Revenues **</b>										
Governmental activities:										
General government	-	5,801	882	-	-	-	1,578	-	-	-
Public safety										
Police	368,777	388,020	487,553	379,701	420,134	410,885	404,573	434,230	335,842	352,453
Fire	687,561	853,487	389,990	443,174	751,523	561,125	637,602	555,901	700,607	702,442
Judicial	800,751	867,714	857,705	867,504	804,453	831,903	883,356	926,900	916,951	932,008
Health	129,886	120,151	139,266	101,170	115,009	144,307	133,823	152,802	122,172	145,303
Transportation										
Public transportation										
Street repair & maintenance	3,505,690	2,516,499	1,858,465	3,459,464	1,842,707	3,999,963	1,683,455	3,189,712	1,547,509	1,874,992
Community environment										
Community development	334,276	507,213	465,771	125,651	596,581	457,017	405,217	632,825	389,547	350,151
Community environment	76,179	82,830	114,375	105,499	86,795	63,674	89,396	87,860	79,255	96,715
Parks and recreation	72,453	64,939	111,888	199,613	259,480	191,588	206,674	119,649	173,419	123,973
Basic utility services	-	-	14,503	-	-	-	-	-	-	-
Total governmental activities program revenues	<u>5,975,573</u>	<u>5,406,654</u>	<u>4,440,398</u>	<u>5,681,776</u>	<u>4,876,682</u>	<u>6,660,462</u>	<u>4,445,674</u>	<u>6,099,879</u>	<u>4,265,302</u>	<u>4,578,037</u>
Business-type activities:										
Water	3,540,699	4,105,837	3,454,995	4,050,081	5,721,059	3,448,378	3,480,586	4,148,898	4,988,388	5,615,833
Sewer	3,706,858	4,564,326	3,321,692	3,399,951	3,259,769	3,260,279	3,361,223	5,724,273	6,706,435	6,393,250
Solid Waste	841,242	893,935	1,016,660	974,202	1,094,019	1,140,751	1,205,710	1,325,314	1,388,994	1,457,325
Stormwater	-	275,893	316,988	403,100	318,396	345,438	344,723	350,623	378,838	382,292
Other business-type activities	980,687	1,041,434	1,832,099	1,925,899	1,302,550	1,213,749	1,641,873	3,564,226	1,491,235	1,497,852
Total business-type activities program revenues	<u>9,069,486</u>	<u>10,881,425</u>	<u>9,942,434</u>	<u>10,753,233</u>	<u>11,695,793</u>	<u>9,408,595</u>	<u>10,034,115</u>	<u>15,113,334</u>	<u>14,953,890</u>	<u>15,346,552</u>

CITY OF SIDNEY, OHIO  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS

Schedule 2

	Year Ended December 31,									
	2006, as restated	2007	2008	2009	2010	2011, as restated	2012, as restated	2013, as restated	2014, as restated	2015
<b>Net (Expense) Revenue <sup>(a)</sup></b>										
Governmental activities:										
General government	(1,741,846)	(1,721,128)	(1,841,291)	(1,314,285)	(928,165)	(822,047)	(1,041,519)	(1,280,552)	(1,222,533)	(1,116,603)
Police	(5,428,036)	(5,779,406)	(5,901,707)	(5,891,852)	(5,721,900)	(5,584,509)	(5,542,556)	(5,444,686)	(5,733,599)	(5,857,246)
Fire	(3,433,392)	(3,518,949)	(4,266,989)	(4,080,811)	(3,583,066)	(4,074,526)	(3,998,882)	(4,275,140)	(4,328,108)	(4,877,708)
Judicial	(716,574)	(819,134)	(730,576)	(769,401)	(759,270)	(807,039)	(691,275)	(717,304)	(784,840)	(703,768)
Health	(84,997)	(106,894)	(99,802)	(273,930)	(82,357)	(43,784)	(67,145)	(59,332)	(89,206)	(99,113)
Public transportation	-	-	-	-	-	-	(5,643)	-	-	-
Street repair & maintenance	813,646	(647,100)	(1,450,440)	365,498	(1,482,132)	579,593	(1,592,035)	(312,086)	(1,686,064)	(1,352,542)
Community development	(118,985)	180,311	(269,382)	(213,504)	(327,848)	(376,875)	(284,829)	(41,285)	(78,340)	(180,777)
Community environment	(897,026)	(1,208,282)	(1,038,208)	(1,061,777)	(1,214,726)	(719,353)	(614,926)	(434,697)	(493,203)	(464,545)
Parks and recreation	(1,388,719)	(1,563,885)	(1,558,716)	(1,305,265)	(1,128,722)	(1,173,870)	(1,281,693)	(1,334,307)	(1,290,736)	(1,346,762)
Basic utility services	-	(54,531)	(10,127)	(134,047)	(73,127)	-	(54,751)	-	(101,582)	(384,464)
Bond issuance costs	-	-	-	-	-	-	-	(14,234)	-	-
Interest on long-term debt	(411,424)	(392,921)	(386,824)	(364,625)	(353,017)	(321,257)	(295,729)	(291,005)	(161,053)	(147,997)
Total governmental activities	<u>(13,407,353)</u>	<u>(15,631,919)</u>	<u>(17,554,062)</u>	<u>(15,043,999)</u>	<u>(15,654,330)</u>	<u>(13,343,667)</u>	<u>(15,470,983)</u>	<u>(14,204,628)</u>	<u>(15,969,264)</u>	<u>(16,531,525)</u>
Net (Expense) Revenue <sup>(a)</sup>										
Business-type activities:										
Water	287,122	197,452	(126,455)	830,955	2,320,607	(312,510)	(395,947)	310,517	1,196,788	1,921,633
Sewer	241,882	844,169	(491,188)	(464,276)	(465,032)	(371,200)	(112,737)	1,808,546	2,567,325	2,252,602
Solid Waste	197,102	(192,973)	14,248	(111,735)	(52,747)	(47,975)	(27,491)	(21,460)	26,988	36,823
Stormwater	(1,126,873)	(291,198)	(221,211)	(176,163)	(242,982)	(198,165)	(223,501)	(140,768)	(145,703)	(188,190)
Other business-type activities	(115,226)	45,046	398,576	511,414	(190,386)	(308,889)	43,078	2,010,088	(84,833)	(100,679)
Total business-type activities	<u>(515,993)</u>	<u>602,496</u>	<u>(426,030)</u>	<u>590,195</u>	<u>1,369,460</u>	<u>(1,238,739)</u>	<u>(716,598)</u>	<u>3,966,923</u>	<u>3,560,565</u>	<u>3,922,189</u>
Total	<u>(13,923,346)</u>	<u>(15,029,423)</u>	<u>(17,980,092)</u>	<u>(14,453,804)</u>	<u>(14,284,870)</u>	<u>(14,582,406)</u>	<u>(16,187,581)</u>	<u>(10,237,705)</u>	<u>(12,552,935)</u>	<u>(12,609,336)</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes										
Income taxes	13,261,167	13,417,106	12,505,553	9,996,527	12,120,834	12,833,355	13,508,264	14,161,506	15,394,876	17,882,075
Property taxes	1,492,187	1,481,916	1,440,528	1,451,435	1,478,089	1,180,084	1,064,514	1,016,383	1,028,049	1,026,383
Payments in lieu of taxes	-	-	-	-	-	-	-	-	131,681	151,114
Lodging taxes	-	-	-	-	-	-	-	-	291,434	377,602
Other taxes	507,960	819,030	693,003	805,708	637,560	810,199	670,257	807,038	1,865	1,534
Grants and contributions not restricted to specific progr	1,183,356	1,610,680	1,135,782	887,749	977,843	886,421	577,012	582,407	590,138	580,241
Investment earnings	545,906	894,963	561,282	132,406	114,967	126,830	129,953	106,092	88,087	82,194
Gain (loss) on sale/disposal of capital assets	24,248	-	4,070	21,017	31,689	56,952	26,069	3,380	41,481	28,540
Miscellaneous	46,216	573,924	68,482	242,371	442,446	282,027	252,167	459,786	484,173	387,378
Transfers	(190,440)	(555,572)	(1,668,948)	(249,300)	(334,993)	(126,500)	(343,100)	(219,271)	(261,955)	(425,058)
Total governmental activities	<u>16,870,600</u>	<u>18,242,047</u>	<u>14,739,752</u>	<u>13,287,913</u>	<u>15,468,435</u>	<u>16,049,368</u>	<u>15,885,136</u>	<u>16,917,321</u>	<u>17,789,829</u>	<u>20,092,003</u>
Business-type activities:										
Miscellaneous	-	-	-	-	117,007	82,131	153,812	431,729	326,562	507,594
Investment earnings	118,884	219,224	227,958	75,652	75,020	199,574	169,073	117,401	121,169	129,961
Gain on sale/disposal of capital assets	7,352	-	4,350	-	20,502	5,158	99,280	13,179	1,554	28,985
Transfers	190,440	555,572	1,668,948	249,300	334,993	126,500	343,100	219,271	261,955	425,058
Total business-type activities	<u>316,676</u>	<u>774,796</u>	<u>1,901,256</u>	<u>324,952</u>	<u>547,522</u>	<u>413,363</u>	<u>765,265</u>	<u>781,580</u>	<u>711,240</u>	<u>1,091,598</u>
Total	<u>17,187,276</u>	<u>19,016,843</u>	<u>16,641,008</u>	<u>13,612,865</u>	<u>16,015,957</u>	<u>16,462,731</u>	<u>16,650,401</u>	<u>17,698,901</u>	<u>18,501,069</u>	<u>21,183,601</u>
<b>Change in Net Position</b>										
Governmental activities	3,463,247	2,610,128	(2,814,310)	(1,756,086)	(185,895)	2,705,818	414,153	2,712,693	1,820,565	3,560,478
Business-type activities	(199,317)	1,377,292	1,475,226	915,147	1,916,982	(825,376)	48,667	4,748,503	4,271,805	5,013,787
Total	<u>3,263,930</u>	<u>3,987,420</u>	<u>(1,339,084)</u>	<u>(840,939)</u>	<u>1,731,087</u>	<u>1,880,442</u>	<u>462,820</u>	<u>7,429,317</u>	<u>6,092,370</u>	<u>8,574,265</u>

(a) Net (expense)/revenue is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program is supported by its own fees and program-specific grants versus its reliance upon funding from taxes and other governmental revenues. Numbers in parentheses indicate that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program. Numbers without parentheses mean that program revenues were more than sufficient to cover expenses.

CITY OF SIDNEY, OHIO  
 FUND BALANCES, GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS

Schedule 3

	December 31,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General Fund</b>										
Reserved for:										
Inventory	\$ 36,018	\$ 49,255	\$ 48,516	\$ 51,953	\$ 65,312					
Prepaid items	24,389	21,576	23,793	33,350	30,918					
Encumbrances	692,064	104,072	125,775	69,040	112,982					
Unreserved	<u>4,344,745</u>	<u>6,079,886</u>	<u>4,256,474</u>	<u>3,884,890</u>	<u>4,374,198</u>					
Total general fund	<u>\$ 5,097,216</u>	<u>\$ 6,254,789</u>	<u>\$ 4,454,558</u>	<u>\$ 4,039,233</u>	<u>\$ 4,583,410</u>					
Fund Balances:										
Nonspendable						\$ 78,974	\$ 99,137	\$ 87,265	\$ 85,498	\$ 105,114
Restricted						-	-	-	-	-
Committed						275,349	64,415	243,392	266,555	283,076
Assigned						190,981	163,878	227,709	1,794,171	1,541,086
Unassigned						<u>4,667,200</u>	<u>4,821,760</u>	<u>6,052,984</u>	<u>5,420,756</u>	<u>6,355,395</u>
Total general fund						<u>\$ 5,212,504</u>	<u>\$ 5,149,190</u>	<u>\$ 6,611,350</u>	<u>\$ 7,566,980</u>	<u>\$ 8,284,671</u>
<b>All Other Governmental Funds</b>										
Reserved for:										
Inventory	\$ 92,915	\$ 52,740	\$ 101,224	\$ 65,994	\$ 72,438					
Prepaid items	85,851	1,342	1,154	9,930	10,962					
Long-term loans receivable	55,066	40,301	24,781	-	-					
Encumbrances	896,553	1,210,351	386,292	751,599	983,927					
Unreserved, reported in:										
Special revenue funds	5,348,396	4,782,780	4,082,591	2,626,063	2,464,455					
Capital projects funds	<u>1,252,773</u>	<u>616,675</u>	<u>1,282,636</u>	<u>514,015</u>	<u>865,409</u>					
Total all other governmental funds	<u>\$ 7,731,554</u>	<u>\$ 6,704,189</u>	<u>\$ 5,878,678</u>	<u>\$ 3,967,601</u>	<u>\$ 4,397,191</u>					
Fund Balances:										
Nonspendable						\$ 105,080	\$ 121,116	\$ 90,733	\$ 132,996	\$ 126,640
Restricted						2,263,940	2,391,836	2,633,111	2,958,466	4,415,458
Committed						226,106	237,336	251,594	270,599	286,167
Assigned						1,354,486	1,523,668	1,999,039	2,544,935	1,791,894
Unassigned						<u>(148,369)</u>	<u>(44,845)</u>	<u>(46,169)</u>	<u>(621)</u>	<u>-</u>
Total all other governmental funds						<u>\$ 3,801,243</u>	<u>\$ 4,229,111</u>	<u>\$ 4,928,308</u>	<u>\$ 5,906,375</u>	<u>\$ 6,620,159</u>

Note: The following changes that occurred on the 2007 balances and are not reflected in prior years are reflected in the above schedule:

- Change of transportation and stormwater management funds from governmental activities to business-type activities
- Correction of an error for bond issuance costs
- \*\* In 2011 the City implemented GASB 54. Prior year balances have not been restated.



**CITY OF SIDNEY, OHIO**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**

Schedule 4

	For Year Ended December 31,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Revenues:</b>										
Local taxes	14,851,099	14,988,112	14,338,595	12,110,032	14,203,412	14,201,437	14,439,662	15,745,801	16,073,066	19,038,142
Intergovernmental revenues	4,071,733	3,788,406	3,885,983	4,913,153	3,605,456	5,907,208	3,052,245	4,735,720	2,757,853	2,861,655
Special assessments	223,510	258,866	245,045	261,408	249,283	296,942	263,184	295,537	272,883	277,698
Charges for services	1,587,491	1,737,641	1,671,362	1,524,444	1,761,900	1,641,677	1,687,672	1,684,689	1,692,992	1,549,281
Fines, licenses and permits	269,686	267,507	240,658	385,620	188,665	181,183	200,370	187,880	183,193	466,068
Investment income	612,932	880,706	610,887	173,504	145,895	135,882	140,156	123,001	118,525	93,084
Miscellaneous receipts and reimbursements	289,589	797,011	304,689	348,460	623,442	501,423	683,974	795,786	815,675	664,376
Total revenues	<u>21,906,040</u>	<u>22,718,249</u>	<u>21,297,219</u>	<u>19,716,621</u>	<u>20,778,053</u>	<u>22,685,752</u>	<u>20,467,263</u>	<u>23,568,414</u>	<u>21,914,187</u>	<u>24,950,304</u>
<b>EXPENDITURES:</b>										
Current:										
General government	1,542,352	1,629,417	1,754,338	1,241,283	994,747	761,594	833,851	928,871	1,076,602	1,089,085
Police	5,358,816	5,671,817	5,852,203	5,726,015	5,736,959	5,600,738	5,644,443	5,448,768	5,665,204	5,688,921
Fire	3,757,299	4,073,027	4,303,371	4,309,081	4,112,147	4,435,691	4,387,264	4,524,242	4,688,533	5,040,271
Judicial	1,367,510	1,438,810	1,438,914	1,487,055	1,421,674	1,544,293	1,470,021	1,539,963	1,569,513	1,537,304
Health	194,161	209,334	220,980	358,851	193,334	161,354	164,201	176,073	172,049	156,677
Public transportation	569,944	-	-	-	-	-	5,643	-	-	-
Street repair & maintenance	1,182,040	1,424,212	1,484,688	1,359,318	1,443,553	1,404,900	1,304,441	1,395,150	1,231,476	1,295,723
Community development	377,251	321,575	1,006,091	289,206	450,990	253,872	324,004	379,275	286,358	454,971
Community environment	908,978	988,605	1,084,882	1,117,688	1,080,338	798,625	704,250	510,050	575,576	565,701
Parks and recreation	1,255,863	1,366,273	1,422,988	1,273,062	1,186,393	1,172,055	1,260,922	1,187,370	1,196,673	1,240,974
Basic utility services	398,791	45,593	23,543	44,872	14,127	-	61,779	-	-	-
Capital outlay	2,723,186	3,888,697	4,039,330	4,691,407	2,333,585	5,656,047	2,933,601	4,301,811	2,544,470	5,286,644
Debt service:										
Principal	435,000	445,000	435,000	445,000	1,360,000	838,714	585,000	5,405,000	650,000	670,000
Bond issuance costs	-	-	-	-	-	-	-	86,666	-	-
Interest and other charges	413,338	388,520	369,535	371,902	360,066	323,888	302,424	305,447	166,982	153,982
Total expenditures	<u>20,484,529</u>	<u>21,890,880</u>	<u>23,435,863</u>	<u>22,714,740</u>	<u>20,687,913</u>	<u>22,951,771</u>	<u>19,981,844</u>	<u>26,188,686</u>	<u>19,823,436</u>	<u>23,180,253</u>
Excess (deficiency) of revenues over (under) expenditures	1,421,511	827,369	(2,138,644)	(2,998,119)	90,140	(266,019)	485,419	(2,620,272)	2,090,751	1,770,051
<b>OTHER FINANCING SOURCES (USES):</b>										
Transfers in	13,956,196	14,189,448	13,571,638	2,312,307	25,000	235,000	225,000	196,000	215,000	438,265
Bonds issued	-	-	-	900,000	945,000	1,605,000	-	4,947,432	-	-
Payment to refunding agent	-	-	-	-	-	(1,263,463)	-	-	-	-
Premium on bonds	-	-	-	-	17,238	27,176	-	-	-	-
Capital contributions	-	-	-	-	-	-	95,000	-	-	-
Sale of capital assets	31,448	74,328	26,392	21,017	56,389	56,952	29,635	7,868	55,124	28,187
Transfers out	(14,112,236)	(14,747,305)	(14,085,128)	(2,561,607)	(160,000)	(361,500)	(470,500)	(369,671)	(427,178)	(805,028)
Total other financing sources (uses)	<u>(124,592)</u>	<u>(483,529)</u>	<u>(487,098)</u>	<u>671,717</u>	<u>883,627</u>	<u>299,165</u>	<u>(120,865)</u>	<u>4,781,629</u>	<u>(157,054)</u>	<u>(338,576)</u>
Net change in fund balances	<u>\$ 1,296,919</u>	<u>\$ 343,840</u>	<u>\$ (2,625,742)</u>	<u>\$ (2,326,402)</u>	<u>\$ 973,767</u>	<u>\$ 33,146</u>	<u>\$ 364,554</u>	<u>\$ 2,161,357</u>	<u>\$ 1,933,697</u>	<u>\$ 1,431,475</u>
Debt service as a percentage of noncapital expenditures	4.7%	4.5%	4.0%	4.4%	8.9%	6.4%	4.9%	3.3% *	4.5%	4.4%

\* For 2013 the bonds issued for the current refunding have been subtracted from debt service.

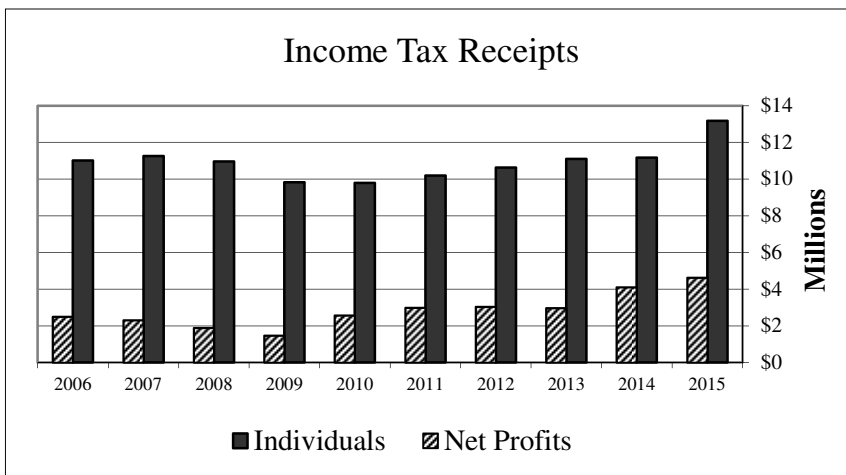
INCOME TAX BY PAYER TYPE AND INCOME TAX RATE

LAST TEN FISCAL YEARS (cash basis of accounting -- excluding refunds)

Year	Individuals		Net Profits	Total	Income Tax Rate
	Withheld by Employer	Paid by Taxpayer			
2015	\$ 12,495,175	\$ 676,820	\$ 4,627,748	\$ 17,799,743	1.75%
2014	\$ 10,510,653	\$ 653,903	\$ 4,108,423	\$ 15,272,979	1.50%
2013	\$ 10,435,949	\$ 661,638	\$ 2,977,321	\$ 14,074,908	1.50%
2012	\$ 9,984,145	\$ 642,581	\$ 3,034,441	\$ 13,661,167	1.50%
2011	\$ 9,564,046	\$ 632,536	\$ 2,993,983	\$ 13,190,565	1.50%
2010	\$ 9,238,357	\$ 555,659	\$ 2,564,710	\$ 12,358,726	1.50%
2009	\$ 9,317,160	\$ 505,868	\$ 1,461,604	\$ 11,284,632	1.50%
2008	\$ 10,489,044	\$ 471,408	\$ 1,882,710	\$ 12,843,162	1.50%
2007	\$ 10,742,913	\$ 506,891	\$ 2,303,076	\$ 13,552,880	1.50%
2006	\$ 10,568,788	\$ 440,021	\$ 2,499,840	\$ 13,508,649	1.50%

Source: City of Sidney, Ohio, Income Tax Department

This City levies an income tax on all wages, salaries, commissions and other compensation paid by employers and the net profits from a business or professional person earned within the City, excluding income from intangible personal property. In addition, City residents pay City income tax on income earned outside the City, net of a credit for income taxes paid to other municipalities. Employers within the City withhold income tax on employee compensation and remit at least quarterly.



**CITY OF SIDNEY, OHIO**  
**RANKING OF TOP TEN INCOME TAX WITHHOLDERS**  
**CURRENT YEAR AND NINE YEARS AGO (cash basis of accounting)**

2015		2006	
<u>Rank</u>	<u>Name</u>	<u>2015 Rank</u>	<u>Rank</u> <u>Name</u>
1	Emerson Climate (formerly Copeland Corp)	1	1 Emerson Climate (formerly Copeland Corp)
2	Wilson Memorial Hospital	-	2 NK Parts Industries, Inc.
3	Cargill, Inc	4	3 Superior Metal Products
4	Superior Metal Products	6	4 Honda of America Manufacturing, Inc.
5	Sidney Board of Education	2	5 Wilson Memorial Hospital
6	Honda of America Manufacturing, Inc.	3	6 Cargill, Inc
7	Advanced Composites Inc	5	7 Sidney Board of Education
8	Shelby County Auditors Office	-	8 Lear Operations Corporation
9	Norcold Inc	-	9 Alcoa Building Products, Inc.
10	Fresh Unlimited Inc	-	10 Ross Aluminum Foundries
Combined percentage of Total income taxes 26.82%		Combined percentage of Total income taxes 29.65%	

Source: City of Sidney, Ohio, Income Tax Department

Note:  
 Due to legal restrictions and confidentiality requirements, the City cannot disclose the amount of withholdings by taxpayer.

**CITY OF SIDNEY, OHIO**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

Schedule 7

Year	General Government Bonded Debt			Business-Type Activities				Percentage of Estimated actual property value	
	General Obligation Bonds	Percentage of estimated actual property value	Per Capita	Water General Obligation Bonds	Water Revenue- Backed Loans	Sewer General Obligation Bonds	Total Primary Government	Per Capita	
2015	\$ 5,530,000	0.54%	\$ 796	\$ 2,997,000	\$ 4,381,182	\$ 8,105,000	\$ 21,013,182	2.07%	\$ 1,005
2014	\$ 6,200,000	0.62%	\$ 856	\$ 3,057,000	\$ 3,521,147	\$ 8,730,000	\$ 21,508,147	2.14%	\$ 1,024
2013	\$ 6,850,000	0.67%	\$ 918	\$ 3,117,000	\$ 3,755,890	\$ 9,345,000	\$ 23,067,890	2.27%	\$ 1,097
2012	\$ 7,380,000	0.73%	\$ 742	\$ 3,177,000	\$ 3,988,308	\$ 5,040,000	\$ 19,585,308	1.93%	\$ 931
2011	\$ 7,965,000	0.78%	\$ 791	\$ 3,237,000	\$ 4,136,429	\$ 5,500,000	\$ 20,838,429	2.05%	\$ 987
2010	\$ 8,110,000	0.75%	\$ 807	\$ 3,247,000	\$ 3,826,073	\$ 5,770,000	\$ 20,953,073	1.93%	\$ 987
2009	\$ 8,525,000	0.79%	\$ 769	\$ 670,000	\$ 360,175	\$ 6,135,000	\$ 15,690,175	1.45%	\$ 787
2008	\$ 8,966,000	0.83%	\$ 804	\$ 650,000	\$ -	\$ 6,485,000	\$ 16,101,000	1.50%	\$ 804
2007	\$ 8,505,500	0.72%	\$ 802	\$ 200,000	\$ -	\$ 7,450,000	\$ 16,155,500	1.37%	\$ 802
2006	\$ 8,950,000	0.73%	\$ 847	\$ -	\$ -	\$ 8,105,000	\$ 17,055,000	1.39%	\$ 847

**CITY OF SIDNEY, OHIO**  
**RATIOS OF OUTSTANDING DEBT AND LEGAL DEBT MARGINS**  
**LAST TEN YEARS**

**Schedule 8**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Obligation Bonds	\$ 17,055,000	\$ 16,155,500	\$ 16,101,000	\$ 15,330,000	\$ 17,127,000	\$ 16,702,000	\$ 15,597,000	\$ 19,312,000	\$ 17,987,000	\$ 16,632,000
Assessed value of taxable property <sup>(a)</sup>	\$ 428,275,580	\$ 395,352,640	\$ 376,375,950	\$ 379,705,390	\$ 379,491,650	\$ 356,004,730	\$ 355,354,130	\$ 355,259,920	\$ 352,538,170	\$ 356,048,730
General Obligation Bonds as percent of total assessed value of taxable property	3.98%	4.09%	4.28%	4.04%	4.51%	4.69%	4.39%	5.44%	5.10%	4.67%
Estimated actual value of taxable property <sup>(a)</sup>	1,223,644,514	1,180,703,463	1,075,359,857	1,084,872,543	1,084,261,857	1,017,156,371	1,015,297,514	1,015,028,343	1,007,251,914	1,017,282,029
General Obligation Bonds as percent of total estimated actual value of taxable property	1.39%	1.37%	1.50%	1.41%	1.58%	1.64%	1.54%	1.90%	1.79%	1.63%
Population <sup>(b)</sup>	20,139	20,139	20,019	19,944	21,229	21,118	21,031	21,031	21,006	20,905
General Obligation Bonds Per capita	\$ 847	\$ 802	\$ 804	\$ 769	\$ 807	\$ 791	\$ 742	\$ 918	\$ 856	\$ 796
Less debt not subject to limitations										
Self-supporting securities issued for water systems or facilities	\$ -	\$ (200,000)	\$ (650,000)	\$ (670,000)	\$ (3,357,000)	\$ (3,342,000)	\$ (3,277,000)	\$ (3,212,000)	\$ (3,147,000)	\$ (3,082,000)
Self-supporting securities issued for sanitary sewer systems or facilities	\$ (8,105,000)	\$ (7,450,000)	\$ (6,485,000)	\$ (6,135,000)	\$ (6,605,000)	\$ (6,300,000)	\$ (5,795,000)	\$ (10,055,000)	\$ (9,395,000)	\$ (8,720,000)
Less: Bond Retirement Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net debt subject to 10-1/2% limitation <sup>(c)</sup>	\$ 8,950,000	\$ 8,505,500	\$ 8,966,000	\$ 8,525,000	\$ 7,165,000	\$ 7,060,000	\$ 6,525,000	\$ 6,045,000	\$ 5,445,000	\$ 4,830,000
Voted and Unvoted Debt Limit -- 10-1/2% of assessed value	\$ 44,968,936	\$ 41,512,027	\$ 39,519,475	\$ 39,869,066	\$ 39,846,623	\$ 37,380,497	\$ 37,312,184	\$ 37,302,292	\$ 37,016,508	\$ 37,385,117
Legal Debt Margin within 10-1/2% Limitation	\$ 36,018,936	\$ 33,006,527	\$ 30,553,475	\$ 31,344,066	\$ 32,681,623	\$ 30,320,497	\$ 30,787,184	\$ 31,257,292	\$ 31,571,508	\$ 32,555,117
Net debt within limitations for both Voted and Unvoted debt as a percentage of debt limit	19.90%	20.49%	22.69%	21.38%	17.98%	18.89%	17.49%	16.21%	14.71%	12.92%
Net debt subject to 5-1/2% limitation <sup>(d)</sup>	\$ 8,950,000	\$ 8,505,500	\$ 8,966,000	\$ 8,525,000	\$ 7,165,000	\$ 7,060,000	\$ 6,525,000	\$ 6,045,000	\$ 5,445,000	\$ 4,830,000
Unvoted Debt Limit -- 5-1/2% of assessed value	\$ 23,555,157	\$ 21,744,395	\$ 20,700,677	\$ 20,883,796	\$ 20,872,041	\$ 19,580,260	\$ 19,544,477	\$ 19,539,296	\$ 19,389,599	\$ 19,582,680
Legal Debt Margin within 5-1/2% Limitation	\$ 14,605,157	\$ 13,238,895	\$ 11,734,677	\$ 12,358,796	\$ 13,707,041	\$ 12,520,260	\$ 13,019,477	\$ 13,494,296	\$ 13,944,599	\$ 14,752,680
Net debt within limitations for Unvoted debt as a percentage of debt limit	38.00%	39.12%	43.31%	40.82%	34.33%	36.06%	33.39%	30.94%	28.08%	24.66%

<sup>(a)</sup> Source for assessed value and estimated actual value data: Shelby County Auditor

<sup>(b)</sup> Source for population: For years 2005 - 2009 & 2011 - 2015, U.S. Bureau of the Census-Population Estimates Program. For years 2010, U.S. Bureau of the Census-2010 Federal Census.

<sup>(c)</sup> The Ohio Revised Code provides that the aggregate principal amount of voted and unvoted "net indebtedness" may not exceed 10-1/2% of the assessed valuation.

<sup>(d)</sup> The Ohio Revised Code provides that the aggregate principal amount of unvoted "net indebtedness" may not exceed 5-1/2% of the assessed valuation.

**CITY OF SIDNEY, OHIO  
 COMPUTATION OF DIRECT AND OVERLAPPING  
 GENERAL OBLIGATION DEBT  
 DECEMBER 31, 2015**

**Schedule 9**

	<u>Net Debt Outstanding</u>	<u>Estimated Percentage Applicable to City of Sidney*</u>	<u>Estimated Amount Applicable to City of Sidney</u>
Sidney City School District <sup>(1)</sup>	\$15,624,988	100%	\$15,624,988
Shelby County <sup>(2)</sup>	\$0	43% <sup>(3)</sup>	<u>\$0</u>
Subtotal, overlapping debt			\$15,624,988
City of Sidney direct debt			<u>\$5,530,000</u>
Total direct and overlapping debt			<u><u>\$21,154,988</u></u>

\*The calculation of overlapping debt is based on the percentage of the population that is in Sidney.

<sup>(1)</sup> Source: Treasurer of Sidney City Schools

<sup>(2)</sup> Source: Shelby County Auditor

<sup>(3)</sup> Source: Per the Sidney's 2015 estimated population (20,905) as a percent of Shelby County 2015 estimate population (48,901) is equal to 43%.

**CITY OF SIDNEY, OHIO**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**

Schedule 10

<b>Fiscal Year</b>	<b>Population</b> <sup>(1)</sup>	<b>Per Capita Personal Income</b> <sup>(1)</sup>	<b>Median Age</b> <sup>(1)</sup>	<b>School Enrollment</b> <sup>(2)</sup>	<b>Unemployment Rate</b> <sup>(3)</sup>	<b>Total Assessed Property Value</b> <sup>(4)</sup>	<b>Estimated Actual Property Value</b> <sup>(4)</sup>
2006	20,139 (1)(a)	\$19,075 (1)(c)	33.9 yrs (1)(c)	3,934	4.5%	\$428,275,580	\$1,223,644,514
2007	20,139 (1)(a)	\$19,075 (1)(c)	33.9 yrs (1)(c)	3,978	4.8%	\$395,352,640	\$1,180,703,463
2008	20,019 (1)(a)	\$19,075 (1)(c)	33.9 yrs (1)(c)	3,995	6.1%	\$376,375,950	\$1,075,359,857
2009	19,944 (1)(a)	\$19,075 (1)(c)	33.9 yrs (1)(c)	3,868	12.8%	\$379,705,390	\$1,084,872,543
2010	21,229 (1)(b)	\$18,628 (1)(b)	36.1 yrs (1)(b)	3,757	10.4%	\$379,491,650	\$1,084,261,857
2011	21,118 (1)(a)	\$18,628 (1)(b)	36.1 yrs (1)(b)	3,602	9.2%	\$356,004,730	\$1,017,156,371
2012	21,031 (1)(a)	\$18,628 (1)(b)	36.1 yrs (1)(b)	3,585	6.9%	\$355,354,130	\$1,015,297,514
2013	21,031 (1)(a)	\$18,628 (1)(b)	36.1 yrs (1)(b)	3,497	6.2%	\$355,259,920	\$1,015,028,343
2014	21,006 (1)(a)	\$18,628 (1)(b)	36.1 yrs (1)(b)	3,487	4.6%	\$352,538,170	\$1,007,251,914
2015	20,905 (1)(a)	\$18,628 (1)(b)	36.1 yrs (1)(b)	3,354	4.3%	\$356,048,730	\$1,017,282,029

<sup>(1)</sup> Source: <sup>(a)</sup> U.S. Bureau of the Census - Population Estimates Program, Population Division;

<sup>(b)</sup> U.S. Bureau of the Census - 2010 Federal Census

<sup>(c)</sup> U.S. Bureau of the Census - 2000 Federal Census

<sup>(2)</sup> Source: Sidney City Schools Board of Education

<sup>(3)</sup> Source: Bureau of Labor Statistics, U.S. Dept. of Labor

<sup>(4)</sup> Source: Shelby County Auditor

Note: Total personal income amounts are not available for the City of Sidney therefore, estimated actual value of taxable property is used instead.

2006			2015		
<u>Employer</u>	<u>Approximate Number of Employees</u>	<u>Percentage of Total Top 10 Employment</u>	<u>Employer</u>	<u>Approximate Number of Employees</u>	<u>Percentage of Total Top 10 Employment</u>
1 Copeland Corporation	2,100	27.69%	1 Emerson Climate Technologies (formerly Copeland Corp)	1,671	30.98%
2 NK Parts Industries	1,000	13.19%	2 Wilson Memorial Hospital	842	15.61%
3 American Trim	800	10.55%	3 NK Parts Industries	574	10.64%
4 Wilson Memorial Hospital	724	9.55%	4 Cargill, Inc.	426	7.90%
5 Wal-Mart Super Center	600	7.91%	5 Freshway Foods	394	7.30%
6 Norcold	500	6.59%	6 American Trim	335	6.21%
7 Sidney Board of Education	500	6.59%	7 Ross Casting & Innovation, LLC	296	5.49%
8 Mama Rosa's	484	6.38%	8 Ferguson Construction	292	5.41%
9 Alcoa Home Exteriors	450	5.93%	9 IAC	285	5.28%
10 Ross Aluminum Foundries	425	5.60%	10 Norcold	279	5.17%
Total	7,583	100.00%	Total	5,394	100.00%

Source: West Ohio Development Council



CITY OF SIDNEY, OHIO  
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION  
 LAST TEN FISCAL YEARS

Schedule 12

Function/program	FULL-TIME EQUIVALENT EMPLOYEES AS OF DECEMBER 31,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General government	16.75	17.48	14.48	13.45	11.85	10.85	10.85	10.65	9.65	9.15
Police										
Officers	40.00	40.00	40.00	40.00	39.00	37.00	35.00	35.00	36.00	36.00
Civilians	15.84	15.84	15.84	15.84	13.92	13.35	13.35	13.35	12.35	12.35
Fire										
Firefighters and officers	37.00	37.00	38.00	38.00	35.00	35.00	35.00	35.00	35.00	35.00
Civilians	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Judicial	17.95	17.95	17.95	17.95	16.66	16.66	17.66	17.16	17.66	17.66
Health - cemetery	3.32	3.08	3.08	2.76	2.00	2.00	2.00	2.00	2.00	2.00
Street repair & maintenance	12.04	11.67	11.67	8.88	6.88	6.98	6.98	7.08	7.08	7.08
Community development	1.23	1.23	1.23	1.00	1.00	1.00	1.00	1.00	1.00	2.00
Community environment	11.51	11.51	11.59	11.30	10.50	5.60	5.60	5.75	5.75	5.25
Parks and recreation	16.90	16.90	17.23	16.23	15.51	15.51	14.94	13.94	13.94	13.94
Transportation	12.38	12.28	13.89	13.60	13.60	13.60	12.57	12.72	12.72	13.71
Stormwater	4.06	4.06	4.06	4.06	3.60	3.60	3.60	3.80	3.80	3.80
Water	21.77	21.77	18.25	16.03	15.83	15.73	15.73	15.88	15.88	15.88
Sewer	15.33	15.33	15.33	15.55	15.33	15.23	14.23	17.38	17.38	17.38
Solid waste	0.10	-	-	-	-	-	-	0.05	0.05	0.05
Airport	0.25	-	-	-	-	-	-	-	-	0.05
Swimming pool	5.06	4.05	5.06	4.21	3.98	3.98	3.98	4.38	4.79	4.57
Concession Stand	-	-	-	-	-	-	-	-	-	1.02
Revenue Collection	-	-	6.50	6.50	6.00	6.00	6.00	6.00	6.00	6.00
Service center including city garage	4.44	4.04	3.75	3.50	3.00	3.00	3.00	3.05	3.05	3.05
Information technology	3.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Total	<u>239.93</u>	<u>238.19</u>	<u>242.91</u>	<u>233.86</u>	<u>218.66</u>	<u>210.09</u>	<u>206.49</u>	<u>209.19</u>	<u>209.10</u>	<u>210.94</u>

Source: City of Sidney, Ohio, Appropriation Budgets for applicable years

CITY OF SIDNEY, OHIO  
 OPERATING INDICATORS BY FUNCTION/PROGRAM  
 LAST TEN FISCAL YEARS

Schedule 13

Function/program	For Year Ended December 31,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General Government</b>										
Accounts payable checks processed	5,181	5,543	5,633	5,230	4,276	4,594	4,376	4,595	4,650	4,510
Purchase orders issued	1,611	1,680	1,650	1,479	1,291	1,327	1,231	1,342	1,372	1,289
<b>Police</b>										
Calls for service processed	36,825	34,880	31,573	26,943	25,151	22,508	21,015	26,853	32,812	31,216
9-1-1 calls processed	3,810	4,067	3,958	7,247	7,542	11,661	10,703	17,000	15,846	15,000
Adult & juvenile arrests	2,615	1,739	2,399	1,998	1,321	1,193	1,201	1,428	1,214	990
Traffic citations	3,261	2,923	2,337	2,003	1,083	856	805	1,346	1,661	1,400
<b>Fire</b>										
Fire calls	610	632	701	592	502	524	575	719	706	700
EMS calls	2,540	2,702	2,664	2,638	2,552	2,772	2,729	2,407	2,784	2,500
<b>Municipal Court</b>										
New cases filed	11,284	11,816	10,059	8,478	7,224	7,372	7,928	7,864	7,875	7,850
Cases completed	11,663	11,918	9,269	9,230	9,287	8,471	8,255	8,185	7,924	8,300
Prisoners transported by bailiff	1,246	1,300	1,313	1,242	569	895	618	1,148	1,055	1,000
<b>Cemetery</b>										
Burials	68	71	94	69	69	74	102	101	86	55
Grave sales	58	37	68	34	29	35	40	59	65	38
<b>Public Transportation</b>										
Total ridership	47,429	43,277	45,400	43,448	38,636	37,912	41,543	43,756	47,782	48,245
<b>Streets and highways</b>										
Miles of street responsibility	97.5	97.5	97.5	97.5	97.5	97.5	97.5	110.5	110.5	111.0
Traffic signal intersections	50	50	52	52	50	50	48	48	49	50
<b>Planning</b>										
Sign permits issued	41	53	40	37	27	37	40	33	42	40
Zoning occupancy permits issued	23	18	20	17	22	32	34	33	20	35
<b>Building inspection</b>										
Building permits issued	251	265	246	330	491	319	567	467	367	235
Building inspections	1,618	833	822	612	734	472	404	361	390	322
<b>Engineering</b>										
Sanitary sewer inspections	67	51	32	25	25	25	12	15	14	24
<b>Parks and recreation</b>										
Free clinics organized and directed	37	37	38	24	-	14	12	12	15	11
Free clinics (attendance)	1,526	1,494	1,452	2,560	-	701	399	446	426	380
Park shelters maintained	33	33	35	37	37	43	43	45	45	45
Trees planted	100	100	76	1	1	16	6	-	-	6
Senior Center members	1,200	1,200	1,044	1,002	945	945	990	1,119	994	1,088
<b>Water</b>										
Gallons of water processed (in millions)	1,375	1,375	1,382	2,994	3,123	3,185	3,277	3,095	2,926	3,043
Lime sludge processed/removed (dry tons)	10,000	10,000	10,300	7,095	7,038	6,291	3,571	6,250	6,100	5,800
Water main breaks	17	34	20	16	16	24	15	29	23	25
<b>Sewer</b>										
Wastewater processed (million gallons per day)	5.80	6.00	6.03	4.76	5.07	6.40	4.66	5.27	4.79	5.81
Biosolids processed (dry tons)	723	1,002	642	618.55	650	590	602	635	675	692
Feet of sewer cleaned	112,663	105,901	102,997	90,089	93,327	93,327	87,516	89,997	88,139	90,000
<b>Swimming Pool</b>										
Daily admissions	16,912	16,354	14,612	12,957	14,703	15,103	13,176	9,786	8,289	9,251
Season passes	521	564	509	490	401	492	344	286	317	n/a
<b>Information Technology</b>										
Number of personal computers maintained	192	205	205	210	205	195	205	211	219	236
<b>Service Center - Garage</b>										
Units in fleet	239	235	276	263	250	248	256	258	264	255
<b>Revenue Collections</b>										
Tax returns processed	8,500	9,980	6,416	5,458	9,686	12,315	11,923	11,692	16,494	17,922
Monthly Utility Customers	n/a	n/a	n/a	2,356	2,889	2,985	3,015	3,810	4,071	4,320

Source: City of Sidney, Ohio, Appropriation Budgets for applicable years. Actual statistics for years 2006 - 2014. Estimated statistics for 2015.

CITY OF SIDNEY, OHIO  
 CAPITAL ASSET AND INFRASTRUCTURE STATISTICS BY FUNCTION/PROGRAM  
 LAST TEN FISCAL YEARS

Schedule 14

Function/Program	Year Ended December 31,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Street Repair & Maintenance <sup>(1)</sup>										
Miles of streets	100.14	100.75	100.43	100.46	100.46	110.16	110.16	109.99	110.72	110.72
Basic utility services - stormwater management <sup>(1)</sup>										
Miles of storm sewers	73.27	74.46	74.67	75.17	75.24	76.20	76.54	76.77	77.07	77.07
Parks and recreation <sup>(2)</sup>										
Acres of parks maintained	430	430	430	430	450	450	450	456	456	456
Acres of public grounds maintained	250	250	250	250	250	250	250	250	250	250
Neighborhood parks	15	15	15	16	16	16	16	16	16	16
Sewer <sup>(1)</sup>										
Miles of sanitary sewers	118.81	119.86	120.50	120.57	122.07	122.11	125.05	125.46	124.00	125.48
Water <sup>(1)</sup>										
Miles of water mains	118.58	119.85	119.91	121.02	123.22	123.23	123.23	123.31	123.31	123.31

<sup>(1)</sup> Source: City of Sidney, Ohio, Engineering Department.

<sup>(2)</sup> Source: City of Sidney, Ohio, Appropriation Budgets for applicable years. Actual statistics for years 2006 - 2014. Estimated statistics for 2015.

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# Dave Yost • Auditor of State

**CITY OF SIDNEY**

**SHELBY COUNTY**

## **CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 26, 2016**