

**CITY OF CANTON  
STARK COUNTY, OHIO**

*SUPPLEMENTAL REPORT*

FOR THE YEAR ENDED  
DECEMBER 31, 2017





# Dave Yost • Auditor of State

City Council  
City of Canton  
218 Cleveland Avenue, SW  
Canton, Ohio 44702

We have reviewed the *Independent Auditor's Report* of the City of Canton, Stark County, prepared by Julian & Grube, Inc., for the audit period January 1, 2017 through December 31, 2017. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Canton is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

August 10, 2018

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**CITY OF CANTON  
STARK COUNTY, OHIO**

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CITY OF CANTON  
STARK COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2017

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	(B) PASSED THROUGH TO SUBRECIPIENTS	(A),(E) CASH FEDERAL DISBURSEMENTS
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
<i>Passed through Ohio Department of Health:</i>				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	76-2-0011-WA0916	\$ 661,172	\$ 1,333,499
<b>Total U.S. Department of Agriculture</b>			661,172	1,333,499
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				
<i>Passed Through N/A:</i>				
<b>CDBG- Entitlement Grants Cluster:</b>				
(C) Community Development Block Grants/Entitlement Grants	14.218	N/A		2,870,400
Community Development Block Grants/Entitlement Grants	14.218	N/A		12,447
Community Development Block Grants/Entitlement Grants	14.218	N/A		4,089
<b>Total CDBG- Entitlement Grants Cluster</b>				2,886,936
Emergency Solutions Grants Program	14.231	N/A		251,895
Home Investment Partnerships Program	14.239	N/A		565,479
<b>Fair Housing Assistance Program State and Local:</b>				
Fair Housing Assistance Program_State and Local	14.401	N/A		21,965
Fair Housing Assistance Program_State and Local	14.401	N/A		71,375
Fair Housing Assistance Program_State and Local	14.401	N/A		3,668
<b>Total Fair Housing Assistance Program State and Local</b>				97,008
<b>Total U.S. Department of Housing and Urban Development</b>				3,801,318
<b>U.S. DEPARTMENT OF JUSTICE</b>				
<i>Passed Through N/A:</i>				
Violence Against Women Formula Grants	16.588	N/A		34,517
<b>Public Safety Partnership and Community Policing Grants</b>				
2012 Public Safety Partnership and Community Policing Grants	16.710	2012-UMWX0148		128,838
2013 Public Safety Partnership and Community Policing Grants	16.710	2013-UMWX0159		100,671
2014 Public Safety Partnership and Community Policing Grants	16.710	2014-UMWX0192		358,679
2015 Public Safety Partnership and Community Policing Grants	16.710	2014-UMWX0041		366,949
2016 Public Safety Partnership and Community Policing Grants	16.710	2014-UMWX0197		332,063
<b>Total Public Safety Partnership and Community Policing Grants</b>				1,287,200
<b>Edward Byrne Memorial Justice Assistance Grant Program:</b>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2015-DJ-BX-0032		3,558
(H) Edward Byrne Memorial Justice Assistance Grant Program	16.738	2014-DJ-BX-1195		19,887
(H) Edward Byrne Memorial Justice Assistance Grant Program	16.738	2016-DJ-BX-0834		31,893
<b>Total Edward Byrne Memorial Justice Assistance Grant Program</b>				55,338
<b>Total U.S. Department of Justice</b>				1,377,055
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>				
<i>Passed Through Ohio Department of Transportation:</i>				
<b>Highway Planning and Construction Cluster:</b>				
Highway Planning and Construction	20.205	PID-85299		309,010
Highway Planning and Construction	20.205	PID-90268 / PID-90361		261,765
Highway Planning and Construction	20.205	PID-91594 / PID-90365		825,853
Highway Planning and Construction	20.205	PID-90465		9,057
Highway Planning and Construction	20.205	PID-92562		68,218
Highway Planning and Construction	20.205	PID-90671		1,835,019
<b>Total Highway Planning and Construction Cluster</b>				3,308,922
<b>Highway Safety Cluster:</b>				
State and Community Highway Safety	20.600	2009-SC-N/I		27,689
<b>Total Highway Safety Cluster</b>				27,689
<b>Total U.S. Department of Transportation</b>				3,336,611
<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>				
<i>Passed Through the Ohio Environmental Protection Agency:</i>				
Air Pollution Control Program Support	66.001	AP-19-91-76-020007		186,575
<b>Total U.S. Environmental Protection Agency</b>				186,575
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
<i>Passed Through Ohio Department of Health:</i>				
Public Health Emergency Preparedness	93.074	76-2-001-2-PH0817	102,391	244,936
Public Responsibility Education	93.092	76-2-001-2-PR0617		147,321
Immunization Cooperative Agreements	93.268	76-2-001-2-IM0917	37,686	77,530
<b>Medicaid Cluster:</b>				
(D) Medical Assistance Program	93.778	N/A		53,304
<b>Total Medicaid Cluster</b>				53,304
(D) Head Start	93.600	N/A		21,781
HIV Prevention Activities - Health Department Based	93.940	76-2-0012-HP01017	150,330	245,628
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	76-2-0012-ST0917	8,895	27,983
Maternal and Child Health Services Block Grant to the States	93.994	76-2-001-1-DS1017		47,429
(G) Maternal and Child Health Services Block Grant to the States	93.994	76-1-001-1-M1017		178,506
<b>Total Maternal and Child Health Services Block Grant to the States</b>				225,935
<b>Total U.S. Department of Health and Human Services</b>			299,302	1,044,418
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>				
<i>Passed Through N/A:</i>				
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	2815-1001		636,784
<b>Total U.S. Department of Homeland Security</b>				636,784
<b>Total Federal Financial Assistance</b>			\$ 960,474	\$ 11,716,260

-continued

CITY OF CANTON  
 STARK COUNTY  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:**

(A) This schedule includes the federal award activity of the City of Canton under programs of the federal government for the fiscal year ended December 31, 2017 and is prepared in accordance with the cash basis of accounting. The information on this schedule integrates Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the City of Canton, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of Canton.

(B) The City passes certain federal awards received from various agencies to other governments or not-for-profit agencies (subrecipients). As Note A describes, the City reports expenditures of Federal awards to subrecipients when paid in cash.

As a subrecipient, the City has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

(C) The City has a revolving loan 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. This schedule reports loans made and administrative costs as disbursements. Subsequent loans are subject to the same compliance requirements imposed by HUD as the initial loans, however are not included as disbursements on this schedule.

These loans are collateralized by mortgages on the property or asset acquired.

Activity in the Community Development Block Grant revolving loan fund during 2017 is as follows:

Beginning loans receivable balance as of January 1, 2017	\$ 708,770
Loans Disbursed	-
Loans Repaid	<u>46,551</u>
Ending loans receivable balance as of December 31, 2017	<u>\$ 662,219</u>
 Cash balance on hand in the revolving loan fund as of December 31, 2017	 \$ 54,436

(D) Pass-through grant numbers were unable to be obtained for these grants.

(E) Certain federal programs require the City contribute non-federal funds (matching funds) to support the federally funded programs. The City has complied with the matching requirements. The expenditure of non-federal matching funds are not included on this schedule.

(F) CFR Section 200.414 of the Uniform Guidance allows a non-federal entity that has never received a negotiated indirect cost rate to charge a de minimus rate of 10% of modified total direct costs to indirect costs. The City has not elected to use the 10% de minimus indirect cost rate.

(G) Passed through Stark County Family Council

(H) Passed through Stark County Sheriff's Office





## **Julian & Grube, Inc.**

*Serving Ohio Local Governments*

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

### **Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards***

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

To the Members of Council and Mayor:

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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Canton, Stark County, Ohio, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City of Canton's basic financial statements and have issued our report thereon dated June 21, 2018.

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

As part of our financial statement audit, we considered the City of Canton'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 of Canton'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 of Canton'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.

Members of Council and Mayor  
City of Canton

***Compliance and Other Matters***

As part of reasonably assuring whether the City of Canton'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 of Canton's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City of Canton's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Julian & Grube, Inc." The signature is written in dark ink and is positioned above the printed name of the firm.

Julian & Grube, Inc.  
June 21, 2018



**Julian & Grube, Inc.**  
*Serving Ohio Local Governments*

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

**Independent Auditor's Report on Compliance With Requirements Applicable  
to Each Major Federal Program and on Internal Control Over Compliance and the Schedule of  
Expenditures of Federal Awards Required by the *Uniform Guidance***

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

To the Members of Council and Mayor:

***Report on Compliance for Each Major Federal Program***

We have audited the City of Canton's compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect each of the City of Canton's major federal programs for the year ended December 31, 2017. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City of Canton's major federal programs.

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to opine on the City of Canton's compliance for each of the City of Canton's major federal programs 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 of Canton'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 each of the City of Canton's major programs. However, our audit does not provide a legal determination of the City of Canton's compliance.

Members of Council and Mayor  
City of Canton

***Opinion on Each Major Federal Program***

In our opinion, the City of Canton complied, in all material respects with the compliance requirements referred to above that could directly and materially affect each of its major federal programs for the year ended December 31, 2017.

***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance which Uniform Guidance requires us to report, described in the accompanying schedule of findings as item 2017-001. Our opinion on each major federal program is not modified with respect to this matter.

The City of Canton's response to the noncompliance finding is described in the accompanying corrective action plan. We did not audit the City of Canton's response and, accordingly, we express no opinion on it.

***Report on Internal Control over Compliance***

The City of Canton'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 of Canton'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 of Canton'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 was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Therefore, we cannot assure we have identified 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, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency, described in the accompanying schedule of findings as item 2017-001.

The City of Canton's response to the internal control over compliance finding we identified is described in the accompanying corrective action plan. We did not audit the City of Canton's response and, accordingly, we express no opinion on it.

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

Members of Council and Mayor  
City of Canton

***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, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Canton as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City of Canton's basic financial statements. We issued our unmodified report thereon dated June 21, 2018. We conducted our audit to opine on the City of Canton'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.



Julian & Grube, Inc.  
June 21, 2018

**CITY OF CANTON  
STARK COUNTY, OHIO**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
DECEMBER 31, 2017**

<b>1. SUMMARY OF AUDITORS' RESULTS</b>		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	Yes
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under 2 CFR § 200.516(a)?</i>	Yes
<i>(d)(1)(vii)</i>	<i>Major Programs:</i>	Supplemental Nutrition Program for Women, Infants, and Children, CFDA #10.557; CDBG Entitlement Grant Cluster; Staffing for Adequate Fire and Emergency Responses (SAFER) Grant, CDFA #97.083
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$750,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee under 2 CFR § 200.520?</i>	No

**CITY OF CANTON  
STARK COUNTY, OHIO**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
DECEMBER 31, 2017**

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

None.

**3. FINDINGS FOR FEDERAL AWARDS**

<b>Finding Number</b>	2017-001
<b>CFDA Title and Number</b>	Community Development Block Grants/Entitlement Grants, CFDA # 14.218
<b>Federal Award Number/Year</b>	2017
<b>Federal Agency</b>	U.S. Department of Housing and Urban Development
<b>Pass-Through Agency</b>	N/A

Noncompliance - Reporting/Significant Deficiency

Office of Management and Budget No. 0348-0061 indicates recipients should submit interim SF-425 Federal Financial Reports (FFRs) on a quarterly, semi-annual, or annual basis, as directed by the federal awarding agency. A final FFR shall be submitted at the completion of the award agreement. The following reporting period end dates shall be used for interim reports: 3/31, 6/30, 9/30, and 12/31. For the Final FFR, the reporting period end date shall be the end date of the project or grant period. Quarterly and semi-annual interim reports shall be submitted no later than 30 days after the end of each reporting period. Annual reports shall be submitted no later than 90 days after the end of each reporting period. Final reports shall be submitted no later than 90 days after the project or grant period end date.

The City of Canton did complete the SF-425 Federal Financial Reports for the CDBG grant program during fiscal year 2017, however various issues were noted.

- All quarterly reports contained discrepancies regarding cash on hand vs. actual cash on hand.
- Reports were not filled out entirely.
- Reports from the 2<sup>nd</sup> to 4<sup>th</sup> quarter were not prepared on a cumulative basis; but a on a quarterly basis, pertaining to Receipts, Disbursements, and Program Income.

The City of Canton should ensure SF-425 Federal Financial Reports for the CDBG grant program are accurate, complete, and timely.

**CITY OF CANTON  
STARK COUNTY, OHIO**

**CORRECTIVE ACTION PLAN  
2 CFR § 200.511(c)  
DECEMBER 31, 2017**

<b>Finding Number</b>	<b>Planned Corrective Action</b>	<b>Anticipated Completion Date</b>	<b>Responsible Contact Person</b>
2017-001	Before submitting their interim SF-425 Federal Financial Report, the City will review the report for accuracy, completeness, and ensure it is filed timely.	December, 31, 2018	Rollin Seward, Director



**CITY OF CANTON  
STARK COUNTY, OHIO**

**STATUS OF PRIOR AUDIT FINDINGS  
2 CFR § 200.515  
DECEMBER 31, 2017**

Finding Number	Year Initially Occurred	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2016-001	2015	<u>Significant Deficiency – EMS Billings</u> - The City has delegated emergency management service (EMS) billings processing, which is an accounting function to a third party administrator that does not have a SOC 1 Type Two report completed.	Yes	N/A
2016-002	2015	<u>Noncompliance - Subrecipient Monitoring/Material Weakness</u> - 2 CFR Section 200.331 requires that all pass-through entities monitor the activities of subrecipients of federal awards as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations and the terms and conditions of the subaward; and that subaward performance goals are achieved.	Yes	N/A
2016-003	2014	<u>Noncompliance - Reporting/Significant Deficiency</u> - Office of Management and Budget No. 0348-0061 indicates recipients should submit interim SF-425 Federal Financial Reports (FFRs) on a quarterly, semi-annual or annual basis as directed by the federal awarding agency. The City did not complete the SF-425 Federal Financial Reports for the CDBG grant program during 2016.	No	Not Corrected: Finding 2017-001; the City did complete the SF-425 Federal Financial Reports on a quarterly, semi-annual or annual basis for the CDBG grant program during 2017, however various issues were noted.

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# COMPREHENSIVE ANNUAL FINANCIAL REPORT

Richard A. Mallonn II • Auditor, City of Canton



For The Year Ended December 31, 2017



**CITY OF CANTON, OHIO**  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2017

RICHARD A MALLONN II  
CITY AUDITOR

PREPARED BY THE CITY AUDITOR'S OFFICE



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

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**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
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**CITY OF CANTON, OHIO**





# **RICHARD A. MALLONN II**

## **CANTON CITY AUDITOR**

City Hall, Canton, Ohio 44702

Phone: (330) 489-3226

June 21, 2018

To Council Members and Citizens of the City of Canton:

The Comprehensive Annual Financial Report (CAFR) of the City of Canton as of December 31, 2017 is hereby submitted. This letter and the following report represent the City's continuing commitment to excellence in financial reporting. The purpose of this letter is to acquaint the reader with the CAFR. Responsibility for both the accuracy of the data, the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the City's financial position and results of operations. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The financial records, books of accounts and transactions of the City of Canton, Ohio, for the year ending December 31, 2017, have been audited by the certified public accounting firm of Julian & Grube, Inc. As stated in the auditor's report, the audit was conducted in accordance with Generally Accepted Government Auditing Standards and included a financial compliance evaluation, as well as a review of the internal accounting controls. The Auditor's opinion has been included in the report.

Accounting principles generally accepted in the United States of America (GAAP) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found on page 5 of this report.

### **City Organization and Background**

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

The City's 2017 population of 70,909 placed it as the largest city in the County and the eighth largest in the State.

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

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

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

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

#### *City Services*

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

Proprietary Operations: The City operates Water, Sewer, Refuse Departments and building inspections. The revenue generated from Water, Sewer and Building Departments were sufficient to meet all expenses in 2017.

#### **Reporting Entity**

The City has reviewed its reporting entity definition to ensure conformance with the Governmental Accounting Standards Board (GASB) Statement No. 14 "The Financial Reporting Entity", as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units", and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus – an Amendment of GASB Statements No. 14 and 34". In defining the City for financial reporting purposes, management has identified all agencies, departments and organizations making up the City of Canton the primary government and its potential component units. The City presents the Canton Community Improvement Corporation (CCIC) as a discretely presented component unit.

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

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

## **Financial Information**

### *Accounting Policies and Budgetary Control*

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

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

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

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

### *Internal Accounting and Reporting Control*

As part of its continuing commitment to excellence in financial reporting, the City utilizes a computerized financial accounting and reporting system. Enhancements to present internal accounting controls and procedures are continually evaluated by the City Auditor. The City Auditor oversees the appropriateness of internal control, develops procedures to enhance internal control and consults with outside auditors to insure the City remains at a sound financial level of operation.

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

## **Local Economy**

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

The City is home to a number of steel industrial manufacturers and suppliers. The City has benefited from the consistent financial success of the Timken Company. Although a small portion of its office operations has been moved to a location outside the city, the City remains optimistic of continued positive impact from The Timken Company and TimkenSteel resulting from the split that occurred from the Timken Company in late 2014. The City continues to benefit from the diversity of its business base including: Nationwide Insurance, M K Morse Company, Fresh Mark Incorporated, Republic Engineered Products, is essential in order to create a climate for financial stability. Unfortunately, due to an announcement from Nationwide in early 2014, the City can expect significant reduction in employment for the insurance company over the course of the next 4 years as Nationwide consolidates its Ohio presence in Columbus, Ohio.

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

The City is served by two acute care hospitals located in the City: Aultman Hospital (534 beds) and Mercy Medical Center (476 beds), and two additional acute care hospitals located in the County: Alliance Community Hospital (204 beds) and Affinity Medical Center (112 beds) which closed in February 2018 with ownership transferring to the City of Massillon. Massillon Psychiatric Center, a 156-bed public adult psychiatric hospital operated by the State, is also located in the County. In 2010, Aultman Hospital completed a three year \$80 million dollar expansion project, the largest in its history. The project included a new four-story 380,000 square foot addition that houses a new Aultman Heart Program, Emergency/Trauma Program, Women's Program (including Labor & Delivery) and the Neonatal Intensive Care Unit. Aultman also operates Aultman College which is located within the campus of the Hospital. A new building housing (Aultman Center for Education) was constructed in 2012 and is utilized for the College of Nursing and Health Sciences. In 2009, Mercy Medical Center unveiled its new state of the art 24-unit Mercy Intensive Care Unit. The \$20.5-million-dollar project was started in 2007 and also includes an expansion of the surgery center parking garage and relocation of the hospital's helipad to the roof of the new structure. In 2013, Mercy began a \$14.5 million renovation-expansion in the emergency department increasing the beds from 33 to 48 which opened late 2014. Both Aultman Hospital and Mercy Medical Center continue to play a pivotal role in the financial stability of the City of Canton and come in as two of our top employers.

The Canton Park System (Park System) maintains 61 parks and covers approximately 825 acres. In addition, the City constructed and owns the 5,700-seat Thurman Munson Memorial Stadium. In 2013, the citizens of Canton voted on a park levy which at that time generated approximately \$2.4 million dollars annually to assist with the maintenance and capital investment into the City's 61 parks. During 2017 the levy generated approximately \$3.4 million. The renewal levy was voted on and passed by the voters of the City and included new language to combine both the Canton Parks with the Canton Joint Recreation District. The merger process of these two entities was finalized in April 2018. The Park System continues to add valuable upgrades to its park lands to enhance the usefulness and functionality of its Park System.

The City's cultural assets include the Canton Art Institute, the Symphony Orchestra Association, the Canton Civic Opera Association and the Players Guild, all of which are housed in the Cultural Center (Center) for the Arts and host a variety of exhibits, musical and dramatic performances and other cultural events each year. The Center, a gift



of the Timken Foundation, is a building complex located on 8-1/2 acres in the center of the City, which cost \$13,000,000 to build in 1971. Adjacent to the center is the City-owned auditorium, an air-conditioned arena-type facility with a seating capacity of 6,000. The Cultural Center and the auditorium accommodate conventions. The City's greater metropolitan area has approximately 36 hotels, motels and bed and breakfasts with over 3,000 rooms.

The Canton Palace Theatre is both the literal and figurative cornerstone of the Downtown Canton Arts District. Harry Harper Ink, Canton native and inventor of the patent medicine, Tonsiline, gave the one million dollars to build the Theatre in 1926. Designed by the noted theatre architect, John Eberson, The Palace is considered an atmospheric theatre, meaning as you sit in the auditorium, you feel as if you are lounging between two Spanish castles, under a Mediterranean blue sky, complete with stars, and floating clouds. The Theatre is home to its original Kilgen Theatre Pipe Organ. This 3 manual, 11 rank instrument is the last remaining Kilgen Theatre Organ still playing in its original home. The famed organist Banks Kennedy opened the theatre November 22, 1926, to a sold out crowd, with the first feature silent film, Tin Hats.

In 2013, the Palace completed a capital project totaling \$1.3 million including new plumbing, roof, windows, service doors, ADA compliant hearing system, live event sound system, and Digital Cinema Projection. The final state of the renovation was completed in 2015 by restoring the current carpet with an original replica. A vital multi-purpose entertainment facility, its marquee burns brightly sixty feet above Market Avenue, welcoming you to enter its grand foyer and become a part of Canton's nostalgic past. Hosting over 300 events a year, with an attendance of over 100,000 guests, the Palace also strives to be an important part of Canton's future as it typically hosts a free movie night during Canton's First Friday events each month.

The City's downtown is home to the National First Ladies Library housed in the former home of one time first lady Ida Saxton McKinley. The library presents a history of all the United States first ladies. In 2002, the Library added a \$5.5 million education and research center in the former National City Bank building located nearby the Saxton House. The renovations to the 110-year-old building were paid for through private donations and federal grants. The six story research center houses a 91-seat theater, meeting and exhibit rooms, research and reference materials and office space for the library personnel. In 2011 the Education and Research Center was donated to the National Park Service and then was made a part of the First Ladies National Historic Site. The National First Ladies' Library remains as the managing/operating partner of the site for the National Park Service. The First Ladies Park and the gated parking lot continue to be owned by the National First Ladies' Library.

Also located in the City's downtown area is the main branch of the Stark County District Library. The library is a 2009 winner of the prestigious National Medal for library service. The library's main branch, 9 satellite branches, 6 mobile libraries, and 24/7 digital branch holdings number more than 1.5 million items. The library serves more than 240,000 residents annually. In 2017 nearly 2 million visitors patronized the library and annual circulation for 2017 was 4 million items. The library provides access to an additional 88 million items from lending networks throughout Ohio. The collection includes books, audio-visual materials and periodicals. In addition, the Library provides 9,000 programs for 166,000 attendees and provides 220,000 computer sessions on publicly available computers found in each branch. The library today reimagines itself as 'The Smart Store' where everything is free. It has emerged as a national thought-leader with innovations such as its no overdue fines policy, the BikeSmart bike sharing network, passport services and Smart School Partnership. It is one of the nine largest library systems in Ohio and serves 12 local school districts.

The City is the home of the National Professional Football Hall of Fame, which attracts more than 200,000 visitors annually. In December 2010, the Hall of Fame's Board of Trustees announced plans for a major expansion and renovation to the museum. The project, called *Future 50 Project*, was the largest in the Hall of Fame's history, costing \$27 million and taking almost two years to complete. The museum building its self was expanded from 83,000 square feet to 115,000 square feet. The largest piece of the expansion was used for a Pro Football Research and Preservation Center. Also 38,000 square feet of existing gallery was renovated, which included a new lobby and visitor orientation theater. A new museum-quality environmental control system was installed to better ensure the safety of the museum's artifacts. The grounds surrounding the Hall of Fame were improved to provide space for special events, rental opportunities and additional parking. The Hall of Fame completed the facility improvements in time to celebrate the museum's 50<sup>th</sup> anniversary and in time for the Class of 2013's induction ceremonies held on August 3, 2013.

In 2015, the Canton City School District, the City of Canton and the Pro Football Hall of Fame began discussions on the improvement of the district campus which includes McKinley High School, the C.T. Branin Natatorium and Fawcett Stadium for the expansion and improvement of the stadium and surrounding areas. This project has evolved into a potential multi-phase construction and expansion of the Pro Football Hall of Fame campus at an estimated cumulative value of \$400 million will include retail shopping and dining facilities. Also, a potential convention and events center will occupy these grounds. Along with an indoor waterpark and an amusement park. As of the submission of this report, the City of Canton pledged and financed a bond anticipation note of \$5 million and the state has committed \$10 million in their capital budget. The Hall of Fame has received and the City Schools has agreed to accept a \$10 million donation from Tom Benson for the renaming of the Fawcett Stadium. The \$25 million cited above is expected to be a part of the phase 1, \$40 million renovation to the stadium which broke ground in 2015. The first part of the stadium renovation was completed in August 2016 and the second phase was completed in July 2017. Additional private capital will be raised to expedite the projects expected to evolve within the Hall of Fame Village as listed within the master plan. The Tom Benson Hall of Fame stadium serves as the football facility for the District High School, area colleges, the Ohio High School Athletic Association state football championship games and the annual Pro Football Hall of Fame game held annually, in conjunction with the Hall of Fame induction ceremony festivities, which sits adjacent to the stadium.

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

The Stark Area Regional Transit Authority (SARTA), a separate political subdivision, provides daily public transportation in and around the City. The bus service initially was only a citywide service, but became a countywide system with the passage of a .25 percent county sales tax in 1997. The sales tax, renewed in 2002, 2006 and 2011, serves as the primary revenue source for SARTA. On November 8, 2016, voters approved a 10 year .25 county wide sales tax renewal. In addition to the sales tax, SARTA operations are supported, in part, from payments for contract services, State and Federal operating grants, and rider fares. In addition to its regular service within Stark County, SARTA runs one bus route, multiple times, between Canton and downtown Akron connecting to Akron's Metro RTA bus system and also serves the Akron-Canton Regional Airport from both cities and one route to Cleveland starting March 4, 2013. SARTA has set on course to become the nation's third largest bus fleet running on hydrogen fuel cells and the largest east of California. The emissions from a hydrogen fuel cells are water. It expects to have 10 buses in its fuel cell fleet by 2018.

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

The Akron-Canton Regional Airport (Airport), a cooperative effort of Stark County and Summit County (in and for which the City does not have any financial interest or legal obligations), has an operational area of 2,700 acres, most of which is located in Summit County, directly north of and adjacent to Stark County, on Interstate 77. The Airport has four airlines offering nonstop service and had 1.27 million customers in 2017 a 6.25% decrease from the Airport's 2016 numbers. In late 2006, the Airport completed its 5-year \$60 million STAR Expansion Project which included extending runways, a new baggage claim area, a new food court, a new security screening area, enlarged gathering space, additional parking, and a terminal gate renovation that will allow the Airport to handle up to 1.6 million passengers annually. In 2007, the Airport invested \$10 million in a new deicing facility. In 2008, the Airport announced its new 10-year \$110 million capital improvement plan called *CAK2018* which is now complete. The plan includes a 600 ft. runway extension and border patrol facility to allow for international flights, expanded aircraft parking, expanded auto parking, a wider entrance road, expanded ticket wing, expanded security screening area, a new aircraft rescue and fire fighting maintenance facility, expand the concourse to allow for three more gates, and partner with the nearby City of Green for a new Industrial Park. The runway extension portion of the project was completed in 2010. The new aircraft rescue, border patrol facility, expanded parking lot, and expanded security-screening area were completed in 2011. In 2012, CAK completed the Firefighting Maintenance Facility

(ARFF) and continued to add additional parking. Future improvements include expanding the new concourse \$3.65 million, an expanded ticket wing \$2.5 million, and widening of the entrance road \$5.0 million which are in progress. In 2016, the airport unveiled a \$240 million dollar 20-year Master Plan that was approved by the Federal Aviation Administration (FAA) in 2015 which will guide capital investments and improvements at CAK and will include construction projects isolated to the years 2017 through 2019.

### **Long-Term Financial Planning**

During 2017, the City has experienced an increase in overall revenue, excluding other financing sources, for the general fund of \$2,972,233 from 2016. The City as a whole experienced an increase in GAAP-basis revenue (total of all program revenues and general revenues from the statement of activities) of \$9,309,089 from 2016. This provides the City with the sixth straight year of revenue growth for the City as a whole. The City's income tax revenue increased by \$5,657,369 and property tax revenue increased by \$411,591. Charges for service (program revenue) increased by \$5,722,734 while operating grants and contributions (program revenue) and capital grants and contributions (program revenue) decreased \$81,944 and \$6,758,791, respectively.

The City continues to feel the effects of federal reserves interest rate reductions in the fourth quarter of 2007 through 2012 have led to net decreases in general fund interest revenue of \$1,243,235 in 2008, \$595,900 in 2009, \$444,900 in 2010, \$141,433 in 2011, and an additional \$37,396 in 2012. General fund interest revenue increased \$1,446 in 2013, \$120,885 in 2014, and \$227,300 in 2015, \$41,751 in 2016 and \$206,765 in 2017 due to a more aggressive investment portfolio and improved interest rates on investments.

The immediate economic future is predicted to be relatively stable with slight declines expected in early 2018 but expected increases over the next decade. With slight downward pressure from staff relocations to facilities outside of city limits from the likes of the Timken Company, U.S. Post Office, Chesapeake Energy and Nationwide Insurance to name a few, Canton has continued to leverage off the effects of the discovery of oil/natural gas shelf in the southern parts of the area. The fact remains that these relocations continue to bode well for the regional economy and yet will provide downward pressure on City income tax collections. The City's unemployment rate has continued to decline from 5.9% at the end of 2016 to 5.1% at the end of 2017. The increase in income tax revenue in 2017 will allow the City to continue to work to move out of a difficult time which started in 2015 that lead to a low General Fund Cash balance at year-end, and continue to build on the cash reserve balance to address infrastructure and safety needs as well as neighborhood cleanups. In correlation to this increased tax revenue, the voters of the City approved on May 8, 2018 an income tax rate increase of .5% which will help in the efforts to address these needs of the City. City officials continued to put a freeze on wages and salaries during 2017 and into 2018 as staffing levels remain low. A portion of the revenue generated from the additional income tax increase has been earmark for police and fire which will allow for an increase in workforce staffing levels in those areas.

The City had \$759,160. in cash, of which \$517,712 remained uncommitted of the \$15,850,000 in general revenue bonds issued in 2006 for the building of a new fire station, a new sewer collection facility, a scaled down version of the water park, renovation of city buildings and reconstruction of existing recreational facilities. As of the release of this report the fire station, sewer collection facilities and waterpark projects are complete. A major expansion to Canton City Hall to expand operations for the Canton Municipal Court and City Council began in November of 2010. The City expansion was completed in early 2012. However, further evidence of the very difficult economic conditions of the City resulted in scaled back projects outlined in the City's 2006 Recreational Bond Issuance. In January 2014, City Council entered into an agreement for the construction of the Water Park. The Water Park was completed in 2016 and the operation of the park began in June of 2016 and continues to serve as a fun summer-time activity for the youth of the City.

### **Relevant Financial Policies**

During 2017, the City issued manuscript debt within the general fund to finance land reutilization projects and NIP acquisition and demolition; however, this balance is eliminated on a GAAP-basis. In addition, during 2017, the general fund repaid the manuscript debt owed to the water fund that was issued in 2015 to provide for adequate reserves in the general fund. See Note 21.B to the basic financial statements for further detail on the City's manuscript debt issuance and obligations.

During 2017, the City continued to make biweekly sick expense premium deposits into its compensated absences claim fund to help offset the cost of current and previous unfunded compensated absences. The City was not in a financial position to make additional lump sum contributions to the fund as had been done in some previous years. The City previously changed the premium calculation from 125% of the total cost of the sick leave accrued on biweekly payrolls to 105% for 2010. However, the premium returned to 125% January 1, 2011, remained 125% through 2015. During 2016 the premium was reduced again to 105% and reset to 125% during 2017. The City has not deposited additional contributions into the compensated absences claim fund in 2017.

## **Major Initiatives**

In 2017, the City annexed approximately 45.4913 acres and continues to explore further annexation options.

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

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

In 2011, the City was awarded an additional \$1,233,756 in Neighborhood Stabilization (NSP3) funds. These funds have been used to target one hard hit area within the city. With this funding, \$987,000 will be invested in rehabilitating housing units for sale and rent. In addition, \$123,000 has been used to demolish blighted structures in the area. In 2015, the City used program income received from the sale of some of the houses to maintain the remaining properties until they are sold.

In 2013, the City established two HUD Neighborhood Revitalization Strategy Areas – the Eastside and Central Area NRSAs. During 2017, the City expended \$1,192,872 in Federal Community Development Block Grant (CDBG) Program funds on NRSA activities, including housing rehabilitation and demolition, neighborhood clean-up projects, ADA curb replacements, and youth programs and services. Forty-eight housing projects were completed in both the Eastside and Central target areas. Since the NRSA was established in 2013, the City has invested over \$5.4 million in the NRSA areas.

In 2014, the City applied for and received a \$4.2 million grant from the State of Ohio, known as the Neighborhood Initiative Program (NIP I and NIP II). Also, during 2016, the City received an additional \$2.0 million in funding for this program and titled it the NIP III. This program is contracted through the Stark County Land Reutilization Corporation and is an acquisition for demolition program. All funding comes Ohio Housing Finance Agency (OHFA). The City demolished a total of 236 homes through the program for NIP I and NIP II. The City expended over \$3.4 million dollars in 2017. The City intends to demolish an additional 315 houses in the NIP III program and this program will run through October 2019.

The City received a \$3 million CORF grant in 2007 for remediation at the former Hercules site. Work at this site resumed in 2012 after a delay due to the weak economy. The property will be transformed into a multi-use facility with market rate housing, and a business and retail space. The project has also received a state tax credit worth \$10 million. The project experienced additional delays in 2014, but work resumed during 2016. The first phase of this project is well underway with a noticeable transformation taking place to a portion of this former factory site which is expected to have 140 market rate housing units developed during Phase I of the project. The City loaned the

developers \$2.0 million of funding which came from the repayment of a loan made to another development that was paid in full at the beginning of 2017. The first phase of the project renovations has been completed and the leasing of properties has begun.

The City Engineering Department oversees all stages of street and sewer improvement projects. During 2017, the City completed: \$1.04 million of road resurfacing projects throughout the City. Some of the larger engineering projects in various stages of planning, development, and construction include: 41<sup>ST</sup> St. Reconstruction, Mahoning Rd. Corridor, 12<sup>th</sup> St. Corridor, 12<sup>th</sup> Street Bridge Replacement, Navarre Road Signal System, West Tuscarawas Corridor, 11<sup>th</sup> Street SE Realignment Project, 38<sup>th</sup> St. project 30<sup>th</sup> St and 19<sup>th</sup> St resurfacing. The City have also started a Road Stabilization Project that is being tested as an alternative against regular paving methods.

In 2017, there were \$5.5 million of water projects in progress. There were thirteen projects for water lines in varying stages of planning, development and construction including: Avondale I and II, Applegrove II, Harrison and 44<sup>th</sup> St, and Ridgewood I and II, Monument Rd I and II and Sugarcreek Backwash Project. Through December 2016, the City had completed the \$9.4 million for the electronic water meter replacement project.

In 2017, the City's Water Reclamation Department continued its progress in the \$92.0 million replacement of its Water Reclamation Facilities and membrane. The membrane purchase, installation, and corresponding construction, is estimated to continue until through 2018. Through December 2017, the City had expended \$72.8 million of the \$92.0 million project.

### **Debt Administration**

At the end of 2017, the gross indebtedness of the City was \$111,878,355. The gross indebtedness of the City was \$94,956,694 at the end of 2016. During 2017, the City continued drawing down from two pre-existing Ohio Water Development Agency (OWDA) loans and issued two new OWDA loans for Canton South Cleveland Ave. Waterline and Waterline Extension. In 2017, the City received \$0 from the 2013 water meter planning and design loan as the project was complete in 2016, \$114,408,235 from the 2010 Water Reclamation Facility (WRF) phosphorus/nitrogen removal project loan, and \$8,217,084 from the 2014 WRF phosphorus – MBR equipment loan. These projects will take almost seven years to complete at an estimated cost of over \$92 million. At December 31, 2017, the City had \$98,658,957 in; OWDA loans outstanding in the enterprise funds and business-type activities and \$38,135 in OWDA loans outstanding in the governmental activities. During 2017, the City received loan proceeds from the Ohio Public Works Commission (OPWC) to finance various projects. The City received \$243,908 in OPWC loan proceeds in the enterprise funds and business-type activities and \$858,784 in OPWC loan proceeds in the governmental activities. At December 31, 2017, the City had \$2,309,579 in OPWC loans outstanding in the enterprise funds and business-type activities and \$2,231,503 in OPWC loans outstanding in the governmental activities. The City also had \$1,050,000 in general obligation bonds outstanding in the governmental activities. The City had \$1,355,970 in long-term State Infrastructure Bank (SIB) Loans outstanding as of December 31, 2017, all of which are reported in the governmental activities.

In 2017, Moody's Investor Services made no change to its stable outlook for the City. In 2010, Moody's downgraded the City's rating to A1 from Aa3 and gave the City a negative outlook on general obligation bond issue. Fitch Rating Service also downgraded the City from AA- to A+ but said its outlook is stable. Neither Moody's Investor Services nor Fitch Rating Services adjusted these ratings in 2017. The general obligation indebtedness of the City is subject to two statutory debt limitations referred to as the "direct debt limitation" (by Ohio Revised Code Section 133.05). The total principal amount of voted and unvoted nonexempt net indebtedness of the City may not exceed 10.5 percent of its assessed value of real and personal property, and in addition, the net principal amount of unvoted nonexempt debt may not exceed 5.5 percent of the same total assessed value. The City's overall legal debt margin was \$77,296,631 and an unvoted debt margin of \$40,002,458 as of December 31, 2017.

## **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Canton for its Comprehensive Annual Financial Report as of December 31, 2016. The Certificate of Achievement is the highest form of recognition for excellence in state and local government.

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

## **Acknowledgements**

Special recognition for the preparation of this report is made to contributing department heads, Treasurer's staff, my own Auditor's office staff and City Council for their continuing support and commitment to responsible fiscal reporting. Special acknowledgement is given to my administrative staff: Christine Bagley, Heather Locke-Williams, Dwayne Knight, and John Slebodnik for their continued dedication and commitment to sound financial reporting in the preparation of this report.

Sincerely,

A handwritten signature in dark ink, appearing to read "Richard A. Mallonn II". The signature is fluid and cursive, with a large initial "R" and "M".

Richard A Mallonn II  
City Auditor



Government Finance Officers Association

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

Presented to

**City of Canton  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2016**

*Christopher P. Morill*

Executive Director/CEO

**CITY OF CANTON  
STARK COUNTY, OHIO**

***CITY OFFICIALS***  
***FOR THE YEAR ENDED DECEMBER 31, 2017***

*Mayor*

Thomas M. Bernabei

*Council Members*

Allen Schulman, President

James Babcock  
Tom Harmon  
Bill Smuckler  
Kevin Hall  
Robert Fisher  
Jason Scaglione

Gregory Hawk  
Edmond Mack  
John Mariol II  
Frank Morris  
Chris Smith  
Nathaniel Chester

*City Auditor*

Richard A. Mallonn II

*City Treasurer*

Kim Perez

*Law Director*

Joseph Martuccio

*Director of Income Tax*

Cynthia Allensworth

*Director of Public Service*

William Bartos

*Director of Public Safety*

Andrea Perry

*Fire Chief*

Thomas Garra

*Police Chief*

Bruce Lawver

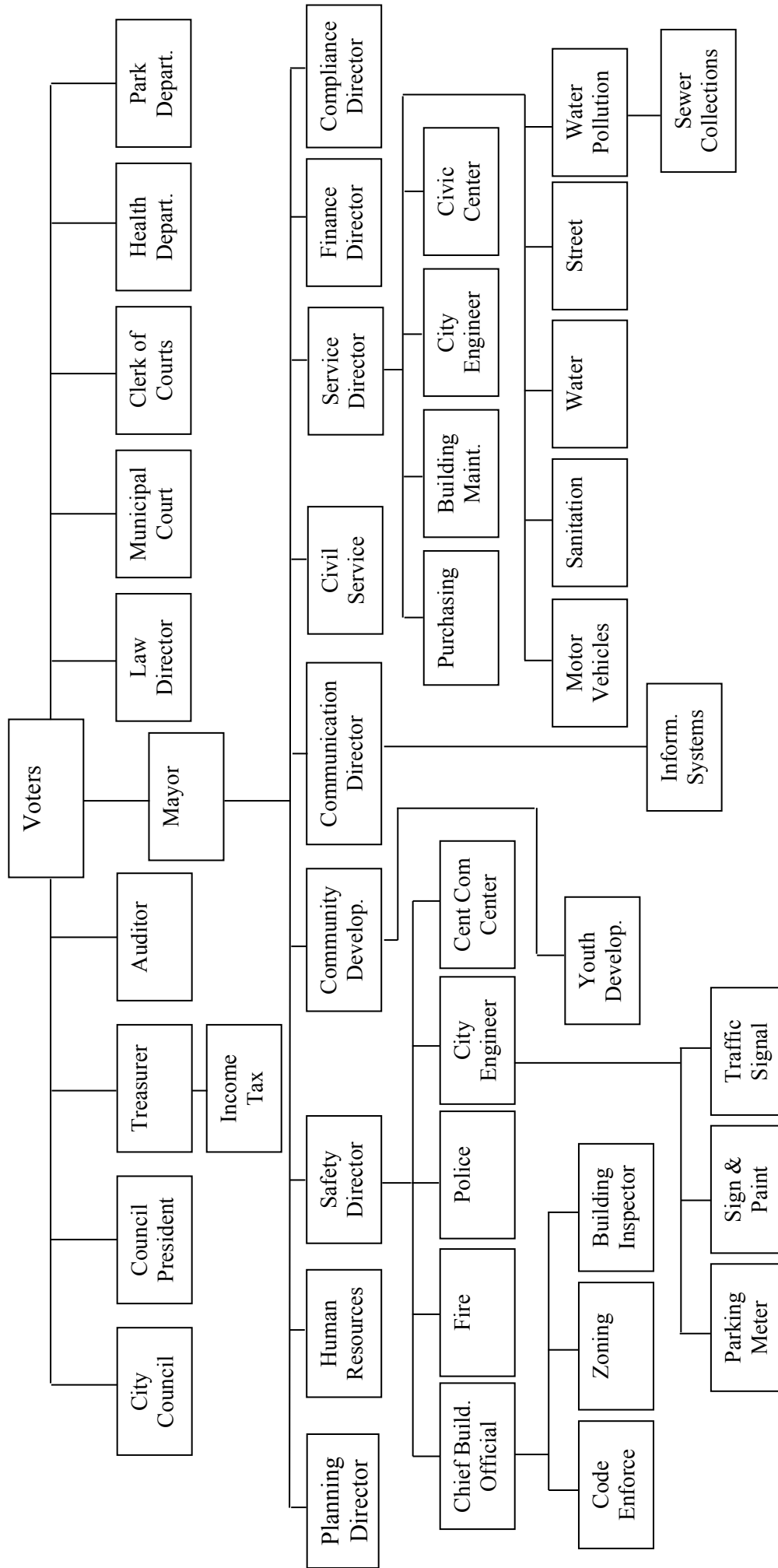
*City Engineer*

Dan Moeglin



CITY OF CANTON  
STARK COUNTY, OHIO

ORGANIZATIONAL CHART







CITY OF CANTON, OHIO

**FINANCIAL**  
City of Canton, Ohio





**Julian & Grube, Inc.**  
*Serving Ohio Local Governments*

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

Independent Auditor's Report

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

To the Members of Council and Mayor:

***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Canton, Stark County, Ohio, as of and for the year ended December 31, 2017 and the related notes to the financial statements, which collectively comprise the City of Canton's basic financial statements as listed in the table of contents.

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

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

***Auditor's Responsibility***

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

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City of Canton's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City of Canton's internal control. Accordingly, we express no such 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.

City of Canton  
Independent Auditor's Report

***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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Canton, Stark County, Ohio, as of December 31, 2017, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General and Community and Economic Development funds, thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

***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* and schedules of net pension liability/net pension asset 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 of Canton'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 this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information 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, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section 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.

City of Canton  
Independent Auditor's Report

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2018, on our consideration of the City of Canton's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Canton's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.  
June 21, 2018





**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2017  
(UNAUDITED)

The management's discussion and analysis (MD&A) of the City of Canton's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2017. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, the basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

#### FINANCIAL HIGHLIGHTS

- The City's net position increased \$14.7 million as a result of this year's operations. Net position of the business-type activities increased by \$4.4 million, or 3.73 percent, and net position of governmental activities increased by \$10.3 million, or 13.82 percent.
- General revenues accounted for \$67.9 million, or 64.40 percent, of total governmental activities revenue. Program specific revenues accounted for \$37.5 million, or 35.60 percent, of total governmental activities revenue.
- The City had \$95.1 million in expenses related to governmental activities; \$37.5 million of these expenses was offset by program specific charges for services and sales, grants or contributions. The remaining expenses of the governmental activities of \$57.6 million were offset by general revenues (primarily property taxes, income taxes and unrestricted grants and entitlements) of \$67.9 million.
- The City's business-type activities consist of water, sewer, refuse, and building code operations. The City had \$43.8 million in expenses related to business-type activities. All of these expenses were offset by \$44.6 million of program specific charges for services and sales, grants or contributions. Program revenues were sufficient to cover expenses of the business-type activities in 2017. General revenues of the business-type activities were \$3.7 million for 2017. Overall, total revenues of the business-type activities exceeded expenses by \$4.4 million.
- The general fund had revenues and other financing sources of \$63.5 million in 2017. This represents an increase of \$4.9 million from 2016 revenues. The expenditures and other financing uses of the general fund, which totaled \$58,829,635 million in 2017, increased \$1.6 million from 2016. The net increase in fund balance for the general fund was \$4.7 million, or 257.30 percent.
- The City received no rating change in 2017; Moody's maintains a stable outlook on the City's debt.
- The City reported an operating loss of \$0.7 million in its compensated absences claim internal service fund. The total liability for compensated absences increased \$0.6 million from \$7.9 million at December 31, 2016 to \$8.5 million at December 31, 2017. During 2017, the City continued to deposit premiums equal to 125% of earned benefits of employees into the fund. The compensated absences claim internal service fund had a deficit net position of \$7.9 million at December 31, 2017.

#### USING THIS ANNUAL FINANCIAL REPORT

This annual report consists of a series of financial statements and notes to these statements. These statements are organized so the reader can understand the City as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities. This annual financial report consists of a series of financial statements.

The statement of net position and statement of activities provide information about the activities of the City as a whole, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2017  
(UNAUDITED)

**Reporting the City as a Whole**

*The Statement of Net Position and the Statement of Activities*

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did the City perform financially during 2017?" The statement of net position and the statement of activities answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. The accrual basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's net position and changes in this position. This change in net position is important because it tells the reader that, for the City as a whole, the financial position of the City has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required community programs and other factors.

In the statement of net position and the statement of activities, the City is divided into two distinct kinds of activities:

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

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

The City's statement of net position and statement of activities can be found on pages 21 through 23 of this report.

**Reporting the City's Most Significant Funds**

*Fund Financial Statements*

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds. Some funds are required to be established by State law. However, City Council establishes many other funds to help it control and manage money for particular purposes (Ex. parking deck fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (Ex. grants received from the U.S. Department of Housing and Urban Development). The analysis of the City's major governmental and proprietary funds begins on page 15.

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2017  
(UNAUDITED)

***Governmental funds***

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Governmental funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental funds are the general fund, the community and economic development fund, the capital projects fund and the motor vehicles purchase fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 24 through 33 of this report.

***Proprietary funds***

When the City charges customers for the full cost of the services it provides whether to outside customers or to other units of the City, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. In fact, the City's enterprise funds (a component of business type funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as a statement of cash flows. We use internal service funds, health insurance, worker's compensation insurance, and compensated absences claim funds, (the other component of proprietary funds) to report activities that provide a service to the City's other programs and activities. The basic proprietary fund financial statements can be found on pages 34 through 41 of this report.

***Fiduciary Funds***

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement 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. Private-purpose trust and agency funds are the City's fiduciary fund types. The basic fiduciary fund financial statements can be found on pages 42 and 43 of this report.

***Required Supplementary Information (RSI)***

The RSI contains information regarding the City's proportionate share of the Ohio Public Employees Retirement System's (OPERS) and Ohio Police and Fire Retirement System (OP&F) net pension liability/net pension asset and the City's schedule of contributions to OPERS and OP&F. The RSI can be found on pages 106-112 of this report.

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2017  
(UNAUDITED)

***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. These notes to the basic financial statements can be found on pages 45 through 103 of this report.

**Government-Wide Financial Analysis**

The table below (Table 1) provides a summary of the City's net position at December 31, 2017 and 2016.

**Table 1**  
Net Position  
(In Millions)

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
<u>Assets</u>						
Current and other assets	\$ 60.5	\$ 51.9	\$ 58.5	\$ 49.9	\$ 119.0	\$ 101.8
Capital assets, net	137.7	127.2	191.6	172.2	329.3	299.4
Total assets	198.2	179.1	250.1	222.1	448.3	401.2
Deferred outflows of resources	22.2	24.6	7.7	6.1	29.9	30.7
<u>Liabilities</u>						
Current and other liabilities	\$ 26.2	\$ 24.3	\$ 21.9	\$ 9.2	\$ 48.1	\$ 33.5
Long-term liabilities:						
Due in more than one year	10.4	9.4	92.5	84.2	102.9	93.6
Net pension liability	88.5	89.5	19.5	15.8	108.0	105.3
Total liabilities	125.1	123.2	133.9	109.2	259.0	232.4
Deferred inflows of resources	10.7	6.2	0.7	0.3	11.4	6.5
<u>Net position</u>						
Net investment in capital assets	127.2	120.1	80.1	81.2	207.3	201.3
Restricted	20.4	17.9	-	-	20.4	17.9
Unrestricted	(63.0)	(63.7)	43.1	37.5	(19.9)	(26.2)
Total net position	\$ 84.6	\$ 74.3	\$ 123.2	\$ 118.7	\$ 207.8	\$ 193.0

The City applies Governmental Accounting Standards Board (GASB) Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27" and GASB Statement 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68" which significantly revised 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 and the net pension liability/asset to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all government 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 presented in these statements.

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
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Under the 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 employees' 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 *as 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 on 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 section of the statement of net position.

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/asset not accounted for as deferred inflows/outflows.

In addition, the City reports a net pension liability/asset and deferred inflows/outflows of resources related to pension on the accrual basis of accounting.

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2017, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$207.8 million. At year-end, net position was \$84.6 million and \$123.2 million for the governmental activities and the business-type activities, respectively.

Capital assets reported on the government-wide statements represent the largest portion of the City's net position. At year-end, capital assets, net represented 73.46 percent of total assets. Capital assets include land, construction in progress, buildings and structures, vehicles, equipment and infrastructure. The net investment in capital assets at December 31, 2017, was \$127.2 million and \$80.1 million in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets are not used to liquidate these liabilities.

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As of December 31, 2017, the City is not able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. A portion of the City's net position, \$20.4 million represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is a deficit of \$20.0 million may be used to meet the government's ongoing obligations to citizens and creditors without constraints established by debt covenants, enabling legislation, or other legal requirements.

The table below (Table 2) shows the changes in net position for fiscal year 2017 and 2016.

**Table 2**  
Change in Net Position  
(In Millions)

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
<u>Revenues</u>						
Program revenues:						
Charges for services and sales	\$ 14.1	\$ 11.1	\$ 41.9	\$ 39.2	\$ 56.0	\$ 50.3
Operating grants and contributions	16.5	16.6	0.1	0.1	16.6	16.7
Capital grants and contributions	7.0	11.4	2.6	4.8	9.6	16.2
Total program revenues	<u>37.6</u>	<u>39.1</u>	<u>44.6</u>	<u>44.1</u>	<u>82.2</u>	<u>83.2</u>
General revenues:						
City income taxes	50.0	44.4	-	-	50.0	44.4
Property taxes	5.2	4.7	-	-	5.2	4.7
Intergovernmental (grants and entitlements)	7.5	6.7	-	-	7.5	6.7
Interest and investment earnings	0.5	0.4	-	-	0.5	0.4
Other	4.6	4.2	3.7	0.6	8.3	4.8
Total general revenues	<u>67.8</u>	<u>60.4</u>	<u>3.7</u>	<u>0.6</u>	<u>71.5</u>	<u>61.0</u>
Total revenues	<u>105.4</u>	<u>99.5</u>	<u>48.3</u>	<u>44.7</u>	<u>153.7</u>	<u>144.2</u>
<u>Expenses</u>						
Program expenses:						
General government	20.6	21.4	-	-	20.6	21.4
Security of persons and property	42.6	45.3	-	-	42.6	45.3
Public health	7.2	6.6	-	-	7.2	6.6
Transportation	10.9	14.2	-	-	10.9	14.2
Community environment	8.4	6.8	-	-	8.4	6.8
Leisure time activities	5.0	3.7	-	-	5.0	3.7
Interest and fiscal charges	0.4	0.4	-	-	0.4	0.4
Water	-	-	17.8	14.6	17.8	14.6
Sewer	-	-	17.4	12.4	17.4	12.4
Refuse	-	-	6.7	6.9	6.7	6.9
Building	-	-	1.9	1.8	1.9	1.8
Total program expenses	<u>95.1</u>	<u>98.4</u>	<u>43.8</u>	<u>35.7</u>	<u>138.9</u>	<u>134.1</u>
Excess of revenues over expenses	10.3	1.1	4.5	9.0	14.8	10.1
Transfers	-	(0.5)	-	0.5	-	-
Increase (decrease) in net position	<u>10.3</u>	<u>0.6</u>	<u>4.5</u>	<u>9.5</u>	<u>14.8</u>	<u>10.1</u>
Net position at beginning of year	74.3	73.7	118.7	109.2	193.0	182.9
Net position at end of year	<u>\$ 84.6</u>	<u>\$ 74.3</u>	<u>\$ 123.2</u>	<u>\$ 118.7</u>	<u>\$ 207.8</u>	<u>\$ 193.0</u>

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**Governmental Activities**

The 2.0 percent income tax is the largest revenue source for the City. Designated by ordinance, the capital projects fund receives 20 percent of net income tax received. In addition, the motor vehicle purchase fund receives 5 percent of net income tax received. The remaining 75 percent is allocated to the general fund and is used for such things as police and fire protection, street maintenance, and other purposes determined by council.

When looking at sources of income to support governmental activities, it should be noted that charges for services are only 13.35 percent of governmental activities revenue. Revenues provided by sources other than city residents in the form of operating grants and contributions, capital grants and contributions and grants and entitlements not restricted to specific programs comprise another 29.34 percent. The remaining revenues are primarily generated locally through property taxes (4.89 percent) and income taxes (47.45 percent).

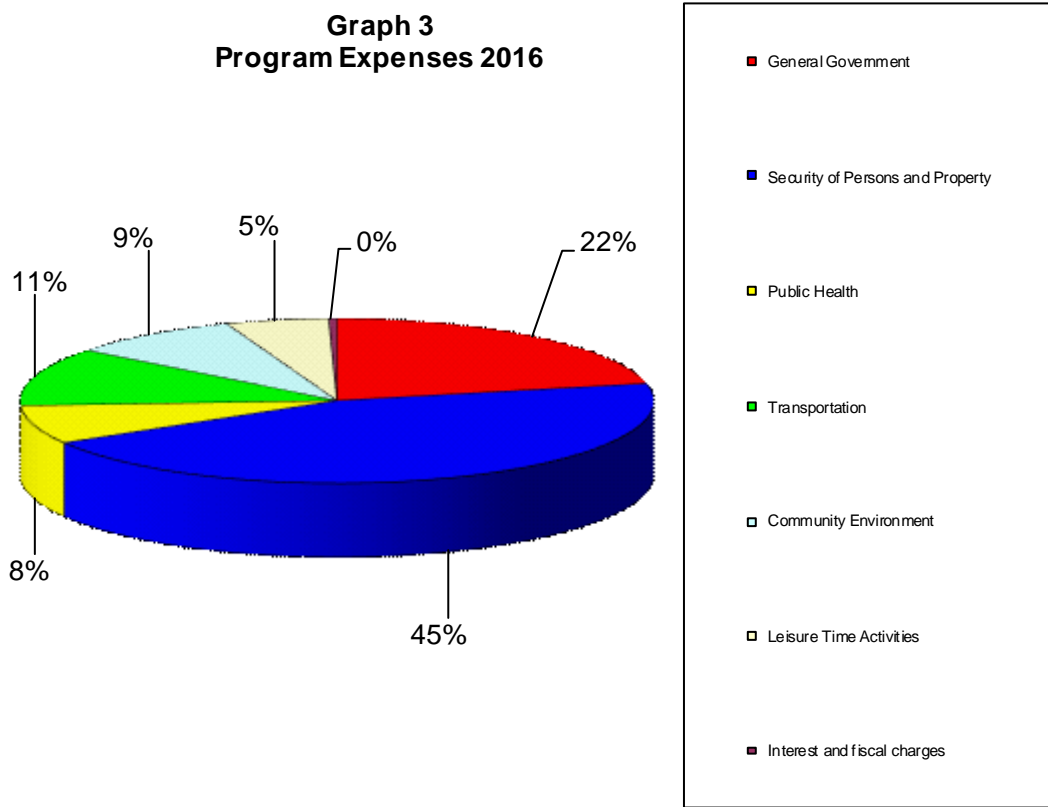
Overall, governmental activities revenues increased \$6.4 million primarily due to an increase in city income tax collections (\$5.6 million) and grants and entitlements not restricted to a specific program (\$0.8 million). Income tax revenue increased primarily due to improved economic conditions in the city and increased collections. Grants and entitlements not restricted to a specific program increased due to the City receiving more monies from the federal and state governments.

Overall, governmental activities expenses decreased \$3.3 million primarily due to decreases in security of persons and property (\$2.7 million) and general government (\$0.8 million). Security of persons and property decreased primarily due to decreased expenses related to the administration of the police and fire departments of the City. General government decreased as a result of decreased expenses related to the collection of the City's income taxes.

Graph 3 represents the cost of each of the City's governmental programs: security of persons and property, general government, transportation, public health, leisure time activities, community environment, and interest and fiscal charges. The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions. The decrease in the net cost demonstrates the greater ability to recover the cost of the program under the current revenue policies. As indicated by governmental program expenses, citizen's safety, health, and well-being is emphasized.

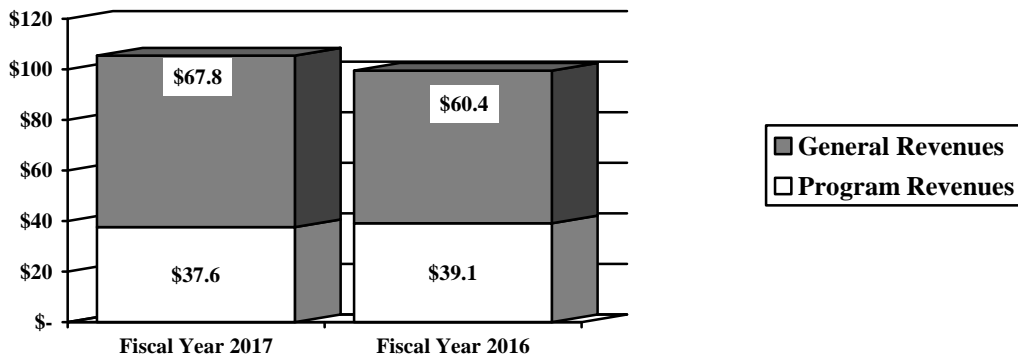
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**Graph 3  
Program Expenses 2016**



The graph below compares the City's general revenues (which includes property taxes, income taxes and unrestricted grants and entitlements) and program revenues for fiscal year 2017 and 2016.

**Graph 4  
Governmental Activities – General and Program Revenues (In Millions)**





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

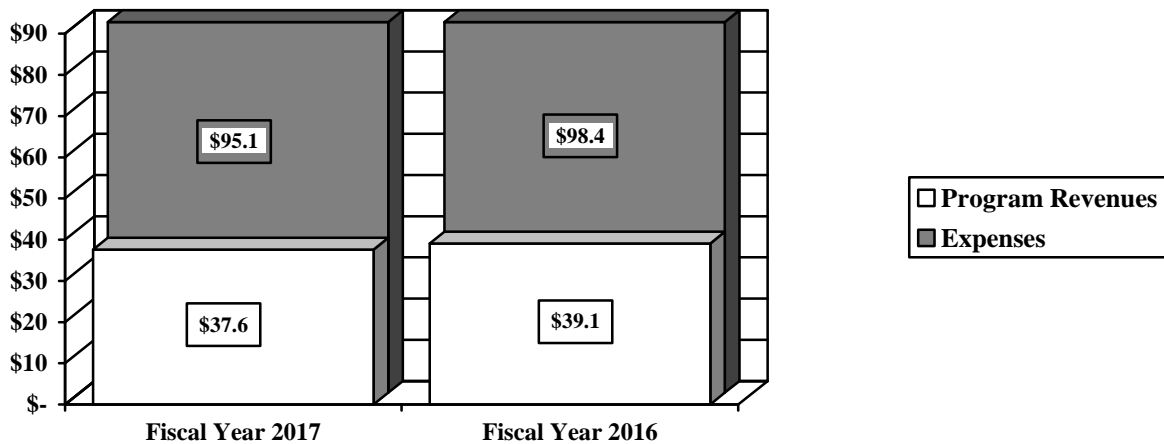
**Table 5**  
Governmental Activities (In Millions)

	Total Cost of Services 2017	Net Cost of Services 2017	Total Cost of Services 2016	Net Cost of Services 2016
Program expenses:				
General government	\$ 20.6	\$ 12.1	\$ 21.4	\$ 15.0
Security of persons and property	42.6	34.7	45.3	38.9
Public health	7.2	2.7	6.6	(0.6)
Transportation	10.9	1.3	14.2	0.6
Community environment	8.4	2.0	6.8	1.5
Leisure time activities	5.0	4.4	3.7	3.5
Interest and fiscal charges	0.4	0.4	0.4	0.4
<b>Total</b>	<u>\$ 95.1</u>	<u>\$ 57.6</u>	<u>\$ 98.4</u>	<u>\$ 59.3</u>

The dependence upon general revenues for governmental activities is apparent, with 60.56 percent of expenses supported through taxes and other general revenues.

The graph below compares the City's governmental activities program revenues and total governmental activities expenses for fiscal year 2017 and 2016.

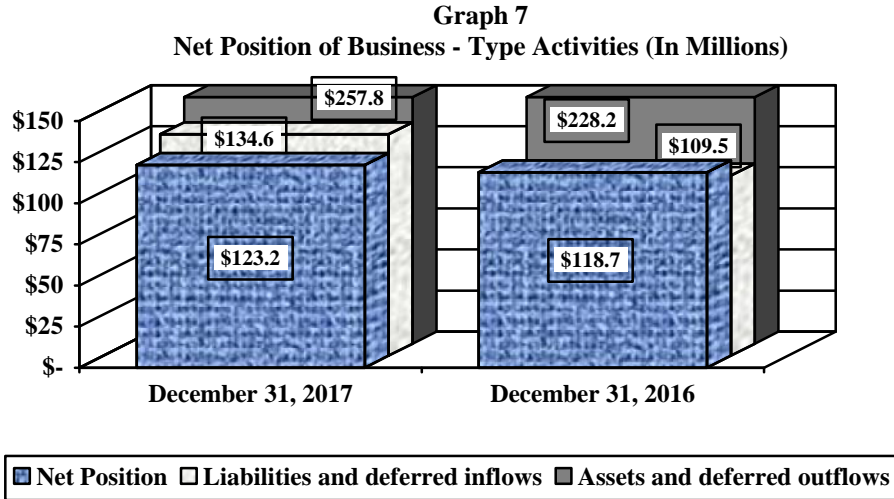
**Graph 6**  
Governmental Activities – Program Revenues vs. Total Expenses (In Millions)



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***Business-Type Activities***

The net position of the business-type activities, include the water, sewer, refuse and building code enterprise funds. For a description of these funds, see the accompanying notes to the basic financial statements. These programs had program revenues of \$44.6 million and general revenues of \$3.7 million which were sufficient to support the total expenses of \$43.8 million. Total revenues exceeded total expenses by \$4.5 million in 2017. The graph below shows the business-type activities assets, liabilities and deferred inflows and net position at year-end.



The basic financial statements for the major funds are included in this report. Because the focus on business-type activities is a cost of service measurement or capital maintenance, we have included an assessment of the capital asset balances for the business-type activities in Graph 10 which is located on page 19.

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**Financial Analysis of the Government's Funds**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

***Governmental Funds***

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Unassigned fund balance may serve as a useful measure of the City's net resources available for spending at year-end. The City's governmental funds (as presented on the balance sheet on pages 22 and 23) reported a combined fund balance of \$21.9 million which is \$5.6 million higher than last year's total of \$16.3 million. The schedule below indicates the fund balances as of December 31, 2017 and 2016 for the governmental funds.

**Table 8**  
Fund Balances (deficit) (In Millions)

	<u>12/31/17</u>	<u>12/31/16</u>	<u>Increase (Decrease)</u>
Major funds:			
General	\$ 2.8	\$ (1.8)	\$ 4.6
Community and economic development	1.2	1.0	0.2
Capital projects	5.8	3.8	2.0
Motor vehicle purchase	0.6	0.3	0.3
Nonmajor governmental funds	<u>11.5</u>	<u>13.0</u>	<u>(1.5)</u>
Total	<u>\$ 21.9</u>	<u>\$ 16.3</u>	<u>\$ 5.6</u>

***General Fund***

Fund balance of the general fund increased \$4.6 million from 2016 primarily due to an increase of \$3.2 million in income tax revenue, an increase in charges for services of \$0.4 million and a decrease of \$0.6 million in general government expense. Income tax revenue increased due primarily to more aggressive income tax collection practices implemented by the City and improved economic conditions. Charges for services revenue increased primarily due to increased E.M.S. transportation charges. General government expense decreased primarily to decreases in costs related to the collection of the City's income taxes.

***Community and Economic Development Fund***

Fund balance of the community and economic development fund increased \$0.1 million from the prior year. Revenues increased \$1.2 million from \$3.0 million in 2016 to \$4.2 million in 2017 primarily due to increased operating grants. Expenditures increased \$0.7 million from \$3.4 million in 2016 to \$4.1 million in 2017 due to increased community environment projects funded by the increase in operating grants. The community and economic development fund had \$0.7 million in economic development loans receivable at December 31, 2017.

***Capital Projects Fund***

Fund balance of the capital projects fund increased \$2.0 million from \$3.8 million at December 31, 2016 to \$5.8 million at December 31, 2017. Revenues and other financing sources increased \$1.4 million from \$8.6 million in 2016 to \$10.0 million in 2017. Expenditures decreased \$0.1 million from \$8.0 million in 2016 to \$7.9 million in 2017. Debt service payments decreased as debt was paid down from the prior year.

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***Motor Vehicle Purchase Fund***

Fund balance of the motor vehicle purchase fund increased \$0.3 million from \$0.3 million at December 31, 2016 to \$0.6 million at December 31, 2017. Revenues and other financing sources increased \$1.4 million from 2016 levels at \$2.1 million. Expenditures increased \$1.1 million from \$2.2 million in 2016 to \$3.3 million in 2017 due to increased capital purchases made by the City in 2017.

***Nonmajor Governmental Funds***

Fund balance of the nonmajor governmental funds decreased \$1.4 million from \$12.9 million at December 31, 2016 to \$11.5 million at December 31, 2017. Revenues decreased \$2.9 million from \$26.5 million in 2016 to \$23.6 million in 2017 due to a decrease in capital grants of approximately \$4.4 million and partially offset by increases in operating grants of \$0.8 million and property taxes of \$0.7 million. Expenditures increased \$1.6 million from \$28.6 million in 2016 to \$30.2 million in 2017 primarily in the areas of community environment. In addition, the City entered into notes and OPWC loan agreements in 2017. Loan proceeds in the amount of \$3.5 million were reported in the nonmajor governmental funds in 2017.

**General Fund Budgeting Highlights**

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

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

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

The City's general fund reported a \$8.0 million increase to original estimated revenues and other financing sources of \$67.4 million to arrive at the final estimated revenues of \$75.4 million. The primary increases were in the areas of notes issued (\$4.1) and income taxes of (\$2.0 million). The actual revenue was more than final budgeted revenue by \$0.6 million.

The general fund variance from original budgeted expenditures to final budgeted expenditures was an increase of \$6.2 million. The primary areas of increase were \$2.0 million in debt service and \$1.1 million in security of persons and property. The final budgeted expenditures of \$79.6 million exceeded actual expenditures of \$77.6 million by \$2.0 million. The actual expenditures of \$77.6 million were approximately \$4.2 million higher than the original budgeted expenditures.

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**Financial Analysis of the Proprietary Funds**

***Proprietary Funds***

The City's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, except in more detail. The only difference between the amounts reported as business-type activities and the amounts reported in the proprietary fund statements are interfund eliminations between proprietary funds and internal balances due to governmental activities for internal service activities. The only interfund activity reported in the government wide statements are those between business-type activities and governmental activities (reported as internal balances and transfers) whereas interfund amounts between various enterprise funds are reported in the proprietary fund statements.

The water operating fund and the sewer operating fund had net position increases of \$2.0 million and \$3.2 million. The refuse operating fund and the building code fund (a nonmajor enterprise fund) had a decrease in net position of \$0.9 million and \$0 million, respectively. The water operating fund experienced an increase in operating revenue of 8.42 percent while the sewer operating fund experienced an increase in operating revenue of 29.96 percent, respectively from the prior year. The water operating fund had an increase in operating expenses of 25.73 percent from the prior year while the sewer operating fund had an increase in operating expenses of 22.34 percent from the prior year. The Refuse Fund's operating revenue decreased \$0.1 million from 2016 while operating expenses remained consistent with the prior year. These two factors caused the refuse operating fund to report a decrease in net position of \$0.9 million in 2017 versus a decrease in net position of \$0.8 million in 2016. The building code fund (nonmajor enterprise fund) had a decrease of \$0.1 million in operating revenues from 2016 while operating expenses increased \$0.2 million. These factors caused a decrease in net position of \$0 million in 2017 as compared to an increase in net position of \$0.8 million in 2016.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of 2017, the City had \$329.3 million invested in a variety of capital assets, including police and fire equipment, land, buildings, park facilities, roads, bridges, and water and sewer lines (see following graphs). This amount represents a net increase from prior year.

Major additions for the governmental activities include both projects completed in 2017 and removed from construction in progress as well as projects that remain construction in progress at December 31, 2017. These projects include ongoing major road and storm sewer projects, park equipment additions and renovations, and a major street lighting upgrade.

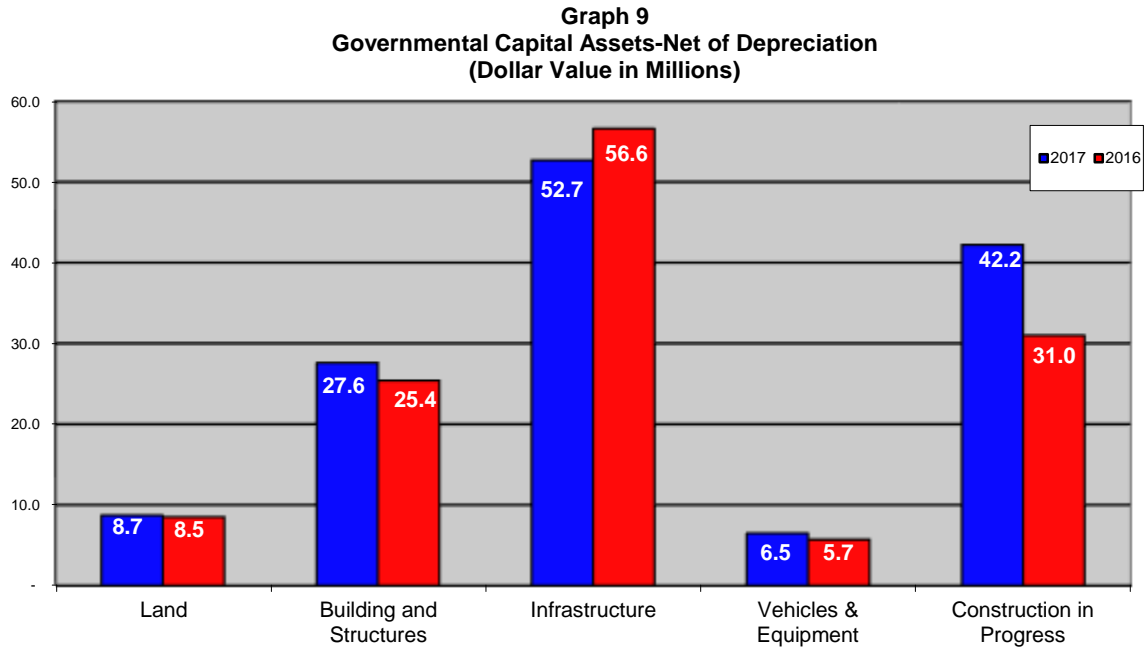
Additions to Business-Type Activities included additional water and sewer line construction, the continuation of a major renovation project at the City's Water Reclamation Plant, and ongoing restoration work at two of the City's water plants

The City's 2017 capital budget anticipates a spending level of \$3.5 million for capital projects. The City will continue to spend the balance remaining of the \$3.4 million generated from the sale of general obligation bonds during 2006 to construct a scaled back version of a scaled back version of a community water park for the youth of the City. The water park plans have been greatly reduced since its inception in 2006. In fact, in 2009, 2010, and 2011 the City spent a portion of the unspent portion of the 2006 issuance, dedicated for both Mallonn Park and the water park, to retire the corresponding years principal and interest due on the aforementioned bonds. In early 2015, the City entered into contracts for a scaled down version of the water park. The prior portion of this issuance expended was used for constructing a fire station, additional building improvement and expansion to City Hall, improve infrastructure and city parks expansion and developments

More detailed information about the City's capital assets is presented in Note 7 to the basic financial statements.

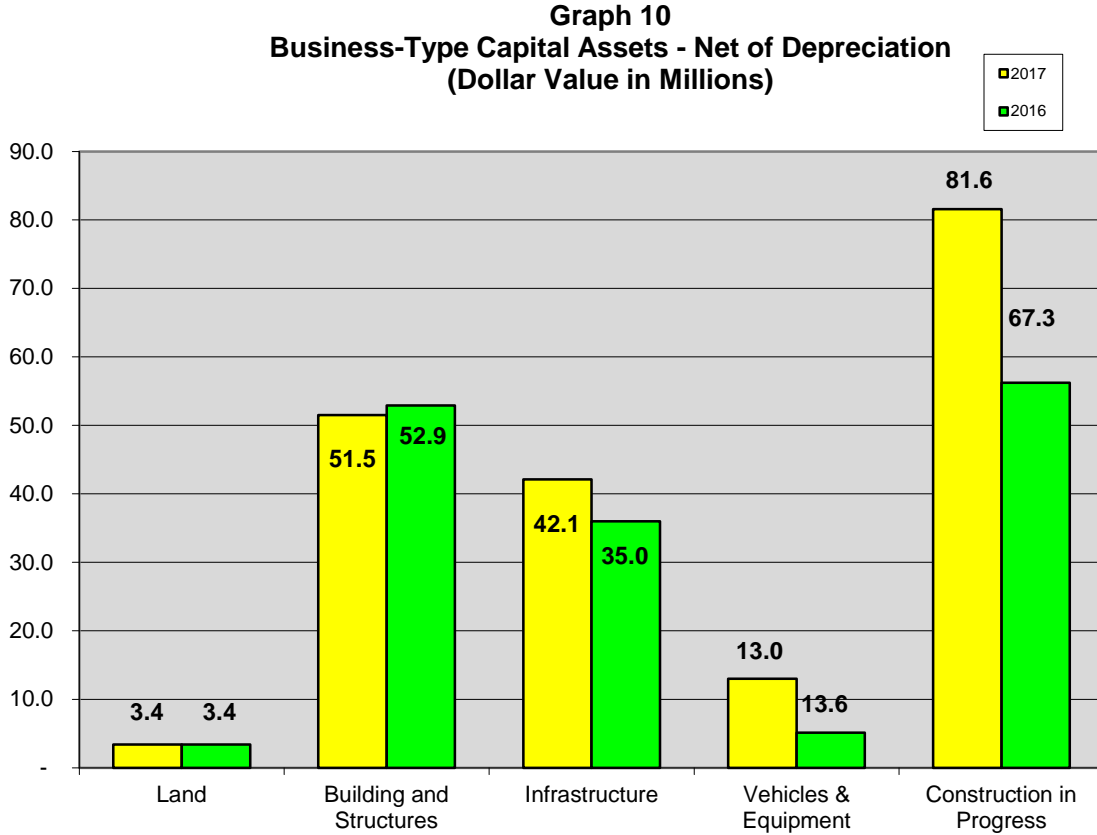
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The graph below reflects the City's governmental activities capital assets, net of accumulated depreciation, for December 31, 2017 and 2016:



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The graph below reflects the City's business-type activities capital assets, net of accumulated depreciation, for December 31, 2017 and 2016:



**Debt**

At December 31, 2017, the City had \$1.1 million in governmental activities general obligation bonds.

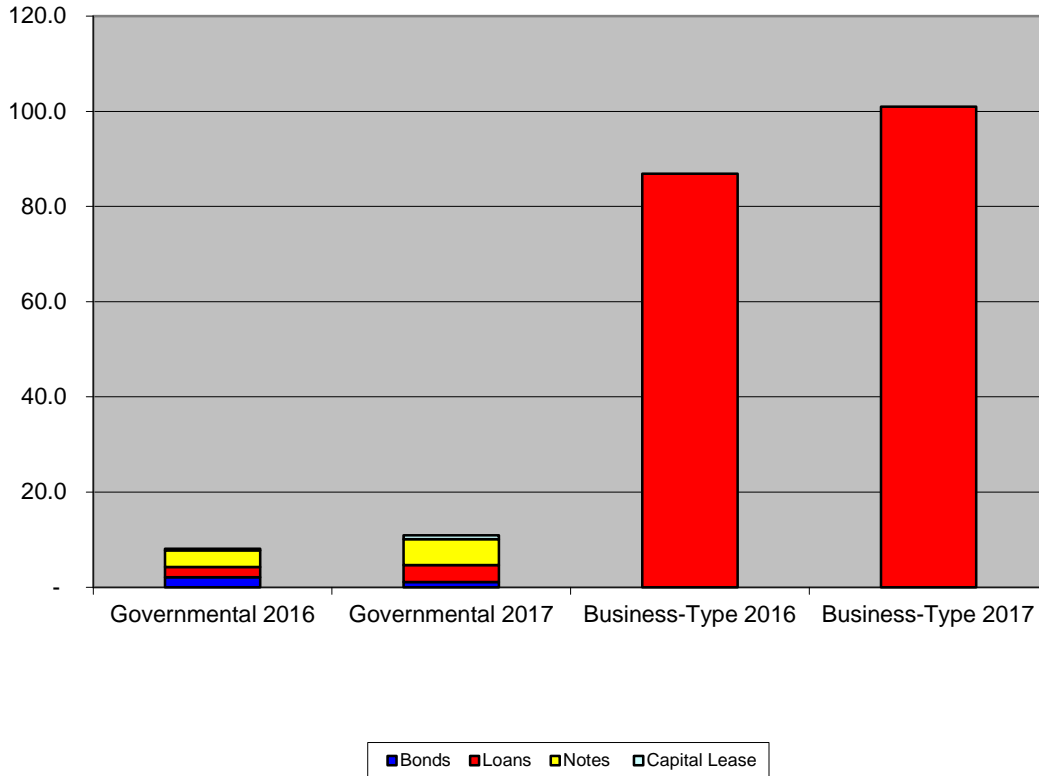
**Table 11  
General Obligation Bond Debt Outstanding at Year End**

	Governmental Activities	
	2017	2016
Unvoted General Obligation Bonds:		
2009 Refunding Bonds	\$ 1.1	\$ 2.1

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At December 31, 2017, the City had outstanding long-term debt obligations in the amount of \$18.0 million up from \$14.7 million in 2016 for the governmental activities this represents a 22.54 percent increase. The City's business-type activities debt obligation as of December 31, 2017 was \$101.0 million which is an increase from \$86.9 million in 2016. This represents an increase of 16.23 percent. The breakout on debt is presented in the graph below.

**Graph 12  
Total Debt Outstanding by Type**



During 2017, the City issued \$6.2 million in notes payable and retired \$8.0 million in notes payable. The balance of the City's notes payable at December 31, 2017 is \$6.2 million. See Note 11 to the basic financial statements for more information on the City's note obligations.

In 2017, no adjustments were made to the City's credit rating; however, in 2012 Moody's Investor Services confirmed the City's rating of A1 and changed its negative outlook to stable. In 2010, Moody's downgraded the City's rating to A1 from Aa3 and gave the City negative outlook on a general obligation bond issue. Fitch Rating service did not evaluate the City in 2013; however, Fitch had previously downgraded the City from AA- to A+ but said its outlook is stable. Other obligations include accrued vacation pay and sick leave. More detailed information about the City's long-term liabilities is presented in Note 9 to the basic financial statements.

**CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

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



**CITY OF CANTON  
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STATEMENT OF NET POSITION  
DECEMBER 31, 2017

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	CCIC
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 29,231,942	\$ 37,091,950	\$ 66,323,892	\$ 58,460
Cash with fiscal agents . . . . .	3,019	-	3,019	-
Cash in segregated accounts . . . . .	-	803,214	803,214	-
Receivables:				
Income taxes . . . . .	5,658,654	-	5,658,654	-
Property taxes . . . . .	7,019,370	-	7,019,370	-
Accounts . . . . .	3,097,818	7,558,857	10,656,675	-
Accrued interest . . . . .	123,406	-	123,406	-
Due from other governments . . . . .	11,772,755	11,620,202	23,392,957	-
Loans receivable . . . . .	2,552,560	-	2,552,560	-
Materials and supplies inventory . . . . .	380,074	1,881,877	2,261,951	-
Net pension asset . . . . .	109,370	67,495	176,865	-
Internal balance . . . . .	513,284	(513,284)	-	-
Capital assets:				
Land and construction in progress . . . . .	50,913,890	84,967,492	135,881,382	789,761
Depreciable capital assets, net . . . . .	86,797,778	106,600,366	193,398,144	75,506
Total capital assets, net . . . . .	137,711,668	191,567,858	329,279,526	865,267
Total assets . . . . .	198,173,920	250,078,169	448,252,089	923,727
<b>Deferred outflows of resources:</b>				
Pension . . . . .	22,205,202	7,701,805	29,907,007	-
<b>Liabilities:</b>				
Accounts payable . . . . .	5,927,059	1,375,919	7,302,978	-
Contracts payable . . . . .	-	10,502,049	10,502,049	-
Accrued wages and benefits payable . . . . .	2,495,140	676,146	3,171,286	2,835
Due to other governments . . . . .	563,853	121,390	685,243	-
Retainage payable . . . . .	64,646	813,818	878,464	-
Accrued interest payable . . . . .	84,941	-	84,941	-
Note payable . . . . .	6,200,000	-	6,200,000	-
Claims payable . . . . .	1,939,288	-	1,939,288	-
Long-term liabilities:				
Due within one year . . . . .	8,961,991	8,425,844	17,387,835	-
Due greater than one year:				
Net Pension Liability . . . . .	88,505,316	19,453,195	107,958,511	-
Other amounts due in more than one year . . . . .	10,417,223	92,542,692	102,959,915	-
Total liabilities . . . . .	125,159,457	133,911,053	259,070,510	2,835
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year . . . . .	5,318,174	-	5,318,174	-
Pension . . . . .	5,332,962	698,036	6,030,998	-
Total deferred inflows of resources . . . . .	10,651,136	698,036	11,349,172	-
<b>Net position:</b>				
Net investment in capital assets . . . . .	127,232,203	80,091,786	207,323,989	865,267
Restricted for:				
Community development programs . . . . .	4,910,147	-	4,910,147	-
Street construction, maintenance, and repair . . . . .	1,854,123	-	1,854,123	-
Public health service programs . . . . .	3,066,976	-	3,066,976	-
Safety and security programs and supplies . . . . .	541,503	-	541,503	-
Court programs . . . . .	1,536,898	-	1,536,898	-
Other purposes . . . . .	1,611,713	-	1,611,713	-
City owned parking decks . . . . .	89,096	-	89,096	-
Debt service . . . . .	34,988	-	34,988	-
Capital projects . . . . .	6,713,945	-	6,713,945	-
Unrestricted (deficit) . . . . .	(63,023,063)	43,079,099	(19,943,964)	55,625
Total net position . . . . .	\$ 84,568,529	\$ 123,170,885	\$ 207,739,414	\$ 920,892

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF CANTON  
STARK COUNTY, OHIO**

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Primary Government:</b>				
<i>Governmental activities:</i>				
General government . . . . .	\$ 20,575,714	\$ 7,950,442	\$ 542,041	\$ -
Security of persons and property . . . . .	42,659,988	4,803,044	3,185,043	-
Public health . . . . .	7,188,358	1,017,623	3,460,741	-
Transportation . . . . .	10,885,075	104,860	2,455,739	6,972,483
Community environment . . . . .	8,408,420	-	6,453,751	-
Leisure time activities . . . . .	5,003,179	196,873	362,945	-
Interest and fiscal charges . . . . .	412,469	180	19,081	-
Total governmental activities . . . . .	<u>95,133,203</u>	<u>14,073,022</u>	<u>16,479,341</u>	<u>6,972,483</u>
<i>Business-type activities:</i>				
Water . . . . .	17,763,510	18,460,579	-	1,251,223
Sewer . . . . .	17,427,064	15,804,202	-	1,310,873
Refuse . . . . .	6,717,023	5,787,333	78,591	-
Building Code . . . . .	1,903,631	1,893,728	-	-
Total business-type activities . . . . .	<u>43,811,228</u>	<u>41,945,842</u>	<u>78,591</u>	<u>2,562,096</u>
Total primary government . . . . .	<u>\$ 138,944,431</u>	<u>\$ 56,018,864</u>	<u>\$ 16,557,932</u>	<u>\$ 9,534,579</u>
<b>Component Unit:</b>				
CCIC . . . . .	<u>\$ 104,012</u>	<u>\$ -</u>	<u>\$ 65,781</u>	<u>\$ 106,000</u>

**General revenues:**

Municipal income taxes levied for:
General purposes . . . . .
Capital outlay . . . . .
Property and other taxes . . . . .
Other local taxes . . . . .
Payments in lieu of taxes . . . . .
Grants and entitlements not restricted to specific programs . . . . .
Interest and investment earnings . . . . .
(Decrease) in fair value of investments . . . . .
Gain on sale of capital assets . . . . .
Miscellaneous . . . . .

Total general revenues . . . . .

Change in net position . . . . .

**Net position at beginning of year . . . . .**

**Net position at end of year . . . . .**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

<b>Primary Government</b>			<b>Component Unit</b>
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>CCIC</b>
\$ (12,083,231)	\$ -	\$ (12,083,231)	\$ -
(34,671,901)	-	(34,671,901)	-
(2,709,994)	-	(2,709,994)	-
(1,351,993)	-	(1,351,993)	-
(1,954,669)	-	(1,954,669)	-
(4,443,361)	-	(4,443,361)	-
(393,208)	-	(393,208)	-
<u>(57,608,357)</u>	<u>-</u>	<u>(57,608,357)</u>	<u>-</u>
-	1,948,292	1,948,292	-
-	(311,989)	(311,989)	-
-	(851,099)	(851,099)	-
-	(9,903)	(9,903)	-
<u>-</u>	<u>775,301</u>	<u>775,301</u>	<u>-</u>
<u>(57,608,357)</u>	<u>775,301</u>	<u>(56,833,056)</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>67,769</u>
38,117,148	-	38,117,148	-
11,897,917	-	11,897,917	-
5,158,048	-	5,158,048	-
89,096	-	89,096	-
101,910	-	101,910	-
7,470,873	-	7,470,873	-
634,259	-	634,259	-
(143,719)	-	(143,719)	-
-	15,353	15,353	9,014
<u>4,549,880</u>	<u>3,635,391</u>	<u>8,185,271</u>	<u>3,404</u>
<u>67,875,412</u>	<u>3,650,744</u>	<u>71,526,156</u>	<u>12,418</u>
10,267,055	4,426,045	14,693,100	80,187
<u>74,301,474</u>	<u>118,744,840</u>	<u>193,046,314</u>	<u>840,705</u>
<u>\$ 84,568,529</u>	<u>\$ 123,170,885</u>	<u>\$ 207,739,414</u>	<u>\$ 920,892</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2017

	<u>General</u>	<u>Community and Economic Development</u>	<u>Capital Projects</u>	<u>Motor Vehicle Purchase</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 3,671,421	\$ 865,403	\$ 5,675,787	\$ 449,529
Cash with fiscal agent . . . . .	-	-	-	-
Receivables:				
Accounts . . . . .	2,557,484	251,689	29,269	-
Interfund loans . . . . .	61,960	-	-	-
Accrued interest . . . . .	123,288	-	-	-
Municipal income taxes . . . . .	4,243,990	-	1,131,731	282,933
Property and other taxes . . . . .	2,770,069	-	-	-
Due from other funds . . . . .	1,207,936	-	-	-
Due from other governments . . . . .	3,355,822	3,679,202	-	-
Loans receivable . . . . .	1,890,341	662,219	-	-
Materials and supplies inventory . . . . .	341,471	-	-	-
<b>Total assets . . . . .</b>	<b><u>\$ 20,223,782</u></b>	<b><u>\$ 5,458,513</u></b>	<b><u>\$ 6,836,787</u></b>	<b><u>\$ 732,462</u></b>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 684,156	\$ 371,169	\$ 694,496	\$ 97,411
Retainage payable . . . . .	-	-	-	-
Accrued wages and benefits payable . . . . .	1,862,860	1,911	69,963	-
Interfund loans payable . . . . .	-	-	-	-
Due to other funds . . . . .	100,670	638,094	1,633	-
Due to other governments . . . . .	454,790	6,567	12,183	-
Note payable . . . . .	6,200,000	-	-	-
Accrued interest payable . . . . .	41,529	-	-	-
<b>Total liabilities . . . . .</b>	<b><u>9,344,005</u></b>	<b><u>1,017,741</u></b>	<b><u>778,275</u></b>	<b><u>97,411</u></b>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year . . . . .	2,000,509	-	-	-
Delinquent property tax revenue not available . . . . .	769,560	-	-	-
Accrued interest not available . . . . .	58,291	-	-	-
Other local taxes not available . . . . .	-	-	-	-
Miscellaneous revenue not available . . . . .	515,984	-	-	-
Income tax revenue not available . . . . .	1,035,576	-	276,154	69,039
Charges for services revenue not available . . . . .	1,923,697	226,611	-	-
Intergovernmental revenue not available . . . . .	1,723,588	3,043,554	-	-
<b>Total deferred inflows of resources . . . . .</b>	<b><u>8,027,205</u></b>	<b><u>3,270,165</u></b>	<b><u>276,154</u></b>	<b><u>69,039</u></b>
<b>Fund balances:</b>				
Nonspendable . . . . .	459,000	-	-	-
Restricted . . . . .	-	1,170,607	-	566,012
Committed . . . . .	1,166,310	-	5,782,358	-
Assigned . . . . .	1,227,262	-	-	-
Unassigned (deficit) . . . . .	-	-	-	-
<b>Total fund balances . . . . .</b>	<b><u>2,852,572</u></b>	<b><u>1,170,607</u></b>	<b><u>5,782,358</u></b>	<b><u>566,012</u></b>
<b>Total liabilities, deferred inflows of resources and fund balances . . . . .</b>	<b><u>\$ 20,223,782</u></b>	<b><u>\$ 5,458,513</u></b>	<b><u>\$ 6,836,787</u></b>	<b><u>\$ 732,462</u></b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Nonmajor Governmental Funds</b>		<b>Total Governmental Funds</b>	
\$	14,022,114	\$	24,684,254
	3,019		3,019
	114,293		2,952,735
	-		61,960
	118		123,406
	-		5,658,654
	4,249,301		7,019,370
	-		1,207,936
	4,736,551		11,771,575
	-		2,552,560
	38,603		380,074
<u>\$</u>	<u>23,163,999</u>	<u>\$</u>	<u>56,415,543</u>
\$	3,294,846	\$	5,142,078
	64,646		64,646
	286,013		2,220,747
	61,960		61,960
	571,920		1,312,317
	47,920		521,460
	-		6,200,000
	-		41,529
<u></u>	<u>4,327,305</u>	<u></u>	<u>15,564,737</u>
	3,317,665		5,318,174
	931,636		1,701,196
	-		58,291
	38,138		38,138
	12,481		528,465
	-		1,380,769
	6,121		2,156,429
	3,007,191		7,774,333
<u></u>	<u>7,313,232</u>	<u></u>	<u>18,955,795</u>
	38,603		497,603
	11,531,798		13,268,417
	1,702,739		8,651,407
	-		1,227,262
	(1,749,678)		(1,749,678)
<u></u>	<u>11,523,462</u>	<u></u>	<u>21,895,011</u>
<u>\$</u>	<u>23,163,999</u>	<u>\$</u>	<u>56,415,543</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2017

<b>Total governmental fund balances</b>		\$	21,895,011
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			137,711,668
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.			
Delinquent property taxes receivable	\$	1,701,196	
Income taxes receivable		1,380,769	
Accounts receivable		2,684,894	
Intergovernmental receivable		7,774,333	
Other local taxes receivable		38,138	
Accrued interest receivable		58,291	
Total		58,291	13,637,621
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund, including an internal balance of \$501,796, are included in governmental activities on the statement of net position.			(6,198,834)
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.			(43,412)
The net pension asset/liability is not due and receivable/payable in the current period; therefore, the asset, liability and related deferred inflows/outflows are not reported in the governmental funds:			
Deferred outflows of resources - pension		22,205,202	
Deferred inflows of resources - pension		(5,332,962)	
Net pension asset		109,370	
Net pension liability		(88,505,316)	
Total		(88,505,316)	(71,523,706)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			
General obligation bonds		(1,050,000)	
Loans payable		(3,625,608)	
Notes payable		(5,400,000)	
Capital lease obligations		(834,211)	
Total		(834,211)	(10,909,819)
<b>Net position of governmental activities</b>		\$	84,568,529

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**CITY OF CANTON  
STARK COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>General</b>	<b>Community and Economic Development</b>	<b>Capital Projects</b>	<b>Motor Vehicle Purchase</b>
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 1,991,336	\$ -	\$ -	\$ -
Municipal income taxes . . . . .	37,855,805	-	9,448,642	2,362,160
Charges for services . . . . .	10,222,948	-	-	-
Licenses, permits, and fees . . . . .	706,182	-	-	-
Fines and forfeitures . . . . .	375,890	-	-	-
Intergovernmental . . . . .	7,335,352	-	-	-
Interest and investment income . . . . .	622,946	14,449	-	-
Rental income . . . . .	8,160	-	-	-
Contributions and donations . . . . .	21,700	-	-	-
Operating grants . . . . .	1,272,751	4,042,109	-	-
Capital grants . . . . .	-	-	65,719	-
Payment in lieu of taxes . . . . .	-	-	-	-
Other local taxes . . . . .	-	-	-	-
Decrease in fair value of investments . . . . .	(143,719)	-	-	-
Other . . . . .	1,293,545	192,490	124,140	6,849
<b>Total revenues . . . . .</b>	<b>61,562,896</b>	<b>4,249,048</b>	<b>9,638,501</b>	<b>2,369,009</b>
<b>Expenditures:</b>				
Current:				
General government . . . . .	16,196,460	-	-	-
Security of persons and property . . . . .	33,512,225	-	121,264	230,000
Public health . . . . .	1,800,406	-	-	-
Transportation . . . . .	1,164,772	-	726,647	-
Community environment . . . . .	2,978,575	4,140,691	-	-
Leisure time activities . . . . .	337,913	-	-	-
Capital outlay . . . . .	-	-	6,373,062	2,441,156
Debt service:				
Principal retirement . . . . .	480,000	-	703,821	562,171
Interest and fiscal charges . . . . .	241,842	-	51,471	61,590
<b>Total expenditures . . . . .</b>	<b>56,712,193</b>	<b>4,140,691</b>	<b>7,976,265</b>	<b>3,294,917</b>
Excess (deficiency) of revenues over (under) expenditures . . . . .	4,850,703	108,357	1,662,236	(925,908)
<b>Other financing sources (uses):</b>				
Issuance of notes . . . . .	1,900,000	-	-	-
Issuance of loans . . . . .	-	-	1,987	-
Sale of capital assets . . . . .	32,810	977	2,255	34,126
Capital lease transaction . . . . .	-	-	-	1,165,115
Transfers in . . . . .	-	-	310,000	-
Transfers (out) . . . . .	(2,117,442)	-	-	-
<b>Total other financing sources (uses) . . . . .</b>	<b>(184,632)</b>	<b>977</b>	<b>314,242</b>	<b>1,199,241</b>
Net change in fund balances . . . . .	4,666,071	109,334	1,976,478	273,333
<b>Fund balances (deficit) at beginning of year . . . . .</b>	<b>(1,813,499)</b>	<b>1,061,273</b>	<b>3,805,880</b>	<b>292,679</b>
<b>Fund balances at end of year . . . . .</b>	<b>\$ 2,852,572</b>	<b>\$ 1,170,607</b>	<b>\$ 5,782,358</b>	<b>\$ 566,012</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 3,218,368	\$ 5,209,704
-	49,666,607
1,757,370	11,980,318
458,345	1,164,527
227,286	603,176
3,723,891	11,059,243
17,402	654,797
88,093	96,253
14,036	35,736
7,736,658	13,051,518
6,005,934	6,071,653
101,910	101,910
50,958	50,958
-	(143,719)
231,310	1,848,334
<u>23,631,561</u>	<u>101,451,015</u>
1,353,759	17,550,219
3,697,936	37,561,425
4,488,029	6,288,435
2,466,736	4,358,155
1,063,009	8,182,275
3,556,163	3,894,076
9,976,288	18,790,506
3,542,133	5,288,125
48,991	403,894
<u>30,193,044</u>	<u>102,317,110</u>
<u>(6,561,483)</u>	<u>(866,095)</u>
3,500,000	5,400,000
1,560,340	1,562,327
-	70,168
-	1,165,115
57,442	367,442
-	(2,117,442)
<u>5,117,782</u>	<u>6,447,610</u>
(1,443,701)	5,581,515
12,967,163	16,313,496
<u>\$ 11,523,462</u>	<u>\$ 21,895,011</u>

**CITY OF CANTON  
STARK COUNTY, 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, 2017

**Net change in fund balances - total governmental funds** \$ 5,581,515

*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 are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation expense in the current period.

Capital asset additions	\$ 18,540,754	
Current year depreciation	<u>(7,909,372)</u>	
Total		10,631,382

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position. (121,054)

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

Property and other taxes	(51,656)	
Municipal income taxes	348,458	
Intergovernmental revenue	1,026,243	
Operating grants	(778,873)	
Charges for services	282,327	
Other local taxes	38,138	
Interest	<u>11,313</u>	
Total		875,950

The issuance of loans and notes are reported as an other financing source in the governmental funds, however, in the statement of activities, they are not reported as revenues as they increase the liabilities on the statement of net position. (8,127,442)

Repayment of bond, loan, and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.

General obligation bond principal payments	1,015,000	
Loan principal payments	182,588	
Note principal payments	3,500,000	
Capital lease principal payments	<u>590,537</u>	
Total		5,288,125

In the statement of activities, interest is accrued on outstanding bonds and loans, whereas in governmental funds, an interest expenditure is reported when due. (8,575)

Contractually required contributions are reported as expenditures in the governmental funds; however, the statement of net position reports these amounts as deferred outflows of resources. 6,750,827

Except for amounts reported as deferred inflows/outflows, changes in the net pension asset/liability are reported as pension expense in the statement of activities. (12,697,881)

Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The net revenue (expense) of the internal service funds, including an internal balance activity of \$104,791, is reported with the governmental activities on the government-wide statement of net position. 2,094,208

**Change in net position of governmental activities** \$ 10,267,055

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 1,890,000	\$ 1,980,205	\$ 1,991,336	\$ 11,131
Municipal income taxes . . . . .	31,895,500	33,847,275	35,407,441	1,560,166
Charges for services . . . . .	7,987,301	8,025,246	8,468,802	443,556
Licenses, permits, and fees . . . . .	799,850	799,850	713,386	(86,464)
Fines and forfeitures. . . . .	422,000	422,000	372,813	(49,187)
Intergovernmental . . . . .	6,650,200	7,167,413	7,293,130	125,717
Interest and investment income . . . . .	260,000	260,000	542,763	282,763
Rental income . . . . .	7,000	7,000	8,160	1,160
Operating grants . . . . .	903,000	1,104,368	1,423,731	319,363
Contributions and donations. . . . .	-	-	21,700	21,700
Other. . . . .	2,856,000	3,218,533	3,107,758	(110,775)
<b>Total revenues . . . . .</b>	<u>53,670,851</u>	<u>56,831,890</u>	<u>59,351,020</u>	<u>2,519,130</u>
<b>Expenditures:</b>				
Current:				
General government:				
Service director support administration . . . . .	504,484	524,520	470,886	53,634
Service director . . . . .	63,778	70,778	66,694	4,084
Purchase administration . . . . .	432,836	429,704	415,985	13,719
Annexation. . . . .	13,334	14,615	8,563	6,052
Building and maintenance . . . . .	1,196,753	1,230,118	1,135,054	95,064
Mayor administration . . . . .	475,173	506,191	476,918	29,273
Human resources. . . . .	122,337	134,113	117,253	16,860
Council. . . . .	685,697	687,287	675,058	12,229
Judges . . . . .	2,112,215	2,126,461	2,047,540	78,921
Clerk of Courts. . . . .	1,539,717	1,535,218	1,538,958	(3,740)
Law department . . . . .	1,452,085	1,541,127	1,497,993	43,134
Auditor's office. . . . .	2,046,105	2,209,578	2,097,494	112,084
Treasurer's office. . . . .	469,773	585,692	575,045	10,647
Civil service . . . . .	290,952	320,541	318,733	1,808
Zoning board. . . . .	8,574	8,574	7,954	620
Management information systems . . . . .	1,136,788	1,146,911	1,124,348	22,563
<b>Total general government . . . . .</b>	<u>12,550,601</u>	<u>13,071,428</u>	<u>12,574,476</u>	<u>496,952</u>
Security of persons and property:				
Safety director . . . . .	169,897	145,769	144,334	1,435
Safety director school police administration . . . . .	126,307	111,307	105,126	6,181
Central communication. . . . .	1,773,895	1,702,090	1,622,632	79,458
Police. . . . .	16,610,581	17,425,425	17,037,775	387,650
Fire . . . . .	14,263,235	14,732,522	14,688,044	44,478
Traffic administration. . . . .	728,921	691,660	676,139	15,521
Traffic engineer/parking meters. . . . .	204,519	204,482	150,337	54,145
<b>Total security of persons and property . . . . .</b>	<u>33,877,355</u>	<u>35,013,255</u>	<u>34,424,387</u>	<u>588,868</u>

(Continued)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Public health:				
Administration . . . . .	799,216	802,104	747,952	54,152
Nurses . . . . .	566,049	568,260	525,223	43,037
Lab. . . . .	286,196	292,336	279,663	12,673
Environmental health administration . . . . .	289,774	291,031	285,799	5,232
Total public health . . . . .	<u>1,941,235</u>	<u>1,953,731</u>	<u>1,838,637</u>	<u>115,094</u>
Transportation:				
Engineering - daily operations. . . . .	61,840	61,844	49,204	12,640
Street department . . . . .	1,260,738	1,269,372	1,213,447	55,925
Total transportation . . . . .	<u>1,322,578</u>	<u>1,331,216</u>	<u>1,262,651</u>	<u>68,565</u>
Community environment:				
Community development administration. . . . .	3,692,523	3,805,218	3,582,241	222,977
Community Improvement Corporation. . . . .	50,000	60,268	60,260	8
Land reutilization. . . . .	39,618	24,618	-	24,618
Historic Onesto Project . . . . .	4,500	4,500	-	4,500
Total community environment . . . . .	<u>3,786,641</u>	<u>3,894,604</u>	<u>3,642,501</u>	<u>252,103</u>
Leisure time activities:				
Civic Center administration . . . . .	515,410	530,630	431,379	99,251
Total leisure time activities. . . . .	<u>515,410</u>	<u>530,630</u>	<u>431,379</u>	<u>99,251</u>
Debt service:				
Principal retirement . . . . .	17,980,000	19,995,000	19,995,000	-
Interest and fiscal charges . . . . .	378,172	365,022	211,114	153,908
Total debt service. . . . .	<u>18,358,172</u>	<u>20,360,022</u>	<u>20,206,114</u>	<u>153,908</u>
Total expenditures . . . . .	<u>72,351,992</u>	<u>76,154,886</u>	<u>74,380,145</u>	<u>1,774,741</u>
Excess of revenues over (under) expenditures . . . . .	<u>(18,681,141)</u>	<u>(19,322,996)</u>	<u>(15,029,125)</u>	<u>4,293,871</u>
<b>Other financing sources (uses):</b>				
Issuance of notes. . . . .	10,200,000	14,300,000	14,100,000	(200,000)
Issuance of manuscript debt. . . . .	3,518,600	3,518,600	2,300,000	(1,218,600)
Transfers in . . . . .	27,600	96,160	114,148	17,988
Transfers (out). . . . .	(297,360)	(2,392,891)	(2,392,790)	101
Advances in . . . . .	-	704,984	142,480	(562,504)
Advances (out). . . . .	(714,335)	(1,034,085)	(847,099)	186,986
Sale of assets . . . . .	-	-	32,810	32,810
Total other financing sources (uses). . . . .	<u>12,734,505</u>	<u>15,192,768</u>	<u>13,449,549</u>	<u>(1,743,219)</u>
Net change in fund balance. . . . .	(5,946,636)	(4,130,228)	(1,579,576)	2,550,652
<b>Fund balance at beginning of year . . . . .</b>	5,172,767	5,172,767	5,172,767	-
<b>Prior year encumbrances appropriated . . . . .</b>	615,303	615,303	615,303	-
<b>Fund balance (deficit) at end of year . . . . .</b>	<u>\$ (158,566)</u>	<u>\$ 1,657,842</u>	<u>\$ 4,208,494</u>	<u>\$ 2,550,652</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COMMUNITY AND ECONOMIC DEVELOPMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Operating grants . . . . .	\$ 2,902,000	\$ 8,746,348	\$ 3,804,085	\$ (4,942,263)
Other . . . . .	-	-	289,298	289,298
<b>Total revenues . . . . .</b>	<u>2,902,000</u>	<u>8,746,348</u>	<u>4,093,383</u>	<u>(4,652,965)</u>
<b>Expenditures:</b>				
Current:				
Community environment:				
Community development administration . . . . .	4,496,278	8,025,331	6,245,024	1,780,307
Federal stimulus funding . . . . .	27,000	27,680	18,773	8,907
Community development demolition . . . . .	473,000	521,408	349,825	171,583
Fair housing administration. . . . .	146,852	236,852	101,828	135,024
<b>Total expenditures . . . . .</b>	<u>5,143,130</u>	<u>8,811,271</u>	<u>6,715,450</u>	<u>2,095,821</u>
Excess of revenues over (under) expenditures . . . . .	<u>(2,241,130)</u>	<u>(64,923)</u>	<u>(2,622,067)</u>	<u>(2,557,144)</u>
<b>Other financing sources:</b>				
Advances in . . . . .	-	607,000	607,000	-
Sale of assets . . . . .	-	-	977	977
<b>Total other financing sources. . . . .</b>	<u>-</u>	<u>607,000</u>	<u>607,977</u>	<u>977</u>
Net change in fund balance . . . . .	(2,241,130)	542,077	(2,014,090)	(2,556,167)
<b>Fund balance (deficit) at beginning of year. . . . .</b>	(1,272,940)	(1,272,940)	(1,272,940)	-
<b>Prior year encumbrances appropriated . . . . .</b>	1,567,613	1,567,613	1,567,613	-
<b>Fund balance (deficit) at end of year . . . . .</b>	<u>\$ (1,946,457)</u>	<u>\$ 836,750</u>	<u>\$ (1,719,417)</u>	<u>\$ (2,556,167)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF CANTON  
STARK COUNTY, OHIO**

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2017

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water Operating Fund</b>	<b>Sewer Operating Fund</b>	<b>Refuse Operating Fund</b>	<b>Nonmajor Enterprise Funds</b>
<b>Assets:</b>				
Current assets:				
Equity in pooled cash and cash equivalents . . . . .	\$ 13,564,996	\$ 21,440,102	\$ 938,205	\$ 1,148,647
Cash in segregated accounts . . . . .	-	803,214	-	-
Receivables:				
Accounts . . . . .	3,020,902	2,773,896	1,763,979	80
Due from other funds . . . . .	-	-	-	-
Due from other governments . . . . .	318,647	11,271,312	30,243	-
Materials and supplies inventory . . . . .	1,190,222	691,655	-	-
Total current assets . . . . .	<u>18,094,767</u>	<u>36,980,179</u>	<u>2,732,427</u>	<u>1,148,727</u>
Non-current assets:				
Net pension asset . . . . .	27,292	21,184	14,086	4,933
Capital assets:				
Land and construction in progress . . . . .	7,832,690	76,985,352	149,450	-
Depreciable capital assets, net . . . . .	66,858,129	37,740,572	1,507,067	494,598
Total capital assets, net . . . . .	<u>74,690,819</u>	<u>114,725,924</u>	<u>1,656,517</u>	<u>494,598</u>
Total noncurrent assets . . . . .	<u>74,718,111</u>	<u>114,747,108</u>	<u>1,670,603</u>	<u>499,531</u>
Total assets . . . . .	<u>92,812,878</u>	<u>151,727,287</u>	<u>4,403,030</u>	<u>1,648,258</u>
<b>Deferred outflows of resources:</b>				
Pension . . . . .	3,075,811	2,387,487	1,587,478	651,029
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable . . . . .	488,806	660,301	215,101	11,711
Contracts payable . . . . .	803,417	9,698,632	-	-
Retainage payable . . . . .	5,487	808,331	-	-
Accrued wages and benefits payable . . . . .	282,102	207,098	132,595	54,351
Due to other funds . . . . .	6,627	1,934	2,927	-
Due to other governments . . . . .	59,582	32,877	20,534	8,397
OWDA loans payable . . . . .	1,706,606	6,524,690	-	-
OPWC loans payable . . . . .	186,087	8,461	-	-
Compensated absences payable - current . . . . .	-	-	-	-
Claim payable . . . . .	-	-	-	-
Total current liabilities . . . . .	<u>3,538,714</u>	<u>17,942,324</u>	<u>371,157</u>	<u>74,459</u>
Non-current liabilities:				
OWDA loans payable . . . . .	25,189,545	65,238,116	-	-
OPWC loans payable . . . . .	2,071,985	43,046	-	-
Compensated absences payable . . . . .	-	-	-	-
Claims payable . . . . .	-	-	-	-
Net Pension Liability . . . . .	7,865,942	6,105,650	4,059,736	1,421,867
Total non-current liabilities . . . . .	<u>35,127,472</u>	<u>71,386,812</u>	<u>4,059,736</u>	<u>1,421,867</u>
Total liabilities . . . . .	<u>38,666,186</u>	<u>89,329,136</u>	<u>4,430,893</u>	<u>1,496,326</u>
<b>Deferred inflows of resources:</b>				
Pension . . . . .	219,074	221,662	246,314	10,986
<b>Net position:</b>				
Net investment in capital assets . . . . .	44,727,692	33,212,979	1,656,517	494,598
Unrestricted (deficit) . . . . .	12,275,737	31,350,997	(343,216)	297,377
Total net position (deficit) . . . . .	<u>\$ 57,003,429</u>	<u>\$ 64,563,976</u>	<u>\$ 1,313,301</u>	<u>\$ 791,975</u>

Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds.

Net position of business-type activities

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 37,091,950	\$ 4,547,688
803,214	-
7,558,857	145,083
-	115,869
11,620,202	1,180
1,881,877	-
<u>58,956,100</u>	<u>4,809,820</u>
67,495	-
84,967,492	-
<u>106,600,366</u>	<u>-</u>
<u>191,567,858</u>	<u>-</u>
<u>191,635,353</u>	<u>-</u>
<u>250,591,453</u>	<u>4,809,820</u>
<u>7,701,805</u>	<u>-</u>
1,375,919	784,981
10,502,049	-
813,818	-
676,146	274,393
11,488	-
121,390	42,393
8,231,296	-
194,548	-
-	1,688,039
-	788,434
<u>21,926,654</u>	<u>3,578,240</u>
90,427,661	-
2,115,031	-
-	6,781,356
-	1,150,854
<u>19,453,195</u>	<u>-</u>
<u>111,995,887</u>	<u>7,932,210</u>
<u>133,922,541</u>	<u>11,510,450</u>
<u>698,036</u>	<u>-</u>
80,091,786	-
<u>43,580,895</u>	<u>(6,700,630)</u>
123,672,681	\$ (6,700,630)
(501,796)	
<u>\$ 123,170,885</u>	

**CITY OF CANTON  
STARK COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water Operating Fund</b>	<b>Sewer Operating Fund</b>	<b>Refuse Operating Fund</b>	<b>Nonmajor Enterprise Funds</b>
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 18,433,096	\$ 15,795,833	\$ 5,787,333	\$ 1,893,728
Rental income . . . . .	27,483	8,369	-	-
Other operating revenues . . . . .	55,843	3,568,101	4,048	7,399
<b>Total operating revenues.</b> . . . . .	<b>18,516,422</b>	<b>19,372,303</b>	<b>5,791,381</b>	<b>1,901,127</b>
<b>Operating expenses:</b>				
Personal services . . . . .	7,919,103	6,314,234	4,315,111	1,575,827
Contract services. . . . .	3,738,651	5,084,538	1,886,787	250,141
Materials and supplies. . . . .	2,167,989	1,392,648	254,067	44,722
Benefit claim expenses . . . . .	-	-	-	-
Insurance claims and expenses . . . . .	45,727	4,083	1,400	2,298
Depreciation. . . . .	3,101,305	1,875,489	266,055	32,208
Other . . . . .	23,948	184,304	14,148	6,840
<b>Total operating expenses.</b> . . . . .	<b>16,996,723</b>	<b>14,855,296</b>	<b>6,737,568</b>	<b>1,912,036</b>
<b>Operating income (loss)</b> . . . . .	<b>1,519,699</b>	<b>4,517,007</b>	<b>(946,187)</b>	<b>(10,909)</b>
<b>Nonoperating revenues (expenses):</b>				
Interest and fiscal charges . . . . .	(810,532)	(2,603,864)	-	-
Gain (loss) on sale of capital assets . . . . .	8,108	7,245	-	-
Operating grants . . . . .	-	-	78,591	-
<b>Total nonoperating revenues (expenses).</b> . . . . .	<b>(802,424)</b>	<b>(2,596,619)</b>	<b>78,591</b>	<b>-</b>
<b>Income (loss) before contributions and transfers</b> . . . . .	<b>717,275</b>	<b>1,920,388</b>	<b>(867,596)</b>	<b>(10,909)</b>
Transfer in . . . . .	-	-	-	-
Capital contributions. . . . .	1,251,223	1,310,873	-	-
<b>Change in net position</b> . . . . .	<b>1,968,498</b>	<b>3,231,261</b>	<b>(867,596)</b>	<b>(10,909)</b>
<b>Net position (deficit) at beginning of year</b> . . . . .	<b>55,034,931</b>	<b>61,332,715</b>	<b>2,180,897</b>	<b>802,884</b>
<b>Net position (deficit) at end of year</b> . . . . .	<b>\$ 57,003,429</b>	<b>\$ 64,563,976</b>	<b>\$ 1,313,301</b>	<b>\$ 791,975</b>

Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds.

Change in net position of business-type activities.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 41,909,990	\$ 15,283,411
35,852	-
<u>3,635,391</u>	<u>3,073,293</u>
<u>45,581,233</u>	<u>18,356,704</u>
20,124,275	176,305
10,960,117	1,091,550
3,859,426	-
-	4,664,899
53,508	11,973,691
5,275,057	-
<u>229,240</u>	<u>1,260</u>
<u>40,501,623</u>	<u>17,907,705</u>
<u>5,079,610</u>	<u>448,999</u>
(3,414,396)	-
15,353	-
<u>78,591</u>	<u>-</u>
<u>(3,320,452)</u>	<u>-</u>
1,759,158	448,999
-	1,750,000
<u>2,562,096</u>	<u>-</u>
4,321,254	2,198,999
	<u>(8,899,629)</u>
	<u>\$ (6,700,630)</u>
<u>104,791</u>	
<u>\$ 4,426,045</u>	

**CITY OF CANTON  
STARK COUNTY, OHIO**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water Operating Fund</b>	<b>Sewer Operating Fund</b>	<b>Refuse Operating Fund</b>	<b>Nonmajor Enterprise Funds</b>
<b>Cash flows from operating activities:</b>				
Cash received from charges for services . . . . .	\$ 18,633,193	\$ 15,623,031	\$ 5,981,117	\$ 1,893,848
Cash received from rents . . . . .	27,483	8,369	-	-
Cash received from other operations . . . . .	56,259	3,551,705	4,048	7,399
Cash payments for personal services . . . . .	(7,072,684)	(5,567,273)	(3,871,602)	(1,353,394)
Cash payments for contractual services . . . . .	(3,443,782)	(4,917,515)	(1,816,755)	(249,044)
Cash payments for materials and supplies . . . . .	(2,193,673)	(791,082)	(242,429)	(39,277)
Cash payments for claims . . . . .	(45,727)	(4,083)	(1,400)	(2,298)
Cash payments for insurance claims . . . . .	-	-	-	-
Cash payments for benefits claims . . . . .	-	-	-	-
Cash payments for other expenses . . . . .	(39,841)	(169,736)	(13,587)	(6,741)
Net cash provided by operating activities . . . . .	<u>5,921,228</u>	<u>7,733,416</u>	<u>39,392</u>	<u>250,493</u>
<b>Cash flows from noncapital financing activities:</b>				
Cash received from operating grants . . . . .	-	-	56,137	-
Cash received from transfers in . . . . .	-	-	-	-
Net cash provided by noncapital financing activities . . . . .	<u>-</u>	<u>-</u>	<u>56,137</u>	<u>-</u>
<b>Cash flows from capital and related financing activities:</b>				
Acquisition of capital assets . . . . .	(3,010,028)	(15,125,774)	(35,824)	(44,641)
Capital contributions . . . . .	971,440	-	-	-
Proceeds from sale of capital assets . . . . .	8,108	7,245	-	-
Proceeds of loans . . . . .	316,383	13,873,966	-	-
Principal paid on OPWC loans . . . . .	(175,337)	(8,461)	-	-
Principal paid on OWDA loans . . . . .	(1,652,817)	(3,953,490)	-	-
Interest paid on OWDA loans . . . . .	(810,532)	(2,603,864)	-	-
Net cash used in capital and related financing activities . . . . .	<u>(4,352,783)</u>	<u>(7,810,378)</u>	<u>(35,824)</u>	<u>(44,641)</u>
Net increase (decrease) in cash and cash equivalents . . . . .	1,568,445	(76,962)	59,705	205,852
<b>Cash and cash equivalents at beginning of year . . . . .</b>	<b>11,996,551</b>	<b>21,517,064</b>	<b>878,500</b>	<b>942,795</b>
<b>Cash and cash equivalents at end of year . . . . .</b>	<b><u>\$ 13,564,996</u></b>	<b><u>\$ 21,440,102</u></b>	<b><u>\$ 938,205</u></b>	<b><u>\$ 1,148,647</u></b>

<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 42,131,189	\$ 15,283,411
35,852	
3,619,411	2,965,563
(17,864,953)	(169,541)
(10,427,096)	(1,034,945)
(3,266,461)	-
(53,508)	-
-	(12,400,323)
-	(3,845,918)
(229,905)	(1,260)
<u>13,944,529</u>	<u>796,987</u>
56,137	-
-	<u>1,750,000</u>
<u>56,137</u>	<u>1,750,000</u>
(18,216,267)	-
971,440	-
15,353	-
14,190,349	-
(183,798)	-
(5,606,307)	-
(3,414,396)	-
<u>(12,243,626)</u>	<u>-</u>
1,757,040	2,546,987
35,334,910	2,000,701
<u>\$ 37,091,950</u>	<u>\$ 4,547,688</u>

-- Continued

**CITY OF CANTON  
STARK COUNTY, OHIO**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water Operating Fund</b>	<b>Sewer Operating Fund</b>	<b>Refuse Operating Fund</b>	<b>Nonmajor Enterprise Funds</b>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>				
Operating income (loss) . . . . .	\$ 1,519,699	\$ 4,517,007	\$ (946,187)	\$ (10,909)
Adjustments:				
Depreciation. . . . .	3,101,305	1,875,489	266,055	32,208
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable. . . . .	200,513	126,109	193,784	120
Decrease in materials and supplies inventory . . . . .	29,339	564,210	-	-
Decrease in due from other funds . . . . .	-	-	-	-
(Increase) in due from other governments . . . . .	-	(315,307)	-	-
Increase in accounts payable . . . . .	82,635	218,387	79,931	3,548
Increase (decrease) in accrued wages and benefits . . . . .	2,097	(3,649)	(20,870)	9,518
(Decrease) in due to other funds . . . . .	(6,708)	(2,198)	(3,022)	(978)
Increase (decrease) in due to other governments . . . . .	326	(1,368)	(3,200)	1,470
(Increase) in net pension asset . . . . .	(2,867)	(1,816)	(425)	(1,496)
(Increase) in deferred outflows of resources - pension . . . . .	(633,260)	(450,590)	(221,336)	(307,362)
Increase (decrease) in				
deferred inflows of resources - pension . . . . .	85,651	115,860	171,689	(7,786)
Increase in net pension liability . . . . .	1,542,498	1,091,282	522,973	532,160
Increase in compensated absences payable. . . . .	-	-	-	-
(Decrease) in claims payable . . . . .	-	-	-	-
Net cash provided by operating activities . . . . .	<u>\$ 5,921,228</u>	<u>\$ 7,733,416</u>	<u>\$ 39,392</u>	<u>\$ 250,493</u>

**Non-Cash Transactions:**

As of December 31, 2017, the water operating fund and sewer operating fund had purchased \$808,904 and \$9,703,749, in capital assets on account, respectively.

As of December 31, 2016, the water operating fund and sewer operating fund had purchased \$138,953 and \$3,958,583, in capital assets on account, respectively.

During 2017, the City reported a \$9,648,354 receivable for OWDA loan proceeds disbursed by OWDA but not received by the City by year-end.

During 2017, the City reported a \$31,435 receivable for OPWC loan proceeds disbursed by OPWC but not received by the City by year-end.

During 2016, the City reported a \$3,893,779 receivable for OWDA loan proceeds disbursed by OWDA but not received by the City by year-end.

During 2016, the City reported a \$103,910 receivable for OPWC loan proceeds disbursed by OPWC but not received by the City by year-end.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 5,079,610	\$ 448,999
5,275,057	-
520,526	(106,550)
593,549	-
-	38,947
(315,307)	(1,180)
384,501	65,811
(12,904)	144,259
(12,906)	-
(2,772)	22,290
(6,604)	-
(1,612,548)	-
365,414	-
3,688,913	-
-	611,043
-	(426,632)
<u>\$ 13,944,529</u>	<u>\$ 796,987</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
DECEMBER 31, 2017

	<b>Private-Purpose Trust</b>	
	<b>Hartford Houtz</b>	<b>Agency</b>
<b>Assets:</b>		
Equity in pooled cash and cash equivalents . . . . .	\$ -	\$ 3,123,889
Cash and cash equivalents in segregated accounts . . . . .	34,391	56,359
Investments in segregated accounts . . . . .	119,731	-
Receivables:		
Accounts . . . . .	-	6,447
Total assets . . . . .	154,122	\$ 3,186,695
<b>Liabilities:</b>		
Due to other governments . . . . .	-	\$ 320,691
Undistributed assets . . . . .	-	56,359
Deposits held and due to others . . . . .	-	2,809,645
Total liabilities . . . . .	-	\$ 3,186,695
<b>Net position:</b>		
Held in trust for individuals . . . . .	154,122	
Total net position . . . . .	\$ 154,122	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF CANTON  
STARK COUNTY, OHIO**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Private-Purpose Trust</b>
	<b>Hartford Houtz</b>
<b>Additions:</b>	
Investment income . . . . .	\$ 537
Change in net position . . . . .	537
<b>Net position at beginning of year . . . . .</b>	<b>153,585</b>
<b>Net position at end of year . . . . .</b>	<b>\$ 154,122</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 1 - DESCRIPTION OF THE CITY AND REPORTING ENTITY**

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

**Reporting Entity**

The City’s reporting entity has been defined in accordance with GASB Statement No. 14, “The Financial Reporting Entity” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units” and GASB Statement No. 61, “The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34”. The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that financial statements are not misleading. A primary government consists of all funds, departments, boards and agencies that are not legally separate from the City. The primary government of the City includes City departments and agencies that provide the following services: police protection, fire fighting and prevention, street maintenance and repairs, building inspection, parks and recreation, water, sewer and sanitation.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization’s Governing Board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization’s resources; or (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government’s financial statements incomplete or misleading. Based upon the application of these criteria, the City has one component unit, the Canton Community Improvement Corporation (CCIC). The City has the voting majority on the CCIC’s Board with no other subdivisions having any representation, and the CCIC is completely dependent on the City for financial support. The City reports the financial status of the CCIC as a discretely presented component unit in its basic financial statements. A complete copy of the CCIC financial statements can be obtained by contacting the City’s Community and Economic Development Department. See Note 18 for detail.

The City is associated with the Stark Area Regional Transit Authority, the Stark Council of Governments and the Stark County Regional Planning Commission as jointly governed organizations; Canton Tomorrow Inc., and the Downtown Canton Special Improvement District as joint ventures; and the Joint Recreation District as a related organization. See Notes 15, 16 and 17 for detail.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

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

The most significant of the City's accounting policies are described below.

**A. Basis of Presentation**

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

*Government-wide Financial Statements*

The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

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

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

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

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

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

**B. Fund Accounting**

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

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

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

Community and economic development fund - To account for HUD community and economic development block grant money used for the acquisition of real property, administrative costs, public facilities, and the rehabilitation of real property.

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

Motor vehicle purchase fund - To account for the purchase and maintenance of the City's vehicles and expenditures of 5 percent of the net income tax receipts.

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

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

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

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

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

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

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

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

The City's nonmajor enterprise fund is used to account for the provision of building code services.

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

*Fiduciary Funds* - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City's only trust fund is a private-purpose trust fund established to account for monies donated to assist the poor of the City. The agency funds account for building permit fees collected on behalf of the State, municipal court collections that are distributed to various local governments, and the collection of payroll and employee deductions to be distributed to other governmental agencies. The City's agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**C. Measurement Focus**

*Government-wide Financial Statements* - The government-wide financial statements are prepared using the economic resources measurement focus. All non-fiduciary assets and deferred outflows of resources and liabilities and deferred inflows of resources associated with the operation of the City are included on the statement of net position.

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

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

The private-purpose trust fund is reported using the economic resources measurement focus. Agency funds do not report a measurement focus as they do not report operations.

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

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

**D. Basis of Accounting**

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

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

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied (see Note 5.A). Revenue from income taxes is recognized in the period in which the income is earned (see Note 5.B). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, delinquent property tax, state-levied locally shared taxes (including gasoline tax), fines and forfeitures, interest, and fees.

**Deferred Outflows of Resources and Deferred Inflows of Resources** - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, See Note 13 for deferred outflows of resources related the City's net pension liability.

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

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

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2017, but which were levied to finance 2018 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes, but is not limited to, income taxes, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

For the City, See Note 13 for deferred inflows of resources related to the City's net pension liability. This deferred inflow of resources is only reported on the government-wide statement of net position.

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

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

**E. Appropriations**

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation ordinance must be passed by April 1 of each year, for the period January 1 to December 31. The legal level of budgetary control, established by the appropriation ordinance, fixes spending authority at the account level split between salary and non-salary line items within each department within each fund. Any budgetary modifications at this level or above may only be made by resolution of the City Council. The appropriation ordinance may be amended during the year by action of Council, as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified.

**F. Lapsing of Appropriations**

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

**G. Cash and Cash Equivalents**

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

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

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

The City utilizes financial institutions to service bonded debt as principal and interest come due. At year end, the balances in these accounts are presented as “cash with fiscal agent” on the City’s financial statements.

The City has segregated bank and investment accounts for monies held separate from the City’s central bank account related to the private-purpose trust fund and the municipal court agency fund. These monies are presented in the statement of fiduciary net position as “cash and cash equivalents in segregated accounts” and “investments in segregated accounts” since they are not required to be deposited into the City treasury.

During 2017, investments were limited to Federal National Mortgage Association (FNMA) securities, Federal Farm Credit Bank (FFCB) securities, Federal Home Loan Mortgage Corporation (FHLMC) securities, Federal Home Loan Bank (FHLB) securities, Commercial Paper, U.S. Treasury Notes, Repurchase Agreement and U.S. Government Money Market Mutual Funds. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts, such as repurchase agreements, are reported at cost.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2017 amounted to \$622,946, which includes \$549,522, assigned from other City funds.

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

**H. Inventory**

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

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

**I. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2017, 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. The City has no prepaid items.

**J. Capital Assets**

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

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The City maintains a capitalization threshold of five thousand dollars. The City’s infrastructure consists of bridges, culverts, storm sewers, streets, streetlights, traffic signals, water lines and sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not. Interest incurred during the construction of enterprise capital assets is also capitalized.

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

	Governmental Activities	Business-Type Activities
Description	Estimated Lives	Estimated Lives
Buildings and structures	10 to 45 years	10 to 45 years
Vehicles and equipment	10 to 15 years	10 to 15 years
Infrastructure	10 to 50 years	10 to 50 years

**K. Interfund Balances**

On fund financial statements, interfund loans are classified as “due to/from other funds” on the balance sheet. These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**L. Compensated Absences**

The City reports compensated absences in accordance with the provisions of GASB Statement No. 16, “Accounting for Compensated Absences.” Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all eligible employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for unused earned sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the City’s past experience of making termination payments.

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



**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

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

**M. Accrued Liabilities and Long-Term Obligations**

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

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

**N. Fund Balance**

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

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

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

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

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

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

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

*Assigned* Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of City Council, which includes giving the City Auditor the authority to constrain monies for intended purposes. When unassigned fund balance is a deficit in the general fund, assigned fund balance may not be presented in the general fund.

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

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

**O. Net Position**

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. Net position 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. The City applies restricted resources first when an expense is incurred for the purposes for which both restricted and unrestricted net position is available.

**P. Operating Revenues and Expenses**

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

**Q. Contributions of Capital**

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

During 2017, the City recognized capital contributions of \$1,251,223 in the water operating fund related to capital grants funding and \$1,310,873 in the sewer fund related the phosphorus/total nitrogen removal project and the MBR equipment project.

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

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

**R. 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 non-operating revenues/expenses in business-type activities. Interfund transfers are eliminated when reported in the entity wide financial statements for both the governmental and business-type activities. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund, and as a reduction of expenditures/expenses in the fund that is reimbursed.

**S. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2017.

**T. Estimates**

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

**U. 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.

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**A. Change in Accounting Principles**

For 2017, the City has implemented GASB Statement No. 80, “*Blending Requirements for Certain Component Units - An Amendment of GASB Statement No. 14*”, GASB Statement No. 81 “*Irrevocable Split-Interest Agreements*”, and GASB Statement No. 82, “*Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No. 73*”.

GASB Statement No. 80 amends the blending requirements for the financial statement presentation of component units. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The implementation of GASB Statement No. 80 did not have an effect on the financial statements of the City.

GASB Statement No. 81 improves the accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The implementation of GASB Statement No. 81 did not have an effect on the financial statements of the City.

GASB Statement No. 82 addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The implementation of GASB Statement No. 82 did not have an effect on the financial statements of the City.

**B. Deficit Fund Balances**

Fund balances at December 31, 2017 included the following individual fund deficits:

	<u>Deficit</u>
<u>Nonmajor Governmental Funds</u>	
Jobs Ohio	\$ 5,735
12th St. N. Corridor project	36,862
Mahoning Rd. Corridor project	272,787
12th Street NW Bridge Replacement	1,429,135
Tusc. St W Corridor Safety project	5,159

The general fund is liable for any deficit in this fund and provides transfers when cash is required, not when accruals occur. The deficit fund balances in the nonmajor funds resulted from adjustments for accrued liabilities.

**NOTE 4 - DEPOSITS AND INVESTMENTS**

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

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

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

Inactive deposits are public deposits that Council has identified as not required for use within the current 5-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

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

Interim monies may be invested in the following securities:

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

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

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

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

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

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

*Cash on Hand:* At year end, the City had \$1,000 in undeposited cash on hand which is included on the financial statements as part of "equity in pooled cash and cash equivalents."

*Cash with Fiscal Agent and in segregated accounts:* At year end, the City had \$3,019 on deposit with financial institutions to service bonded debt as principal and interest come due. This account is maintained separate from the City's internal investment pool. The balance in this account is included in "deposits with financial institutions" below. At year-end, the City had \$803,214 on deposit with financial institutions to account for retainage payments. This account is maintained separate from the City's internal investment pool. The balance in this account is included in "deposits with financial institutions" below.

*Cash and Cash Equivalents in Segregated Accounts:* At year end, the City had \$56,359 deposited with a financial institution for monies related to the municipal court agency fund. In addition, the City had \$1,680 deposited with a financial institution related to the private-purpose trust fund and \$32,711 of nonnegotiable certificates of deposit held in trust by financial institutions for the private-purpose trust fund. These accounts are maintained separate from the City's internal investment pool. The balances in these accounts are included in "deposits with financial institutions" below.

*Investments in Segregated Accounts:* At year end, the City had \$119,731 in municipal bond mutual funds held in trust for the private-purpose trust fund. The mutual funds are maintained separate from the City's internal investment pool. The balances of the mutual funds are included in "investments" below.

**A. Deposits with Financial Institutions**

At December 31, 2017, the carrying amount of all City deposits was \$39,432,389 and the bank balance of all City deposits was \$40,000,840. Of the bank balance, \$39,157,071 was exposed to custodial risk as discussed below because those deposits were uninsured and uncollateralized and \$843,769 was covered by the FDIC.

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2017, the City's financial institutions were approved for a reduced collateral rate of 102 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**B. Investments**

As of December 31, 2017, the City had the following investments and maturity:

Measurement/ Investment type	Measurement Value	Investment Maturity			
		1 Year or Less	1 to 2 Years	2 to 3 Years	Greater Than 3 Years
Fair Value:					
FFCB	6,465,332	1,580,966	1,124,626	1,037,363	2,722,377
FHLB	7,127,913	2,988,860	1,064,600	1,349,313	1,725,140
FHLMC	5,935,205	999,917	1,012,793	1,478,679	2,443,816
FNMA	7,854,598	939,063	2,956,224	1,992,757	1,966,554
Commercial paper	518,677	518,677	-	-	-
U.S. Treasury Notes	2,977,120	-	-	2,487,941	489,179
U.S. Government Money Market Mutual Funds	152,261	152,261	-	-	-
<b>Total</b>	<b>\$ 31,031,106</b>	<b>\$ 7,179,744</b>	<b>\$ 6,158,243</b>	<b>\$ 8,346,053</b>	<b>\$ 9,347,066</b>

The weighted average of maturity of investments is 2.23 years.

*Fair Value Measurements:* The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City's investments in U.S. government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs). The City's investments in federal agency securities (FFCB, FHLB, FHLMC, FNMA), commercial paper, and U.S. Treasury notes are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

*Credit Risk:* The City's investments in federal agency securities, U.S. Treasury notes and the federal agency securities that underlie repurchase agreement were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The City's investment in commercial paper was rated A-1+ and P-1 by Standard & Poor's and Moody's Investor Services, respectively. The municipal bond mutual funds were rated AAAM by Standard & Poor's. The City has no policy further restricting credit risk beyond the statutory guidelines, which limit investment choices.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counter party, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The federal agency securities and U.S. Treasury notes are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the City's name. The City has no investment policy dealing with investment custodial credit risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the City Auditor or qualified trustee.

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

*Concentration of Credit Risk:* The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities. The following table includes the percentage of each investment type held by the City at December 31, 2017:

<u>Measurement/ Investment type</u>	<u>Measurement Value</u>	<u>% of Total</u>
Fair Value		
FFCB	6,465,332	20.84
FHLB	7,127,913	22.97
FHLMC	5,935,205	19.13
FNMA	7,854,598	25.31
Commercial paper	518,677	1.67
U.S. Treasury Notes	2,977,120	9.59
U.S. Government Money Market Mutual Fund	<u>152,261</u>	<u>0.49</u>
Total	<u>\$ 31,031,106</u>	<u>100.00</u>

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

The following is a reconciliation of cash and investments as reported in the footnote above to cash and investments as reported on the financial statements as of December 31, 2017:

Cash and investments per note:

Carrying amount of deposits	\$ 39,432,389
Investments	31,031,106
Cash on hand	<u>1,000</u>
Total	<u>\$ 70,464,495</u>

Cash, cash equivalents, and investments per statement of net position:

Governmental activities	\$ 29,234,961
Business-type activities	37,895,164
Fiduciary funds	<u>3,334,370</u>
Total	<u>\$ 70,464,495</u>

**NOTE 5 - RECEIVABLES**

Receivables at December 31, 2017, consisted of taxes, accounts (billings for user charged services), loans and intergovernmental receivables. All of these receivables, except loans receivable, are considered fully collectible.

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



**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 5 - RECEIVABLES - (Continued)**

Special assessments expected to be collected in more than one-year amount to \$1,878,801 in the general fund, \$226,611 in the community and economic development fund, and \$6,121 in the debt service fund (a nonmajor governmental fund). Special assessments are reported among accounts receivable on the statement of net position and the balance sheet and charges for services revenue on the statement of activities and the statement of revenues, expenditures, and changes in fund balance.

**A. Property Taxes**

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

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2017 public utility property taxes became a lien December 31, 2016, are levied after October 1, 2017, and are collected in 2018 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Auditor collects property taxes on behalf of all taxing districts in the County, including the City of Findlay. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2017 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by a deferred inflow of resources since the current taxes were not levied to finance 2017 operations and the collection of delinquent taxes has been offset by a deferred inflow of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is reported as a deferred inflow of resources.

The tax rates per \$1,000 of assessed valuation for the year ended December 31, 2017, for all city operations applied to taxable property in the following taxing districts within the City limits was \$3.40 for District 20 - Canton City School District, \$2.00 for District 30 - Plain Local School District, \$2.60 for District 25 - Canton Local School District, and \$2.30 for District 345 - Osnaburg Local School District.

The assessed values of real and public utility property upon which 2017 property tax receipts were based are as follows:

Real property	\$ 677,244,330
Real and personal public utility	<u>68,639,140</u>
Total assessed value	<u><u>\$ 745,883,470</u></u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 5 - RECEIVABLES - (Continued)**

**B. Income Taxes**

The City levies a municipal income tax of two percent on all salaries, wages, commissions and compensation, and net profits earned within the City as well as incomes of residents earned outside of the City. In the latter case, the City allows a credit of 100 percent of the tax paid to another municipality up to a maximum of 85 percent of the two percent levied by the City.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. By City ordinance, income tax proceeds, after income tax department expenditures, are credited to the following funds: 75 percent to the general fund, 20 percent to the capital projects fund and 5 percent to the motor vehicle purchase Fund. The allocation to the motor vehicle purchase fund is the only allocation that was actually voted upon and approved by the voters of the City. This requires the fund balance for the motor vehicle purchase fund to be reported as restricted as seen on page 101.

**C. Due from Other Governments**

A summary of intergovernmental receivables follows:

	Amounts
<b>Governmental activities</b>	
Local government and local government revenue assistance	\$ 1,502,689
Hotel tax	32,035
Charges for services	265,076
Fines and forfeitures	28,945
Casino revenue	1,112,737
Gasoline and excise tax	1,033,046
\$5 license plate tax	230,133
Motor vehicle tax	260,685
Grants	7,307,409
Total governmental activities	11,772,755
<b>Business-type activities</b>	
Loan proceeds	9,679,789
Grants	1,940,413
Total business-type activities	11,620,202
Grand total	\$ 23,392,957

**CITY OF CANTON  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 5 - RECEIVABLES - (Continued)**

**D. Loans Receivable**

The special revenue funds reflect community development loans receivable in the amount of \$662,219. The loans receivable represents the principal owed to the City for Community Development Block Grants. The loans bear interest at annual rates between 0% and 11%. The loans will be repaid over periods up to 20 years.

The general fund has reported a loan receivable in the amount of \$1,890,341. The loan receivable represents an economic development loan made to Historic Hercules, LLC for betterments and improvements to The Historic Hercules which is being converted from a motor company facility into residential rental apartments and related facilities. The loan bears an annual interest rate of 3% with a repayment period not to exceed 10 years.

**NOTE 6 - RISK MANAGEMENT**

**A. Workers' Compensation**

Since 1989, the City has participated in the Ohio Bureau of Workers' Compensation Retrospective Rating Plan. Under the retrospective rating plan, the City assumes a portion of the risk in return for a reduction in current premiums. Current limits for claims incurred in 2017 are \$200,000 per claim.

A minimum premium for fixed costs is charged by the Ohio Bureau of Workers' Compensation. A maximum premium, the employer's experience-rated premium multiplied by the maximum percentage selected by the employer, may be charged back to the City for a ten-year evaluation period per claim. For the policy year 2017, the City selected Tier 1 which calls for no claim limit and a 150 percent maximum premium limit.

The claims liability of \$1,669,140 reported in the workers compensation internal service fund at December 31, 2017, is estimated by the third-party administrators and is based on the requirements of GASB Statement No. 10, "*Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*", as amended by GASB Statement No. 30, "*Risk Financing Omnibus*", which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

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

Year	Balance Beginning of Year	Claims Incurred	Claim Payments	Balance End of Year
2017	\$ 1,669,140	\$ 1,227,170	\$ 1,227,170	\$ 1,669,140
2016	1,739,100	3,258,824	3,328,784	1,669,140

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 6 - RISK MANAGEMENT - (Continued)**

**B. Property and Liability**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City contracts with Affiliated FM Insurance Company for commercial property coverage, which has a \$435,000,000 limit and a \$100,000 deductible. The City also contracts with Cincinnati Insurance Company through Leonard Insurance Services Agency Inc. for boiler and machinery coverage, which has a \$1,000,000 limit and a \$2,500 deductible. The City contracts with Ohio Plan Risk Management, Inc. through Hylant Administrative Services for automobile combined coverage, which has a \$6,000,000 limit and a \$125,000 deductible. The City also contracts with Ohio Plan Risk Management, Inc. for liability coverages, which includes general liability, public officials liability and law enforcement liability. Each of these coverages has a \$6,000,000 annual limit per claim and a \$8,000,000 per year aggregate with a \$125,000 deductible.

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

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

**C. Medical**

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

The claims liability of \$270,148 reported in the Health Insurance Internal Service Fund at December 31, 2017, is estimated by the third-party administrators and is based on the requirements of GASB Statement No. 10, “*Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*”, as amended by GASB Statement No. 30, “*Risk Financing Omnibus*”, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not report claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

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

Year	Balance Beginning of Year	Claims Incurred	Claim Payments	Balance End of Year
2017	\$ 696,780	\$ 10,746,521	\$ 11,173,153	\$ 270,148
2016	1,389,869	10,454,950	11,148,039	696,780

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 7 - CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2017 was as follows:

	Balance 12/31/16	Additions	Deductions	Balance 12/31/17
<b>Governmental Activities</b>				
Capital assets, not being depreciated:				
Land	\$ 8,506,048	\$ 243,535	\$ (32,800)	\$ 8,716,783
Construction in progress	30,974,872	14,653,319	(3,431,084)	42,197,107
Total capital assets, not being depreciated	39,480,920	14,896,854	(3,463,884)	50,913,890
Capital assets, being depreciated:				
Buildings and structures	52,063,540	3,465,551	(349,328)	55,179,763
Vehicles and equipment	32,817,638	2,122,849	(969,015)	33,971,472
Infrastructure	384,895,226	1,486,584	(1,575)	386,380,235
Total capital assets, being depreciated	469,776,404	7,074,984	(1,319,918)	475,531,470
Less accumulated depreciation:				
Buildings and structures	(26,672,236)	(1,210,880)	300,977	(27,582,139)
Vehicles and equipment	(27,110,397)	(1,244,088)	929,112	(27,425,373)
Infrastructure	(328,273,351)	(5,454,404)	1,575	(333,726,180)
Total accumulated depreciation	(382,055,984)	(7,909,372)	1,231,664	(388,733,692)
Total capital assets, being depreciated, net	87,720,420	(834,388)	(88,254)	86,797,778
Governmental activities capital assets, net	\$ 127,201,340	\$ 14,062,466	\$ (3,552,138)	\$ 137,711,668

Depreciation expense was charged to governmental functions as follows:

General government	\$ 285,332
Security of persons and property	989,996
Public health	100,921
Transportation	5,743,014
Community environment	22,878
Leisure time activities	767,231
Total depreciation expense	<u>\$ 7,909,372</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 7 - CAPITAL ASSETS - (Continued)**

	Balance 12/31/16	Additions	Deductions	Balance 12/31/17
<b>Business-type activities</b>				
Capital assets, not being depreciated:				
Land	\$ 3,371,564	\$ -	\$ -	\$ 3,371,564
Construction in progress	67,331,256	23,589,470	(9,324,798)	81,595,928
Total capital assets, not being depreciated	<u>70,702,820</u>	<u>23,589,470</u>	<u>(9,324,798)</u>	<u>84,967,492</u>
Capital assets, being depreciated:				
Buildings and structures	118,968,307	570,404	-	119,538,711
Vehicles and equipment	23,745,386	1,041,914	(72,209)	24,715,091
Infrastructure	163,352,724	8,754,394	-	172,107,118
Total capital assets, being depreciated	<u>306,066,417</u>	<u>10,366,712</u>	<u>(72,209)</u>	<u>316,360,920</u>
Less accumulated depreciation:				
Buildings and structures	(66,145,354)	(1,873,432)	-	(68,018,786)
Vehicles and equipment	(10,092,512)	(1,742,129)	72,209	(11,762,432)
Infrastructure	(128,319,840)	(1,659,496)	-	(129,979,336)
Total accumulated depreciation	<u>(204,557,706)</u>	<u>(5,275,057)</u>	<u>72,209</u>	<u>(209,760,554)</u>
Total capital assets, being depreciated, net	<u>101,508,711</u>	<u>5,091,655</u>	<u>-</u>	<u>106,600,366</u>
Business-type activities capital assets, net	<u>\$ 172,211,531</u>	<u>\$ 28,681,125</u>	<u>\$ (9,324,798)</u>	<u>\$ 191,567,858</u>

Depreciation expense was charged to the enterprise funds as follows:

Water operating	\$ 3,101,305
Sewer operating	1,875,489
Refuse operating	266,055
Building operating	32,208
Total depreciation expense	<u>\$ 5,275,057</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

**NOTE 8 - COMPENSATED ABSENCES**

The criteria for determining vacation and sick leave components are derived from negotiated agreements, City ordinances and State laws. Employees earn one to six weeks of vacation per year, depending upon length of service. Union members may carry ten days of vacation forward to the next year while nonunion members can carry fifteen over.

Employees may bank up to 75 days earned vacation time toward retirement, payable at retirement or termination. No more than 15 days of earned vacation may be banked in any one-year in minimum increments of one hour. In March 2003, the City eliminated banked vacation for individuals in management and non-bargaining classifications. In lieu of, or in addition to banking vacation, an employee may request to receive cash payment for unused vacation of no more than 10 days per year in minimum increments of five days calculated at 90 percent of the current rate of pay. Employees in their 28<sup>th</sup> year or later, can be paid for 20 days at 90%. Employees must declare their desire to receive cash payment no later than October 1 of each year. Payment shall be made on the first regular pay day in November of each year. Approval of the cash payment is within the sole discretion of the appointing authority.

Employees earn sick leave at the rate 4.6 hours per 80 hours worked. Sick leave accumulation is unlimited. Upon retirement or death, an employee can be paid 100 percent to a maximum of 150 days (175 for those employees of bargaining unit 3449 and retiring in their 30<sup>th</sup> year) or 1,200 hours of accumulated, unused sick leave. Firefighters and police can be paid 100 percent to a maximum of 188.5 days or 1,500 hours.

In 2004, the City established a compensated absences claim fund for the purpose of depositing sick expense premiums from the employees' labor fund distribution to pay both current and previous unfunded compensated absences. The expense associated with current and future obligations is being charged as a direct claim against the compensated absences claim fund. The premium supporting the fund is included in the personal service charge for each fund. Prior to 2009, and the collapse of the City of Canton operational income, the premium was equal to 125% of the total cost of the sick leave accrued on biweekly payrolls. In an attempt to maintain an adequate workforce in light of this revenue decline, the premium was reduced to 105% of the total cost of the sick leave accrued on a biweekly payroll for 2009 and 2010. The premium reset to 125% effective January 1, 2011 and remained unchanged for 2012, 2013, 2014 and 2015. In 2016 the premium was reduced to 105%. The premium reset to 125% for 2017.

**NOTE 9 - LONG-TERM OBLIGATIONS**

**General Obligation Bonds**

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

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

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

<u>Purpose</u>	<u>Interest Rates</u>	<u>Original Amount</u>
Governmental activities, 2009 various purpose improvement refunding	3.0-4.0%	<u>\$ 8,575,000</u>

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

<b>General Obligation Bonds</b>		
Year Ending	<u>Governmental Activities</u>	
December 31	<u>Principal</u>	<u>Interest</u>
2018	\$ 1,050,000	\$ 42,000
Total	<u>\$ 1,050,000</u>	<u>\$ 42,000</u>

**State Infrastructure Bank (SIB) Loans and Other Loans**

The City has annual debt requirements for the following loans, all related to governmental activities. A SIB loan was entered into in 1998 for the Market Avenue Streetscape project. The interest rate for this loan was 4% for the period 1998 through 2008 and changed to 3% effective in 2009. The original issue amount of the SIB loan was \$1,179,031 with a scheduled maturity in 2019.

A additional SIB loan was entered into in 2014 for the 12<sup>th</sup> Street North Corridor Safety project. The interest rate for this loan is 3%. As of December 31, 2016, the City has drawn \$1,217,398 of the available borrowings. This SIB loan is not included in the schedule of annual debt service requirements to maturity below as the loan is not closed as of December 31, 2017 and a final amortization schedule is not available.

The annual debt service requirements to maturity for the 1998 SIB loan is as follows:

<b>1998 State Infrastructure Bank Loan</b>		
Year Ending	<u>Governmental Activities</u>	
December 31	<u>Principal</u>	<u>Interest</u>
2018	\$ 91,635	\$ 3,765
2019	46,937	763
Total	<u>\$ 138,572</u>	<u>\$ 4,528</u>



**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

**Ohio Public Works Commission (OPWC) Loans**

The City entered into various loan agreements with the OPWC for the purpose of improving the water pollution control system, improving storm sewer operations and installing water lines. These are interest free loans. The City has pledged future revenues, net of certain operating expenses, in the water operating fund and sewer operating fund to repay the loans reported in the water and sewer operating activities. The debt is payable from net revenues and is payable through 2036. Annual principal payments on the debt issues are expected to require 3.79 percent of net revenues for water and 0.13 percent of net revenues for sewer. The total principal remaining to be paid on the debt is \$2,258,072 for water and \$51,507 for sewer. Principal paid for the current year and total net revenues were \$175,337 and \$4,621,004, respectively, for water and \$8,461 and \$6,392,496, respectively, for sewer.

During 2017, the City received OPWC loans proceeds for the following projects: Avondale water main replacement, Overbrook NW storm sewer, 38<sup>th</sup> Street waterline roadway replacement, 30<sup>th</sup> Street Resurfacing, Westmoreland water main improvements, and 53<sup>rd</sup> Street water storage reservoir repairs. The Mahoning Road Corridor loan is not included in the schedule of annual debt service requirements to maturity below as the loan is not closed as of December 31, 2017 and a final amortization schedule is not available. The 30<sup>th</sup> Street Resurfacing loan is not included in the schedule of annual debt service requirements to maturity below as the loan is not closed as of December 31, 2017 and a final loan amortization schedule is not available. The 38<sup>th</sup> Street waterline roadway replacement loan is not included in the schedule of annual debt service requirements to maturity below as the loan is not closed as of December 31, 2017 and a final amortization schedule is not available. The Avondale water main replacement loan is not included in the schedule of annual debt service requirements to maturity below as the loan is not closed as of December 31, 2017 and a final amortization schedule is not available.

The following is a list of outstanding debt with the OPWC:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Original Amount</u>
Governmental activities, 35th Street N.E. storm sewer reconstruction	0.00%	\$ 380,812
Governmental activities, Market Avenue North sewer replacement	0.00%	300,000
Governmental activities, 30th Street N.E. storm sewer improvement	0.00%	494,000
Governmental activities, 55th Street N.E. storm sewer improvement	0.00%	413,000
Governmental activities, 37th Street Project (street portion)	0.00%	110,457
Governmental activities, Overbrook NW Storm Sewer	0.00%	60,899
Governmental activities, 38th Street waterline roadway replacement	0.00%	600,000 *
Governmental activities, Mahoning Road corridor	0.00%	900,000 *
Governmental activities, 30th Street Resurfacing	0.00%	765,000 *
Business-type activities, Harrisburg waterline	0.00%	63,102
Business-type activities, Harmont Avenue pump station	0.00%	107,900
Business-type activities, 37th Street Project (water and sewer portions)	0.00%	264,866
Business-type activities, Avondale water main replacement	0.00%	475,000 *
Business-type activities, Westmoreland water main	0.00%	750,000 *
Business-type activities, 53rd Street water storage reservoir repair	0.00%	369,923 *
Business-type activities, Faircrest Street waterline extension	0.00%	1,197,150 *
		<u>\$ 7,252,109</u>

\* Total permissible borrowings under the loan agreement.

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

Annual debt service requirements to maturity for OPWC loans are as follows:

**Ohio Public Works Commission Loans**

Year Ending December 31	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2018	\$ 80,253	\$ -	\$ 194,548	\$ -
2019	67,557	-	194,548	-
2020	67,557	-	194,548	-
2021	67,557	-	194,548	-
2022	67,557	-	191,393	-
2023 - 2027	278,195	-	775,491	-
2028 - 2032	133,458	-	299,288	-
2033 - 2037	82,536	-	179,573	-
2038 - 2042	68,833	-	-	-
2043 - 2044	20,650	-	-	-
Total	<u>\$ 934,153</u>	<u>\$ -</u>	<u>\$ 2,223,937</u>	<u>\$ -</u>

As stated above, for the business-type activities, the schedule above does not include the Avondale water main replacement loan as this loan is not closed as of December 31, 2017 and a final amortization schedule is not available. For the governmental activities, the schedule above does not include the 38<sup>th</sup> Street waterline roadway replacement, Mahoning Road Corridor, and 30<sup>th</sup> Street resurfacing loans as these loans are not closed as of December 31, 2017 and a final amortization schedule is not available.

**Ohio Water Development Authority (OWDA) Loans**

The City entered into various loan agreements with the OWDA for the purpose of improving and expanding both the water and the water pollution control operations. The City has pledged future revenues, net of certain operating expenses, to repay these loans in the water operating fund and sewer operating fund. The debt is payable from net revenues and is payable through 2031. Annual principal and interest payments on the debt issues are expected to require 53.31 percent of net revenues for water and 62.93 percent of net revenues for sewer. The total principal and interest remaining to be paid on the debt is \$32,955,263 for water and \$71,827,203 for sewer. Principal and interest paid for the current year and total net revenues were \$2,463,349 and \$4,621,004, respectively, for water and \$4,023,114 and \$6,392,496, respectively, for sewer.

The City has entered into an agreement with the City of North Canton and the Stark County Board of Commissioners whereby, these entities will reimburse the City for a portion of its Sewer OWDA debt service payments based upon assigned percentage of design capacity of thirty-nine million gallons per day in the advanced secondary treatment facilities (known as the Water Reclamation Facility). The agreement is amended as design capacity needs change for the parties involved. For 2013, the assigned percentages were 50.85% for the City, 47.00% for Stark County and 2.15% for the City of North Canton. In accordance with the agreement, reimbursements to the City will not be due more often than the City's repayments under the OWDA loan debt service schedules. The City is obligated to make all debt service payments on the OWDA loans and subsequently bills the City of North Canton and Stark County for their assigned percentage of Sewer OWDA loans debt service as stipulated in the agreements.

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

The City has both closed and open OWDA loans at December 31, 2017. The closed loans are those that OWDA has made the final disbursements and the City has final amortization schedules for the future debt payments. The water meter planning and design project (water fund) received the final disbursement in 2017 and was closed. An amortization schedule is now available for the loan. The following is the City's closed OWDA loans:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Original Amount</u>
Governmental activities, Harmont Avenue NE improvement	3.25%	\$ 60,100
Business-type activities, Plain Township waterline extension (55th St)	4.74%	1,653,459
Business-type activities, Lake Local Schools waterline	4.64%	1,980,974
Business-type activities, Osnaburg water main extension	3.62%	1,402,001
Business-type activities, Sugarcreek water plant improvement	3.25%	3,365,682
Business-type activities, NW water plant improvement	3.52%	7,094,093
Business-type activities, NE water plant improvement	5.39%	14,903,080
Business-type activities, water pollution system	2.64%	14,230,181
Business-type activities, new water meters	3.33%	9,414,052
Business-type activities, discharge line (J.L.)	3.81%	835,606
		<u>\$ 54,939,228</u>

During 2017, the phosphorus/nitrogen removal project (sewer fund), the WRF phosphorus - MBR equipment project (sewer fund), the South Cleveland Avenue waterline extension project (water fund), and the Canton South waterline extension project (water fund) received OWDA loan proceeds. As of the end of the audit period, the final amount borrowed for these loans had not been determined and no final reconciliation has been completed by OWDA. Due to these issues, no payment schedules were available for either of these loans. Consequently, these loans were not included in the yearly schedule shown above nor were they used in calculating the amount due within one year in the schedule that follows. These loans are considered open since final disbursements have not been made. The total amount borrowed and the total permissible borrowing under the loan agreements are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount Borrowed as of 12/31/17</u>	<u>Total Permissible Borrowings</u>
Business-type activities, WRF phosphorus/nitrogen removal project	3.38%	49,630,493	52,547,928
Business-type activities, WRF phosphorus project - MBR equipment	3.39%	23,272,192	30,234,835
Business-type activities, South Cleveland Avenue Waterline extension project	0.00%	1,360	102,091
Business-type activities, Canton South Waterline extension project	0.00%	<u>1,862</u>	<u>139,776</u>
		<u>\$ 72,905,907</u>	<u>\$ 83,024,630</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

Annual debt service requirements to maturity for closed OWDA loans are as follows:

**Ohio Water Development Authority Loans**

Year Ending December 31	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2018	\$ 2,518	\$ 1,125	\$ 2,644,242	\$ 805,988
2019	2,600	1,049	2,725,795	729,437
2020	2,685	971	1,819,850	657,040
2021	2,773	889	1,879,442	602,317
2022	2,864	805	1,876,679	545,706
2023 - 2027	15,792	2,670	9,074,075	1,957,833
2028 - 2032	8,903	405	6,937,081	730,641
2033 - 2036	-	-	1,836,935	97,766
Total	<u>\$ 38,135</u>	<u>\$ 7,914</u>	<u>\$ 28,794,099</u>	<u>\$ 6,126,728</u>

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**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

Changes in long-term obligations of the City during the year ended December 31, 2017 were as follows:

	Outstanding 12/31/16	Additions	Reductions	Outstanding 12/31/17	Due Within One Year
<i>Business-type activities</i>					
OPWC loans:					
Water operations:					
2012 Harrisburg waterline 0%	\$ 34,706	\$ -	\$ (6,310)	\$ 28,396	\$ 6,310
2014 37th Street waterline project 0%	210,782	-	(23,420)	187,362	23,420
2016 Westmoreland Water Main	739,680	10,320	(75,000)	675,000	75,000
2016 53rd St Water Storage Reservoir Repair	67,041	147,946	(10,749)	204,238	21,499
2017 Avondale Water Main Replacement	-	85,642	-	85,642	-
2015 Faircrest Street waterline extension 0%	1,137,292	-	(59,858)	1,077,434	59,858
Sewer operations:					
2014 37th Street sewerline project 0%	27,598	-	(3,066)	24,532	3,066
2003 Harmont pump station 0%	32,370	-	(5,395)	26,975	5,395
<b>Total OPWC loans</b>	<b>2,249,469</b>	<b>243,908</b>	<b>(183,798)</b>	<b>2,309,579</b>	<b>194,548</b>
OWDA loans:					
Water operations:					
2001 Plain Township waterline extension (55th St) 4.74%	617,532	-	(100,777)	516,755	105,610
2002 Lake School waterline 4.64%	793,766	-	(117,600)	676,166	123,120
2007 Osnaburg water main extension 3.62%	862,208	-	(68,845)	793,363	71,360
2007 SC water plant improvements 3.25%	1,999,907	-	(145,996)	1,853,911	150,779
2008 NW water plant improvements 3.52%	3,995,090	-	(247,151)	3,747,939	255,928
2009 NE water plant improvements 5.39%	11,200,977	-	(623,319)	10,577,658	638,958
2013 water meter planning and design 3.33%	9,076,266	-	(349,129)	8,727,137	360,851
2017 South Cleveland Avenue Waterline Ext	-	1,360	-	1,360	-
2017 South Waterline Ext	-	1,862	-	1,862	-
Sewer operations:					
1997 water pollution system 2.64%	2,644,806	-	(858,282)	1,786,524	881,394
1999 discharge line (J.L.) 3.81%	168,805	-	(54,159)	114,646	56,242
2010 WRF phosphorus/nitrogen removal project 3.38%	38,222,258	11,408,235	(1,941,187)	47,689,306	3,565,687
2014 WRF phosphorus - MBR equipment 3.39%	15,055,108	8,217,084	(1,099,862)	22,172,330	2,021,367
<b>Total OWDA loans</b>	<b>84,636,723</b>	<b>19,628,541</b>	<b>(5,606,307)</b>	<b>98,658,957</b>	<b>8,231,296</b>
Net pension liability:					
OPERS	15,764,282	3,688,913	-	19,453,195	-
Compensated absences	1,269,540	460,299	(314,851)	1,414,988	225,826
<b>Total business-type activities</b>	<b>\$ 103,920,014</b>	<b>\$ 24,021,661</b>	<b>\$ (6,104,956)</b>	<b>\$ 121,836,719</b>	<b>\$ 8,651,670</b>

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

	Outstanding 12/31/16	Additions	Reductions	Outstanding 12/31/17	Due Within One Year
<i>Governmental activities</i>					
General obligation bonds:					
2009 pension refunding bonds 3.0%-4.0%	\$ 975,000	\$ -	\$ (480,000)	\$ 495,000	\$ 495,000
2009 refunding bonds 3.0%-4.0%	1,090,000	-	(535,000)	555,000	555,000
Total general obligation bonds	<u>2,065,000</u>	<u>-</u>	<u>(1,015,000)</u>	<u>1,050,000</u>	<u>1,050,000</u>
1998 SIB loan 3.0%	227,300	-	(88,728)	138,572	91,635
2014 SIB loan 3.0%	513,855	703,543	-	1,217,398	299,326
OWDA loan:					
2010 Harmont Avenue sewer extension 3.25%	40,573	-	(2,438)	38,135	2,518
OPWC loans:					
2014 55th Street NE storm sewer 0%	378,583	-	(13,767)	364,816	13,767
2015 Mahoning Road Corridor	430,483	-	-	430,483	-
2016 30th Street Resurfacing 0%	68,982	314,540	-	383,522	-
2003 35th Street NE storm sewer 0%	38,082	-	(25,387)	12,695	12,695
2004 Market Avenue sewer 0%	127,500	-	(15,000)	112,500	15,000
2014 37th Street road project	99,411	-	(11,046)	88,365	11,046
2017 Overbrook NW Storm Sewer	-	60,899	(1,522)	59,377	3,045
2017 38th Street Waterline roadway replacement project	-	483,345	-	483,345	-
2009 30th Street NE storm sewer 0%	321,100	-	(24,700)	296,400	24,700
Total OPWC loans	<u>1,464,141</u>	<u>858,784</u>	<u>(91,422)</u>	<u>2,231,503</u>	<u>80,253</u>
Compensated absences	6,588,812	1,839,323	(1,373,728)	7,054,407	1,462,213
Note payable	3,500,000	5,400,000	(3,500,000)	5,400,000	5,400,000
Net pension liability:					
OPERS	25,649,813	5,872,127	-	31,521,940	-
OP&F	63,840,446	-	(6,857,070)	56,983,376	-
Capital leases	259,633	1,165,115	(590,537)	834,211	350,220
<i>Total governmental activities</i>	<u>104,149,573</u>	<u>15,838,892</u>	<u>(13,518,923)</u>	<u>106,469,542</u>	<u>8,736,165</u>
Totals	<u>\$ 208,069,587</u>	<u>\$ 39,860,553</u>	<u>\$ (19,623,879)</u>	<u>\$ 228,306,261</u>	<u>\$ 17,387,835</u>

The above schedule of long-term obligations differs from liabilities reported on the government-wide statement of net position as a result of the compensated absences payable associated with the business-type activities being included with the long-term liabilities of the governmental activities. The compensated absences claim internal service fund is responsible for the payment of both the governmental and business-type compensated absences liabilities. Since governmental activities are the primary user of the internal service funds, GAAP requires that the long-term liabilities of the internal service fund be reported among the governmental activities.

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

A reconciliation of the schedule of long-term obligations to the statement of net position at December 31, 2017 were as follows:

	Governmental Activities	Business-Type Activities	Total
Long-term obligations per schedule above	\$ 106,469,542	\$ 121,836,719	\$ 228,306,261
Consolidation of compensated absences claim internal service fund into governmental activities	1,414,988	(1,414,988)	-
Long-term liabilities on government-wide statement of net position	\$ 107,884,530	\$ 120,421,731	\$ 228,306,261

Of the \$1,414,988 of business-type compensated absences to be paid from the compensated absences claim internal service fund (which is consolidated with the governmental activities on the statement of net position), \$225,826 is due within one year.

**Notes Payable**

On April 21, 2016, the City issued \$3,500,000 of long-term notes payable for the purpose of paying the cost of acquiring, constructing, reconstructing and improving City buildings, including, without limitation, the replacement of the City Hall roof, the Civic Center roof and improvements to other City facilities. The notes bear an interest rate not to exceed 5%. These notes were refinanced on a long-term basis on April 21, 2017 and now have a stated maturity of April 21, 2018.

On April 1, 2017, the City issued a \$2,000,000 Historic Hercules note payable for the purpose of renovating and redeveloping the former Hercules Motor Company facility into market rate residential apartments and related facilities. This note matures on April 1, 2018. Of this total, \$100,000 is considered a short-term note payable (see Note 11) and \$1,900,000 is considered a long-term note payable. The long-term note payable represents the portion of the Historic Hercules note issue that was refinanced subsequent to year-end with a new maturity date greater than one year from the date of the financial statements (see Note 11). The long-term note payable matures April 1, 2019. The long-term notes are backed by the full faith and credit of the City.

**Net Pension Liability**

The City pays obligations related to employee compensation from the fund benefitting from their services. For the City's governmental activities, any net pension liability would be primarily liquidated by the general fund. See Note 13 for further information.

**Capital Lease Obligation**

See Note 10 for further detail on the City's capital lease obligations.

**Legal Debt Margin**

The City's overall legal debt margin was \$77,296,631 and an unvoted debt margin of \$40,002,458 at December 31, 2017.

**CITY OF CANTON  
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**NOTE 10 - CAPITAL LEASES**

In 2017, the City entered into a new capital lease agreement for the acquisition of a fire truck. In addition, in previous years, the City entered into capital lease agreements for the acquisition of police sedans, a street sweeper, an ambulance, and a salt truck. These leases meet the criteria of a capital lease which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term. Capital assets acquired by the leases have been capitalized in the amount of \$2,768,047, which represents the present value of the future minimum lease payments at the time of acquisition. Accumulated depreciation as of December 31, 2017 was \$1,398,857, leaving a current book value of \$1,369,190.

A corresponding liability was recorded on the statement of net position. In 2017, principal payments of \$590,537 are reflected as debt service principal retirement in the motor vehicle purchase fund and the federal forfeiture fund (a nonmajor governmental fund). The principal payments are reported as a reduction to the long-term liabilities reported on the statement of net position. The following is a schedule of the future minimum lease payments for all of the City's capital leases and the present value of the minimum lease payments as of December 31, 2017.

Year Ending	Governmental Activities
2018	\$ 372,324
2019	251,437
2020	251,437
Total minimum lease payments	875,198
Less: amount representing interest	(40,987)
Present value of minimum lease payments	\$ 834,211

**NOTE 11 - NOTES PAYABLE**

The following is a summary of short-term note transactions for the year ended December 31, 2017 reflected in the general fund on the fund financial statements and in the governmental activities on the government-wide financial statements:

	Balance 12/31/2016	Issued	Retired	Balance 12/31/2017
Notes Payable:				
Civil Suit Settlement	\$ 1,200,000	\$ 1,100,000	\$ (1,200,000)	\$ 1,100,000
Historic Onesto Project	1,800,000		(1,800,000)	-
Historic Hercules Project	-	100,000	-	100,000
Hall of Fame Village Project	5,000,000	5,000,000	(5,000,000)	5,000,000
	\$ 8,000,000	\$ 6,200,000	\$ (8,000,000)	\$ 6,200,000

The civil suit settlement note was issued on June 24, 2017 and had an outstanding balance of \$1,100,000 at December 31, 2017. This note was issued to refinance notes previously issued on June 24, 2016 which matured June 24, 2017. The note was issued at an interest rate of 1% and matures on June 24, 2018. The purpose of the issuance was to pay for the settlement of a civil suit in which the City agreed to pay the plaintiff \$1,800,000. This note is an obligation of the fund which is responsible for payment of the settlement.



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**NOTE 11 - NOTES PAYABLE – (Continued)**

The Historic Onesto project note was as of December 31, 2017. The note was issued in anticipation of a long-term bond financing for improvements to Historic Onesto property.

The Hall of Fame Village project note was issued on December 1, 2017 and had an outstanding balance of \$5,000,000 at December 31, 2017. The note was issued at an interest rate ranging from 1% to 4% and matures on December 1, 2018. The note was issued in anticipation of a long-term bond financing for improvements to Hall of Fame Village related to economic development.

On April 1, 2017, the City issued a \$2,000,000 Historic Hercules note payable for the purpose of renovating and redeveloping the former Hercules Motor Company facility into market rate residential apartments and related facilities. Of this total, \$100,000 is considered a short-term note payable and \$1,900,000 is considered a long-term note payable (see Note 9). The short-term note payable represents the portion of the Historic Hercules note issue that will be retired when the notes are refinanced on April 1, 2018 (see Note 24 for detail). All short-term notes were backed by the full faith and credit of the City and mature within one year. The short-term note liability is reflected in the General Fund, the fund which received the proceeds. The short-term notes were issued in anticipation of long-term bond financing and will be refinanced until such funds are issued.

**NOTE 12 - BUDGETARY BASIS OF ACCOUNTING**

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

The major differences between the budget basis and GAAP basis are as follows:

1. Revenues and other sources are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures and other uses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than restricted, committed, or assigned fund balance (GAAP).
4. Unreported cash (cash on hand) represents amounts received but not included on the budget basis operating statements. These amounts are included on the GAAP basis operating statement.
5. Proceeds from manuscript debt are an other financing source (budget) as opposed to a balance sheet transaction (GAAP basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund and the community and economic development fund.

**CITY OF CANTON  
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**NOTE 12 - BUDGETARY BASIS OF ACCOUNTING – (Continued)**

**Net Change in Fund Balance**

	General Fund	Community and Economic Development Fund
Budget basis	\$ (1,579,576)	\$ (2,014,090)
Net adjustment for revenue accruals	(2,407,780)	155,665
Net adjustment for expenditure accruals	19,848,265	(10,061)
Net adjustment for other financing sources (uses) accruals	(13,795,381)	(607,000)
Funds budgeted elsewhere	300,765	-
Encumbrances	2,299,778	2,584,820
GAAP basis	\$ 4,666,071	\$ 109,334

**NOTE 13 - DEFINED BENEFIT PENSION PLANS**

*Net Pension Liability/Asset*

The net pension liability/asset reported on the statement of net position represents a liability or asset 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/asset 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/asset calculation is dependent on critical long-term variables, including estimated 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.

The 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 any net pension 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.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

The proportionate share of each plan's unfunded benefits or overfunded benefits is presented as a long-term *net pension liability* or *net pension asset*, respectively, on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *due to other governments* 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 Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. 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 and the Combined Plan, substantially all employee members are in OPERS' Traditional Pension Plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the Traditional Pension Plan. 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.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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 Pension Plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<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	<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	<b>Formula:</b> 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 3.00% 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 2.25%.

Benefits in the Combined Plan consist of both an age-and-service formula benefit (defined benefit) and a defined contribution element. The defined benefit element is calculated on the basis of age, FAS, and years of service. Eligibility regarding age and years of service in the Combined Plan is the same as the Traditional Pension Plan. The benefit formula for the defined benefit component of the plan for State and Local members in transition Groups A and B applies a factor of 1.00% to the member's FAS for the first 30 years of service.

A factor of 1.25% is applied to years of service in excess of 30. The benefit formula for transition Group C applies a factor of 1.0% to the member's FAS and the first 35 years of service and a factor of 1.25% is applied to years in excess of 35. Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. The defined contribution portion of the benefit is based on accumulated member contributions plus or minus any investment gains or losses on those contributions. Members retiring under the Combined Plan receive a 2.25% COLA adjustment on the defined benefit portion of their benefit.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Defined contribution plan benefits are established in the plan documents, which may be amended by the OPERS's Board of Trustees. Member-Directed Plan and Combined Plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the Combined Plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. The amount available for defined contribution benefits in the Member-Directed Plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20% each year. For additional information, see the Plan Statement in the OPERS CAFR.

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

	State and Local
<b>2017 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee	10.0 %
<b>2017 Actual Contribution Rates</b>	
Employer:	
Pension	13.0 %
Post-employment Health Care Benefits	1.0 %
Total Employer	14.0 %
Employee	10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The City's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$4,091,676 for 2017. Of this amount, \$276,978 is reported as due to other governments.

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

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F 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. OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F 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.

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**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Upon attaining a qualifying age with sufficient years of service, a member of OP&F may retire and receive a lifetime monthly pension. OP&F 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 2.50% for each of the first 20 years of service credit, 2.00% for each of the next five years of service credit and 1.50% for each year of service credit in excess of 25 years. The maximum pension of 72.00% 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:

	<u>Police</u>	<u>Firefighters</u>
<b>2017 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
<b>2017 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	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$4,220,622 for 2017. Of this amount \$257,639 is reported as due to other governments.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

The net pension liability and net pension asset for the OPERS Traditional Pension Plan, Combined Plan and Member-Directed Plan, respectively, were measured as of December 31, 2016, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2016, and was determined by rolling forward the total pension liability as of January 1, 2016, to December 31, 2016. The City's proportion of the net pension liability or asset 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:

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Proportion of the net pension liability/asset prior measurement date	0.23909400%	0.32730000%	0.18159100%	0.99237900%	
Proportion of the net pension liability/asset current measurement date	<u>0.22447800%</u>	<u>0.31647200%</u>	<u>0.17419000%</u>	<u>0.89965700%</u>	
Change in proportionate share	<u>(0.01461600)%</u>	<u>(0.01082800)%</u>	<u>(0.00740100)%</u>	<u>(0.09272200)%</u>	
Proportionate share of the net pension liability	\$ 50,975,135	\$ -	\$ -	\$ 56,983,376	\$ 107,958,511
Proportionate share of the net pension asset	-	176,139	726	-	176,865
Pension expense	10,330,556	127,255	895	6,235,821	16,694,527

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**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

At December 31, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
<b>Deferred outflows of resources</b>					
Differences between expected and actual experience	\$ 69,093	\$ -	\$ 7,387	\$ 16,120	\$ 92,600
Net difference between projected and actual earnings on pension plan investments	7,591,373	42,975	624	5,541,382	13,176,354
Changes of assumptions	8,085,270	42,928	816	-	8,129,014
Changes in employer's proportionate percentage/ difference between employer contributions	95,655	-	-	101,086	196,741
City contributions subsequent to the measurement date	3,848,265	146,741	96,670	4,220,622	8,312,298
Total deferred outflows of resources	<u>\$ 19,689,656</u>	<u>\$ 232,644</u>	<u>\$ 105,497</u>	<u>\$ 9,879,210</u>	<u>\$ 29,907,007</u>
<b>Deferred inflows of resources</b>					
Differences between expected and actual experience	\$ 303,379	\$ 90,084	\$ -	\$ 131,199	\$ 524,662
Changes in employer's proportionate percentage/ difference between employer contributions	1,334,062	-	-	4,172,274	5,506,336
Total deferred inflows of resources	<u>\$ 1,637,441</u>	<u>\$ 90,084</u>	<u>\$ -</u>	<u>\$ 4,303,473</u>	<u>\$ 6,030,998</u>

\$8,312,298 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/asset in the year ending December 31, 2018.



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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
2018	\$ 5,776,038	\$ 8,348	\$ 1,294	\$ 1,305,047	\$ 7,090,727
2019	6,002,723	8,348	1,292	1,305,045	7,317,408
2020	2,647,711	6,488	1,252	809,213	3,464,664
2021	(222,521)	(8,740)	1,017	(1,169,138)	(1,399,382)
2022	(1)	(7,135)	1,058	(813,809)	(819,887)
Thereafter	-	(11,490)	2,914	(81,243)	(89,819)
<b>Total</b>	<b>\$ 14,203,950</b>	<b>\$ (4,181)</b>	<b>\$ 8,827</b>	<b>\$ 1,355,115</b>	<b>\$ 15,563,711</b>

**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 was determined by an actuarial valuation as of December 31, 2016, using the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. In 2016, the Board's actuarial consultants conducted an experience study for the period 2011 through 2015, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, for the defined benefit investments, decreasing the wage inflation from 3.75% to 3.25% and changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75%. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below.

Wage inflation	3.25%
Future salary increases, including inflation	3.25% to 10.75% including wage inflation
COLA or ad hoc COLA	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2018, then 2.15% simple
Investment rate of return	7.50%
Actuarial cost method	Individual entry age

**CITY OF CANTON  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Mortality rates are based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

The most recent experience study was completed for the five-year period ended December 31, 2015.

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.

During 2016, OPERS managed investments in four investment portfolios: the Defined Benefit portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The 401(h) Health Care Trust portfolio was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. The Defined Benefit portfolio historically included the assets of the Member-Directed retiree medical accounts funded through the VEBA Trust. However, the VEBA Trust was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. 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 annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio is 8.3% for 2016.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

The allocation of investment assets with the Defined Benefit portfolio is approved by the OPERS 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 2016 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed income	23.00 %	2.75 %
Domestic equities	20.70	6.34
Real estate	10.00	4.75
Private equity	10.00	8.97
International equities	18.30	7.95
Other investments	18.00	4.92
<b>Total</b>	<b>100.00 %</b>	<b>5.66 %</b>

**Discount Rate** - The discount rate used to measure the total pension liability/asset was 7.50%, post-experience study results, for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. A discount rate of 8.00% was used in the previous measurement period. 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 contractually required rates, as actuarially determined. 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 for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

**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/asset calculated using the current period discount rate assumption of 7.50%, as well as what the City's proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (6.50%) or one-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 77,875,908	\$ 50,975,135	\$ 28,558,091
Combined Plan	12,659	(176,139)	(322,801)
Member-Directed Plan	1,742	(726)	(1,742)

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

*Actuarial Assumptions – OP&F*

OP&F's total pension liability as of December 31, 2016 is based on the results of an actuarial valuation date of January 1, 2016 and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F'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, 2016, are presented below:

Valuation date	January 1, 2016
Actuarial cost method	Entry age normal
Investment rate of return	8.25%
Projected salary increases	4.25% - 11.00%
Payroll increases	3.75%
Inflation assumptions	3.25%
Cost of living adjustments	2.60% and 3.00% simple

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 for the five-year period ended December 31, 2016. The recommended assumption changes based on this experience study were adopted by OPF's Board and were effective beginning with the January 1, 2017 actuarial valuation.

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 expected. 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.

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**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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 December 31, 2016 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>10 Year Expected Real Rate of Return **</u>	<u>30 Year Expected Real Rate of Return **</u>
Cash and Cash Equivalents	- %		
Domestic Equity	16.00	4.46 %	5.21 %
Non-US Equity	16.00	4.66	5.40
Core Fixed Income *	20.00	1.67	2.37
Global Inflation			
Protected Securities *	20.00	0.49	2.33
High Yield	15.00	3.33	4.48
Real Estate	12.00	4.71	5.65
Private Markets	8.00	7.31	7.99
Timber	5.00	6.87	6.87
Master Limited Partnerships	8.00	6.92	7.36
Total	<u>120.00 %</u>		

Note: assumptions are geometric.

\* levered 2x

\*\* numbers include inflation

OPF's Board of Trustees has incorporated the "risk parity" concept into OP&F'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%. 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%. 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%, 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%), or one percentage point higher (9.25%) than the current rate.

**CITY OF CANTON  
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FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$ 75,895,098	\$ 56,983,376	\$ 40,955,426

*Changes Between Measurement Date and Report Date* - In October 2017, the OP&F Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of January 1, 2017. The most significant change is a reduction in the discount rate from 8.25% to 8.00%. Although the exact amount of these changes is not known, it has the potential to impact to the City's net pension liability.

**NOTE 14 - POSTRETIREMENT BENEFIT PLANS**

**A. Ohio Public Employees Retirement System**

Plan Description - OPERS administers three separate pension plans: The Traditional Pension Plan—a cost-sharing, multiple-employer defined benefit pension plan; the Member Directed Plan—a defined contribution plan; and the Combined Plan—a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the Traditional Pension and the Combined plans. This trust is also used to fund health care for Member Directed Plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, Member-Directed Plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

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 2016 CAFR for details.

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

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

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

**CITY OF CANTON  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 14 - POSTRETIREMENT BENEFIT PLANS - (Continued)**

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2017, local government employers contributed 14.00% of covered payroll. Each year the OPERS' Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The portion of employer contributions allocated to fund post-employment healthcare for members in the Traditional Plan and Combined Plan for 2017 was 1.00%.

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

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2017, 2016, and 2015 were \$345,976, \$650,519, and \$620,986, respectively; 93.76% has been contributed for 2017 and 100% has been contributed for 2016 and 2015. The remaining 2017 post-employment health care benefits liability has been reported as due to other governments on the basic financial statements.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under State Bill 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4.00% of the employer contributions toward the health care fund after the end of the transition period.

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

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

OP&F provides access to post-employment health care coverage to any person who receives or is eligible to receive a monthly service, disability or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

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

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

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 14 - POSTRETIREMENT BENEFIT PLANS - (Continued)**

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan into the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was .5% of covered payroll from January 1, 2017 thru December 31, 2017. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that the pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits were \$99,805 for the year ended December 31, 2017, \$97,744 for the year ended December 31, 2016, and \$100,560, for the year ended December 31, 2015. 100% has been contributed for 2016 and 2015. 94.04% has been contributed for police and firefighters for 2017. The remaining 2017 post-employment health care benefits liability has been reported as due to other governments payable on the basic financial statements.

**NOTE 15 - JOINT VENTURES**

**Canton Tomorrow, Inc.**

The City participates in Canton Tomorrow, Inc., formed under Chapter 1702 of the Ohio Revised Code. Of the 26 member board, the City appoints three members. The degree of control exercised by any participating government is limited to its representation on the board. Canton Tomorrow, Inc., was formed to serve as a catalyst to bring together the vision, initiative and action necessary for the continuing revitalization of the City. Continued existence of Canton Tomorrow, Inc. is dependent on the City's continued participation, despite its minimal contribution to the overall budget; however, the City does not have an equity interest in Canton Tomorrow, Inc. (Agency). The Agency is not accumulating significant financial resources or experiencing fiscal stress, which would cause additional financial benefit or burden to the City. Canton Tomorrow Inc.'s funding comes from a grant given by the City through the Canton Community Improvement Corporation to the Canton Regional Chamber of Commerce. In 2017, the grant was for \$175,000. The Chamber of Commerce is responsible for dividing it up amongst its various agencies like Canton Tomorrow, Inc. Complete financial statements can be obtained from Canton Tomorrow, Inc.



**CITY OF CANTON  
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FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 15 - JOINT VENTURES – (Continued)**

**Downtown Canton Special Improvement District**

The City participates in the Downtown Canton Special Improvement District (District), formed under Chapter 1710 of the Ohio Revised Code. Of the 13 member board, the City appoints two members. The degree of control exercised by any participating government is limited to its representation on the board. The District was created for the purpose of developing and implementing plans for public improvements and public services. Continued existence of the District is dependent on the City's continued participation; however, the City does not have an equity interest in the District. In 2017, the City contributed \$177,329 to the District, which represents 100 percent of total contributions. Complete financial statements can be obtained from the Downtown Canton Special Improvement District.

**NOTE 16 - RELATED ORGANIZATION**

**Joint Recreation District**

The City appoints three of the five members of the Joint Recreation District (District) Board. The District manages recreational activities at sites within the City at facilities owned by either the City or Canton City Schools. The District hires and fires its own staff and does not rely on the City to finance deficits. The City is not financially accountable for the District nor is the District financially dependent on the City. The District serves as its own budgeting, taxing and debt issuance authority. The City made payments totaling \$8,899 during 2017. Complete financial statements can be obtained from the Canton Recreation Department.

**NOTE 17 - JOINTLY GOVERNED ORGANIZATIONS**

**Stark Area Regional Transit Authority**

The City participates in the Stark Area Regional Transit Authority (Authority), which is a jointly governed organization between Stark County and the cities of Canton, Massillon and Alliance. A nine-member board of trustees oversees the operation of the Authority whose purpose is to provide a low cost mass transportation system for Stark County. The City appoints three of the nine members. Each member's control over the operation of the Authority is limited to its representation on the Board. The Board exercises total authority for the day-to-day operations of the Authority, which include budgeting, appropriating, contracting and designating management. The City has no financial responsibility for any of the Authority's liabilities. The City made no monetary contributions to assist in the operational expenses of the Authority during 2017. Complete financial statements may be obtained from the Stark Area Regional Transit Authority.

**Stark Council of Governments**

The Stark Council of Governments (SCOG) is a jointly governed organization. SCOG is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. Currently, SCOG's functions include the funding and operation of the Stark County Metropolitan Narcotics Unit and the Canton Crime Lab. SCOG is governed by the membership, including Stark County, and other cities and villages and townships. The membership elects a nine member executive committee. Based on recommendations of the executive committee, the membership approves its own budget, appoints personnel and performs accounting and finance related activities. Continued existence of the agency is dependent on the City's continued participation; however, the City does not have an equity interest in the agency. The agency is not accumulating significant financial resources or experiencing fiscal stress, which would cause additional financial benefit or burden to the City. The City contributed \$398,313 from the general fund for 2017 for the operation of SCOG. Complete financial statements may be obtained from the Stark Council of Governments.

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 17 - JOINTLY GOVERNED ORGANIZATIONS – (Continued)**

**Stark County Regional Planning Commission**

The City participates in the Stark County Regional Planning Commission (Commission), which is a statutorily created political subdivision of the State. The commission is jointly governed among Stark County, and other cities, villages, and townships. Of the 88-member board, the City appoints 5 members.

The degree of control exercised by any participating government is limited to its representation on the board. The principal aim of the Commission is to provide comprehensive planning, both long and short-term range, dealing with the economic and physical environment of Stark County. The board exercises total authority for the day-to-day operations of the Commission. These include budgeting, appropriating, contracting, and designating management. The City has no financial responsibility for any of the Commission's liabilities. In 2017, the City contributed \$19,114 to the Commission. Complete financial statements can be obtained from the Stark County Regional Planning Commission, Stark County, Ohio.

**NOTE 18 - DISCRETELY PRESENTED COMPONENT UNIT**

The component unit column in the government-wide financial statements identifies the financial data of the City's component unit, the Canton Community Improvement Corporation (CCIC). It is reported separately to emphasize that it is legally separate from the City. A summary of the CCIC more significant accounting policies and activities are disclosed below.

**Canton Community Improvement Corporation**

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

**A. Summary of Significant Accounting Policies**

The financial statements of CCIC have been prepared using the accrual basis of accounting in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

*Restricted Cash* - CCIC received a grant award for economic development. Terms of the grant require specific uses of the funds.

*Community Development Loans* - CCIC issues loans to various businesses for the purpose of assisting the establishment of a new business enterprise in the City of Canton and/or continuing or expanding existing business activity.

*Capital Assets* - Capital assets represent land and buildings donated to or transferred to CCIC by the City of Canton to be used in future economic development projects as well as land currently being utilized for an economic development project. The land and buildings have been recorded at their fair value as of the date of the contribution, or at cost if purchased. Depreciation is computed using the straight-line method over the estimated useful life of the asset.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 18 - DISCRETELY PRESENTED COMPONENT UNIT - (Continued)**

*Grant Revenue* - Grant revenue is derived from a grant passed through the City of Canton. The grant funds received provide economic development loans and façade improvement grants, as well as administrative expenses of CCIC. Grant revenue is recognized to the extent that expenses eligible for reimbursement under the grant agreement have been incurred during the period.

*Federal Income Tax* - CCIC is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

*Net Position* - Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources on the statement of net position. CCIC's net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any debt used to acquire the capital assets. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, laws, or regulations. CCIC had no restricted net position as of December 31, 2017.

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

**B. Cash and Investments**

At December 31, 2017, the carrying value and the bank balance of CCIC was \$58,460. The entire bank balance of \$58,460 was covered by the Federal Deposit Insurance Corporation. CCIC has not experienced any losses on this account and management of CCIC believes it is not exposed to any significant credit risk.

At December 31, 2017, CCIC had no investments.

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**CITY OF CANTON  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 18 - DISCRETELY PRESENTED COMPONENT UNIT - (Continued)**

**C. Capital Assets**

Capital asset activity for the year ended December 31, 2017, is as follows:

	Balance 12/31/16	Additions	Deductions	Balance 12/31/17
Capital assets, not being depreciated:				
Land	\$ 41,700	\$ 88,700	\$ -	\$ 130,400
Land improvements	172,400	-	-	172,400
Land held for future use	486,961	-	-	486,961
Total capital assets, not being depreciated	<u>701,061</u>	<u>88,700</u>	<u>-</u>	<u>789,761</u>
Capital assets, being depreciated				
Buildings	90,200	17,300	-	107,500
Total capital assets, being depreciated	<u>90,200</u>	<u>17,300</u>	<u>-</u>	<u>107,500</u>
Less accumulated depreciation				
Buildings	(29,314)	(2,680)	-	(31,994)
Total accumulated depreciation	<u>(29,314)</u>	<u>(2,680)</u>	<u>-</u>	<u>(31,994)</u>
Total capital assets, being depreciated, net	<u>60,886</u>	<u>14,620</u>	<u>-</u>	<u>75,506</u>
Governmental activities total capital assets, net	<u>\$ 761,947</u>	<u>\$ 103,320</u>	<u>\$ -</u>	<u>\$ 865,267</u>

**D. Community Development Loans**

CCIC awards loans through the Community Development Block Grant program provided by the City of Canton. If the business has been awarded a Performance Loan and has maintained all of the terms and conditions of the agreement, CCIC shall forgive and cancel the unpaid balance for the specified time stated in the agreement. For all loan types, the borrowers must meet certain criteria documented in the loan agreements for receiving these funds. Jobs must be created as a result of the loan. Fifty-one percent or more of the new employees must be in the low to moderate income category. The City of Canton retains the loans and is responsible for the collection of these loans; these loans are therefore not recorded in the financial statements of CCIC.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 18 - DISCRETELY PRESENTED COMPONENT UNIT - (Continued)**

**E. Commitments**

In 2017, there were no loans or grants committed to or approved by the Board of Directors

**F. In-Kind Contributions, Donated Facilities and Services**

The City of Canton provides CCIC with office space and various office services without charge. The value of the donated facilities is not recognized in the financial statements because no objective basis is available to measure the value of the donated facilities. No in-kind wages were received from the City of Canton in 2017.

**NOTE 19 - CONTINGENCIES**

**A. Grants**

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

**B. Litigation**

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

**NOTE 20 - COMMITMENTS**

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance to the extent fund balance is available. For the general fund, fund balance is not reported as assigned for encumbrances as unassigned fund balance is negative. At year end, the City's commitments for encumbrances (less amounts already reported as payables) in the governmental funds were as follows:

	Encumbrances as of 12/31/17
<b>Major Funds</b>	
General Fund	\$ 2,443,925
Community and Economic Development Fund	2,213,944
Capital Project Fund	2,807,534
Motor Vehicle Purchase Fund	102,765
<b>Nonmajor Governmental Funds</b>	16,167,282
<i>Total</i>	\$ 23,735,450

**CITY OF CANTON  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 20 - COMMITMENTS - (Continued)**

As of December 31, 2017, the City had significant contractual commitments as follows:

Company	Project	Amount Remaining On Contract
Lockhart Concrete	Allendale	\$ 11,271
Michael Baker, Jr.	Mahoning Road Phase I	18,459
Michael Baker, Jr.	Mahoning Road Phase II	839,845
Charter Comm	Mahoning Road Phase II	54,122
ATT	Mahoning Road Phase II	310,340
AEP	Mahoning Road Phase II	1,414,225
S.E.T. Inc.	Mahoning Road Phase II	8,353,387
GPD	Mahoning Road Phase II	872,959
Transystems RE Consulting	Mahoning Road Phase II	432,750
North Star	30th Street Paving	43,640
Mannik & Smith	West Tusc	150,334
Liberta Construction	38th Street Paving	165,575
Cormony Development Corp	Remediation at Hercules Factory Project	606,907
CT Consultants	Water Reclamation Facility Phosphorus Project	163,413
OVIO USA LLL	Water Reclamation Facility Membrane	6,133,352
Shook Construction	Water Reclamation Facility Membrane	981,106
Hobbs	Roof Repairs Buildings	20,000
PSI	Roof Repairs Buildings	39,400
Hobbs	WRF Roof Repair	190,000
PSI	WRF Roof Repair	24,774
St Clair/Pavlis	Kink Park	148,790
Wenger	Avondale Waterline Phase I	146,480
Wenger	NE Industrial Park	368,733
IBI Group	Avondale Waterline Phase I	22,980
IBI Group	40th & Grunder Water Main	86,303
Central Allied	40th & Grunder Water Main	435,647
Burgess and Nipples	Sugarcreek WT Backwash Sludge	88,487
Stanley Miller	Sugarcreek WT Backwash Sludge	1,752,363
IBI Group	Ridgewood East Water Main	32,316
Ardadis	Canton South Cleveland Ave Water Line Ext	304,132
CT Consultants	Canto South Waterline	137,368
Ardadis	Canto South Waterline	119,765
Burgess and Nipples	Canto South Waterline	91,795
Beaver Excavating	12th Street Bridge Project	1,489,898
Omni Pro Services	12th Street Bridge Project	310,194
Ardadis	12th Street Bridge Project	23,978
Total		<u>\$ 26,385,088</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 21 - INTERFUND TRANSACTIONS AND INTERFUND BALANCES**

**A. Interfund Transfers**

Interfund transfers for the year ended December 31, 2017, consisted of the following, as reported on the fund financial statements:

Transfers Out	Transfer In	Amount
General fund	Capital Projects	\$ 310,000
General fund	Nonmajor governmental funds	57,442
General fund	Internal service funds	1,750,000
Total		\$ 2,117,442

Transfers are used to 1) move revenues from the fund required by statute or budget to collect them to the fund required by statute or budget to expend them, 2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and 3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds.

Interfund transfers between governmental funds are eliminated for reporting on the statement of activities.

**B. Interfund Loans and Manuscript Debt**

Interfund loans receivable/payable consisted of the following at December 31, 2017, as reported on the fund financial statements:

	Interfund loan Receivable
Interfund Loan Payable	General Fund
Nonmajor governmental funds	\$ 61,960

In 2015, the health services fund (a nonmajor governmental fund) received a \$61,960 advance in from the general fund.

On April 1, 2017, the general fund issued \$1,300,000 in manuscript notes which were purchased by the land reutilization and note fund (a component of the general fund on a GAAP basis). The manuscript notes bear an interest rate of 1.0 percent and matured on April 1, 2018.

On June 1, 2017, the general fund issued \$1,000,000 in manuscript notes which were purchased by the NIP acquisition demo debt fund (a component of the general fund on a GAAP basis). The manuscript notes bear an interest rate of 1.0 percent and matured on June 1, 2018.

On August 1, 2017, the general fund issued \$2,000,000 in manuscript notes which were purchased by the NIP acquisition demo debt fund (a component of the general fund on a GAAP basis). The manuscript notes bear an interest rate of 1.0 percent and matured on August 1, 2018.

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 21 - INTERFUND TRANSACTIONS AND INTERFUND BALANCES - (Continued)**

On a GAAP basis, manuscript debt is reported as an interfund loan receivable in the issuing fund and an interfund loan payable in the purchasing fund. In accordance with GASB Statements No. 54, the land reutilization and note fund and the NIP acquisition demo debt fund are considered part of the City's general fund for financial reporting purposes. As such, the interfund balances are eliminated in the general fund for reporting on the balance sheet and for reporting in the governmental activities statement of net position.

Interfund receivables and payables between governmental activities are eliminated for reporting on the government-wide statement of net position. Interfund receivables and payables between governmental activities and business-type activities are reported as a component of internal balance on the government-wide statement of net position.

**C. Interfund Balances**

<u>Due To Other Funds (Payable)</u>	Due From Other Funds (Receivable)		
	General Fund	Internal Service Funds	Total
General fund	\$ -	\$ 100,670	\$ 100,670
Community and economic development fund	638,094	-	638,094
Capital projects fund	-	1,633	1,633
Water operating fund		6,627	6,627
Sewer operating fund		1,934	1,934
Refuse operating fund		2,927	2,927
Nonmajor governmental funds	569,842	2,078	571,920
Nonmajor enterprise funds		-	-
<b>Total</b>	<b>\$ 1,207,936</b>	<b>\$ 115,869</b>	<b>\$ 1,323,805</b>

Balances due among the governmental activities and internal service funds are eliminated on the government-wide statement of net position. Balances due from the enterprise funds to the governmental activities and internal service funds are reported on the statement of net position as a component of internal balance.

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**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 22 - FUND BALANCES**

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

Fund Balances	General Fund	Community and Economic Development	Capital Projects	Motor Vehicle Purchase	Nonmajor Governmental Funds	Total
<i>Nonspendable:</i>						
Materials & supplies	\$ 341,471	\$ -	\$ -	\$ -	\$ 38,603	\$ 380,074
Unclaimed monies	117,529	-	-	-	-	117,529
<i>Total nonspendable</i>	<u>459,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,603</u>	<u>497,603</u>
<i>Restricted for:</i>						
Road improvements	-	-	-	-	61,048	61,048
Community development grants & programs	-	1,170,607	-	-	201,576	1,372,183
Public health service grants & programs	-	-	-	-	4,902,350	4,902,350
Police department grants, donations & programs	-	-	-	-	481,766	481,766
Fire department grants, donations & programs	-	-	-	-	4,396	4,396
Judicial system grants & programs	-	-	-	-	1,927,134	1,927,134
Market square	-	-	-	-	109,242	109,242
Cornerstone parking deck operations	-	-	-	-	619,907	619,907
Youth development donations & programs	-	-	-	-	5,332	5,332
Employee recognition program	-	-	-	-	143	143
Debt service payments	-	-	-	-	28,867	28,867
Park donations	-	-	-	-	20,724	20,724
Infrastructure improvements	-	-	-	-	2,040,832	2,040,832
Recreational facility improvements	-	-	-	-	449,704	449,704
Construction projects	-	-	-	-	665,168	665,168
City hall renovations	-	-	-	-	1,744	1,744
Canton merchandising	-	-	-	-	11,865	11,865
Motor vehicle purchases	-	-	-	566,012	-	566,012
<i>Total restricted</i>	<u>\$ -</u>	<u>\$ 1,170,607</u>	<u>\$ -</u>	<u>\$ 566,012</u>	<u>\$ 11,531,798</u>	<u>\$ 13,268,417</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

**NOTE 22 - FUND BALANCES - (Continued)**

Fund Balances	General Fund	Community and Economic Development	Capital Projects	Motor Vehicle Purchase	Nonmajor Governmental Funds	Total
<i>Committed to:</i>						
Vehicle self-insurance	\$ 682,194	\$ -	\$ -	\$ -	\$ -	\$ 682,194
Motor vehicle maintenance	484,116	-	-	-	-	484,116
Park department operations	-	-	-	-	1,384,112	1,384,112
Community environment Capital improvements	-	-	5,782,358	-	-	5,782,358
Other purposes	-	-	-	-	318,627	318,627
<i>Total committed</i>	<u>1,166,310</u>	<u>-</u>	<u>5,782,358</u>	<u>-</u>	<u>1,702,739</u>	<u>8,651,407</u>
<i>Assigned to:</i>						
General government operations	559,458	-	-	-	-	559,458
Security of persons and property programs	291,109	-	-	-	-	291,109
Public health programs	89,429	-	-	-	-	89,429
Transportation projects	28,123	-	-	-	-	28,123
Community environment projects	8,937	-	-	-	-	8,937
Leisure time activities	17,962	-	-	-	-	17,962
Income tax department operations	232,244	-	-	-	-	232,244
<i>Total assigned</i>	<u>1,227,262</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,227,262</u>
Unassigned (deficit)	-	-	-	-	(1,749,678)	(1,749,678)
<b>Total fund balances</b>	<u><u>\$ 2,852,572</u></u>	<u><u>\$ 1,170,607</u></u>	<u><u>\$ 5,782,358</u></u>	<u><u>\$ 566,012</u></u>	<u><u>\$ 11,523,462</u></u>	<u><u>\$ 21,895,011</u></u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

**NOTE 23 - TAX ABATEMENTS**

As of December 31, 2017, the City provides tax abatements through two programs—Community Reinvestment Area (CRA) and Enterprise Zone (Ezone). These programs relate to the abatement of property taxes.

CRA - Under the authority of Ohio Revised Code (ORC) Section 3735.67, the CRA program is an economic development tool administered by municipal and county governments that provides real property tax exemptions for property owners who renovate existing or construct new buildings. CRA's are areas of land in which property owners can receive tax incentives for investing in real property improvements. Under the CRA program, local governments petition to the Ohio Development Services Agency (ODSA) for confirmation of a geographical area in which investment in housing is desired. Once an area is confirmed by the ODSA, local governments may offer real property tax exemptions to taxpayers that invest in that area. Property owners in the CRA can receive temporary tax abatements for renovation of existing structures and new construction in these areas. Property owners apply to the local legislative authority for approval to renovate or construct in the CRA. Upon approval and certification of completion, the amount of the abatement is deducted from the individual or entity's property tax bill.

Ezone - Under the authority of ORC Sections 5709.62 and 5709.63, the Ezone program is an economic development tool administered by municipal and county governments that provides real and personal property tax exemptions to businesses making investments in Ohio. An Ezone is a designated area of land in which businesses can receive tax incentives in the form of tax exemptions on qualifying new investment. An Ezone's geographic area is identified by the local government involved in the creation of the zone. Once the zone is defined, the local legislative authority participating in the creation must petition the OSDA. The OSDA must then certify the area for it to become an active Enterprise Zone. The local legislative authority negotiates the terms of the Enterprise Zone Agreement (the "Agreement") with the business, which may include tax sharing with the Board of Education. Legislation must then be passed to approve the Agreement. All Agreements must be finalized before the project begins and may contain provisions for the recoupment of taxes should the individual or entity fail to perform. The amount of the abatement is deducted from the business's property tax bill.

The City has entered into agreements to abate property taxes through these programs. During 2017, the City's property tax revenues were reduced as a result of these agreements as follows:

<u>Tax Abatement Program</u>	<u>City Taxes Abated</u>
CRA	\$ 5,168
Ezone	<u>47,291</u>
Total	<u>\$ 52,459</u>

During 2017, the City did not incur a reduction in taxes by agreements entered into by other governments that reduced the City's taxes.

**NOTE 24 - SIGNIFICANT SUBSEQUENT EVENT**

On April 1, 2018, the Village retired the \$2,000,000 Historic Hercules Note through the issuance of a \$1,900,000 Historic Hercules Refunding Note. The Historic Hercules Refunding Note bears an interest rate of 1.00% and matures April 1, 2019.

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REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF CANTON  
STARK COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF  
THE NET PENSION LIABILITY/NET PENSION ASSET  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST FOUR YEARS

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<i>Traditional Plan:</i>				
City's proportion of the net pension liability	0.224478%	0.239094%	0.238157%	0.238157%
City's proportionate share of the net pension liability	\$ 50,975,135	\$ 41,414,095	\$ 28,724,397	\$ 28,075,608
City's covered payroll	\$ 29,259,467	\$ 29,866,883	\$ 29,295,150	\$ 28,672,100
City's proportionate share of the net pension liability as a percentage of its covered payroll	174.22%	138.66%	98.05%	97.92%
Plan fiduciary net position as a percentage of the total pension liability	77.25%	81.08%	86.45%	86.36%
<i>Combined Plan:</i>				
City's proportion of the net pension asset	0.316472%	0.327300%	0.336465%	0.336465%
City's proportionate share of the net pension asset	\$ 176,139	\$ 159,271	\$ 129,546	\$ 35,305
City's covered payroll	\$ 1,231,883	\$ 1,182,483	\$ 1,229,908	\$ 1,194,669
City's proportionate share of the net pension asset as a percentage of its covered payroll	14.30%	13.47%	10.53%	2.96%
Plan fiduciary net position as a percentage of the total pension asset	116.55%	116.90%	114.83%	104.56%
<i>Member Directed Plan:</i>				
City's proportion of the net pension asset	0.174190%	0.181591%	n/a	n/a
City's proportionate share of the net pension asset	\$ 726	\$ 694	n/a	n/a
City's covered payroll	\$ 715,867	\$ 1,011,317	n/a	n/a
City's proportionate share of the net pension asset as a percentage of its covered payroll	0.10%	0.07%	n/a	n/a
Plan fiduciary net position as a percentage of the total pension asset	103.40%	103.91%	n/a	n/a

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each year were determined as of the City's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF CANTON  
STARK COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF  
THE NET PENSION LIABILITY  
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST FOUR YEARS

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability	0.89965700%	0.99237900%	0.98849140%	0.98849140%
City's proportionate share of the net pension liability	\$ 56,983,376	\$ 63,840,446	\$ 51,207,977	\$ 48,142,632
City's covered payroll	\$ 19,548,776	\$ 19,839,596	\$ 19,409,588	\$ 21,641,256
City's proportionate share of the net pension liability as a percentage of its covered payroll	291.49%	321.78%	263.83%	222.46%
Plan fiduciary net position as a percentage of the total pension liability	68.36%	66.77%	72.20%	73.00%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each year were determined as of the City's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF CANTON  
STARK COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY CONTRIBUTIONS  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST FIVE YEARS (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<i>Traditional Plan:</i>				
Contractually required contribution	\$ 3,848,265	\$ 3,511,136	\$ 3,584,026	\$ 3,515,418
Contributions in relation to the contractually required contribution	<u>(3,848,265)</u>	<u>(3,511,136)</u>	<u>(3,584,026)</u>	<u>(3,515,418)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 29,602,038	\$ 29,259,467	\$ 29,866,883	\$ 29,295,150
Contributions as a percentage of covered payroll	13.00%	12.00%	12.00%	12.00%
<i>Combined Plan:</i>				
Contractually required contribution	\$ 146,741	\$ 147,826	\$ 141,898	\$ 147,589
Contributions in relation to the contractually required contribution	<u>(146,741)</u>	<u>(147,826)</u>	<u>(141,898)</u>	<u>(147,589)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 1,128,777	\$ 1,231,883	\$ 1,182,483	\$ 1,229,908
Contributions as a percentage of covered payroll	13.00%	12.00%	12.00%	12.00%
<i>Member Directed Plan:</i>				
Contractually required contribution	\$ 96,670	\$ 85,904	\$ 121,358	
Contributions in relation to the contractually required contribution	<u>(96,670)</u>	<u>(85,904)</u>	<u>(121,358)</u>	
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
City's covered payroll	\$ 966,700	\$ 715,867	\$ 1,011,317	
Contributions as a percentage of covered payroll	10.00%	12.00%	12.00%	

(1) Information prior to 2013 not available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION



**2013**

\$ 3,727,373

(3,727,373)

\$ -

\$ 28,672,100

13.00%

\$ 155,307

(155,307)

\$ -

\$ 1,194,669

13.00%

**CITY OF CANTON  
STARK COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY CONTRIBUTIONS  
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST TEN YEARS

	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<i>Police:</i>				
Contractually required contribution	\$ 1,985,253	\$ 1,957,745	\$ 1,915,238	\$ 1,925,993
Contributions in relation to the contractually required contribution	(1,985,253)	(1,957,745)	(1,915,238)	(1,925,993)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 10,448,700	\$ 10,303,921	\$ 10,080,200	\$ 10,136,805
Contributions as a percentage of covered payroll	19.00%	19.00%	19.00%	19.00%
 <i>Fire:</i>				
Contractually required contribution	\$ 2,235,369	\$ 2,172,541	\$ 2,293,458	\$ 2,179,104
Contributions in relation to the contractually required contribution	(2,235,369)	(2,172,541)	(2,293,458)	(2,179,104)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 9,512,209	\$ 9,244,855	\$ 9,759,396	\$ 9,272,783
Contributions as a percentage of covered payroll	23.50%	23.50%	23.50%	23.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 1,781,676	\$ 1,766,663	\$ 1,928,444	\$ 1,936,464	\$ 1,992,982	\$ 2,007,463
<u>(1,781,676)</u>	<u>(1,766,663)</u>	<u>(1,928,444)</u>	<u>(1,936,464)</u>	<u>(1,992,982)</u>	<u>(2,007,463)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 11,219,622	\$ 13,856,180	\$ 15,125,051	\$ 15,187,953	\$ 15,631,231	\$ 15,744,808
15.88%	12.75%	12.75%	12.75%	12.75%	12.75%
\$ 2,123,929	\$ 2,188,878	\$ 2,257,140	\$ 2,452,065	\$ 2,412,232	\$ 2,389,567
<u>(2,123,929)</u>	<u>(2,188,878)</u>	<u>(2,257,140)</u>	<u>(2,452,065)</u>	<u>(2,412,232)</u>	<u>(2,389,567)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 10,421,634	\$ 12,689,148	\$ 13,084,870	\$ 14,214,870	\$ 13,983,954	\$ 13,852,562
20.38%	17.25%	17.25%	17.25%	17.25%	17.25%

**CITY OF CANTON  
STARK COUNTY, OHIO**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2017

*OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*Changes in benefit terms* : There were no changes in benefit terms from the amounts reported for 2014-2017.

*Changes in assumptions* : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016. For 2017, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, (b) for defined benefit investments, decreasing the wage inflation from 3.75% to 3.25% and (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75%.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

*Changes in benefit terms* : There were no changes in benefit terms from the amounts reported for 2014-2017.

*Changes in assumptions* : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2017. See the notes to the basic financial statements for the methods and assumptions in this calculation.

**COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES**

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**CITY OF CANTON  
STARK COUNTY, OHIO**

FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

**Major Governmental Funds**

***General Fund***

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

***Community and Economic Development Fund***

The community and economic development fund is a major special revenue fund that accounts for HUD community and economic development block grant money used for the acquisition of real property, administrative costs, public facilities, and the rehabilitation of real property.

***Capital Projects Fund***

The capital projects fund is a major capital projects fund that accounts for the City's capital projects and expenditures of 20 percent of net income tax receipts.

***Motor Vehicle Purchase Fund***

The motor vehicle purchase fund is a major capital projects fund that accounts for the purchase and maintenance of the City's vehicles and expenditures of 5 percent of net income tax receipts.

**Nonmajor Special Revenue Funds**

The special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes. The following are the nonmajor special revenue funds which the City of Canton operates:

***Street Construction, Maintenance and Repair Fund***

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

***State Highway Fund***

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

***Municipal Road Fund***

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

***Cornerstone Parking Deck Fund***

To account for parking fees collected at City owned parking facilities.

***Mills Industrial Park TIF Fund***

To account for tax incremental financing (TIF) revenues associated with the Mills Industrial Park.

***Gervasi 1700, LLC TIF Fund***

To account for tax incremental financing (TIF) revenues associated with Gervasi 1700, LLC.

***Urban TIF Fund***

To account for tax increment financing (TIF) associated with the development of luxury lofts at the Historic Onesto Hotel.

***Lesh Rd./30th St. TIF Fund***

To account for tax incremental financing (TIF) revenues associated with the City's Lesh Rd./3th St. TIF agreement.

***Health Services Fund***

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

***Crime Lab Fund***

To account for monies received for the operational costs of the City's crime lab.

***Court Computer Fund***

To account for monies used to maintain court computer systems.

***Court Funds***

To account for special revenues received from Canton Municipal Court fines. These include the court capital improvement special projects, legal research, court GPS cost, and ignition interlock/alcohol monitoring funds.

***Law Department Dispute Resolution Fund***

To provide for the receipt of fees charged for discretionary public services provided to resolve various types of disputes.

**CITY OF CANTON  
STARK COUNTY, OHIO**

FUND DESCRIPTIONS - GOVERNMENTAL FUNDS (CONTINUED)

***SARTA Area Improvement Fund***

To account for contributions and donations for Stark Area Regional Transit Authority (SARTA) operations and improvements.

***Park Department Fund***

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

***Youth Development Fund***

To account for grant monies used for summer youth employment programs.

***Federal Forfeiture Fund***

To account for the proceeds from seizures in federal cases.

***Probation Award Fund***

To account for the costs associated with the probation program ran by the municipal court.

***Enforcement and Education Fund***

To account for fines which are used for educating the public on the dangers of driving while under the influence of alcohol and the laws governing the operation of a motor vehicle while under the influence of alcohol.

***Indigent Driver Alcohol Treatment Fund***

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

***Law Enforcement Trust Fund***

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

***Municipal Probation Services Fund***

To account for fines and forfeitures used for various probation projects.

***Misdemeanor Community Sanction Grant Fund***

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

***Prisoner Housing Fund***

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

***Local Law Enforcement Block Grant Fund***

To account for block grant monies used for law enforcement purposes.

***Supplementary Police Forces Funds***

To account for the receipts and expenditures of the Canton police youth corp fund and Canton auxiliary police funds.

***Police Funds***

To account for the receipt and expenditure of various grants and donations received by the City's police department. These include the D.A.R.E. program fund, probation improvement and incentive grant fund, 2015 COPS hiring program grant, 2016 COPS hiring program grant, safe neighborhood heroes grant fund, police grants and donations fund, 2014 COPS hiring program grant, Byrne memorial recovery act fund, use of force software upgrade grant, FY17 bullet proof vest partners grant, 2010 local solicitation Byrne grant fund, police EMS training and equipment grant fund, 2014 Byrne grant fund, 2013 cops hiring program fund, and the 2012 cops hiring program fund.

***Fire Funds***

To account for the receipts and expenditures of various grants and donations received by the City's fire department. These include the fire grants and donation fund, FY16 assist to firefighters grant, the EMS training and equipment grant fund, the firefighter assistance grant fund, and the Fire FEMA SAFER grant 2009 fund.

***Vacant/Forclosed Registry Fund***

To account for registration fees, penalties and interest levied as established in Chapter 1353 of the Codified Ordinances and the administrative fee withheld from the maintenance bond used to enforce laws regarding foreclosed and/or vacant properties.

***Clean Ohio Revitalization Fund***

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



**CITY OF CANTON, OHIO  
STARK COUNTY, OHIO**

FUND DESCRIPTIONS - GOVERNMENTAL FUNDS (CONTINUED)

***Canton Merchandising Fund***

To account for the receipts and expenditures associated with activity resulting from the sale of various City of Canton

***Market Square Donation Fund***

To account for the receipts and expenditures associated with donations to the market square.

***Jobs Ohio Fund***

To account for the receipts and expenditures associated with the Jobs Ohio program.

***Hall of Fame Village***

To account for the costs associated with the development and upkeep of the Hall of Fame Village.

***Other***

Other funds operated by the City are subsidized in part by local, state and Federal monies as well as miscellaneous sources. These include the employee recognition, city hall plaza, recycle ohio grant, guardrail/attenuator replacement, southeast community center, Thurman Munson Memorial Stadium donation, justice reinvest grant prob., court technology grant, specialized docket grant, justice reinvest grant - pretrial, and clerk of courts administration funds.

***Income Tax Fund***

To account for the receipts from the assessment of an income tax. This fund is included in the general fund (GAAP basis), but has a separate legally adopted budget (budget basis). This fund is not included in the combining statements for the nonmajor special revenue funds since it is reported in the general fund (GAAP basis); however, the budgetary schedule is presented in this section.

**Nonmajor Debt Service Funds**

To account for the accumulation of resources for, and the payment of, general obligation debt principal and interest.

***General Obligation Bond Retirement Fund***

To account for the accumulation of resources to pay principal and interest on general obligation debt.

***Special Assessment Bond Retirement Fund***

To account for the collection of special assessments levied against properties for the payment of special assessment bonds and related interest costs. No budgetary schedule is presented for this fund as no revenues or expenditures were budgeted in 2017.

**Nonmajor Capital Projects Funds**

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

***2015 Construction/Reconstruction Note Fund***

To account for the portions of a 2015 City note for building renovations and construction being done throughout the City.

***2006 City Infrastructure Bond Fund***

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

***2006 Recreational Bond Fund***

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

***2006 Construction/Reconstruction Bond Fund***

To account for the portions of a 2006 City bond issue for building renovations and construction being done throughout the City.

***2006 Judges Facilities/City Hall Renovation Bond Fund***

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

***12th St. N Corridor Project Fund***

To account for capital grants and all costs associated with infrastructure improvements related to the the 12th St. North Cooridor project.

***Mahoning Rd. Corridor Project Fund***

To account for capital grants and all costs associated with infrastructure improvements to the Mahoning Road Cooridor.

***11th St. NW Improvement Project Fund***

To account for capital grants and all costs associated with the 11th Street North West infrastructure road project.

***41st St. NW Roadway Reconstruction Project***

To account for capital grants and all costs associated with the 41st St. North West roadway reconstruction infrastructure project.

**CITY OF CANTON, OHIO  
STARK COUNTY, OHIO**

FUND DESCRIPTIONS - GOVERNMENTAL FUNDS (CONTINUED)

***SIB Loan 12th St. N Corridor Project Fund***

To account for loan proceeds and all costs related to the 12th Street North Corridor Safety project.

***Fulton Road Resurfacing Project***

To account for capital grants and all costs associated with the Fulton Road resurfacing project.

***38th St. NW Water Main Repair and Roadway Reconstruction Fund***

To account for capital grants and all costs associated with the 38th St. NW water main repair and roadway reconstruction project.

***Tuscarawas Street W. Corridor Safety Project Fund***

To account for loan proceeds and all costs related to the Tuscarawas Street West Corridor Safety project.

***30th Street NW Resurfacing Project***

To account for capital grants and all costs associated with the 30th Street NW Resurfacing project.

***Overbrook Ave NW Storm Sewer Rehab Project***

To account for capital grants and all costs related to the Overbrook Ave NW Storm Sewer Rehab project.

***12th Street NW Bridge Replacement Project***

To account for capital grants and all costs related to the 12th Street NW Bridge Replacement project.

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Property and other taxes . . . . .	\$ 1,980,205	\$ 1,991,336	\$ 11,131
Municipal income taxes . . . . .	33,847,275	35,407,441	1,560,166
Charges for services . . . . .	8,025,246	8,468,802	443,556
Licenses, permits, and fees . . . . .	799,850	713,386	(86,464)
Fines and forfeitures . . . . .	422,000	372,813	(49,187)
Intergovernmental . . . . .	7,167,413	7,293,130	125,717
Interest and investment income . . . . .	260,000	542,763	282,763
Rental income . . . . .	7,000	8,160	1,160
Contributions and donations . . . . .	-	21,700	21,700
Operating grants . . . . .	1,104,368	1,423,731	319,363
Other . . . . .	3,218,533	3,107,758	(110,775)
<b>Total revenues . . . . .</b>	<b>56,831,890</b>	<b>59,351,020</b>	<b>2,519,130</b>
<b>Expenditures:</b>			
Current:			
General government:			
<i>General Government - Support Administration:</i>			
Materials and supplies . . . . .	2,232	902	1,330
Contractual services . . . . .	499,188	468,984	30,204
Other . . . . .	23,100	1,000	22,100
<i>Total General Government - Support Administration . . . . .</i>	<i>524,520</i>	<i>470,886</i>	<i>53,634</i>
<i>Service Director - Service Director Administration:</i>			
Personal services . . . . .	56,567	53,857	2,710
Materials and supplies . . . . .	196	116	80
Contractual services . . . . .	11,521	10,271	1,250
Other . . . . .	2,494	2,450	44
<i>Total Service Director - Service Director Administration . . . . .</i>	<i>70,778</i>	<i>66,694</i>	<i>4,084</i>
<i>Service Director - Purchase Administration:</i>			
Personal services . . . . .	240,940	228,074	12,866
Materials and supplies . . . . .	179,124	178,297	827
Contractual services . . . . .	3,332	3,332	-
Other . . . . .	6,308	6,282	26
<i>Total Service Director - Purchase Administration . . . . .</i>	<i>429,704</i>	<i>415,985</i>	<i>13,719</i>
<i>Service Director - Annexation:</i>			
Personal services . . . . .	6,616	6,489	127
Contractual services . . . . .	7,999	2,074	5,925
<i>Total Service Director - Annexation . . . . .</i>	<i>14,615</i>	<i>8,563</i>	<i>6,052</i>
<i>Building and Maintenance - Other Building:</i>			
Personal services . . . . .	744,006	652,501	91,505
Materials and supplies . . . . .	50,312	49,118	1,194
Contractual services . . . . .	431,444	429,154	2,290
Other . . . . .	4,356	4,281	75
<i>Total Building and Maintenance - Other Building . . . . .</i>	<i>1,230,118</i>	<i>1,135,054</i>	<i>95,064</i>

(Continued)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<i>Mayor - Administration:</i>			
Personal services . . . . .	492,232	467,181	25,051
Materials and supplies . . . . .	4,244	2,852	1,392
Contractual services . . . . .	5,891	5,733	158
Other . . . . .	3,824	1,152	2,672
<i>Total Mayor - Administration</i> . . . . .	<u>506,191</u>	<u>476,918</u>	<u>29,273</u>
<i>Mayor - Human Resources Administration:</i>			
Personal services . . . . .	110,088	97,041	13,047
Materials and supplies . . . . .	1,076	748	328
Contractual services . . . . .	22,306	19,317	2,989
Other . . . . .	643	147	496
<i>Total Mayor - Human Resources Administration</i> . . . . .	<u>134,113</u>	<u>117,253</u>	<u>16,860</u>
<i>Council - Council Administration:</i>			
Personal services . . . . .	644,707	635,540	9,167
Materials and supplies . . . . .	3,320	2,884	436
Contractual services . . . . .	39,160	36,550	2,610
Other . . . . .	100	84	16
<i>Total Council - Council Administration</i> . . . . .	<u>687,287</u>	<u>675,058</u>	<u>12,229</u>
<i>Courts/Judge - Judge Administration:</i>			
Personal services . . . . .	1,982,043	1,926,187	55,856
Materials and supplies . . . . .	45,224	42,616	2,608
Contractual services . . . . .	77,112	60,252	16,860
Capital outlay . . . . .	21,582	18,385	3,197
Other . . . . .	500	100	400
<i>Total Courts/Judge - Judge Administration</i> . . . . .	<u>2,126,461</u>	<u>2,047,540</u>	<u>78,921</u>
<i>Courts/Clerk - Clerk of Courts Administration:</i>			
Personal services . . . . .	1,484,729	1,488,477	(3,748)
Materials and supplies . . . . .	33,627	33,613	14
Contractual services . . . . .	15,484	15,484	-
Other . . . . .	1,378	1,384	(6)
<i>Total Courts/Clerk - Clerk of Courts Administration</i> . . . . .	<u>1,535,218</u>	<u>1,538,958</u>	<u>(3,740)</u>
<i>Law Director - Law Administration:</i>			
Personal services . . . . .	1,334,942	1,330,685	4,257
Materials and supplies . . . . .	20,993	12,964	8,029
Contractual services . . . . .	24,502	20,113	4,389
Other . . . . .	160,690	134,231	26,459
<i>Total Law Director - Law Administration</i> . . . . .	<u>1,541,127</u>	<u>1,497,993</u>	<u>43,134</u>
<i>Auditor - Auditor Administration:</i>			
Personal services . . . . .	1,317,495	1,308,854	8,641
Materials and supplies . . . . .	25,022	24,659	363
Contractual services . . . . .	39,485	14,189	25,296
Other . . . . .	187,151	120,334	66,817
<i>Total Auditor - Auditor Administration</i> . . . . .	<u>1,569,153</u>	<u>1,468,036</u>	<u>101,117</u>
<i>Auditor - Legally Binding Expenses:</i>			
Contractual services . . . . .	547,984	537,142	10,842
Other . . . . .	92,441	92,316	125
<i>Total Auditor - Legally Binding Expenses</i> . . . . .	<u>640,425</u>	<u>629,458</u>	<u>10,967</u>

(Continued)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<i>Treasurer - Administration &amp; Operations:</i>			
Personal services . . . . .	283,757	275,481	8,276
Materials and supplies . . . . .	511	160	351
Contractual services . . . . .	41,424	39,405	2,019
Other . . . . .	260,000	259,999	1
<i>Total Treasurer - Administration &amp; Operations . . . . .</i>	<u>585,692</u>	<u>575,045</u>	<u>10,647</u>
<i>Board of Commission - Civil Service:</i>			
Personal services . . . . .	276,538	275,034	1,504
Materials and supplies . . . . .	3,346	2,890	456
Contractual services . . . . .	39,365	39,521	(156)
Capital outlay . . . . .	1,100	1,099	1
Other . . . . .	192	189	3
<i>Total Board of Commission - Civil Service . . . . .</i>	<u>320,541</u>	<u>318,733</u>	<u>1,808</u>
<i>Board of Commission - Zoning Board:</i>			
Personal services . . . . .	8,574	7,954	620
<i>Management Information Systems:</i>			
Personal services . . . . .	1,026,067	1,003,547	22,520
Materials and supplies . . . . .	2,938	2,916	22
Contractual services . . . . .	117,006	116,985	21
Other . . . . .	900	900	-
<i>Total Management Information Systems . . . . .</i>	<u>1,146,911</u>	<u>1,124,348</u>	<u>22,563</u>
<i>Total general government . . . . .</i>	<u>13,071,428</u>	<u>12,574,476</u>	<u>496,952</u>
Security of persons and property:			
<i>Safety Director - Safety Director Administration:</i>			
Personal services . . . . .	144,439	143,020	1,419
Materials and supplies . . . . .	320	304	16
Contractual services . . . . .	935	935	-
Other . . . . .	75	75	-
<i>Total Safety Director - Safety Director Administration . . . . .</i>	<u>145,769</u>	<u>144,334</u>	<u>1,435</u>

(Continued)

**CITY OF CANTON  
STARK COUNTY, OHIO**  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<i>Safety Director - School Police Administration:</i>			
Personal services . . . . .	111,307	105,126	6,181
<i>Safety Director - Central Communication Administration:</i>			
Personal services . . . . .	1,633,168	1,561,042	72,126
Materials and supplies . . . . .	7,470	5,899	1,571
Contractual services . . . . .	57,289	54,770	2,519
Other . . . . .	4,163	921	3,242
<i>Total Safety Director - Central Communication Administration . . . . .</i>	<u>1,702,090</u>	<u>1,622,632</u>	<u>79,458</u>
<i>Police Administration:</i>			
Personal services . . . . .	15,659,272	15,303,537	355,735
Materials and supplies . . . . .	272,315	271,764	551
Contractual services . . . . .	690,231	687,486	2,745
Capital outlay . . . . .	781,000	752,762	28,238
Other . . . . .	22,607	22,226	381
<i>Total Police Administration . . . . .</i>	<u>17,425,425</u>	<u>17,037,775</u>	<u>387,650</u>
<i>Fire Administration:</i>			
Personal services . . . . .	14,060,395	14,017,385	43,010
Materials and supplies . . . . .	250,070	249,373	697
Contractual services . . . . .	378,180	376,685	1,495
Capital outlay . . . . .	4,366	4,366	-
Other . . . . .	39,511	40,235	(724)
<i>Total Fire Administration . . . . .</i>	<u>14,732,522</u>	<u>14,688,044</u>	<u>44,478</u>
<i>Traffic Administration:</i>			
Personal services . . . . .	691,660	676,139	15,521
<i>Traffic Divisions - Traffic Engineer/Parking Meter:</i>			
Personal services . . . . .	190,731	147,425	43,306
Materials and supplies . . . . .	10,001	2,612	7,389
Contractual services . . . . .	3,500	300	3,200
Other . . . . .	250	-	250
<i>Total Traffic Divisions - Traffic Engineer/Parking Meter . . . . .</i>	<u>204,482</u>	<u>150,337</u>	<u>54,145</u>
<i>Total security of persons and property . . . . .</i>	<u>35,013,255</u>	<u>34,424,387</u>	<u>588,868</u>
<b>Public health:</b>			
<i>Health - Administration:</i>			
Personal services . . . . .	413,033	374,909	38,124
Materials and supplies . . . . .	24,125	22,799	1,326
Contractual services . . . . .	116,913	115,247	1,666
Capital outlay . . . . .	4,299	4,299	-
Other . . . . .	243,734	230,698	13,036
<i>Total Health - Administration . . . . .</i>	<u>802,104</u>	<u>747,952</u>	<u>54,152</u>
<i>Health - Nurses:</i>			
Personal services . . . . .	537,584	498,211	39,373
Materials and supplies . . . . .	3,713	2,234	1,479
Contractual services . . . . .	24,133	22,617	1,516
Other . . . . .	2,830	2,161	669
<i>Total Health - Nurses . . . . .</i>	<u>568,260</u>	<u>525,223</u>	<u>43,037</u>

(Continued)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<i>Health - Lab:</i>			
Personal services . . . . .	226,721	215,200	11,521
Materials and supplies . . . . .	39,033	38,183	850
Contractual services . . . . .	22,432	22,280	152
Capital outlay . . . . .	2,000	2,000	-
Other . . . . .	2,150	2,000	150
<b>Total Health - Lab . . . . .</b>	<b>292,336</b>	<b>279,663</b>	<b>12,673</b>
<i>Health - Environmental Health Administration:</i>			
Personal services . . . . .	286,822	283,172	3,650
Materials and supplies . . . . .	983	50	933
Contractual services . . . . .	499	139	360
Other . . . . .	2,727	2,438	289
<b>Total Health - Environmental Health Administration . . . . .</b>	<b>291,031</b>	<b>285,799</b>	<b>5,232</b>
<b>Total public health . . . . .</b>	<b>1,953,731</b>	<b>1,838,637</b>	<b>115,094</b>
<i>Transportation:</i>			
<i>Engineering - Daily Operations:</i>			
Personal services . . . . .	56,561	43,921	12,640
Materials and supplies . . . . .	1,354	1,354	-
Contractual services . . . . .	3,929	3,929	-
<b>Total Engineering - Daily Operations . . . . .</b>	<b>61,844</b>	<b>49,204</b>	<b>12,640</b>
<i>Street - Maintenance:</i>			
Personal services . . . . .	378,369	364,168	14,201
Materials and supplies . . . . .	19,413	14,869	4,544
Contractual services . . . . .	863,073	827,855	35,218
Other . . . . .	8,517	6,555	1,962
<b>Total Street - Maintenance . . . . .</b>	<b>1,269,372</b>	<b>1,213,447</b>	<b>55,925</b>
<b>Total transportation . . . . .</b>	<b>1,331,216</b>	<b>1,262,651</b>	<b>68,565</b>
<i>Community environment:</i>			
<i>Community Development - Community Development Administration:</i>			
Personal services . . . . .	1,090,541	1,031,181	59,360
Materials and supplies . . . . .	7,413	7,314	99
Contractual services . . . . .	2,480,264	2,366,746	113,518
Other . . . . .	227,000	177,000	50,000
<b>Total Community Development - Community Development Administration . . . . .</b>	<b>3,805,218</b>	<b>3,582,241</b>	<b>222,977</b>
<i>Community Improvement Corporation:</i>			
Other . . . . .	60,268	60,260	8
<i>Land Reutilization:</i>			
Contractual services . . . . .	24,618	-	24,618
<i>Historic Onesto Project:</i>			
Contractual services . . . . .	4,500	-	4,500
<b>Total community environment . . . . .</b>	<b>3,894,604</b>	<b>3,642,501</b>	<b>252,103</b>

(Continued)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
Leisure time activities:			
<i>Civic Center - Civic Center Administration:</i>			
Materials and supplies . . . . .	150	150	-
Contractual services . . . . .	530,480	431,229	99,251
<i>Total Civic Center - Civic Center Administration . . . . .</i>	<u>530,630</u>	<u>431,379</u>	<u>99,251</u>
Debt service:			
Principal retirement. . . . .	19,995,000	19,995,000	-
Interest and fiscal charges . . . . .	365,022	211,114	153,908
<i>Total debt service. . . . .</i>	<u>20,360,022</u>	<u>20,206,114</u>	<u>153,908</u>
Total expenditures . . . . .	<u>76,154,886</u>	<u>74,380,145</u>	<u>1,774,741</u>
Excess of expenditures over revenues. . . . .	<u>(19,322,996)</u>	<u>(15,029,125)</u>	<u>4,293,871</u>
<b>Other financing sources (uses):</b>			
Sale of capital assets . . . . .	-	32,810	32,810
Issuance of notes . . . . .	14,300,000	14,100,000	(200,000)
Issuance of manuscript debt . . . . .	3,518,600	2,300,000	(1,218,600)
Transfers in . . . . .	96,160	114,148	17,988
Transfers (out). . . . .	(2,392,891)	(2,392,790)	101
Advances in . . . . .	704,984	142,480	(562,504)
Advances (out). . . . .	(1,034,085)	(847,099)	186,986
Total other financing sources (uses) . . . . .	<u>15,192,768</u>	<u>13,449,549</u>	<u>(1,743,219)</u>
Net change in fund balance . . . . .	<u>(4,130,228)</u>	<u>(1,579,576)</u>	<u>2,550,652</u>
<b>Fund balance at beginning of year . . . . .</b>	<u>5,172,767</u>	<u>5,172,767</u>	<u>-</u>
<b>Prior year encumbrances appropriated . . . . .</b>	<u>615,303</u>	<u>615,303</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1,657,842</u>	<u>\$ 4,208,494</u>	<u>\$ 2,550,652</u>



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COMMUNITY AND ECONOMIC DEVELOPMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants . . . . .	\$ 8,746,348	\$ 3,804,085	\$ (4,942,263)
Other . . . . .	-	289,298	289,298
<b>Total revenues . . . . .</b>	<b>8,746,348</b>	<b>4,093,383</b>	<b>(4,652,965)</b>
<b>Expenditures:</b>			
Current:			
Community environment:			
<i>Community Development Administration:</i>			
Materials and supplies . . . . .	26,266	9,862	16,404
Contractual services . . . . .	759,888	618,712	141,176
Capital outlay . . . . .	19,600	19,245	355
Other . . . . .	7,219,577	5,597,205	1,622,372
<b>Total Community Development Administration . . . . .</b>	<b>8,025,331</b>	<b>6,245,024</b>	<b>1,780,307</b>
<i>Federal Stimulus Funding:</i>			
Contractual services . . . . .	9,000	7,093	1,907
Other . . . . .	18,680	11,680	7,000
<b>Total Federal Stimulus Funding . . . . .</b>	<b>27,680</b>	<b>18,773</b>	<b>8,907</b>
<i>Community Development Demolition:</i>			
Contractual services . . . . .	471,408	326,432	144,976
Other . . . . .	50,000	23,393	26,607
<b>Total Community Development Demolition . . . . .</b>	<b>521,408</b>	<b>349,825</b>	<b>171,583</b>
<i>Fair Housing Administration:</i>			
Personal services . . . . .	131,052	69,709	61,343
Materials and supplies . . . . .	6,200	3,716	2,484
Contractual services . . . . .	75,900	7,503	68,397
Other . . . . .	23,700	20,900	2,800
<b>Total Fair Housing Administration . . . . .</b>	<b>236,852</b>	<b>101,828</b>	<b>135,024</b>

(Continued)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COMMUNITY AND ECONOMIC DEVELOPMENT FUND (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
Total expenditures . . . . .	8,811,271	6,715,450	2,095,821
Excess of expenditures over revenues . . . . .	(64,923)	(2,622,067)	(2,557,144)
<b>Other financing sources:</b>			
Sale of assets . . . . .	-	977	977
Advances in . . . . .	607,000	607,000	-
<i>Total Other Financing Sources</i> . . . . .	<u>607,000</u>	<u>607,977</u>	<u>977</u>
Net change in fund balance. . . . .	542,077	(2,014,090)	(2,556,167)
<b>Fund balance (deficit) at beginning of year</b> . . . . .	(1,272,940)	(1,272,940)	-
<b>Prior year encumbrances appropriated</b> . . . . .	1,567,613	1,567,613	-
<b>Fund balance (deficit) at end of year.</b> . . . . .	<u>\$ 836,750</u>	<u>\$ (1,719,417)</u>	<u>\$ (2,556,167)</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Municipal income taxes . . . . .	\$ 8,800,000	\$ 9,441,984	\$ 641,984
Capital grants . . . . .	1,857,203	65,718	(1,791,485)
Other . . . . .	-	94,871	94,871
<b>Total revenues . . . . .</b>	<b>10,657,203</b>	<b>9,602,573</b>	<b>(1,054,630)</b>
<b>Expenditures:</b>			
Capital outlay:			
<i>Safety Director:</i>			
Central Communication Administration . . . . .	18,500	9,413	9,087
Police Department - Police Administration . . . . .	127,377	122,532	4,845
Fire Department - Fire Administration . . . . .	141,515	145,425	(3,910)
<b>Total Safety Director . . . . .</b>	<b>287,392</b>	<b>277,370</b>	<b>10,022</b>
<i>Traffic Divisions:</i>			
Engineer Administration . . . . .	60,000	54,000	6,000
Traffic Signal . . . . .	80,961	80,958	3
<b>Total Traffic Divisions . . . . .</b>	<b>140,961</b>	<b>134,958</b>	<b>6,003</b>
<i>Service Director:</i>			
Service Director Administration . . . . .	393,323	308,079	85,244
Engineering Administration . . . . .	1,507,337	1,484,465	22,872
Engineering - 3rd Street SE Bridge Rehabilitation Project . . . . .	74,461	74,461	-
Purchasing Administration . . . . .	18,765	17,709	1,056
Engineering - 30th St NW Resurface Project . . . . .	103,758	19,758	84,000
Engineering - 19th St NE Resurface Project . . . . .	900,000	736,303	163,697
Engineering - 11th Street Improvement Project . . . . .	32,631	32,631	-
Engineering - Tuscarawas Street W. Corridor Safety Project . . . . .	37,350	37,350	-
Street Administration . . . . .	629,045	579,443	49,602
Street Paving . . . . .	3,834,151	3,359,563	474,588
Building Maintenance Administration . . . . .	149,400	122,987	26,413
Collection System Department . . . . .	326,018	279,571	46,447
Engineering - Urban Forestry . . . . .	50,340	46,029	4,311
Engineering - 38th Street NW Improvement Project . . . . .	253,256	109,685	143,571
Engineering - Mahoning Rd. Corridor Project . . . . .	1,997,049	1,638,045	359,004
<b>Total Service Director . . . . .</b>	<b>10,306,884</b>	<b>8,846,079</b>	<b>1,460,805</b>
<i>Water:</i>			
37th Street Water Sewer Street Improvement Project . . . . .	110,458	110,458	-
Ridgewood East Water Main Replacement . . . . .	2,239	2,239	-
<b>Total Water . . . . .</b>	<b>112,697</b>	<b>112,697</b>	<b>-</b>
<i>Health:</i>			
Health Administration . . . . .	31,530	28,854	2,676
<i>Human Resources:</i>			
Human Resources . . . . .	10,000	10,000	-
<i>Management Information Systems:</i>			
Information Technology Manager . . . . .	577,647	517,704	59,943
<i>Judges:</i>			
Judges Administration . . . . .	34,220	32,479	1,741
<i>Council:</i>			
Council Administration . . . . .	10,556	1,247	9,309
<i>Auditor:</i>			
Auditor Administration . . . . .	267,953	261,642	6,311

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CAPITAL PROJECTS FUND (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<i>Civil Service:</i>			
Civil Service . . . . .	10,000	7,884	2,116
<i>Law:</i>			
Law - Administration . . . . .	11,695	11,510	185
<i>Income Tax:</i>			
Income Tax - Administration . . . . .	81,280	71,280	10,000
<i>Total capital outlay . . . . .</i>	<u>11,882,815</u>	<u>10,313,704</u>	<u>1,569,111</u>
<i>Debt service:</i>			
<i>Principal retirement:</i>			
Various purpose loans . . . . .	168,822	168,821	1
General obligation various improvement bonds . . . . .	535,000	535,000	-
<i>Total principal retirement . . . . .</i>	<u>703,822</u>	<u>703,821</u>	<u>1</u>
<i>Interest and fiscal charges:</i>			
Various purpose loans . . . . .	7,874	7,871	3
General obligation various improvement bonds . . . . .	43,600	43,600	-
<i>Total Interest and fiscal charges . . . . .</i>	<u>51,474</u>	<u>51,471</u>	<u>3</u>
<i>Total debt service . . . . .</i>	<u>755,296</u>	<u>755,292</u>	<u>4</u>
<i>Total expenditures . . . . .</i>	<u>12,638,111</u>	<u>11,068,996</u>	<u>1,569,115</u>
<i>Excess of expenditures over revenues . . . . .</i>	<u>(1,980,908)</u>	<u>(1,466,423)</u>	<u>514,485</u>
<b>Other financing sources:</b>			
Sale of assets . . . . .	-	2,255	2,255
Loan proceeds - OPWC . . . . .	255,000	112,446	(142,554)
Transfers in . . . . .	-	310,000	310,000
<i>Total other financing sources . . . . .</i>	<u>255,000</u>	<u>424,701</u>	<u>169,701</u>
<i>Net change in fund balance . . . . .</i>	<u>(1,725,908)</u>	<u>(1,041,722)</u>	<u>684,186</u>
<b>Fund balance at beginning of year . . . . .</b>	1,904,471	1,904,471	-
<b>Prior year encumbrances appropriated . . . . .</b>	1,407,641	1,407,641	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1,586,204</u>	<u>\$ 2,270,390</u>	<u>\$ 684,186</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
MOTOR VEHICLE PURCHASE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Municipal income taxes . . . . .	\$ 2,200,000	\$ 2,360,496	\$ 160,496
Other . . . . .	-	6,849	6,849
<b>Total revenues . . . . .</b>	<b>2,200,000</b>	<b>2,367,345</b>	<b>167,345</b>
<b>Expenditures:</b>			
Capital outlay:			
<i>Safety Director:</i>			
Central Communication Administration . . . . .	254,750	249,860	4,890
Police Department - Police Administration . . . . .	531,870	520,352	11,518
Fire Department - Fire Administration . . . . .	666,115	666,114	1
<b>Total Safety Director . . . . .</b>	<b>1,452,735</b>	<b>1,436,326</b>	<b>16,409</b>
<i>Traffic Divisions:</i>			
Traffic Divisions - Engineer Administration . . . . .	8,619	8,619	-
Traffic Divisions - Traffic Sign & Paint . . . . .	20,466	10,466	10,000
Traffic Divisions - Traffic Signal . . . . .	20,000	20,000	-
<b>Total Traffic Divisions . . . . .</b>	<b>49,085</b>	<b>39,085</b>	<b>10,000</b>
<i>Service Director:</i>			
Service Director Administration . . . . .	12,544	12,544	-
Engineer Administration . . . . .	9,231	9,231	-
Street Administration . . . . .	453,219	453,118	101
Street Paving . . . . .	223,329	223,329	-
Building Maintenance Administration . . . . .	3,059	3,059	-
Collection System Department . . . . .	8,852	8,852	-
<b>Total Service Director . . . . .</b>	<b>710,234</b>	<b>710,133</b>	<b>101</b>
<i>Health:</i>			
Health Administration . . . . .	11,000	11,000	-
<i>Mayor:</i>			
Mayor Administration . . . . .	931	931	-
<i>Management Information Systems:</i>			
Information Technology Manager . . . . .	29,712	24,286	5,426
<i>Judges:</i>			
Judge Administration . . . . .	11,606	11,606	-

(continued)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 MOTOR VEHICLE PURCHASE FUND (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
Total expenditures . . . . .	2,265,303	2,233,367	31,936
Excess of revenues over (under) expenditures . . . . .	(65,303)	133,978	199,281
<b>Other financing sources:</b>			
Sale of assets. . . . .	4,614	34,126	29,512
Net change in fund balance . . . . .	(60,689)	168,104	228,793
<b>Fund balance at beginning of year. . . . .</b>	<b>80,742</b>	<b>80,742</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 20,053</b>	<b>\$ 248,846</b>	<b>\$ 228,793</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2017

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 12,492,799	\$ 25,848	\$ 1,503,467	\$ 14,022,114
Cash with fiscal agent . . . . .	-	3,019	-	3,019
Receivables:				
Accounts . . . . .	108,172	6,121	-	114,293
Accrued interest . . . . .	20	-	98	118
Property and other taxes . . . . .	4,249,301	-	-	4,249,301
Due from other funds . . . . .	-	-	-	-
Due from other governments . . . . .	2,201,001	-	2,535,550	4,736,551
Materials and supplies inventory . . . . .	38,603	-	-	38,603
Total assets . . . . .	<u>\$ 19,089,896</u>	<u>\$ 34,988</u>	<u>\$ 4,039,115</u>	<u>\$ 23,163,999</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 673,373	\$ -	\$ 2,621,473	\$ 3,294,846
Accrued wages and benefits payable . . . . .	286,013	-	-	286,013
Due to other funds . . . . .	571,920	-	-	571,920
Interfund loans payable . . . . .	61,960	-	-	61,960
Due to other governments . . . . .	47,920	-	-	47,920
Retainage payable . . . . .	-	-	64,646	64,646
Total liabilities . . . . .	<u>1,641,186</u>	<u>-</u>	<u>2,686,119</u>	<u>4,327,305</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year . . . . .	3,317,665	-	-	3,317,665
Delinquent property tax revenue not available . . . . .	931,636	-	-	931,636
Other local taxes not available . . . . .	38,138	-	-	38,138
Intergovernmental revenue not available . . . . .	1,087,916	-	1,919,275	3,007,191
Charges for services revenue not available . . . . .	-	6,121	-	6,121
Miscellaneous revenue not available . . . . .	12,481	-	-	12,481
Total deferred inflows of resources . . . . .	<u>5,387,836</u>	<u>6,121</u>	<u>1,919,275</u>	<u>7,313,232</u>
<b>Fund balances:</b>				
Nonspendable . . . . .	38,603	-	-	38,603
Restricted . . . . .	10,325,267	28,867	1,177,664	11,531,798
Committed . . . . .	1,702,739	-	-	1,702,739
Unassigned (deficit) . . . . .	(5,735)	-	(1,743,943)	(1,749,678)
Total fund balances . . . . .	<u>12,060,874</u>	<u>28,867</u>	<u>(566,279)</u>	<u>11,523,462</u>
Total liabilities, deferred inflows of resources, and fund balances . . . . .	<u>\$ 19,089,896</u>	<u>\$ 34,988</u>	<u>\$ 4,039,115</u>	<u>\$ 23,163,999</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues:</b>				
Property and other local taxes . . . . .	\$ 3,218,368	\$ -	\$ -	\$ 3,218,368
Charges for services . . . . .	1,757,370	-	-	1,757,370
Licenses, permits, and fees . . . . .	458,345	-	-	458,345
Fines and forfeitures . . . . .	227,286	-	-	227,286
Intergovernmental . . . . .	3,723,891	-	-	3,723,891
Interest and investment income . . . . .	228	14,586	2,588	17,402
Rental income . . . . .	88,093	-	-	88,093
Contributions and donations . . . . .	14,036	-	-	14,036
Operating grants . . . . .	7,736,658	-	-	7,736,658
Capital grants . . . . .	230,598	-	5,775,336	6,005,934
Payment in lieu of taxes . . . . .	101,910	-	-	101,910
Other local taxes . . . . .	50,958	-	-	50,958
Other . . . . .	174,650	4,495	52,165	231,310
<b>Total revenues . . . . .</b>	<b>17,782,391</b>	<b>19,081</b>	<b>5,830,089</b>	<b>23,631,561</b>
<b>Expenditures:</b>				
Current:				
General government . . . . .	1,353,759	-	-	1,353,759
Security of persons and property . . . . .	3,697,936	-	-	3,697,936
Public health . . . . .	4,488,029	-	-	4,488,029
Transportation . . . . .	2,466,736	-	-	2,466,736
Community environment . . . . .	1,063,009	-	-	1,063,009
Leisure time activities . . . . .	3,556,163	-	-	3,556,163
Capital outlay . . . . .	-	-	9,976,288	9,976,288
Debt service:				
Principal retirement . . . . .	42,133	-	3,500,000	3,542,133
Interest and fiscal charges . . . . .	1,404	12,587	35,000	48,991
<b>Total expenditures . . . . .</b>	<b>16,669,169</b>	<b>12,587</b>	<b>13,511,288</b>	<b>30,193,044</b>
<b>Excess of revenues over (under) expenditures . . . . .</b>	<b>1,113,222</b>	<b>6,494</b>	<b>(7,681,199)</b>	<b>(6,561,483)</b>
<b>Other financing sources:</b>				
Note issuance . . . . .	-	-	3,500,000	3,500,000
Issuance of loans . . . . .	-	-	1,560,340	1,560,340
Transfers in . . . . .	57,442	-	-	57,442
<b>Total other financing sources . . . . .</b>	<b>57,442</b>	<b>-</b>	<b>5,060,340</b>	<b>5,117,782</b>
<b>Net change in fund balances . . . . .</b>	<b>1,170,664</b>	<b>6,494</b>	<b>(2,620,859)</b>	<b>(1,443,701)</b>
<b>Fund balances at beginning of year . . . . .</b>	<b>10,890,210</b>	<b>22,373</b>	<b>2,054,580</b>	<b>12,967,163</b>
<b>Fund balances at end of year . . . . .</b>	<b>\$ 12,060,874</b>	<b>\$ 28,867</b>	<b>\$ (566,279)</b>	<b>\$ 11,523,462</b>



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CITY OF CANTON  
 STARK COUNTY, OHIO  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2017

	Street Construction, Maintenance, and Repair	State Highway	Municipal Road	Cornerstone Parking Deck	Mills Industrial Park TIF
<b>Assets:</b>					
Equity in pooled cash and cash equivalents . . . . .	\$ 1,167,609	\$ 96,531	\$ 581,830	\$ 32,098	\$ 133,587
Receivables:					
Accounts . . . . .	2,012	-	-	-	-
Accrued interest . . . . .	-	-	-	-	-
Property and other taxes . . . . .	-	-	-	-	-
Due from other governments . . . . .	1,426,834	97,030	115,000	-	-
Materials and supplies inventory . . . . .	23,971	-	-	-	-
Total assets . . . . .	<u>\$ 2,620,426</u>	<u>\$ 193,561</u>	<u>\$ 696,830</u>	<u>\$ 32,098</u>	<u>\$ 133,587</u>
<b>Liabilities:</b>					
Accounts payable . . . . .	\$ 159,656	\$ -	\$ 188,061	\$ 6,837	\$ -
Accrued wages and benefits payable . . . . .	73,526	4,589	-	7,619	-
Due to other funds . . . . .	1,552	43	-	-	-
Interfund loan payable . . . . .	-	-	-	-	-
Due to other governments . . . . .	11,359	710	-	1,177	-
Total liabilities . . . . .	<u>246,093</u>	<u>5,342</u>	<u>188,061</u>	<u>15,633</u>	<u>-</u>
<b>Deferred inflows of resources:</b>					
Property taxes levied for the next fiscal year . . . . .	-	-	-	-	-
Delinquent property tax revenue not available . . . . .	-	-	-	-	-
Intergovernmental revenue not available . . . . .	943,221	63,297	-	-	-
Other local taxes . . . . .	-	-	-	-	-
Miscellaneous revenue not available . . . . .	-	-	-	-	-
Total deferred inflows of resources . . . . .	<u>943,221</u>	<u>63,297</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances:</b>					
Nonspendable . . . . .	23,971	-	-	-	-
Restricted . . . . .	1,407,141	124,922	508,769	16,465	133,587
Committed . . . . .	-	-	-	-	-
Unassigned (deficit) . . . . .	-	-	-	-	-
Total fund balances (deficit) . . . . .	<u>1,431,112</u>	<u>124,922</u>	<u>508,769</u>	<u>16,465</u>	<u>133,587</u>
Total liabilities, deferred inflows of resources, and fund balances . . . . .	<u>\$ 2,620,426</u>	<u>\$ 193,561</u>	<u>\$ 696,830</u>	<u>\$ 32,098</u>	<u>\$ 133,587</u>

<u>Gervasi 1700, LLC TIF</u>	<u>Lesh Rd./30th St. TIF</u>	<u>Health Services</u>	<u>Crime Lab</u>	<u>Court Computer</u>	<u>Court</u>	<u>Law Department Dispute Resolution</u>	<u>SARTA Area Improvement</u>
\$ 27,156	\$ 40,223	\$ 4,990,092	\$ 48,619	\$ 210,620	\$ 1,106,231	\$ 874	\$ 642
-	-	37,500	-	-	489	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	175,505	1,288	16,446	40,843	-	-
-	-	-	-	-	-	-	-
<u>\$ 27,156</u>	<u>\$ 40,223</u>	<u>\$ 5,203,097</u>	<u>\$ 49,907</u>	<u>\$ 227,066</u>	<u>\$ 1,147,563</u>	<u>\$ 874</u>	<u>\$ 642</u>
\$ -	\$ -	\$ 86,777	\$ -	\$ 5,266	\$ 19,908	\$ -	\$ 40
-	-	96,100	-	-	6,989	-	-
-	-	15,000	-	-	-	-	-
-	-	61,960	-	-	-	-	-
-	-	15,088	-	-	1,079	-	-
-	-	274,925	-	5,266	27,976	-	40
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	25,822	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	25,822	-	-	-	-	-
-	-	-	-	-	-	-	-
27,156	40,223	4,902,350	49,907	221,800	1,119,587	874	602
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>27,156</u>	<u>40,223</u>	<u>4,902,350</u>	<u>49,907</u>	<u>221,800</u>	<u>1,119,587</u>	<u>874</u>	<u>602</u>
<u>\$ 27,156</u>	<u>\$ 40,223</u>	<u>\$ 5,203,097</u>	<u>\$ 49,907</u>	<u>\$ 227,066</u>	<u>\$ 1,147,563</u>	<u>\$ 874</u>	<u>\$ 642</u>

(Continued)

CITY OF CANTON  
 STARK COUNTY, OHIO  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
 DECEMBER 31, 2017

	Park Department	Youth Development	Federal Forfeiture	Probation Award	Enforcement and Education	Indigent Driver Alcohol Treatment
<b>Assets:</b>						
Equity in pooled cash and cash equivalents. . . . .	\$ 1,664,394	\$ 4,470	\$ 230,516	\$ 23,000	\$ 29,128	\$ 65,450
Receivables:						
Accounts . . . . .	2,605	-	-	-	-	-
Accrued interest. . . . .	-	-	20	-	-	-
Property and other taxes . . . . .	4,249,301	-	-	-	-	-
Due from other governments . . . . .	-	-	-	-	159	2,013
Materials and supplies inventory . . . . .	-	-	-	-	-	-
Total assets . . . . .	<u>\$ 5,916,300</u>	<u>\$ 4,470</u>	<u>\$ 230,536</u>	<u>\$ 23,000</u>	<u>\$ 29,287</u>	<u>\$ 67,463</u>
<b>Liabilities:</b>						
Accounts payable. . . . .	\$ 179,620	\$ -	\$ 12,351	\$ -	\$ -	\$ 1,000
Accrued wages and benefits payable. . . . .	67,088	-	4,647	-	-	-
Due to other funds . . . . .	483	-	-	-	-	-
Interfund loan payable . . . . .	-	-	-	-	-	-
Due to other governments . . . . .	13,855	-	718	-	-	-
Total liabilities . . . . .	<u>261,046</u>	<u>-</u>	<u>17,716</u>	<u>-</u>	<u>-</u>	<u>1,000</u>
<b>Deferred inflows of resources:</b>						
Property taxes levied for the next fiscal year. . . . .	3,317,665	-	-	-	-	-
Delinquent property tax revenue not available . . . . .	931,636	-	-	-	-	-
Intergovernmental revenue not available . . . . .	-	-	-	-	-	-
Other local taxes. . . . .	-	-	-	-	-	-
Miscellaneous revenue not available . . . . .	1,117	-	-	-	-	-
Total deferred inflows of resources . . . . .	<u>4,250,418</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances:</b>						
Nonspendable. . . . .	-	-	-	-	-	-
Restricted. . . . .	20,724	4,470	212,820	23,000	29,287	66,463
Committed . . . . .	1,384,112	-	-	-	-	-
Unassigned (deficit) . . . . .	-	-	-	-	-	-
Total fund balances (deficit). . . . .	<u>1,404,836</u>	<u>4,470</u>	<u>212,820</u>	<u>23,000</u>	<u>29,287</u>	<u>66,463</u>
Total liabilities, deferred inflows of resources, and fund balances . . . . .	<u>\$ 5,916,300</u>	<u>\$ 4,470</u>	<u>\$ 230,536</u>	<u>\$ 23,000</u>	<u>\$ 29,287</u>	<u>\$ 67,463</u>

<b>Law Enforcement Trust</b>	<b>Municipal Probation Services</b>	<b>Misdemeanor Community Sanction Grant</b>	<b>Prisoner Housing</b>	<b>Local Law Enforcement Block Grant</b>	<b>Supplementary Police Forces</b>	<b>Police</b>	<b>Fire</b>
\$ 63,287	\$ 401,408	\$ 55,503	\$ 75,514	\$ 88,820	\$ 108	\$ 215,763	\$ 138,880
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
498	13,557	-	699	-	-	164,251	108,740
-	-	-	-	-	-	-	-
<u>\$ 63,785</u>	<u>\$ 414,965</u>	<u>\$ 55,503</u>	<u>\$ 76,213</u>	<u>\$ 88,820</u>	<u>\$ 108</u>	<u>\$ 380,014</u>	<u>\$ 247,620</u>
\$ 4,516	\$ 8,737	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	8,219	8,701	-	-	-	-	-
-	-	-	-	67,361	-	238,522	243,224
-	-	-	-	-	-	-	-
-	1,270	1,344	-	-	-	-	-
<u>4,516</u>	<u>18,226</u>	<u>10,045</u>	<u>-</u>	<u>67,361</u>	<u>-</u>	<u>238,522</u>	<u>243,224</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	55,576	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	55,576	-
-	-	-	-	-	-	-	-
59,269	396,739	45,458	76,213	21,459	108	85,916	4,396
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>59,269</u>	<u>396,739</u>	<u>45,458</u>	<u>76,213</u>	<u>21,459</u>	<u>108</u>	<u>85,916</u>	<u>4,396</u>
<u>\$ 63,785</u>	<u>\$ 414,965</u>	<u>\$ 55,503</u>	<u>\$ 76,213</u>	<u>\$ 88,820</u>	<u>\$ 108</u>	<u>\$ 380,014</u>	<u>\$ 247,620</u>

(Continued)

CITY OF CANTON  
 STARK COUNTY, OHIO  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
 DECEMBER 31, 2017

	<u>Vacant/ Foreclosed Registry</u>	<u>Clean Ohio Revitalization</u>	<u>Canton Merchandising</u>	<u>Market Square Donation</u>	<u>Jobs Ohio</u>
<b>Assets:</b>					
Equity in pooled cash and cash equivalents . . . . .	\$ 554,499	\$ 8	\$ 11,865	\$ 109,242	\$ -
Receivables:					
Accounts . . . . .	148	-	-	-	-
Accrued interest . . . . .	-	-	-	-	-
Property and other taxes . . . . .	-	-	-	-	-
Due from other governments . . . . .	-	-	-	-	-
Materials and supplies inventory . . . . .	-	-	14,632	-	-
Total assets . . . . .	<u>\$ 554,647</u>	<u>\$ 8</u>	<u>\$ 26,497</u>	<u>\$ 109,242</u>	<u>\$ -</u>
<b>Liabilities:</b>					
Accounts payable . . . . .	\$ 604	\$ -	\$ -	\$ -	\$ -
Accrued wages and benefits payable . . . . .	1,350	-	-	-	-
Due to other funds . . . . .	-	-	-	-	5,735
Interfund loan payable . . . . .	-	-	-	-	-
Due to other governments . . . . .	209	-	-	-	-
Total liabilities . . . . .	<u>2,163</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,735</u>
<b>Deferred inflows of resources:</b>					
Property taxes levied for the next fiscal year . . . . .	-	-	-	-	-
Delinquent property tax revenue not available . . . . .	-	-	-	-	-
Intergovernmental revenue not available . . . . .	-	-	-	-	-
Other local taxes . . . . .	-	-	-	-	-
Miscellaneous revenue not available . . . . .	-	-	-	-	-
Total deferred inflows of resources . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances:</b>					
Nonspendable . . . . .	-	-	14,632	-	-
Restricted . . . . .	552,484	8	11,865	109,242	-
Committed . . . . .	-	-	-	-	-
Unassigned (deficit) . . . . .	-	-	-	-	(5,735)
Total fund balances (deficit) . . . . .	<u>552,484</u>	<u>8</u>	<u>26,497</u>	<u>109,242</u>	<u>(5,735)</u>
Total liabilities, deferred inflows of resources, and fund balances . . . . .	<u>\$ 554,647</u>	<u>\$ 8</u>	<u>\$ 26,497</u>	<u>\$ 109,242</u>	<u>\$ -</u>

<b>HOF Village</b>	<b>Other</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ -	\$ 324,832	\$ 12,492,799
50,958	14,460	108,172
-	-	20
-	-	4,249,301
38,138	-	2,201,001
-	-	38,603
<u>\$ 89,096</u>	<u>\$ 339,292</u>	<u>\$ 19,089,896</u>
\$ -	\$ -	\$ 673,373
-	7,185	286,013
-	-	571,920
-	-	61,960
-	1,111	47,920
<u>-</u>	<u>8,296</u>	<u>1,641,186</u>
-	-	3,317,665
-	-	931,636
-	-	1,087,916
38,138	-	38,138
-	11,364	12,481
<u>38,138</u>	<u>11,364</u>	<u>5,387,836</u>
-	-	38,603
50,958	1,005	10,325,267
-	318,627	1,702,739
-	-	(5,735)
<u>50,958</u>	<u>319,632</u>	<u>12,060,874</u>
<u>\$ 89,096</u>	<u>\$ 339,292</u>	<u>\$ 19,089,896</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Street Construction, Maintenance, and Repair</b>	<b>State Highway</b>	<b>Municipal Road</b>	<b>Cornerstone Parking Deck</b>	<b>Mills Industrial Park TIF</b>
<b>Revenues:</b>					
Property and other local taxes . . . . .	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services . . . . .	-	-	-	271,544	-
Licenses, permits, and fees . . . . .	-	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	-	-
Intergovernmental . . . . .	3,051,640	210,847	270,726	-	-
Interest and investment income. . . . .	-	-	-	-	-
Rental income . . . . .	-	-	-	19,052	-
Contributions and donations . . . . .	-	-	-	-	-
Operating grants . . . . .	200	-	-	-	-
Capital grants. . . . .	-	-	230,598	-	-
Payment in lieu of taxes . . . . .	-	-	-	-	52,045
Other local taxes. . . . .	-	-	-	-	-
Other. . . . .	11,999	143	17,925	3,871	-
<b>Total revenues . . . . .</b>	<b>3,063,839</b>	<b>210,990</b>	<b>519,249</b>	<b>294,467</b>	<b>52,045</b>
<b>Expenditures:</b>					
Current:					
General government . . . . .	-	-	-	-	-
Security of persons and property . . . . .	1,126,964	-	-	310,136	-
Public health . . . . .	-	-	-	-	-
Transportation . . . . .	1,615,120	167,699	598,872	-	-
Community environment. . . . .	-	-	-	-	-
Leisure time activities . . . . .	-	-	-	-	-
Debt service:					
Principal retirement . . . . .	-	-	-	-	-
Interest and fiscal charges . . . . .	-	-	-	-	-
<b>Total expenditures. . . . .</b>	<b>2,742,084</b>	<b>167,699</b>	<b>598,872</b>	<b>310,136</b>	<b>-</b>
Excess of revenues over (under) expenditures . . . . .	321,755	43,291	(79,623)	(15,669)	52,045
<b>Other financing sources:</b>					
Transfers in . . . . .	-	-	-	-	-
<b>Total other financing sources . . . . .</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balance . . . . .</b>	<b>321,755</b>	<b>43,291</b>	<b>(79,623)</b>	<b>(15,669)</b>	<b>52,045</b>
<b>Fund balances (deficit) at beginning of year . . . . .</b>	<b>1,109,357</b>	<b>81,631</b>	<b>588,392</b>	<b>32,134</b>	<b>81,542</b>
<b>Fund balances (deficit) at end of year . . . . .</b>	<b>\$ 1,431,112</b>	<b>\$ 124,922</b>	<b>\$ 508,769</b>	<b>\$ 16,465</b>	<b>\$ 133,587</b>



<u>Gervasi 1700, LLC TIF</u>	<u>Urban TIF</u>	<u>Lesh Rd./30th St. TIF</u>	<u>Health Services</u>	<u>Crime Lab</u>	<u>Court Computer</u>	<u>Court</u>	<u>Law Department Dispute Resolution</u>	<u>SARTA Area Improvement</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	243,968	18,910	237,239	603,344	-	-
-	-	-	326,873	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	968	-	-	-	-	-
-	-	-	4,578,472	-	-	-	-	-
24,046	21,223	4,596	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	2,338	-	-	734	150	-
<u>24,046</u>	<u>21,223</u>	<u>4,596</u>	<u>5,152,619</u>	<u>18,910</u>	<u>237,239</u>	<u>604,078</u>	<u>150</u>	<u>-</u>
-	21,223	-	-	-	217,662	409,502	-	40
-	-	-	-	-	-	-	-	-
-	-	-	4,488,029	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
13,767	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>13,767</u>	<u>21,223</u>	<u>-</u>	<u>4,488,029</u>	<u>-</u>	<u>217,662</u>	<u>409,502</u>	<u>-</u>	<u>40</u>
<u>10,279</u>	<u>-</u>	<u>4,596</u>	<u>664,590</u>	<u>18,910</u>	<u>19,577</u>	<u>194,576</u>	<u>150</u>	<u>(40)</u>
-	-	-	40,000	-	-	-	-	-
-	-	-	40,000	-	-	-	-	-
10,279	-	4,596	704,590	18,910	19,577	194,576	150	(40)
16,877	-	35,627	4,197,760	30,997	202,223	925,011	724	642
<u>\$ 27,156</u>	<u>\$ -</u>	<u>\$ 40,223</u>	<u>\$ 4,902,350</u>	<u>\$ 49,907</u>	<u>\$ 221,800</u>	<u>\$ 1,119,587</u>	<u>\$ 874</u>	<u>\$ 602</u>

(Continued)

**CITY OF CANTON  
STARK COUNTY, OHIO**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Park Department</u>	<u>Youth Development</u>	<u>Federal Forfeiture</u>	<u>Probation Award</u>	<u>Enforcement and Education</u>	<u>Indigent Driver Alcohol Treatment</u>
<b>Revenues:</b>						
Property and other local taxes . . . . .	\$ 3,218,368	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services . . . . .	132	-	-	-	-	-
Licenses, permits, and fees . . . . .	131,472	-	-	-	-	-
Fines and forfeitures . . . . .	-	-	57,406	-	5,211	125,898
Intergovernmental . . . . .	190,678	-	-	-	-	-
Interest and investment income . . . . .	-	-	228	-	-	-
Rental income . . . . .	69,041	-	-	-	-	-
Contributions and donations . . . . .	2,848	-	-	-	-	-
Operating grants . . . . .	159,426	-	-	23,000	-	-
Capital grants . . . . .	-	-	-	-	-	-
Payment in lieu of taxes . . . . .	-	-	-	-	-	-
Other local taxes . . . . .	-	-	-	-	-	-
Other . . . . .	15,500	16,869	-	-	-	-
<b>Total revenues . . . . .</b>	<b>3,787,465</b>	<b>16,869</b>	<b>57,634</b>	<b>23,000</b>	<b>5,211</b>	<b>125,898</b>
<b>Expenditures:</b>						
Current:						
General government . . . . .	-	-	-	-	-	88,749
Security of persons and property . . . . .	68,132	-	134,343	-	4,631	-
Public health . . . . .	-	-	-	-	-	-
Transportation . . . . .	-	-	-	-	-	-
Community environment . . . . .	-	-	-	-	-	-
Leisure time activities . . . . .	3,556,163	-	-	-	-	-
Debt service:						
Principal retirement . . . . .	-	-	28,366	-	-	-
Interest and fiscal charges . . . . .	-	-	1,404	-	-	-
<b>Total expenditures . . . . .</b>	<b>3,624,295</b>	<b>-</b>	<b>164,113</b>	<b>-</b>	<b>4,631</b>	<b>88,749</b>
Excess (deficiency) of revenues over (under) expenditures . . . . .	163,170	16,869	(106,479)	23,000	580	37,149
<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>
Net change in fund balance . . . . .	163,170	16,869	(106,479)	23,000	580	37,149
<b>Fund balances (deficit) at beginning of year . . . . .</b>	<b>1,241,666</b>	<b>(12,399)</b>	<b>319,299</b>	<b>-</b>	<b>28,707</b>	<b>29,314</b>
<b>Fund balances (deficit) at end of year . . . . .</b>	<b>\$ 1,404,836</b>	<b>\$ 4,470</b>	<b>\$ 212,820</b>	<b>\$ 23,000</b>	<b>\$ 29,287</b>	<b>\$ 66,463</b>

<u>Law Enforcement Trust</u>	<u>Municipal Probation Services</u>	<u>Misdemeanor Community Sanction Grant</u>	<u>Prisoner Housing</u>	<u>Local Law Enforcement Block Grant</u>	<u>Supplementary Police Forces</u>	<u>Police</u>	<u>Fire</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	205,733	-	-	-	-	-	-
-	-	-	-	-	-	-	-
24,023	-	-	14,748	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	10,120	100
-	-	120,179	-	-	-	1,215,704	502,475
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	24,748	-	-	-	-	600	-
<u>24,023</u>	<u>230,481</u>	<u>120,179</u>	<u>14,748</u>	<u>-</u>	<u>-</u>	<u>1,226,424</u>	<u>502,575</u>
-	270,068	173,573	-	-	-	43,145	-
40,890	-	-	-	130,048	-	1,468,134	410,227
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>40,890</u>	<u>270,068</u>	<u>173,573</u>	<u>-</u>	<u>130,048</u>	<u>-</u>	<u>1,511,279</u>	<u>410,227</u>
<u>(16,867)</u>	<u>(39,587)</u>	<u>(53,394)</u>	<u>14,748</u>	<u>(130,048)</u>	<u>-</u>	<u>(284,855)</u>	<u>92,348</u>
-	-	-	-	-	-	17,442	-
-	-	-	-	-	-	17,442	-
<u>(16,867)</u>	<u>(39,587)</u>	<u>(53,394)</u>	<u>14,748</u>	<u>(130,048)</u>	<u>-</u>	<u>(267,413)</u>	<u>92,348</u>
<u>76,136</u>	<u>436,326</u>	<u>98,852</u>	<u>61,465</u>	<u>151,507</u>	<u>108</u>	<u>353,329</u>	<u>(87,952)</u>
<u>\$ 59,269</u>	<u>\$ 396,739</u>	<u>\$ 45,458</u>	<u>\$ 76,213</u>	<u>\$ 21,459</u>	<u>\$ 108</u>	<u>\$ 85,916</u>	<u>\$ 4,396</u>

(Continued)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Vacant/ Foreclosed Registry</b>	<b>Clean Ohio Revitalization</b>	<b>Canton Merchandising</b>	<b>Market Square Donation</b>	<b>Jobs Ohio</b>
<b>Revenues:</b>					
Property and other local taxes . . . . .	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services . . . . .	176,500	-	-	-	-
Licenses, permits, and fees . . . . .	-	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	-	-
Intergovernmental . . . . .	-	-	-	-	-
Interest and investment income . . . . .	-	-	-	-	-
Rental income . . . . .	-	-	-	-	-
Contributions and donations . . . . .	-	-	-	-	-
Operating grants . . . . .	-	749,128	-	-	142,480
Capital grants . . . . .	-	-	-	-	-
Payment in lieu of taxes . . . . .	-	-	-	-	-
Other local taxes . . . . .	-	-	-	-	-
Other . . . . .	8,389	-	1,158	-	-
<b>Total revenues . . . . .</b>	<b>184,889</b>	<b>749,128</b>	<b>1,158</b>	<b>-</b>	<b>142,480</b>
<b>Expenditures:</b>					
Current:					
General government . . . . .	52,211	-	583	6,078	-
Security of persons and property . . . . .	1,999	-	-	-	-
Public health . . . . .	-	-	-	-	-
Transportation . . . . .	52,950	-	-	-	-
Community environment . . . . .	-	1,027,987	-	-	35,022
Leisure time activities . . . . .	-	-	-	-	-
Debt service:					
Principal retirement . . . . .	-	-	-	-	-
Interest and fiscal charges . . . . .	-	-	-	-	-
<b>Total expenditures . . . . .</b>	<b>107,160</b>	<b>1,027,987</b>	<b>583</b>	<b>6,078</b>	<b>35,022</b>
Excess (deficiency) of revenues over (under) expenditures . . . . .	77,729	(278,859)	575	(6,078)	107,458
<b>Other financing sources:</b>					
Transfers in . . . . .	-	-	-	-	-
<b>Total other financing sources . . . . .</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balance . . . . .	77,729	(278,859)	575	(6,078)	107,458
<b>Fund balances (deficit) at beginning of year . . . . .</b>	<b>474,755</b>	<b>278,867</b>	<b>25,922</b>	<b>115,320</b>	<b>(113,193)</b>
<b>Fund balances (deficit) at end of year . . . . .</b>	<b>\$ 552,484</b>	<b>\$ 8</b>	<b>\$ 26,497</b>	<b>\$ 109,242</b>	<b>\$ (5,735)</b>

<b>HOF Village</b>	<b>Other</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ -	\$ -	\$ 3,218,368
-	-	1,757,370
-	-	458,345
-	-	227,286
-	-	3,723,891
-	-	228
-	-	88,093
-	-	14,036
-	245,594	7,736,658
-	-	230,598
-	-	101,910
50,958	-	50,958
-	70,226	174,650
<u>50,958</u>	<u>315,820</u>	<u>17,782,391</u>
-	70,925	1,353,759
-	2,432	3,697,936
-	-	4,488,029
-	32,095	2,466,736
-	-	1,063,009
-	-	3,556,163
-	-	-
-	-	42,133
-	-	1,404
-	105,452	16,669,169
<u>50,958</u>	<u>210,368</u>	<u>1,113,222</u>
-	-	57,442
-	-	57,442
50,958	210,368	1,170,664
-	109,264	10,890,210
<u>\$ 50,958</u>	<u>\$ 319,632</u>	<u>\$ 12,060,874</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
STREET CONSTRUCTION, MAINTENANCE, AND REPAIR FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Intergovernmental . . . . .	\$ 2,900,000	\$ 3,052,386	\$ 152,386
Operating grants . . . . .	-	200	200
Other . . . . .	-	9,987	9,987
<b>Total revenues . . . . .</b>	<b>2,900,000</b>	<b>3,062,573</b>	<b>162,573</b>
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Traffic Divisions - Traffic Engineer/Parking Meter:</i>			
Personal services . . . . .	366,988	329,662	37,326
Materials and supplies . . . . .	11,995	11,996	(1)
Contractual services . . . . .	15,596	14,345	1,251
Capital outlay . . . . .	14,069	13,843	226
Other . . . . .	574	575	(1)
<b>Total Traffic Divisions - Traffic Engineer/Parking Meter . . . . .</b>	<b>409,222</b>	<b>370,421</b>	<b>38,801</b>
<i>Traffic Divisions - Traffic Sign and Paint:</i>			
Personal services . . . . .	218,998	180,958	38,040
Materials and supplies . . . . .	92,808	92,942	(134)
Contractual services . . . . .	52,848	51,347	1,501
Other . . . . .	1,150	1,150	-
<b>Total Traffic Divisions - Traffic Sign and Paint . . . . .</b>	<b>365,804</b>	<b>326,397</b>	<b>39,407</b>
<i>Traffic Divisions - Traffic Signal:</i>			
Personal services . . . . .	299,542	296,167	3,375
Materials and supplies . . . . .	76,429	76,427	2
Contractual services . . . . .	124,600	124,599	1
Capital outlay . . . . .	127,405	127,406	(1)
Other . . . . .	122	122	-
<b>Total Traffic Divisions - Traffic Signal . . . . .</b>	<b>628,098</b>	<b>624,721</b>	<b>3,377</b>
<b>Total security of persons and property . . . . .</b>	<b>1,403,124</b>	<b>1,321,539</b>	<b>81,585</b>
Transportation:			
<i>Engineering - Daily Operations:</i>			
Personal services . . . . .	21,905	21,798	107
Materials and supplies . . . . .	650	650	-
Contractual services . . . . .	25,350	25,350	-
<b>Total Engineering - Daily Operations . . . . .</b>	<b>47,905</b>	<b>47,798</b>	<b>107</b>
<i>Street Maintenance:</i>			
Personal services . . . . .	847,325	782,903	64,422
Materials and supplies . . . . .	501,444	489,395	12,049
Contractual services . . . . .	78,739	71,685	7,054
Capital outlay . . . . .	486,845	465,860	20,985
Other . . . . .	15,800	8,586	7,214
<b>Total Street Maintenance . . . . .</b>	<b>1,930,153</b>	<b>1,818,429</b>	<b>111,724</b>
<b>Total Transportation . . . . .</b>	<b>1,978,058</b>	<b>1,866,227</b>	<b>111,831</b>
<b>Total expenditures . . . . .</b>	<b>3,381,182</b>	<b>3,187,766</b>	<b>193,416</b>
<b>Net change in fund balance . . . . .</b>	<b>(481,182)</b>	<b>(125,193)</b>	<b>355,989</b>
<b>Fund balance at beginning of year . . . . .</b>	<b>453,686</b>	<b>453,686</b>	<b>-</b>
<b>Prior year encumbrances appropriated . . . . .</b>	<b>288,707</b>	<b>288,707</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 261,211</b>	<b>\$ 617,200</b>	<b>\$ 355,989</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
STATE HIGHWAY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Intergovernmental . . . . .	\$ 202,000	\$ 210,440	\$ 8,440
Other . . . . .	-	143	143
Total revenues . . . . .	<u>202,000</u>	<u>210,583</u>	<u>8,583</u>
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Traffic Divisions - Traffic Signal:</i>			
Contractual services . . . . .	10,000	-	10,000
Capital outlay . . . . .	8,398	8,398	-
<i>Total Traffic Divisions - Traffic Signal</i> . . . . .	<u>18,398</u>	<u>8,398</u>	<u>10,000</u>
Transportation:			
<i>Street Maintenance:</i>			
Personal services . . . . .	124,039	112,200	11,839
Materials and supplies . . . . .	44,123	42,013	2,110
Contractual services . . . . .	45,000	45,000	-
Capital outlay . . . . .	1,000	-	1,000
<i>Total Street Maintenance</i> . . . . .	<u>214,162</u>	<u>199,213</u>	<u>14,949</u>
Total expenditures . . . . .	<u>232,560</u>	<u>207,611</u>	<u>24,949</u>
Net change in fund balance . . . . .	(30,560)	2,972	33,532
<b>Fund balance at beginning of year</b> . . . . .	44,665	44,665	-
<b>Prior year encumbrances appropriated</b> . . . . .	20,996	20,996	-
<b>Fund balance at end of year</b> . . . . .	<u>\$ 35,101</u>	<u>\$ 68,633</u>	<u>\$ 33,532</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 MUNICIPAL ROAD FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Capital grants . . . . .	\$ 302,620	\$ 230,598	\$ (72,022)
Other . . . . .	17,925	17,925	-
Intergovernmental-federal . . . . .	<u>227,752</u>	<u>155,726</u>	<u>(72,026)</u>
Total revenues . . . . .	<u>548,297</u>	<u>404,249</u>	<u>(144,048)</u>
<b>Expenditures:</b>			
Current:			
Transportation:			
<i>Engineering - Daily Operations:</i>			
Materials and supplies . . . . .	27,553	27,553	-
Contractual services . . . . .	38,734	38,734	-
Capital outlay . . . . .	<u>1,078,527</u>	<u>857,939</u>	<u>220,588</u>
<i>Total Engineering - Daily Operations</i> . . . . .	<u>1,144,814</u>	<u>924,226</u>	<u>220,588</u>
Net change in fund balance . . . . .	(596,517)	(519,977)	76,540
<b>Fund balance at beginning of year</b> . . . . .	444,449	444,449	-
<b>Prior year encumbrances appropriated</b> . . . . .	<u>152,068</u>	<u>152,068</u>	<u>-</u>
<b>Fund balance at end of year</b> . . . . .	<u>\$ -</u>	<u>\$ 76,540</u>	<u>\$ 76,540</u>



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CORNERSTONE PARKING DECK FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services . . . . .	\$ 286,651	\$ 271,118	\$ (15,533)
Rental income . . . . .	15,000	19,052	4,052
Other . . . . .	-	4,742	4,742
<b>Total revenues . . . . .</b>	<b>301,651</b>	<b>294,912</b>	<b>(6,739)</b>
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Traffic Division - Traffic Engineer/Parking Meter:</i>			
Personal services . . . . .	186,323	184,605	1,718
Materials and supplies . . . . .	12,201	3,808	8,393
Contractual services . . . . .	135,324	132,443	2,881
Capital outlay . . . . .	3,009	-	3,009
Other . . . . .	4,394	3,440	954
<i>Total Traffic Division - Traffic Engineer/Parking Meter . . . . .</i>	<i>341,251</i>	<i>324,296</i>	<i>16,955</i>
Net change in fund balance . . . . .	(39,600)	(29,384)	10,216
<b>Fund balance at beginning of year . . . . .</b>	<b>36,817</b>	<b>36,817</b>	<b>-</b>
<b>Prior year encumbrances appropriated . . . . .</b>	<b>4,370</b>	<b>4,370</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 1,587</b>	<b>\$ 11,803</b>	<b>\$ 10,216</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 MILLS INDUSTRIAL PARK TIF FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Payment in lieu of taxes . . . . .	\$ 50,000	\$ 52,045	\$ 2,045
Net change in fund balance . . . . .	50,000	52,045	2,045
<b>Fund balance at beginning of year . . . . .</b>	<u>81,542</u>	<u>81,542</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 131,542</u>	<u>\$ 133,587</u>	<u>\$ 2,045</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GERVASI 1700, LLC TIF FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Payment in lieu of taxes . . . . .	\$ 20,000	\$ 24,046	\$ 4,046
<b>Expenditures:</b>			
Debt service:			
Principal retirement . . . . .	13,767	13,767	-
Net change in fund balance . . . . .	6,233	10,279	4,046
<b>Fund balance at beginning of year . . . . .</b>	<u>16,876</u>	<u>16,876</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 23,109</u>	<u>\$ 27,155</u>	<u>\$ 4,046</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 URBAN TIF FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Payment in lieu of taxes . . . . .	\$ 21,223	\$ 21,223	\$ -
<b>Expenditures:</b>			
General Government			
Other . . . . .	<u>21,223</u>	<u>21,223</u>	<u>-</u>
Net change in fund balance . . . . .	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 LESH RD./30TH ST. TIF FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Payment in lieu of taxes . . . . .	\$ 4,500	\$ 4,596	\$ 96
Net change in fund balance . . . . .	4,500	4,596	96
<b>Fund balance at beginning of year . . . . .</b>	<u>35,627</u>	<u>35,627</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 40,127</u>	<u>\$ 40,223</u>	<u>\$ 96</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
HEALTH SERVICES FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services . . . . .	\$ 273,100	\$ 234,277	\$ (38,823)
Licenses, permits, and fees . . . . .	237,100	326,873	89,773
Intergovernmental . . . . .	14,000	13,715	(285)
Operating grants . . . . .	4,936,033	4,912,719	(23,314)
Contributions and donations . . . . .	-	968	968
Other . . . . .	-	2,346	2,346
<b>Total revenues . . . . .</b>	<b>5,460,233</b>	<b>5,490,898</b>	<b>30,665</b>
<b>Expenditures:</b>			
Current:			
Public health:			
<i>Health Administration:</i>			
Personal services . . . . .	2,787,287	2,617,366	169,921
Materials and supplies . . . . .	385,744	228,526	157,218
Contractual services . . . . .	2,514,491	1,815,145	699,346
Capital outlay . . . . .	107,902	26,528	81,374
Other . . . . .	129,170	66,869	62,301
<i>Total Health Administration . . . . .</i>	<i>5,924,594</i>	<i>4,754,434</i>	<i>1,170,160</i>
Excess of revenues over (under) expenditures . . . . .	(464,361)	736,464	1,200,825
<b>Other financing sources:</b>			
Transfers in . . . . .	40,000	40,000	-
Advances in . . . . .	-	15,000	15,000
<i>Total Other Financing Sources . . . . .</i>	<i>40,000</i>	<i>55,000</i>	<i>15,000</i>
Net change in fund balance . . . . .	(424,361)	791,464	1,215,825
<b>Fund balance at beginning of year . . . . .</b>	3,292,955	3,292,955	-
<b>Prior year encumbrances appropriated . . . . .</b>	689,220	689,220	-
<b>Fund balance at end of year . . . . .</b>	<b>\$ 3,557,814</b>	<b>\$ 4,773,639</b>	<b>\$ 1,215,825</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CRIME LAB FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services . . . . .	\$ 20,000	\$ 18,758	\$ (1,242)
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Police administration:</i>			
Capital outlay . . . . .	43,185	-	43,185
Net change in fund balance. . . . .	(23,185)	18,758	41,943
<b>Fund balance at beginning of year . . . . .</b>	<b>29,861</b>	<b>29,861</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 6,676</b>	<b>\$ 48,619</b>	<b>\$ 41,943</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COURT COMPUTER FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services . . . . .	\$ 225,000	\$ 238,334	\$ 13,334
<b>Expenditures:</b>			
Current:			
General government:			
<i>Courts/Clerk - Clerk of Courts Administration:</i>			
Personal services . . . . .	193,668	116,711	76,957
Materials and supplies . . . . .	59,905	37,123	22,782
Contractual services . . . . .	96,440	76,360	20,080
Capital outlay . . . . .	40,000	12,863	27,137
Other . . . . .	20,000	-	20,000
<i>Total Courts/Clerk - Clerk of Courts Administration . . . . .</i>	<u>410,013</u>	<u>243,057</u>	<u>166,956</u>
Net change in fund balance . . . . .	(185,013)	(4,723)	180,290
<b>Fund balance at beginning of year . . . . .</b>	184,477	184,477	-
<b>Prior year encumbrances appropriated. . . . .</b>	10,591	10,591	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 10,055</u>	<u>\$ 190,345</u>	<u>\$ 180,290</u>



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COURT CAPITAL IMPROVEMENT SPECIAL PROJECT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services . . . . .	\$ 450,000	\$ 507,657	\$ 57,657
Other . . . . .	-	245	245
<b>Total revenues</b> . . . . .	<u>450,000</u>	<u>507,902</u>	<u>57,902</u>
<b>Expenditures:</b>			
Current:			
General government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services . . . . .	212,340	184,118	28,222
Materials and supplies . . . . .	43,489	32,077	11,412
Contractual services . . . . .	83,326	66,048	17,278
Capital outlay . . . . .	171,465	23,558	147,907
Other . . . . .	49,815	26,950	22,865
<i>Total Courts/Judge - Judge Administration</i> . . . . .	<u>560,435</u>	<u>332,751</u>	<u>227,684</u>
Net change in fund balance . . . . .	(110,435)	175,151	285,586
<b>Fund balance at beginning of year</b> . . . . .	480,803	480,803	-
<b>Prior year encumbrances appropriated.</b> . . . . .	22,539	22,539	-
<b>Fund balance at end of year.</b> . . . . .	<u>\$ 392,907</u>	<u>\$ 678,493</u>	<u>\$ 285,586</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 LEGAL RESEARCH FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services. . . . .	\$ 20,400	\$ 24,911	\$ 4,511
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Courts/Judge- Judge Administration:</i>			
Materials and supplies . . . . .	3,230	2,903	327
Contractual services. . . . .	6,914	-	6,914
Capital outlay. . . . .	1,600	1,600	-
<i>Total Courts/Judge - Judge Administration . . . . .</i>	11,744	4,503	7,241
Net change in fund balance . . . . .	8,656	20,408	11,752
<b>Fund balance at beginning of year . . . . .</b>	13,588	13,588	-
<b>Fund balance at end of year. . . . .</b>	\$ 22,244	\$ 33,996	\$ 11,752

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COURT GPS COST FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services . . . . .	\$ 4,000	\$ 2,008	\$ (1,992)
<b>Expenditures:</b>			
Current:			
General Government			
<i>Courts/Judge - Judge Administration:</i>			
Contractual services. . . . .	11,300	4,751	6,549
Net change in fund balance . . . . .	(7,300)	(2,743)	4,557
<b>Fund balance at beginning of year . . . . .</b>	12,234	12,234	-
<b>Fund balance at end of year. . . . .</b>	\$ 4,934	\$ 9,491	\$ 4,557

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
IGNITION INTERLOCK/ALCOHOL MONITORING FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services. . . . .	\$ 80,000	\$ 73,328	\$ (6,672)
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Courts/Judge- Judge Administration:</i>			
Contractual services. . . . .	50,000	23,053	26,947
Other . . . . .	125,000	-	125,000
<i>Total Courts/Judge- Judge Administration . . . . .</i>	175,000	23,053	151,947
Excess of revenues over (under) expenditures. . . . .	(95,000)	50,275	145,275
<b>Other financing (uses):</b>			
Transfers out . . . . .	(75,000)	(75,000)	-
Net change in fund balance . . . . .	(170,000)	(24,725)	145,275
<b>Fund balance at beginning of year . . . . .</b>	367,696	367,696	-
<b>Fund balance at end of year. . . . .</b>	\$ 197,696	\$ 342,971	\$ 145,275

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 LAW DEPARTMENT DISPUTE RESOLUTION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Other . . . . .	\$ -	\$ 150	\$ 150
<b>Expenditures:</b>			
Current:			
General government:			
<i>Law Director - Administration:</i>			
Contractual services. . . . .	400	-	400
Net change in fund balance . . . . .	(400)	150	550
<b>Fund balance at beginning of year . . . . .</b>	<u>724</u>	<u>724</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u><u>\$ 324</u></u>	<u><u>\$ 874</u></u>	<u><u>\$ 550</u></u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SARTA AREA IMPROVEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Fund balance at beginning of year . . . . .</b>	\$ 642	\$ 642	-
<b>Fund balance at end of year . . . . .</b>	\$ 642	\$ 642	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PARK DEPARTMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Property taxes . . . . .	\$ 3,117,000	\$ 3,218,368	\$ 101,368
Intergovernmental. . . . .	200,000	190,678	(9,322)
Licenses and permits. . . . .	-	131,472	131,472
Operating grants . . . . .	20,000	159,426	139,426
Rental income . . . . .	36,000	69,041	33,041
Contributions and donations . . . . .	112,000	2,848	(109,152)
Other . . . . .	32,281	17,900	(14,381)
<b>Total revenues . . . . .</b>	<b>3,517,281</b>	<b>3,789,733</b>	<b>272,452</b>
<b>Expenditures:</b>			
Current:			
Leisure time activities:			
<i>Park Division - Special Parks Funds:</i>			
Personal services . . . . .	2,321,336	2,060,990	260,346
Materials and supplies. . . . .	395,437	300,843	94,594
Contractual services. . . . .	1,113,702	1,051,974	61,728
Capital outlay . . . . .	759,183	617,087	142,096
Other . . . . .	140,585	92,995	47,590
<i>Total Park Division - Special Parks Funds . . . . .</i>	<i>4,730,243</i>	<i>4,123,889</i>	<i>606,354</i>
 Net change in fund balance . . . . .	 (1,212,962)	 (334,156)	 878,806
 <b>Fund balance at beginning of year . . . . .</b>	 1,002,318	 1,002,318	 -
<b>Prior year encumbrances appropriated. . . . .</b>	387,461	387,461	-
<b>Fund balance at end of year. . . . .</b>	<b>\$ 176,817</b>	<b>\$ 1,055,623</b>	<b>\$ 878,806</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 YOUTH DEVELOPMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Fund balance at beginning of year</b> . . . . .	\$ 4,470	\$ 4,470	\$ -
<b>Fund balance at end of year.</b> . . . . .	\$ 4,470	\$ 4,470	\$ -



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FEDERAL FORFEITURE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Fines and forfeitures. . . . .	\$ 57,406	\$ 57,406	\$ -
Investment income. . . . .	-	226	226
<b>Total revenues</b> . . . . .	<b>57,406</b>	<b>57,632</b>	<b>226</b>
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Personal services . . . . .	21,000	4,470	16,530
Materials and supplies. . . . .	114,876	78,024	36,852
Contractual services. . . . .	84,940	70,387	14,553
Capital outlay . . . . .	69,660	43,838	25,822
Other . . . . .	61,096	11,476	49,620
<i>Total Police Administration</i> . . . . .	<b>351,572</b>	<b>208,195</b>	<b>143,377</b>
Net change in fund balance . . . . .	(294,166)	(150,563)	143,603
<b>Fund balance at beginning of year</b> . . . . .	266,335	266,335	-
<b>Prior year encumbrances appropriated.</b> . . . . .	68,191	68,191	-
<b>Fund balance at end of year.</b> . . . . .	<b>\$ 40,360</b>	<b>\$ 183,963</b>	<b>\$ 143,603</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 PROBATION AWARD FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants . . . . .	\$ 23,000	\$ 23,000	\$ -
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Courts/Judge- Judge Administration:</i>			
Contractual services. . . . .	23,000	-	23,000
Net change in fund balance . . . . .	-	23,000	23,000
<b>Fund balance at beginning of year . . . . .</b>	-	-	-
<b>Fund balance at end of year. . . . .</b>	\$ -	\$ 23,000	\$ 23,000

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ENFORCEMENT AND EDUCATION FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Fines and forfeitures . . . . .	\$ 5,500	\$ 5,493	\$ (7)
Other . . . . .	10,500	-	(10,500)
Total revenues . . . . .	16,000	5,493	(10,507)
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Other . . . . .	16,770	7,786	8,984
Net change in fund balance . . . . .	(770)	(2,293)	(1,523)
<b>Fund balance at beginning of year . . . . .</b>	26,556	26,556	-
<b>Prior year encumbrances appropriated . . . . .</b>	1,770	1,770	-
<b>Fund balance at end of year . . . . .</b>	\$ 27,556	\$ 26,033	\$ (1,523)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 INDIGENT DRIVER ALCOHOL TREATMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Fines and forfeitures . . . . .	\$ 51,000	\$ 50,645	\$ (355)
<b>Expenditures:</b>			
Current:			
General government:			
<i>Courts/Judge - Judge Administration:</i>			
Contractual services . . . . .	174,000	93,749	80,251
Excess of expenditures over revenues . . . . .	(123,000)	(43,104)	79,896
<b>Other financing sources:</b>			
Transfers in . . . . .	108,000	75,000	(33,000)
Net change in fund balance . . . . .	(15,000)	31,896	46,896
<b>Fund balance at beginning of year . . . . .</b>	25,554	25,554	-
<b>Prior year encumbrances appropriated. . . . .</b>	7,000	7,000	-
<b>Fund balance at end of year. . . . .</b>	<b>\$ 17,554</b>	<b>\$ 64,450</b>	<b>\$ 46,896</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
LAW ENFORCEMENT TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Fines and forfeitures . . . . .	\$ 50,000	\$ 27,505	\$ (22,495)
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Materials and supplies. . . . .	44,488	24,231	20,257
Contractual services. . . . .	39,574	21,820	17,754
Capital outlay . . . . .	11,948	11,650	298
Other . . . . .	19,466	4,639	14,827
<i>Total Police Administration.</i> . . . .	<u>115,476</u>	<u>62,340</u>	<u>53,136</u>
Net change in fund balance . . . . .	(65,476)	(34,835)	30,641
<b>Fund balance at beginning of year</b> . . . . .	70,544	70,544	-
<b>Prior year encumbrances appropriated.</b> . . . .	1,712	1,712	-
<b>Fund balance at end of year.</b> . . . .	<u>\$ 6,780</u>	<u>\$ 37,421</u>	<u>\$ 30,641</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
MUNICIPAL PROBATION SERVICES FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services . . . . .	\$ 205,000	\$ 208,082	\$ 3,082
Other . . . . .	20,000	24,748	4,748
<b>Total revenues . . . . .</b>	<b>225,000</b>	<b>232,830</b>	<b>7,830</b>
<b>Expenditures:</b>			
Current:			
General government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services . . . . .	360,187	197,194	162,993
Materials and supplies . . . . .	33,728	33,301	427
Contractual services . . . . .	7,010	6,487	523
Capital outlay . . . . .	26,297	10,098	16,199
Other . . . . .	25,814	23,387	2,427
<i>Total Courts/Judge - Judge Administration. . . . .</i>	<u>453,036</u>	<u>270,467</u>	<u>182,569</u>
Net change in fund balance . . . . .	(228,036)	(37,637)	190,399
<b>Fund balance at beginning of year . . . . .</b>	<b>418,821</b>	<b>418,821</b>	<b>-</b>
<b>Prior year encumbrances appropriated. . . . .</b>	<b>1,599</b>	<b>1,599</b>	<b>-</b>
<b>Fund balance at end of year. . . . .</b>	<b><u>\$ 192,384</u></b>	<b><u>\$ 382,783</u></b>	<b><u>\$ 190,399</u></b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
MISDEMEANOR COMMUNITY SANCTION GRANT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants . . . . .	\$ 330,202	\$ 170,601	\$ (159,601)
Other . . . . .	11,000	-	(11,000)
<i>Total Revenues</i> . . . . .	341,202	170,601	(170,601)
<b>Expenditures:</b>			
Current:			
General government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services . . . . .	345,505	163,528	181,977
Other . . . . .	45	-	45
<i>Total Courts/Judge- Judge Administration.</i> . . . . .	345,550	163,528	182,022
Net change in fund balance . . . . .	(4,348)	7,073	11,421
<b>Fund balance at beginning of year</b> . . . . .	48,430	48,430	-
<b>Fund balance at end of year.</b> . . . . .	\$ 44,082	\$ 55,503	\$ 11,421

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 PRISONER HOUSING FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Fines and forfeitures . . . . .	\$ 15,000	\$ 15,453	\$ 453
<b>Expenditures:</b>			
Current:			
General government:			
<i>Courts/Judge - Judge Administration:</i>			
Contractual services . . . . .	56,000	-	56,000
Net change in fund balance . . . . .	(41,000)	15,453	56,453
<b>Fund balance at beginning of year . . . . .</b>	60,061	60,061	-
<b>Fund balance at end of year . . . . .</b>	\$ 19,061	\$ 75,514	\$ 56,453



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 LOCAL LAW ENFORCEMENT BLOCK GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Intergovernmental . . . . .	\$ 36,573	\$ 89,456	\$ 52,883
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Materials and supplies . . . . .	9,410	8,900	510
Capital outlay. . . . .	27,163	27,163	-
Other. . . . .	34,894	3,598	31,296
<i>Police Administration</i> . . . . .	71,467	39,661	31,806
Net change in fund balance . . . . .	(34,894)	49,795	84,689
<b>Fund balance at beginning of year. . . . .</b>	34,855	34,855	-
<b>Fund balance (deficit) at end of year . . . . .</b>	\$ (39)	\$ 84,650	\$ 84,689

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CANTON POLICE YOUTH CORP FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Materials and supplies . . . . .	\$ 108	\$ -	\$ 108
Net change in fund balance . . . . .	(108)	-	108
<b>Fund balance at beginning of year. . . . .</b>	<u>\$ 108</u>	<u>\$ 108</u>	<u>\$ -</u>
<b>Fund balance at end of year. . . . .</b>	<u><u>\$ -</u></u>	<u><u>\$ 108</u></u>	<u><u>\$ 108</u></u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 D.A.R.E. PROGRAM FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Materials and supplies. . . . .	\$ 151	\$ -	\$ 151
Net change in fund balance . . . . .	(151)	-	151
<b>Fund balance at beginning of year . . . . .</b>	<u>151</u>	<u>151</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u><u>\$ -</u></u>	<u><u>\$ 151</u></u>	<u><u>\$ 151</u></u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 PROB IMPROV AND INCENT GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating Grants . . . . .	\$ 162,100	\$ 34,086	\$ (128,014)
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services . . . . .	140,972	43,145	97,827
Net change in fund balance . . . . .	21,128	(9,059)	(30,187)
<b>Fund balance at beginning of year . . . . .</b>	14,732	14,732	-
<b>Fund balance at end of year . . . . .</b>	<b>\$ 35,860</b>	<b>\$ 5,673</b>	<b>\$ (30,187)</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 2015 COPS HIRING PROGRAM GRANT  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants . . . . .	\$ 351,086	\$ 338,034	\$ (13,052)
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Other . . . . .	391,644	378,592	13,052
Net change in fund balance . . . . .	(40,558)	(40,558)	-
<b>Fund balance at beginning of year . . . . .</b>	28,914	28,914	-
<b>Prior year encumbrances appropriated. . . . .</b>	11,644	11,644	-
<b>Fund balance at end of year. . . . .</b>	\$ -	\$ -	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 2016 COPS HIRING PROGRAM GRANT  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants . . . . .	\$ 375,000	\$ 332,063	\$ (42,937)
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Other . . . . .	375,000	332,063	42,937
Net change in fund balance . . . . .	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	-	-	-
<b>Prior year encumbrances appropriated. . . . .</b>	-	-	-
<b>Fund balance at end of year. . . . .</b>	\$ -	\$ -	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SAFE NEIGHBORHOOD HEROES GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Fund balance at beginning of year</b> . . . . .	\$ 1,000	\$ 1,000	\$ -
<b>Fund balance at end of year.</b> . . . . .	\$ 1,000	\$ 1,000	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
POLICE GRANTS AND DONATIONS FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Contributions and donations . . . . .	\$ 14,000	\$ 10,120	\$ (3,880)
Other . . . . .	-	600	600
<b>Total revenues . . . . .</b>	<b>14,000</b>	<b>10,720</b>	<b>(3,280)</b>
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Materials and supplies . . . . .	12,150	9,683	2,467
Contractual services . . . . .	30,150	7,501	22,649
Capital outlay . . . . .	14,970	12,635	2,335
<i>Total Police Administration . . . . .</i>	<i>57,270</i>	<i>29,819</i>	<i>27,451</i>
<b>Net Change in Fund Balance . . . . .</b>	<b>(43,270)</b>	<b>(19,099)</b>	<b>24,171</b>
<b>Fund balance at beginning of year . . . . .</b>	<b>42,092</b>	<b>42,092</b>	<b>-</b>
<b>Prior year encumbrances appropriated . . . . .</b>	<b>5,219</b>	<b>5,219</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 4,041</b>	<b>\$ 28,212</b>	<b>\$ 24,171</b>



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 2014 COPS HIRING PROGRAM GRANT  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants . . . . .	\$ 523,833	\$ 332,407	\$ (191,426)
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
<i>Police Administration:</i>			
Other . . . . .	550,126	358,680	191,446
Net change in fund balance. . . . .	(26,293)	(26,273)	20
<b>Fund balance at beginning of year. . . . .</b>	26,293	26,293	-
<b>Fund balance at end of year . . . . .</b>	\$ -	\$ 20	\$ 20

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 BYRNE MEMORIAL RECOVERY ACT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Other . . . . .	\$ 7,441	\$ -	\$ 7,441
Net change in fund balance . . . . .	(7,441)	-	7,441
<b>Fund balance at beginning of year . . . . .</b>	7,442	7,442	-
<b>Fund balance at end of year . . . . .</b>	\$ 1	\$ 7,442	\$ 7,441

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
USE OF FORCE SOFTWARE UPGRADE GRANT  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants . . . . .	\$ 70,500	\$ -	\$ (70,500)
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
<i>Police Administration:</i>			
Capital outlay . . . . .	70,500	70,500	-
Excess of expenditures over revenues . . . . .	-	(70,500)	(70,500)
<b>Other financing sources (uses):</b>			
Advances in . . . . .	70,500	70,500	-
Advances out . . . . .	(70,500)	-	70,500
Total other financing sources (uses) . . . . .	-	70,500	70,500
Net change in fund balance . . . . .	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	-	-	-
<b>Fund balance at end of year . . . . .</b>	\$ -	\$ -	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FY17 BULLET PROOF VEST PARTNERS  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Other financing sources (uses):</b>			
Advances in . . . . .	20,115	20,115	-
Advances out . . . . .	(20,115)	-	20,115
Net change in fund balance. . . . .	-	20,115	20,115
<b>Fund balance at beginning of year. . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ 20,115</u>	<u>\$ 20,115</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 2010 LOCAL SOLICITATION BYRNE GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Fund balance at beginning of year . . . . .</b>	\$ 21	\$ 21	\$ -
<b>Fund balance at end of year. . . . .</b>	\$ 21	\$ 21	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 POLICE EMS TRAINING AND EQUIPMENT GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Fund balance at beginning of year . . . . .	\$ 1,500	\$ 1,500	\$ -
Fund balance at end of year . . . . .	<u>\$ 1,500</u>	<u>\$ 1,500</u>	<u>\$ -</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 2014 BYRNE GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants . . . . .	\$ -	\$ 20,206	\$ 20,206
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Other . . . . .	<u>19,887</u>	<u>19,887</u>	<u>-</u>
Net change in fund balance . . . . .	(19,887)	319	20,206
<b>Fund balance at beginning of year . . . . .</b>	<u>19,888</u>	<u>19,888</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u><u>\$ 1</u></u>	<u><u>\$ 20,207</u></u>	<u><u>\$ 20,206</u></u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 2013 COPS HIRING PROGRAM FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Operating grants . . . . .	\$ 138,442	\$ 100,671	\$ (37,771)
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Other . . . . .	<u>250,284</u>	<u>100,671</u>	<u>149,613</u>
Net change in fund balance . . . . .	(111,842)	-	111,842
<b>Fund balance at beginning of year . . . . .</b>	<u>111,842</u>	<u>111,842</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u><u>\$ -</u></u>	<u><u>\$ 111,842</u></u>	<u><u>\$ 111,842</u></u>



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 2012 COPS HIRING PROGRAM FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants . . . . .	\$ 108,708	\$ 108,709	\$ 1
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Other . . . . .	146,280	128,837	17,443
Excess of expenditures over revenues . . . . .	(37,572)	(20,128)	17,444
<b>Other financing sources:</b>			
Transfers in . . . . .	17,444	17,442	(2)
Net change in fund balance . . . . .	(20,128)	(2,686)	17,442
<b>Fund balance at beginning of year . . . . .</b>	<b>20,128</b>	<b>20,128</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ -</b>	<b>\$ 17,442</b>	<b>\$ 17,442</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FIRE GRANTS AND DONATIONS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Contributions and donations. . . . .	\$ 4,934	\$ 100	\$ (4,834)
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Fire Administration:</i>			
Materials and supplies. . . . .	8,494	3,660	4,834
Net change in fund balance . . . . .	(3,560)	(3,560)	-
<b>Fund balance at beginning of year . . . . .</b>	567	567	-
<b>Prior year encumbrances appropriated. . . . .</b>	2,994	2,994	-
<b>Fund balance at end of year. . . . .</b>	\$ 1	\$ 1	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FY16 ASSIST TO FIREFIGHTERS GRANT  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants . . . . .	\$ 134,484	\$ -	\$ (134,484)
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Fire Administration:</i>			
Materials and supplies . . . . .	247	-	247
Contractual services . . . . .	22,987	16,199	6,788
Capital Outlay . . . . .	111,250	110,105	1,145
<i>Total Fire Administration . . . . .</i>	134,484	126,304	8,180
Excess of expenditures over revenues . . . . .	-	(126,304)	(126,304)
<b>Other financing sources:</b>			
Advances in . . . . .	-	134,484	134,484
Net change in fund balance . . . . .	-	8,180	8,180
<b>Fund balance at beginning of year . . . . .</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ -</b>	<b>\$ 8,180</b>	<b>\$ 8,180</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 EMS TRAINING AND EQUIPMENT GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants . . . . .	\$ 2,787	\$ 2,750	\$ (37)
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Fire Administration:</i>			
Materials and supplies . . . . .	11,856	4,106	7,750
Net change in fund balance . . . . .	(9,069)	(1,356)	7,713
<b>Fund balance at beginning of year. . . . .</b>	4,963	4,963	-
<b>Prior year encumbrances appropriated. . . . .</b>	4,106	4,106	-
<b>Fund balance at end of year . . . . .</b>	\$ -	\$ 7,713	\$ 7,713

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FIREFIGHTER ASSISTANCE GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Fire Administration:</i>			
Other. . . . .	\$ 1,167	\$ -	\$ 1,167
Net change in fund balance . . . . .	(1,167)	-	1,167
<b>Fund balance at beginning of year . . . . .</b>	<u>1,167</u>	<u>1,167</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u><u>\$ -</u></u>	<u><u>\$ 1,167</u></u>	<u><u>\$ 1,167</u></u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FIRE FEMA SAFER GRANT 2009  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants . . . . .	\$ 725,000	\$ 569,141	\$ (155,859)
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Fire Administration:</i>			
Other . . . . .	792,642	636,783	155,859
Net change in fund balance . . . . .	(67,642)	(67,642)	-
<b>Fund balance at beginning of year . . . . .</b>	<b>67,642</b>	<b>67,642</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
VACANT/FORECLOSED REGISTRY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services . . . . .	\$ -	\$ 176,500	\$ 176,500
Other . . . . .	-	8,361	8,361
<b>Total revenues . . . . .</b>	<b>-</b>	<b>184,861</b>	<b>184,861</b>
<b>Expenditures:</b>			
Current:			
General government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services . . . . .	56,484	54,735	1,749
Security of persons and property:			
<i>Safety Director - Code Enforcement Administration:</i>			
Materials and supplies . . . . .	2,000	2,000	-
Contractual services . . . . .	27,000	-	27,000
Other . . . . .	1,000	-	1,000
<i>Total Safety Director - Code Enforcement Administration . . . . .</i>	<u>30,000</u>	<u>2,000</u>	<u>28,000</u>
Transportation:			
<i>Street - Maintenance:</i>			
Contractual services . . . . .	102,500	97,583	4,917
Community environment:			
<i>Community Development - Fair Housing:</i>			
Contractual services . . . . .	4,300	-	4,300
<b>Total expenditures . . . . .</b>	<b>193,284</b>	<b>154,318</b>	<b>38,966</b>
Net change in fund balance . . . . .	(193,284)	30,543	223,827
<b>Fund balance at beginning of year . . . . .</b>	<b>475,322</b>	<b>475,322</b>	<b>-</b>
<b>Prior year encumbrances appropriated . . . . .</b>	<b>4,000</b>	<b>4,000</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 286,038</b>	<b>\$ 509,865</b>	<b>\$ 223,827</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CLEAN OHIO REVITALIZATION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants . . . . .	\$ 1,928,790	\$ 1,027,987	\$ (900,803)
<b>Expenditures:</b>			
Current:			
Community environment:			
<i>Community Development Administration:</i>			
Capital outlay . . . . .	1,634,894	1,634,894	-
Net change in fund balance . . . . .	293,896	(606,907)	(900,803)
<b>Fund balance (deficit) at beginning of year . . . . .</b>	(1,634,886)	(1,634,886)	-
<b>Prior year encumbrances appropriated . . . . .</b>	1,634,894	1,634,894	-
<b>Fund balance (deficit) at end of year . . . . .</b>	<b>\$ 293,904</b>	<b>\$ (606,899)</b>	<b>\$ (900,803)</b>



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CANTON MERCHANDISING FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Other . . . . .	\$ 1,000	\$ 1,158	\$ 158
<b>Expenditures:</b>			
Current:			
General government:			
<i>Council Administration:</i>			
Materials and supplies . . . . .	3,500	-	3,500
Contractual services . . . . .	519	419	100
<i>Total Council Administration</i> . . . . .	4,019	419	3,600
Net change in fund balance . . . . .	(3,019)	739	3,758
<b>Fund balance at beginning of year</b> . . . . .	10,368	10,368	-
<b>Prior year encumbrances appropriated.</b> . . . . .	400	400	-
<b>Fund balance at end of year.</b> . . . . .	\$ 7,749	\$ 11,507	\$ 3,758

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 MARKET SQUARE DONATION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Contributions and donations . . . . .	\$ 125,000	\$ -	\$ (125,000)
<b>Expenditures:</b>			
Current:			
General government:			
<i>Service Director Administration:</i>			
Contractual services. . . . .	160,320	41,078	119,242
Net change in fund balance . . . . .	(35,320)	(41,078)	(5,758)
<b>Fund balance at beginning of year . . . . .</b>	115,000	115,000	-
<b>Prior year encumbrances appropriated. . . . .</b>	35,320	35,320	-
<b>Fund balance at end of year. . . . .</b>	<b>\$ 115,000</b>	<b>\$ 109,242</b>	<b>\$ (5,758)</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 JOBS OHIO FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants . . . . .	\$ 148,215	\$ 142,480	\$ (5,735)
<b>Expenditures:</b>			
Current:			
Community environment:			
<i>Community Development Administration:</i>			
Capital outlay . . . . .	67,812	67,812	-
Excess of revenues over expenditures . . . . .	80,403	74,668	(5,735)
<b>Other financing (uses):</b>			
Advances out . . . . .	(148,215)	(142,480)	5,735
Net change in fund balance . . . . .	(67,812)	(67,812)	-
<b>Fund balance at beginning of year . . . . .</b>	-	-	-
<b>Prior year encumbrances appropriated . . . . .</b>	67,812	67,812	-
<b>Fund balance at end of year . . . . .</b>	\$ -	\$ -	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 EMPLOYEE RECOGNITION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Expenditures:</b>			
Current:			
General government			
<i>Mayor Administration:</i>			
Contractual services . . . . .	\$ 143	\$ -	\$ 143
Net change in fund balance. . . . .	(143)	-	143
<b>Fund balance at beginning of year . . . . .</b>	<u>143</u>	<u>143</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ 143</u>	<u>\$ 143</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CITY HALL PLAZA FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Fund balance at beginning of year . . . . .</b>	\$ 173	\$ 173	\$ -
<b>Fund balance at end of year . . . . .</b>	\$ 173	\$ 173	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 RECYCLE OHIO GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Fund balance at beginning of year . . . . .</b>	\$ 7,515	\$ 7,515	\$ -
<b>Fund balance at end of year. . . . .</b>	\$ 7,515	\$ 7,515	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GUARDRAIL/ATTENUATOR REPLACEMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Other . . . . .	\$ 30,000	\$ 67,130	\$ 37,130
<b>Expenditures:</b>			
Current:			
General government			
<i>Law Director - Law Administration:</i>			
Other . . . . .	33,805	7,300	26,505
Transportation:			
<i>Street Maintenance:</i>			
Contractual services . . . . .	400	-	400
Capital outlay . . . . .	45,000	38,339	6,661
Other . . . . .	10,000	-	10,000
<i>Total Street Maintenance</i> . . . . .	<u>55,400</u>	<u>38,339</u>	<u>17,061</u>
<i>Total Expenditures</i> . . . . .	<u>89,205</u>	<u>45,639</u>	<u>43,566</u>
Net change in fund balance . . . . .	(59,205)	21,491	80,696
<b>Fund balance at beginning of year.</b> . . . . .	59,206	59,206	-
<b>Prior year encumbrances appropriated.</b> . . . . .	7,789	7,789	-
<b>Fund balance at end of year.</b> . . . . .	<u>\$ 7,790</u>	<u>\$ 88,486</u>	<u>\$ 80,696</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SOUTHEAST COMMUNITY CENTER FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Fund balance at beginning of year. . . . .</b>	\$ 862	\$ 862	\$ -
<b>Fund balance at end of year . . . . .</b>	\$ 862	\$ 862	\$ -



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 THURMAN MUNSON MEMORIAL STADIUM DONATION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Fund balance at beginning of year.</b> . . . . .	\$ 1,566	\$ 1,566	\$ -
<b>Fund balance at end of year</b> . . . . .	\$ 1,566	\$ 1,566	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 JUSTICE REINVEST GRANT PROB  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants . . . . .	\$ 89,918	\$ 26,976	\$ (62,942)
<b>Expenditures:</b>			
Current:			
General government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services . . . . .	89,918	1,721	88,197
Net change in fund balance. . . . .	-	25,255	25,255
<b>Fund balance at beginning of year. . . . .</b>	-	-	-
<b>Fund balance at end of year . . . . .</b>	\$ -	\$ 25,255	\$ 25,255

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COURT TECHNOLOGY GRANT  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants . . . . .	\$ 27,638	\$ 27,638	\$ -
<b>Expenditures:</b>			
Current:			
General government:			
<i>Courts/Judge - Judge Administration:</i>			
Contractual services . . . . .	(27,637)	-	(27,637)
Capital outlay . . . . .	55,275	27,638	27,637
<i>Total Courts/Judge - Judge Administration</i> . . . . .	27,638	27,638	-
Net change in fund balance . . . . .	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	-	-	-
<b>Fund balance at end of year . . . . .</b>	\$ -	\$ -	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SPECIALIZED DOCKET GRANT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants . . . . .	\$ 144,051	\$ 105,390	\$ (38,661)
<b>Expenditures:</b>			
Current:			
General government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services . . . . .	106,423	57,857	48,566
Other . . . . .	16,278	-	16,278
<i>Total Courts/judge - judge administration . . . . .</i>	<u>122,701</u>	<u>57,857</u>	<u>64,844</u>
Net change in fund balance. . . . .	21,350	47,533	26,183
<b>Fund balance at beginning of year. . . . .</b>	<u>32,222</u>	<u>32,222</u>	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 53,572</u>	<u>\$ 79,755</u>	<u>\$ 26,183</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 JUSTICE REINVEST GRANT - PRETRIAL  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants . . . . .	\$ 285,301	\$ 85,590	\$ (199,711)
<b>Expenditures:</b>			
Current:			
General government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services . . . . .	285,301	-	285,301
Net change in fund balance. . . . .	-	85,590	85,590
<b>Fund balance at beginning of year. . . . .</b>	-	-	-
<b>Fund balance at end of year . . . . .</b>	\$ -	\$ 85,590	\$ 85,590

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CLERK OF COURTS ADMINISTRATION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Fund balance at beginning of year . . . . .	\$ 1,229	\$ 1,229	\$ -
Fund balance at end of year. . . . .	<u>\$ 1,229</u>	<u>\$ 1,229</u>	<u>\$ -</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
INCOME TAX FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Municipal income taxes . . . . .	\$ 3,003,451	\$ 2,415,401	\$ (588,050)
Other . . . . .	-	17	17
<b>Total Revenues</b> . . . . .	<b>3,003,451</b>	<b>2,415,418</b>	<b>(588,033)</b>
<b>Expenditures:</b>			
Current:			
General government			
<i>Law Administration:</i>			
Personal services . . . . .	65,386	58,588	6,798
<i>Income Tax Administration:</i>			
Personal services . . . . .	918,053	883,731	34,322
Materials and supplies . . . . .	75,734	52,651	23,083
Contractual services . . . . .	89,287	62,705	26,582
Capital outlay . . . . .	31,810	14,510	17,300
Other . . . . .	2,079,069	1,602,464	476,605
<i>Total Income Tax Administration</i> . . . . .	<b>3,193,953</b>	<b>2,616,061</b>	<b>577,892</b>
<i>Total Expenditures</i> . . . . .	<b>3,259,339</b>	<b>2,674,649</b>	<b>584,690</b>
Net change in fund balance . . . . .	(255,888)	(259,231)	(3,343)
<b>Fund balance at beginning of year</b> . . . . .	2	2	-
<b>Prior year encumbrances appropriated</b> . . . . .	259,229	259,229	-
<b>Fund balance at end of year</b> . . . . .	<b>\$ 3,343</b>	<b>\$ -</b>	<b>\$ (3,343)</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 COMBINING BALANCE SHEET  
 NONMAJOR DEBT SERVICE FUNDS  
 DECEMBER 31, 2017

	<b>General Obligation Bond Retirement</b>	<b>Special Assessment Bond Retirement</b>	<b>Total Nonmajor Debt Service Funds</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents. . . . .	\$ 25,848	\$ -	\$ 25,848
Cash with fiscal agent. . . . .	3,019	-	3,019
Receivables:			
Accounts . . . . .	-	6,121	6,121
Total assets. . . . .	<u>\$ 28,867</u>	<u>\$ 6,121</u>	<u>\$ 34,988</u>
<b>Deferred inflows of resources:</b>			
Charges for services revenue not available . . . . .	\$ -	\$ 6,121	\$ 6,121
Total deferred inflows of resources. . . . .	<u>-</u>	<u>6,121</u>	<u>6,121</u>
<b>Fund balances:</b>			
Restricted . . . . .	28,867	-	28,867
Total fund balances . . . . .	<u>28,867</u>	<u>-</u>	<u>28,867</u>
Total liabilities, deferred inflows of resources, and fund balances . . . . .	<u>\$ 28,867</u>	<u>\$ 6,121</u>	<u>\$ 34,988</u>



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR DEBT SERVICE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>General Obligation Bond Retirement</b>	<b>Total Non Major Debt Service</b>
<b>Revenues:</b>		
Interest and investment income . . . . .	\$ 14,586	\$ 14,586
Other . . . . .	4,495	4,495
Total revenues . . . . .	19,081	19,081
<b>Expenditures:</b>		
Debt service:		
Interest and fiscal charges . . . . .	12,587	12,587
Total expenditures . . . . .	12,587	12,587
Net change in fund balances . . . . .	6,494	6,494
<b>Fund balances at beginning of year . . . . .</b>	<b>22,373</b>	<b>22,373</b>
<b>Fund balances at end of year . . . . .</b>	<b>\$ 28,867</b>	<b>\$ 28,867</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL OBLIGATION BOND RETIREMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Interest and investment income . . . . .	\$ 14,586	\$ 14,586	\$ -
Other . . . . .	4,788	4,788	-
<b>Total revenues . . . . .</b>	<b>19,374</b>	<b>19,374</b>	<b>-</b>
<b>Expenditures:</b>			
Current:			
Debt Service:			
Interest and fiscal charges . . . . .	19,061	12,587	6,474
<b>Net change in fund balance . . . . .</b>	<b>313</b>	<b>6,787</b>	<b>6,474</b>
<b>Fund balance at beginning of year . . . . .</b>	<b>19,061</b>	<b>19,061</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 19,374</b>	<b>\$ 25,848</b>	<b>\$ 6,474</b>

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**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
DECEMBER 31, 2017

	<b>2015 Construction Reconstruction Note</b>	<b>2006 City Infrastructure Bond</b>	<b>2006 Recreational Bond</b>	<b>2006 Construction/ Reconstruction Bond</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 655,535	\$ 297,048	\$ 449,678	\$ 10,691
Receivables:				
Accrued interest . . . . .	72	-	26	-
Due from other governments . . . . .	-	236,000	-	-
Total assets . . . . .	<u>\$ 655,607</u>	<u>\$ 533,048</u>	<u>\$ 449,704</u>	<u>\$ 10,691</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 1,130	\$ 236,000	\$ -	\$ -
Retainage payable . . . . .	-	-	-	-
Total liabilities . . . . .	<u>1,130</u>	<u>236,000</u>	<u>-</u>	<u>-</u>
<b>Deferred inflows of resources:</b>				
Intergovernmental revenue not available . . . . .	-	236,000	-	-
Total deferred inflows of resources . . . . .	<u>-</u>	<u>236,000</u>	<u>-</u>	<u>-</u>
<b>Fund balances:</b>				
Restricted . . . . .	654,477	61,048	449,704	10,691
Unassigned (deficit) . . . . .	-	-	-	-
Total fund balances (deficit) . . . . .	<u>654,477</u>	<u>61,048</u>	<u>449,704</u>	<u>10,691</u>
Total liabilities, deferred inflows of resources, and fund balances . . . . .	<u>\$ 655,607</u>	<u>\$ 533,048</u>	<u>\$ 449,704</u>	<u>\$ 10,691</u>

<b>2006 Judges Facilities/ City Hall Renovation Bond</b>	<b>12th St. N Corridor Project</b>	<b>Mahoning Rd. Corridor Project</b>	<b>11th St. NW Improvement Project</b>	<b>Tuscarawas Street West Corridor Safety Project</b>	<b>12th St. NW Bridge Replacement Street Project</b>	<b>Totals Nonmajor Capital Projects Funds</b>
\$ 1,744	\$ 15,238	\$ 73,533	\$ -	\$ -	\$ -	\$ 1,503,467
-	-	-	-	-	-	98
-	52,100	496,096	1,093	15,276	1,734,985	2,535,550
<u>\$ 1,744</u>	<u>\$ 67,338</u>	<u>\$ 569,629</u>	<u>\$ 1,093</u>	<u>\$ 15,276</u>	<u>\$ 1,734,985</u>	<u>\$ 4,039,115</u>
\$ -	\$ 52,100	\$ 574,070	\$ 1,093	\$ 15,276	\$ 1,741,804	\$ 2,621,473
-	-	10,906	-	-	53,740	64,646
-	52,100	584,976	1,093	15,276	1,795,544	2,686,119
-	52,100	257,440	-	5,159	1,368,576	1,919,275
-	52,100	257,440	-	5,159	1,368,576	1,919,275
1,744	-	-	-	-	-	1,177,664
-	(36,862)	(272,787)	-	(5,159)	(1,429,135)	(1,743,943)
1,744	(36,862)	(272,787)	-	(5,159)	(1,429,135)	(566,279)
<u>\$ 1,744</u>	<u>\$ 67,338</u>	<u>\$ 569,629</u>	<u>\$ 1,093</u>	<u>\$ 15,276</u>	<u>\$ 1,734,985</u>	<u>\$ 4,039,115</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>2015 Construction Reconstruction Note</b>	<b>2006 City Infrastructure Bond</b>	<b>2006 Recreational Bond</b>	<b>2006 Construction/ Reconstruction Bond</b>
<b>Revenues:</b>				
Interest and investment income . . . . .	\$ 2,286	\$ -	\$ 302	\$ -
Capital grants . . . . .	-	-	-	-
Other . . . . .	-	36,927	-	-
Total revenues . . . . .	<u>2,286</u>	<u>36,927</u>	<u>302</u>	<u>-</u>
<b>Expenditures:</b>				
Capital outlay . . . . .	1,568,655	272,927	-	-
Debt service:				
Principal retirement . . . . .	3,500,000	-	-	-
Interest and fiscal charges . . . . .	35,000	-	-	-
Total expenditures . . . . .	<u>5,103,655</u>	<u>272,927</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures . . . . .	<u>(5,101,369)</u>	<u>(236,000)</u>	<u>302</u>	<u>-</u>
<b>Other financing sources:</b>				
Note issuance . . . . .	3,500,000	-	-	-
Issuance of loans . . . . .	-	-	-	-
Total other financing sources . . . . .	<u>3,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances . . . . .	(1,601,369)	(236,000)	302	-
<b>Fund balances at beginning of year . . . . .</b>	<u>2,255,846</u>	<u>297,048</u>	<u>449,402</u>	<u>10,691</u>
<b>Fund balances (deficit) at end of year . . . . .</b>	<u>\$ 654,477</u>	<u>\$ 61,048</u>	<u>\$ 449,704</u>	<u>\$ 10,691</u>

<b>2006 Judges Facilities/ City Hall Renovation Bond</b>	<b>12th St. N Corridor Project</b>	<b>Mahoning Rd. Corridor Project</b>	<b>11th St. NW Improvement Project</b>	<b>SIB Loan 12th St. N Cooridor Project</b>	<b>Fulton Road Resurfacing Project</b>	<b>Tuscarawas Street West Corridor Safety Project</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	690,100	1,716,576	9,421	-	900,000	78,334
-	15,238	-	-	-	-	-
-	705,338	1,716,576	9,421	-	900,000	78,334
-	107,263	1,670,253	5,149	703,543	1,383,345	81,661
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	107,263	1,670,253	5,149	703,543	1,383,345	81,661
-	598,075	46,323	4,272	(703,543)	(483,345)	(3,327)
-	-	-	-	-	-	-
-	-	-	-	703,543	483,345	-
-	-	-	-	703,543	483,345	-
-	598,075	46,323	4,272	-	-	(3,327)
1,744	(634,937)	(319,110)	(4,272)	-	-	(1,832)
<u>\$ 1,744</u>	<u>\$ (36,862)</u>	<u>\$ (272,787)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,159)</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDING DECEMBER 31, 2017

	<b>30th Street NW Resurfacing Project</b>	<b>Overbrook Ave NW Storm Sewer Rehab Project</b>	<b>12th St. NW Bridge Replacement Street Project</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>Revenues:</b>				
Interest and investment income . . . . .	\$ -	\$ -	\$ -	\$ 2,588
Capital grants . . . . .	-	94,818	2,286,087	5,775,336
Other . . . . .	-	-	-	52,165
Total revenues . . . . .	<u>-</u>	<u>94,818</u>	<u>2,286,087</u>	<u>5,830,089</u>
<b>Expenditures:</b>				
Capital outlay . . . . .	314,540	153,730	3,715,222	9,976,288
Debt service:			-	
Principal retirement . . . . .	-	-	-	3,500,000
Interest and fiscal charges . . . . .	-	-	-	35,000
Total expenditures . . . . .	<u>314,540</u>	<u>153,730</u>	<u>3,715,222</u>	<u>13,511,288</u>
Excess of revenues over (under) expenditures . . . . .	<u>(314,540)</u>	<u>(58,912)</u>	<u>(1,429,135)</u>	<u>(7,681,199)</u>
<b>Other financing sources:</b>				
Note issuance . . . . .	-	-	-	3,500,000
Issuance of loans . . . . .	314,540	58,912	-	1,560,340
Total other financing sources . . . . .	<u>314,540</u>	<u>58,912</u>	<u>-</u>	<u>5,060,340</u>
Net change in fund balances . . . . .	-	-	(1,429,135)	(2,620,859)
<b>Fund balances at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,054,580</u>
<b>Fund balances (deficit) at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,429,135)</u>	<u>\$ (566,279)</u>



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
2015 CONSTRUCTION/RECONSTRUCTION NOTE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Interest and investment income . . . . .	\$ -	\$ 2,490	\$ 2,490
<b>Expenditures:</b>			
Capital outlay:			
<i>Service Director:</i>			
Service Director Administration . . . . .	<u>2,164,860</u>	<u>1,571,057</u>	<u>593,803</u>
<b>Debt Service:</b>			
<i>Principle Retirement:</i>			
Various purpose loans . . . . .	3,500,000	3,500,000	-
<i>Interest and Fiscal Charges:</i>			
Various purpose loans . . . . .	35,000	35,000	-
<b>Total Debt Service . . . . .</b>	<u>3,535,000</u>	<u>3,535,000</u>	<u>-</u>
<i>Total expenditures . . . . .</i>	<u>5,699,860</u>	<u>5,106,057</u>	<u>593,803</u>
Excess of Expenditures Over Revenues . . . . .	(5,699,860)	(5,103,567)	596,293
<b>Other financing sources:</b>			
Note issuance . . . . .	<u>3,500,000</u>	<u>3,500,000</u>	<u>-</u>
Net change in fund balance. . . . .	(2,199,860)	(1,603,567)	596,293
<b>Fund balance at beginning of year . . . . .</b>	2,189,318	2,189,318	-
<b>Prior year encumbrances appropriated . . . . .</b>	67,037	67,037	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 56,495</u>	<u>\$ 652,788</u>	<u>\$ 596,293</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
2006 CITY INFRASTRUCTURE BOND FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Other . . . . .	\$ -	\$ 36,927	\$ 36,927
<b>Expenditures:</b>			
Capital outlay:			
<i>Service Director:</i>			
Engineering Administration . . . . .	272,927	272,927	-
Engineering - 12th Street N. Corridor Project . . . . .	5,449	5,449	-
<i>Total Service Director</i> . . . . .	278,376	278,376	-
Net change in fund balance . . . . .	(278,376)	(241,449)	36,927
<b>Fund balance at beginning of year</b> . . . . .	236,078	236,078	-
<b>Prior year encumbrances appropriated</b> . . . . .	60,970	60,970	-
<b>Fund balance at end of year</b> . . . . .	\$ 18,672	\$ 55,599	\$ 36,927

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 2006 RECREATIONAL BOND FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Interest and investment income . . . . .	\$ -	\$ 301	\$ 301
<b>Expenditures:</b>			
Capital outlay:			
<i>Community Development:</i>			
Community development - Administration. . . . .	211,080	-	211,080
Net change in fund balance. . . . .	(211,080)	301	211,381
<b>Fund balance at beginning of year . . . . .</b>	<b>449,377</b>	<b>449,377</b>	<b>-</b>
<b>Fund balance at end of year. . . . .</b>	<b>\$ 238,297</b>	<b>\$ 449,678</b>	<b>\$ 211,381</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 2006 CONSTRUCTION/RECONSTRUCTION BOND FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Expenditures:</b>			
Capital outlay:			
<i>Service Director:</i>			
Service Director Administration . . . . .	10,691	-	10,691
Net change in fund balance. . . . .	(10,691)	-	10,691
<b>Fund balance at beginning of year . . . . .</b>	<u>10,691</u>	<u>10,691</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ -</u>	<u>\$ 10,691</u>	<u>\$ 10,691</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 2006 JUDGES FACILITIES/CITY HALL RENOVATION BOND FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Fund balance at beginning of year . . . . .</b>	\$ 1,744	\$ 1,744	\$ -
<b>Fund balance at end of year. . . . .</b>	\$ 1,744	\$ 1,744	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
12TH ST. N CORRIDOR PROJECT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Capital grants . . . . .	\$ 2,200,000	\$ 1,297,730	\$ (902,270)
Other . . . . .	-	15,238	15,238
Total revenues . . . . .	<u>2,200,000</u>	<u>1,312,968</u>	<u>(887,032)</u>
<b>Expenditures:</b>			
Capital outlay:			
<i>Service Director:</i>			
Engineering - 12th Street N. Corridor Project . . . . .	1,670,120	1,670,120	-
Net change in fund balance . . . . .	529,880	(357,152)	(887,032)
<b>Fund balance (deficit) at beginning of year . . . . .</b>	(1,670,151)	(1,670,151)	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>1,670,151</u>	<u>1,670,151</u>	-
<b>Fund balance (deficit) at end of year . . . . .</b>	<u>\$ 529,880</u>	<u>\$ (357,152)</u>	<u>\$ (887,032)</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 MAHONING RD. CORRIDOR PROJECT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Capital grants . . . . .	\$ 10,701,681	\$ 1,480,423	\$ (9,221,258)
<b>Expenditures:</b>			
Capital outlay:			
<i>Service Director:</i>			
Engineering - Mahoning Road Corridor Project . . . . .	11,114,050	10,128,515	985,535
Net change in fund balance . . . . .	(412,369)	(8,648,092)	(8,235,723)
<b>Fund balance (deficit) at beginning of year. . . . .</b>	(1,071,649)	(1,071,649)	-
<b>Prior year encumbrances appropriated. . . . .</b>	1,145,182	1,145,182	-
<b>Fund balance (deficit) at end of year . . . . .</b>	<b>\$ (338,836)</b>	<b>\$ (8,574,559)</b>	<b>\$ (8,235,723)</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
11TH ST. NW IMPROVEMENT PROJECT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Capital grants . . . . .	\$ 130,522	\$ 8,328	\$ (122,194)
<b>Expenditures:</b>			
Capital outlay:			
<i>Service Director:</i>			
Engineering - 11th St. NW Improvement Project . . . . .	130,521	130,521	-
Net change in fund balance . . . . .	1	(122,193)	(122,194)
<b>Fund balance (deficit) at beginning of year . . . . .</b>	(130,521)	(130,521)	-
<b>Prior year encumbrances appropriated . . . . .</b>	130,521	130,521	-
<b>Fund balance (deficit) at end of year . . . . .</b>	\$ 1	\$ (122,193)	\$ (122,194)



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 41ST ST. NW ROADWAY RECONSTRUCTION PROJECT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Capital grants . . . . .	\$ 109,787	\$ -	\$ (109,787)
<b>Expenditures:</b>			
Capital outlay:			
<i>Service Director:</i>			
Engineering - 41th St. NW Roadway Reconstruction Project . . . . .	51,103	51,103	-
Net change in fund balance . . . . .	58,684	(51,103)	(109,787)
<b>Fund balance (deficit) at beginning of year . . . . .</b>	(51,103)	(51,103)	-
<b>Prior year encumbrances appropriated . . . . .</b>	51,103	51,103	-
<b>Fund balance (deficit) at end of year . . . . .</b>	<b>\$ 58,684</b>	<b>\$ (51,103)</b>	<b>\$ (109,787)</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SIB LOAN 12TH ST. N CORRIDOR PROJECT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Expenditures:</b>			
Capital outlay:			
<i>Service Director:</i>			
Engineering - 12th St. N Corridor Project . . . . .	\$ 1,534,927	\$ 1,534,927	\$ -
Excess of expenditures over revenues . . . . .	(1,534,927)	(1,534,927)	-
<b>Other financing sources:</b>			
Sale of bonds . . . . .	1,800,000	699,962	(1,100,038)
Net change in fund balance . . . . .	265,073	(834,965)	(1,100,038)
<b>Fund balance (deficit) at beginning of year . . . . .</b>	<b>(1,543,080)</b>	<b>(1,543,080)</b>	<b>-</b>
<b>Prior year encumbrances appropriated . . . . .</b>	<b>1,543,080</b>	<b>1,543,080</b>	<b>-</b>
<b>Fund balance (deficit) at end of year . . . . .</b>	<b><u>\$ 265,073</u></b>	<b><u>\$ (834,965)</u></b>	<b><u>\$ (1,100,038)</u></b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
38TH ST. NW WATER MAIN REPAIR AND ROADWAY RECONSTRUCTION  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Capital grants . . . . .	\$ 900,000	\$ 900,000	\$ -
<b>Expenditures:</b>			
Capital outlay:			
<i>Service Director:</i>			
Engineering - 38th St NW Improv Proj . . . . .	1,500,000	1,442,104	57,896
Excess of expenditures over revenues . . . . .	(600,000)	(542,104)	57,896
<b>Other financing sources:</b>			
Issuance of loans . . . . .	600,000	483,345	(116,655)
Net change in fund balance . . . . .	-	(58,759)	(58,759)
<b>Fund balance at beginning of year . . . . .</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balance (deficit) at end of year . . . . .</b>	<b>\$ -</b>	<b>\$ (58,759)</b>	<b>\$ (58,759)</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TUSCARAWAS STREET WEST CORRIDOR SAFETY PROJECT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Capital grants . . . . .	\$ 186,282	\$ 68,217	\$ (118,065)
<b>Expenditures:</b>			
Capital outlay:			
<i>Service Director:</i>			
Engineering - Tusc St W Corr Safety Project 92562 . . . . .	186,281	186,281	-
Net change in fund balance . . . . .	1	(118,064)	(118,065)
<b>Fund balance (deficit) at beginning of year . . . . .</b>	(186,281)	(186,281)	-
<b>Prior year encumbrances appropriated . . . . .</b>	186,281	186,281	-
<b>Fund balance (deficit) at end of year . . . . .</b>	<b>\$ 1</b>	<b>\$ (118,064)</b>	<b>\$ (118,065)</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
30th STREET NW RESURFACING PROJECT  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Capital grants . . . . .	\$ 696,000	\$ -	\$ (696,000)
<b>Expenditures:</b>			
Capital outlay:			
<i>Service Director:</i>			
Engineering - 30th Street NW Resurfacing Project . . . . .	375,397	375,397	-
Excess (deficiency) of revenues over (under) expenditures . . . . .	320,603	(375,397)	(696,000)
<b>Other financing sources:</b>			
Loan proceeds - OPWC . . . . .	-	314,540	314,540
Net change in fund balance . . . . .	320,603	(60,857)	(381,460)
<b>Fund balance (deficit) at beginning of year . . . . .</b>	(375,397)	(375,397)	-
<b>Prior year encumbrances appropriated . . . . .</b>	375,397	375,397	-
<b>Fund balance (deficit) at end of year . . . . .</b>	<b>\$ 320,603</b>	<b>\$ (60,857)</b>	<b>\$ (381,460)</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
OVERBROOK AVE NW STORM SEWER REH. PROJECT  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Capital grants . . . . .	\$ 100,000	\$ 94,818	\$ (5,182)
<b>Expenditures:</b>			
Capital outlay:			
<i>Service Director:</i>			
Engineering - Overbrook Ave. NW Storm Sewer Reh Project . . . . .	153,730	153,730	-
Excess of expenditures over revenues . . . . .	(53,730)	(58,912)	(5,182)
<b>Other financing sources:</b>			
Loan proceeds - OPWC . . . . .	93,507	58,912	(34,595)
Net change in fund balance . . . . .	39,777	-	(39,777)
<b>Fund balance (deficit) at beginning of year. . . . .</b>	(154,230)	(154,230)	-
<b>Prior year encumbrances appropriated. . . . .</b>	154,230	154,230	-
<b>Fund balance at end of year . . . . .</b>	<b>\$ 39,777</b>	<b>\$ -</b>	<b>\$ (39,777)</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 12th STREET NW BRIDGE REPLACEMENT PROJECT  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Capital grants. . . . .	\$ 8,353,850	\$ 1,919,678	\$ (6,434,172)
<b>Expenditures:</b>			
Capital outlay:			
<i>Service director:</i>			
Engineering - 12th Street NW Bridge Replacement Project. . . . .	8,353,850	7,677,101	676,749
Net change in fund balance . . . . .	-	(5,757,423)	(5,757,423)
<b>Fund balance at beginning of year. . . . .</b>	-	-	-
<b>Fund balance (deficit) at end of year . . . . .</b>	\$ -	\$ (5,757,423)	\$ (5,757,423)

**CITY OF CANTON  
STARK COUNTY, OHIO**

**Enterprise Funds**

Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services.

The City operates three Major enterprise funds:

***Water Operating Fund***

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

***Sewer Operating Fund***

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

***Refuse Operating Fund***

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



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
WATER OPERATING FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services . . . . .	\$ 17,242,096	\$ 18,657,286	\$ 1,415,190
Rental income . . . . .	25,985	27,483	1,498
Capital grants . . . . .	2,175,000	971,440	(1,203,560)
Other . . . . .	128	56,259	56,131
<b>Total revenues.</b> . . . . .	<b>19,443,209</b>	<b>19,712,468</b>	<b>269,259</b>
<b>Expenses:</b>			
Personal services . . . . .	7,541,099	7,072,684	468,415
Materials and supplies . . . . .	1,969,774	1,805,809	163,965
Contractual services . . . . .	5,945,106	4,992,203	952,903
Capital outlay . . . . .	9,154,151	7,364,227	1,789,924
Claims . . . . .	74,443	49,965	24,478
Other . . . . .	56,856	43,898	12,958
Debt service:			
Principal retirement . . . . .	1,854,402	1,828,153	26,249
Interest and fiscal charges . . . . .	810,540	810,533	7
<b>Total expenses.</b> . . . . .	<b>27,406,371</b>	<b>23,967,472</b>	<b>3,438,899</b>
Excess of expenses over revenues . . . . .	(7,963,162)	(4,255,004)	3,708,158
<b>Nonoperating revenues (expenses):</b>			
Sale of assets . . . . .	2,798	8,108	5,310
Transfer in . . . . .	186,020	212,542	26,522
Transfer (out) . . . . .	(271,810)	(255,242)	16,568
Issuance of loans . . . . .	3,361,500	550,585	(2,810,915)
<b>Total nonoperating revenues (expenses)</b> . . . . .	<b>3,278,508</b>	<b>515,993</b>	<b>(2,762,515)</b>
Net change in fund balance . . . . .	(4,684,654)	(3,739,011)	945,643
<b>Fund balance at beginning of year</b> . . . . .	<b>10,376,684</b>	<b>10,376,684</b>	<b>-</b>
<b>Prior year encumbrances appropriated.</b> . . . . .	<b>1,594,997</b>	<b>1,594,997</b>	<b>-</b>
<b>Fund balance at end of year</b> . . . . .	<b>\$ 7,287,027</b>	<b>\$ 8,232,670</b>	<b>\$ 945,643</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SEWER OPERATING FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services . . . . .	\$ 15,018,689	\$ 15,620,474	\$ 601,785
Intergovernmental . . . . .	2,731,292	3,488,720	757,428
Operating grants . . . . .	76,667	-	(76,667)
Rental income . . . . .	6,080	8,369	2,289
Other . . . . .	662,320	62,985	(599,335)
<b>Total revenues . . . . .</b>	<b>18,495,048</b>	<b>19,180,548</b>	<b>685,500</b>
<b>Expenses:</b>			
Personal services . . . . .	5,927,991	5,567,273	360,718
Materials and supplies . . . . .	1,445,908	1,110,020	335,888
Contractual services . . . . .	10,050,136	6,792,160	3,257,976
Capital outlay . . . . .	80,032,378	36,022,841	44,009,537
Claims . . . . .	275,644	259,735	15,909
Other . . . . .	535,559	449,810	85,749
Debt service:			
Principal retirement . . . . .	3,961,954	3,961,951	3
Interest and fiscal charges . . . . .	2,603,865	2,603,864	1
<b>Total expenses . . . . .</b>	<b>104,833,435</b>	<b>56,767,654</b>	<b>48,065,781</b>
Excess of expenses over revenues . . . . .	(86,338,387)	(37,587,106)	48,751,281
<b>Nonoperating revenues (expenses):</b>			
Sale of assets . . . . .	7,245	7,245	-
Transfer in . . . . .	2,436,588	1,520,000	(916,588)
Transfer (out) . . . . .	(1,553,300)	(1,553,300)	-
Issuance of loans . . . . .	68,161,378	13,876,081	(54,285,297)
<b>Total nonoperating revenues (expenses) . . . . .</b>	<b>69,051,911</b>	<b>13,850,026</b>	<b>(55,201,885)</b>
Net change in fund balance . . . . .	(17,286,476)	(23,737,080)	(6,450,604)
<b>Fund balance (deficit) at beginning of year . . . . .</b>	<b>(13,985,700)</b>	<b>(13,985,700)</b>	<b>-</b>
<b>Prior year encumbrances appropriated . . . . .</b>	<b>35,492,188</b>	<b>35,492,188</b>	<b>-</b>
<b>Fund balance (deficit) at end of year . . . . .</b>	<b>\$ 4,220,012</b>	<b>\$ (2,230,592)</b>	<b>\$ (6,450,604)</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
REFUSE OPERATING FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services . . . . .	\$ 6,152,925	\$ 5,977,666	\$ (175,259)
Operating grants . . . . .	56,137	56,137	-
Other . . . . .	4,022	4,048	26
<b>Total revenues . . . . .</b>	<b>6,213,084</b>	<b>6,037,851</b>	<b>(175,233)</b>
<b>Expenses:</b>			
Personal services . . . . .	4,208,308	3,871,602	336,706
Materials and supplies . . . . .	292,316	278,985	13,331
Contractual services . . . . .	2,086,330	2,046,164	40,166
Capital outlay . . . . .	294,613	101,726	192,887
Claims . . . . .	4,513	1,400	3,113
Other . . . . .	17,760	14,508	3,252
<b>Total expenses . . . . .</b>	<b>6,903,840</b>	<b>6,314,385</b>	<b>589,455</b>
Excess of expenses over revenues . . . . .	(690,756)	(276,534)	414,222
<b>Nonoperating revenues (expenses):</b>			
Transfer (out) . . . . .	(50,000)	(50,000)	-
<b>Total nonoperating revenues (expenses) . . . . .</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>-</b>
Net change in fund balance . . . . .	(740,756)	(326,534)	414,222
<b>Fund balance at beginning of year . . . . .</b>	<b>604,877</b>	<b>604,877</b>	<b>-</b>
<b>Prior year encumbrances appropriated . . . . .</b>	<b>262,448</b>	<b>262,448</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 126,569</b>	<b>\$ 540,791</b>	<b>\$ 414,222</b>

**CITY OF CANTON  
STARK COUNTY, OHIO**

**Enterprise Funds**

Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services.

The City operates one Nonmajor Enterprise Fund:

***Building Code Fund***

The building code enterprise fund accounts for the provision of license and permit fees collection related to the enforcement of the city building code.

The budgetary statement is only shown, since the building code fund is the City's only nonmajor enterprise fund.

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
BUILDING CODE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Licenses, permits, and fees . . . . .	\$ 2,196,400	\$ 1,886,292	\$ (310,108)
Fines and forfeitures . . . . .	-	400	400
Other . . . . .	3,600	7,399	3,799
Total revenues . . . . .	<u>2,200,000</u>	<u>1,894,091</u>	<u>(305,909)</u>
<b>Expenses:</b>			
Personal services . . . . .	1,635,376	1,353,394	281,982
Materials and supplies . . . . .	53,487	50,379	3,108
Contractual services . . . . .	292,997	230,172	62,825
Capital outlay . . . . .	143,402	116,680	26,722
Claims . . . . .	2,800	2,298	502
Other . . . . .	9,739	7,146	2,593
Total expenses . . . . .	<u>2,137,801</u>	<u>1,760,069</u>	<u>377,732</u>
Net change in fund balance . . . . .	62,199	134,022	71,823
<b>Fund balance at beginning of year . . . . .</b>	833,078	833,078	-
<b>Prior year encumbrances appropriated . . . . .</b>	109,717	109,717	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1,004,994</u>	<u>\$ 1,076,817</u>	<u>\$ 71,823</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

**Internal Service Funds**

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

***Workers' Compensation Retrospective Fund***

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

***Health Insurance Fund***

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

***Compensated Absences Claim Fund***

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

***Vehicle Self Insurance Fund***

To account for charges to the operating funds on a per fund basis for the claims associated with a vehicle self insurance fund. This fund is included in the general fund (GAAP basis), but has a separate legally adopted budget (budget basis). This fund is not included in the combining statements for the internal service funds since it is reported in the general fund (GAAP basis); however, the budgetary schedule for this fund is presented in this section.

***Motor Vehicles Department Fund***

To account for charges to the operating funds on a per fund basis for the department of motor vehicles. This fund is included in the general fund (GAAP basis), but has a separate legally adopted budget (budget basis). This fund is not included in the combining statements for the internal service funds since it is reported in the general fund (GAAP basis); however, the budgetary schedule for this fund is presented in this section.

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
DECEMBER 31, 2017

	<b>Workers' Compensation</b>	<b>Health Insurance</b>	<b>Compensated Absences Claim</b>	<b>Total Nonmajor Internal Service</b>
<b>Assets:</b>				
Current assets:				
Equity in pooled cash and cash equivalents. . . . .	\$ 1,852,625	\$ 1,906,381	\$ 788,682	\$ 4,547,688
Receivables:				
Accounts. . . . .	-	144,958	125	145,083
Due from other funds. . . . .	-	-	115,869	115,869
Due from other governments. . . . .	-	-	1,180	1,180
Total assets. . . . .	1,852,625	2,051,339	905,856	4,809,820
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable. . . . .	2,495	780,286	2,200	784,981
Accrued wages and benefits payable . . . . .	3,867	3,867	266,659	274,393
Due to other governments . . . . .	597	597	41,199	42,393
Compensated absences payable . . . . .	-	-	1,688,039	1,688,039
Claims payable. . . . .	518,286	270,148	-	788,434
Total current liabilities. . . . .	525,245	1,054,898	1,998,097	3,578,240
Non-current liabilities:				
Compensated absences payable . . . . .	-	-	6,781,356	6,781,356
Claims payable . . . . .	1,150,854	-	-	1,150,854
Total non-current liabilities . . . . .	1,150,854	-	6,781,356	7,932,210
Total liabilities . . . . .	1,676,099	1,054,898	8,779,453	11,510,450
<b>Net position:</b>				
Unrestricted (deficit) . . . . .	176,526	996,441	(7,873,597)	(6,700,630)
Total net position (deficit). . . . .	\$ 176,526	\$ 996,441	\$ (7,873,597)	\$ (6,700,630)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 COMBINING STATEMENT OF REVENUES,  
 EXPENSES AND CHANGES IN NET POSITION  
 INTERNAL SERVICE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Workers' Compensation</b>	<b>Health Insurance</b>	<b>Compensated Absences Claim</b>	<b>Total Nonmajor Internal Service</b>
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 1,227,169	\$ 10,093,888	\$ 3,962,354	\$ 15,283,411
Other . . . . .	947,634	2,118,580	7,079	3,073,293
Total operating revenues. . . . .	<u>2,174,803</u>	<u>12,212,468</u>	<u>3,969,433</u>	<u>18,356,704</u>
<b>Operating expenses:</b>				
Personal services. . . . .	83,271	93,034	-	176,305
Contract services. . . . .	79,369	998,861	13,320	1,091,550
Benefit claims and expenses . . . . .	-	-	4,664,899	4,664,899
Insurance claims and expenses. . . . .	1,227,170	10,746,521	-	11,973,691
Other. . . . .	510	750	-	1,260
Total operating expenses. . . . .	<u>1,390,320</u>	<u>11,839,166</u>	<u>4,678,219</u>	<u>17,907,705</u>
Operating income (loss). . . . .	<u>784,483</u>	<u>373,302</u>	<u>(708,786)</u>	<u>448,999</u>
Transfer in . . . . .	-	1,750,000	-	1,750,000
Operating income (loss) / change in net position . . . . .	784,483	2,123,302	(708,786)	2,198,999
<b>Net position (deficit) at beginning of year . . . . .</b>	<u>(607,957)</u>	<u>(1,126,861)</u>	<u>(7,164,811)</u>	<u>(8,899,629)</u>
<b>Net position (deficit) at end of year . . . . .</b>	<u>\$ 176,526</u>	<u>\$ 996,441</u>	<u>\$ (7,873,597)</u>	<u>\$ (6,700,630)</u>



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Workers' Compensation</b>	<b>Health Insurance</b>	<b>Compensated Absences Claim</b>	<b>Total Nonmajor Internal Service</b>
<b>Cash flows from operating activities:</b>				
Cash received from charges for services . . . . .	\$ 1,227,169	\$ 10,093,888	\$ 3,962,354	\$ 15,283,411
Cash received from other operations . . . . .	978,164	1,981,625	5,774	2,965,563
Cash payments for personal services . . . . .	(78,742)	(90,799)	-	(169,541)
Cash payments for contractual services . . . . .	(79,369)	(942,256)	(13,320)	(1,034,945)
Cash payments for insurance claims . . . . .	(1,227,170)	(11,173,153)	-	(12,400,323)
Cash payments for benefits claims . . . . .	-	-	(3,845,918)	(3,845,918)
Cash payments for other expenses . . . . .	(510)	(750)	-	(1,260)
Net cash provided by (used in) operating activities . . . . .	819,542	(131,445)	108,890	796,987
<b>Cash flows from noncapital financial activities:</b>				
Cash received from transfers in . . . . .	-	1,750,000	-	1,750,000
Net increase in cash and cash equivalents . . . . .	819,542	1,618,555	108,890	2,546,987
<b>Cash and cash equivalents at beginning of year . . . . .</b>	<b>1,033,083</b>	<b>287,826</b>	<b>679,792</b>	<b>2,000,701</b>
<b>Cash and cash equivalents at end of year . . . . .</b>	<b>\$ 1,852,625</b>	<b>\$ 1,906,381</b>	<b>\$ 788,682</b>	<b>\$ 4,547,688</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss) . . . . .	\$ 784,483	\$ 373,302	\$ (708,786)	\$ 448,999
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable . . . . .	30,530	(136,955)	(125)	(106,550)
(Increase) in due from other governments . . . . .	-	-	(1,180)	(1,180)
Decrease in due from other funds . . . . .	-	-	38,947	38,947
Increase in accounts payable . . . . .	2,390	61,221	2,200	65,811
Increase (decrease) in accrued wages and benefits . . . . .	1,853	(2,064)	144,470	144,259
Increase (decrease) in due to other governments . . . . .	286	(317)	22,321	22,290
Increase in compensated absences payable . . . . .	-	-	611,043	611,043
(Decrease) in claims payable . . . . .	-	(426,632)	-	(426,632)
Net cash provided by (used in) operating activities . . . . .	\$ 819,542	\$ (131,445)	\$ 108,890	\$ 796,987

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
WORKERS' COMPENSATION RETROSPECTIVE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>Revenues:</b>			
Charges for services . . . . .	\$ 1,650,000	\$ 1,227,169	\$ (422,831)
Other . . . . .	-	978,164	978,164
Total revenues . . . . .	<u>1,650,000</u>	<u>2,205,333</u>	<u>555,333</u>
<b>Expenses:</b>			
Personal services . . . . .	91,965	78,742	13,223
Materials and supplies . . . . .	2,850	-	2,850
Contractual services . . . . .	212,735	86,854	125,881
Benefit claims and expenses . . . . .	2,200,000	1,227,170	972,830
Other . . . . .	3,200	510	2,690
Total expenses . . . . .	<u>2,510,750</u>	<u>1,393,276</u>	<u>1,117,474</u>
Net change in fund balance . . . . .	(860,750)	812,057	1,672,807
<b>Fund balance at beginning of year . . . . .</b>	1,015,384	1,015,384	-
<b>Prior year encumbrances appropriated . . . . .</b>	17,699	17,699	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 172,333</u>	<u>\$ 1,845,140</u>	<u>\$ 1,672,807</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
HEALTH INSURANCE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>Revenues:</b>			
Charges for services . . . . .	\$ 10,500,000	\$ 10,093,888	\$ (406,112)
Other . . . . .	1,500,000	1,981,228	481,228
Total revenues . . . . .	<u>12,000,000</u>	<u>12,075,116</u>	<u>75,116</u>
<b>Expenses:</b>			
Personal services . . . . .	92,903	90,799	2,104
Materials and supplies . . . . .	640	-	640
Contractual services . . . . .	1,044,375	1,044,272	103
Insurance claims and expenses . . . . .	11,328,541	11,326,746	1,795
Other . . . . .	2,000	750	1,250
Total expenses . . . . .	<u>12,468,459</u>	<u>12,462,567</u>	<u>5,892</u>
Excess of expenses over revenues . . . . .	(468,459)	(387,451)	81,008
<b>Other financing sources:</b>			
Transfers in . . . . .	1,750,000	1,750,000	-
Net change in fund balance . . . . .	1,281,541	1,362,549	81,008
<b>Fund balance at beginning of year . . . . .</b>	212,111	212,111	-
<b>Prior year encumbrances appropriated . . . . .</b>	75,715	75,715	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1,569,367</u>	<u>\$ 1,650,375</u>	<u>\$ 81,008</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COMPENSATED ABSENCES CLAIM FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>Revenues:</b>			
Charges for services . . . . .	\$ 3,600,000	\$ 3,962,354	\$ 362,354
Other . . . . .	-	5,774	5,774
Total revenues . . . . .	<u>3,600,000</u>	<u>3,968,128</u>	<u>368,128</u>
<b>Expenses:</b>			
Contractual services . . . . .	20,983	20,971	12
Benefit claim expenses . . . . .	3,842,170	3,845,918	(3,748)
Total expenses . . . . .	<u>3,863,153</u>	<u>3,866,889</u>	<u>(3,736)</u>
Net change in fund balance . . . . .	(263,153)	101,239	364,392
<b>Fund balance at beginning of year . . . . .</b>	671,490	671,490	-
<b>Prior year encumbrances appropriated . . . . .</b>	8,302	8,302	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 416,639</u>	<u>\$ 781,031</u>	<u>\$ 364,392</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
VEHICLE SELF INSURANCE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>Revenues:</b>			
Interest . . . . .	\$ -	\$ 817	\$ 817
Other . . . . .	-	41,693	41,693
Total revenues . . . . .	<u>-</u>	<u>42,510</u>	<u>42,510</u>
<b>Expenses:</b>			
Personal services . . . . .	31,072	30,330	742
Materials and supplies . . . . .	142	-	142
Contractual services . . . . .	80,800	47,116	33,684
Insurance claim expenses . . . . .	428,252	222,925	205,327
Total expenses . . . . .	<u>540,266</u>	<u>300,371</u>	<u>239,895</u>
Excess of expenses over revenues . . . . .	(540,266)	(257,861)	282,405
<b>Nonoperating revenue:</b>			
Transfers in . . . . .	<u>375,000</u>	<u>287,200</u>	<u>(87,800)</u>
Net change in fund balance . . . . .	(165,266)	29,339	194,605
<b>Fund balance at beginning of year . . . . .</b>	596,128	596,128	-
<b>Prior year encumbrances appropriated . . . . .</b>	53,525	53,525	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 484,387</u>	<u>\$ 678,992</u>	<u>\$ 194,605</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
MOTOR VEHICLES DEPARTMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>Revenues:</b>			
Charges for services . . . . .	\$ 2,440,000	\$ 2,078,188	\$ (361,812)
Other . . . . .	60,000	78,962	18,962
Total revenues . . . . .	<u>2,500,000</u>	<u>2,157,150</u>	<u>(342,850)</u>
<b>Expenses:</b>			
Personal services . . . . .	1,274,153	1,177,337	96,816
Materials and supplies . . . . .	1,215,776	1,034,090	181,686
Contractual services . . . . .	335,132	307,631	27,501
Capital outlay . . . . .	23,359	21,051	2,308
Insurance claim expenses . . . . .	100	10	90
Other . . . . .	9,881	8,786	1,095
Total expenses . . . . .	<u>2,858,401</u>	<u>2,548,905</u>	<u>309,496</u>
Net change in fund balance . . . . .	(358,401)	(391,755)	(33,354)
<b>Fund balance at beginning of year . . . . .</b>	447,009	447,009	-
<b>Prior year encumbrances appropriated . . . . .</b>	229,437	229,437	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 318,045</u>	<u>\$ 284,691</u>	<u>\$ (33,354)</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

Fiduciary funds are used to account for assets held by the City in a trustee capacity, or as an agent for individuals, private organizations, other governmental units, and/or funds. The following are the City's fiduciary fund types:

**Agency Funds**

Agency funds are custodial in nature, and thus, do not recognize revenues or expenditures, only changes in assets and liabilities. These funds are used to record the collection and payment of refundable deposits, taxes collected for other governments, and municipal court.

***Building Escrow Fund:***

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

***Payroll Clearing Fund:***

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

***Auditor's Transfer Fund:***

To account for and hold receipts from various entities until proper disbursement.

***Municipal Court Fund:***

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

***Building Department State Assessment Fund:***

To account for assessments that are collected by the City on building projects on behalf of the state.

***Downtown Special Improvement District Fund:***

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

***Jackson-Canton JEDD Clearing Fund:***

To account for the receipt and disbursement of JEDD income taxes.

***Vacant/Foreclosure Depository Fund:***

This fund accounts for deposits held for vacant and foreclosed upon homes.

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Balance 12/31/16</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/17</u>
<b><i>Building Escrow:</i></b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 115,259	\$ 50,568	\$ 70,080	\$ 95,747
Total assets . . . . .	<u>\$ 115,259</u>	<u>\$ 50,568</u>	<u>\$ 70,080</u>	<u>\$ 95,747</u>
<b>Liabilities:</b>				
Deposits held and due to others. . . . .	\$ 115,259	\$ 50,568	\$ 70,080	\$ 95,747
Total liabilities . . . . .	<u>\$ 115,259</u>	<u>\$ 50,568</u>	<u>\$ 70,080</u>	<u>\$ 95,747</u>
<b><i>Payroll Clearing:</i></b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 290,310	\$ 17,917,462	\$ 17,887,081	\$ 320,691
Total assets . . . . .	<u>\$ 290,310</u>	<u>\$ 17,917,462</u>	<u>\$ 17,887,081</u>	<u>\$ 320,691</u>
<b>Liabilities:</b>				
Due to other governments . . . . .	\$ 290,310	\$ 17,917,462	\$ 17,887,081	\$ 320,691
Total liabilities . . . . .	<u>\$ 290,310</u>	<u>\$ 17,917,462</u>	<u>\$ 17,887,081</u>	<u>\$ 320,691</u>
<b><i>Auditor's Transfer:</i></b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 115,404	\$ 80,241	\$ 104,676	\$ 90,969
Total assets . . . . .	<u>\$ 115,404</u>	<u>\$ 80,241</u>	<u>\$ 104,676</u>	<u>\$ 90,969</u>
<b>Liabilities:</b>				
Deposits held and due to others . . . . .	\$ 115,404	\$ 80,241	\$ 104,676	\$ 90,969
Total liabilities. . . . .	<u>\$ 115,404</u>	<u>\$ 80,241</u>	<u>\$ 104,676</u>	<u>\$ 90,969</u>
<b><i>Municipal Court:</i></b>				
<b>Assets:</b>				
Cash and cash equivalents in segregated accounts . . . . .	\$ 185,096	\$ 56,359	\$ 185,096	\$ 56,359
Total assets . . . . .	<u>\$ 185,096</u>	<u>\$ 56,359</u>	<u>\$ 185,096</u>	<u>\$ 56,359</u>
<b>Liabilities:</b>				
Undistributed assets. . . . .	\$ 185,096	\$ 56,359	\$ 185,096	\$ 56,359
Total liabilities . . . . .	<u>\$ 185,096</u>	<u>\$ 56,359</u>	<u>\$ 185,096</u>	<u>\$ 56,359</u>

(Continued)



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Balance 12/30/16</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/30/17</u>
<b><i>Building Department State Assessment:</i></b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 554	\$ 10,131	\$ 10,439	\$ 246
Total assets . . . . .	<u>\$ 554</u>	<u>\$ 10,131</u>	<u>\$ 10,439</u>	<u>\$ 246</u>
<b>Liabilities:</b>				
Deposits held and due to others . . . . .	\$ 554	\$ 10,131	\$ 10,439	\$ 246
Total liabilities. . . . .	<u>\$ 554</u>	<u>\$ 10,131</u>	<u>\$ 10,439</u>	<u>\$ 246</u>
<b><i>Downtown Special Improvement District:</i></b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ -	\$ 177,329	\$ 177,329	\$ -
Receivables:				
Accounts. . . . .	8,386	6,447	8,386	6,447
Total assets . . . . .	<u>\$ 8,386</u>	<u>\$ 183,776</u>	<u>\$ 185,715</u>	<u>\$ 6,447</u>
<b>Liabilities:</b>				
Deposits held and due to others . . . . .	\$ 8,386	\$ 183,776	\$ 185,715	\$ 6,447
Total liabilities. . . . .	<u>\$ 8,386</u>	<u>\$ 183,776</u>	<u>\$ 185,715</u>	<u>\$ 6,447</u>
<b><i>Jackson-Canton JEDD Clearing Fund:</i></b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ -	\$ 72,407	\$ 65,407	\$ 7,000
Total assets . . . . .	<u>\$ -</u>	<u>\$ 72,407</u>	<u>\$ 65,407</u>	<u>\$ 7,000</u>
<b>Liabilities:</b>				
Deposits held and due to others. . . . .	\$ -	\$ 72,407	\$ 65,407	\$ 7,000
Total liabilities . . . . .	<u>\$ -</u>	<u>\$ 72,407</u>	<u>\$ 65,407</u>	<u>\$ 7,000</u>
<b><i>Vacant/Forclosure Depository Fund:</i></b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 2,144,712	\$ 1,430,000	\$ 965,476	\$ 2,609,236
Total assets . . . . .	<u>\$ 2,144,712</u>	<u>\$ 1,430,000</u>	<u>\$ 965,476</u>	<u>\$ 2,609,236</u>
<b>Liabilities:</b>				
Deposits held and due to others. . . . .	\$ 2,144,712	\$ 1,430,000	\$ 965,476	\$ 2,609,236
Total liabilities . . . . .	<u>\$ 2,144,712</u>	<u>\$ 1,430,000</u>	<u>\$ 965,476</u>	<u>\$ 2,609,236</u>
<b><i>Total Agency Funds</i></b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 2,666,239	\$ 19,738,138	\$ 19,280,488	\$ 3,123,889
Cash and cash equivalents in segregated accounts . . .	185,096	56,359	185,096	56,359
Receivables:				
Accounts. . . . .	8,386	6,447	8,386	6,447
Total assets . . . . .	<u>\$ 2,859,721</u>	<u>\$ 19,800,944</u>	<u>\$ 19,473,970</u>	<u>\$ 3,186,695</u>
<b>Liabilities:</b>				
Due to other governments . . . . .	\$ 290,310	\$ 17,917,462	\$ 17,887,081	\$ 320,691
Undistributed assets. . . . .	185,096	56,359	185,096	56,359
Deposits held and due to others. . . . .	2,384,315	1,827,123	1,401,793	2,809,645
Total liabilities . . . . .	<u>\$ 2,859,721</u>	<u>\$ 19,800,944</u>	<u>\$ 19,473,970</u>	<u>\$ 3,186,695</u>

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CITY OF CANTON, OHIO



**CITY OF CANTON  
STARK COUNTY, OHIO  
STATISTICAL SECTION**

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

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	<b>S1 - S10</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue sources, municipal income taxes.	<b>S11 - S12</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	<b>S13 - S23</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	<b>S24 - S25</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	<b>S26 - S32</b>

**Sources:** Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
NET POSITION BY COMPONENT  
LAST TEN YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	2017	2016	2015	2014
<b>Governmental Activities</b>				
Net investment in capital assets	\$ 127,232,203	\$ 120,105,838	\$ 114,318,575	\$ 106,702,688
Restricted	20,359,389	17,870,574	21,643,804	19,038,897
Unrestricted	(63,023,063)	(63,674,938)	(62,270,207)	10,069,695
<b>Total Governmental Activities Net Position</b>	<u>\$ 84,568,529</u>	<u>\$ 74,301,474</u>	<u>\$ 73,692,172</u>	<u>\$ 135,811,280</u>
<b>Business-Type Activities</b>				
Net investment in capital assets	\$ 80,091,786	\$ 81,244,719	\$ 75,533,187	\$ 70,635,102
Unrestricted	43,079,099	37,500,121	33,635,250	42,265,775
<b>Total Business-Type Activities Net Position</b>	<u>\$ 123,170,885</u>	<u>\$ 118,744,840</u>	<u>\$ 109,168,437</u>	<u>\$ 112,900,877</u>
<b>Primary Government</b>				
Net investment in capital assets	\$ 207,323,989	\$ 201,350,557	\$ 189,851,762	\$ 177,337,790
Restricted	20,359,389	17,870,574	21,643,804	19,038,897
Unrestricted	(19,943,964)	(26,174,817)	(28,634,957)	52,335,470
<b>Total Primary Government Net Position</b>	<u>\$ 207,739,414</u>	<u>\$ 193,046,314</u>	<u>\$ 182,860,609</u>	<u>\$ 248,712,157</u>

Note: The City has implemented GASB Statements No. 63 & 65 in fiscal year 2012

2013	2012	2011	2010	2009	2008
\$ 99,188,330	\$ 96,544,493	\$ 97,348,306	\$ 96,658,405	\$ 93,997,414	\$ 94,910,241
20,669,995	25,988,085	30,727,668	34,583,408	38,133,687	32,898,704
8,055,536	5,978,878	807,948	(4,901,157)	(3,439,285)	1,897,801
<u>\$ 127,913,861</u>	<u>\$ 128,511,456</u>	<u>\$ 128,883,922</u>	<u>\$ 126,340,656</u>	<u>\$ 128,691,816</u>	<u>\$ 129,706,746</u>
\$ 70,583,131	\$ 68,382,938	\$ 64,432,996	\$ 65,466,731	\$ 65,271,828	\$ 63,926,597
40,577,502	37,550,898	35,129,231	31,989,581	24,386,522	22,651,308
<u>\$ 111,160,633</u>	<u>\$ 105,933,836</u>	<u>\$ 99,562,227</u>	<u>\$ 97,456,312</u>	<u>\$ 89,658,350</u>	<u>\$ 86,577,905</u>
\$ 169,771,461	\$ 164,927,431	\$ 161,781,302	\$ 162,125,136	\$ 159,269,242	\$ 158,836,838
20,669,995	25,988,085	30,727,668	34,583,408	38,133,687	32,898,704
48,633,038	43,529,776	35,937,179	27,088,424	20,947,237	24,549,109
<u>\$ 239,074,494</u>	<u>\$ 234,445,292</u>	<u>\$ 228,446,149</u>	<u>\$ 223,796,968</u>	<u>\$ 218,350,166</u>	<u>\$ 216,284,651</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 CHANGES IN NET POSITION  
 LAST TEN YEARS  
 (ACCRUAL BASIS OF ACCOUNTING)

	2017	2016	2015	2014
<b>Expenses</b>				
<i>Governmental activities:</i>				
General government	\$ 20,575,714	\$ 21,401,267	\$ 20,813,879	\$ 19,609,570
Security of persons and property	42,659,988	45,317,984	42,879,044	38,759,803
Public health	7,188,358	6,627,161	6,186,052	6,196,761
Transportation	10,885,075	14,177,868	14,538,968	12,065,377
Community environment	8,408,420	6,829,268	12,051,165	8,106,584
Leisure time activities	5,003,179	3,703,459	3,417,987	3,549,040
Economic development	-	-	263,186	-
Interest and fiscal charges	412,469	361,969	386,900	442,388
<i>Total governmental activities expenses</i>	<u>95,133,203</u>	<u>98,418,976</u>	<u>100,537,181</u>	<u>88,729,523</u>
<i>Business-type activities:</i>				
Water	17,763,510	14,639,812	14,174,629	15,387,377
Sewer	17,427,064	12,423,601	14,155,798	12,796,231
Refuse	6,717,023	6,892,183	6,354,269	6,257,256
Building	1,903,631	1,768,265	-	-
<i>Total business-type activities expenses</i>	<u>43,811,228</u>	<u>35,723,861</u>	<u>34,684,696</u>	<u>34,440,864</u>
<b>Total Primary Government Expenses</b>	<u><u>\$ 138,944,431</u></u>	<u><u>\$ 134,142,837</u></u>	<u><u>\$ 135,221,877</u></u>	<u><u>\$ 123,170,387</u></u>
<b>Program Revenues</b>				
<i>Governmental activities:</i>				
Charges for services:				
EMS charges	\$ 1,879,750	\$ 1,721,128	\$ 954,809	\$ 2,963,877
Leisure time activities	196,873	46,712	45,781	30,379
Licenses, permits, and fees	706,182	1,083,886	1,499,109	1,512,407
Municipal court revenue	3,527,414	3,397,151	2,765,518	2,867,661
Other activities	7,762,803	4,821,212	8,727,538	7,497,735
Operating grants and contributions	16,479,341	16,591,905	9,787,441	12,203,279
Capital grants and contributions	6,972,483	11,438,948	13,910,356	5,755,827
<i>Total governmental activities program revenues</i>	<u>37,524,846</u>	<u>39,100,942</u>	<u>37,690,552</u>	<u>32,831,165</u>
<i>Business-type activities:</i>				
Charges for services:				
Water	18,460,579	17,025,059	17,576,612	15,545,481
Sewer	15,804,202	14,340,312	14,925,552	13,407,709
Refuse	5,787,333	5,849,351	5,762,077	5,962,885
Building	1,893,728	2,011,319	-	-
Operating grants and contributions	78,591	47,971	121,130	69,919
Capital grants and contributions	2,562,096	4,854,422	9,770	600,402
<i>Total business-type activities program revenues</i>	<u>44,586,529</u>	<u>44,128,434</u>	<u>38,395,141</u>	<u>35,586,396</u>
<b>Total Primary Government Program Revenues</b>	<u><u>\$ 82,111,375</u></u>	<u><u>\$ 83,229,376</u></u>	<u><u>\$ 76,085,693</u></u>	<u><u>\$ 68,417,561</u></u>



	2013	2012	2011	2010	2009	2008
\$	16,648,538	\$ 18,204,815	\$ 18,507,298	\$ 17,916,837	\$ 21,447,525	\$ 20,109,980
	37,209,092	37,355,205	39,761,690	38,021,732	39,741,822	39,952,807
	5,948,698	5,867,708	6,371,348	6,789,047	6,503,089	6,232,337
	13,253,789	12,752,256	12,218,799	12,594,651	14,551,954	11,010,239
	6,012,767	5,080,295	8,563,514	9,206,391	5,393,621	6,011,649
	3,329,290	2,101,343	2,361,904	2,919,500	2,943,691	2,986,053
	-	-	-	-	-	-
	542,745	573,423	791,471	815,188	925,828	1,154,014
	<u>82,944,919</u>	<u>81,935,045</u>	<u>88,576,024</u>	<u>88,263,346</u>	<u>91,507,530</u>	<u>87,457,079</u>
	13,029,402	12,706,700	12,478,010	10,975,361	11,789,359	10,644,920
	12,516,730	12,705,127	13,239,984	11,135,229	11,586,485	10,344,713
	5,924,125	5,342,650	5,532,632	4,948,513	5,359,103	5,057,233
	-	-	-	-	-	-
	<u>31,470,257</u>	<u>30,754,477</u>	<u>31,250,626</u>	<u>27,059,103</u>	<u>28,734,947</u>	<u>26,046,866</u>
\$	<u>114,415,176</u>	<u>\$ 112,689,522</u>	<u>\$ 119,826,650</u>	<u>\$ 115,322,449</u>	<u>\$ 120,242,477</u>	<u>\$ 113,503,945</u>
\$	1,790,137	\$ 1,989,838	\$ 1,538,870	\$ 990,133	\$ 370,403	\$ 2,474,214
	29,550	10,890	230,691	593,174	323,320	646,817
	1,510,822	2,014,416	1,496,552	1,540,878	1,544,394	1,548,478
	3,401,332	3,458,555	3,561,424	4,091,161	3,458,692	3,350,496
	6,496,325	8,477,516	7,020,751	6,949,537	7,094,576	6,922,471
	9,361,804	6,951,732	11,296,786	11,304,031	15,211,394	7,017,103
	3,956,443	759,525	5,146,994	6,681,818	4,334,246	3,743,113
	<u>26,546,413</u>	<u>23,662,472</u>	<u>30,292,068</u>	<u>32,150,732</u>	<u>32,337,025</u>	<u>25,702,692</u>
	14,919,158	14,564,110	13,688,619	14,679,276	11,602,884	12,452,723
	13,914,466	14,487,135	13,232,669	13,061,066	10,696,780	10,570,525
	5,801,598	6,002,093	6,030,792	6,511,534	5,360,417	4,778,453
	-	-	-	-	-	-
	67,026	140,855	189,868	87,506	119,426	108,822
	1,943,958	1,869,089	12,655	207,969	2,942,090	1,939,593
	<u>36,646,206</u>	<u>37,063,282</u>	<u>33,154,603</u>	<u>34,547,351</u>	<u>30,721,597</u>	<u>29,850,116</u>
\$	<u>63,192,619</u>	<u>\$ 60,725,754</u>	<u>\$ 63,446,671</u>	<u>\$ 66,698,083</u>	<u>\$ 63,058,622</u>	<u>\$ 55,552,808</u>

(Continued)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 CHANGES IN NET POSITION (CONTINUED)  
 LAST TEN YEARS  
 (ACCRUAL BASIS OF ACCOUNTING)

	2017	2016	2015	2014
<b>Net (Expenses)/Revenues</b>				
Governmental Activities	\$ (57,608,357)	\$ (59,318,034)	\$ (62,846,629)	\$ (55,898,358)
Business-Type Activities	775,301	8,404,573	3,710,445	1,145,532
<b>Total Primary Government</b>				
<b>Net Expense</b>	<u>\$ (56,833,056)</u>	<u>\$ (50,913,461)</u>	<u>\$ (59,136,184)</u>	<u>\$ (54,752,826)</u>
<b>General Revenues and</b>				
<b>Other Changes in Net Position</b>				
<i>Governmental activities:</i>				
Taxes:				
Municipal income taxes	\$ 50,015,065	\$ 44,357,696	\$ 45,014,757	\$ 50,699,714
Property and other taxes	5,158,048	4,746,457	4,463,752	4,916,636
Grants and entitlements not				
restricted to specific programs	7,470,873	6,728,791	6,815,424	5,040,384
Payment in lieu of taxes	101,910	120,375	43,687	25,948
Other local taxes	89,096	-	-	-
Interest and investment earnings	490,540	425,963	433,892	206,592
Other	4,549,880	4,057,189	-	2,906,503
Proceeds on sale				
of capital assets	-	-	4,060,560	-
Transfers	-	(509,135)	-	-
<i>Total governmental activities</i>	<u>67,875,412</u>	<u>59,927,336</u>	<u>60,832,072</u>	<u>63,795,777</u>
<i>Business-type activities:</i>				
Interest and investment earnings	-	-	-	-
Other	3,635,391	652,386	877,805	558,770
Gain on sale				
of capital assets	15,353	10,309	(10,410)	35,942
Transfers	-	509,135	-	-
<i>Total business-type activities</i>	<u>3,650,744</u>	<u>1,171,830</u>	<u>867,395</u>	<u>594,712</u>
<b>Total Primary Government</b>	<u>\$ 71,526,156</u>	<u>\$ 61,099,166</u>	<u>\$ 61,699,467</u>	<u>\$ 64,390,489</u>
<b>Change in Net Position</b>				
Governmental activities	\$ 10,267,055	\$ 609,302	\$ (2,014,557)	\$ 7,897,419
Business-type activities	4,426,045	9,576,403	4,577,840	1,740,244
<i>Total Primary Government</i>	<u>\$ 14,693,100</u>	<u>\$ 10,185,705</u>	<u>\$ 2,563,283</u>	<u>\$ 9,637,663</u>

	2013	2012	2011	2010	2009	2008
\$	(56,398,506)	\$ (58,272,573)	\$ (58,283,956)	\$ (56,112,614)	\$ (59,170,505)	\$ (61,754,387)
	5,175,949	6,308,805	1,903,977	7,488,248	1,986,650	3,803,250
	<u>(51,222,557)</u>	<u>(51,963,768)</u>	<u>(56,379,979)</u>	<u>(48,624,366)</u>	<u>(57,183,855)</u>	<u>(57,951,137)</u>
\$	45,912,805	\$ 44,311,327	\$ 42,597,239	\$ 38,633,612	\$ 40,915,298	\$ 43,086,906
	2,473,315	3,769,181	2,691,214	3,711,729	3,619,130	4,475,101
	5,356,271	8,245,851	9,021,156	8,796,360	8,936,287	8,938,333
	35,312	-	-	-	-	-
	-	-	-	-	-	-
	58,749	56,735	88,038	235,190	662,192	1,592,671
	1,964,459	1,503,350	6,412,177	2,384,563	3,911,451	2,979,299
	-	13,663	17,398	-	111,217	-
	-	-	-	-	-	-
	<u>55,800,911</u>	<u>57,900,107</u>	<u>60,827,222</u>	<u>53,761,454</u>	<u>58,155,575</u>	<u>61,072,310</u>
	1	3	15	55	196	40,203
	50,847	22,840	169,404	306,861	989,811	220,621
	-	39,961	32,519	2,798	8,731	6,786
	-	-	-	-	-	-
	<u>50,848</u>	<u>62,804</u>	<u>201,938</u>	<u>309,714</u>	<u>998,738</u>	<u>267,610</u>
\$	<u>55,851,759</u>	<u>57,962,911</u>	<u>61,029,160</u>	<u>54,071,168</u>	<u>59,154,313</u>	<u>61,339,920</u>
\$	(597,595)	\$ (372,466)	\$ 2,543,266	\$ (2,351,160)	\$ (1,014,930)	\$ (682,077)
	5,226,797	6,371,609	2,105,915	7,797,962	2,985,388	4,070,860
\$	<u>4,629,202</u>	<u>5,999,143</u>	<u>4,649,181</u>	<u>5,446,802</u>	<u>1,970,458</u>	<u>3,388,783</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 FUND BALANCES, GOVERNMENTAL FUNDS  
 LAST TEN YEARS  
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2017	2016	2015	2014
<b>General Fund</b>				
Nonspendable	\$ 459,000	\$ 471,541	\$ 409,573	\$ 400,706
Restricted	-	-	-	-
Committed	1,166,310	1,091,198	836,374	772,068
Assigned	1,227,262	-	-	3,471,995
Unassigned	-	(3,376,238)	(4,470,003)	1,435,402
Reserved	-	-	-	-
Unreserved	-	-	-	-
<b>Total General Fund</b>	<u>\$ 2,852,572</u>	<u>\$ (1,813,499)</u>	<u>\$ (3,224,056)</u>	<u>\$ 6,080,171</u>
<b>All Other</b>				
<b>Governmental Funds</b>				
Nonspendable	\$ 38,603	\$ 36,881	\$ 102,984	\$ 130,508
Restricted	13,268,417	13,633,249	12,525,422	10,153,844
Committed	7,485,097	6,374,838	4,479,326	4,044,125
Unassigned (deficit)	(1,749,678)	(1,917,973)	(938,552)	(97,954)
Reserved	-	-	-	-
Unreserved, reported in:				
Special Revenue				
Funds	-	-	-	-
Capital Projects				
Funds	-	-	-	-
Debt Service Funds	-	-	-	-
<b>Total All Other</b>				
<b>Governmental Funds</b>	<u>\$ 19,042,439</u>	<u>\$ 18,126,995</u>	<u>\$ 16,169,180</u>	<u>\$ 14,230,523</u>

Note: Fund balance classifications beginning in 2009 reflect the City's implementation of GASB Statement No. 54.

2013	2012	2011	2010	2009	2008
\$ 382,303	\$ 289,197	\$ 281,811	\$ 262,064	\$ 176,964	\$ -
-	89,191	62,514	50,320	281,200	-
950,255	1,081,844	711,295	620,913	808,009	-
550,226	-	-	-	-	-
6,502,030	7,602,998	5,235,907	3,797,436	3,406,438	-
-	-	-	-	-	748,509
-	-	-	-	-	6,947,380
<u>\$ 8,384,814</u>	<u>\$ 9,063,230</u>	<u>\$ 6,291,527</u>	<u>\$ 4,730,733</u>	<u>\$ 4,672,611</u>	<u>\$ 7,695,889</u>
\$ 41,347	\$ 1,649,712	\$ 1,726,284	\$ 1,864,369	\$ 1,783,687	\$ -
12,031,197	9,947,224	11,534,643	16,648,605	19,478,655	-
3,395,680	3,670,094	3,693,165	2,744,056	3,433,796	-
(193,112)	(5,810)	(215,388)	-	(3,648)	-
-	-	-	-	-	10,955,266
-	-	-	-	-	3,806,492
-	-	-	-	-	10,284,524
-	-	-	-	-	6,239
<u>\$ 15,275,112</u>	<u>\$ 15,261,220</u>	<u>\$ 16,738,704</u>	<u>\$ 21,257,030</u>	<u>\$ 24,692,490</u>	<u>\$ 25,052,521</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	2017	2016	2015	2014
<b>Revenues:</b>				
Property and other taxes	\$ 5,209,704	\$ 4,481,612	\$ 4,316,978	\$ 4,192,204
Municipal income taxes	49,666,607	45,247,080	46,693,386	48,536,712
Charges for services	11,980,318	11,607,591	11,038,335	11,414,960
Licenses, permits, and fees	1,164,527	945,545	1,499,109	1,530,879
Fines and forfeitures	603,176	569,407	463,574	427,981
Intergovernmental	11,059,243	10,338,129	10,575,834	8,827,418
Interest	511,078	413,629	426,685	206,936
Rental income	96,253	73,504	69,812	54,916
Contributions and donations	35,736	267,628	29,356	2,984
Operating grants	13,051,518	12,285,017	8,855,961	9,381,059
Capital grants	6,071,653	10,405,265	13,546,094	5,514,695
Payment in lieu of taxes	101,910	120,375	43,687	25,948
Other	1,899,292	2,064,772	1,971,568	1,860,401
<b>Total revenues</b>	<b>101,451,015</b>	<b>98,819,554</b>	<b>99,530,379</b>	<b>91,977,093</b>
<b>Expenditures:</b>				
General government	17,550,219	19,467,660	19,845,271	18,764,120
Security of persons and property	37,561,425	37,688,666	40,092,514	37,200,157
Public health	6,288,435	6,124,178	5,976,475	6,002,662
Transportation	4,358,155	5,553,419	6,540,963	4,487,506
Community environment	8,182,275	6,689,550	12,031,983	8,087,672
Leisure time activities	3,894,076	2,857,130	2,685,847	2,759,895
Capital outlay	18,790,506	14,745,973	20,336,052	15,709,827
Economic development	-	-	263,186	-
Debt service				
Principal	5,288,125	5,893,021	3,000,277	3,095,171
Interest and fiscal charges	403,894	370,289	375,133	453,690
<b>Total expenditures</b>	<b>102,317,110</b>	<b>99,389,886</b>	<b>111,147,701</b>	<b>96,560,700</b>
Excess (deficiency) of revenues over (under) expenditures	(866,095)	(570,332)	(11,617,322)	(4,583,607)
<b>Other financing sources (uses):</b>				
Sale of assets	70,168	31,257	78,017	97,758
Issuance of refunding bonds	-	-	-	-
Refunded bonds redeemed	-	-	-	-
Bond issuance costs	-	-	-	-
Bond premiums	-	-	-	-
Issuance of notes/loans/capital leases	8,127,442	3,907,447	4,173,735	1,136,617
Transfers in	367,442	40,000	80,000	-
Transfers out	(2,117,442)	(40,000)	(80,000)	-
<b>Total other financing sources (uses)</b>	<b>6,447,610</b>	<b>3,938,704</b>	<b>4,251,752</b>	<b>1,234,375</b>
<b>Net change in fund balances</b>	<b>\$ 5,581,515</b>	<b>\$ 3,368,372</b>	<b>\$ (7,365,570)</b>	<b>\$ (3,349,232)</b>
<i>Debt service as a percentage of noncapital expenditures</i>	6.79%	7.18%	3.63%	4.28%

	2013	2012	2011	2010	2009	2008
\$	2,574,747	\$ 3,392,212	\$ 2,679,060	\$ 3,692,536	\$ 3,710,390	\$ 4,385,206
	45,921,847	44,401,532	42,268,045	39,995,514	41,105,833	44,532,380
	10,974,528	12,025,673	11,672,616	12,277,821	11,428,095	10,613,296
	1,510,822	1,558,750	1,496,552	1,540,878	1,544,393	1,548,479
	1,110,272	484,718	387,942	548,171	443,673	1,001,384
	8,321,048	8,442,716	9,022,823	9,246,604	9,521,398	10,378,440
	58,749	56,735	88,038	235,190	662,192	1,592,671
	51,364	78,507	230,131	414,189	450,788	413,470
	50,525	-	-	-	-	-
	8,849,719	8,636,489	11,768,162	11,635,287	9,664,268	6,054,006
	2,937,038	796,834	4,731,620	6,639,897	4,447,416	3,635,597
	35,312	-	-	-	-	-
	902,642	3,101,659	4,704,783	2,200,776	1,874,355	1,293,285
	83,298,613	82,975,825	89,049,772	88,426,863	84,852,801	85,448,214
	15,873,077	17,778,987	17,472,868	16,961,740	18,597,391	18,576,448
	35,303,024	35,807,944	37,583,710	35,892,847	35,973,764	37,208,163
	5,756,640	5,850,491	6,201,749	6,631,976	6,136,493	6,005,406
	3,726,545	3,309,625	3,762,830	3,730,733	3,826,361	4,170,057
	5,998,243	5,160,101	8,534,770	9,176,385	5,289,321	4,862,896
	2,629,571	1,436,169	1,688,857	2,243,340	2,204,394	2,290,022
	11,532,622	9,010,943	12,357,459	13,286,944	13,859,942	11,554,194
	-	-	-	-	-	-
	2,681,335	2,775,078	3,659,941	3,159,790	3,039,749	3,166,213
	500,053	592,355	791,471	815,188	925,828	1,154,014
	84,001,110	81,721,693	92,053,655	91,898,943	89,853,243	88,987,413
	(702,497)	1,254,132	(3,003,883)	(3,472,080)	(5,000,442)	(3,539,199)
	37,973	40,087	46,351	40,101	223,066	54,166
	-	-	-	-	8,575,000	-
	-	-	-	-	(8,560,000)	-
	-	-	-	-	(433,203)	-
	-	-	-	-	418,203	-
	-	-	-	54,641	1,415,910	360,534
	40,000	65,000	44,000	40,000	40,000	40,000
	(40,000)	(65,000)	(44,000)	(40,000)	(40,000)	(40,000)
	37,973	40,087	46,351	94,742	1,638,976	414,700
\$	(664,524)	\$ 1,294,219	\$ (2,957,532)	\$ (3,377,338)	\$ (3,361,466)	\$ (3,124,499)
	4.21%	4.38%	5.36%	4.82%	4.89%	5.43%

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
INCOME TAX REVENUE BASE AND COLLECTIONS  
LAST TEN YEARS  
(CASH BASIS OF ACCOUNTING)

Tax Year	Tax Rate (1)	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes from Corporations	Percentage of Taxes from Corporations	Taxes from Individuals	Percentage of Taxes from Individuals	Taxes From Delinquent Accounts	Percentage of Taxes from Delinquent Accounts
2017	2.00%	\$ 53,106,892	\$ 39,776,565	74.90%	\$ 5,667,557	10.67%	\$ 3,535,200	6.66%	\$ 4,127,570	7.77%
2016	2.00%	51,223,298	38,385,018	74.94%	4,606,635	8.99%	3,352,182	6.54%	4,879,463	9.53%
2015	2.00%	46,385,997	36,254,046	78.16%	5,122,365	11.04%	3,131,067	6.75%	1,878,519	4.05%
2014	2.00%	49,024,719	38,010,089	77.53%	6,653,764	13.57%	2,641,532	5.39%	1,719,334	3.51%
2013	2.00%	47,631,995	38,100,594	79.99%	4,732,915	9.94%	2,402,215	5.04%	2,396,271	5.03%
2012	2.00%	45,526,540	38,425,049	84.40%	2,937,793	6.45%	2,270,644	4.99%	1,893,054	4.16%
2011	2.00%	43,473,316	36,650,553	84.31%	2,742,054	6.31%	2,248,487	5.17%	1,832,222	4.21%
2010	2.00%	40,464,283	34,373,674	84.95%	2,434,182	6.02%	2,315,207	5.72%	1,341,220	3.31%
2009	2.00%	42,313,527	35,240,263	83.28%	3,341,617	7.90%	2,530,425	5.98%	1,201,222	2.84%
2008	2.00%	45,535,181	37,560,808	82.49%	4,027,322	8.84%	2,534,879	5.57%	1,412,172	3.10%

(1) Rates may only be raised by obtaining the approval of a majority of the voters at a public election.



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
INCOME TAX FILERS BY INCOME LEVEL  
TAX YEARS 2017 AND 2008

Tax Year 2017

Income Range	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
Over \$100,000	523	5.05%	\$ 77,474,792	22.68%
\$75,001-\$100,000	574	5.54%	49,499,382	14.49%
\$50,001-\$75,000	1,155	11.15%	70,988,451	20.78%
\$25,001-\$50,000	2,503	24.17%	89,986,995	26.36%
Under \$25,000	5,602	54.09%	53,603,789	15.69%
<b>Total</b>	<b>10,357</b>	<b>100.00%</b>	<b>\$ 341,553,409</b>	<b>100.00%</b>

Tax Year 2008

Income Range	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
Over \$100,000	676	2.20%	\$ 106,523,041	14.36%
\$75,001-\$100,000	975	3.17%	83,318,401	11.24%
\$50,001-\$75,000	2,697	8.77%	163,571,452	22.06%
\$25,001-\$50,000	6,650	21.62%	236,319,462	31.87%
Under \$25,000	19,763	64.25%	151,824,925	20.47%
<b>Total</b>	<b>30,761</b>	<b>100.01%</b>	<b>\$ 741,557,281</b>	<b>100.00%</b>

Source: City of Canton Income Tax Department

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN YEARS

	Governmental Activities				Business-Type Activities		
	General Obligation Bonds	Loans	Long-term Notes Payable	Capital Lease	General Obligation Bonds	Loans	Capital Lease
2017	\$ 1,050,000	\$ 3,625,608	\$ 5,400,000	\$ 834,211	\$ -	\$ 100,968,536	\$ -
2016	2,065,000	2,245,869	3,500,000	259,633	-	86,886,192	-
2015	4,142,229	2,016,596	3,500,000	397,251	772,770	75,025,996	-
2014	6,696,770	1,655,482	-	530,366	1,908,230	38,906,893	-
2013	9,164,587	1,497,214	-	179,371	3,000,414	30,499,920	-
2012	11,540,165	1,784,735	-	197,607	4,049,322	32,620,563	-
2011	13,835,411	2,056,306	-	424,800	5,059,076	32,617,686	-
2010	16,714,810	2,323,489	-	938,159	6,029,677	23,630,645	13,124
2009	19,483,363	2,527,704	-	1,070,540	6,961,124	21,736,915	24,227
2008	21,656,948	2,568,042	-	465,455	7,857,538	17,569,394	36,339

(1) Source: US Census Bureau.

	Total Primary Government	Total Personal Income	Percent of Personal Income	Population (1)	Per Capita
\$	111,878,355	\$ 2,165,588,250	5.17%	70,909	\$ 1,578
	94,956,694	2,086,860,000	4.55%	71,323	1,331
	85,854,842	1,969,255,650	4.36%	73,007	1,176
	49,697,741	2,032,581,050	2.45%	72,297	687
	44,341,506	2,025,140,466	2.19%	72,683	610
	50,192,392	2,034,784,650	2.47%	73,007	688
	53,993,279	1,834,444,050	2.94%	73,007	740
	49,649,904	1,834,444,050	2.71%	73,007	680
	51,803,873	2,004,784,350	2.58%	78,362	661
	50,153,716	2,004,784,350	2.50%	78,319	640

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING (2)  
LAST TEN YEARS

	General Bonded Debt Outstanding			Net Position Restricted for Debt Service	Net General Bonded Debt Outstanding
	Governmental Obligation	Business-Type Obligation	Total		
2017	\$ 1,050,000	\$ -	\$ 1,050,000	\$ 34,988	\$ 1,015,012
2016	2,065,000	-	2,065,000	28,314	2,036,686
2015	4,142,229	772,770	4,914,999	54,923	4,860,076
2014	6,696,770	1,908,230	8,605,000	26,856	8,578,144
2013	9,164,587	3,000,414	12,165,001	19,617	12,145,384
2012	11,540,165	4,049,322	15,589,487	14,349	15,575,138
2011	13,835,411	5,059,076	18,894,487	11,760	18,882,727
2010	16,714,810	6,029,677	22,744,487	22,586	22,721,901
2009	19,483,363	6,961,124	26,444,487	21,245	26,423,242
2008	21,656,948	7,857,538	29,514,486	23,093	29,491,393

(1) Stark County Auditor's Office.

(2) This schedule has been revised in 2016 to include amounts externally restricted for the repayment of the principal of general bonded debt.

Estimated True Value of Taxable Property (1)	Ratio of Net Bonded Debt to Estimated True Value of Taxable Property	Net Bonded Debt per Capita
\$ 2,131,095,629	0.05%	\$ 14.31
2,100,573,771	0.10%	28.56
2,148,602,349	0.23%	66.57
2,069,026,657	0.41%	118.65
2,122,120,589	0.57%	167.10
2,538,698,983	0.61%	213.34
2,526,352,211	0.75%	258.64
2,570,000,309	0.88%	311.23
2,754,356,786	0.96%	337.19
3,519,099,073	0.84%	376.55

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2017

	<u>General Obligation Debt Outstanding (1)</u>	<u>Percentage Applicable to City (2)</u>	<u>Amount Applicable to City of Canton</u>
<b>Direct</b>			
City of Canton	\$ 10,909,819	100.00%	\$ 10,909,819
<b>Overlapping Debt</b>			
Stark County	18,976,447	10.29%	1,952,676
Canton City Schools	20,775,000	90.56%	18,813,840
Plain Local Schools	9,575,000	21.43%	2,051,923
Canton Local Schools	30,729,729	7.14%	2,194,103
Osnaburg Local Schools	6,949,752	5.26%	365,557
<b>Total Overlapping Debt</b>	<u>87,005,928</u>		<u>25,378,099</u>
<b>Total</b>	<u>\$ 97,915,747</u>		<u>\$ 36,287,918</u>

Source: Stark County, Ohio; County Auditor

- (1) Includes general obligation debt except for those payable from enterprise funds
- (2) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the City by the assessed valuation of the political subdivision.

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**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN YEARS

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Overall Debt Limitation (10.5% of Assessed Valuation)	\$ 78,317,764	\$ 76,590,382	\$ 76,590,382	\$ 76,036,730
Net Debt Within 10.5% Limitations	<u>1,021,133</u>	<u>2,042,627</u>	<u>4,093,073</u>	<u>10,078,532</u>
Overall Legal Debt Margin Within 10.5% Limitations	<u>\$ 77,296,631</u>	<u>\$ 74,547,755</u>	<u>\$ 72,497,309</u>	<u>\$ 65,958,198</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	1.30%	2.67%	5.34%	13.25%
Unvoted Debt Limitation (5.5% of Assessed Valuation)	\$ 41,023,591	\$ 40,118,772	\$ 40,118,772	\$ 39,828,763
Net Debt Within 5.5% Limitations	<u>1,021,133</u>	<u>2,042,627</u>	<u>4,093,073</u>	<u>10,078,532</u>
Unvoted Legal Debt Margin Within 5.5% Limitations	<u>\$ 40,002,458</u>	<u>\$ 38,076,145</u>	<u>\$ 36,025,699</u>	<u>\$ 29,750,231</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	2.49%	5.09%	10.20%	25.30%

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



2013	2012	2011	2010	2009	2008
\$ 75,406,074	\$ 77,280,680	\$ 90,978,118	\$ 91,928,124	\$ 98,857,297	\$ 104,291,997
<u>10,653,423</u>	<u>12,329,784</u>	<u>15,583,224</u>	<u>18,567,954</u>	<u>19,483,363</u>	<u>17,573,728</u>
<u>\$ 64,752,651</u>	<u>\$ 64,950,896</u>	<u>\$ 75,394,894</u>	<u>\$ 73,360,170</u>	<u>\$ 79,373,934</u>	<u>\$ 86,718,269</u>
14.13%	15.95%	17.13%	20.20%	19.71%	16.85%
\$ 39,498,420	\$ 40,480,356	\$ 47,655,205	\$ 48,152,827	\$ 51,782,394	\$ 54,629,141
<u>10,653,423</u>	<u>12,329,784</u>	<u>15,583,224</u>	<u>18,567,954</u>	<u>19,483,363</u>	<u>17,573,728</u>
<u>\$ 28,844,997</u>	<u>\$ 28,150,572</u>	<u>\$ 32,071,981</u>	<u>\$ 29,584,873</u>	<u>\$ 32,299,031</u>	<u>\$ 37,055,413</u>
26.97%	30.46%	32.70%	38.56%	37.63%	32.17%



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
**PLEDGED REVENUE COVERAGE - WATER**  
**LAST TEN YEARS**

Year	Water Operating Revenues	Water Operating Expenses (1)	Net Available Revenues	Debt Service (2)		Coverage
				Principal	Interest	
2017	\$ 18,516,422	\$ 13,895,418	\$ 4,621,004	\$ 1,828,154	\$ 810,532	1.75
2016	17,077,822	11,864,387	5,213,435	1,690,414	858,350	2.05
2015	17,635,080	10,489,977	7,145,103	1,230,068	655,415	3.79
2014	15,558,604	12,561,631	2,996,973	1,207,800	693,767	1.58
2013	14,966,698	10,773,779	4,192,919	1,226,158	292,830	2.76
2012	14,585,591	10,128,499	4,457,092	1,352,707	872,374	2.00
2011	13,842,633	10,139,601	3,703,032	872,673	518,539	2.66
2010	14,722,587	8,710,422	6,012,165	877,648	554,061	4.20
2009	12,012,071	9,739,900	2,272,171	639,403	423,296	2.14
2008	12,803,465	8,718,793	4,084,672	536,889	303,144	4.86

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

(2) Debt service only includes OWDA and OPWC loans payable solely from net revenues in the water enterprise fund.

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
**PLEDGED REVENUE COVERAGE - SEWER**  
**LAST TEN YEARS**

Year	Sewer Operating Revenues	Sewer Operating Expenses (1)	Net Available Revenues	Debt Service (2)		Coverage
				Principal	Interest	
2017	\$ 19,372,303	\$ 12,979,807	\$ 6,392,496	\$ 3,961,951	\$ 2,603,864	0.97
2016	14,905,867	10,696,474	4,209,393	896,391	92,616	4.26
2015	15,744,326	11,804,564	3,939,762	869,478	119,325	3.98
2014	13,952,785	10,399,217	3,553,568	846,280	142,524	3.59
2013	13,914,466	9,639,001	4,275,465	1,370,935	234,030	2.66
2012	14,490,594	9,797,750	4,692,844	1,324,728	273,002	2.94
2011	13,371,229	10,313,864	3,057,365	780,387	208,417	3.09
2010	13,314,535	8,234,557	5,079,978	759,602	229,202	5.14
2009	11,713,312	8,767,929	2,945,383	762,748	249,423	2.91
2008	11,087,091	7,551,028	3,536,063	766,440	269,098	3.41

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

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

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN YEARS

	<u>Population (1)</u>	<u>Total Personal Income</u>	<u>Per Capita Income</u>	<u>Unemployment Rate (2)</u>
2017	70,909	\$ 2,165,588,250	\$ 30,540	5.1%
2016	71,323	2,086,860,000	29,259	5.9%
2015	73,007	1,969,255,650	26,974	5.8%
2014	72,297	2,032,581,050	28,114	4.7%
2013	72,683	2,025,140,450	27,863	6.9%
2012	73,007	2,034,784,650	27,871	6.9%
2011	73,007	1,834,444,050	25,127	9.3%
2010	73,007	1,834,444,050	25,127	11.2%
2009	78,362	1,888,534,400	24,100	11.4%
2008	78,319	2,004,784,350	25,598	6.9%

(1) Source: US Census Bureau.

(2) Source: U.S. Dept. of Labor

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

2017

Employer	Nature of Activity	Employees	Percentage of Total City Employment
Aultman Hospital	Health Service	5,480	17.48%
Timken Steel	Steel	2,830	9.03%
Stark County	Government	2,532	8.08%
Mercy Medical	Health Service	2,500	7.97%
Canton City School	Education	2,260	7.21%
City of Canton	Municipal Government	985	3.14%
Fresh Mark Inc	Meat processing	873	2.78%
MK Morse Co	Saw Blades and Accessories	460	1.47%
Republic Engineer	Hot-rolled and cold finisher steel bars and specialty steels	400	1.28%
Nationwide	Insurance Provider	320	1.02%
Total		<u>18,640</u>	<u>59.45%</u>
Estimated Total Employment within the City		<u>31,349</u>	

2008

Employer	Nature of Activity	Employees	Percentage of Total City Employment
Aultman Hospital	Health Service	5,258	17.09%
Stark County	County Government	2,793	9.08%
Mercy Medical Center	Health Service	2,676	8.70%
The Timken Co.	Tapered roller bearings and steel	2,443	7.94%
Canton City School District	Education	1,926	6.26%
City of Canton	Municipal Government	1,100	3.58%
Fresh Mark Inc.	Meat Processing	800	2.60%
Nationwide Insurance	Insurance Provider	720	2.34%
United States Postal Service	Federal Government	466	1.51%
Republic Engineered Steels, Inc.	Hot-rolled and cold finished steel bars and specialty steels	192	0.62%
Total		<u>18,374</u>	<u>59.72%</u>
Estimated Total Employment within the City		<u>30,761</u>	

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

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**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM  
 LAST TEN YEARS

Function/Program	2017	2016	2015	2014	2013	2012
<b>Governmental Employees</b>						
General government	178	182	183	188	183	175
Security of persons and property	347	372	380	379	361	367
Public health	47	51	52	53	52	49
Transportation	38	47	47	50	46	44
Community development	13	16	16	16	15	14
Leisure time activities	28	17	21	21	14	14
<b>Total Governmental Employees</b>	<b>651</b>	<b>685</b>	<b>699</b>	<b>707</b>	<b>671</b>	<b>663</b>
<b>Business-Type Employees</b>						
Water	89	86	90	85	85	84
Sewer	72	74	75	73	76	75
Refuse	62	61	67	63	61	56
Building Code	23	-	-	-	-	-
<b>Total Business-Type Employees</b>	<b>246</b>	<b>221</b>	<b>232</b>	<b>221</b>	<b>222</b>	<b>215</b>
<b>Total Employees</b>	<b>897</b>	<b>906</b>	<b>931</b>	<b>928</b>	<b>893</b>	<b>878</b>

Method: Part-time and seasonal employees are not included

Source: City of Canton Auditor's Office



<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
181	183	181	193
375	396	409	434
47	51	50	53
46	45	50	49
19	23	23	22
16	21	21	27
<b><u>684</u></b>	<b><u>719</u></b>	<b><u>734</u></b>	<b><u>778</u></b>
88	87	91	96
71	73	80	79
57	54	58	58
-	-	-	-
<b><u>216</u></b>	<b><u>214</u></b>	<b><u>229</u></b>	<b><u>233</u></b>
<b><u>900</u></b>	<b><u>933</u></b>	<b><u>963</u></b>	<b><u>1,011</u></b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM  
 LAST TEN YEARS

Function/Program	2017	2016	2015	2014	2013	2012
<b>General Government</b>						
Departmental vehicles	43	38	43	38	38	22
<b>Security of Persons and Property</b>						
Police stations	5	5	5	5	5	5
Police department vehicles	125	132	129	124	122	123
Fire stations	7	7	7	7	8	8
Fire department vehicles	46	48	48	46	44	39
Intersections with traffic lights	200	200	200	203	236	213
Traffic department vehicles	17	17	16	15	16	17
<b>Public Health</b>						
Departmental vehicles	24	24	24	21	19	12
<b>Transportation</b>						
Area (in square miles)	25.70	25.70	25.70	25.70	25.70	25.70
Miles of streets	414.11	413.73	413.44	413.44	414.11	414.11
Bridges	24	24	24	24	24	23
Miles of storm sewers	219.35	219.15	218.96	218.96	217.48	217.48
Departmental vehicles	96	103	108	99	102	110
<b>Leisure Time Activities</b>						
Number of parks	61	61	61	61	61	61
Park acreage	825	825	812	812	812	812
Number of shelters	25	25	25	25	24	23
Number of baseball fields	41	43	43	43	43	43
Walking tracks	4	4	4	4	4	4
Walking bridges	17	17	17	17	17	16
Play equipment sets	43	43	41	41	39	39
Restrooms	20	21	20	20	19	19
Number of tennis courts	8	8	8	8	8	8
Swimming pools	1	1	1	-	-	-
Community centers	1	1	1	1	1	1
Departmental vehicles	50	50	49	46	45	45
<b>Water</b>						
Miles of water mains	666.65	664.23	663.99	661.24	668.32	660.03
Water treatment plants	3	1	3	3	3	3
Maximum daily capacity in gallons (in millions)	40,500	40,500	40,500	40,500	40,500	40,500
Number of fire hydrants	5,430	3,321	3,309	3,274	3,258	3,258
Departmental vehicles	90	89	87	81	81	71
<b>Sewer</b>						
Miles of sanitary sewers	364.25	363.00	363.00	363.00	360.00	360.00
Sewer treatment plants	1	1	1	1	1	1
Maximum daily capacity in gallons (in millions)						
Wet weather	88,000	67,000	67,000	67,000	67,000	67,000
Dry weather	39,000	39,000	39,000	39,000	39,000	39,000
Departmental vehicles	71	69	71	67	68	63
<b>Refuse</b>						
Departmental vehicles	27	26	26	29	28	20

Source: Various City of Canton Departments

2011	2010	2009	2008
22	22	22	23
5	5	5	5
123	124	129	110
8	8	8	8
39	40	40	37
213	224	226	227
17	17	19	20
12	12	14	14
25.70	25.70	25.50	25.40
414.11	414.30	414.40	413.83
23	23	23	23
217.48	217.40	214.56	214.33
110	112	114	110
61	61	61	61
812	812	812	800
23	23	22	22
43	43	43	43
4	4	4	4
16	16	14	14
39	37	37	36
19	19	19	19
8	8	8	8
-	-	-	-
1	1	1	1
45	46	47	44
660.03	658.80	658.69	658.68
3	3	3	3
40,500	40,500	40,500	39,000
3,258	3,252	3,252	3,243
71	68	62	59
360.00	363.00	362.83	360.10
1	1	1	1
67,000	67,000	67,000	67,000
39,000	39,000	39,000	39,000
63	63	52	59
20	23	25	28

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 OPERATING INDICATORS BY FUNCTION/PROGRAM  
 LAST TEN YEARS

Function/Program	2017	2016	2015	2014
<b>General Government</b>				
Auditor				
Purchase orders issued	6,182	6,677	7,754	7,143
Checks issued	14,430	15,420	16,682	16,953
Payroll checks issued	34,407	-	27,952	28,402
Civil service				
Tests administered	31	21	27	34
Courts				
Cases heard	29,582	27,066	27,051	26,761
Trials held	122	162	169	198
Probation cases	362	381	425	465
Community service				
Cases	2,108	2,166	2,250	2,171
House arrest cases	-	-	-	109
Income tax				
Refunds issued	1,606	2,652	2,526	2,564
Tax notifications mailed	36,685	36,681	33,978	30,604
Law department				
Claims	214	115	422	487
Trials conducted	73	68	284	299
Pretrials conducted	9,474	7,660	7,961	6,489
Prosecutor hearings	323	132	212	67
Criminal intakes	430	1,772	1,190	1,872
<b>Security of Persons and Property</b>				
Code enforcement				
Building permits issued	903	3,131	641	638
Building permits estimated value (in millions)	\$23,256	\$164,796	\$107,339	\$47,834
Police				
Physical arrests	2,544	2,191	-	2,390
Traffic violations	5,545	3,065	-	3,086
Parking violations	7,116	-	9,800	9,145
Fire				
Calls answered	16,681	15,529	15,350	13,835
<b>Public Health</b>				
Birth certificates issued	9,723	9,650	9,411	9,553
Death certificates issued	6,492	6,667	6,653	6,678
Nursing				
Home visits	266	-	329	322
Air pollution complaints				
Investigated	274	199	266	276
Food service inspections	1,309	553	2,019	2,278
<b>Transportation</b>				
Road salt expense	\$354,748	\$528,478	\$590,690	\$270,154
<b>Leisure Time Activities</b>				
Shelter/building permits issued	746	858	879	708
<b>Water</b>				
Number of service connections				
	44,509	44,480	44,431	44,367
Daily average consumption in gallons (in millions)				
	19,467	21,988	21,147	20,089
<b>Sewer</b>				
Number of active sewer accounts				
	25,981	26,433	26,510	26,514
Daily average treatment in gallons (in millions)				
	29.06	28.46	30.04	30.14

Source: Various City of Canton Departments

2013	2012	2011	2010	2009	2008
6,924	6,608	6,666	7,228	6,988	6,811
15,946	16,156	16,542	16,431	16,817	17,513
27,335	26,963	28,285	29,027	30,031	31,847
30	28	15	12	12	21
25,745	27,027	30,649	39,557	32,403	32,201
180	180	215	290	217	208
442	427	418	395	423	513
1,971	2,021	2,080	2,681	2,578	2,416
107	216	164	120	183	694
2,718	2,934	2,935	2,870	3,182	3,332
31,650	40,471	34,908	32,693	35,484	34,258
180	139	245	176	127	216
119	83	84	22	44	116
7,218	6,572	6,829	7,735	7,428	7,719
76	103	55	121	109	151
1,919	1,952	1,966	2,107	2,241	2,188
685	706	1,071	819	4,097	2,449
\$75,616	\$42,528	\$68,127	\$42,510	\$73,781	\$59,247
2,013	2,613	3,471	4,201	4,466	5,228
2,074	3,726	8,850	15,328	6,162	6,189
10,100	10,104	8,556	10,422	10,789	9,966
14,276	13,789	13,429	20,687	12,602	12,952
9,619	3,950	10,263	12,413	14,859	16,136
6,798	1,822	8,144	7,875	9,715	10,040
307	350	395	408	425	350
249	220	282	63	167	222
2,539	878	946	971	1,240	926
\$500,693	\$465,348	\$817,201	\$516,835	\$681,366	\$630,012
450	529	473	453	520	371
44,360	44,292	44,184	44,171	44,179	44,200
17,897	19,150	19,106	19,970	19,983	23,660
27,763	26,815	26,804	27,000	27,178	27,274
27.18	27.82	34,030	30,326	27,800	29,230

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# COMPREHENSIVE ANNUAL FINANCIAL REPORT



CANTON, OHIO

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PRO FOOTBALL HALL OF FAME ENSHRINEMENT FESTIVAL





# Dave Yost • Auditor of State

CITY OF CANTON

STARK 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  
AUGUST, 23 2018