

City of Sidney Ohio



Comprehensive Annual Financial Report

For the Year Ended
December 31, 2014

City of Sidney, Ohio
Comprehensive Annual Financial Report
Year Ended December 31, 2014



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

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CITY OF SIDNEY



OHIO

**CITY OF SIDNEY, OHIO
LIST OF PRINCIPAL OFFICIALS
DECEMBER 31, 2014**

CITY COUNCIL MEMBERS

Michael Barhorst, Mayor

Martha Milligan, Vice-Mayor

Janet Born

Charles Craynon

Ed Hamaker

Rufus "Rick" Sims

Steve Wagner

CITY MANAGER

Mark S. Cundiff

LAW DIRECTOR

Jeffrey Amick

CITY CLERK

Kari Egbert

SENIOR DIRECTORS

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



City of Sidney

Letter of Transmittal for 2014 Comprehensive Annual Financial Report

June 8, 2015

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

The Comprehensive Annual Financial Report (CAFR) of the City of Sidney, Ohio for the year ended December 31, 2014, is hereby submitted for your review.

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

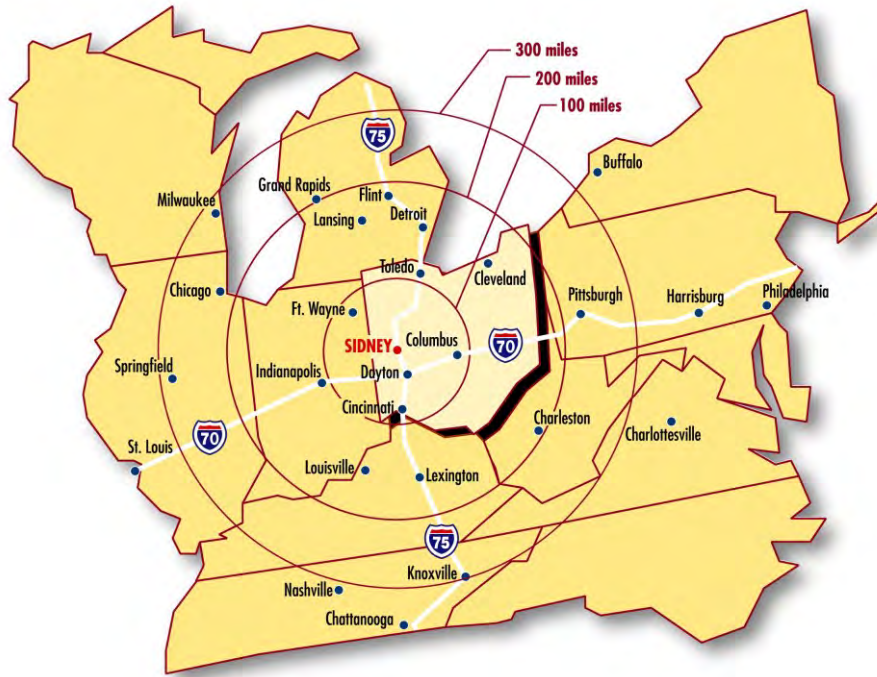
City of Sidney staff prepared all statements, schedules, and other presentations in this report. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal control established for this purpose.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

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

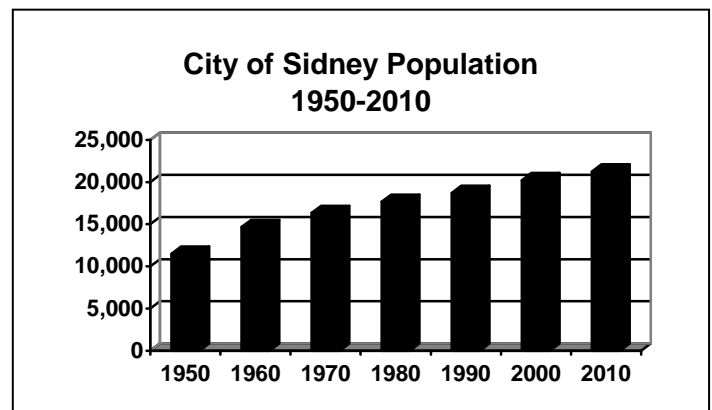
The Ohio Auditor of State audited the basic financial statements of the City of Sidney that are included in this report. The financial statements have received an unmodified ("clean") opinion. The independent auditor's report is located at the front of the financial section of this report. The audit was designed to meet the requirements of the Federal Single Audit Act and the related U.S. Office of Management and Budget's Circular A-133. The auditors' report on internal controls and compliance with applicable laws and regulations can be found in a separately issued single audit report.

PROFILE OF THE CITY

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



The City's population growth trend averaged 12.2% per decade from 1950 to 2000. The 2000 Census reported a total population of 20,211, an increase of 8.0% over the 1990 census. More recently, the 2010 Census indicated a population of 21,229, an increase of 5.0% from the 2000 census. The population estimate for 2014 is 21,006.



Municipal Services and Facilities

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

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

Governmental Organization

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

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

Budgetary Controls

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

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

ECONOMIC CONDITIONS AND OUTLOOK

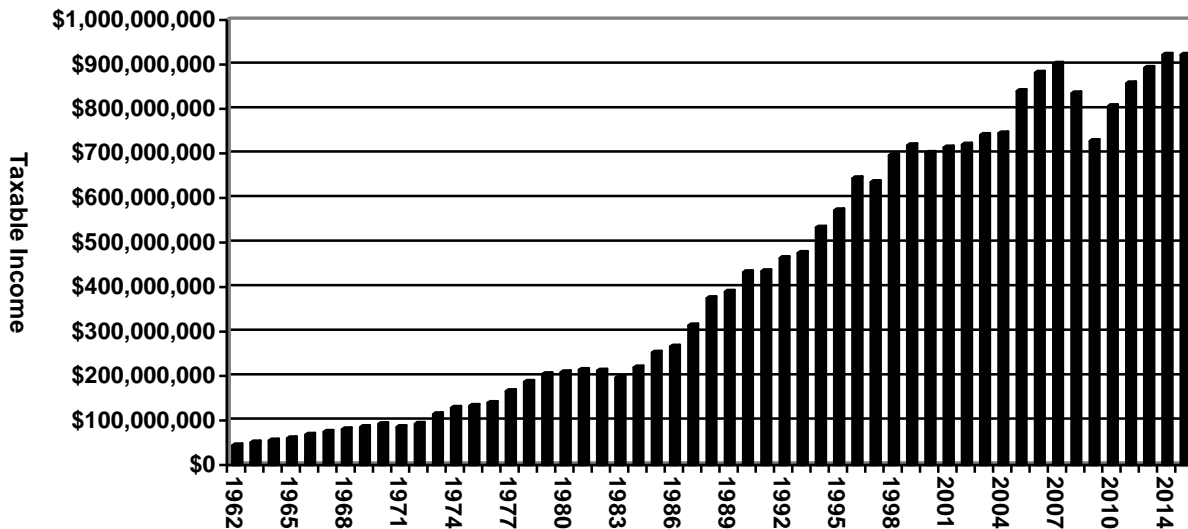
Economic Environment - Historically

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

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

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

**City of Sidney Income Tax
Taxable Income 1962-2014**



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

With average annual growth of 6.53% since 2009, the City’s income tax base steadily returned to pre-recession levels by 2013. This recovery has been fueled in large part by growth in the taxable net profits of the City’s businesses, while the growth in taxes withheld from Sidney’s employees has been modest. Since 2009, the average annual increase in taxable net profits of Sidney’s businesses has been nearly 26%, with the average annual increase in taxes withheld from employees being almost 2.5%.

2014 Economic Activity and Outlook for the Future

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

The City of Sidney has a strong industrial base that is diversified and not dependent upon one sector of the economy. The ten largest employers operating within the City in 2014 were:

<u>Employer</u>	<u>Primary Business</u>	<u>Ave. no. of employees</u>
Emerson Climate Technologies	Air compressor manufacturing	1,671
Wilson Memorial Hospital	Acute care facility	842
NK Parts Industries	Test, assemble, and ship auto parts	574
Cargill, Inc.	Soybean refining, meal & oil	426
Sidney Board of Education	Public education	398
Freshway Foods	Processor of fresh foods	394
American Trim	Auto and appliance stampings	335
Ross Castings	Producer of aluminum castings	296
Ferguson Construction	General contractor of commercial construction	292
International Automotive Components (IAC)	Automotive interior components	285

Source: West Ohio Development Council

In addition, a Honda of America Mfg., Inc. auto engine plant with approximately 2,600 employees is located just eight miles outside of the City. It is Honda's largest engine plant in the world and significantly benefits the City's industrial, commercial, residential and income tax bases. Recently, they announced plans to spend \$340 million to develop new products and technologies at this plant.

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

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

In order to fund both multi-million dollar wastewater plant and sewer system capital and operating upgrades required by the Ohio Environmental Protection Agency (Ohio EPA) and the acquisition and construction of a new water source, significant utility rate increases were implemented in 2013 and 2014. Such increases contributed to Sidney's combined water and sewer charges dropping from 5th lowest in a City of Oakwood survey of 63 area communities in 2012 to 55th in that same survey for 2014. Since many area communities are likely to experience the same regulatory burden and mandated cost outlays in upcoming years, it is anticipated that once those cities raise their rates to comply, Sidney's rates will once again rank lower compared to peer communities.

Based on a City of Troy survey that rated certain Quality of Life Costs in Southwest Ohio communities, Sidney ranked the *lowest cost* out of 31 area cities for 2013. "Quality of Life Costs" ranked in this survey included such expenses as household property & income taxes; refuse, storm water and license plate fees; and water and sewer costs. To achieve such a favorable outcome in light of the City's recent utility rate increases speaks favorably for the City

of Sidney's economic environment. Tipp City conducted a similar study in 2009 and Sidney ranked the *lowest cost* city when compared to 27 area cities.

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

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

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

Focuses on Long –Term Planning and Financial Policies

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

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

Major Initiatives

For the Year and the Future:

- While income tax collections in 2014 surpassed pre-recession 2007 levels, the City of Sidney must continue to manage the loss of *other* revenue sources. Most notably state-shared revenues consisting of Local Government Fund (LGF) distributions, tangible personal property tax reimbursement and estate taxes totaled \$1.7 million in 2007. In 2011, state legislators balanced Ohio's budget by reducing and/or eliminating those local revenue sources. For Sidney, remaining LGF distributions were about \$438,000 for 2014 and expected to increase minimally for 2015. The remaining 50% of LGF distributions is subject to the budget whims of future State budgets.
- In late 2014, State legislators approved legislation to require greater uniformity in local income tax laws. Changes to State law in 2003 mandated that municipalities achieve uniformity in a number of key municipal income taxation provisions including the definition of taxable wages, due dates, appeals processes, and apportionment of business profits. There remained a few areas in which there is a lack of uniformity. Unfortunately, state legislation, as approved, also includes provisions to change what is uniform among municipalities in order to reduce taxes paid to municipalities. Current estimates place the reduction in Sidney's income tax collections at approximately \$95,000 per year.
- Given the uncertainty of future income tax levels and the reduction/elimination of other sources of General Fund revenues, the City continues to maintain the reduced workforce achieved primarily through attrition and targeted reductions. Staffing is at 210 full-time equivalents (FTEs) down from 243 FTE's in 2008.
- To address the deteriorating condition of City streets, voters approved a 0.25% earned income tax levy on the November 4, 2014 ballot. The proceeds of this additional tax are restricted exclusively for the construction, reconstruction, resurfacing, and maintenance of streets, alleys, bridges, and related curbs and gutters with the City and are limited to a five-year period.
- To provide funding for water system capital improvements, water flow rates were increased 29% in 2014 and 15% in 2015. This 2015 increase represents the final year of larger-than-normal water rate increases designed to pay the debt service on several significant water source projects. The most extensive of the projects is the acquisition and construction of a new water source, initially proposed in 2005. With final construction expected to cost \$24.5 million, the City anticipates receiving long-term, lower interest loans from the Ohio Water Development Authority to finance this portion. Completion of property acquisition, final design and the first of several years of construction are expected for 2015.
- Wastewater treatment plant and sewer collection system improvements, now estimated to cost \$20 million over a multi-year period, have been designed to achieve compliance with Ohio Environmental Protection Agency (OEPA) regulations. Beginning in 2015, the City anticipates receiving long-term, lower interest loans from the Ohio Water Development Authority to finance this portion
- Begun in 2014, a multi-year project to make traffic safety improvements to State Route 47 continues. For 2015, phase II of the project, expected to cost approximately \$1.2

million, would provide driveway and traffic signal upgrades from Vandemark Road to Walnut Avenue and include realignment of the Wayfarer/Folkerth/State Route 47 intersection. Net cost to the City for this portion of the project is expected to be about \$120,000 after receiving a 90% ODOT Safety Grant.

- In 2014, preliminary work begins on the reconstruction of Port Jefferson Road and the replacement of the Michigan Street Bridge over the CSX railroad, both slated for completion in 2015. The reconstruction of Port Jefferson Road from Russell Road to Wells Drive is expected to cost \$1,684,000. Grant funding is expected to reduce the City's Capital Improvement Fund share to \$396,800. Replacement of sanitary sewer and laterals will also be completed at an anticipated cost of \$218,000 paid for from the Sewer Improvement Fund. The Michigan Street Bridge over CSX railroad will be replaced in 2015 permitting fully loaded trucks, buses and large fire equipment to pass. The City was awarded ODOT Bridge Replacement Program funds to pay for almost \$878,000 of the \$1.1 million estimated cost.
- Standard & Poor's acknowledged the City's "strong financial management policies" and upgraded the City's bond rating to AA in 2009. Standard & Poor's reaffirmed that rating in 2010, 2011, 2013 and again in 2014. City staff and Council are committed to making the financial adjustments necessary to maintain the strong financial position of the City.

AWARDS

Certificate of Achievement for Excellence in Financial Reporting. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Sidney for its comprehensive annual financial report for the fiscal year ended December 31, 2013. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for one year only. The City of Sidney has received the Certificate of Achievement for sixteen consecutive years. We believe that this comprehensive annual financial report for the year ended December 31, 2014 continues to meet the Certificate of Achievement Program's requirements and we will submit it to the GFOA to determine its eligibility for another certificate.

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

ACKNOWLEDGEMENTS

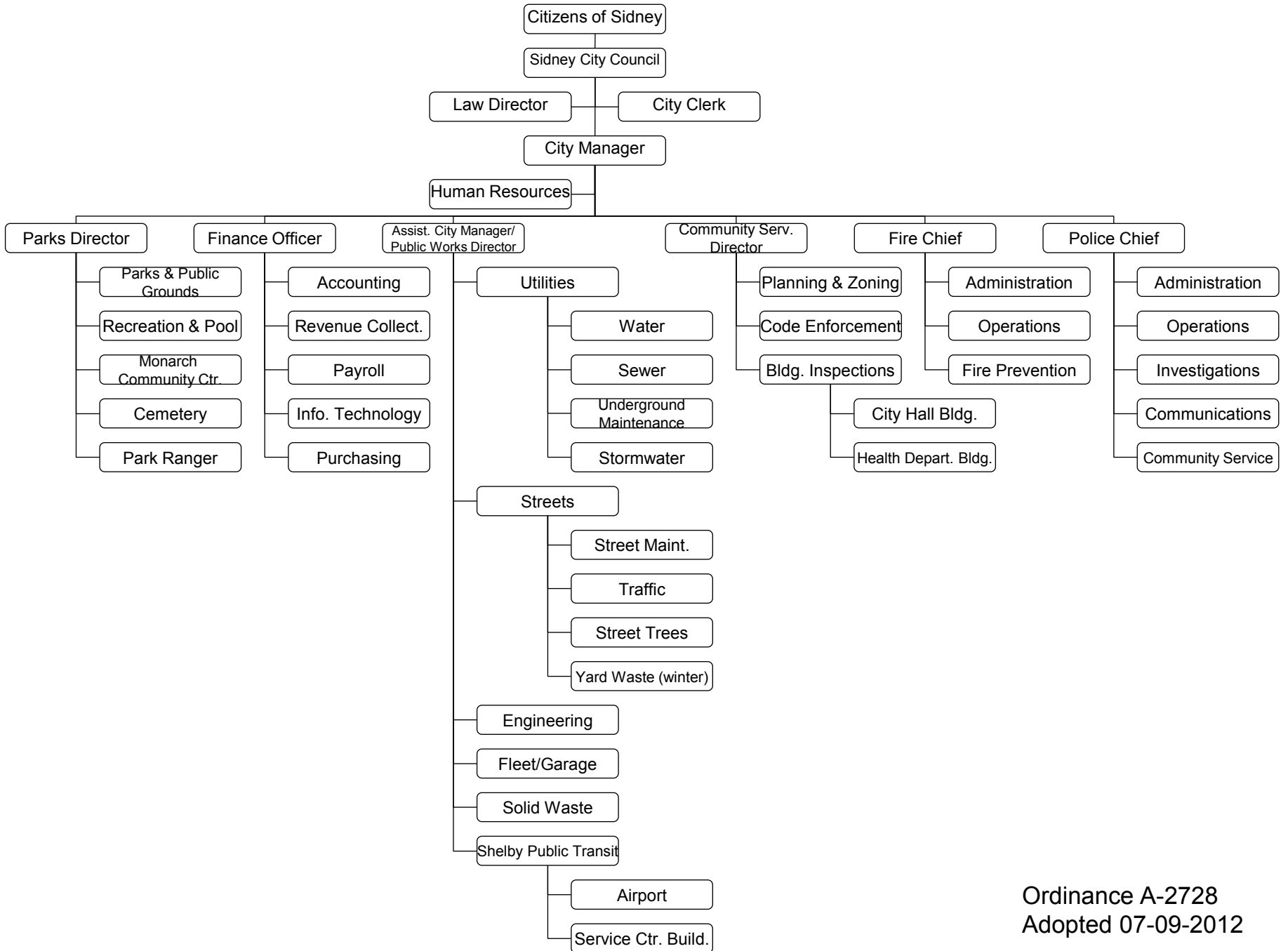
The preparation of this report was made possible by the efforts of the Finance Department staff, including Jennifer Wagner, Accountant, and Lori Rittenhouse, Account Clerk. Special

recognition is extended to Assistant Finance Officer Renee DuLaney, CPA, for her skillful preparation of the financial statements. Our sincere appreciation is extended to all members of the City of Sidney staff, whose efforts have made this report possible.

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

Respectfully submitted,

Ginger S. Adams, CPA
Finance Officer



Ordinance A-2728
Adopted 07-09-2012



Government Finance Officers Association

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Reporting**

Presented to

**City of Sidney
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO



FINANCIAL SECTION





Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sidney, Shelby County, Ohio (the City), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sidney, Shelby County, Ohio, as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 16, the City restated the net position of the Business Type Activities and Sewer Fund as of January 1, 2014. Our opinion is not modified with respect to this matter.

One First National Plaza, 130 W. Second St., Suite 2040, Dayton, Ohio 45402
Phone: 937-285-6677 or 800-443-9274 Fax: 937-285-6688

www.ohioauditor.gov

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

Supplementary and Other Information

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 8, 2015, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Dave Yost
Auditor of State
Columbus, Ohio

June 8, 2015

CITY OF SIDNEY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2014
Unaudited

The management of the City of Sidney provides the following information as an introduction, overview and analysis of the City's financial statements for the year ended December 31, 2014. Readers should also review the basic financial statements on pages 16 – 26 to further enhance their understanding of the City's financial performance.

Using this Annual Financial Report

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

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

Reporting on the City of Sidney as a Whole

Statement of Net Position and Statement of Activities

These government-wide statements answer the question, "How did the City as a whole do financially during 2014?" They are prepared on the accrual basis of accounting, much the same way as for a private enterprise. This basis of accounting includes all assets and liabilities and takes into account all of the reporting year's revenues and expenses regardless of when the cash was received or paid.

- *The Statement of Net Position.* This statement (page 16) reports all assets and liabilities of the City as of December 31, 2014. The difference between total assets and total liabilities is reported as "net position". Over time, increases in net position generally indicate an improvement in financial position while decreases may indicate a deterioration of financial position.
- *The Statement of Activities.* This statement (page 17) serves the purpose of the traditional income statement. It provides consolidated reporting of the results of all activities of the City for the year ended December 31, 2014. Changes in net position are recorded in the period in which the underlying event takes place, which may differ from the period in which cash is received or disbursed. The Statement of Activities displays the expense of the City's various programs net of related revenues, as well as a separate presentation of revenues available for general purposes.

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

Reporting on the City of Sidney's Most Significant Funds

Fund financial statements

These statements provide financial position and results of the City's major funds. A fund is an accounting entity created to account for a specific activity or purpose. Major funds of the City of Sidney are the General Fund, Street Repair & Maintenance Fund, Capital Improvement Fund, Water Fund, Sewer Fund, and Stormwater Fund. The creation of some funds is mandated by law and others are created by management to demonstrate financial compliance with budgetary or legal requirements. Funds are classified into three broad categories: governmental funds, proprietary funds, and fiduciary funds.

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

The City of Sidney maintains 36 separate governmental funds. The governmental fund financial statements on pages 18 and 20 separately display the governmental funds considered to be major funds. All other governmental funds - the “non-major” funds - are combined into a single column. Detailed financial data for each of the non-major governmental funds is provided in combining statements in the supplementary information section of this report.

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

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

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

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

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

Of the City of Sidney’s seven fiduciary funds, four are agency funds and three are private-purpose trust funds. The agency funds are combined and shown as a single column as well as private-purpose trust funds are combined into a single column in the fiduciary statement of net position, on page 25 of this report. The statement of changes in fiduciary net position reported on page 26 includes the private-purpose trust funds reported in a single column. Detailed financial data for the agency funds can be found in the combining statements in the supplementary information section of this report.

CITY OF SIDNEY, OHIO
Management's Discussion and Analysis
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Other Information

Notes to the basic financial statements.

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 27 – 48 of this report.

Required supplementary information.

In addition to the basic financial statements and notes, this report also contains required supplementary information (RSI). RSI includes budgetary schedules for the General Fund and major special revenue funds. This data is on pages 49 to 52 of this report.

The City of Sidney as a Whole

The following table presents condensed information on net position as of December 31, 2014 and 2013.

Net Position						
December 31, 2014 and 2013						
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013, as restated</u>	<u>2014</u>	<u>2013, as restated</u>
<u>Assets:</u>						
Current and other assets	\$ 21,801,226	\$ 19,402,949	\$ 14,365,681	\$ 13,006,407	\$ 36,166,907	\$ 32,409,356
Capital assets	<u>52,436,926</u>	<u>53,819,219</u>	<u>49,595,914</u>	<u>47,935,972</u>	<u>102,032,840</u>	<u>101,755,191</u>
Total assets	<u>74,238,152</u>	<u>73,222,168</u>	<u>63,961,595</u>	<u>60,942,379</u>	<u>138,199,747</u>	<u>134,164,547</u>
<u>Liabilities:</u>						
Long-term liabilities	7,935,090	8,414,222	15,757,784	16,683,156	23,692,874	25,097,378
Other liabilities	<u>1,746,369</u>	<u>2,181,582</u>	<u>1,787,154</u>	<u>2,114,371</u>	<u>3,533,523</u>	<u>4,295,953</u>
Total liabilities	<u>9,681,459</u>	<u>10,595,804</u>	<u>17,544,938</u>	<u>18,797,527</u>	<u>27,226,397</u>	<u>29,393,331</u>
Deferred inflows	<u>2,068,078</u>	<u>1,958,314</u>	<u>-</u>	<u>-</u>	<u>2,068,078</u>	<u>1,958,314</u>
Total liabilities and deferred inflows	<u>11,749,537</u>	<u>12,554,118</u>	<u>17,544,938</u>	<u>18,797,527</u>	<u>29,294,475</u>	<u>31,351,645</u>
<u>Net Position:</u>						
Net investment in capital assets	46,471,032	47,228,659	37,688,256	36,286,139	84,159,288	83,514,798
Restricted	3,922,451	3,521,730	-	-	3,922,451	3,521,730
Unrestricted	<u>12,095,132</u>	<u>9,917,661</u>	<u>8,728,401</u>	<u>5,858,713</u>	<u>20,823,533</u>	<u>15,776,374</u>
Total net position	<u>\$ 62,488,615</u>	<u>\$ 60,668,050</u>	<u>\$ 46,416,657</u>	<u>\$ 42,144,852</u>	<u>\$ 108,905,272</u>	<u>\$ 102,812,902</u>

The City's assets were greater than its liabilities and deferred inflows of resources by approximately \$108.9 million at the close of 2014, as compared to approximately \$102.8 million at close of 2013, an increase of nearly \$6.1 million. The business-type activities' capital assets and net position as of December 31, 2013 has been increased nearly \$31,900, to reflect 2013 capitalized interest on waste water treatment plant design costs.

The component, "Net investment in capital assets" increased approximately \$640,000, or 0.8%, from approximately \$83.5 million at December 31, 2013 to nearly \$84.2 million at December 31, 2014. Increases in this category of net position generally means that the sum of capital asset additions and bond

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principal repayments were more than the sum of depreciation expense, disposed assets, and additional debt now associated with capital assets. During 2014 the City invested nearly \$5.6 million for capital additions. Nearly \$2.7 million of new sewer equipment for the sewer inflow and infiltration reduction program and waste water treatment plant design changes required by the Ohio EPA of which nearly \$660,000 of restricted cash (bond proceeds) was used. Water capital additions of \$500,000 were purchased with restricted cash (bond proceeds). Bond principal repayments were \$1.5 million and total depreciation expense for capital assets were \$5.2 million.

Restricted net position is subject to external restrictions as to their use. This category increased approximately \$400,000, or 11.4%, from \$3.5 million at December 31, 2013 to \$3.9 million at December 31, 2014. Increases in restricted resources were primarily for street repair and maintenance, judicial special projects, and fire loss security deposits held.

Unrestricted net position is available for future use as directed by City Council. Overall, this category increased approximately \$5.0 million from nearly \$15.8 million at December 31, 2013 to about \$20.8 million at December 31, 2014. It is important to note that although the total unrestricted net position is \$20.8 million, the unrestricted net position of the City's business-type activities, approximately \$8.7 million, may not be used to fund governmental activities. Unrestricted net position of the City's governmental activities increased nearly \$2.2 million, or 22.0%, from \$9.9 million to nearly \$12.1 million. The City's income tax revenue was approximately \$1.2 million greater in 2014 than in 2013. For the City's business-type activities, the unrestricted net position increased nearly \$2.9 million from approximately \$5.8 million to \$8.7 million. Utility rates were increased in 2014 to fund the increased water operating costs for the water source project and lime sludge lagoon and sewer operating costs for programs mandated by the Ohio EPA. Generally, increases in unrestricted net position indicate an improvement in financial position.

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

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



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The following table presents condensed information on the changes in net position for the years ended December 31, 2014 and December 31, 2013.

Changes in Net Position For the Years Ended December 31, 2014 and 2013

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	<u>2013, as restated</u>
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013, as restated</u>		
Revenues:						
Program revenues:						
Charges for services	\$2,029,699	\$2,011,376	\$14,110,686	\$11,928,263	\$16,140,385	\$13,939,639
Operating grants and contributions	1,412,088	1,482,870	462,338	468,171	1,874,426	1,951,041
Capital grants and contributions	823,515	2,605,633	380,866	2,716,900	1,204,381	5,322,533
General revenues:						
Income taxes	15,394,876	14,161,505	-	-	15,394,876	14,161,505
Property taxes	1,028,049	1,016,383	-	-	1,028,049	1,016,383
Other taxes	641,285	807,038	-	-	641,285	807,038
Grants and other contributions not restricted to specific programs	590,138	582,407	-	-	590,138	582,407
Investment income	88,087	106,092	121,169	117,401	209,256	223,493
Gain (loss) on sale of capital assets	41,481	3,380	1,554	13,179	43,035	16,559
Miscellaneous	437,814	459,787	326,562	431,729	764,376	891,516
Total revenues	22,487,032	23,236,471	15,403,175	15,675,643	37,890,207	38,912,114
Expenses:						
General government	1,324,115	1,280,552	-	-	1,324,115	1,280,552
Police	6,069,441	5,878,916	-	-	6,069,441	5,878,916
Fire	5,028,715	4,831,041	-	-	5,028,715	4,831,041
Judicial	1,701,791	1,644,204	-	-	1,701,791	1,644,204
Health	211,378	212,134	-	-	211,378	212,134
Street repair & maintenance	3,403,519	3,501,798	-	-	3,403,519	3,501,798
Community development	467,887	674,110	-	-	467,887	674,110
Community environment	572,458	522,557	-	-	572,458	522,557
Parks and recreation	1,464,155	1,453,956	-	-	1,464,155	1,453,956
Basic utility services	-	-	-	-	-	-
Bond issuance costs	-	14,234	-	-	-	14,234
Interest on long-term debt	161,053	291,005	-	-	161,053	291,005
Water	-	-	3,791,600	3,838,381	3,791,600	3,838,381
Sewer	-	-	4,139,110	3,915,727	4,139,110	3,915,727
Solid waste	-	-	1,362,006	1,346,774	1,362,006	1,346,774
Stormwater	-	-	524,541	491,391	524,541	491,391
Transportation	-	-	895,381	920,931	895,381	920,931
Airport	-	-	455,229	434,209	455,229	434,209
Swimming pool	-	-	186,461	174,901	186,461	174,901
Yard waste	-	-	38,997	24,097	38,997	24,097
Total expenses	20,404,512	20,304,507	11,393,325	11,146,411	31,797,837	31,450,918
Excess (deficiency) before transfers	2,082,520	2,931,964	4,009,850	4,529,232	6,092,370	7,461,196
Transfers	(261,955)	(219,271)	261,955	219,271	-	-
Change in net position	1,820,565	2,712,693	4,271,805	4,748,503	6,092,370	7,461,196
Net position, beginning of year	60,668,050	57,955,357	42,144,852	37,396,349	102,812,902	95,351,706
Net position, end of year	\$ 62,488,615	\$ 60,668,050	\$ 46,416,657	\$ 42,144,852	\$ 108,905,272	\$ 102,812,902

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The City's net position increased nearly \$6.1 million for the year ended December 31, 2014 as compared to an increase of nearly \$7.5 million for the prior year. The business-type activities' interest income and interest expense as of December 31, 2013 has been reduced nearly \$31,900, to reflect 2013 capitalized interest on waste water treatment plant design costs.

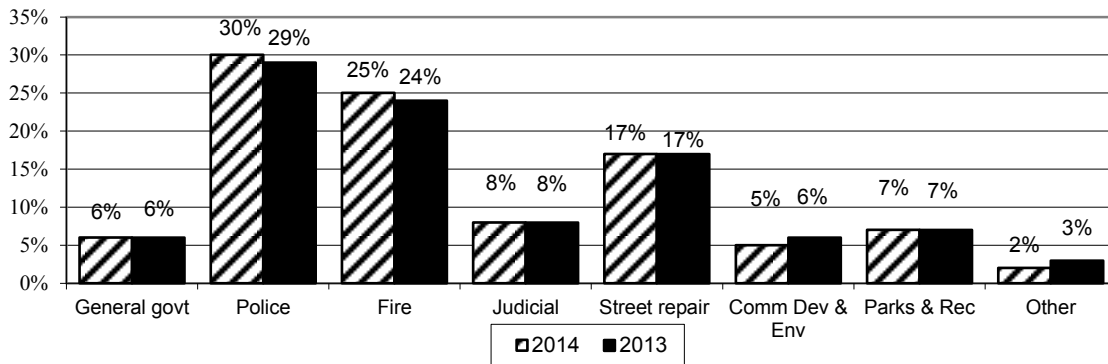
Total revenues decreased nearly \$1.0 million, or 2.6%. Income tax revenue increased approximately \$1.2 million due to an increase primarily in direct collections on individual and corporate income tax returns. Capital grants and contributions decreased roughly \$4.1 million, from \$5.3 million in 2013 to \$1.2 million in 2014. The majority of the 2013 capital grants financed the Sidney Airport runway expansion and the second phase of Wapakoneta Avenue reconstruction. Charges for services increased nearly \$2.2 million, or 15.8%, from \$13.9 million in 2013 to \$16.1 million in 2014. Nearly all of this increase is attributable to increased water and sewer flow rates to pay for the new water source, lime sludge lagoon and the EPA-mandated waste water project. Miscellaneous revenues decreased nearly \$127,000 in 2014 as compared to 2013 primarily as a result of the City's grant match in 2013 for the airport runway expansion.

Total expenses increased approximately \$300,000, or 1.1%, from nearly \$31.5 million in 2013 to nearly \$31.8 million in 2014. Police expenses increased about \$190,000, or 3.2%, largely a result of increased expenditures related to police personnel and change in boarding prisoners. Street repair & maintenance expenses in 2014 were lower than normal with \$3.4 million in 2014, as compared to the higher \$3.5 million level of expenses incurred with the increased winter costs of 2013. Community development cost are approximately \$200,000 lower than 2013 as a result of reduced grant dollars. Fire expense increased roughly \$198,000, or 4.0%, as a result of increased level of sick and vacation leave accruals. Sewer expenses increased about \$200,000, or 5.7%, from approximately \$3.9 million in 2013 to almost \$4.1 million in 2014 largely attributable to the full years' worth of operating expenses for the Ohio EPA-mandated inflow and infiltration reduction program.

Governmental activities

Governmental activities net position increased \$1.8 million, or 3.0%, from nearly \$60.7 million at December 31, 2013 to nearly \$62.5 million at December 31, 2014. The category, net investment in capital assets, decreased nearly \$760,000, or 1.6%, from nearly \$47.2 million to nearly \$46.5 representing the City's increased depreciation costs of \$3.1 million over the total of new capital additions of \$1.8 million and bond principal payments of approximately \$600,000. Restricted net position increased approximately \$400,000. Primary increases in restricted resources for street repair and maintenance, judicial special projects, and fire loss security deposits held. Unrestricted net position increased approximately \$2.2 million, or 22.0%, from \$9.9 million to \$12.1 million, a result of improved income tax revenues. Increases in unrestricted net position generally indicate an improvement in financial position. The components of governmental activities' expenses are as follows:

Governmental Expenses by Program



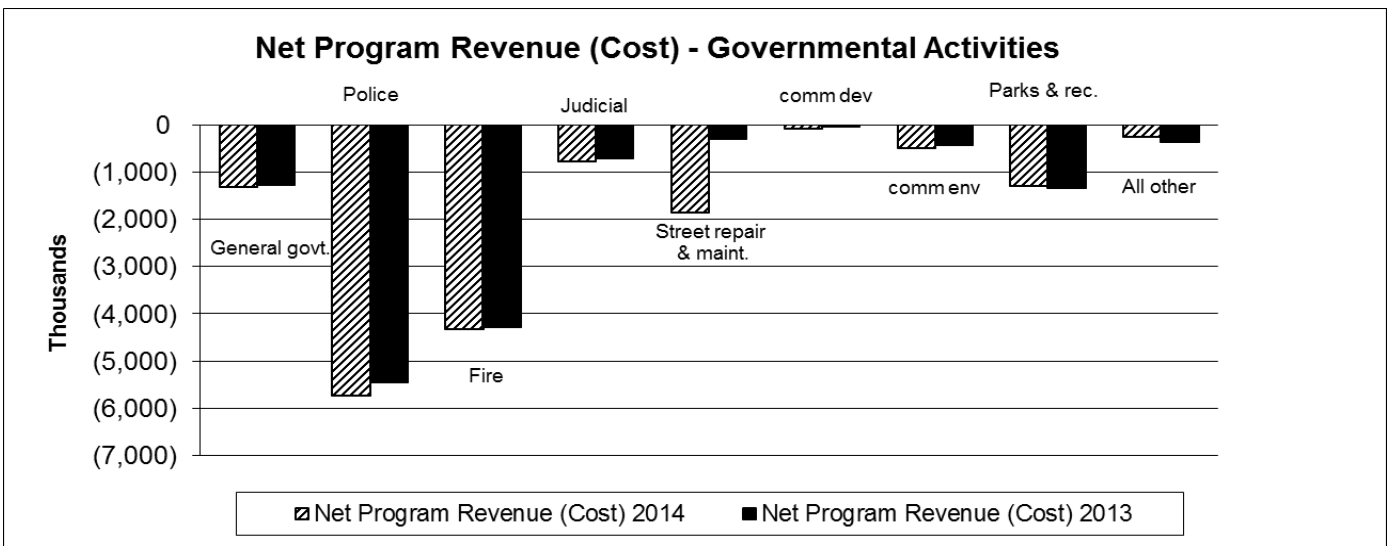
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The composition of expenses by program remained relatively stable from 2013 to 2014. The two largest components of governmental expenses are public safety -- police and fire. Police makes up 29% to 30% of the total, while fire contributes another 24% to 25%. Judicial - consisting mainly of municipal court activities -- comprises about 8% of governmental activities' expenses. Street repair and maintenance (which includes winter street clean-up) accounts for about 17% of expenses. The community development and environment program expenditures, which includes such activities as community planning, engineering, building inspection, and code enforcement, make up 5% to 6% of total governmental expenses. The parks and recreation program is responsible for 7% of governmental expenses.

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

Expenses and Program Revenues - Governmental Activities

	Year Ended December 31, 2014			Year Ended December 31, 2013		
	Expense	Program Revenue	Net Revenue (Cost)	Expense	Program Revenue	Net Revenue (Cost)
General government	\$ 1,324,115	\$ -	\$ (1,324,115)	\$ 1,280,552	\$ -	\$ (1,280,552)
Police	6,069,441	335,842	(5,733,599)	5,878,916	434,230	(5,444,686)
Fire	5,028,715	700,607	(4,328,108)	4,831,041	555,901	(4,275,140)
Judicial	1,701,791	916,951	(784,840)	1,644,204	926,900	(717,304)
Street repair & maintenance	3,403,519	1,547,509	(1,856,010)	3,501,798	3,189,712	(312,086)
Community development	467,887	389,547	(78,340)	674,110	632,825	(41,285)
Community environment	572,458	79,255	(493,203)	522,557	87,860	(434,697)
Parks & recreation	1,464,155	173,419	(1,290,736)	1,453,956	119,649	(1,334,307)
All others	372,431	122,172	(250,259)	517,373	152,802	(364,571)
Total governmental activities	\$ 20,404,512	\$ 4,265,302	\$ (16,139,210)	\$ 20,304,507	\$ 6,099,879	\$ (14,204,628)



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For the Year Ended December 31, 2014
Unaudited

Overall, the net program cost of governmental activities increased by about \$1.9 million, or 13.6%, from a net program cost of \$14.2 million in 2013 to \$16.1 million in 2014. The most significant change was the Street Repair & Maintenance program which changed from a net program cost of about \$312,000 in 2013 to a net program cost of nearly \$1.9 million in 2014, primarily due to the grant funding of phase two of the Wapakoneta Avenue reconstruction recognized in 2013.

Business-type activities

Business-type activities' net position increased approximately \$4.3 million, or 10.2%, from nearly \$42.1 million at December 31, 2013 to \$46.4 million at December 31, 2014. Of this increase, \$2.9 million was in the category, unrestricted, and was primarily the result of increased water and sewer fees.

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

	Year Ended December 31, 2014			Year Ended December 31, 2013, restated		
	Expense	Program Revenue	Net Revenue (Cost)	Expense	Program Revenue	Net Revenue (Cost)
Water	\$ 3,791,600	\$ 4,988,388	\$ 1,196,788	\$ 3,838,381	\$ 4,148,898	\$ 310,517
Sewer	4,139,110	6,706,435	2,567,325	3,915,727	5,724,273	1,808,546
Solid Waste	1,362,006	1,388,994	26,988	1,346,774	1,325,314	(21,460)
Stormwater	524,541	378,838	(145,703)	491,391	350,623	(140,768)
Transportation	895,381	798,330	(97,051)	920,931	711,883	(209,048)
Airport	455,229	608,625	153,396	434,209	2,768,989	2,334,780
Swimming Pool	186,461	66,595	(119,866)	174,901	66,196	(108,705)
Yard Waste	38,997	17,685	(21,312)	24,097	17,158	(6,939)
Total business-type activities	\$ 11,393,325	\$ 14,953,890	\$ 3,560,565	\$ 11,146,411	\$ 15,113,334	\$ 3,966,923

Overall, the net program cost of the City's business-type activities changed from net program revenue of nearly \$4.0 million for the year ended December 31, 2013 to a net program revenue of nearly \$3.6 million for the year ended December 31, 2014. Program revenue for business-type activities decreased roughly \$100,000, or 0.9%, while program expenses increased approximately \$200,000, or 2.2%. Key components of the changes in net program cost for each significant program change are as follows:

- The City's water program changed from net program revenue of nearly \$311,000 in 2013 to net program revenue of nearly \$1.2 million in 2014. This change is largely due to the 29% rate increase implemented in 2014 designed to cover current and future operations including debt service.
- The City's sewer program changed from net program revenue of about \$1.8 million in 2013 to net program revenue of nearly \$2.6 million in 2014. While program expenses increased about \$200,000 because of the new inflow and infiltration reduction program required by Ohio EPA, program revenue increased nearly \$1.0 million. The increase in revenue is a result of the 20% sewer flow rate increase. These revenue changes were designed to cover both current and future operations, including debt service.
- Airport net program revenue decreased nearly \$2.1 million, from \$2.3 million for 2013 to nearly \$200,000 for 2014 primarily the result of Federal Aviation Authority (FAA) grant revenue in 2013 to finance the relocation and expansion of the runway.

CITY OF SIDNEY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2014
Unaudited

Individual funds summary and analysis

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

The combined fund balance of the City's governmental funds at December 31, 2014 was nearly \$13.5 million. Approximately 40.2% of this total amount represents unassigned fund balances available for spending at the City's discretion. Roughly 23.6% of the combined fund balance is in a nonspendable or restricted form. The portion of fund balance committed by City Council, the highest level of decision making authority, is 4.0% and those balances assigned are 32.2%. Approximately \$700,000 of fund balance has already been assigned to liquidate purchase orders of the prior period.

Total fund balances of the City's governmental funds increased \$1.9 million, or 16.8%, from \$11.5 million at December 31, 2013 to nearly \$13.5 million at December 31, 2014. (See the governmental funds' statement of revenue, expenditures & changes in fund balance on page 20.)

The General Fund is the primary operating fund of the City of Sidney, accounting for such activities as police and fire protection, emergency medical services, and parks and recreation. The General Fund balance increased nearly \$1.0 million, or 14.5%, from \$6.6 million at December 31, 2013 to \$7.6 million at December 31, 2014. Local tax revenue increased from approximately \$12.7 million for the year ended December 31, 2013 to \$13.1 million for the year ended December 1, 2014, largely due to income tax revenue allocated to this fund. Intergovernmental revenue decreased nearly \$112,000 as result of the elimination of the Estate Tax. General Fund expenditures increased about \$688,000 or 4.9%, from \$14.0 million for 2013 to roughly \$14.6 million for 2014. General fund transfers out to subsidize various funds, including the street repair & maintenance, transportation services, yard waste, airport, cemetery operations, and the swimming pool increased from approximately \$370,000 for the year ended December 31, 2013 to nearly \$430,000 for the year ended December 31, 2014.

The Street Repair & Maintenance Fund, used to account for the state-levied gasoline tax and motor vehicle registration fees, is restricted by law for street maintenance and repair activities. Intergovernmental revenues remained relatively constant in 2014 as compared to 2013 but these revenue sources remain below budget expectations. Expenditures decreased from \$1.3 million in 2013 to nearly \$1.2 million in 2014, largely due to higher winter costs in 2013 for additional snowplow overtime and salt usage. For 2014, the General Fund provided a \$190,000 operating subsidy to the Street Repair & Maintenance Fund. Its fund balance increased by roughly \$142,000 from nearly \$314,000 at December 31, 2013 to nearly \$456,000 at December 31, 2014.

The Capital Improvement Fund is used to account for the income tax resources earmarked for capital improvements used for the general improvement of all City facilities and operations. Annually, twenty percent of the net income tax proceeds are allocated to this Fund. For the year ended December 31, 2014, this fund balance increased about \$500,000 from nearly \$2.0 million at December 31, 2013 to \$2.5 million at December 31, 2014. In 2014, income tax proceeds allocated to this fund decreased \$120,000, or 4.3%.

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

Early in 2014, amounts originally budgeted for General Fund local taxes revenue was reduced by approximately \$700,000, as there was concern over the level of expected revenue. Actual revenues, however exceeded budget expectations by roughly \$2.3 million.

CITY OF SIDNEY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2014
Unaudited

Capital asset and debt administration

Capital asset activity

Significant capital activity for the year ended December 31, 2014 included:

- ✓ Approximately \$323,000 of payments for airport runway relocation and extension was added to construction in progress.
- ✓ Roughly \$277,000 of street resurfacing was completed with about half paid for with Ohio Department of Transportation grants.
- ✓ About \$658,000 was added to the sewer system's construction in progress for design of waste water treatment changes to comply with Ohio EPA's requirements. An additional \$514,000 of construction in progress was for the Industrial Drive Sanitary Sewer replacement.
- ✓ Approximately \$296,000 of capital cost for street traffic changes to State Route 47 project.
- ✓ Roughly \$626,000 of capital infrastructure was completed for the Ohio Avenue Sanitary Sewer replacement.

Additional detail on the capital asset activity for the year ended December 31, 2014 is presented in the Notes to the Basic Financial Statements in Note 6 on pages 37 – 39.

Debt

Ohio law restricts the amount of debt that a City may issue. The aggregate principal amount of unvoted "net indebtedness" may not exceed 5.5% of the assessed valuation for property tax purposes of all real and personal property located within the City. At December 31, 2014, that debt ceiling was about \$19.4 million. Certain debt with a repayment source other than general tax revenues is excluded from the definition of net indebtedness. Under that definition, the City has approximately \$5.4 million of net indebtedness as of December 31, 2014, leaving a legal debt margin for unvoted debt of approximately nearly \$14.0 million.

An additional statutory limitation restricts total indebtedness – both voted and unvoted – to 10.5% of the real and personal property assessed valuation. That limitation would restrict total City net indebtedness to \$37.0 million, leaving a total debt margin of nearly \$31.6 million.

A summary of debt outstanding at December 31, 2014 and 2013 is as follows:

	<u>December 31, 2014</u>	<u>December 31, 2013</u>
Governmental activities	\$ 6,227,343	\$ 6,882,189
Business-type activities	<u>15,336,558</u>	<u>16,249,552</u>
Total	<u>\$ 21,563,901</u>	<u>\$ 23,131,741</u>

See additional detailed data for all debt of the City of Sidney is presented in the Notes to the Basic Financial Statements in Note 9 on pages 42 - 44 and in Schedules 7-9 in the Statistical Section of this report.

Contacting the City's management

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



CITY OF SIDNEY, OHIO
STATEMENT OF NET POSITION
DECEMBER 31, 2014

	Governmental Activities	Business-type Activities	Total
ASSETS			
Pooled cash	\$ 5,756,102	\$ 2,154,083	\$ 7,910,185
Restricted cash	-	2,667,613	2,667,613
Cash held by outside agent	442,297	-	442,297
Pooled investments	8,137,785	6,057,713	14,195,498
Restricted investments	-	761,287	761,287
Receivables:			
Income taxes	3,606,861	-	3,606,861
Property taxes	1,111,491	-	1,111,491
Other taxes	26,608	-	26,608
Accounts	-	2,109,236	2,109,236
Interest	9,520	6,075	15,595
Loans	567,942	-	567,942
Special assessments	165,281	-	165,281
Other	247,066	358,023	605,089
Internal balances	486,351	(486,351)	-
Receivables from other governments	954,144	299,140	1,253,284
Inventory	200,420	406,487	606,907
Prepaid items	89,358	32,375	121,733
Capital assets:			
Capital assets not subject to depreciation:			
Land	7,751,656	2,718,263	10,469,919
Construction in progress	578,835	7,329,761	7,908,596
Capital assets net of accumulated depreciation	44,106,435	39,547,890	83,654,325
Total assets	\$ 74,238,152	\$ 63,961,595	\$ 138,199,747
LIABILITIES			
Accounts payable	\$ 724,212	\$ 833,558	\$ 1,557,770
Salaries and benefits payable	1,009,325	219,769	1,229,094
Unearned revenue	-	508,102	508,102
Accrued interest payable	12,832	34,719	47,551
Refundable deposits	-	191,006	191,006
Noncurrent liabilities:			
Due within one year	748,273	947,174	1,695,447
Due in more than one year	7,186,817	14,810,610	21,997,427
Total liabilities	9,681,459	17,544,938	27,226,397
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	2,068,078	-	2,068,078
Total deferred inflows of resources	2,068,078	-	2,068,078
NET POSITION			
Net investment in capital assets	46,471,032	37,688,256	84,159,288
Restricted for:			
Capital projects	7,228	-	7,228
Street repair and maintenance	1,164,969	-	1,164,969
Community development projects	633,187	-	633,187
Judicial costs	724,117	-	724,117
Cemetery			
Expendable	861,378	-	861,378
Nonexpendable	30,376	-	30,376
Police	227,602	-	227,602
Other purposes - externally imposed restrictions	273,594	-	273,594
Unrestricted	12,095,132	8,728,401	20,823,533
Total net position	62,488,615	46,416,657	108,905,272
Total liabilities, deferred inflows of resources and net position	\$ 74,238,152	\$ 63,961,595	\$ 138,199,747

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General government	\$ 1,324,115	\$ -	\$ -	\$ -	\$ (1,324,115)		\$ (1,324,115)
Police	6,069,441	267,566	13,538	54,738	(5,733,599)		(5,733,599)
Fire	5,028,715	653,986	6,621	40,000	(4,328,108)		(4,328,108)
Judicial	1,701,791	798,437	118,514	-	(784,840)		(784,840)
Health	211,378	122,172	-	-	(89,206)		(89,206)
Street repair and maintenance	3,403,519	30,323	1,148,510	368,676	(1,856,010)		(1,856,010)
Community development	467,887	42,149	79,813	267,585	(78,340)		(78,340)
Community environment	572,458	79,255	-	-	(493,203)		(493,203)
Parks and recreation	1,464,155	35,811	45,092	92,516	(1,290,736)		(1,290,736)
Interest on long-term debt	161,053	-	-	-	(161,053)		(161,053)
Total governmental activities	<u>20,404,512</u>	<u>2,029,699</u>	<u>1,412,088</u>	<u>823,515</u>	<u>(16,139,210)</u>		<u>(16,139,210)</u>
Business-type activities:							
Water	3,791,600	4,988,388	-	-		\$ 1,196,788	1,196,788
Sewer	4,139,110	6,706,435	-	-		2,567,325	2,567,325
Solid Waste	1,362,006	1,388,994	-	-		26,988	26,988
Stormwater	524,541	378,838	-	-		(145,703)	(145,703)
Transportation	895,381	247,284	456,132	94,914		(97,051)	(97,051)
Airport	455,229	322,673	-	285,952		153,396	153,396
Swimming Pool	186,461	60,389	6,206	-		(119,866)	(119,866)
Yard Waste	38,997	17,685	-	-		(21,312)	(21,312)
Total business-type activities	<u>11,393,325</u>	<u>14,110,686</u>	<u>462,338</u>	<u>380,866</u>		<u>3,560,565</u>	<u>3,560,565</u>
Total	<u>\$ 31,797,837</u>	<u>\$ 16,140,385</u>	<u>\$ 1,874,426</u>	<u>\$ 1,204,381</u>	<u>(16,139,210)</u>	<u>3,560,565</u>	<u>(12,578,645)</u>
General revenues:							
Taxes:							
Income taxes					15,394,876	-	15,394,876
Property taxes					1,028,049	-	1,028,049
Other taxes					641,285	-	641,285
Grants and contributions not restricted to specific programs					590,138	-	590,138
Investment earnings					88,087	121,169	209,256
Gain on sale of capital assets					41,481	1,554	43,035
Miscellaneous					437,814	326,562	764,376
Transfers					(261,955)	261,955	-
Total general revenues and transfers					<u>17,959,775</u>	<u>711,240</u>	<u>18,671,015</u>
Change in net position					1,820,565	4,271,805	6,092,370
Net position - beginning, as restated (Note 16)					<u>60,668,050</u>	<u>42,144,852</u>	<u>102,812,902</u>
Net position - ending					<u>\$ 62,488,615</u>	<u>\$ 46,416,657</u>	<u>\$ 108,905,272</u>

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2014**

	General Fund	Street Repair & Maintenance Fund	Capital Improvement Fund	Non-major Governmental Funds	Total Governmental Funds
ASSETS					
Pooled cash	\$ 3,403,428	\$ 116,685	\$ 876,422	\$ 1,216,191	\$ 5,612,726
Cash held by outside agent	388,807	-	-	53,490	442,297
Pooled investments	4,812,293	165,039	1,238,577	1,719,254	7,935,163
Receivables:					
Income taxes	3,606,861	-	-	-	3,606,861
Property taxes	960,377	-	-	151,114	1,111,491
Other taxes	20,200	-	-	6,408	26,608
Interest	8,588	169	-	763	9,520
Loans	-	-	-	567,942	567,942
Special assessments	158,713	-	6,568	-	165,281
Other	187,113	-	-	59,953	247,066
Due from other funds	-	-	236,394	1,900	238,294
Advances to other funds	-	-	229,200	-	229,200
Receivables from other governments	292,573	589,916	-	71,655	954,144
Inventory	56,696	131,614	-	-	188,310
Prepaid items	28,802	394	698	296	30,190
Total assets	<u>\$ 13,924,451</u>	<u>\$ 1,003,817</u>	<u>\$ 2,587,859</u>	<u>\$ 3,848,966</u>	<u>\$ 21,365,093</u>
LIABILITIES					
Accounts payable	\$ 584,594	\$ 4,485	\$ 35,658	\$ 43,248	\$ 667,985
Salaries and benefits payable	894,152	31,437	-	21,758	947,347
Due to other funds	236,394	-	-	-	236,394
Total liabilities	<u>1,715,140</u>	<u>35,922</u>	<u>35,658</u>	<u>65,006</u>	<u>1,851,726</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	<u>4,642,331</u>	<u>512,087</u>	<u>6,568</u>	<u>879,026</u>	<u>6,040,012</u>
Total deferred inflows of resources	<u>4,642,331</u>	<u>512,087</u>	<u>6,568</u>	<u>879,026</u>	<u>6,040,012</u>
FUND BALANCES:					
Nonspendable	85,498	132,008	698	290	218,494
Restricted	-	323,800	-	2,634,666	2,958,466
Committed	266,555	-	-	270,599	537,154
Assigned	1,794,171	-	2,544,935	-	4,339,106
Unassigned	<u>5,420,756</u>	<u>-</u>	<u>-</u>	<u>(621)</u>	<u>5,420,135</u>
Total fund balances	<u>7,566,980</u>	<u>455,808</u>	<u>2,545,633</u>	<u>2,904,934</u>	<u>13,473,355</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 13,924,451</u>	<u>\$ 1,003,817</u>	<u>\$ 2,587,859</u>	<u>\$ 3,848,966</u>	<u>\$ 21,365,093</u>

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, OHIO
RECONCILIATION OF TOTAL
GOVERNMENTAL FUND BALANCES TO NET
POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2014**

Total governmental fund balances	\$ 13,473,355
 <i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
Some assets used in governmental activities are not financial resources and therefore are not reported in the funds:	
Capital Assets	51,955,728
 Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
Income taxes receivable	2,776,334
Other taxes and intergovernmental receivables	887,273
Other receivables	308,327
 Internal service funds are used to charge the costs of certain activities, such as the central garage, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	
Net position of Internal Service Funds	643,359
Internal service fund activity allocated to enterprise funds	255,251
 Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore not reported in the funds:	
Bonds payable	(6,200,000)
Premium on bond	(27,343)
Compensated absences	(1,570,837)
Accrued interest on long-term debt	(12,832)
Net position of governmental activities	<u>\$ 62,488,615</u>

See Notes to the Basic Financial Statements.

CITY OF SIDNEY, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	General Fund	Street Repair & Maintenance Fund	Capital Improvement Fund	Non-major Governmental Funds	Total Governmental Funds
REVENUES:					
Local taxes	\$ 13,145,684	\$ -	\$ 2,721,302	\$ 206,080	\$ 16,073,066
Intergovernmental revenues	680,690	1,019,284	411,693	646,186	2,757,853
Special assessments	241,285	-	31,098	500	272,883
Charges for services	1,394,034	-	-	298,958	1,692,992
Fines, licenses and permits	124,045	-	-	59,148	183,193
Investment income	76,988	1,619	-	39,918	118,525
Miscellaneous receipts and reimbursements	358,867	87,737	255,941	113,130	815,675
Total revenues	16,021,593	1,108,640	3,420,034	1,363,920	21,914,187
EXPENDITURES:					
Current:					
General government	1,076,602	-	-	-	1,076,602
Police	5,594,109	-	-	71,095	5,665,204
Fire	4,660,447	-	-	28,086	4,688,533
Judicial	1,318,971	-	-	250,542	1,569,513
Health	-	-	-	172,049	172,049
Street repair and maintenance	-	1,156,476	-	75,000	1,231,476
Community development	150,851	-	-	135,507	286,358
Community environment	560,588	-	-	14,988	575,576
Parks and recreation	1,196,673	-	-	-	1,196,673
Capital outlay	44,350	-	2,227,226	272,894	2,544,470
Debt service:					
Principal	30,000	-	570,000	50,000	650,000
Interest	6,194	-	131,338	29,450	166,982
Total expenditures	14,638,785	1,156,476	2,928,564	1,099,611	19,823,436
Excess (deficiency) of revenues over (under) expenditures	1,382,808	(47,836)	491,470	264,309	2,090,751
OTHER FINANCING SOURCES (USES):					
Transfers in	-	190,000	-	25,000	215,000
Sale of capital assets	-	-	55,124	-	55,124
Transfers out	(427,178)	-	-	-	(427,178)
Total other financing sources (uses)	(427,178)	190,000	55,124	25,000	(157,054)
Net change in fund balances	955,630	142,164	546,594	289,309	1,933,697
Fund balances, beginning of year	6,611,350	313,644	1,999,039	2,615,625	11,539,658
Fund balances, end of year	\$ 7,566,980	\$ 455,808	\$ 2,545,633	\$ 2,904,934	\$ 13,473,355

See Notes to the Basic Financial Statements.

CITY OF SIDNEY, OHIO
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014

Net change in fund balances - total governmental funds	\$ 1,933,697
<i>Amounts reported for governmental activities in the Statement of Activities are different because:</i>	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:	
Capital asset additions	1,698,478
Current year depreciation	(3,054,661)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the fund:	
Income taxes	774,754
Intergovernmental revenue	(7,650)
Investment income	920
Other revenue	(50,951)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	650,000
Governmental funds report the sale of assets only to the extent proceeds are received. In the Statement of Activities, gains are reported in General revenues and losses are included in expenses of Governmental Activities.	
Proceeds from sale of assets	(55,124)
Gain on sale of assets	33,471
Loss on sale of assets	(33,275)
Contributed capital to internal service funds	(3,747)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
Vacation and sick leave benefits	(164,663)
Interest payable	1,083
Amortization of bond premium	4,846
Internal service funds are used by management to charge the costs of certain activities, such as the central garage, to individual funds. The net revenue (expense) of the internal service funds related to governmental activities is reported with governmental activities.	
Change in Net Position	118,180
Add: Enterprise allocation	(24,793)
Change in net position of governmental activities	<u>\$ 1,820,565</u>

See Notes to the Basic Financial Statements.

CITY OF SIDNEY, OHIO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2014

	Business-type Activities				Totals	Governmental Activities - Internal Service Funds
	Water	Sewer	Stormwater	Non-major Enterprise Funds		
ASSETS						
Current assets:						
Pooled cash	\$ 1,890,374	\$ -	\$ 124,176	\$ 139,533	\$ 2,154,083	\$ 143,376
Pooled investments	2,757,404	2,927,634	175,488	197,187	6,057,713	202,622
Restricted cash	59,157	2,608,456	-	-	2,667,613	-
Restricted investments	-	761,287	-	-	761,287	-
Receivables:						
Accounts	1,023,901	938,015	14,927	132,393	2,109,236	-
Interest	2,841	3,234	-	-	6,075	-
Other	253,379	104,644	-	-	358,023	-
Receivables from other governments	-	-	-	299,140	299,140	-
Inventory	248,677	69,285	38,264	50,261	406,487	12,110
Due from other funds	-	-	-	-	-	-
Prepaid items	18,031	10,164	32	4,148	32,375	59,168
Total current assets	<u>6,253,764</u>	<u>7,422,719</u>	<u>352,887</u>	<u>822,662</u>	<u>14,852,032</u>	<u>417,276</u>
Noncurrent assets:						
Capital assets:						
Capital assets not subject to depreciation:						
Land	1,521,251	126,320	-	1,070,692	2,718,263	-
Construction in progress	1,462,690	2,657,804	-	3,209,267	7,329,761	-
Capital assets net of accumulated depreciation	<u>12,258,925</u>	<u>18,901,500</u>	<u>4,743,623</u>	<u>3,643,842</u>	<u>39,547,890</u>	<u>481,198</u>
Total noncurrent assets	<u>15,242,866</u>	<u>21,685,624</u>	<u>4,743,623</u>	<u>7,923,801</u>	<u>49,595,914</u>	<u>481,198</u>
Total assets	<u>\$ 21,496,630</u>	<u>\$ 29,108,343</u>	<u>\$ 5,096,510</u>	<u>\$ 8,746,463</u>	<u>\$ 64,447,946</u>	<u>\$ 898,474</u>
LIABILITIES						
Current liabilities:						
Accounts payable	\$ 240,566	\$ 353,459	\$ 735	\$ 238,798	\$ 833,558	\$ 56,227
Salaries and benefits payable	78,946	90,025	15,637	35,161	219,769	61,978
Due to other funds	-	-	-	231,100	231,100	-
Current portion of long term debt	294,743	625,000	-	-	919,743	-
Compensated absences	9,615	14,117	954	2,745	27,431	7,773
Unearned revenue	-	286,116	33,626	188,360	508,102	-
Refundable deposits	190,716	-	-	290	191,006	-
Accrued interest payable	13,822	20,897	-	-	34,719	-
Total current liabilities	<u>828,408</u>	<u>1,389,614</u>	<u>50,952</u>	<u>696,454</u>	<u>2,965,428</u>	<u>125,978</u>
Noncurrent liabilities:						
Noncurrent portion of long term debt	6,286,937	8,129,878	-	-	14,416,815	-
Compensated absences	<u>137,072</u>	<u>172,056</u>	<u>18,784</u>	<u>65,883</u>	<u>393,795</u>	<u>129,137</u>
Total noncurrent liabilities	<u>6,424,009</u>	<u>8,301,934</u>	<u>18,784</u>	<u>65,883</u>	<u>14,810,610</u>	<u>129,137</u>
Total liabilities	<u>7,252,417</u>	<u>9,691,548</u>	<u>69,736</u>	<u>762,337</u>	<u>17,776,038</u>	<u>255,115</u>
NET POSITION						
Net investment in capital assets	8,720,343	16,300,489	4,743,623	7,923,801	37,688,256	481,198
Unrestricted	<u>5,523,870</u>	<u>3,116,306</u>	<u>283,151</u>	<u>60,325</u>	<u>8,983,652</u>	<u>162,161</u>
Total net position	<u>14,244,213</u>	<u>19,416,795</u>	<u>5,026,774</u>	<u>7,984,126</u>	<u>46,671,908</u>	<u>643,359</u>
Total liabilities and net position	<u>\$ 21,496,630</u>	<u>\$ 29,108,343</u>	<u>\$ 5,096,510</u>	<u>\$ 8,746,463</u>	<u>\$ 64,447,946</u>	<u>\$ 898,474</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					(255,251)	
Total position from above					<u>46,671,908</u>	
Net position of business-type activities					<u>\$ 46,416,657</u>	

See Notes to the Basic Financial Statements.

CITY OF SIDNEY, OHIO
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Business-type Activities				Totals	Governmental Activities - Internal Service Funds
	Water	Sewer	Stormwater	Non-major Enterprise Funds		
OPERATING REVENUES:						
Charges for services	\$ 4,988,388	\$ 6,706,435	\$ 378,837	\$ 2,037,025	\$ 14,110,685	\$ 2,375,585
Other revenue	25,568	10,780	105,489	190,932	332,769	14,946
Total operating revenues	<u>5,013,956</u>	<u>6,717,215</u>	<u>484,326</u>	<u>2,227,957</u>	<u>14,443,454</u>	<u>2,390,531</u>
OPERATING EXPENSES:						
Personal services	1,229,357	1,476,579	257,720	602,337	3,565,993	998,869
Operations and maintenance	1,727,667	1,557,467	78,594	2,142,976	5,506,704	1,193,574
Depreciation & amortization	674,578	1,023,498	189,977	196,273	2,084,326	91,665
Total operating expenses	<u>3,631,602</u>	<u>4,057,544</u>	<u>526,291</u>	<u>2,941,586</u>	<u>11,157,023</u>	<u>2,284,108</u>
Operating income (loss)	<u>1,382,354</u>	<u>2,659,671</u>	<u>(41,965)</u>	<u>(713,629)</u>	<u>3,286,431</u>	<u>106,423</u>
NONOPERATING REVENUES (EXPENSES):						
Investment income	94,252	26,917	-	-	121,169	-
Intergovernmental	-	-	-	456,132	456,132	-
Gain (loss) on disposal of assets	-	-	1,554	-	1,554	8,010
Interest expense	(168,249)	(92,846)	-	-	(261,095)	-
Total nonoperating revenues (expenses)	<u>(73,997)</u>	<u>(65,929)</u>	<u>1,554</u>	<u>456,132</u>	<u>317,760</u>	<u>8,010</u>
(Loss) before contributions and transfers	1,308,357	2,593,742	(40,411)	(257,497)	3,604,191	114,433
Capital contributions	-	49,777	-	380,866	430,643	3,747
Transfers in	-	-	-	212,178	212,178	-
Change in net position	1,308,357	2,643,519	(40,411)	335,547	4,247,012	118,180
Total net position - beginning, as restated (Note 16)	<u>12,935,856</u>	<u>16,773,276</u>	<u>5,067,185</u>	<u>7,648,579</u>		<u>525,179</u>
Total net position - ending	<u>\$ 14,244,213</u>	<u>\$ 19,416,795</u>	<u>\$ 5,026,774</u>	<u>\$ 7,984,126</u>		<u>\$ 643,359</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					24,793	
Change in net position of business-type activities					<u>\$ 4,271,805</u>	

See Notes to the Basic Financial Statements.

CITY OF SIDNEY, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Business-type Activities				Totals	Governmental Activities - Internal Service Funds
	Water	Sewer	Stormwater	Non-major Enterprise Funds		
Cash flows from operating activities:						
Receipts from customers and users	\$ 4,778,960	\$ 6,709,621	\$ 291,528	\$ 2,176,024	\$ 13,956,133	\$ 79,606
Receipts from interfund services	43,001	10,259	198,684	150,020	401,964	2,316,749
Payments to suppliers	(937,983)	(731,395)	(24,591)	(1,724,750)	(3,418,719)	(1,044,909)
Payments to employees	(1,284,374)	(1,447,789)	(245,254)	(589,569)	(3,566,986)	(985,903)
Payments for interfund services used	(748,958)	(750,989)	(61,679)	(353,232)	(1,914,858)	(107,787)
Net cash provided by (used for) operating activities	<u>1,850,646</u>	<u>3,789,707</u>	<u>158,688</u>	<u>(341,507)</u>	<u>5,457,534</u>	<u>257,756</u>
Cash flows from noncapital financing activities:						
Transfers in	-	-	-	212,178	212,178	-
Intergovernmental	-	-	-	456,132	456,132	-
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>668,310</u>	<u>668,310</u>	<u>-</u>
Cash flows from capital and related financing activities:						
Acquisition of capital assets	(555,300)	(2,456,658)	(94,556)	(888,417)	(3,994,931)	(156,078)
Proceeds from sale of capital assets	-	-	1,554	-	1,554	8,010
Principal paid on capital debt	(235,989)	(615,000)	-	-	(850,989)	-
Interest paid on capital debt	(168,620)	(263,061)	-	-	(431,681)	-
Capital contributions	-	-	-	380,866	380,866	-
Net cash used for capital and related financing activities	<u>(959,909)</u>	<u>(3,334,719)</u>	<u>(93,002)</u>	<u>(507,551)</u>	<u>(4,895,181)</u>	<u>(148,068)</u>
Cash flows from investing activities:						
Proceeds from sales and maturities of investments	5,867,268	7,276,145	377,664	490,443	14,011,520	462,434
Purchase of investments	(7,697,332)	(9,544,533)	(496,010)	(561,256)	(18,299,131)	(607,345)
Interest on investments	27,391	35,735	-	-	63,126	-
Net cash & cash equivalent used for investing activities	<u>(1,802,673)</u>	<u>(2,232,653)</u>	<u>(118,346)</u>	<u>(70,813)</u>	<u>(4,224,485)</u>	<u>(144,911)</u>
Net decrease in cash & cash equivalents	(911,936)	(1,777,665)	(52,660)	(251,561)	(2,993,822)	(35,223)
Pooled cash & cash equivalents, beginning of year	<u>2,861,467</u>	<u>4,386,121</u>	<u>176,836</u>	<u>391,094</u>	<u>7,815,518</u>	<u>178,599</u>
Pooled cash & cash equivalents, end of year	<u>\$ 1,949,531</u>	<u>\$ 2,608,456</u>	<u>\$ 124,176</u>	<u>\$ 139,533</u>	<u>\$ 4,821,696</u>	<u>\$ 143,376</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	\$ 1,382,354	\$ 2,659,671	\$ (41,965)	\$ (713,629)	\$ 3,286,431	\$ 106,423
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation & amortization	674,578	1,023,498	189,977	196,273	2,084,326	91,665
Change in assets and liabilities:						
Accounts receivable	(219,346)	(88,805)	3,348	2,991	(301,812)	5,824
Other receivables	2,131	97,657	-	95,526	195,314	-
Prepaid items	(2,836)	8,651	(14)	(333)	5,468	12,477
Inventory	25,446	(5,411)	(7,433)	(15,955)	(3,353)	1,611
Accounts payable	18,116	71,843	73	2,389	92,421	26,790
Salaries and benefits payable and compensated absences	(55,017)	28,790	12,466	12,768	(993)	12,966
Advances in	-	-	-	144,200	144,200	-
Due to other funds	-	-	(302)	(65,307)	(65,609)	-
Refundable deposits	25,220	-	-	-	25,220	-
Unearned revenue	-	(6,187)	2,538	(430)	(4,079)	-
Net cash provided by (used for) operating activities	<u>\$ 1,850,646</u>	<u>\$ 3,789,707</u>	<u>\$ 158,688</u>	<u>\$ (341,507)</u>	<u>\$ 5,457,534</u>	<u>\$ 257,756</u>
Noncash investing, capital and financing activities:						
Purchase of equipment on account	\$ 147,714	\$ 213,050	\$ -	\$ 14,789	\$ 375,553	\$ -
Prior year purchase of equipment on account	\$ 55,185	\$ 212,185	\$ -	\$ 554,798	\$ 822,168	\$ 35,594
Contributions of capital assets from governmental funds	\$ -	\$ 49,777	\$ -	\$ -	\$ 49,777	\$ 3,747
Debt payment paid by third party	\$ 15,708	\$ -	\$ -	\$ -	\$ 15,708	\$ -
Debt interest paid by federal subsidy	\$ 58,754	\$ -	\$ -	\$ -	\$ 58,754	\$ -

See Notes to the Basic Financial Statements.

CITY OF SIDNEY, OHIO
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2014

	Agency Funds	Private-Purpose Trust Funds
ASSETS		
Pooled cash	\$ 29,311	\$ 4,633
Pooled investments	41,420	6,552
Cash held by outside agent	198,073	-
Receivable		
Accounts	10,422	-
Interest	-	7
Prepaid expenses	999	-
	<u>280,225</u>	<u>11,192</u>
Total assets	<u>\$ 280,225</u>	<u>\$ 11,192</u>
LIABILITIES		
Accounts payable	\$ 6,960	306
Due to other governments	116,641	-
Undistributed monies	156,624	-
	<u>280,225</u>	<u>306</u>
Total liabilities	<u>\$ 280,225</u>	<u>\$ 306</u>
NET POSITION		
Net position held in trust for other purposes		<u>\$ 10,886</u>

See Notes to the Basic Financial Statements

CITY OF SIDNEY, OHIO
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Private-Purpose Trust Funds</u>
ADDITIONS	
Private contributions	\$ 40
Investment income	<u>99</u>
	<u>139</u>
DEDUCTIONS	
Purchase of flowers	<u>653</u>
	<u>653</u>
Change in net position	(514)
Net position, beginning of year	<u>11,400</u>
Net position, end of year	<u>\$ 10,886</u>

See Notes to the Basic Financial Statements

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2014

1. Summary of Significant Accounting Policies:

A. Reporting Entity

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

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

For financial reporting purposes, the City includes in this report all funds, agencies, boards, commissions, and departments in accordance with criteria established in Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statement No. 39. Under the provisions of GASB Statement No. 14 (as amended), the City of Sidney is the primary government, since it is a general purpose government that has a separate elected governing body; functions as a separate legal entity; and is fiscally independent of other state and local governments. As used in GASB Statement No. 14, fiscally independent means that the City may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue debt. As required by accounting principles generally accepted in the United States of America, these basic financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data is combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government. There are no blended or discretely presented component units at December 31, 2014.

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

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

B. Basis of Presentation

Government-wide financial statements

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

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2014

eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in the business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

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

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

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

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

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

Fund Financial Statements

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

The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America for local governments as prescribed by the GASB.

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2014

The accounts of the City are organized based on funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures (expenses). Fund accounting segregates funds according to the intended purpose and is used to aid management in demonstrating compliance with financial-related legal and contractual provisions.

Governmental Funds

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

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

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

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

Proprietary (Business-type) Funds

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

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

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

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

Additionally, the City reports the following fund types:

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

Fiduciary funds – Generally are used to account for assets held in a fiduciary capacity on

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2014

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

C. Basis of Accounting

Governmental Funds. The accounting and financial reporting treatment that applies to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets or deferred outflows and current liabilities or deferred inflows are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in current financial resources.

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

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

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

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

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

Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in the net total position. Proprietary funds distinguish operating revenues and

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2014

expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

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

D. Budgets and Budgetary Accounting

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

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

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

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

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

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

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

E. Cash and Cash Equivalents

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

- Municipal Court, an agency fund, maintains its deposits in a separate checking account.
- An outside agency, Shelby County, is holding cash deposits for the County Auto License Fund.
- Miami Valley Risk Management Association, a joint insurance pool, is holding a cash reserve for the City's insurance purposes.

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

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

F. Pooled Investments

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

G. Inventory and Prepaid Items

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

Payments made to vendors for services that will benefit periods beyond December 31, 2014 are recorded as prepaid items using the consumption method by recording a current asset for the

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prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

H. Capital Assets

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

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

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

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

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

I. Compensated Absences

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

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

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

J. Fund Balance

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

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

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

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

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

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

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

K. Net Position

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

L. Restricted Assets

The City has certain resources from bond issuances classified as restricted cash on the Statement of Net Position because their use is limited by bond covenants. Of the restricted cash and investment amount, \$59,157 remains to fund the purchase of the new water source property acquisition and other new water source project costs, while \$3,369,743 remains to fund wastewater system and plant improvements.

M. Pensions

The provision for pension costs are recorded when the related payroll is accrued and the obligation is incurred.

N. Grants and Other Intergovernmental Revenues

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

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expenditures are incurred.

O. Interfund Activity

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

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

P. Estimates

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

2. Cash and Cash Equivalents:

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

- Municipal Court, an agency fund, maintains its deposits in a separate checking account.
- An outside agency, Shelby County, is holding cash deposits for the County Auto License Fund.
- Miami Valley Risk Management Association, a joint insurance pool, is holding a cash reserve for the City's insurance purposes.
- Imprest cash held on hand and was \$3,100 at December 31, 2014.

At December 31, 2014, the carrying amount of the City's deposits was \$11,054,039 and the bank balance was \$11,298,010. Of the bank balance:

1. \$553,490 was covered by federal depository insurance;
2. \$10,744,520 was collateralized with securities held by the pledging financial institution's trust departments or agents, but not in the City's name.

3. Pooled Investments:

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

The State of Ohio by statute has established collateral requirements for financial institutions acting as public depositories. The public depositories must either pledge specific qualified securities with a market value of at least equal to 102% of the total amount of all public deposits to be secured, or pledge a pool of collateral with a market value of at least 105% of the total amount of public deposits secured. Pooled securities so pledged provide the equivalent of a deposit insurance fund. This approach protects all public entities against a single public depository collapse. The state has

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implemented collateral pools to minimize the interest penalty to public entities for protecting public deposits. All investments are reported at fair value, which is based on quoted market prices.

The City's pooled investments consisted of U.S. Government-Sponsored corporations totaling \$15,004,757 at December 31, 2014. These pooled investments have weighted average maturity of approximately three months. The weighted average maturity was calculated using estimated maturity dates at December 31, 2014 based on the City's Investment Advisor's estimate of when an investment will be called.

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

Credit Risk. As of December 31, 2014, the City's investments in government-sponsored corporations were rated AA+ by Standard & Poor's and Aaa by Moody's Investors Service. The City's investment policy is silent regarding credit risk of investments.

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

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

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

Investments in any issuer that represents 5% or more of the total investments (excluding cash and cash equivalents) at December 31, 2014 include:

<u>Issuer</u>	<u>Fair Value</u>	<u>Percent</u>
U.S. Government-Sponsored Corporations:		
Federal Home Loan Bank	\$6,003,137	40%
Federal Home Loan Mortgage Company	\$9,001,620	60%

4. Income Taxes:

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

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municipalities.

5. Property Taxes:

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

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% (10 mills) of assessed value without a vote of the people. Under current procedures, the City's share is 0.320% (3.2 mills) of assessed value, including .6 mills to fund the police and fire unfunded pension liability. Real property and public utility taxes collected during 2014 were levied on December 31, 2013 on assessed values listed as of January 1, 2013, the lien date. One-half of these taxes were due on February 14, 2014 with the remaining balance due on July 20, 2014.

Assessed values of real property are established by State law at 35% of appraised market value. A revaluation of all property is required to be completed no less than every six years with equalization adjustments in the third year following reappraisal. The last revaluation was completed in 2014. Public utility property taxes are assessed on tangible personal property as well as land and improvements at true value (50% of cost). The assessed value for 2013 upon which the 2014 levy was based was approximately \$355,259,920. The assessed value for 2014 upon which the 2015 levy will be based is approximately \$352,538,170.

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

6. Capital Assets:

Capital asset activity for the year ended December 31, 2014 was as follows:

Governmental activities:

	Beginning Balance	Additions	Disposals	Net Transfers	Ending Balance
<i>Capital assets not being depreciated:</i>					
Land	\$ 7,775,656	\$ -	\$ (24,000)	\$ -	\$ 7,751,656
Construction in progress	359,681	314,163	(25,230)	(69,779)	578,835
Subtotal	<u>8,135,337</u>	<u>314,163</u>	<u>(49,230)</u>	<u>(69,779)</u>	<u>8,330,491</u>
<i>Capital assets being depreciated:</i>					
Buildings and improvements	18,413,560	19,665	-	-	18,433,225
Machinery and equipment	10,045,341	811,161	(295,037)	-	10,561,465
General infrastructure	54,019,713	673,973	-	69,779	54,763,465
Subtotal	<u>82,478,614</u>	<u>1,504,799</u>	<u>(295,037)</u>	<u>69,779</u>	<u>83,758,155</u>
Totals at historical cost	<u>90,613,951</u>	<u>1,818,962</u>	<u>(344,267)</u>	<u>-</u>	<u>92,088,646</u>
<i>Less accumulated depreciation for:</i>					
Buildings and improvements	6,305,194	461,800	-	-	6,766,994
Machinery and equipment	7,931,428	623,864	(289,339)	-	8,265,953
General infrastructure	22,558,111	2,060,662	-	-	24,618,773
Total accumulated depreciation	<u>36,794,733</u>	<u>3,146,326</u>	<u>(289,339)</u>	<u>-</u>	<u>39,651,720</u>
Net capital assets	<u>\$ 53,819,218</u>	<u>\$ (1,327,364)</u>	<u>\$ (54,928)</u>	<u>\$ -</u>	<u>\$ 52,436,926</u>

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Depreciation was charged to governmental activities as follows:

General government	\$ 32,297
Police	334,454
Fire	238,615
Judicial	102,995
Health	37,911
Street repairs and maintenance	2,128,317
Community environment	2,422
Parks and recreation	<u>177,650</u>

Total governmental funds depreciation expense \$3,054,661

Portion of internal service funds' depreciation allocable to governmental activities 91,665

Total additions to accumulated depreciation of governmental activities \$3,146,326

Business-type activities:

	Beginning Balance, as restated	Additions	Disposals	Net Transfers	Ending Balance
<i>Capital assets not being depreciated:</i>					
Land	\$ 2,706,522	\$ 11,741	\$ -	\$ -	\$ 2,718,263
Construction in progress	<u>5,314,019</u>	<u>2,096,610</u>	<u>-</u>	<u>(80,868)</u>	<u>7,329,761</u>
Subtotal	<u>8,020,541</u>	<u>2,108,351</u>	<u>-</u>	<u>(80,868)</u>	<u>10,048,024</u>
<i>Capital assets being depreciated:</i>					
Buildings, improvements and Infrastructure	61,498,958	797,772	-	80,868	62,377,598
Machinery and equipment	<u>12,801,588</u>	<u>838,145</u>	<u>(22,541)</u>	<u>-</u>	<u>13,617,192</u>
Subtotal	<u>74,300,546</u>	<u>1,635,917</u>	<u>(22,541)</u>	<u>80,868</u>	<u>75,994,790</u>
Totals at historical cost	<u>82,321,087</u>	<u>3,744,268</u>	<u>(22,541)</u>	<u>-</u>	<u>86,042,814</u>
<i>Less accumulated depreciation for:</i>					
Buildings, improvements and Infrastructure	25,915,854	1,420,491	-	-	27,336,345
Machinery and equipment	<u>8,469,261</u>	<u>663,835</u>	<u>(22,541)</u>	<u>-</u>	<u>9,110,555</u>
Total accumulated depreciation	<u>34,385,115</u>	<u>2,084,326</u>	<u>(22,541)</u>	<u>-</u>	<u>36,446,900</u>
Net capital assets	<u>\$ 47,935,972</u>	<u>\$ 1,659,942</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,595,914</u>

Depreciation was charged to business-type activities as follows:

Water	\$674,578
Sewer	1,023,498
Transportation	79,474
Stormwater	189,977
Airport	84,792
Swimming Pool	<u>32,007</u>

Total additions to accumulated depreciation of business-type activities \$2,084,326

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The beginning capital asset balances of business-type activities have been restated above to reflect the prior period adjustment described in Note 16.

7. Pension Plans:

Both the Ohio Police and Fire Pension Fund and the Ohio Public Employees Retirement System are reported using GASB Statement No. 27 "Accounting for Pensions by State and Local Governmental Employers". Substantially all City employees are covered by one of the two plans, namely, the Ohio Police and Fire Pension Fund or the Ohio Public Employees Retirement System.

Ohio Public Employees Retirement System

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans as described below:

- 1) The Traditional Pension Plan – a cost-sharing, multiple-employer defined benefit pension plan.
- 2) The Member-Directed Plan – a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings.
- 3) The Combined Plan – a cost-sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

OPERS issues a publicly available stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2014, the member and employer contribution rates were consistent across all three plans. The 2014 member contribution rates were 10.0% of covered payroll.

The 2014 employer contribution rate was 14.00% of covered payroll. The City's employers' contributions, representing 93% for 2014, and 100% for 2013 and 2012, for the years ended December 31, 2014, 2013, and 2012 were \$982,036, \$974,203, and \$958,398, respectively. The unpaid portion of \$72,018 is reported as liability in the respective funds.

Ohio Police and Fire Pension Fund

The City of Sidney contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability 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

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information and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F's website at www.op-f.org.

From January 1, 2014 thru July 1, 2014, plan members were required to contribute 10.75% of their annual covered salary. From July 2, 2014 thru December 31, 2014, plan members were required to contribute 11.5% of their annual covered salary. Throughout 2014, employers were required to contribute 19.5% and 24.0% respectively for police officers and firefighters. The City's contributions to OP&F representing 92% for 2014, 100% for 2013 and 92% for 2012 for the years ended December 31, 2014, 2013 and 2012 were \$1,179,781, \$1,156,522, and \$1,125,199, respectively. The unpaid portion of \$181,667 is reported as liability in the respective funds.

8. Post-Employment Benefits:

A. Ohio Public Employees Retirement System

OPERS maintains a cost-sharing, multi-employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 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. OPERS eligibility requirements for post-employment health care coverage changed for those retiring on and after January 1, 2015. Please see the Plan Statement in the OPERS 2013 CAFR for details.

The ORC permits, but does not mandate, OPERS to provide OPEB benefits to its eligible benefit recipients. The Ohio Revised Code provides the statutory authority requiring employers to fund post-retirement health care coverage through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care coverage.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2014, state and local employers contributed at a rate of 14.0% of covered payroll. The ORC currently limits the employer contributions to a rate not to exceed 14.0% of covered payroll. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. The portion of employer contribution allocated to the health care for members in the Traditional Plan was 2.0% during calendar year 2014. The portion of employer contribution allocated to the health care for members in the Combined Plan was 2.0% during calendar year 2014. Effective January 1, 2015, the portion of employer contributions allocated to healthcare remains at 2.0% for both plans, as recommended by the OPERS Actuary. The OPERS Retirement Board of Trustees is also authorized to establish

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rules for the retiree or their surviving beneficiaries to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The portion of the City's contributions that was used to fund post-employment benefits for the years ending December 31, 2014, 2013 and 2012, was \$140,235, \$69,558, and \$273,814 respectively; 93% has been contributed for 2014 and 100% for 2013 and 2012.

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 recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4% of the employer contributions toward the health care fund after the end of the transition period.

B. Ohio Police and Fire Pension Fund

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

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

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

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

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

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

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pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was .5% of covered payroll from January 1, 2014 thru December 31, 2014. The amount of employer contributions allocated to the health care plan each year is subject to the Trustee's primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Section 115 and 401(h).

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

The City's actual contributions for 2014, 2013 and 2012 that were used to fund post-employment benefits for police and firefighters were \$27,334, \$187,253 and \$349,350, respectively; 92% has been contributed for 2014, 100% for 2013, and 92% for 2012.

9. Noncurrent Liabilities:

The following is a summary of changes for noncurrent liabilities of the City for the year ended December 31, 2014:

Governmental activities:	Balance January 1, 2014	Additions	Reductions	Balance December 31, 2014	Due Within One Year
Capital Improvement fund:					
<i>G.O. bonds, 2011-2018, 2.0%, Monumental Bldg renovation</i>	\$ 910,000	\$ -	\$ 180,000	\$730,000	\$ 180,000
<i>Current Refunding G.O. bonds, 2013-2024, 2.52% avg. Police Facility Construction</i>	4,845,000	-	390,000	4,455,000	405,000
General fund:					
<i>G.O. bonds, 2011-2022, 2.0% to 2.5%, Fire & Police Pension</i>	290,000	-	30,000	260,000	30,000
Kuther Road TIF fund:					
<i>G.O. bonds 2010-2030, 2.0% to 4.25%, , Kuther Road TIF, Water & Sewer Infrastructure</i>	215,000	-	10,000	205,000	10,000
Menards TIF fund:					
<i>G.O. bonds, 2010-2025, 2.0% to 4.0%, Menards TIF, Sewer Infrastructure</i>	590,000	-	40,000	550,000	45,000
Premium on Bonds	32,189	-	4,846	27,343	-
Accrued vacation and sick leave	<u>1,532,033</u>	<u>857,819</u>	<u>682,105</u>	<u>1,707,747</u>	<u>78,273</u>
Total	<u>\$ 8,414,222</u>	<u>\$ 857,819</u>	<u>\$ 1,336,951</u>	<u>\$ 7,935,090</u>	<u>\$ 748,273</u>

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2014

Business-type activities:	Balance January 1, 2014	Additions	Reductions	Balance December 31, 2014	Due Within One Year
Water fund:					
<i>O.W.D.A. loans, 2009-2029, 0% ARRA –Distribution system upgrades, Automated water meter reads system</i>	\$ 3,504,562	-	\$219,035	\$3,285,527	\$219,035
<i>O.W.D.A. loans, 2009-2029, 0% ARRA – NMHP distribution system</i>	251,328	-	15,708	235,620	15,708
<i>G.O. bonds, 2010-2040, 2.0% to 4.5% Water Source testing</i>	670,000	-	15,000	655,000	15,000
Premium on Bonds	3,675	-	142	3,533	-
<i>Recovery Zone Economic Development Bonds –Taxable G.O. bonds, 2010-2040, coupon interest rate of 5.45% to 6.0% (45% Federal interest subsidy to reduce interest cost) Water source property acquisition and other water source projects</i>	2,447,000	-	45,000	2,402,000	45,000
Sewer fund:					
<i>G.O. bonds, 2011-2022, 2.0% to 2.5% - Wastewater system improvements</i>	4,570,000	-	475,000	4,095,000	480,000
<i>G.O. bonds, 2013-2037, 1.0% to 4.5% - Wastewater system and plant improvements</i>	4,775,000	-	140,000	4,635,000	145,000
Premium on Bonds	27,987	-	3,109	24,878	-
Accrued vacation and sick leave	<u>433,604</u>	<u>127,067</u>	<u>139,445</u>	<u>421,226</u>	<u>27,431</u>
Total	<u>\$ 16,683,156</u>	<u>\$ 127,067</u>	<u>\$ 1,052,439</u>	<u>\$15,757,784</u>	<u>\$947,174</u>

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

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

During fiscal year 2009 the City entered into two loans with the Ohio Water Development Authority (OWDA). The first loan was issued for the purpose of making improvements to the water meter read and distribution system. Water revenue, net of operating and maintenance expenses, is pledged as repayment for this loan.

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2014

The second loan was issued on behalf of Northbrook Mobile Home Park to provide them with financing for water system upgrades. Repayment of this loan is the responsibility of the Northbrook Mobile Home Park; however, the loan is backed by water revenues of the City in the case of default. A receivable in the amount of \$235,620 at December 31, 2014 is recorded in the basic financial statements.

To repay the loans issued by OWDA the City has pledged future water customer revenues, net of specified operating expenses. The loans are payable solely from water customer net revenues and are payable through 2029. Annual payments on the loans are expected to require less than 5% of net revenues. The total principal payments to be paid on the loans as of December 31, 2014 are \$3,521,147. Principal paid and total customer net revenues for 2014 were \$234,743 and \$4,988,388, respectively.

The City has 30-year taxable general obligation Recovery Zone Economic Development Bonds issued in 2010 in the amount of \$2,542,000. The federal government subsidizes the bonds by reimbursing the City for a portion of the interest payments listed below. Bond proceeds of \$2,482,843 were used to pay for water related capital projects. The unspent proceeds as of December 31, 2014 totaling \$59,157 will be used for new water source property acquisitions.

Annual requirements to pay principal and interest on long-term debt at December 31, 2014 are:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Federal Interest</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Subsidy</u>
2015	670,000	153,981	919,743	416,629	(57,761)
2016	685,000	140,306	919,743	401,301	(56,737)
2017	685,000	126,056	944,743	385,899	(55,713)
2018	705,000	111,806	959,743	369,824	(54,575)
2019	535,000	96,606	984,743	353,199	(53,437)
2020-2024	2,760,000	281,588	4,058,716	1,485,785	(247,613)
2025-2029	140,000	17,163	2,683,716	1,147,500	(208,126)
2030-2034	20,000	850	1,880,000	782,198	(155,004)
2035-2039	-	-	1,745,000	297,638	(78,676)
2040-2041	-	-	212,000	12,120	(4,310)
Total	\$ 6,200,000	\$ 928,356	\$15,308,147	\$ 5,652,093	\$ (971,952)

10. Contingent Liabilities:

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

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

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2014

11. Interfund Receivables and Payables:

Interfund balances in the basic financial statements at December 31, 2014 were as follows:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General	\$ -	\$ 236,394
Capital Improvement	236,394	-
Non-major enterprise funds	-	1,900
Non-major governmental funds	1,900	-
	<u>\$ 238,294</u>	<u>\$ 238,294</u>

Interfund balances at December 31, 2014 resulted from the timing difference of when reimbursable expenditures occurred and when the payments between funds were made.

Cash advances in the basic financial statements at December 31, 2014 were as follows:

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

12. Interfund Transfers:

Interfund transfers in the basic financial statements for the year ended December 31, 2014 were:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General	\$ -	\$ 427,178
Street Repair & Maintenance	190,000	
Non-major governmental funds	25,000	-
Non-major enterprise funds	212,178	-
	<u>\$ 427,178</u>	<u>\$ 427,178</u>

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

13. Risk Management:

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

The City pays an annual premium to MVRMA for this coverage. The agreement provides that the MVRMA will be self-sustaining through member premiums and the purchase of excess and stop-loss insurance. The deductible per occurrence for all types of claims is \$2,500. During 2014, the Association's per-occurrence retention limit for property was \$250,000, with the exception of boiler and machinery for which there was a \$5,000 per occurrence retention limit. Liability had a per-occurrence retention limit of \$500,000. After the retention limits are reached, excess insurance will cover up to the limits stated below.

General Liability (including law enforcement)	\$10,000,000 per occurrence
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CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2014

Automobile Liability	\$10,000,000 per occurrence
Public Officials Liability	\$10,000,000 per occurrence
Boiler and Machinery	\$100,000,000 per occurrence
Property	\$1,000,000,000 per occurrence
Earthquake	\$25,000,000 per occurrence
Flood	\$25,000,000 per occurrence
Cyber Liability	\$2,000,000 per occurrence
Pollution Liability	\$1,000,000 per occurrence

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

14. Components of Fund Balance:

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

	General Fund	Street Repair & Maintenance Fund	Capital Improvement Fund	Other Non-major Governmental Funds	Total
Fund balances:					
Nonspendable					
Inventory	\$ 56,696	\$ 131,614	\$ -	\$ -	\$ 188,310
Prepaid Expenses	28,802	394	698	290	30,184
Restricted for:					
Streets & Highways	-	323,800	-	105,221	429,021
Law Enforcement	-	-	-	231,543	231,543
Municipal Court	-	-	-	724,117	724,117
Cemetery	-	-	-	851,697	851,697
Community development	-	-	-	253,800	253,800
Tax incremental financing	-	-	-	343,306	343,306
Other purposes	-	-	-	124,982	124,982
Committed to:					
Separation pay	266,555	-	-	-	266,555
Health	-	-	-	180,752	180,752
Other purposes	-	-	-	89,847	89,847
Assigned to:					
Capital projects	-	-	2,544,935	-	2,544,935
Future commitments	1,613,423	-	-	-	1,613,423
Other purposes	180,748	-	-	-	180,748
Unassigned:	5,420,756	-	-	(621)	5,420,135
	<u>\$ 7,566,980</u>	<u>\$ 455,808</u>	<u>\$ 2,545,633</u>	<u>\$ 2,904,934</u>	<u>\$ 13,473,355</u>

15. Fund Deficits at December 31, 2014:

The Revenue Collections Fund has a deficit fund balance of \$100,548. This fund has a deficit balance primarily due to the accrual of compensated absences, which is long term in nature. The Solid Waste Fund has a deficit fund balance of \$103,296. Solid Waste charges are billed and

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2014

collected in advance; therefore, the recording of receivables and unearned income using the accrual basis of accounting generates the fund's deficit balance. The Probation Grant Fund has a deficit fund balance of \$621, due to the accrual of expenditures on the modified accrual basis of accounting that were reimbursed by grant proceeds received after the 30-day period of availability.

16. Accounting Change and Restatement of Net Position:

During 2014, it was discovered that the reporting of sewer capitalized interest for 2013 was inadvertently not reflected as construction in progress which should have shown as a reduction of both interest expense and interest income.

The effects of this accounting change on the basic financial statements of the City are as follows:

	Sewer	Business-Type Activities
Net position as previously reported, 1/1/2014	\$ 16,741,397	\$ 42,112,973
Increase in Construction in progress	31,879	31,879
Net position, 1/1/2014, as restated	\$ 16,773,276	\$ 42,144,852

17. Contractual Commitment:

The encumbrances (amounts committed to liquidate purchase orders of the prior periods) at December 31, 2014 for governmental activities are as follows:

<u>Fund</u>	<u>Total Encumbrances</u>
General	\$ 180,748
Street	144,077
Capital	
Improvement	239,073
Non-major	173,460
Total	\$ 737,358

18. Pollution Remediation:

GASB Statement No. 49, Accounting and Financial Reporting for Pollution Remediation Obligations, provides guidance for state and local governments in estimating and reporting the potential cost of pollution remediation. While GASB 49 does not require the City to search for pollution, it does require the City to reasonably estimate and report remediation liability when certain obligating events occur. One such event would be if the City commenced or legally obligated itself to conduct cleanup activities or monitoring or operation and maintenance of the remediation effort. While not an obligating event, in August 2010, the City entered into a grant agreement with the U.S. Environmental Protection Agency to conduct an environmental site assessment and prepare a cleanup and redevelopment plan for the Wagner Manufacturing & Master Vision Polishing Plant. As of December 31, 2014, no pollution remediation liability has been recorded, as the City's involvement does not rise to the level of an obligating event. The City does not own the property and does not expect to be held as a potentially responsible party for the site cleanup.

In February 2013, the City was issued a notice that an underground storage tank owned by the City was not in compliance. The City is taking all necessary measures to comply with the Bureau of

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2014

Underground Storage Tank Regulations (BUSTR). Per GASB Statement No. 49, the City would be obligated for any potential cost of any pollution remediation. As of December 31, 2014, no known pollution remediation liability has been recorded, as these potential costs are unknown.

19. Subsequent Event:

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

In April 2015, the City entered into a five-year loan agreement with the Ohio Water Development Authority (OWDA) to plan and design a new groundwater source for the city's water treatment plant up to the amount of \$100,000. Semi-annual payments will start on July 1, 2016 at an interest rate of 3.25%.

On May 26, 2015, City Council authorized the City Manager to apply for a 30-year construction loan from OWDA in the amount up to \$22 million. The current interest rate is 3.41%, less a half point credit for the planning loan described above. This loan if approved would provide funding for the construction of wells at the new water source and transmission lines back to the Water Treatment Plant. Also, on May 26, 2015, City Council authorized the City Manager to apply for a 20-year loan from Water Pollution Control Loan Fund (WPCLF) in the amount up to \$12 million, which is administered jointly by the Ohio Environmental & Finance Assistance (DEFA) and OWDA. This loan, if approved would provide funding for various sewer projects designed to achieve compliance with Ohio Environmental Agency mandates. The current interest rate is 1.8%.

During 2015 City Council has passed several resolution authorizing the City of Sidney to acquire by way of appropriation (eminent domain) proceeding under Chapter 163 of the Ohio Revised Code. Negotiations with these land owners for certain water source property or right of way acquisitions on a voluntary conveyance will be commenced, however in the event that these negotiations prove unsuccessful the City has authority to initiate and litigate such matters in accordance with applicable Ohio Law.

CITY OF SIDNEY, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Original Budget	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:				
Local taxes	\$ 11,601,828	\$ 10,870,187	\$ 13,202,615	\$ 2,332,428
Intergovernmental revenues	662,388	662,388	677,853	15,465
Special assessments	241,600	241,600	241,635	35
Charges for services	1,481,298	1,481,298	1,385,242	(96,056)
Fines, licenses and permits	130,514	130,514	117,580	(12,934)
Investment income	10,815	10,815	55,812	44,997
Miscellaneous receipts and reimbursements	-	-	-	-
	<u>1,448,817</u>	<u>1,448,817</u>	<u>1,634,409</u>	<u>185,592</u>
Total revenues	<u>15,577,260</u>	<u>14,845,619</u>	<u>17,315,146</u>	<u>2,469,527</u>
EXPENDITURES:				
Current:				
General government	2,608,334	2,694,184	2,456,944	237,240
Police	5,817,976	5,900,755	5,682,483	218,272
Fire	4,672,878	4,882,273	4,763,265	119,008
Judicial	1,267,607	1,253,202	1,226,732	26,470
Community development	153,397	163,367	149,006	14,361
Community environment	606,004	626,503	600,095	26,408
Parks and recreation	1,228,004	1,291,453	1,230,194	61,259
Capital outlay	<u>56,000</u>	<u>60,500</u>	<u>41,270</u>	<u>19,230</u>
Total expenditures	<u>16,410,200</u>	<u>16,872,237</u>	<u>16,149,989</u>	<u>722,248</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(832,940)</u>	<u>(2,026,618)</u>	<u>1,165,157</u>	<u>3,191,775</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(416,078)</u>	<u>(427,178)</u>	<u>(427,178)</u>	<u>-</u>
Total other financing sources	<u>(416,078)</u>	<u>(427,178)</u>	<u>(427,178)</u>	<u>-</u>
Net change in fund balance	(1,249,018)	(2,453,796)	737,979	3,191,775
Fund Balances, beginning of year	6,884,442	6,884,442	6,884,442	-
Prior Year Encumbrances	<u>286,801</u>	<u>286,801</u>	<u>286,801</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 5,922,225</u>	<u>\$ 4,717,447</u>	<u>\$ 7,909,222</u>	<u>\$ 3,191,775</u>

See Notes to the Required Supplementary Information.

CITY OF SIDNEY, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
STREET REPAIR AND MAINTENANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Original Budget	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:				
Intergovernmental revenues	\$ 1,054,402	\$ 1,054,402	\$ 1,019,359	\$ (35,043)
Investment Income	410	410	1,189	779
Miscellaneous receipts and reimbursements	77,850	77,850	87,737	9,887
Total revenues	<u>1,132,662</u>	<u>1,132,662</u>	<u>1,108,285</u>	<u>(24,377)</u>
EXPENDITURES:				
Current:				
Street repair & maintenance	1,329,552	1,526,926	1,402,382	124,544
Total expenditures	<u>1,329,552</u>	<u>1,526,926</u>	<u>1,402,382</u>	<u>124,544</u>
Deficiency of revenues under expenditures	<u>(196,890)</u>	<u>(394,264)</u>	<u>(294,097)</u>	<u>100,167</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	190,000	190,000	190,000	-
Total other financing sources	<u>190,000</u>	<u>190,000</u>	<u>190,000</u>	<u>-</u>
Net change in fund balance	(6,890)	(204,264)	(104,097)	100,167
Fund Balances, beginning of year	173,696	173,696	173,696	-
Prior Year Encumbrances	64,850	64,850	64,850	-
Fund Balances, end of year	<u>\$ 231,656</u>	<u>\$ 34,282</u>	<u>\$ 134,449</u>	<u>\$ 100,167</u>

See Notes to the Required Supplementary Information.

CITY OF SIDNEY, OHIO
Notes to the Required Supplementary Information
For the Year Ended December 31, 2014

Basis of Budgeting

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

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

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

Budget Process

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

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

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

CITY OF SIDNEY, OHIO
Notes to the Required Supplementary Information
For the Year Ended December 31, 2014

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

Reconciliation of Budget Basis to GAAP Basis

The adjustments necessary to convert the results of operations for the year ended December 31, 2014, from the GAAP basis to the budget basis are as follows:

	<u>General Fund</u>	<u>Street Repair & Maintenance Fund</u>
Net change in fund balance - <i>GAAP Basis</i>	\$ 955,630	\$ 142,164
Increase / (decrease):		
Due to revenues	1,293,553	(355)
Due to expenditures	<u>(1,511,204)</u>	<u>(245,906)</u>
Net change in fund balance - Budget Basis	<u>\$ 737,979</u>	<u>\$ (104,097)</u>



SUPPLEMENTAL
SECTION



CITY OF SIDNEY, OHIO
Fund Descriptions

GENERAL FUND

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

SPECIAL REVENUE FUNDS

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

Major special revenue fund:

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

Non-major special revenue funds:

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

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

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

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

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

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

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

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

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

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

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

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

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

CITY OF SIDNEY, OHIO
Fund Descriptions

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

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

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

Municipal Court Mental Health Grant Fund. To account for the resources and expenditures of the Justice and Mental Health Collaboration Program grant as administered by Sidney Municipal Court.

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

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

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

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

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

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

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

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

Moving Ohio Forward Fund. To account for funds received as a part of the Moving Ohio Forward Grant Program. This funding is for removal of blighted residences, resulting in properties which are cleared and available for future reuse.

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

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

CITY OF SIDNEY, OHIO
Fund Descriptions

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

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

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

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

CAPITAL PROJECTS FUNDS

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

Major capital projects fund:

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

Non-major capital projects funds:

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

ENTERPRISE FUNDS

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

Major enterprise funds:

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

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

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

Non-major enterprise funds:

Transportation Fund. Accounts for the operation and maintenance of the Shelby Public Transit (formerly Dial-A-Ride) service, and related expenses, including capital improvement. The operating expenses and capital improvements are supported by customer charges and

CITY OF SIDNEY, OHIO
Fund Descriptions

governmental grants. Any remaining funding is split 65% subsidy from the General Fund and 35% subsidy from Shelby County.

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

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

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

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

INTERNAL SERVICE FUNDS

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

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

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

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

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

AGENCY FUNDS

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

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

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

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

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

CITY OF SIDNEY, OHIO
Fund Descriptions

PRIVATE-PURPOSE TRUST FUND

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

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

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

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

**CITY OF SIDNEY, OHIO
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2014**

	Non-major Special Revenue Funds	Brookside Park Capital Projects Fund	Total Non-major Governmental Funds
ASSETS			
Pooled cash	\$ 1,211,618	\$ 4,573	\$ 1,216,191
Cash held by outside agent	53,490	-	53,490
Pooled investments	1,712,791	6,463	1,719,254
Receivables:			
Property taxes	151,114	-	151,114
Other taxes	6,408	-	6,408
Interest	763	-	763
Loans	567,942	-	567,942
Other	59,953	-	59,953
Due from other funds	1,900	-	1,900
Receivables from other governments	71,655	-	71,655
Prepaid items	296	-	296
	<u>3,837,930</u>	<u>11,036</u>	<u>3,848,966</u>
Total assets	<u>\$ 3,837,930</u>	<u>\$ 11,036</u>	<u>\$ 3,848,966</u>
LIABILITIES			
Liabilities:			
Accounts payable	\$ 43,248	\$ -	\$ 43,248
Salaries and benefits payable	21,758	-	21,758
	<u>65,006</u>	<u>-</u>	<u>65,006</u>
Total liabilities	<u>65,006</u>	<u>-</u>	<u>65,006</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	879,026	-	879,026
Total deferred inflows of resources	879,026	-	879,026
FUND BALANCES			
Nonspendable	290	-	290
Restricted	2,634,666	-	2,634,666
Committed	259,563	11,036	270,599
Unassigned	(621)	-	(621)
	<u>2,893,898</u>	<u>11,036</u>	<u>2,904,934</u>
Total fund balances	<u>2,893,898</u>	<u>11,036</u>	<u>2,904,934</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,837,930</u>	<u>\$ 11,036</u>	<u>\$ 3,848,966</u>

CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Non-major Special Revenue Funds	Brookside Park Capital Projects Fund	Total Non-major Governmental Funds
REVENUES:			
Local taxes	\$ 206,080	\$ -	\$ 206,080
Intergovernmental revenues	646,186	-	646,186
Special assessments	500	-	500
Charges for services	298,958	-	298,958
Fines, licenses and permits	59,148	-	59,148
Investment income	39,918	-	39,918
Miscellaneous receipts and reimbursements	108,130	5,000	113,130
	<hr/>	<hr/>	<hr/>
Total revenues	1,358,920	5,000	1,363,920
EXPENDITURES:			
Current:			
Police	71,095	-	71,095
Fire	28,086	-	28,086
Judicial	250,542	-	250,542
Health	172,049	-	172,049
Street repairs and maintenance	75,000	-	75,000
Community development	135,507	-	135,507
Community environment	14,988	-	14,988
Capital outlay	272,164	730	272,894
Debt service:			
Principal	50,000	-	50,000
Interest	29,450	-	29,450
	<hr/>	<hr/>	<hr/>
Total expenditures	1,098,881	730	1,099,611
Excess (deficiency) of revenues over (under) expenditures	<hr/>	<hr/>	<hr/>
	260,039	4,270	264,309
OTHER FINANCING SOURCES:			
Transfers in	25,000	-	25,000
	<hr/>	<hr/>	<hr/>
Total other financing sources	25,000	-	25,000
Net change in fund balance	285,039	4,270	289,309
Fund balances, beginning of year	2,608,859	6,766	2,615,625
	<hr/>	<hr/>	<hr/>
Fund balances, end of year	\$ 2,893,898	\$ 11,036	\$ 2,904,934

**CITY OF SIDNEY, OHIO
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2014**

	State Highway	County Auto License	Convention and Visitors Bureau	Parking Enforcement	Drug Law Enforcement	Law Enforcement	Indigent Driver Alcohol Treatment	Enforcement & Education	E-Share Federal Forfeitures
ASSETS									
Pooled cash	\$ 248	\$ 40,996	\$ 10,796	\$ 32,238	\$ 7,398	\$ 17,307	\$ 20,773	\$ 5,357	\$ 1,632
Cash held by outside agent	-	53,490	-	-	-	-	-	-	-
Pooled investments	351	57,936	15,258	45,559	10,456	24,458	29,357	7,572	2,308
Receivables:									
Property taxes	-	-	-	-	-	-	-	-	-
Other taxes	-	-	6,408	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	3
Loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	2,195	-	-	921	54	-
Due from other funds	-	-	-	-	-	-	-	-	-
Receivables from other governments	44,178	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-	-
Total assets	\$ 44,777	\$ 152,422	\$ 32,462	\$ 79,992	\$ 17,854	\$ 41,765	\$ 51,051	\$ 12,983	\$ 3,943
LIABILITIES									
Accounts payable	\$ -	\$ -	-	\$ 11	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	-	-	-	-	-	-	-	2,004	-
Total liabilities	-	-	-	11	-	-	-	2,004	-
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue	38,488	53,490	-	1,170	-	-	-	-	2
Total deferred inflows of resources	38,488	53,490	-	1,170	-	-	-	-	2
FUND BALANCES									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	6,289	98,932	32,462	-	17,854	41,765	51,051	10,979	3,941
Committed	-	-	-	78,811	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances	6,289	98,932	32,462	78,811	17,854	41,765	51,051	10,979	3,941
Total liabilities, deferred inflows of resources and fund balances	\$ 44,777	\$ 152,422	\$ 32,462	\$ 79,992	\$ 17,854	\$ 41,765	\$ 51,051	\$ 12,983	\$ 3,943

(continued)

**CITY OF SIDNEY, OHIO
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2014**

	Health Department Building Lease	F.E.M.A. Grant	Probation Grant	Municipal Court Special Projects	Indigent Driver Interlock & Alcohol Monitoring	IDAT - Surplus	Municipal Court Computer	Municipal Court Mental Health Grant
ASSETS								
Pooled cash	\$ 74,898	\$ 4	\$ 1,719	\$ 271,976	\$ 2,186	\$ 4,894	\$ 7,312	\$ -
Cash held by outside agent	-	-	-	-	-	-	-	-
Pooled investments	105,848	5	2,428	384,363	3,090	6,916	10,333	-
Receivables:								
Property taxes	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Other	-	-	-	11,558	389	-	3,049	-
Due from other funds	-	-	-	-	-	-	-	-
Receivables from other governments	-	-	-	-	-	-	-	-
Prepaid items	6	-	-	-	-	-	-	-
Total assets	\$ 180,752	\$ 9	\$ 4,147	\$ 667,897	\$ 5,665	\$ 11,810	\$ 20,694	\$ -
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ 739	\$ 22,382	\$ 1,130	\$ 200	\$ 144	\$ -
Salaries and benefits payable	-	-	4,029	9,144	-	-	-	-
Total liabilities	-	-	4,768	31,526	1,130	200	144	-
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-
FUND BALANCES								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	9	-	636,371	4,535	11,610	20,550	-
Committed	180,752	-	-	-	-	-	-	-
Unassigned	-	-	(621)	-	-	-	-	-
Total fund balances	180,752	9	(621)	636,371	4,535	11,610	20,550	-
Total liabilities, deferred inflows of resources and fund balances	\$ 180,752	\$ 9	\$ 4,147	\$ 667,897	\$ 5,665	\$ 11,810	\$ 20,694	\$ -

(continued)

**CITY OF SIDNEY, OHIO
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2014**

	Cemetery	Cemetery Maintenance	Mausoleum Maintenance	C.D.B.G.	C.D.B.G. Revolving Loan	C.D.B.G. Program Income	H.O.M.E. Program Income	Neighborhood Stabilization Program Grant
ASSETS								
Pooled cash	\$ 28,071	\$ 309,235	\$ 16,940	\$ 72,529	\$ 7,533	\$ 1,955	\$ 29,875	\$ 90
Cash held by outside agent	-	-	-	-	-	-	-	-
Pooled investments	45,680	437,380	17,945	102,585	10,654	2,763	42,255	126
Receivables:								
Property taxes	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-
Interest	-	451	19	106	138	3	43	-
Loans	-	-	-	533,704	34,238	-	-	-
Other	40,724	-	1,063	-	-	-	-	-
Due from other funds	1,900	-	-	-	-	-	-	-
Receivables from other governments	-	-	-	27,477	-	-	-	-
Prepaid items	290	-	-	-	-	-	-	-
Total assets	\$ 116,665	\$ 747,066	\$ 35,967	\$ 736,401	\$ 52,563	\$ 4,721	\$ 72,173	\$ 216
LIABILITIES								
Accounts payable	\$ 899	\$ 117	-	\$ 17,626	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	6,581	-	-	-	-	-	-	-
Total liabilities	7,480	117	-	17,626	-	-	-	-
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	38,704	333	1,077	561,259	33,355	2	32	-
Total deferred inflows of resources	38,704	333	1,077	561,259	33,355	2	32	-
FUND BALANCES								
Nonspendable	290	-	-	-	-	-	-	-
Restricted	70,191	746,616	34,890	157,516	19,208	4,719	72,141	216
Committed	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	70,481	746,616	34,890	157,516	19,208	4,719	72,141	216
Total liabilities, deferred inflows of resources and fund balances	\$ 116,665	\$ 747,066	\$ 35,967	\$ 736,401	\$ 52,563	\$ 4,721	\$ 72,173	\$ 216

(continued)

**CITY OF SIDNEY, OHIO
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2014**

	Moving Ohio Forward	E-911 Wireless	Fire Loss Security	CRA	TIF - Kuther Rd	TIF - Menards	TIF - Echo	Non-major Special Revenue Funds Totals
ASSETS								
Pooled cash	\$ -	\$ 65,060	\$ 36,746	\$ 1,589	\$ 26,952	\$ 109,632	\$ 5,677	\$ 1,211,618
Cash held by outside agent	-	-	-	-	-	-	-	53,490
Pooled investments	-	91,944	51,930	2,246	38,088	154,934	8,023	1,712,791
Receivables:								
Property taxes	-	-	-	-	22,053	123,872	5,189	151,114
Other taxes	-	-	-	-	-	-	-	6,408
Interest	-	-	-	-	-	-	-	763
Loans	-	-	-	-	-	-	-	567,942
Other	-	-	-	-	-	-	-	59,953
Due from other funds	-	-	-	-	-	-	-	1,900
Receivables from other governments	-	-	-	-	-	-	-	71,655
Prepaid items	-	-	-	-	-	-	-	296
Total assets	\$ -	\$ 157,004	\$ 88,676	\$ 3,835	\$ 87,093	\$ 388,438	\$ 18,889	\$ 3,837,930
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,248
Salaries and benefits payable	-	-	-	-	-	-	-	21,758
Total liabilities	-	-	-	-	-	-	-	65,006
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	-	-	-	-	22,053	123,872	5,189	879,026
Total deferred inflows of resources	-	-	-	-	22,053	123,872	5,189	879,026
FUND BALANCES								
Nonspendable	-	-	-	-	-	-	-	290
Restricted	-	157,004	88,676	3,835	65,040	264,566	13,700	2,634,666
Committed	-	-	-	-	-	-	-	259,563
Unassigned	-	-	-	-	-	-	-	(621)
Total fund balances	-	157,004	88,676	3,835	65,040	264,566	13,700	2,893,898
Total liabilities, deferred inflows of resources and fund balances	\$ -	\$ 157,004	\$ 88,676	\$ 3,835	\$ 87,093	\$ 388,438	\$ 18,889	\$ 3,837,930

**CITY OF SIDNEY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2014**

	State Highway	County Auto License	Convention and Visitors Bureau	Parking Enforcement	Drug Law Enforcement	Law Enforcement	Indigent Driver Alcohol Treatment	Enforcement & Education	E-Share Federal Forfeitures
REVENUES:									
Local taxes	\$ -	\$ -	\$ 74,399	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	74,464	54,701	-	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Fines, licenses and permits	-	-	-	21,259	8,622	3,426	21,715	4,126	-
Investment income	304	-	-	-	-	-	-	-	32
Miscellaneous receipts and reimbursements	-	-	-	-	-	-	-	-	-
Total revenues	74,768	54,701	74,399	21,259	8,622	3,426	21,715	4,126	32
EXPENDITURES:									
Current:									
Police	-	-	-	-	10,177	7,831	-	7,526	-
Fire	-	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	1,048	-	-
Health	-	-	-	-	-	-	-	-	-
Street repairs and maintenance	75,000	-	-	-	-	-	-	-	-
Community development	-	-	46,388	-	-	-	-	-	-
Community environment	-	-	-	14,988	-	-	-	-	-
Capital outlay	-	-	-	-	-	1,350	-	-	-
Debt service:									
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total expenditures	75,000	-	46,388	14,988	10,177	9,181	1,048	7,526	-
Excess (deficiency) of revenues over (under) expenditures	(232)	54,701	28,011	6,271	(1,555)	(5,755)	20,667	(3,400)	32
OTHER FINANCING SOURCES:									
Transfers in	-	-	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-	-	-
Net change in fund balance	(232)	54,701	28,011	6,271	(1,555)	(5,755)	20,667	(3,400)	32
Fund balances, beginning of year	6,521	44,231	4,451	72,540	19,409	47,520	30,384	14,379	3,909
Fund balances, end of year	\$ 6,289	\$ 98,932	\$ 32,462	\$ 78,811	\$ 17,854	\$ 41,765	\$ 51,051	\$ 10,979	\$ 3,941

(continued)

**CITY OF SIDNEY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2014**

	Health Department Building Lease	F.E.M.A. Grant	Probation Grant	Municipal Court Special Projects	Indigent Driver Interlock & Alcohol Monitoring	IDAT - Surplus	Municipal Court Computer	Municipal Court Mental Health Grant
REVENUES:								
Local taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	-	-	55,612	-	-	-	-	67,368
Special Assessments	-	-	-	-	-	-	-	-
Charges for services	-	-	-	140,391	13,355	-	36,959	-
Fines, licenses and permits	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-
Miscellaneous receipts and reimbursements	20,000	-	-	5,338	-	-	-	-
Total revenues	20,000	-	55,612	145,729	13,355	-	36,959	67,368
EXPENDITURES:								
Current:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Judicial	-	-	57,583	62,729	26,082	2,696	35,152	65,252
Health	11,547	-	-	-	-	-	-	-
Street repairs and maintenance	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community environment	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	25,835	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	11,547	-	57,583	88,564	26,082	2,696	35,152	65,252
Excess (deficiency) of revenues over (under) expenditures	8,453	-	(1,971)	57,165	(12,727)	(2,696)	1,807	2,116
OTHER FINANCING SOURCES:								
Transfers in	-	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-	-
Net change in fund balance	8,453	-	(1,971)	57,165	(12,727)	(2,696)	1,807	2,116
Fund balances, beginning of year	172,299	9	1,350	579,206	17,262	14,306	18,743	(2,116)
Fund balances, end of year	\$ 180,752	\$ 9	\$ (621)	\$ 636,371	\$ 4,535	\$ 11,610	\$ 20,550	\$ -

(continued)

CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Cemetery	Cemetery Maintenance	Mausoleum Maintenance	C.D.B.G.	C.D.B.G. Revolving Loan	C.D.B.G. Program Income	H.O.M.E. Program Income	Neighborhood Stabilization Program Grant
REVENUES:								
Local taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	-	-	-	266,569	-	-	-	-
Special Assessments	-	-	-	-	-	-	-	-
Charges for services	104,000	-	4,253	-	-	-	-	-
Fines, licenses and permits	-	-	-	-	-	-	-	-
Investment income	-	6,103	250	1,248	12,315	38	19,628	-
Miscellaneous receipts and reimbursements	3,300	-	-	-	-	-	-	-
Total revenues	107,300	6,103	4,503	267,817	12,315	38	19,628	-
EXPENDITURES:								
Current:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	-	-
Health	160,125	377	-	-	-	-	-	-
Street repairs and maintenance	-	-	-	-	-	-	-	-
Community development	-	-	-	64,501	-	-	-	-
Community environment	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	211,156	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	160,125	377	-	275,657	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	(52,825)	5,726	4,503	(7,840)	12,315	38	19,628	-
OTHER FINANCING SOURCES:								
Transfers in	25,000	-	-	-	-	-	-	-
Total other financing sources	25,000	-	-	-	-	-	-	-
Net change in fund balance	(27,825)	5,726	4,503	(7,840)	12,315	38	19,628	-
Fund balances, beginning of year	98,306	740,890	30,387	165,356	6,893	4,681	52,513	216
Fund balances, end of year	\$ 70,481	\$ 746,616	\$ 34,890	\$ 157,516	\$ 19,208	\$ 4,719	\$ 72,141	\$ 216

(continued)

**CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Moving Ohio Forward	E-911 Wireless	Fire Loss Security	CRA	TIF - Kuther Rd	TIF - Menards	TIF - Echo	Non-major Special Revenue Funds Totals
REVENUES:								
Local taxes	\$ -	\$ -	\$ -	\$ -	\$ 28,426	\$ 98,466	\$ 4,789	\$ 206,080
Intergovernmental revenues	77,876	49,596	-	-	-	-	-	646,186
Special Assessments	-	-	-	500	-	-	-	500
Charges for services	-	-	-	-	-	-	-	298,958
Fines, licenses and permits	-	-	-	-	-	-	-	59,148
Investment income	-	-	-	-	-	-	-	39,918
Miscellaneous receipts and reimbursements	-	-	79,492	-	-	-	-	108,130
Total revenues	77,876	49,596	79,492	500	28,426	98,466	4,789	1,358,920
EXPENDITURES:								
Current:								
Police	-	45,561	-	-	-	-	-	71,095
Fire	-	-	28,086	-	-	-	-	28,086
Judicial	-	-	-	-	-	-	-	250,542
Health	-	-	-	-	-	-	-	172,049
Street repairs and maintenance	-	-	-	-	-	-	-	75,000
Community development	-	-	-	-	2,000	21,667	951	135,507
Community environment	-	-	-	-	-	-	-	14,988
Capital outlay	33,823	-	-	-	-	-	-	272,164
Debt service:								
Principal	-	-	-	-	10,000	40,000	-	50,000
Interest	-	-	-	-	8,225	21,225	-	29,450
Total expenditures	33,823	45,561	28,086	-	20,225	82,892	951	1,098,881
Excess (deficiency) of revenues over (under) expenditures	44,053	4,035	51,406	500	8,201	15,574	3,838	260,039
OTHER FINANCING SOURCES:								
Transfers in	-	-	-	-	-	-	-	25,000
Total other financing sources	-	-	-	-	-	-	-	25,000
Net change in fund balance	44,053	4,035	51,406	500	8,201	15,574	3,838	285,039
Fund balances, beginning of year	(44,053)	152,969	37,270	3,335	56,839	248,992	9,862	2,608,859
Fund balances, end of year	\$ -	\$ 157,004	\$ 88,676	\$ 3,835	\$ 65,040	\$ 264,566	\$ 13,700	\$ 2,893,898

CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS
DECEMBER 31, 2014

	Transportation	Airport	Yard Waste	Solid Waste	Swimming Pool	Non-major Enterprise Funds Totals
ASSETS						
Current assets:						
Pooled cash	\$ 26,542	\$ 27,255	\$ 2,499	\$ 74,074	\$ 9,163	\$ 139,533
Pooled investments	37,507	38,517	3,531	104,682	12,950	197,187
Receivables:						
Accounts	18,637	5,485	-	108,271	-	132,393
Receivables from other governments	59,450	239,690	-	-	-	299,140
Inventory	-	50,261	-	-	-	50,261
Prepaid items	2,111	1,949	22	-	66	4,148
	<u>144,247</u>	<u>363,157</u>	<u>6,052</u>	<u>287,027</u>	<u>22,179</u>	<u>822,662</u>
Total current assets						
Noncurrent assets:						
Capital assets:						
Capital assets not subject to depreciation:						
Land	55,000	1,004,352	11,340	-	-	1,070,692
Construction in progress	-	3,209,267	-	-	-	3,209,267
Capital assets net of						
accumulated depreciation	<u>1,386,605</u>	<u>1,353,199</u>	<u>-</u>	<u>-</u>	<u>904,038</u>	<u>3,643,842</u>
	<u>1,441,605</u>	<u>5,566,818</u>	<u>11,340</u>	<u>-</u>	<u>904,038</u>	<u>7,923,801</u>
Total noncurrent assets						
Total assets	<u>\$ 1,585,852</u>	<u>\$ 5,929,975</u>	<u>\$ 17,392</u>	<u>\$ 287,027</u>	<u>\$ 926,217</u>	<u>\$ 8,746,463</u>
LIABILITIES						
Current liabilities:						
Accounts payable	\$ 4,074	\$ 33,269	\$ 335	\$ 200,955	\$ 165	\$ 238,798
Salaries and benefits payable	32,546	-	-	437	2,178	35,161
Compensated absences	2,681	-	-	64	-	2,745
Refundable deposits	-	290	-	-	-	290
Unearned revenue	-	-	-	188,360	-	188,360
Due to Other Funds	-	231,100	-	-	-	231,100
	<u>39,301</u>	<u>264,659</u>	<u>335</u>	<u>389,816</u>	<u>2,343</u>	<u>696,454</u>
Total current liabilities						
Noncurrent liabilities:						
Compensated absences	<u>65,376</u>	<u>-</u>	<u>-</u>	<u>507</u>	<u>-</u>	<u>65,883</u>
Total noncurrent liabilities	<u>65,376</u>	<u>-</u>	<u>-</u>	<u>507</u>	<u>-</u>	<u>65,883</u>
Total liabilities	<u>104,677</u>	<u>264,659</u>	<u>335</u>	<u>390,323</u>	<u>2,343</u>	<u>762,337</u>
NET POSITION						
Net investment in capital assets	1,441,605	5,566,818	11,340	-	904,038	7,923,801
Unrestricted	<u>39,570</u>	<u>98,498</u>	<u>5,717</u>	<u>(103,296)</u>	<u>19,836</u>	<u>60,325</u>
Total net position	<u>1,481,175</u>	<u>5,665,316</u>	<u>17,057</u>	<u>(103,296)</u>	<u>923,874</u>	<u>7,984,126</u>
Total liabilities and net position	<u>\$ 1,585,852</u>	<u>\$ 5,929,975</u>	<u>\$ 17,392</u>	<u>\$ 287,027</u>	<u>\$ 926,217</u>	<u>\$ 8,746,463</u>

CITY OF SIDNEY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION - NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Transportation	Airport	Yard Waste	Solid Waste	Swimming Pool	Non-major Enterprise Funds Totals
OPERATING REVENUES:						
Charges for services	\$ 247,284	\$ 322,673	\$ 17,685	\$ 1,388,994	\$ 60,389	\$ 2,037,025
Other revenue	12,195	166,507	-	63	12,167	190,932
Total operating revenues	259,479	489,180	17,685	1,389,057	72,556	2,227,957
OPERATING EXPENSES:						
Personal services	504,183	-	-	6,762	91,392	602,337
Operations and maintenance	317,583	370,545	39,067	1,352,719	63,062	2,142,976
Depreciation	79,474	84,792	-	-	32,007	196,273
Total operating expenses	901,240	455,337	39,067	1,359,481	186,461	2,941,586
Operating loss	(641,761)	33,843	(21,382)	29,576	(113,905)	(713,629)
NONOPERATING REVENUE:						
Intergovernmental	456,132	-	-	-	-	456,132
Total nonoperating revenue	456,132	-	-	-	-	456,132
Loss before transfers	(185,629)	33,843	(21,382)	29,576	(113,905)	(257,497)
Capital contributions	94,914	285,952	-	-	-	380,866
Transfers in	74,778	45,000	17,000	-	75,400	212,178
Change in net position	(15,937)	364,795	(4,382)	29,576	(38,505)	335,547
Net position - beginning	1,497,112	5,300,521	21,439	(132,872)	962,379	7,648,579
Net position - ending	\$ 1,481,175	\$ 5,665,316	\$ 17,057	\$ (103,296)	\$ 923,874	\$ 7,984,126

CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF CASH FLOWS - NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Transportation	Airport	Yard Waste	Solid Waste	Swimming Pool	Non-major Enterprise Funds Totals
Cash flows from operating activities:						
Receipts from customers and users	\$ 241,932	\$ 446,225	\$ 17,685	\$ 1,397,626	\$ 72,556	\$ 2,176,024
Receipts from interfund services	-	150,000	-	-	20	150,020
Payments to suppliers	(71,405)	(364,967)	(24,689)	(1,218,713)	(44,976)	(1,724,750)
Payments to employees	(492,317)	-	-	(6,529)	(90,723)	(589,569)
Payments for interfund services provided (used)	(246,831)	57,575	(14,560)	(131,120)	(18,296)	(353,232)
Net cash provided by (used for) operating activities	(568,621)	288,833	(21,564)	41,264	(81,419)	(341,507)
Cash flows from noncapital financing activities:						
Transfers in	74,778	45,000	17,000	-	75,400	212,178
Intergovernmental	456,132	-	-	-	-	456,132
Net cash provided by noncapital financing activities	530,910	45,000	17,000	-	75,400	668,310
Cash flows from capital and related financing activities:						
Acquisition of capital assets	(30,000)	(858,417)	-	-	-	(888,417)
Capital contributions	94,914	285,952	-	-	-	380,866
Net cash provided by (used for) capital and related financing activities	64,914	(572,465)	-	-	-	(507,551)
Cash flows from investing activities:						
Proceeds from sales and maturities of investments	90,978	150,147	3,012	226,907	19,399	490,443
Purchase of investments	(119,487)	(114,323)	(3,956)	(298,011)	(25,479)	(561,256)
Net cash provided by investing activities	(28,509)	35,824	(944)	(71,104)	(6,080)	(70,813)
Net decrease in pooled cash	(1,306)	(202,808)	(5,508)	(29,840)	(12,099)	(251,561)
Pooled cash, beginning of year	27,848	230,063	8,007	103,914	21,262	391,094
Pooled cash, end of year	\$ 26,542	\$ 27,255	\$ 2,499	\$ 74,074	\$ 9,163	\$ 139,533
Reconciliation of operating loss to net cash used by operating activities:						
Operating income (loss)	\$ (641,761)	\$ 33,843	\$ (21,382)	\$ 29,576	\$ (113,905)	\$ (713,629)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities:						
Depreciation	79,474	84,792	-	-	32,007	196,273
Change in assets and liabilities:						
Accounts receivable	(3,308)	(2,700)	-	8,999	-	2,991
Other receivables	(14,239)	109,745	-	-	20	95,526
Prepaid items	(495)	134	22	-	6	(333)
Inventory	-	(15,955)	-	-	-	(15,955)
Accounts payable	(158)	81	(204)	2,886	(216)	2,389
Advances from other funds	-	144,200	-	-	-	144,200
Salaries and benefits payable and compensated absences	11,866	-	-	233	669	12,768
Due to other funds	-	(65,307)	-	-	-	(65,307)
Unearned revenue	-	-	-	(430)	-	(430)
Net cash provided by (used for) operating activities	\$ (568,621)	\$ 288,833	\$ (21,564)	\$ 41,264	\$ (81,419)	\$ (341,507)
Noncash investing, capital and related financing activities:						
Purchase of equipment on account	\$ -	\$ 14,789	\$ -	\$ -	\$ -	\$ 14,789
Prior year purchase of equipment on account	\$ -	\$ 554,798	\$ -	\$ -	\$ -	\$ 554,798

**CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2014**

	Service Center Building	Technology	Revenue Collections	Garage/Fleet Operations	Internal Service Totals
ASSETS					
Current assets:					
Pooled cash	\$ 40,634	\$ 76,542	\$ 14,905	\$ 11,295	\$ 143,376
Pooled investments	57,425	108,171	21,064	15,962	202,622
Receivables (net):					
Inventory	-	1,639	-	10,471	12,110
Prepaid items	378	58,301	315	174	59,168
Total current assets	<u>98,437</u>	<u>244,653</u>	<u>36,284</u>	<u>37,902</u>	<u>417,276</u>
Noncurrent assets:					
Capital assets, net of accumulated depreciation	<u>300,350</u>	<u>140,116</u>	<u>5,066</u>	<u>35,666</u>	<u>481,198</u>
Total noncurrent assets	<u>300,350</u>	<u>140,116</u>	<u>5,066</u>	<u>35,666</u>	<u>481,198</u>
Total assets	<u>\$ 398,787</u>	<u>\$ 384,769</u>	<u>\$ 41,350</u>	<u>\$ 73,568</u>	<u>\$ 898,474</u>
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 4,826	\$ 28,361	\$ 10,840	\$ 12,200	\$ 56,227
Salaries and benefits payable	-	18,420	27,670	15,888	61,978
Compensated absences	-	1,274	4,496	2,003	7,773
Total current liabilities	<u>4,826</u>	<u>48,055</u>	<u>43,006</u>	<u>30,091</u>	<u>125,978</u>
Noncurrent liabilities:					
Compensated absences	-	9,362	98,892	20,883	129,137
Total noncurrent liabilities	<u>-</u>	<u>9,362</u>	<u>98,892</u>	<u>20,883</u>	<u>129,137</u>
Total liabilities	<u>4,826</u>	<u>57,417</u>	<u>141,898</u>	<u>50,974</u>	<u>255,115</u>
NET POSITION					
Net investment in capital assets	300,350	140,116	5,066	35,666	481,198
Unrestricted	<u>93,611</u>	<u>187,236</u>	<u>(105,614)</u>	<u>(13,072)</u>	<u>162,161</u>
Total net position	<u>393,961</u>	<u>327,352</u>	<u>(100,548)</u>	<u>22,594</u>	<u>643,359</u>
Total liabilities and net position	<u>\$ 398,787</u>	<u>\$ 384,769</u>	<u>\$ 41,350</u>	<u>\$ 73,568</u>	<u>\$ 898,474</u>

CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Service Center Building	Technology	Revenue Collections	Garage/Fleet Operations	Internal Service Totals
OPERATING REVENUES:					
Charges for services	\$ 139,000	\$ 819,386	\$ 570,835	\$ 846,364	\$ 2,375,585
Other revenue	-	2,975	3,629	8,342	14,946
Total operating revenues	<u>139,000</u>	<u>822,361</u>	<u>574,464</u>	<u>854,706</u>	<u>2,390,531</u>
OPERATING EXPENSES:					
Personal services	-	288,641	450,868	259,360	998,869
Operations and maintenance	76,263	413,659	138,217	565,435	1,193,574
Depreciation	30,484	49,812	669	10,700	91,665
Total operating expenses	<u>106,747</u>	<u>752,112</u>	<u>589,754</u>	<u>835,495</u>	<u>2,284,108</u>
Operating income (loss)	<u>32,253</u>	<u>70,249</u>	<u>(15,290)</u>	<u>19,211</u>	<u>106,423</u>
NONOPERATING REVENUES:					
Gain (loss) on disposal of assets	<u>8,010</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,010</u>
Total nonoperating revenues	<u>8,010</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,010</u>
Income (loss) before capital contributions and transfers	40,263	70,249	(15,290)	19,211	114,433
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,747</u>	<u>3,747</u>
Change in net position	40,263	70,249	(15,290)	22,958	118,180
Net position - beginning	<u>353,698</u>	<u>257,103</u>	<u>(85,258)</u>	<u>(364)</u>	<u>525,179</u>
Net position - ending	<u>\$ 393,961</u>	<u>\$ 327,352</u>	<u>\$ (100,548)</u>	<u>\$ 22,594</u>	<u>\$ 643,359</u>

CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Service Center Building	Technology	Revenue Collections	Garage/Fleet Operations	Internal Service Totals
Cash flows from operating activities:					
Receipts from customers and users	\$ -	\$ 67,635	\$ 3,629	\$ 8,342	\$ 79,606
Receipts from interfund services	139,000	760,550	570,835	846,364	2,316,749
Payments to suppliers	(69,307)	(372,986)	(78,267)	(524,349)	(1,044,909)
Payments to employees	-	(300,667)	(427,915)	(257,321)	(985,903)
Payments for interfund services used	(6,830)	(2,513)	(57,674)	(40,770)	(107,787)
Net cash provided by operating activities	<u>62,863</u>	<u>152,019</u>	<u>10,608</u>	<u>32,266</u>	<u>257,756</u>
Cash flows from capital and related financing activities:					
Proceeds from sales of capital assets	8,010	-	-	-	8,010
Acquisition of capital assets	(38,510)	(73,830)	(5,735)	(38,003)	(156,078)
Net cash used for capital and related financing activities	<u>(30,500)</u>	<u>(73,830)</u>	<u>(5,735)</u>	<u>(38,003)</u>	<u>(148,068)</u>
Cash flows from investing activities:					
Proceeds from sales and maturities of investments	132,054	262,175	42,982	25,223	462,434
Purchase of investments	(173,435)	(344,331)	(56,452)	(33,127)	(607,345)
Net cash provided by investing activities	<u>(41,381)</u>	<u>(82,156)</u>	<u>(13,470)</u>	<u>(7,904)</u>	<u>(144,911)</u>
Net decrease in pooled cash	(9,018)	(3,967)	(8,597)	(13,641)	(35,223)
Pooled cash, beginning of year	<u>49,652</u>	<u>80,509</u>	<u>23,502</u>	<u>24,936</u>	<u>178,599</u>
Pooled cash, end of year	<u>\$ 40,634</u>	<u>\$ 76,542</u>	<u>\$ 14,905</u>	<u>\$ 11,295</u>	<u>\$ 143,376</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ 32,253	\$ 70,249	\$ (15,290)	\$ 19,211	\$ 106,423
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation	30,484	49,812	669	10,700	91,665
Change in assets and liabilities:					
Accounts receivables	-	5,824	-	-	5,824
Prepaid items	8	12,219	(7)	257	12,477
Inventory	-	440	-	1,171	1,611
Accounts payable	118	25,501	2,283	(1,112)	26,790
Salaries and benefits payable and compensated absences	-	(12,026)	22,953	2,039	12,966
Net cash provided by operating activities	<u>\$ 62,863</u>	<u>\$ 152,019</u>	<u>\$ 10,608</u>	<u>\$ 32,266</u>	<u>\$ 257,756</u>
Noncash investing, capital and related financing activities:					
Prior year purchase of equipment on account	\$ -	\$ 35,594	\$ -	\$ -	\$ 35,594
Transfer net book value of equipment	\$ -	\$ -	\$ -	\$ 3,747	\$ 3,747

CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF NET POSITION
AGENCY FUNDS
DECEMBER 31, 2014

	Municipal Court	Medical Reimbursement	Port Jefferson	River Clean-Up	Agency Funds Totals
ASSETS					
Pooled cash	\$ -	\$ 8,183	\$ 3,975	\$ 17,153	\$ 29,311
Pooled investments	-	11,563	5,617	24,240	41,420
Cash held by outside agent	198,073	-	-	-	198,073
Accounts Receivable	-	-	10,422	-	10,422
Prepaid Expenses	-	-	-	999	999
	<u>-</u>	<u>-</u>	<u>-</u>	<u>999</u>	<u>999</u>
Total assets	<u>\$ 198,073</u>	<u>\$ 19,746</u>	<u>\$ 20,014</u>	<u>\$ 42,392</u>	<u>\$ 280,225</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ 6,960	\$ -	\$ 6,960
Due to other governments	\$ 103,587	\$ -	\$ 13,054	\$ -	\$ 116,641
Undistributed monies	94,486	19,746	-	42,392	156,624
	<u>94,486</u>	<u>19,746</u>	<u>-</u>	<u>42,392</u>	<u>156,624</u>
Total liabilities	<u>\$ 198,073</u>	<u>\$ 19,746</u>	<u>\$ 20,014</u>	<u>\$ 42,392</u>	<u>\$ 280,225</u>

CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Balance at January 1, 2014	Additions	Deductions	Balance at December 31, 2014
<u>Municipal Court Fund</u>				
ASSETS				
Cash held by outside agent	\$ 164,877	\$ 2,175,935	\$ 2,142,739	\$ 198,073
Total assets	<u>\$ 164,877</u>	<u>\$ 2,175,935</u>	<u>\$ 2,142,739</u>	<u>\$ 198,073</u>
LIABILITIES				
Due to other governments	\$ 87,306	\$ 1,186,685	\$ 1,170,404	\$ 103,587
Undistributed monies	<u>77,571</u>	<u>989,250</u>	<u>972,335</u>	<u>94,486</u>
Total liabilities	<u>\$ 164,877</u>	<u>\$ 2,175,935</u>	<u>\$ 2,142,739</u>	<u>\$ 198,073</u>
<u>Medical Reimbursement Fund</u>				
ASSETS				
Pooled cash	\$ 13,055	\$ 4,771	\$ 9,643	\$ 8,183
Pooled investments	<u>4,218</u>	<u>7,345</u>	<u>-</u>	<u>\$ 11,563</u>
Total assets	<u>\$ 17,273</u>	<u>\$ 12,116</u>	<u>\$ 9,643</u>	<u>\$ 19,746</u>
LIABILITIES				
Undistributed monies	<u>\$ 17,273</u>	<u>\$ 12,116</u>	<u>\$ 9,643</u>	<u>19,746</u>
Total liabilities	<u>\$ 17,273</u>	<u>\$ 12,116</u>	<u>\$ 9,643</u>	<u>\$ 19,746</u>
<u>Port Jefferson Fund</u>				
ASSETS				
Pooled cash	\$ 6,714	\$ 73,718	\$ 76,457	\$ 3,975
Pooled investments	2,170	6,960	3,513	5,617
Accounts receivable	<u>-</u>	<u>10,422</u>	<u>-</u>	<u>10,422</u>
Total assets	<u>\$ 8,884</u>	<u>\$ 91,100</u>	<u>\$ 79,970</u>	<u>\$ 20,014</u>
LIABILITIES				
Accounts payable	-	6,960	-	6,960
Due to other governments	<u>8,884</u>	<u>84,140</u>	<u>79,970</u>	<u>13,054</u>
Total liabilities	<u>\$ 8,884</u>	<u>\$ 91,100</u>	<u>\$ 79,970</u>	<u>\$ 20,014</u>
<u>River Clean-Up Fund</u>				
ASSETS				
Pooled cash	\$ 26,719	\$ 3,427	\$ 12,993	\$ 17,153
Pooled investments	8,634	15,606	-	24,240
Prepaid items	<u>1,034</u>	<u>-</u>	<u>35</u>	<u>999</u>
Total assets	<u>\$ 36,387</u>	<u>\$ 19,033</u>	<u>\$ 13,028</u>	<u>\$ 42,392</u>
LIABILITIES				
Undistributed monies	<u>36,387</u>	<u>19,033</u>	<u>13,028</u>	<u>42,392</u>
Total liabilities	<u>\$ 36,387</u>	<u>\$ 19,033</u>	<u>\$ 13,028</u>	<u>\$ 42,392</u>
<u>Total Agency Funds</u>				
ASSETS				
Pooled cash	\$ 46,488	\$ 81,916	\$ 99,093	\$ 29,311
Pooled investments	15,022	29,911	3,513	41,420
Cash held by outside agent	164,877	2,175,935	2,142,739	198,073
Accounts receivable	-	10,422	-	10,422
Prepaid items	<u>1,034</u>	<u>-</u>	<u>35</u>	<u>999</u>
Total assets	<u>\$ 227,421</u>	<u>\$ 2,298,184</u>	<u>\$ 2,245,380</u>	<u>\$ 280,225</u>
LIABILITIES				
Accounts payable	\$ -	\$ 6,960	\$ -	\$ 6,960
Due to employees	-	-	-	-
Due to other governments	\$ 96,190	\$ 1,270,825	\$ 1,250,374	\$ 116,641
Undistributed monies	<u>131,231</u>	<u>1,020,399</u>	<u>995,006</u>	<u>156,624</u>
Total liabilities	<u>\$ 227,421</u>	<u>\$ 2,298,184</u>	<u>\$ 2,245,380</u>	<u>\$ 280,225</u>

**CITY OF SIDNEY, OHIO
 COMBINING STATEMENT OF NET POSITION
 PRIVATE-PURPOSE TRUST FUNDS
 DECEMBER 31, 2014**

	<u>C. Truster Flower Trust</u>	<u>B. Bennett Flower Trust</u>	<u>Ike Family Mausoleum Trust</u>	<u>Private-Purpose Trust Funds</u>
ASSETS				
Pooled cash	\$ 1,145	\$ 1,745	\$ 1,743	\$ 4,633
Pooled investments	1,619	2,468	2,465	6,552
Cash held by outside agent	-	-	-	-
Receivable				
Accounts	-	-	-	-
Interest	1	3	3	7
Prepaid expenses	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 2,765</u>	<u>\$ 4,216</u>	<u>\$ 4,211</u>	<u>\$ 11,192</u>
LIABILITIES				
Accounts payable	-	306	-	306
Due to other governments	-	-	-	-
Undistributed monies	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>\$ -</u>	<u>\$ 306</u>	<u>\$ -</u>	<u>\$ 306</u>
NET POSITION				
Net position held in trust for other purposes	<u>\$ 2,765</u>	<u>\$ 3,910</u>	<u>\$ 4,211</u>	<u>\$ 10,886</u>

**CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF CHANGES IN NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>C. Truster Flower Trust</u>	<u>B. Bennett Flower Trust</u>	<u>Ike Family Mausoleum Trust</u>	<u>Private-Purpose Trust Funds</u>
ADDITIONS				
Private contributions	\$ 40	\$ -	\$ -	\$ 40
Investment income	<u>23</u>	<u>39</u>	<u>37</u>	<u>99</u>
	<u>63</u>	<u>39</u>	<u>37</u>	<u>139</u>
DEDUCTIONS				
Purchase of flowers	<u>40</u>	<u>613</u>	<u>-</u>	<u>653</u>
	<u>40</u>	<u>613</u>	<u>-</u>	<u>653</u>
Change in net position	23	(574)	37	(514)
Net position, beginning of year	<u>2,742</u>	<u>4,484</u>	<u>4,174</u>	<u>11,400</u>
Net position, end of year	<u>\$ 2,765</u>	<u>\$ 3,910</u>	<u>\$ 4,211</u>	<u>\$ 10,886</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local taxes	\$ 10,870,187	\$ 13,202,615	\$ 2,332,428
Intergovernmental revenues	662,388	677,853	15,465
Special assessments	241,600	241,635	35
Charges for services	1,481,298	1,385,242	(96,056)
Fines, licenses and permits	130,514	117,580	(12,934)
Investment income	10,815	55,812	44,997
Miscellaneous receipts and reimbursements	<u>1,448,817</u>	<u>1,634,409</u>	<u>185,592</u>
Total revenues	<u>14,845,619</u>	<u>17,315,146</u>	<u>2,469,527</u>
EXPENDITURES:			
Current:			
General government			
City Council			
Personal services	77,000	74,930	2,070
Contractual, materials and other	34,960	29,251	5,709
City Administration			
Personal services	211,035	209,234	1,801
Contractual, materials and other	21,401	18,985	2,416
Finance			
Personal services	369,410	369,206	204
Contractual, materials and other	133,319	129,154	4,165
Law Director			
Personal services	189,220	187,059	2,161
Contractual, materials and other	16,027	14,254	1,773
Personnel			
Personal services	174,950	173,151	1,799
Contractual, materials and other	210,194	147,661	62,533
County Auditor Deductions			
Contractual, materials and other	123,324	117,187	6,137
Purchasing			
Personal services	39,245	37,706	1,539
Contractual, materials and other	18,060	10,493	7,567
City Hall			
Personal services	56,740	55,709	1,031
Contractual, materials and other	167,053	162,154	4,899
Miscellaneous			
Personal services	250,000	156,836	93,164
Contractual, materials and other	<u>608,246</u>	<u>564,144</u>	<u>44,102</u>
Total general government	<u>2,700,184</u>	<u>2,457,114</u>	<u>243,070</u>
Police			
Police Services			
Personal services	4,644,058	4,522,353	121,705
Contractual, materials and other	1,035,892	945,691	90,201
Street Lighting Department			
Contractual, materials and other	<u>225,305</u>	<u>218,939</u>	<u>6,366</u>
Total police	<u>5,905,255</u>	<u>5,686,983</u>	<u>218,272</u>

(continued)

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
Fire			
Fire Services			
Personal services	4,196,235	4,093,714	102,521
Contractual, materials and other	<u>686,038</u>	<u>669,551</u>	<u>16,487</u>
Total fire	<u>4,882,273</u>	<u>4,763,265</u>	<u>119,008</u>
Judicial			
Municipal Court			
Personal services	916,210	907,217	8,993
Contractual, materials and other	<u>336,992</u>	<u>319,515</u>	<u>17,477</u>
Total judicial	<u>1,253,202</u>	<u>1,226,732</u>	<u>26,470</u>
Community environment			
Building Inspection			
Personal services	119,590	113,436	6,154
Contractual, materials and other	16,436	15,442	994
Engineering			
Personal services	263,760	260,134	3,626
Contractual, materials and other	119,204	107,414	11,790
Code Enforcement			
Personal services	78,580	77,643	937
Contractual, materials and other	<u>28,933</u>	<u>26,026</u>	<u>2,907</u>
Total community environment	<u>626,503</u>	<u>600,095</u>	<u>26,408</u>
Community development			
Community Planning & Development			
Personal services	126,560	124,667	1,893
Contractual, materials and other	<u>36,807</u>	<u>24,339</u>	<u>12,468</u>
Total community development	<u>163,367</u>	<u>149,006</u>	<u>14,361</u>
Parks and recreation			
Parks & Recreation - Administration			
Personal services	103,175	100,475	2,700
Contractual, materials and other	34,780	33,008	1,772
Parks & Recreation - Programs			
Personal services	97,970	93,745	4,225
Contractual, materials and other	84,038	76,929	7,109

(continued)

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
Parks & Public Grounds			
Personal services	573,285	547,292	25,993
Contractual, materials and other	339,959	310,403	29,556
Urban Forest			
Contractual, materials and other	62,750	62,204	546
Senior Center			
Contractual, materials and other	45,496	42,738	2,758
Total parks and recreation	<u>1,341,453</u>	<u>1,266,794</u>	<u>74,659</u>
Total expenditures	<u>16,872,237</u>	<u>16,149,989</u>	<u>722,248</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,026,618)</u>	<u>1,165,157</u>	<u>3,191,775</u>
OTHER FINANCING SOURCES (USES):			
Transfers out	<u>(427,178)</u>	<u>(427,178)</u>	<u>-</u>
Total other financing uses	<u>(427,178)</u>	<u>(427,178)</u>	<u>-</u>
Net change in fund balance	<u>(2,453,796)</u>	<u>737,979</u>	<u>3,191,775</u>
Fund Balances, beginning of year	6,884,442	6,884,442	-
Prior Year Encumbrances	286,801	286,801	-
Fund Balances, end of year	<u>\$ 4,717,447</u>	<u>\$ 7,909,222</u>	<u>\$ 3,191,775</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
STREET REPAIR AND MAINTENANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 1,054,402	\$ 1,019,359	\$ (35,043)
Investment Income	410	1,189	779
Miscellaneous receipts and reimbursements	<u>77,850</u>	<u>87,737</u>	<u>9,887</u>
Total revenues	<u>1,132,662</u>	<u>1,108,285</u>	<u>(24,377)</u>
EXPENDITURES:			
Current:			
Street repair & maintenance			
Personal services	582,919	536,011	46,908
Contractual, materials and other	<u>944,007</u>	<u>866,371</u>	<u>77,636</u>
Total expenditures	<u>1,526,926</u>	<u>1,402,382</u>	<u>124,544</u>
Deficiency of revenues under expenditures	<u>(394,264)</u>	<u>(294,097)</u>	<u>100,167</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	<u>190,000</u>	<u>190,000</u>	<u>-</u>
Total other financing sources	<u>190,000</u>	<u>190,000</u>	<u>-</u>
Net change in fund balance	(204,264)	(104,097)	100,167
Fund Balances, beginning of year	173,696	173,696	-
Prior Year Encumbrances	64,850	64,850	-
Fund Balances, end of year	<u>\$ 34,282</u>	<u>\$ 134,449</u>	<u>\$ 100,167</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
STATE HIGHWAY FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 74,800	\$ 74,480	\$ (320)
Investment income	200	303	103
Total revenues	75,000	74,783	(217)
EXPENDITURES:			
Current:			
Street repair & maintenance			
Contractual, materials and other	75,000	75,000	-
Total expenditures	75,000	75,000	-
Deficiency of revenues under expenditures	-	(217)	(217)
Fund Balances, beginning of year	816	816	-
Fund Balances, end of year	<u>\$ 816</u>	<u>\$ 599</u>	<u>\$ (217)</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
COUNTY AUTO LICENSE FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenue	\$ 95,000	\$ 54,701	\$ (40,299)
Total revenues	95,000	54,701	(40,299)
EXPENDITURES:			
Current:			
Street repair & maintenance			
Contractual, materials and other	94,915	-	94,915
Total expenditures	94,915	-	94,915
Excess of revenues over expenditures	85	54,701	54,616
Fund Balances, beginning of year	44,230	44,230	-
Fund Balances, end of year	<u>\$ 44,315</u>	<u>\$ 98,931</u>	<u>\$ 54,616</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
CONVENTION AND VISITORS' BUREAU FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local taxes	\$ 65,430	\$ 72,442	\$ 7,012
Total revenues	<u>65,430</u>	<u>72,442</u>	<u>7,012</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	<u>60,000</u>	<u>60,000</u>	<u>-</u>
Total expenditures	<u>60,000</u>	<u>60,000</u>	<u>-</u>
Excess of revenues over expenditures	5,430	12,442	7,012
Fund Balances, beginning of year	13,612	13,612	-
Fund Balances, end of year	<u>\$ 19,042</u>	<u>\$ 26,054</u>	<u>\$ 7,012</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
PARKING ENFORCEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 16,700	\$ 20,384	\$ 3,684
Total revenues	<u>16,700</u>	<u>20,384</u>	<u>3,684</u>
EXPENDITURES:			
Current:			
Community Environment			
Personal services	14,730	2,228	12,502
Contractual, materials and other	<u>14,078</u>	<u>13,334</u>	<u>744</u>
Total expenditures	<u>28,808</u>	<u>15,562</u>	<u>13,246</u>
Excess (deficiency) of revenues over (under) expenditures	(12,108)	4,822	16,930
Fund Balances, beginning of year	72,816	72,816	-
Prior Year Encumbrances	10	10	-
Fund Balances, end of year	<u>\$ 60,718</u>	<u>\$ 77,648</u>	<u>\$ 16,930</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
DRUG LAW ENFORCEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 7,000	\$ 8,622	\$ 1,622
Total revenues	<u>7,000</u>	<u>8,622</u>	<u>1,622</u>
EXPENDITURES:			
Current:			
Police			
Personal services	11,736	177	11,559
Contractual, materials and other	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Total expenditures	<u>21,736</u>	<u>10,177</u>	<u>11,559</u>
Deficiency of revenues under expenditures	(14,736)	(1,555)	13,181
Fund Balances, beginning of year	19,410	19,410	-
Fund Balances, end of year	<u>\$ 4,674</u>	<u>\$ 17,855</u>	<u>\$ 13,181</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
LAW ENFORCEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Miscellaneous receipts and reimbursements	\$ 15,000	\$ 3,426	\$ (11,574)
Total Revenues	<u>15,000</u>	<u>3,426</u>	<u>(11,574)</u>
EXPENDITURES:			
Current:			
Police			
Contractual, materials and other	<u>10,750</u>	<u>9,180</u>	<u>1,570</u>
Total Expenditures	<u>10,750</u>	<u>9,180</u>	<u>1,570</u>
Excess (deficiency) of revenues over (under) expenditures	4,250	(5,754)	(10,004)
Fund Balances, beginning of year	47,499	47,499	-
Prior Year Encumbrances	21	21	-
Fund Balances, end of year	<u>\$ 51,770</u>	<u>\$ 41,766</u>	<u>\$ (10,004)</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
INDIGENT DRIVER ALCOHOL TREATMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 18,000	\$ 21,803	\$ 3,803
Total revenues	<u>18,000</u>	<u>21,803</u>	<u>3,803</u>
EXPENDITURES:			
Current:			
Judicial			
Contractual, materials and other	<u>12,500</u>	<u>1,048</u>	<u>11,452</u>
Total expenditures	<u>12,500</u>	<u>1,048</u>	<u>11,452</u>
Excess of revenues over expenditures	5,500	20,755	15,255
Fund Balances, beginning of year	29,375	29,375	-
Fund Balances, end of year	<u>\$ 34,875</u>	<u>\$ 50,130</u>	<u>\$ 15,255</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
ENFORCEMENT & EDUCATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 2,500	\$ 4,166	\$ 1,666
Total revenues	<u>2,500</u>	<u>4,166</u>	<u>1,666</u>
EXPENDITURES:			
Current:			
Police			
Personal services	7,709	4,980	2,729
Contractual, materials and other	<u>3,000</u>	<u>2,000</u>	<u>1,000</u>
Total expenditures	<u>10,709</u>	<u>6,980</u>	<u>3,729</u>
Deficiency of revenues under expenditures	(8,209)	(2,814)	5,395
Fund Balances, beginning of year	15,677	15,677	-
Fund Balances, end of year	<u>\$ 7,468</u>	<u>\$ 12,863</u>	<u>\$ 5,395</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
E-SHARE FEDERAL FORFEITURE FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Investment income	\$ -	\$ 26	\$ 26
Total revenues	<u>-</u>	<u>26</u>	<u>26</u>
EXPENDITURES:			
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	-	26	26
Fund Balances, beginning of year	3,913	3,913	-
Fund Balances, end of year	<u>\$ 3,913</u>	<u>\$ 3,939</u>	<u>\$ 26</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
HEALTH DEPARTMENT BUILDING LEASE FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Miscellaneous receipts and reimbursements	\$ 21,300	\$ 20,000	\$ (1,300)
Total revenues	<u>21,300</u>	<u>20,000</u>	<u>(1,300)</u>
EXPENDITURES:			
Current:			
Health			
Contractual, materials and other	46,585	26,348	20,237
Total expenditures	<u>46,585</u>	<u>26,348</u>	<u>20,237</u>
Deficiency of revenues under expenditures	(25,285)	(6,348)	18,937
Fund Balances, beginning of year	170,185	170,185	-
Prior Year Encumbrances	6,145	6,145	-
Fund Balances, end of year	<u>\$ 151,045</u>	<u>\$ 169,982</u>	<u>\$ 18,937</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
F.E.M.A. GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

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

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
PROBATION GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 57,230	\$ 55,612	\$ (1,618)
Total revenues	<u>57,230</u>	<u>55,612</u>	<u>(1,618)</u>
EXPENDITURES:			
Current:			
Judicial			
Personal services	51,160	51,160	-
Contractual, materials and other	<u>6,067</u>	<u>5,795</u>	<u>272</u>
Total expenditures	<u>57,227</u>	<u>56,955</u>	<u>272</u>
Deficiency (excess) of revenues over (under) expenditures	3	(1,343)	(1,346)
Fund Balances, beginning of year	5,259	5,259	-
Fund Balances, end of year	<u>\$ 5,262</u>	<u>\$ 3,916</u>	<u>\$ (1,346)</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
MUNICIPAL COURT SPECIAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 137,000	\$ 138,604	\$ 1,604
Miscellaneous receipts and reimbursements	<u>-</u>	<u>5,338</u>	<u>5,338</u>
Total revenues	<u>137,000</u>	<u>143,942</u>	<u>6,942</u>
EXPENDITURES:			
Current:			
Judicial			
Personal services	8,400	5,994	2,406
Contractual, materials and other	<u>396,734</u>	<u>91,278</u>	<u>305,456</u>
Total expenditures	<u>405,134</u>	<u>97,272</u>	<u>307,862</u>
Excess (deficiency) of revenues over (under) expenditures	(268,134)	46,670	314,804
Fund Balances, beginning of year	298,894	298,894	-
Prior Year Encumbrances	286,316	286,316	-
Fund Balances, end of year	<u>\$ 317,076</u>	<u>\$ 631,880</u>	<u>\$ 314,804</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
INDIGENT DRIVER INTERLOCK & ALCOHOL MONITORING FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 11,665	\$ 13,407	\$ 1,742
Total revenues	<u>11,665</u>	<u>13,407</u>	<u>1,742</u>
EXPENDITURES:			
Current:			
Judicial			
Contractual, materials and other	<u>30,216</u>	<u>26,682</u>	<u>3,534</u>
Total expenditures	<u>30,216</u>	<u>26,682</u>	<u>3,534</u>
Deficiency of revenues under expenditures	(18,551)	(13,275)	5,276
Fund Balances, beginning of year	<u>18,551</u>	<u>18,551</u>	<u>-</u>
Fund Balances, end of year	<u>\$ -</u>	<u>\$ 5,276</u>	<u>\$ 5,276</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
IDAT - SURPLUS FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Miscellaneous receipts and reimbursements	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:			
Current:			
Judicial			
Contractual, materials and other	<u>4,101</u>	<u>2,896</u>	<u>1,205</u>
Total expenditures	<u>4,101</u>	<u>2,896</u>	<u>1,205</u>
Deficiency of revenues under expenditures	(4,101)	(2,896)	1,205
Fund Balances, beginning of year	<u>14,707</u>	<u>14,707</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 10,606</u>	<u>\$ 11,811</u>	<u>\$ 1,205</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
MUNICIPAL COURT MENTAL HEALTH GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Charges for services	\$ 72,669	\$ 72,669	\$ -
Total Revenues	<u>72,669</u>	<u>72,669</u>	<u>-</u>
 EXPENDITURES:			
Current:			
Judicial			
Personal services	26,475	26,475	-
Contractual, materials and other	<u>46,194</u>	<u>46,194</u>	<u>-</u>
Total expenditures	<u>72,669</u>	<u>72,669</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund Balances, beginning of year	(19,435)	(19,435)	-
Prior Year Encumbrances	19,435	19,435	-
Fund Balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
MUNICIPAL COURT COMPUTER FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Charges for services	\$ 38,000	\$ 36,497	\$ (1,503)
Total Revenues	<u>38,000</u>	<u>36,497</u>	<u>(1,503)</u>
 EXPENDITURES:			
Current:			
Judicial			
Contractual, materials and other	<u>45,000</u>	<u>35,008</u>	<u>9,992</u>
Total expenditures	<u>45,000</u>	<u>35,008</u>	<u>9,992</u>
Excess (deficiency) of revenues over (under) expenditures	(7,000)	1,489	8,489
Fund Balances, beginning of year	16,156	16,156	-
Fund Balances, end of year	<u>\$ 9,156</u>	<u>\$ 17,645</u>	<u>\$ 8,489</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
CEMETERY FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Charges for services	\$ 109,682	\$ 103,977	\$ (5,705)
Miscellaneous receipts and reimbursements	-	1,400	1,400
Total revenues	<u>109,682</u>	<u>105,377</u>	<u>(4,305)</u>
EXPENDITURES:			
Current:			
Health			
Personal services	115,210	110,925	4,285
Contractual, materials and other	<u>60,595</u>	<u>51,671</u>	<u>8,924</u>
Total expenditures	<u>175,805</u>	<u>162,596</u>	<u>13,209</u>
Deficiency of revenues under expenditures	<u>(66,123)</u>	<u>(57,219)</u>	<u>8,904</u>
OTHER FINANCING SOURCES:			
Transfers in	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Total other financing sources	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Net change in fund balance	(41,123)	(32,219)	8,904
Fund Balances, beginning of year	99,675	99,675	-
Prior Year Encumbrances	<u>2,674</u>	<u>2,674</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 61,226</u>	<u>\$ 70,130</u>	<u>\$ 8,904</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
CEMETERY MAINTENANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual Including Encumbrances</u>	<u>Variance from Final Budget</u>
REVENUES:			
Investment income	10,000	4,844	(5,156)
Total revenues	<u>10,000</u>	<u>4,844</u>	<u>(5,156)</u>
EXPENDITURES:			
Current:			
Health			
Contractual, materials and other	500	376	124
Total expenditures	<u>500</u>	<u>376</u>	<u>124</u>
Excess of revenues over expenditures	9,500	4,468	(5,032)
Fund Balances, beginning of year	741,784	741,784	-
Fund Balances, end of year	<u>\$ 751,284</u>	<u>\$ 746,252</u>	<u>\$ (5,032)</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
MAUSOLEUM MAINTENANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual Including Encumbrances</u>	<u>Variance from Final Budget</u>
REVENUES:			
Charges for services	\$ -	\$ 4,253	\$ 4,253
Investment income	400	199	(201)
Total revenues	<u>400</u>	<u>4,452</u>	<u>4,052</u>
EXPENDITURES:	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	400	4,452	4,052
Fund Balances, beginning of year	30,418	30,418	-
Fund Balances, end of year	<u>\$ 30,818</u>	<u>\$ 34,870</u>	<u>\$ 4,052</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
C.D.B.G. FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenue	\$ 279,023	\$ 266,569	\$ (12,454)
Investment income	236	937	701
Miscellaneous receipts and reimbursements	-	-	-
Total revenues	<u>279,259</u>	<u>267,506</u>	<u>(11,753)</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	453,040	448,379	4,661
Total expenditures	<u>453,040</u>	<u>448,379</u>	<u>4,661</u>
Deficiency of revenues under expenditures	(173,781)	(180,873)	(7,092)
Fund Balances, beginning of year	(15,632)	(15,632)	-
Prior Year Encumbrances	204,460	204,460	-
Fund Balances, end of year	<u>\$ 15,047</u>	<u>\$ 7,955</u>	<u>\$ (7,092)</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
C.D.B.G. REVOLVING LOAN FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Investment income	\$ 12,293	\$ 12,297	\$ 4
Total revenues	<u>12,293</u>	<u>12,297</u>	<u>4</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	4,825	2,825	2,000
Total expenditures	<u>4,825</u>	<u>2,825</u>	<u>2,000</u>
Excess of revenues over expenditures	7,468	9,472	2,004
Fund Balances, beginning of year	3,056	3,056	-
Prior Year Encumbrances	2,825	2,825	-
Fund Balances, end of year	<u>\$ 13,349</u>	<u>\$ 15,353</u>	<u>\$ 2,004</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
C.D.B.G. PROGRAM INCOME FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Investment income	\$ 17	\$ 31	\$ 14
Total revenues	<u>17</u>	<u>31</u>	<u>14</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	17	31	14
Fund Balances, beginning of year	4,686	4,686	-
Fund Balances, end of year	<u>\$ 4,703</u>	<u>\$ 4,717</u>	<u>\$ 14</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
H.O.M.E. PROGRAM INCOME FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Investment income	\$ 120	\$ 19,527	\$ 19,407
Total revenues	<u>120</u>	<u>19,527</u>	<u>19,407</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Total expenditures	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Excess (deficiency) of revenues over (under) expenditures	(49,880)	19,527	69,407
Fund Balances, beginning of year	52,568	52,568	-
Fund Balances, end of year	<u>\$ 2,688</u>	<u>\$ 72,095</u>	<u>\$ 69,407</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
NEIGHBORHOOD STABILIZATION PROGRAM GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

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

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
MOVING OHIO FORWARD FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 78,514	\$ 77,876	\$ (638)
Total revenues	<u>78,514</u>	<u>77,876</u>	<u>(638)</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	<u>51,986</u>	<u>51,348</u>	<u>638</u>
Total expenditures	<u>51,986</u>	<u>51,348</u>	<u>638</u>
Excess of revenues over expenditures	26,528	26,528	-
Fund Balances, beginning of year	(47,910)	(47,910)	-
Prior Year Encumbrances	<u>21,382</u>	<u>21,382</u>	<u>-</u>
Fund Balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
E-911 WIRELESS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 54,150	\$ 49,596	\$ (4,554)
Total revenues	<u>54,150</u>	<u>49,596</u>	<u>(4,554)</u>
EXPENDITURES:			
Current:			
Police			
Contractual, materials and other	<u>72,043</u>	<u>57,359</u>	<u>14,684</u>
Total expenditures	<u>72,043</u>	<u>57,359</u>	<u>14,684</u>
Deficiency of revenues under expenditures	(17,893)	(7,763)	10,130
Fund Balances, beginning of year	137,272	137,272	-
Prior Year Encumbrances	<u>23,631</u>	<u>23,631</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 143,010</u>	<u>\$ 153,140</u>	<u>\$ 10,130</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
FIRE LOSS SECURITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Miscellaneous receipts and reimbursements	\$ 14,465	\$ 79,492	\$ 65,027
Total Revenues	<u>14,465</u>	<u>79,492</u>	<u>65,027</u>
EXPENDITURES:			
Current:			
Fire Services			
Contractual, materials and other	<u>46,328</u>	<u>28,086</u>	<u>18,242</u>
Total expenditures	<u>46,328</u>	<u>28,086</u>	<u>18,242</u>
Excess (deficiency) of revenues over (under) expenditures	(31,863)	51,406	83,269
Fund Balances, beginning of year	37,270	37,270	-
Fund Balances, end of year	<u>\$ 5,407</u>	<u>\$ 88,676</u>	<u>\$ 83,269</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
CRA FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Special assessments	\$ 1,250	\$ 500	\$ (750)
Total Revenues	<u>1,250</u>	<u>500</u>	<u>(750)</u>
EXPENDITURES:			
Current:			
Community development			
Personal services	397	-	397
Contractual, materials and other	<u>200</u>	<u>-</u>	<u>200</u>
Total expenditures	<u>597</u>	<u>-</u>	<u>597</u>
Excess of revenues over expenditures	653	500	(153)
Fund Balances, beginning of year	3,335	3,335	-
Fund Balances, end of year	<u>\$ 3,988</u>	<u>\$ 3,835</u>	<u>\$ (153)</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
TIF -KUTHER ROAD FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local taxes	\$ 28,500	\$ 28,426	\$ (74)
Total revenues	<u>28,500</u>	<u>28,426</u>	<u>(74)</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	<u>20,225</u>	<u>20,225</u>	<u>-</u>
Total expenditures	<u>20,225</u>	<u>20,225</u>	<u>-</u>
Excess of revenues over expenditures	8,275	8,201	(74)
Fund Balances, beginning of year	56,840	56,840	-
Fund Balances, end of year	<u>\$ 65,115</u>	<u>\$ 65,041</u>	<u>\$ (74)</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
TIF -MENARDS FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local Taxes	\$ 98,500	\$ 98,466	\$ (34)
Total revenues	<u>98,500</u>	<u>98,466</u>	<u>(34)</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	82,892	82,892	-
Total expenditures	<u>82,892</u>	<u>82,892</u>	<u>-</u>
Excess of revenues over expenditures	15,608	15,574	(34)
Fund Balances, beginning of year	248,991	248,991	-
Fund Balances, end of year	<u>\$ 264,599</u>	<u>\$ 264,565</u>	<u>\$ (34)</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
TIF - ECHO FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local Taxes	\$ 4,800	\$ 4,789	\$ (11)
Total revenues	<u>4,800</u>	<u>4,789</u>	<u>(11)</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	951	951	-
Total expenditures	<u>951</u>	<u>951</u>	<u>-</u>
Excess of revenues over expenditures	3,849	3,838	(11)
Fund Balances, beginning of year	9,862	9,862	-
Fund Balances, end of year	<u>\$ 13,711</u>	<u>\$ 13,700</u>	<u>\$ (11)</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local taxes	\$ 2,846,830	\$ 2,993,158	\$ 146,328
Intergovernmental revenues	1,115,311	457,059	(658,252)
Interest income	-	-	-
Special assessments	50,000	31,098	(18,902)
Miscellaneous receipts and reimbursements	<u>173,915</u>	<u>165,611</u>	<u>(8,304)</u>
Total revenues	<u>4,186,056</u>	<u>3,646,926</u>	<u>(539,130)</u>
EXPENDITURES:			
Capital Outlay:			
Contractual, materials and other	<u>4,812,489</u>	<u>3,115,828</u>	<u>1,696,661</u>
Total expenditures	<u>4,812,489</u>	<u>3,115,828</u>	<u>1,696,661</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(626,433)</u>	<u>531,098</u>	<u>1,157,531</u>
OTHER FINANCING SOURCES (USES):			
Sale of asset	<u>15,000</u>	<u>55,124</u>	<u>40,124</u>
Total other financing sources	<u>15,000</u>	<u>55,124</u>	<u>40,124</u>
Net change in fund balance	(611,433)	586,222	1,197,655
Fund Balances, beginning of year	1,111,234	1,111,234	-
Prior Year Encumbrances	<u>382,028</u>	<u>382,028</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 881,829</u>	<u>\$ 2,079,484</u>	<u>\$ 1,197,655</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
BROOKSIDE PARK FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual Including Encumbrances</u>	<u>Variance from Final Budget</u>
REVENUES:			
Miscellaneous receipts and reimbursements	\$ -	\$ 5,000	\$ 5,000
Total revenues	<u>-</u>	<u>5,000</u>	<u>5,000</u>
EXPENDITURES:			
Capital Outlay:			
Contractual, materials and other	<u>6,766</u>	<u>730</u>	<u>6,036</u>
Total expenditures	<u>6,766</u>	<u>730</u>	<u>6,036</u>
Excess of revenues over expenditures	(6,766)	4,270	11,036
Fund Balances, beginning of year	<u>6,766</u>	<u>6,766</u>	<u>-</u>
Fund Balances, end of year	<u>\$ -</u>	<u>\$ 11,036</u>	<u>\$ 11,036</u>



STATISTICAL SECTION



CITY OF SIDNEY, OHIO
Statistical Section
December 31, 2014

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

<u>Contents</u>	<u>Page</u>
Financial Trends (Schedules 1 – 4) These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	106 – 110
Revenue Capacity (Schedules 5 – 6) These schedules contain information to help the reader assess the City’s most significant local revenue source, the municipal income tax.	111 – 112
Debt Capacity (Schedules 7 - 9) 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.	113 – 115
Economic and Demographic Information (Schedules 10 – 11) These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place.	116 – 117
Operating Information (Schedules 12 – 14) 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.	118 – 120

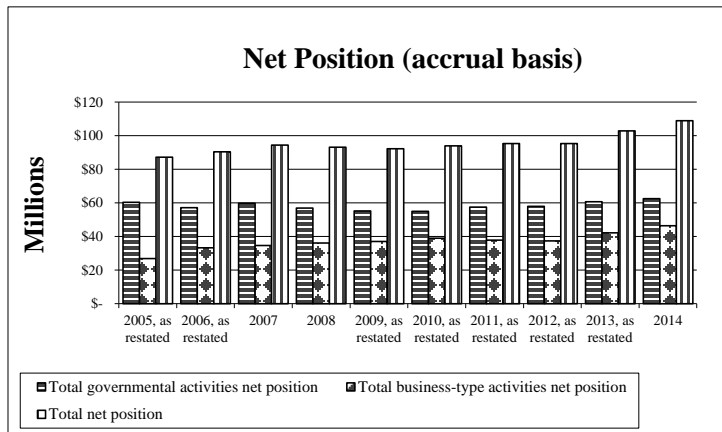
Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2000; schedules presenting government-wide information include information beginning in that year.

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

Schedule 1

	Year Ended December 31,									
	2005, as restated	2006, as restated	2007	2008	2009, as restated	2010, as restated	2011, as restated	2012, as restated	2013, as restated	2014
Governmental activities										
Net investments in capital assets	46,330,165	41,944,422	43,858,848	43,433,659	45,610,506	44,608,862	46,814,752	46,484,983	47,228,659	46,471,032
Restricted for:										
Other purposes	1,342,722	1,546,232	1,321,211	1,042,116	1,641,658	1,782,614	3,116,853	3,273,154	3,521,730	3,922,451
Unrestricted	12,637,014	13,638,819	14,559,542	12,449,516	7,917,041	8,591,834	7,609,599	8,197,220	9,917,661	12,095,132
Total governmental activities net position	60,309,901	57,129,473	59,739,601	56,925,291	55,169,205	54,983,310	57,541,204	57,955,357	60,668,050	62,488,615
Business-type activities										
Net investments in capital assets	23,223,096	29,250,922	29,300,583	31,074,156	31,619,476	34,273,069	33,450,981	32,434,937	36,286,139	37,688,256
Restricted	-	-	-	160,420	-	-	-	-	-	-
Unrestricted	3,643,310	4,059,842	5,387,473	4,928,706	5,458,953	4,722,342	4,368,997	4,961,412	5,858,713	8,728,401
Total business-type activities net position	26,866,406	33,310,764	34,688,056	36,163,282	37,078,429	38,995,411	37,819,978	37,396,349	42,144,852	46,416,657
Total										
Net investments in capital assets	69,553,261	71,195,344	73,159,431	74,507,815	77,229,982	78,881,931	80,265,733	78,919,920	83,514,798	84,159,288
Restricted for:										
Other purposes	1,342,722	1,546,232	1,321,211	1,202,536	1,641,658	1,782,614	3,116,853	3,273,154	3,521,730	3,922,451
Unrestricted	16,280,324	17,698,661	19,947,015	17,378,222	13,375,994	13,314,176	11,978,596	13,158,632	15,776,374	20,823,533
Total net position	\$ 87,176,307	\$ 90,440,237	\$ 94,427,657	\$ 93,088,573	\$ 92,247,634	\$ 93,978,721	\$ 95,361,182	\$ 95,351,706	\$ 102,812,902	\$ 108,905,272

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



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

- Correction of airport capital assets for 2005
- Change of transportation and stormwater management funds from governmental activities to business-type activities for 2006
- Change in classification between restricted and unrestricted net position for 2009 and 2010
- Change in accounting principle for GASB Statement No. 65, prior period adjustment for deferred gain on current refunding, and classification amongst net investments in capital assets, restricted and unrestricted net position as well as a reclassification for 2011 between program revenues and other taxes - prior year balances have not been restated
- Correction of water capital asset, stormwater and water receivable, and stormwater unearned revenue in 2012.
- Correction of sewer capitalized interest in 2013.

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

Schedule 2

	Year Ended December 31,									
	2005, as restated	2006, as restated	2007	2008	2009	2010	2011, as restated	2012, as restated	2013, as restated	2014
Expenses										
Governmental activities:										
General government	1,614,428	1,741,846	1,726,929	1,842,173	1,314,285	928,165	822,047	1,043,097	1,280,552	1,324,115
Public safety										
Police	5,539,643	5,796,813	6,167,426	6,389,260	6,271,553	6,142,034	5,995,394	5,947,129	5,878,916	6,069,441
Fire	3,855,945	4,120,953	4,372,436	4,656,979	4,523,985	4,334,589	4,635,651	4,636,484	4,831,041	5,028,715
Judicial	1,496,683	1,517,325	1,686,848	1,588,281	1,636,905	1,563,723	1,638,942	1,574,631	1,644,204	1,701,791
Health	202,737	214,883	227,045	239,068	375,100	197,366	188,091	200,968	212,134	211,378
Transportation										
Public transportation	608,704							5,643	-	-
Street repair & maintenance	2,466,174	2,692,044	3,163,599	3,308,905	3,093,966	3,324,839	3,420,370	3,275,490	3,501,798	3,403,519
Community environment										
Community development	448,168	453,261	326,902	735,153	339,155	924,429	833,892	690,046	674,110	467,887
Community environment	920,618	973,205	1,291,112	1,152,583	1,167,276	1,301,521	783,027	704,322	522,557	572,458
Parks and recreation	1,469,323	1,461,172	1,628,824	1,670,604	1,504,878	1,388,202	1,365,458	1,488,367	1,453,956	1,464,155
Basic utility services	487,141	-	54,531	24,630	134,047	73,127	-	54,751	-	-
Bond issuance cost	-	-	-	-	-	-	-	-	14,234	-
Interest on long-term debt	425,995	411,424	392,921	386,824	364,625	353,017	321,257	295,729	291,005	161,053
Total governmental activities expenses	<u>19,535,559</u>	<u>19,382,926</u>	<u>21,038,573</u>	<u>21,994,460</u>	<u>20,725,775</u>	<u>20,531,012</u>	<u>20,004,129</u>	<u>19,916,657</u>	<u>20,304,507</u>	<u>20,404,512</u>
Business-type activities:										
Water	2,959,127	3,253,577	3,908,385	3,581,450	3,219,126	3,400,452	3,760,888	3,876,533	3,838,381	3,791,600
Sewer	3,466,500	3,464,976	3,720,157	3,812,880	3,864,227	3,724,801	3,631,479	3,473,960	3,915,727	4,139,110
Stormwater	-	644,140	567,091	538,199	579,263	561,378	543,603	568,224	491,391	524,541
Solid Waste	1,048,669	1,126,873	1,086,908	1,002,412	1,085,937	1,146,766	1,188,726	1,233,201	1,346,774	1,362,006
Other business-type activities	493,991	1,095,913	996,388	1,433,523	1,414,485	1,492,936	1,522,638	1,598,795	1,554,138	1,576,068
Total business-type activities expenses	<u>7,968,287</u>	<u>9,585,479</u>	<u>10,278,929</u>	<u>10,368,464</u>	<u>10,163,038</u>	<u>10,326,333</u>	<u>10,647,334</u>	<u>10,750,713</u>	<u>11,146,411</u>	<u>11,393,325</u>
Total Expenses	<u>27,503,846</u>	<u>28,968,405</u>	<u>31,317,502</u>	<u>32,362,924</u>	<u>30,888,813</u>	<u>30,857,345</u>	<u>30,651,463</u>	<u>30,667,370</u>	<u>31,499,293</u>	<u>31,797,837</u>
Program Revenues **										
Governmental activities:										
General government	-	-	5,801	882	-	-	-	1,578	-	-
Public safety										
Police	570,464	368,777	388,020	487,553	379,701	420,134	410,885	404,573	434,230	335,842
Fire	607,655	687,561	853,487	389,990	443,174	751,523	561,125	637,602	555,901	700,607
Judicial	715,396	800,751	867,714	857,705	867,504	804,453	831,903	883,356	926,900	916,951
Health	97,804	129,886	120,151	139,266	101,170	115,009	144,307	133,823	152,802	122,172
Transportation										
Public transportation	487,542									
Street repair & maintenance	3,429,467	3,505,690	2,516,499	1,858,465	3,459,464	1,842,707	3,999,963	1,683,455	3,189,712	1,547,509
Community environment										
Community development	450,043	334,276	507,213	465,771	125,651	596,581	457,017	405,217	632,825	389,547
Community environment	209,990	76,179	82,830	114,375	105,499	86,795	63,674	89,396	87,860	79,255
Parks and recreation	235,638	72,453	64,939	111,888	199,613	259,480	191,588	206,674	119,649	173,419
Basic utility services	17,224	-	-	14,503	-	-	-	-	-	-
Total governmental activities program revenues	<u>6,821,223</u>	<u>5,975,573</u>	<u>5,406,654</u>	<u>4,440,398</u>	<u>5,681,776</u>	<u>4,876,682</u>	<u>6,660,462</u>	<u>4,445,674</u>	<u>6,099,879</u>	<u>4,265,302</u>
Business-type activities:										
Water	3,562,350	3,540,699	4,105,837	3,454,995	4,050,081	5,721,059	3,448,378	3,480,586	4,148,898	4,988,388
Sewer	3,821,448	3,706,858	4,564,326	3,321,692	3,399,951	3,259,769	3,260,279	3,361,223	5,724,273	6,706,435
Solid Waste	874,119	841,242	893,935	1,016,660	974,202	1,094,019	1,140,751	1,205,710	1,325,314	1,388,994
Stormwater	-	-	275,893	316,988	403,100	318,396	345,438	344,723	350,623	378,838
Other business-type activities	609,976	980,687	1,041,434	1,832,099	1,925,899	1,302,550	1,213,749	1,641,873	3,564,226	1,491,235
Total business-type activities program revenues	<u>8,867,893</u>	<u>9,069,486</u>	<u>10,881,425</u>	<u>9,942,434</u>	<u>10,753,233</u>	<u>11,695,793</u>	<u>9,408,595</u>	<u>10,034,115</u>	<u>15,113,334</u>	<u>14,953,890</u>

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

Schedule 2

	Year Ended December 31,									
	2005, as restated	2006, as restated	2007	2008	2009	2010	2011, as restated	2012, as restated	2013, as restated	2014
Net (Expense) Revenue ^(a)										
Governmental activities:										
General government	(1,614,428)	(1,741,846)	(1,721,128)	(1,841,291)	(1,314,285)	(928,165)	(822,047)	(1,041,519)	(1,280,552)	(1,324,115)
Public safety	-	-	-	-	-	-	-	-	-	-
Police	(4,969,179)	(5,428,036)	(5,779,406)	(5,901,707)	(5,891,852)	(5,721,900)	(5,584,509)	(5,542,556)	(5,444,686)	(5,733,599)
Fire	(3,248,290)	(3,433,392)	(3,518,949)	(4,266,989)	(4,080,811)	(3,583,066)	(4,074,526)	(3,998,882)	(4,275,140)	(4,328,108)
Judicial	(781,287)	(716,574)	(819,134)	(730,576)	(769,401)	(759,270)	(807,039)	(691,275)	(717,304)	(784,840)
Health	(104,933)	(84,997)	(106,894)	(99,802)	(273,930)	(82,357)	(43,784)	(67,145)	(59,332)	(89,206)
Transportation										
Public transportation	(121,162)	-	-	-	-	-	-	(5,643)	-	-
Street repair & maintenance	963,293	813,646	(647,100)	(1,450,440)	365,498	(1,482,132)	579,593	(1,592,035)	(312,086)	(1,856,010)
Community environment	-	-	-	-	-	-	-	-	-	-
Community development	1,875	(118,985)	180,311	(269,382)	(213,504)	(327,848)	(376,875)	(284,829)	(41,285)	(78,340)
Community environment	(710,628)	(897,026)	(1,208,282)	(1,038,208)	(1,061,777)	(1,214,726)	(719,353)	(614,926)	(434,697)	(493,203)
Parks and recreation	(1,233,685)	(1,388,719)	(1,563,885)	(1,558,716)	(1,305,265)	(1,128,722)	(1,173,870)	(1,281,693)	(1,334,307)	(1,290,736)
Basic utility services	(469,917)	-	(54,531)	(10,127)	(134,047)	(73,127)	-	(54,751)	-	-
Bond issuance costs	-	-	-	-	-	-	-	-	(14,234)	-
Interest on long-term debt	(425,995)	(411,424)	(392,921)	(386,824)	(364,625)	(353,017)	(321,257)	(295,729)	(291,005)	(161,053)
Total governmental activities	<u>(12,714,336)</u>	<u>(13,407,353)</u>	<u>(15,631,919)</u>	<u>(17,554,062)</u>	<u>(15,043,999)</u>	<u>(15,654,330)</u>	<u>(13,343,667)</u>	<u>(15,470,983)</u>	<u>(14,204,628)</u>	<u>(16,139,210)</u>
Net (Expense) Revenue ^(a)										
Business-type activities:										
Water	603,223	287,122	197,452	(126,455)	830,955	2,320,607	(312,510)	(395,947)	310,517	1,196,788
Sewer	354,948	241,882	844,169	(491,188)	(464,276)	(465,032)	(371,200)	(112,737)	1,808,546	2,567,325
Solid Waste	(174,550)	197,102	(192,973)	14,248	(111,735)	(52,747)	(47,975)	(27,491)	(21,460)	26,988
Stormwater	-	(1,126,873)	(291,198)	(221,211)	(176,163)	(242,982)	(198,165)	(223,501)	(140,768)	(145,703)
Other business-type activities	115,985	(115,226)	45,046	398,576	511,414	(190,386)	(308,889)	43,078	2,010,088	(84,833)
Total business-type activities	<u>899,606</u>	<u>(515,993)</u>	<u>602,496</u>	<u>(426,030)</u>	<u>590,195</u>	<u>1,369,460</u>	<u>(1,238,739)</u>	<u>(716,598)</u>	<u>3,966,923</u>	<u>3,560,565</u>
Total	<u>(11,814,730)</u>	<u>(13,923,346)</u>	<u>(15,029,423)</u>	<u>(17,980,092)</u>	<u>(14,453,804)</u>	<u>(14,284,870)</u>	<u>(14,582,406)</u>	<u>(16,187,581)</u>	<u>(10,237,705)</u>	<u>(12,578,645)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Income taxes	12,707,698	13,261,167	13,417,106	12,505,553	9,996,527	12,120,834	12,833,355	13,508,264	14,161,506	15,394,876
Property taxes	1,336,737	1,492,187	1,481,916	1,440,528	1,451,435	1,478,089	1,180,084	1,064,514	1,016,383	1,028,049
Other taxes	688,045	507,960	819,030	693,003	805,708	637,560	810,199	670,257	807,038	641,285
Grants and contributions not restricted to specific progr	1,174,034	1,183,356	1,610,680	1,135,782	887,749	977,843	886,421	577,012	582,407	590,138
Investment earnings	340,469	545,906	894,963	561,282	132,406	114,967	126,830	129,953	106,092	88,087
Gain (loss) on sale/disposal of capital assets	10,430	24,248	-	4,070	21,017	31,689	56,952	26,069	3,380	41,481
Miscellaneous	76,941	46,216	573,924	68,482	242,371	442,446	282,027	252,167	459,786	437,814
Transfers	(295,727)	(190,440)	(555,572)	(1,668,948)	(249,300)	(334,993)	(126,500)	(343,100)	(219,271)	(261,955)
Total governmental activities	<u>16,038,627</u>	<u>16,870,600</u>	<u>18,242,047</u>	<u>14,739,752</u>	<u>13,287,913</u>	<u>15,468,435</u>	<u>16,049,368</u>	<u>15,885,136</u>	<u>16,917,321</u>	<u>17,959,775</u>
Business-type activities:										
Miscellaneous	-	-	-	-	-	117,007	82,131	153,812	431,729	326,562
Investment earnings	64,736	118,884	219,224	227,958	75,652	199,574	199,574	169,073	117,401	121,169
Gain on sale/disposal of capital assets	1,500	7,352	-	4,350	-	20,502	5,158	99,280	13,179	1,554
Transfers	295,727	190,440	555,572	1,668,948	249,300	334,993	126,500	343,100	219,271	261,955
Total business-type activities	<u>361,963</u>	<u>316,676</u>	<u>774,796</u>	<u>1,901,256</u>	<u>324,952</u>	<u>547,522</u>	<u>413,363</u>	<u>765,265</u>	<u>781,580</u>	<u>711,240</u>
Total	<u>16,400,590</u>	<u>17,187,276</u>	<u>19,016,843</u>	<u>16,641,008</u>	<u>13,612,865</u>	<u>16,015,957</u>	<u>16,462,731</u>	<u>16,650,401</u>	<u>17,698,901</u>	<u>18,671,015</u>
Change in Net Position										
Governmental activities	3,324,291	3,463,247	2,610,128	(2,814,310)	(1,756,086)	(185,895)	2,705,818	414,153	2,712,693	1,820,565
Business-type activities	1,261,569	(199,317)	1,377,292	1,475,226	915,147	1,916,982	(825,376)	48,667	4,748,503	4,271,805
Total	<u>4,585,860</u>	<u>3,263,930</u>	<u>3,987,420</u>	<u>(1,339,084)</u>	<u>(840,939)</u>	<u>1,731,087</u>	<u>1,880,442</u>	<u>462,820</u>	<u>7,429,317</u>	<u>6,092,370</u>

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

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

Schedule 3

	December 31,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund										
Reserved for:										
Inventory	\$ 35,817	\$ 36,018	\$ 49,255	\$ 48,516	\$ 51,953	\$ 65,312				
Prepaid items	31,608	24,389	21,576	23,793	33,350	30,918				
Encumbrances	20,441	692,064	104,072	125,775	69,040	112,982				
Unreserved	<u>3,753,439</u>	<u>4,344,745</u>	<u>6,079,886</u>	<u>4,256,474</u>	<u>3,884,890</u>	<u>4,374,198</u>				
Total general fund	<u>\$ 3,841,305</u>	<u>\$ 5,097,216</u>	<u>\$ 6,254,789</u>	<u>\$ 4,454,558</u>	<u>\$ 4,039,233</u>	<u>\$ 4,583,410</u>				
Fund Balances:										
Nonspendable							\$ 78,974	\$ 99,137	\$ 87,265	\$ 85,498
Restricted							-	-	-	-
Committed							275,349	64,415	243,392	266,555
Assigned							190,981	163,878	227,709	1,794,171
Unassigned							<u>4,667,200</u>	<u>4,821,760</u>	<u>6,052,984</u>	<u>5,420,756</u>
Total general fund							<u>\$ 5,212,504</u>	<u>\$ 5,149,190</u>	<u>\$ 6,611,350</u>	<u>\$ 7,566,980</u>
All Other Governmental Funds										
Reserved for:										
Inventory	\$ 76,273	\$ 92,915	\$ 52,740	\$ 101,224	\$ 65,994	\$ 72,438				
Prepaid items	91,248	85,851	1,342	1,154	9,930	10,962				
Long-term loans receivable	69,112	55,066	40,301	24,781	-	-				
Encumbrances	728,243	896,553	1,210,351	386,292	751,599	983,927				
Unreserved, reported in:										
Special revenue funds	5,352,567	5,348,396	4,782,780	4,082,591	2,626,063	2,464,455				
Capital projects funds	<u>1,373,103</u>	<u>1,252,773</u>	<u>616,675</u>	<u>1,282,636</u>	<u>514,015</u>	<u>865,409</u>				
Total all other governmental funds	<u>\$ 7,690,546</u>	<u>\$ 7,731,554</u>	<u>\$ 6,704,189</u>	<u>\$ 5,878,678</u>	<u>\$ 3,967,601</u>	<u>\$ 4,397,191</u>				
Fund Balances:										
Nonspendable							\$ 105,080	\$ 121,116	\$ 90,733	\$ 132,996
Restricted							2,263,940	2,391,836	2,633,111	2,958,466
Committed							226,106	237,336	251,594	270,599
Assigned							1,354,486	1,523,668	1,999,039	2,544,935
Unassigned							<u>(148,369)</u>	<u>(44,845)</u>	<u>(46,169)</u>	<u>(621)</u>
Total all other governmental funds							<u>\$ 3,801,243</u>	<u>\$ 4,229,111</u>	<u>\$ 4,928,308</u>	<u>\$ 5,906,375</u>

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

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

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

Schedule 4

	For Year Ended December 31,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues:										
Local taxes	14,365,781	14,851,099	14,988,112	14,338,595	12,110,032	14,203,412	14,201,437	14,439,662	15,745,801	16,073,066
Intergovernmental revenues	5,067,711	4,071,733	3,788,406	3,885,983	4,913,153	3,605,456	5,907,208	3,052,245	4,735,720	2,757,853
Special assessments	236,104	223,510	258,866	245,045	261,408	249,283	296,942	263,184	295,537	272,883
Charges for services	1,622,762	1,587,491	1,737,641	1,671,362	1,524,444	1,761,900	1,641,677	1,687,672	1,684,689	1,692,992
Fines, licenses and permits	258,766	269,686	267,507	240,658	385,620	188,665	181,183	200,370	187,880	183,193
Investment income	334,897	612,932	880,706	610,887	173,504	145,895	135,882	140,156	123,001	118,525
Miscellaneous receipts and reimbursements	321,297	289,589	797,011	304,689	348,460	623,442	501,423	683,974	795,786	815,675
Total revenues	<u>22,207,318</u>	<u>21,906,040</u>	<u>22,718,249</u>	<u>21,297,219</u>	<u>19,716,621</u>	<u>20,778,053</u>	<u>22,685,752</u>	<u>20,467,263</u>	<u>23,568,414</u>	<u>21,914,187</u>
EXPENDITURES:										
Current:										
General government	1,605,525	1,542,352	1,629,417	1,754,338	1,241,283	994,747	761,594	833,851	928,871	1,076,602
Public safety										
Police	5,190,004	5,358,816	5,671,817	5,852,203	5,726,015	5,736,959	5,600,738	5,644,443	5,448,768	5,665,204
Fire	3,757,035	3,757,299	4,073,027	4,303,371	4,309,081	4,112,147	4,435,691	4,387,264	4,524,242	4,688,533
Judicial	1,364,225	1,367,510	1,438,810	1,438,914	1,487,055	1,421,674	1,544,293	1,470,021	1,539,963	1,569,513
Health	185,517	194,161	209,334	220,980	358,851	193,334	161,354	164,201	176,073	172,049
Transportation										
Public transportation	532,245	569,944	-	-	-	-	-	5,643	-	-
Street repair & maintenance	1,390,396	1,182,040	1,424,212	1,484,688	1,359,318	1,443,553	1,404,900	1,304,441	1,395,150	1,231,476
Community environment & development										
Community development	326,767	377,251	321,575	1,006,091	289,206	450,990	253,872	324,004	379,275	286,358
Community environment	895,827	908,978	988,605	1,084,882	1,117,688	1,080,338	798,625	704,250	510,050	575,576
Parks and recreation	1,352,572	1,255,863	1,366,273	1,422,988	1,273,062	1,186,393	1,172,055	1,260,922	1,187,370	1,196,673
Basic utility services	283,767	398,791	45,593	23,543	44,872	14,127	-	61,779	-	-
Capital outlay	8,568,102	2,723,186	3,888,697	4,039,330	4,691,407	2,333,585	5,656,047	2,933,601	4,301,811	2,544,470
Debt service:										
Principal	425,000	435,000	445,000	435,000	445,000	1,360,000	838,714	585,000	5,405,000	650,000
Bond issuance costs	-	-	-	-	-	-	-	-	86,666	-
Interest and other charges	429,276	413,338	388,520	369,535	371,902	360,066	323,888	302,424	305,447	166,982
Total expenditures	<u>26,306,258</u>	<u>20,484,529</u>	<u>21,890,880</u>	<u>23,435,863</u>	<u>22,714,740</u>	<u>20,687,913</u>	<u>22,951,771</u>	<u>19,981,844</u>	<u>26,188,686</u>	<u>19,823,436</u>
Excess (deficiency) of revenues over (under) expenditures	(4,098,940)	1,421,511	827,369	(2,138,644)	(2,998,119)	90,140	(266,019)	485,419	(2,620,272)	2,090,751
OTHER FINANCING SOURCES (USES):										
Transfers in	12,605,445	13,956,196	14,189,448	13,571,638	2,312,307	25,000	235,000	225,000	196,000	215,000
Bonds issued	-	-	-	-	900,000	945,000	1,605,000	-	4,947,432	-
Payment to refunding agent	-	-	-	-	-	-	(1,263,463)	-	-	-
Premium on bonds	-	-	-	-	-	17,238	27,176	-	-	-
Capital contributions	-	-	-	-	-	-	-	95,000	-	-
Sale of capital assets	10,430	31,448	74,328	26,392	21,017	56,389	56,952	29,635	7,868	55,124
Transfers out	(12,801,789)	(14,112,236)	(14,747,305)	(14,085,128)	(2,561,607)	(160,000)	(361,500)	(470,500)	(369,671)	(427,178)
Total other financing sources (uses)	<u>(185,914)</u>	<u>(124,592)</u>	<u>(483,529)</u>	<u>(487,098)</u>	<u>671,717</u>	<u>883,627</u>	<u>299,165</u>	<u>(120,865)</u>	<u>4,781,629</u>	<u>(157,054)</u>
Net change in fund balances	<u>\$ (4,284,854)</u>	<u>\$ 1,296,919</u>	<u>\$ 343,840</u>	<u>\$ (2,625,742)</u>	<u>\$ (2,326,402)</u>	<u>\$ 973,767</u>	<u>\$ 33,146</u>	<u>\$ 364,554</u>	<u>\$ 2,161,357</u>	<u>\$ 1,933,697</u>
Debt service as a percentage of noncapital expenditures	4.7%	4.7%	4.5%	4.0%	4.4%	8.9%	6.4%	4.9%	3.3% *	4.5%

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

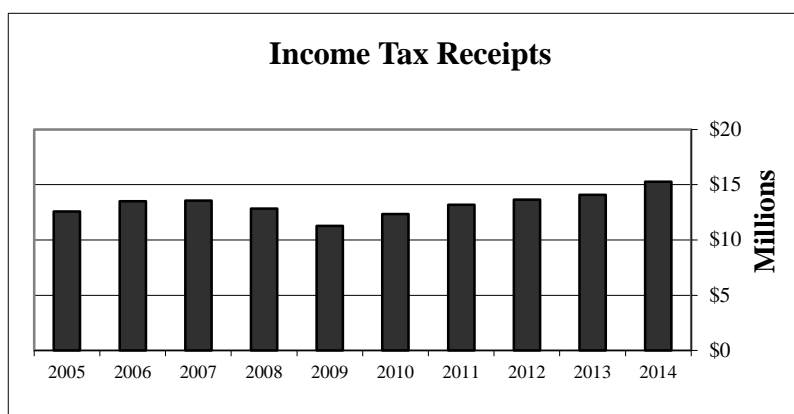
CITY OF SIDNEY, OHIO
INCOME TAX BY PAYER TYPE AND INCOME TAX RATE
LAST TEN FISCAL YEARS (cash basis of accounting -- excluding refunds)

Schedule 5

Year	Individuals		Net Profits	Total	Income Tax Rate
	Withheld by Employer	Paid by Taxpayer			
2014	\$ 10,510,653	\$ 653,903	\$ 4,108,423	\$ 15,272,979	1.50%
2013	\$ 10,435,949	\$ 661,638	\$ 2,977,321	\$ 14,074,908	1.50%
2012	\$ 9,984,145	\$ 642,581	\$ 3,034,441	\$ 13,661,167	1.50%
2011	\$ 9,564,046	\$ 632,536	\$ 2,993,983	\$ 13,190,565	1.50%
2010	\$ 9,238,357	\$ 555,659	\$ 2,564,710	\$ 12,358,726	1.50%
2009	\$ 9,317,160	\$ 505,868	\$ 1,461,604	\$ 11,284,632	1.50%
2008	\$ 10,489,044	\$ 471,408	\$ 1,882,710	\$ 12,843,162	1.50%
2007	\$ 10,742,913	\$ 506,891	\$ 2,303,076	\$ 13,552,880	1.50%
2006	\$ 10,568,788	\$ 440,021	\$ 2,499,840	\$ 13,508,649	1.50%
2005	\$ 10,304,368	\$ 401,908	\$ 1,869,366	\$ 12,575,642	1.50%

Source: City of Sidney, Ohio, Income Tax Department

This City levies a 1.5% income tax on all wages, salaries, commissions and other compensation paid by employers and the net profits from a business or professional person earned within the City, excluding income from intangible personal property. In addition, City residents pay City income tax on income earned outside the City, net of a credit for income taxes paid to other municipalities. Employers within the City withhold income tax on employee compensation and remit at least quarterly.



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

Schedule 6

2014		2005		
Rank	Name	2014 Rank	Rank	Name
1	Emerson Climate (formerly Copeland Corp)	1	1	Copeland Corporation
2	Wilson Memorial Hospital	3	2	Honda of America Manufacturing, Inc.
3	Honda of America Manufacturing, Inc.	5	3	Superior Metal Products
4	Cargill, Inc	10	4	NK Parts Industries, Inc.
5	Superior Metal Products	4	5	Cargill, Inc.
6	Sidney Board of Education	2	6	Wilson Memorial Hospital
7	Advanced Composites	6	7	Sidney Board of Education
8	Freshway Foods	-	8	Lear Operations Corporation
9	Shelby County Auditors Office	-	9	Alcoa Building Products, Inc.
10	NK Parts Industries, Inc.	-	10	Ross Aluminum Foundries
Combined percentage of Total income taxes 26.59%		Combined percentage of Total income taxes 37.22%		

Source: City of Sidney, Ohio, Income Tax Department

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

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

Schedule 7

Year	General Government Bonded Debt			Business-Type Activities				Percentage of Estimated actual property value	
	General Obligation Bonds	Percentage of estimated actual property value	Per Capita	Water General Obligation Bonds	Water Revenue- Backed Notes	Sewer General Obligation Bonds	Total Primary Government	Per Capita	
2014	\$ 6,200,000	0.62%	\$ 856	\$ 3,057,000	\$3,521,147	\$ 8,730,000	\$21,508,147	2.14%	\$ 1,024
2013	\$ 6,850,000	0.67%	\$ 918	\$ 3,117,000	\$3,755,890	\$ 9,345,000	\$23,067,890	2.27%	\$ 1,097
2012	\$ 7,380,000	0.73%	\$ 742	\$ 3,177,000	\$3,988,308	\$ 5,040,000	\$19,585,308	1.93%	\$ 931
2011	\$ 7,965,000	0.78%	\$ 791	\$ 3,237,000	\$4,136,429	\$ 5,500,000	\$20,838,429	2.05%	\$ 987
2010	\$ 8,110,000	0.75%	\$ 807	\$ 3,247,000	\$3,826,073	\$ 5,770,000	\$20,953,073	1.93%	\$ 987
2009	\$ 8,525,000	0.79%	\$ 769	\$ 670,000	\$ 360,175	\$ 6,135,000	\$15,690,175	1.45%	\$ 787
2008	\$ 8,966,000	0.83%	\$ 804	\$ 650,000	\$ -	\$ 6,485,000	\$16,101,000	1.50%	\$ 804
2007	\$ 8,505,500	0.72%	\$ 802	\$ 200,000	\$ -	\$ 7,450,000	\$16,155,500	1.37%	\$ 802
2006	\$ 8,950,000	0.73%	\$ 847	\$ -	\$ -	\$ 8,105,000	\$17,055,000	1.39%	\$ 847
2005	\$ 9,385,000	0.60%	\$ 882	\$ 250,000	\$ -	\$ 8,155,000	\$17,790,000	1.13%	\$ 882

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

Schedule 8

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Obligation Bonds	\$ 17,790,000	\$ 17,055,000	\$ 16,155,500	\$ 16,101,000	\$ 15,330,000	\$ 17,127,000	\$ 16,702,000	\$ 15,597,000	\$ 19,312,000	\$ 17,987,000
Assessed value of taxable property ^(a)	\$ 454,122,536	\$ 428,275,580	\$ 395,352,640	\$ 376,375,950	\$ 379,705,390	\$ 379,491,650	\$ 356,004,730	\$ 355,354,130	\$ 355,259,920	\$ 352,538,170
General Obligation Bonds as percent of total assessed value of taxable property	3.92%	3.98%	4.09%	4.28%	4.04%	4.51%	4.69%	4.39%	5.44%	5.10%
Estimated actual value of taxable property ^(a)	1,569,576,558	1,223,644,514	1,180,703,463	1,075,359,857	1,084,872,543	1,084,261,857	1,017,156,371	1,015,297,514	1,015,028,343	1,007,251,914
General Obligation Bonds as percent of total estimated actual value of taxable property	1.13%	1.39%	1.37%	1.50%	1.41%	1.58%	1.64%	1.54%	1.90%	1.79%
Population ^(b)	20,171	20,139	20,139	20,019	19,944	21,229	21,118	21,031	21,031	21,006
General Obligation Bonds Per capita	\$ 882	\$ 847	\$ 802	\$ 804	\$ 769	\$ 807	\$ 791	\$ 742	\$ 918	\$ 856
Less debt not subject to limitations										
Self-supporting securities issued for water systems or facilities	\$ (250,000)	\$ -	\$ (200,000)	\$ (650,000)	\$ (670,000)	\$ (3,357,000)	\$ (3,342,000)	\$ (3,277,000)	\$ (3,212,000)	\$ (3,147,000)
Self-supporting securities issued for sanitary sewer systems or facilities	\$ (8,155,000)	\$ (8,105,000)	\$ (7,450,000)	\$ (6,485,000)	\$ (6,135,000)	\$ (6,605,000)	\$ (6,300,000)	\$ (5,795,000)	\$ (10,055,000)	\$ (9,395,000)
Less: Bond Retirement Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net debt subject to 10-1/2% limitation ^(c)	\$ 9,385,000	\$ 8,950,000	\$ 8,505,500	\$ 8,966,000	\$ 8,525,000	\$ 7,165,000	\$ 7,060,000	\$ 6,525,000	\$ 6,045,000	\$ 5,445,000
Voted and Unvoted Debt Limit -- 10-1/2% of assessed value	\$ 47,682,866	\$ 44,968,936	\$ 41,512,027	\$ 39,519,475	\$ 39,869,066	\$ 39,846,623	\$ 37,380,497	\$ 37,312,184	\$ 37,302,292	\$ 37,016,508
Legal Debt Margin within 10-1/2% Limitation	\$ 38,297,866	\$ 36,018,936	\$ 33,006,527	\$ 30,553,475	\$ 31,344,066	\$ 32,681,623	\$ 30,320,497	\$ 30,787,184	\$ 31,257,292	\$ 31,571,508
Net debt within limitations for both Voted and Unvoted debt as a percentage of debt limit	19.68%	19.90%	20.49%	22.69%	21.38%	17.98%	18.89%	17.49%	16.21%	14.71%
Net debt subject to 5-1/2% limitation ^(d)	\$ 9,385,000	\$ 8,950,000	\$ 8,505,500	\$ 8,966,000	\$ 8,525,000	\$ 7,165,000	\$ 7,060,000	\$ 6,525,000	\$ 6,045,000	\$ 5,445,000
Unvoted Debt Limit -- 5-1/2% of assessed value	\$ 24,976,739	\$ 23,555,157	\$ 21,744,395	\$ 20,700,677	\$ 20,883,796	\$ 20,872,041	\$ 19,580,260	\$ 19,544,477	\$ 19,539,296	\$ 19,389,599
Legal Debt Margin within 5-1/2% Limitation	\$ 15,591,739	\$ 14,605,157	\$ 13,238,895	\$ 11,734,677	\$ 12,358,796	\$ 13,707,041	\$ 12,520,260	\$ 13,019,477	\$ 13,494,296	\$ 13,944,599
Net debt within limitations for Unvoted debt as a percentage of debt limit	37.57%	38.00%	39.12%	43.31%	40.82%	34.33%	36.06%	33.39%	30.94%	28.08%

^(a) Source for assessed value and estimated actual value data: Shelby County Auditor

^(b) Source for population: For years 2005 - 2009 & 2011 - 2014, U.S. Bureau of the Census-Population Estimates Program. For years 2010, U.S. Bureau of the Census-2010 Federal Census.

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

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

**CITY OF SIDNEY, OHIO
 COMPUTATION OF DIRECT AND OVERLAPPING
 GENERAL OBLIGATION DEBT
 DECEMBER 31, 2014**

Schedule 9

	<u>Net Debt Outstanding</u>	<u>Estimated Percentage Applicable to City of Sidney*</u>	<u>Estimated Amount Applicable to City of Sidney</u>
Sidney City School District ⁽¹⁾	\$16,564,988	100%	\$16,564,988
Shelby County ⁽²⁾	\$0	43% ⁽³⁾	<u>\$0</u>
Subtotal, overlapping debt			\$16,564,988
City of Sidney direct debt			<u>\$6,200,000</u>
Total direct and overlapping debt			<u><u>\$22,764,988</u></u>

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

⁽¹⁾ Source: Treasurer of Sidney City Schools

⁽²⁾ Source: Shelby County Auditor

⁽³⁾ Source: Per the Sidney's 2013 estimated population (21,006) as a percent of Shelby County 2014 estimate population (48,951) is equal to 43%.

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

Schedule 10

Fiscal Year	Population ⁽¹⁾		Per Capita Personal Income ⁽¹⁾		Median Age ⁽¹⁾		School Enrollment ⁽²⁾	Unemployment Rate ⁽³⁾	Total Assessed Property Value ⁽⁴⁾	Estimated Actual Property Value ⁽⁴⁾
2005	20,171	(1)(a)	\$19,075	(1)(c)	33.9 yrs	(1)(c)	3,923	4.9%	\$454,122,536	\$1,569,576,558
2006	20,139	(1)(a)	\$19,075	(1)(c)	33.9 yrs	(1)(c)	3,934	4.5%	\$428,275,580	\$1,223,644,514
2007	20,139	(1)(a)	\$19,075	(1)(c)	33.9 yrs	(1)(c)	3,978	4.8%	\$395,352,640	\$1,180,703,463
2008	20,019	(1)(a)	\$19,075	(1)(c)	33.9 yrs	(1)(c)	3,995	6.1%	\$376,375,950	\$1,075,359,857
2009	19,944	(1)(a)	\$19,075	(1)(c)	33.9 yrs	(1)(c)	3,868	12.8%	\$379,705,390	\$1,084,872,543
2010	21,229	(1)(b)	\$18,628	(1)(b)	36.1 yrs	(1)(b)	3,757	10.4%	\$379,491,650	\$1,084,261,857
2011	21,118	(1)(a)	\$18,628	(1)(b)	36.1 yrs	(1)(b)	3,602	9.2%	\$356,004,730	\$1,017,156,371
2012	21,031	(1)(a)	\$18,628	(1)(b)	36.1 yrs	(1)(b)	3,585	6.9%	\$355,354,130	\$1,015,297,514
2013	21,031	(1)(a)	\$18,628	(1)(b)	36.1 yrs	(1)(b)	3,497	6.2%	\$355,259,920	\$1,015,028,343
2014	21,006	(1)(a)	\$18,628	(1)(b)	36.1 yrs	(1)(b)	3,487	4.6%	\$352,538,170	\$1,007,251,914

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

^(b) U.S. Bureau of the Census - 2010 Federal Census

^(c) U.S. Bureau of the Census - 2000 Federal Census

⁽²⁾ Source: Sidney City Schools Board of Education

⁽³⁾ Source: Bureau of Labor Statistics, U.S. Dept. of Labor

⁽⁴⁾ Source: Shelby County Auditor

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

CITY OF SIDNEY, OHIO
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND NINE YEARS AGO

Schedule 11

2014			2005		
<u>Employer</u>	<u>Approximate Number of Employees</u>	<u>Percentage of Total Top 10 Employment</u>	<u>Employer</u>	<u>Approximate Number of Employees</u>	<u>Percentage of Total Top 10 Employment</u>
1 Emerson Climate Technologies	1,671	30.31%	1 Copeland Corporation	2,100	27.51%
2 Wilson Memorial Hospital	842	15.27%	2 NK Parts Industries	1,000	13.10%
3 NK Parts Industries	574	10.41%	3 American Trim	800	10.48%
4 Cargill	426	7.73%	4 Wilson Memorial Hospital	775	10.15%
5 Sidney Board of Education	398	7.22%	5 Wal-Mart Super Center	600	7.86%
6 Freshway Foods	394	7.14%	6 Norcold	500	6.55%
7 American Trim	335	6.08%	7 Sidney Board of Education	500	6.55%
8 Ross Castings	296	5.37%	8 Con Agra	484	6.34%
9 Ferguson Construction	292	5.30%	9 Alcoa Home Exteriors	450	5.89%
10 IAC	285	5.17%	10 Ross Aluminum Foundries	425	5.57%
Total	5,513	100.00%	Total	7,634	100.00%

Source: West Ohio Development Council

Note: Total number of employees within the City of Sidney is not available.

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

Schedule 12

Function/program	FULL-TIME EQUIVALENT EMPLOYEES AS OF DECEMBER 31,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General government	16.75	16.75	17.48	14.48	13.45	11.85	10.85	10.85	10.65	9.15
Police										
Officers	40.00	40.00	40.00	40.00	40.00	39.00	37.00	35.00	35.00	35.00
Civilians	15.84	15.84	15.84	15.84	15.84	13.92	13.35	13.35	13.35	13.35
Fire										
Firefighters and officers	37.00	37.00	37.00	38.00	38.00	35.00	35.00	35.00	35.00	35.00
Civilians	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Judicial	17.88	17.95	17.95	17.95	17.95	16.66	16.66	17.66	17.16	17.66
Health - cemetery	3.32	3.32	3.08	3.08	2.76	2.00	2.00	2.00	2.00	2.00
Street repair & maintenance	12.29	12.04	11.67	11.67	8.88	6.88	6.98	6.98	7.08	7.08
Community development	1.23	1.23	1.23	1.23	1.00	1.00	1.00	1.00	1.00	2.00
Community environment	11.25	11.51	11.51	11.59	11.30	10.50	5.60	5.60	5.75	5.25
Parks and recreation	17.60	16.90	16.90	17.23	16.23	15.51	15.51	14.94	13.94	13.94
Transportation	12.55	12.38	12.28	13.89	13.60	13.60	13.60	12.57	12.72	13.71
Stormwater	3.06	4.06	4.06	4.06	4.06	3.60	3.60	3.60	3.80	3.80
Water	21.77	21.77	21.77	18.25	16.03	15.83	15.73	15.73	15.88	15.88
Sewer	15.33	15.33	15.33	15.33	15.55	15.33	15.23	14.23	17.38	17.38
Solid waste	0.10	0.10	-	-	-	-	-	-	0.05	0.05
Airport	0.25	0.25	-	-	-	-	-	-	-	0.05
Swimming pool	4.05	5.06	4.05	5.06	4.21	3.98	3.98	3.98	4.38	4.57
Revenue Collection	-	-	-	6.50	6.50	6.00	6.00	6.00	6.00	6.00
Service center including city garage	4.44	4.44	4.04	3.75	3.50	3.00	3.00	3.00	3.05	3.05
Information technology	3.00	3.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Total	238.71	239.93	238.19	242.91	233.86	218.66	210.09	206.49	209.19	209.92

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

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

Schedule 13

Function/program	For Year Ended December 31,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government										
Accounts payable checks processed	5,590	5,181	5,543	5,633	5,230	4,276	4,594	4,376	4,595	5,010
Purchase orders issued	1,825	1,611	1,680	1,650	1,479	1,291	1,327	1,231	1,342	1,390
Police										
Calls for service processed	37,445	36,825	34,880	31,573	26,943	25,151	22,508	21,015	26,853	25,239
9-1-1 calls processed	3,734	3,810	4,067	3,958	7,247	7,542	11,661	10,703	17,000	18,500
Adult & juvenile arrests	2,888	2,615	1,739	2,399	1,998	1,321	1,193	1,201	1,428	1,072
Traffic citations	3,478	3,261	2,923	2,337	2,003	1,083	856	805	1,346	1,488
Fire										
Fire calls	735	610	632	701	592	502	524	575	719	700
EMS calls	2,585	2,540	2,702	2,664	2,638	2,552	2,772	2,729	2,407	2,500
Municipal Court										
New cases filed	10,419	11,284	11,816	10,059	8,478	7,224	7,372	7,928	7,864	8,100
Cases completed	10,913	11,663	11,918	9,269	9,230	9,287	8,471	8,255	8,185	8,575
Prisoners transported by bailiff	1,147	1,246	1,300	1,313	1,242	569	895	618	1,148	800
Cemetery										
Burials	73	68	71	94	69	69	74	102	101	90
Grave sales	49	58	37	68	34	29	35	40	59	45
Public Transportation										
Total ridership	48,218	47,429	43,277	45,400	43,448	38,636	37,912	41,543	43,756	49,000
Streets and highways										
Miles of street responsibility	98.0	97.5	97.5	97.5	97.5	97.5	97.5	97.5	110.5	111.0
Traffic signal intersections	50	50	50	52	52	50	50	48	48	49
Planning										
Sign permits issued	43	41	53	40	37	27	37	40	33	36
Zoning occupancy permits issued	20	23	18	20	17	22	32	34	33	30
Building inspection										
Building permits issued	259	251	265	246	330	491	319	567	467	419
Building inspections	1,103	1,618	833	822	612	734	472	404	543	260
Engineering										
Sanitary sewer inspections	94	67	51	32	25	25	25	12	15	15
Parks and recreation										
Free clinics organized and directed	20	37	37	38	24	-	14	12	12	17
Free clinics (attendance)	764	1,526	1,494	1,452	2,560	-	701	399	446	463
Park shelters maintained	33	33	33	35	37	37	43	43	45	45
Trees planted	150	100	100	76	1	1	16	6	-	4
Senior Center members	1,200	1,200	1,200	1,044	1,002	945	945	990	1,119	994
Water										
Gallons of water processed (in millions)	1,339	1,375	1,375	1,382	2,994	3,123	3,185	3,277	3,095	3,021
Lime sludge processed/removed (dry tons)	-	10,000	10,000	10,300	7,095	7,038	6,291	3,571	6,250	6,100
Water main breaks	23	17	34	20	16	16	24	15	29	25
Sewer										
Wastewater processed (million gallons per day)	6.00	5.80	6.00	6.03	4.76	5.07	6.40	4.66	5.27	5.60
Biosolids processed (dry tons)	855	723	1,002	642	618.55	650	590	602	635	640
Feet of sewer cleaned	137,969	112,663	105,901	102,997	90,089	93,327	93,327	87,516	89,997	88,000
Swimming Pool										
Daily admissions	20,181	16,912	16,354	14,612	12,957	14,703	15,103	13,176	9,786	8,289
Season passes	479	521	564	509	490	401	492	344	286	283
Information Technology										
Number of personal computers maintained	165	192	205	205	210	205	195	205	211	219
Service Center - Garage										
Units in fleet	236	239	235	276	263	250	248	256	258	259
Revenue Collections										
Tax returns processed	6,000	8,500	9,980	6,416	5,458	9,686	12,315	11,923	11,692	11,900
Monthly Utility Customers	n/a	n/a	n/a	n/a	2,356	2,889	2,985	3,015	3,810	3,900

Source: City of Sidney, Ohio, Appropriation Budgets for applicable years. Actual statistics for years 2005 - 2013. Estimated statistics for 2014.

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

Schedule 14

<u>Function/Program</u>	<u>Year Ended December 31,</u>									
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Street Repair & Maintenance ⁽¹⁾										
Miles of streets	99.73	100.14	100.75	100.43	100.46	100.46	110.16	110.16	109.99	110.72
Basic utility services - stormwater management ⁽¹⁾										
Miles of storm sewers	73.29	73.27	74.46	74.67	75.17	75.24	76.20	76.54	76.77	77.07
Parks and recreation ⁽²⁾										
Acres of parks maintained	380	430	430	430	430	450	450	450	450	456
Acres of public grounds maintained	250	250	250	250	250	250	250	250	250	250
Neighborhood parks	14	15	15	15	16	16	16	16	16	16
Sewer ⁽¹⁾										
Miles of sanitary sewers	117.86	118.81	119.86	120.50	120.57	122.07	122.11	125.05	125.46	124.00
Water ⁽¹⁾										
Miles of water mains	118.22	118.58	119.85	119.91	121.02	123.22	123.23	123.23	123.31	123.31

⁽¹⁾ Source: City of Sidney, Ohio, Engineering Department.

⁽²⁾ Source: City of Sidney, Ohio, Appropriation Budgets for applicable years. Actual statistics for years 2005 - 2013. Estimated statistics for 2014.



Dave Yost • Auditor of State

CITY OF SIDNEY
SHELBY COUNTY

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**CITY OF SIDNEY
SHELBY COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014**

FEDERAL GRANTOR			(A)
<i>Pass Through Grantor</i>	CFDA	Grant	Federal
Program Title	Number	Number	Disbursements
U.S. DEPARTMENT OF AGRICULTURE			
<i>Passed through the Ohio Department Of Education</i>			
Summer Food Service Program for Children	10.559	N/A	<u>\$36,092</u>
<i>Passed through the Ohio Department Of Natural Resources Division of Forestry</i>			
Forest Health Protection Grant	10.680	10-DG-1142004-353	<u>24,516</u>
Total U.S. Department of Agriculture			<u>60,608</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
<i>Passed through the Office of Housing and Community Partnerships</i>			
Home Investment Partnerships Program	14.239	A-C-13-2DR-2	<u>127,842</u>
Total Home Investment Partnerships Program			<u>127,842</u>
<i>Passed through the Ohio Development Services Agency</i>			
Community Development Block Grant/State's Program	14.228	A-C-13-2DR-1	80,539
Community Development Block Grant/State's Program	14.228	A-F-13-2DR-1	72,234
Community Development Block Grant/State's Program	14.228	A-F-14-2DR-1	<u>692</u>
(B) Total Community Development Block Grant/State's Program			<u>153,465</u>
Total U.S. Department of Housing and Urban Development			<u>281,307</u>
U.S. DEPARTMENT OF JUSTICE			
<i>Passed through the Office of Criminal Justice Services</i>			
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745	2011-MO-BX-0013	72,669
Edward Byrne Memorial Justice Assistance Grant	16.738	2013-JG-LLE-5895	5,142
BulletProof Vest Partnership	16.607	2013-BUBX13067381	1,336
BulletProof Vest Partnership	16.607	2014-BUBX14072842	<u>11,381</u>
Total U.S. Department of Justice			<u>90,528</u>
U.S. DEPARTMENT OF TRANSPORTATION			
Airport Improvement Program	20.106	3-39-0071-018-2014	<u>46,262</u>
Total Airport Improvement Program			<u>46,262</u>
<i>Passed through the Ohio Department Of Transportation</i>			
Formula Grants for Rural Areas	20.509	OH-18-X034	314,134
Formula Grants for Rural Areas	20.509	OH-18-X034	35,333
Formula Grants for Rural Areas	20.509	OH-18-X034	19,988
Formula Grants for Rural Areas	20.509	OH-18-X034	<u>158</u>
Total Formula Grants for Rural Areas			<u>369,613</u>
<i>Passed through the Ohio Department Of Transportation</i>			
Highway Planning and Construction	20.205	91828	800
Highway Planning and Construction	20.205	95244	49,448
Highway Planning and Construction	20.205	93543	<u>257,451</u>
Total Highway Planning and Construction			<u>307,699</u>
Total U.S. Department of Transportation			723,574

**CITY OF SIDNEY
SHELBY COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014**

FEDERAL GRANTOR			(A)
<i>Pass Through Grantor</i>	CFDA	Grant	Federal
Program Title	Number	Number	Disbursements
U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES			
<i>Passed through the Area Agency on Aging, PSA 2</i>			
Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers	93.044	N/A	8,400
<i>Passed through the Centers for Medicare and Medicaid Services</i>			
Medical Assistance Program	93.778	N/A	8,381
Total U.S. Department of Health & Human Services			16,781
Total Expenditures of Federal Awards			\$1,172,798

(A) This schedule is prepared on the cash basis of accounting

(B) The City received in \$10,434 in repayment of revolving loan funds in the year ended December 31, 2014.



Dave Yost • Auditor of State

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

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

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sidney, Shelby County, (the City) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Entity's basic financial statements and have issued our report thereon dated June 8, 2015. Additionally, as described in Note 16, the City restated the beginning Net Position for Business Type Activities and Sewer Fund as of January 1, 2014.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

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

Dave Yost
Auditor of State
Columbus, Ohio

June 8, 2015



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

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

Report on Compliance for the Major Federal Program

We have audited the City of Sidney's (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the City of Sidney's major federal program for the year ended December 31, 2014. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City's major federal program.

Management's Responsibility

The City's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the City's compliance for the City's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on the Major Federal Program

In our opinion, the City of Sidney complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2014.

Report on Internal Control Over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing

procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

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

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

This report only describes the scope of our internal control over compliance tests and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Federal Awards Expenditures Required by OMB Circular A-133

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Sidney (the City) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated June 8, 2015. We conducted our audit to opine on the City's basic financial statements. The accompanying schedule of Federal Awards Expenditures presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* 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, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Dave Yost
Auditor of State
Columbus, Ohio

June 8, 2015

**CITY OF SIDNEY
SHELBY COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2014**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Highway Planning and Construction CFDA#20.205
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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Dave Yost • Auditor of State

CITY OF SIDNEY

SHELBY COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JUNE 23, 2015**