

City of Sidney Ohio



Comprehensive Annual Financial Report

For the Year Ended
December 31, 2013

City of Sidney, Ohio
Comprehensive Annual Financial Report
Year Ended December 31, 2013



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

City of Sidney
Comprehensive Annual Financial Report
Table of Contents
For the Year Ended December 31, 2013

Page

I. INTRODUCTORY SECTION

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

II. FINANCIAL SECTION

A.	INDEPENDENT AUDITORS’ REPORT	3-4
B.	MANAGEMENT’S DISCUSSION AND ANALYSIS	5-14
C.	BASIC FINANCIAL STATEMENTS	

Government-wide Financial Statements

	Statement of Net Position	16
	Statement of Activities	17

Fund Statements

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

City of Sidney
Comprehensive Annual Financial Report
Table of Contents
For the Year Ended December 31, 2013

Page

	<u><i>Notes to the Basic Financial Statements</i></u>	27-49
D.	REQUIRED SUPPLEMENTARY INFORMATION	
	Schedule of Revenues, Expenditures and Changes in Fund	
	Balances – Budget and Actual – Budgetary (Non-GAAP) Basis	
	– General Fund	50
	Schedule of Revenues, Expenditures and Changes in Fund	
	Balances – Budget and Actual – Budgetary (Non-GAAP) Basis	
	– Street Repair & Maintenance Fund	51
	Notes to the Required Supplementary Information	52-53
E.	SUPPLEMENTAL SECTION	
	<u><i>Fund Descriptions</i></u>	57-61
	<u><i>Combining Statements – Non-Major Funds:</i></u>	
	Combining Balance Sheet – Non-major Governmental Funds	62
	Combining Statement of Revenues, Expenditures and Changes in	
	Fund Balances – Non-major Governmental Funds	63
	Combining Balance Sheet – Non-major Special Revenue Funds	64-67
	Combining Statement of Revenues, Expenditures and Changes in	
	Fund Balances – Non-major Special Revenue Funds	68-71
	Combining Statement of Net Position – Non-major Enterprise	
	Funds	72
	Combining Statement of Revenues, Expenses and Changes in Net	
	Position– Non-major Enterprise Funds	73
	Combining Statement of Cash Flows – Non-major Enterprise	
	Funds	74
	Combining Statement of Net Position – Internal Service Funds	75
	Combining Statement of Revenues, Expenses and Changes in Net	
	Position– Internal Service Funds	76
	Combining Statement of Cash Flows – Internal Service Funds	77
	Combining Statement of Fiduciary Net Position – Agency Funds	78

City of Sidney
Comprehensive Annual Financial Report
Table of Contents
For the Year Ended December 31, 2013

Page

Combining Statement of Changes in Assets and Liabilities – Agency Funds	79
<i><u>Budget-to-Actual Schedules – General Fund</u></i>	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control - General Fund	81-83
<i><u>Budget-to-Actual Schedules – Special Revenue Funds</u></i>	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Street Repair & Maintenance Fund	84
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	85
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	85
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Convention & Visitors’ Bureau Fund	86
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	86
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	87
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	87

City of Sidney
Comprehensive Annual Financial Report
Table of Contents
For the Year Ended December 31, 2013

	<u>Page</u>
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Indigent Driver Alcohol Treatment Fund	88
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	88
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	89
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	90
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	90
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	91
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	91
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	92
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	92
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	93

City of Sidney
Comprehensive Annual Financial Report
Table of Contents
For the Year Ended December 31, 2013

	<u>Page</u>
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Municipal Court Computer Fund	93
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Cemetery Fund	94
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	95
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	95
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	96
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	96
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	97
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	97
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	98
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	98
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – E-911 Wireless Fund	99

City of Sidney
Comprehensive Annual Financial Report
Table of Contents
For the Year Ended December 31, 2013

<u>Page</u>	
99	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
100	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – CRA Fund
100	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
101	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
101	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
	<u>Budget-to-Actual Schedules – Capital Projects Funds</u>
102	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Capital Improvement Fund
103	Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – At Legal Level of Budgetary Control – Brookside Park Fund
	III STATISTICAL SECTION
107	Narrative overview
108	Schedule 1 – Net Position by Category – Last Ten Fiscal Years
109-110	Schedule 2 – Changes in Net Position – Last Ten Fiscal Years
111	Schedule 3 – Fund Balances, Governmental Funds – Last Ten Fiscal Years
112	Schedule 4 – Changes in Fund Balances, Governmental Funds – Last Ten Fiscal Years
113	Schedule 5 – Income Tax by Payer Type and Income Tax Rate – Last Ten Fiscal Years

City of Sidney
Comprehensive Annual Financial Report
Table of Contents
For the Year Ended December 31, 2013

<u>Page</u>	
	Schedule 6 – Ranking of Top Ten Income Tax Withholders, Current Year and Nine Years Ago 114
	Schedule 7 – Ratios of Outstanding Debt by Type – Last Ten Fiscal Years 115
	Schedule 8 – Ratios of Outstanding Debt and Legal Debt Margins – Last Ten Fiscal Years 116
	Schedule 9 – Computation of Direct and Overlapping General Obligation Debt – December 31, 2013 117
	Schedule 10 – Demographic and Economic Statistics – Last Ten Fiscal Years 118
	Schedule 11 – Principal Employers – Current Year and Nine Years Ago 119
	Schedule 12 – Full-Time Equivalent City Government Employees by Function – Last Ten Fiscal Years 120
	Schedule 13 – Operating Indicators by Function / Program – Last Ten Fiscal Years 121
	Schedule 14 – Capital Asset and Infrastructure Statistics by Function / Program – Last Ten Fiscal Years 122

CITY OF SIDNEY



OHIO

**CITY OF SIDNEY, OHIO
LIST OF PRINCIPAL OFFICIALS
DECEMBER 31, 2013**

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

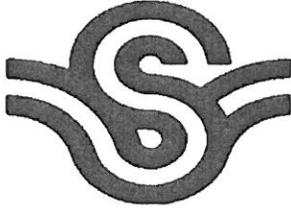
Jeffrey Amick

CITY CLERK

Joyce Goubeaux

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 2013 Comprehensive Annual Financial Report

June 23, 2014

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, 2013, 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.

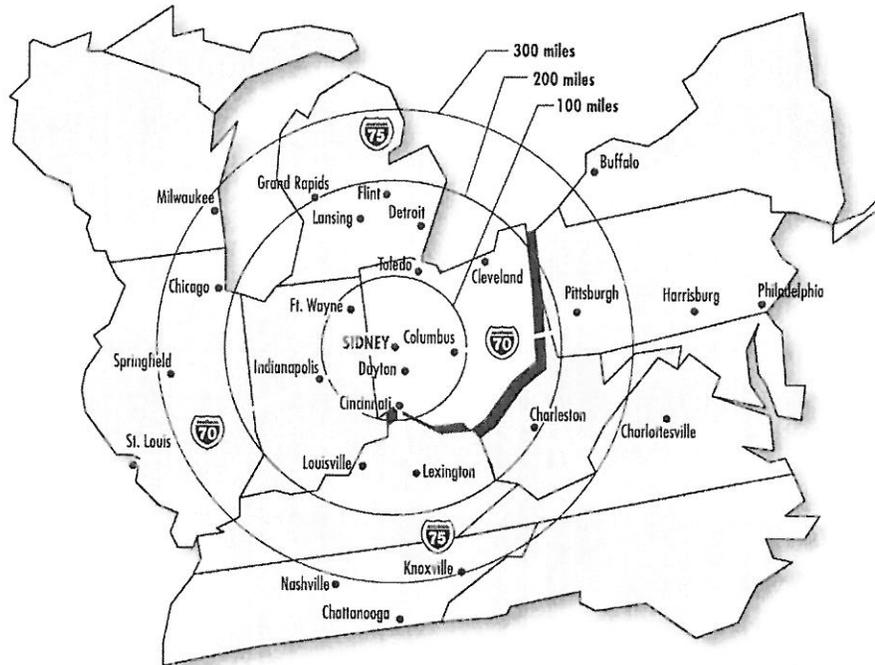
City of Sidney staff prepared all statements, schedules, and other presentations in this report. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal control established for this purpose. 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.

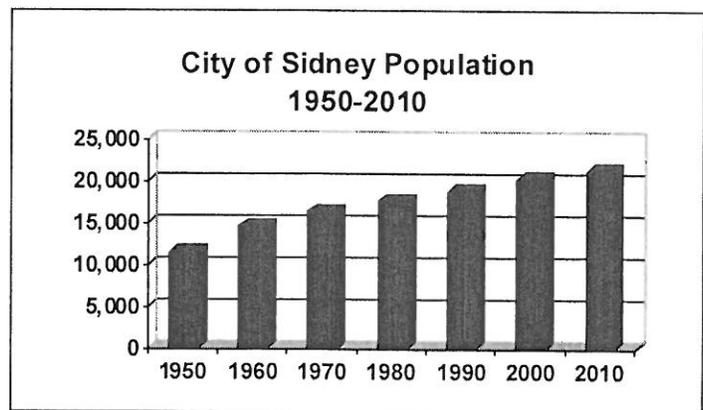
The Ohio Auditor of State audited the basic financial statements of the City of Sidney that are included in this report. The financial statements have received an unmodified ("clean") opinion. The independent auditor's report is located at the front of the financial section of this report. The audit was also 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 2013 is 21,031.



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.

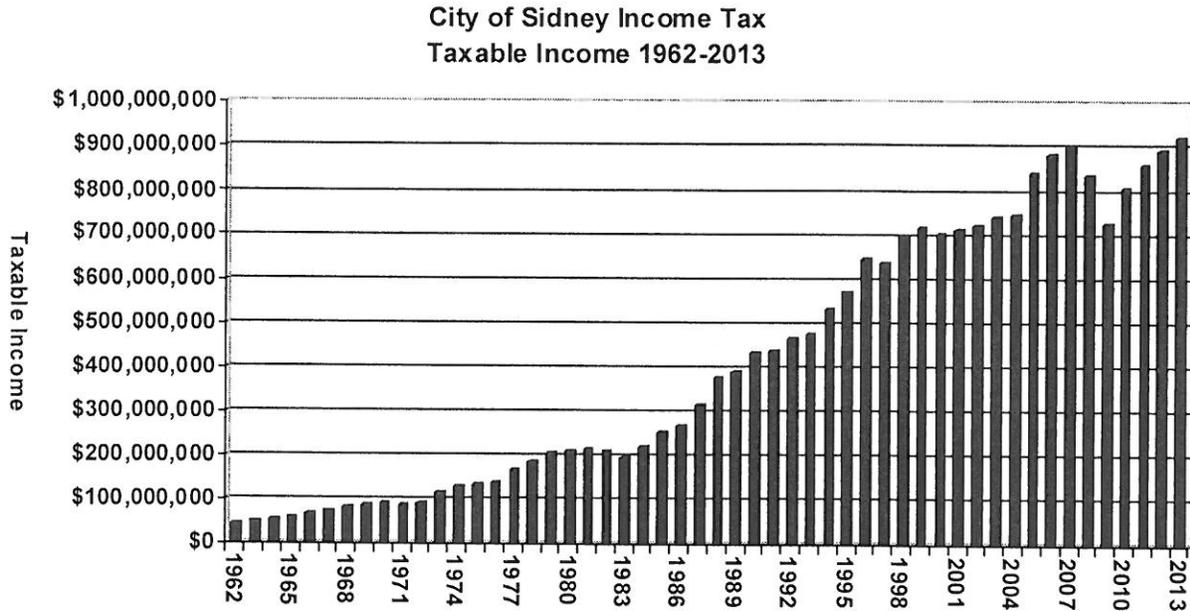
ECONOMIC CONDITIONS AND OUTLOOK

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.



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%.

Since 2009, the City’s income tax base has steadily returned to pre-recession levels. In 2010, the City’s income tax base grew 10.7% over 2009. In 2011, growth of 6.4% over 2010 was realized. For the years ended December 31, 2013 and December 31, 2012, annual growth in the City’s income tax base slowed to 4.0% and 3.3%, respectively. Average growth for this decade is 6.1%. This increase is due in large part to growth in the taxable net profits of the City’s businesses, while the growth in taxes withheld from Sidney’s employees has been modest.

2013 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 2013 were:

<u>Employer</u>	<u>Primary Business</u>	<u>Ave. no. of employees</u>
Emerson Climate Technologies (formerly Copeland Corporation)	Air compressor manufacturing	1,595
Wilson Memorial Hospital	Acute care facility	613
NK Parts Industries	Test, assemble, and ship auto parts	574
Superior Metal / American Trim	Auto and appliance stampings	441
Cargill, Inc.	Soybean refining, meal & oil	430
Freshway Foods	Processor of fresh foods	412
Sidney Board of Education	Public education	410
MaMa Rosa's Pizza	Wholesale pizza distributor	308
Wal-Mart Supercenter	Retail store	286
Ross Castings & Aluminum	Producer of aluminum castings	249

Source: West Ohio Development Council

In addition, a Honda of America Mfg., Inc. auto engine plant with approximately 2,400 employees is located just eight miles outside of the City. It significantly benefits the City's industrial, commercial, residential and income tax bases.

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 46th in that same survey for 2013. 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 West Ohio Development Council (WODC) 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 2013 surpassed 2007 levels for the first time since the recession, 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 2013 and beyond barring future State budget reductions.

- Given the uncertainty of future income tax levels and local government distributions, staffing reductions remain in place. Staffing is at 209 full-time equivalents (FTEs) down from 243 FTE's in 2008. Reductions were accomplished through attrition of full-time positions, reductions in seasonal labor, layoffs of some part-time personnel, and an abolishment of four positions, following the reorganization of the Engineering Division. Three positions were added to the Sewer Fund in 2013. Those positions are funded by the addition of a new fee charged to every Sidney sewer customer.
- A significant sewer flow rate increase of 20% was implemented in 2014 to raise the funds to pay for sewer system changes required by the Ohio EPA. The current agreement with Ohio EPA requires certain operating and capital improvements, estimated to cost about \$33 million, to be in place by January 2016. Staff continues negotiations with the Ohio EPA to delay and/or reduce the necessary expenditures. To the extent, the timing and the actual costs are lower, future rate and fee reductions would be made.
- A significant water flow rate increase of 29% was implemented in 2014 to proceed with the final design and construction of the new water source, as well as the purchase of water protection area for the new water source. To date, the City has invested over \$700,000 in testing and initial water source design and issued bonds totaling \$2.54 million dedicated to water source property acquisition.
- With the reconstruction of Wapakoneta Avenue from I-75 to Russell Road completed in 2013, efforts have shifted in 2014 to making various traffic safety improvements to State Route 47 from Stolle Avenue to Vandemark Road. This multi-year project will continue in 2015 with various driveway and traffic signal upgrades on State Route 47 from Vandemark to Walnut Avenue. 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 majority of these capital projects are grant-funded to leverage local income tax dollars and complete more infrastructure improvements.
- The relocation and extension of a runway at the Sidney Municipal Airport was begun in 2013 and completed in early 2014 at a cost of over \$2 million. The improvements were designed to increase the air traffic flow to and from Sidney and were largely paid for with federal grants.
- 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 and 2013. 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, 2012. 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 fifteen consecutive years. We believe that this comprehensive annual financial report for the year ended December 31, 2013 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 2014, the sixteenth 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

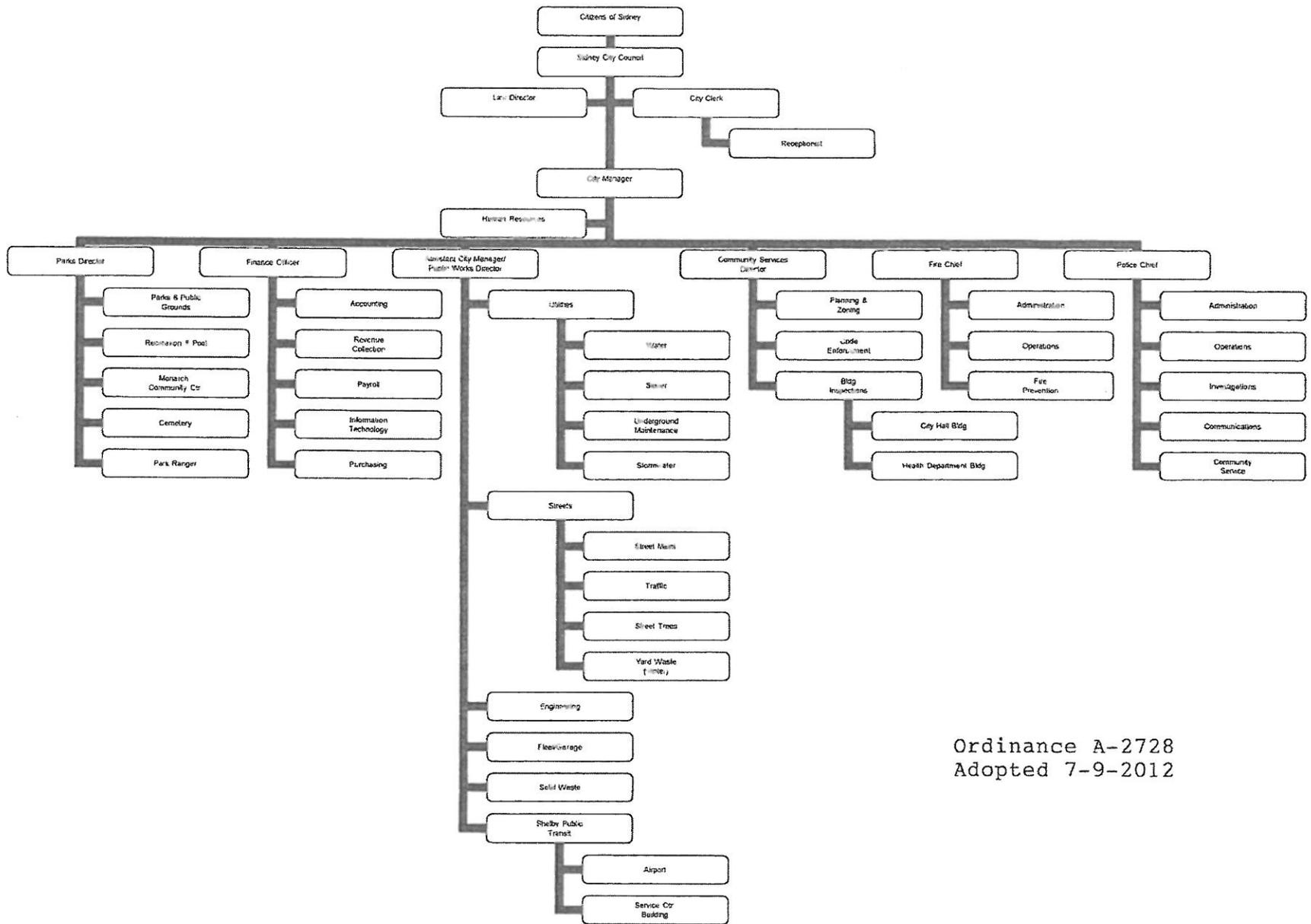
The preparation of this report was made possible by the efforts of the Finance Department staff, including Jennifer Wagner, Accountant, and Lori Rittenhouse, Account Clerk. Special recognition is extended to Assistant Finance Officer Renee DuLaney, CPA, for her skillful preparation of the financial statements. 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 7-9-2012



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Sidney
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO

CITY OF SIDNEY



OHIO



FINANCIAL SECTION

CITY OF SIDNEY



OHIO



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 City of Sidney, Shelby County, Ohio (the City), as of and for the year ended December 31, 2013, 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 City of Sidney, Shelby County, Ohio, as of December 31, 2013, 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 for the Business Type Activities, Water Fund, and Stormwater Fund as of January 1, 2013. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, 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 23, 2014, 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.



Columbus, Ohio

June 23, 2014

CITY OF SIDNEY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2013
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, 2013. 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 2013?" 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, 2013. 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, 2013. 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.

CITY OF SIDNEY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

- *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 in the fiduciary statement of net position, while the three private-purpose trust funds are listed separately on page 25 of this report. The statement of changes in fiduciary net position reported on page 26 includes the three private-purpose trust funds. 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
For the Year Ended December 31, 2013
Unaudited

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 – 49 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 50 to 53 of this report.

The City of Sidney as a Whole

The following table presents condensed information on net position as of December 31, 2013 and 2012.

	Net Position					
	December 31, 2013 and 2012					
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012, as restated</u>	<u>2013</u>	<u>2012, as restated</u>
<u>Assets:</u>						
Current and other assets	\$ 19,402,949	\$ 17,526,876	\$ 13,006,407	\$ 7,377,862	\$ 32,409,356	\$ 24,904,738
Capital assets	<u>53,819,219</u>	<u>53,580,207</u>	<u>47,904,093</u>	<u>43,839,783</u>	<u>101,723,312</u>	<u>97,419,990</u>
Total assets	<u>73,222,168</u>	<u>71,107,083</u>	<u>60,910,500</u>	<u>51,217,645</u>	<u>134,132,668</u>	<u>122,324,728</u>
<u>Liabilities:</u>						
Long-term liabilities	8,414,222	8,843,685	16,683,156	12,658,378	25,097,378	21,502,063
Other liabilities	<u>2,181,582</u>	<u>2,494,896</u>	<u>2,114,371</u>	<u>1,162,918</u>	<u>4,295,953</u>	<u>3,657,814</u>
Total liabilities	<u>10,595,804</u>	<u>11,338,581</u>	<u>18,797,527</u>	<u>13,821,296</u>	<u>29,393,331</u>	<u>25,159,877</u>
Deferred inflows	<u>1,958,314</u>	<u>1,813,145</u>	-	-	<u>1,958,314</u>	<u>1,813,145</u>
Total liabilities and deferred inflows	<u>12,554,118</u>	<u>13,151,726</u>	<u>18,797,527</u>	<u>13,821,296</u>	<u>31,351,645</u>	<u>26,973,022</u>
<u>Net Position:</u>						
Net investment in capital assets	47,228,659	46,484,983	36,254,260	32,434,937	83,482,919	78,919,920
Restricted	3,521,730	3,273,154	-	-	3,521,730	3,273,154
Unrestricted	<u>9,917,661</u>	<u>8,197,220</u>	<u>5,858,713</u>	<u>4,961,412</u>	<u>15,776,374</u>	<u>13,158,632</u>
Total net position	<u>\$ 60,668,050</u>	<u>\$ 57,955,357</u>	<u>\$ 42,112,973</u>	<u>\$ 37,396,349</u>	<u>\$ 102,781,023</u>	<u>\$ 95,351,706</u>

The City's assets were greater than its liabilities and deferred inflows of resources by nearly \$102.8 million at the close of 2013, as compared to nearly \$95.4 million at close of 2012, an increase of \$7.4 million. The business-type activities restated total net position as of December 31, 2012 has been reduced approximately \$674,000 from nearly \$38.1 million to approximately \$37.4 million, largely a result of correcting water system infrastructure inadvertently capitalized in 2010.

The component, "Net investment in capital assets" increased nearly \$4.6 million, or 5.8%, from approximately \$78.9 million at December 31, 2012 to almost \$83.5 million at December 31, 2013.

CITY OF SIDNEY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

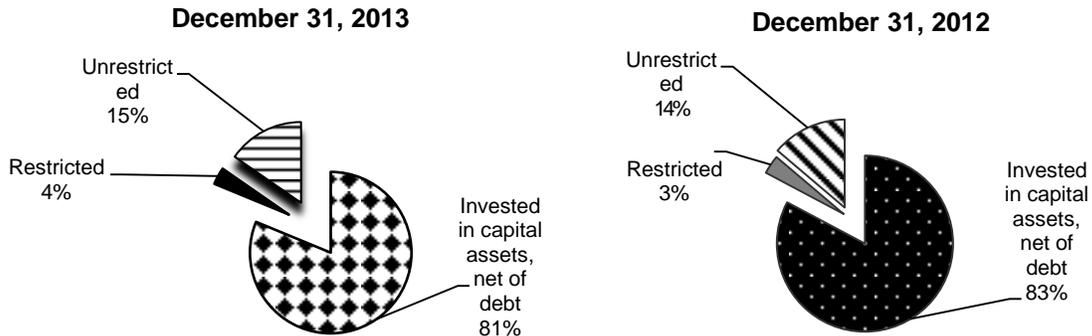
Increases in this category of net position generally means that the sum of capital asset additions and bond principal repayments were more than the sum of depreciation expense, disposed assets, and additional debt now associated with capital assets. During 2013 the City received grant funding of almost \$1.5 million for phase two of the Wapakoneta Avenue reconstruction and nearly \$2.5 million for the Sidney Airport runway relocation/extension. Additionally, the City cash funded nearly \$1.2 million of new sewer equipment to begin the sewer inflow and infiltration reduction program required by the Ohio EPA.

Restricted net position is subject to external restrictions as to their use. This category increased nearly \$249,000, or 7.6%, from \$3.3 million at December 31, 2012 to \$3.5 million at December 31, 2013. Increases in restricted resources for community development projects, judicial special projects and future maintenance of the Graceland Cemetery offset decreases in restricted resources used for street repairs and maintenance.

Unrestricted net position is available for future use as directed by City Council. Overall, this category increased approximately \$2.6 million from nearly \$13.2 million at December 31, 2012 to about \$15.8 million at December 31, 2013. It is important to note that although the total unrestricted net position is \$15.8 million, the unrestricted net position of the City's business-type activities, approximately \$5.9 million, may not be used to fund governmental activities. Unrestricted net position of the City's governmental activities increased approximately \$1.7 million, or 21.0%, from \$8.2 million to \$9.9 million. The City's income tax revenue was approximately \$653,000 greater in 2013 than in 2012. For the City's business-type activities, the unrestricted net position increased nearly \$900,000 from nearly \$5.0 million to \$5.9 million. Utility rates were increased in 2013 to fund the increased 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 reported 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 illustrates the components of net position.



CITY OF SIDNEY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

The following table presents condensed information on the changes in net assets for the years ended December 31, 2013 and December 31, 2012.

Changes in Net Position For the Years Ended December 31, 2013 and 2012

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	<u>2012, as restated</u>
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012, as restated</u>		
<u>Revenues:</u>						
Program revenues:						
Charges for services	\$2,011,376	\$2,014,471	\$11,928,263	\$8,970,246	\$13,939,639	\$10,984,717
Operating grants and contributions	1,482,870	1,384,594	468,171	396,192	1,951,041	1,780,786
Capital grants and contributions	2,605,633	1,046,609	2,716,900	667,677	5,322,533	1,714,286
General revenues:						
Income taxes	14,161,505	13,508,264	-	-	14,161,505	13,508,264
Property taxes	1,016,383	1,064,514	-	-	1,016,383	1,064,514
Other taxes	807,038	670,257	-	-	807,038	670,257
Grants and other contributions not restricted to specific programs	582,407	577,012	-	-	582,407	577,012
Investment income	106,092	129,953	133,897	169,073	239,989	299,026
Gain (loss) on sale of capital assets	3,380	26,069	13,179	99,280	16,559	125,349
Miscellaneous	459,787	252,167	431,729	153,812	891,516	405,979
Total revenues	23,236,471	20,673,910	15,692,139	10,456,280	38,928,610	31,130,190
<u>Expenses:</u>						
General government	1,280,552	1,043,097	-	-	1,280,552	1,043,097
Police	5,878,916	5,947,129	-	-	5,878,916	5,947,129
Fire	4,831,041	4,636,484	-	-	4,831,041	4,636,484
Judicial	1,644,204	1,574,631	-	-	1,644,204	1,574,631
Health	212,134	200,968	-	-	212,134	200,968
Public transportation	-	5,643	-	-	-	5,643
Street repair & maintenance	3,501,798	3,275,490	-	-	3,501,798	3,275,490
Community development	674,110	690,046	-	-	674,110	690,046
Community environment	522,557	704,322	-	-	522,557	704,322
Parks and recreation	1,453,956	1,488,367	-	-	1,453,956	1,488,367
Basic utility services	-	54,751	-	-	-	54,751
Bond issuance costs	14,234	-	-	-	14,234	-
Interest on long-term debt	291,005	295,729	-	-	291,005	295,729
Water	-	-	3,838,381	3,876,533	3,838,381	3,876,533
Sewer	-	-	3,964,102	3,473,960	3,964,102	3,473,960
Solid waste	-	-	1,346,774	1,233,201	1,346,774	1,233,201
Stormwater	-	-	491,391	568,224	491,391	568,224
Transportation	-	-	920,931	873,727	920,931	873,727
Airport	-	-	434,209	478,531	434,209	478,531
Swimming pool	-	-	174,901	150,027	174,901	150,027
Yard waste	-	-	24,097	96,510	24,097	96,510
Total expenses	20,304,507	19,916,657	11,194,786	10,750,713	31,499,293	30,667,370
Excess (deficiency) before transfers	2,931,964	757,253	4,497,353	(294,433)	7,429,317	462,820
Transfers	(219,271)	(343,100)	219,271	343,100	-	-
Change in net position	2,712,693	414,153	4,716,624	48,667	7,429,317	462,820
Net position, beginning of year, restated	57,955,357	57,541,204	37,396,349	37,347,682	95,351,706	94,888,886
Net position, end of year	\$ 60,668,050	\$ 57,955,357	\$ 42,112,973	\$ 37,396,349	\$ 102,781,023	\$ 95,351,706

CITY OF SIDNEY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

The City's net position increased nearly \$7.4 million for the year ended December 31, 2013 as compared to an increase of about \$463,000 for the prior year.

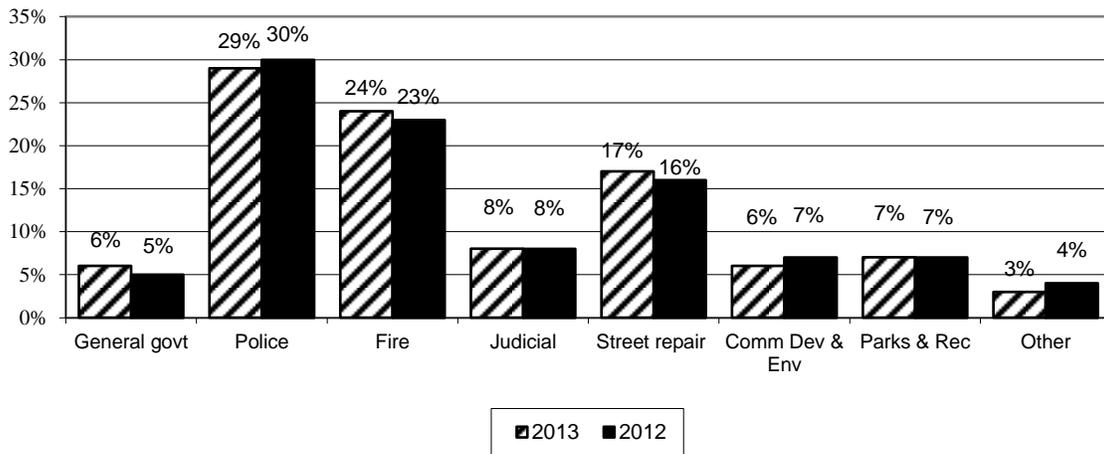
Total revenues increased nearly \$7.8 million, or 25.1%. Income tax revenue increased approximately \$653,000 due to an increase in income taxes withheld from employees' pay. Capital grants and contributions increased roughly \$3.6 million, from \$1.7 million in 2012 to \$5.3 million in 2013. The majority of the 2013 capital grants financed the Sidney Airport runway expansion and the second phase of Wapakoneta Avenue reconstruction. Charges for services increased nearly \$3.0 million, or 26.9%, from \$10.9 million in 2012 to \$13.9 million in 2013. Nearly all of this increase is attributable to increased water and sewer flow rates and a new monthly sewer fee to pay for the EPA-mandated inflow and infiltration reduction program. Miscellaneous revenues increased nearly \$486,000 in 2013 as compared to 2012 primarily as a result of the City's grant match for the airport runway expansion and a rebate received from the Ohio Bureau of Workers' Compensation.

Total expenses increased approximately \$832,000 or 2.7% from \$30.7 million in 2012 to \$31.5 million in 2013. General government expenses increased about \$237,000, or 22.8%, largely because of the required grant match for the airport runway expansion project. Street repair & maintenance expenses returned to a more normal level of \$3.5 million in 2013, as compared to the lower \$3.3 million level of expenses incurred with the milder winter of 2012. Sewer expenses increased about \$490,000, or 14.1%, from nearly \$3.5 million in 2012 to almost \$4.0 million in 2013 largely attributable to the operating expenses of a new Ohio EPA-mandated inflow and infiltration reduction program.

Governmental activities

Governmental activities net position increased \$2.7 million, or 4.7%, from nearly \$58.0 million at December 31, 2012 to \$60.7 million at December 31, 2013. The category, net investment in capital assets, increased about \$740,000, or 1.6%, from nearly \$46.5 million to \$47.2 representing the City's investment in its infrastructure financed largely with grants. Restricted net position increased approximately \$249,000. Increases in restricted resources for community development projects, judicial special projects and future maintenance of the Graceland Cemetery offset decreases in restricted resources used for street repairs and maintenance. Unrestricted net position increased approximately \$1.7 million, or 21.0%, from \$8.2 million to \$9.9 million, a result of improved income tax and grant 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



The composition of expenses by program remained relatively stable from 2012 to 2013. 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 23% to 24%. Judicial - consisting mainly of municipal

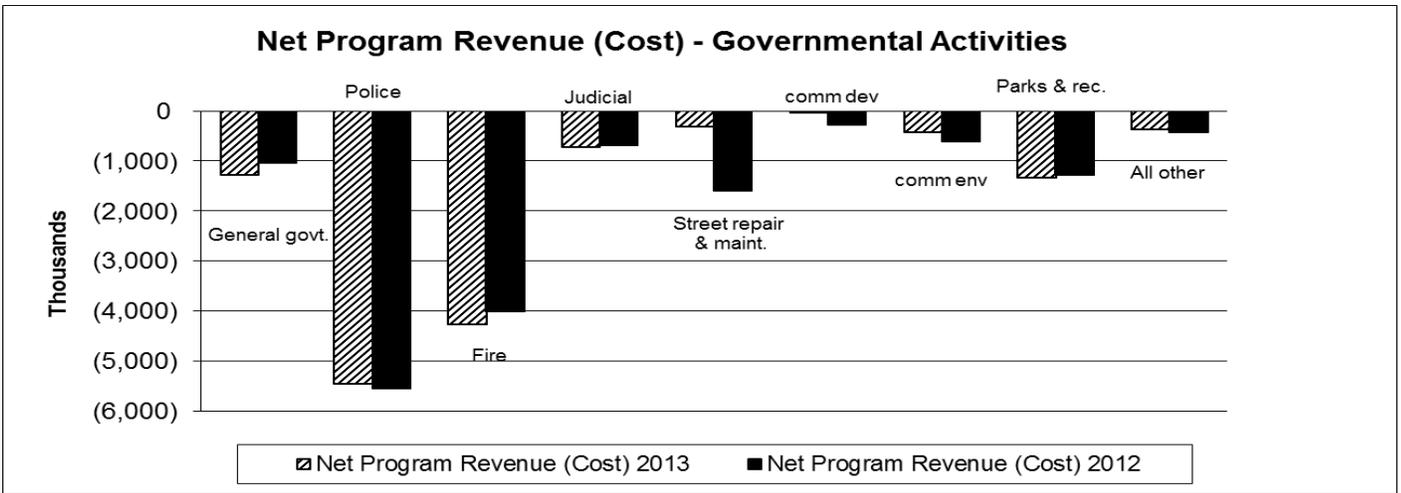
CITY OF SIDNEY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

court activities – comprises about 8% of governmental activities' expenses. Street repair and maintenance (which includes winter street clean-up) accounts for about 16% to 17% of expenses. The community development and environment program expenditures, which includes such activities as community planning, engineering, building inspection, and code enforcement, makes up 6% to 7%. 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

	<u>Year Ended December 31, 2013</u>			<u>Year Ended December 31, 2012</u>		
	<u>Expense</u>	<u>Program Revenue</u>	<u>Net Revenue (Cost)</u>	<u>Expense</u>	<u>Program Revenue</u>	<u>Net Revenue (Cost)</u>
General government	\$ 1,280,552	\$ -	\$ (1,280,552)	\$ 1,043,097	\$ 1,578	\$ (1,041,519)
Police	5,878,916	434,230	(5,444,686)	5,947,129	404,573	(5,542,556)
Fire	4,831,041	555,901	(4,275,140)	4,636,484	637,602	(3,998,882)
Judicial	1,644,204	926,900	(717,304)	1,574,631	883,356	(691,275)
Street repair & maintenance	3,501,798	3,189,712	(312,086)	3,275,490	1,683,455	(1,592,035)
Community development	674,110	632,825	(41,285)	690,046	405,217	(284,829)
Community environment	522,557	87,860	(434,697)	704,322	89,396	(614,926)
Parks & recreation	1,453,956	119,649	(1,334,307)	1,488,367	206,674	(1,281,693)
All others	517,373	152,802	(364,571)	557,091	133,823	(423,268)
Total governmental activities	\$ 20,304,507	\$ 6,099,879	\$ (14,204,628)	\$ 19,916,657	\$ 4,445,674	\$ (15,470,983)



Overall, the net program cost of governmental activities decreased by nearly \$1.3 million, or 8.2%, from a net program cost of \$15.5 million in 2012 to \$14.2 million in 2013. The most significant change was the Street Repair & Maintenance program which changed from a net program cost of about \$1.6 million in 2012 to a net program cost of about \$312,000 in 2013, primarily due to the grant funding of phase two of the Wapakoneta Avenue reconstruction recognized in 2013.

CITY OF SIDNEY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

Business-type activities

Business-type activities' net position increased approximately \$4.7 million, or 12.6%, from nearly \$37.4 million at December 31, 2012 to \$42.1 million at December 31, 2013. Of this increase, \$3.8 million was in the category, net investment in capital assets, and was the result of grant-funded airport runway expansion and the sewer improvements necessitated by the Ohio EPA.

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:

	Expenses and Program Revenues - Business-Type Activities					
	Year Ended December 31, 2013			Year Ended December 31, 2012, restated		
	Expense	Program Revenue	Net Revenue (Cost)	Expense	Program Revenue	Net Revenue (Cost)
Water	\$ 3,838,381	\$ 4,148,898	\$ 310,517	\$ 3,876,533	\$ 3,480,586	\$ (395,947)
Sewer	3,964,102	5,724,273	1,760,171	3,473,960	3,361,223	(112,737)
Solid Waste	1,346,774	1,325,314	(21,460)	1,233,201	1,205,710	(27,491)
Stormwater	491,391	350,623	(140,768)	568,224	344,723	(223,501)
Transportation	920,931	711,883	(209,048)	873,727	635,148	(238,579)
Airport	434,209	2,768,989	2,334,780	478,531	908,308	429,777
Swimming Pool	174,901	66,196	(108,705)	150,027	80,820	(69,207)
Yard Waste	24,097	17,158	(6,939)	96,510	17,597	(78,913)
Total business-type activities	<u>\$ 11,194,786</u>	<u>\$ 15,113,334</u>	<u>\$ 3,918,548</u>	<u>\$ 10,750,713</u>	<u>\$ 10,034,115</u>	<u>\$ (716,598)</u>

Overall, the net program cost of the City's business-type activities changed from a net program cost of approximately \$717,000 for the year ended December 31, 2012 to a net program revenue of \$3.9 million for the year ended December 31, 2013. Program revenue for business-type activities increased nearly \$5.1 million, or 50.6%, while program expenses increased approximately \$400,000, or 4.1%. Key components of the changes in net program cost for each significant program change are as follows:

- The City's water program changed from a net program cost of nearly \$396,000 in 2012 to a net program revenue of approximately \$311,000 in 2013. This change is largely due to the 14% rate increase implemented in 2013 designed to cover current and future operations.
- The City's sewer program changed from a net program cost of approximately \$113,000 in 2012 to a net program revenue of nearly \$1.8 million in 2013. While program expenses increased about \$490,000 because of the new inflow and infiltration reduction program required by Ohio EPA, program revenue increased \$2.4 million. The increase in revenue is a result of both the 14% sewer flow rate increase and the addition of a new flat monthly fee charged per sewer connection. These revenue changes were designed to cover both current and future operations.
- Airport net program revenue increased nearly \$1.9 million, from \$430,000 for 2012 to \$2.3 million for 2013 primarily the result of Federal Aviation Authority (FAA) grant revenue to finance the relocation and expansion of the runway.

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.

CITY OF SIDNEY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

The combined fund balance of the City's governmental funds at December 31, 2013 was approximately \$11.5 million. Approximately 52.0% of this total amount represents unassigned fund balances available for spending at the City's discretion. Roughly 24.4% 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 4.3% and those balances assigned are 19.3%. Nearly \$1.1 million of fund balance has already been committed to liquidate purchase orders of the prior period.

Total fund balances of the City's governmental funds increased \$2.1 million, or 22.3%, from \$9.4 million at December 31, 2012 to \$11.5 million at December 31, 2013. (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 \$1.5 million, or 28.4%, from \$5.1 million at December 31, 2012 to \$6.6 million at December 31, 2013. Local tax revenue increased from approximately \$11.6 million for the year ended December 31, 2012 to \$12.7 million for the year ended December 1, 2013, largely due to income tax revenue allocated to this fund. Intergovernmental revenue decreased nearly \$129,000 a result of the State reductions in the Local Government Fund, a state-shared revenue source. General Fund expenditures decreased about \$334,000 or 2.3%, from \$14.3 million for 2012 to roughly \$14.0 million for 2013. General fund transfers out to subsidize various funds, including the street repair & maintenance, transportation services, yard waste, airport, cemetery operations, and the swimming pool decreased from approximately \$470,000 for the year ended December 31, 2012 to nearly \$370,000 for the year ended December 31, 2013. Efforts were made to decrease expenditures citywide.

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 2013 as compared to 2012 but these revenue sources remain below budget expectations. Expenditures increased from \$1.2 million in 2012 to approximately \$1.3 million in 2013, largely due to a return to a more normal winter experience with overtime and salt usage. For 2013, the General Fund provided a \$130,000 operating subsidy to the Street Repair & Maintenance Fund. Its fund balance decreased by roughly \$83,000 from nearly \$396,000 at December 31, 2012 to approximately \$314,000 at December 31, 2013.

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, 2013, this fund balance increased about \$500,000 from \$1.5 million at December 31, 2012 to nearly \$2.0 million at December 31, 2013. In 2013, income tax proceeds allocated to this fund increased \$215,000, or 8.2%.

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.

Capital asset and debt administration

Capital asset activity

Significant capital activity for the year ended December 31, 2013 included:

- ✓ Approximately \$2.6 million of payments for airport runway relocation and extension was added to construction in progress.
- ✓ Roughly \$1.2 million of street resurfacing was completed with about half paid for with Ohio Department of Transportation grants.

CITY OF SIDNEY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2013
Unaudited

- ✓ About \$1.0 million was added to the sewer system's construction in progress and about \$1.2 million of specialized sewer machinery and equipment was purchased to comply with Ohio EPA's requirements.
- ✓ Approximately \$1.7 million of street infrastructure was added following the completion of phase two of the Wapakoneta Avenue reconstruction project.

Additional detail on the capital asset activity for the year ended December 31, 2013 is presented in the Notes to the Basic Financial Statements in Note 6 on pages 38 – 39.

Debt

During 2013, various purpose General Obligation Bonds totaling \$9,920,000 were issued bearing interest rates of 1.0% to 4.5%. The various purposes of this debt are as follows:

<u>Purpose</u>	<u>Amount</u>
Current refunding of the outstanding Police Facility Construction bonds originally issued in 2005 with a remaining average coupon interest rate of 4.4%.	\$4,875,000
Wastewater system and plant improvements	<u>\$5,045,000</u>
Total General Obligation Bond issuance for various purposes	<u>\$9,920,000</u>

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, 2013, that debt ceiling was about \$19.5 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 \$6.0 million of net indebtedness as of December 31, 2013, leaving a legal debt margin for unvoted debt of approximately nearly \$13.5 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 \$37.3 million, leaving a total debt margin of nearly \$31.3 million.

A summary of debt outstanding at December 31, 2013 and 2012 is as follows:

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Governmental activities	\$ 6,882,189	\$ 7,417,035
Business-type activities	<u>16,249,552</u>	<u>12,240,221</u>
Total	<u>\$ 23,131,741</u>	<u>\$ 19,657,256</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 43 - 45 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

CITY OF SIDNEY, OHIO
STATEMENT OF NET POSITION
DECEMBER 31, 2013

	Governmental Activities	Business-type Activities	Total
ASSETS			
Pooled cash	\$ 8,925,524	\$ 3,215,799	\$ 12,141,323
Restricted cash	-	4,599,719	4,599,719
Cash held by outside agent	308,666	-	308,666
Pooled investments	2,870,395	2,516,006	5,386,401
Receivables:			
Income taxes	3,411,775	-	3,411,775
Property taxes	1,088,079	-	1,088,079
Other taxes	48,697	-	48,697
Accounts	5,740	1,807,424	1,813,164
Interest	11,306	6,256	17,562
Loans	572,292	-	572,292
Special assessments	164,735	-	164,735
Other	246,050	447,432	693,482
Internal balances	432,251	(432,251)	-
Receivables from other governments	1,054,075	405,045	1,459,120
Inventory	143,640	403,134	546,774
Prepaid items	119,724	37,843	157,567
Capital assets:			
Capital assets not subject to depreciation:			
Land	7,775,656	2,706,522	10,482,178
Construction in progress	359,681	5,282,140	5,641,821
Capital assets net of accumulated depreciation	45,683,881	39,915,431	85,599,312
 Total assets	 <u>\$ 73,222,167</u>	 <u>\$ 60,910,500</u>	 <u>\$ 134,132,667</u>
LIABILITIES			
Accounts payable	\$ 1,076,100	\$ 1,190,961	\$ 2,267,061
Salaries and benefits payable	1,091,567	208,686	1,300,253
Unearned revenue	-	512,181	512,181
Accrued interest payable	13,915	36,757	50,672
Refundable deposits	-	165,786	165,786
Noncurrent liabilities:			
Due within one year	721,114	915,960	1,637,074
Due in more than one year	7,693,108	15,767,196	23,460,304
 Total liabilities	 <u>10,595,804</u>	 <u>18,797,527</u>	 <u>29,393,331</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	1,958,313	-	1,958,313
Total deferred inflows of resources	<u>1,958,313</u>	<u>-</u>	<u>1,958,313</u>
NET POSITION			
Net investment in capital assets	47,228,659	36,254,260	83,482,919
Restricted for:			
Capital projects	8,003	-	8,003
Street repair and maintenance	929,727	-	929,727
Community development projects	556,988	-	556,988
Judicial costs	663,601	-	663,601
Cemetery			
Expendable	885,055	-	885,055
Nonexpendable	30,376	-	30,376
Police	234,277	-	234,277
Other purposes - externally imposed restrictions	213,703	-	213,703
Unrestricted	<u>9,917,661</u>	<u>5,858,713</u>	<u>15,776,374</u>
 Total net position	 <u>60,668,050</u>	 <u>42,112,973</u>	 <u>102,781,023</u>
 Total liabilities, deferred inflows of resources and net position	 <u>\$ 73,222,167</u>	 <u>\$ 60,910,500</u>	 <u>\$ 134,132,667</u>

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General government	\$ 1,280,552	\$ -	\$ -	\$ -	\$ (1,280,552)		\$ (1,280,552)
Police	5,878,916	353,490	23,578	57,162	(5,444,686)		(5,444,686)
Fire	4,831,041	550,938	4,963	-	(4,275,140)		(4,275,140)
Judicial	1,644,204	763,699	163,201	-	(717,304)		(717,304)
Health	212,134	152,429	373	-	(59,332)		(59,332)
Street repair and maintenance	3,501,798	51,485	1,205,596	1,932,631	(312,086)		(312,086)
Community development	674,110	35,375	51,260	546,190	(41,285)		(41,285)
Community environment	522,557	87,860	-	-	(434,697)		(434,697)
Parks and recreation	1,453,956	16,100	33,899	69,650	(1,334,307)		(1,334,307)
Bond issuance costs	14,234	-	-	-	(14,234)		(14,234)
Interest on long-term debt	291,005	-	-	-	(291,005)		(291,005)
Total governmental activities	<u>20,304,507</u>	<u>2,011,376</u>	<u>1,482,870</u>	<u>2,605,633</u>	<u>(14,204,628)</u>		<u>(14,204,628)</u>
Business-type activities:							
Water	3,838,381	3,928,167	-	220,731		\$ 310,517	310,517
Sewer	3,964,102	5,690,493	-	33,780		1,760,171	1,760,171
Solid Waste	1,346,774	1,325,314	-	-		(21,460)	(21,460)
Stormwater	491,391	350,623	-	-		(140,768)	(140,768)
Transportation	920,931	228,599	468,171	15,113		(209,048)	(209,048)
Airport	434,209	321,713	-	2,447,276		2,334,780	2,334,780
Swimming Pool	174,901	66,196	-	-		(108,705)	(108,705)
Yard Waste	24,097	17,158	-	-		(6,939)	(6,939)
Total business-type activities	<u>11,194,786</u>	<u>11,928,263</u>	<u>468,171</u>	<u>2,716,900</u>		<u>3,918,548</u>	<u>3,918,548</u>
Total	<u>\$ 31,499,293</u>	<u>\$ 13,939,639</u>	<u>\$ 1,951,041</u>	<u>\$ 5,322,533</u>	<u>(14,204,628)</u>	<u>3,918,548</u>	<u>(10,286,080)</u>
General revenues:							
Taxes:							
Income taxes					14,161,506	-	14,161,506
Property taxes					1,016,383	-	1,016,383
Other taxes					807,038	-	807,038
Grants and contributions not restricted to specific programs					582,407	-	582,407
Investment earnings					106,092	133,897	239,989
Gain on sale of capital assets					3,380	13,179	16,559
Miscellaneous					459,786	431,729	891,515
Transfers					(219,271)	219,271	-
Total general revenues and transfers					<u>16,917,321</u>	<u>798,076</u>	<u>17,715,397</u>
Change in net position					2,712,693	4,716,624	7,429,317
Net position - beginning, as restated					<u>57,955,357</u>	<u>37,396,349</u>	<u>95,351,706</u>
Net position - ending					<u>\$ 60,668,050</u>	<u>\$ 42,112,973</u>	<u>\$ 102,781,023</u>

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2013**

	General Fund	Street Repair & Maintenance Fund	Capital Improvement Fund	Non-major Governmental Funds	Total Governmental Funds
ASSETS					
Pooled cash	\$ 5,408,804	\$ 180,207	\$ 1,087,010	\$ 2,070,904	\$ 8,746,925
Cash held by outside agent	301,263	-	-	7,403	308,666
Pooled investments	1,735,288	57,993	351,251	668,152	2,812,684
Receivables:					
Income taxes	3,411,775	-	-	-	3,411,775
Property taxes	956,398	-	-	131,681	1,088,079
Other taxes	42,706	-	-	5,991	48,697
Interest	10,034	209	-	1,063	11,306
Loans	-	-	-	572,292	572,292
Special assessments	157,392	-	7,343	-	164,735
Other	180,903	-	-	65,147	246,050
Due from other funds	71,144	-	508,282	67	579,493
Advances to other funds	83,000	-	55,000	-	138,000
Receivables from other governments	291,519	597,911	86,931	77,630	1,053,991
Inventory	41,954	87,965	-	-	129,919
Prepaid items	45,311	398	-	2,370	48,079
Total assets	<u>\$ 12,737,491</u>	<u>\$ 924,683</u>	<u>\$ 2,095,817</u>	<u>\$ 3,602,700</u>	<u>\$ 19,360,691</u>
LIABILITIES					
Accounts payable	\$ 825,576	\$ 56,694	\$ 47,870	\$ 80,929	\$ 1,011,069
Salaries and benefits payable	976,215	34,350	-	20,939	1,031,504
Advances from other funds	-	-	-	53,000	53,000
Due to other funds	508,349	-	-	3,937	512,286
Total liabilities	<u>2,310,140</u>	<u>91,044</u>	<u>47,870</u>	<u>158,805</u>	<u>2,607,859</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	<u>3,816,001</u>	<u>519,995</u>	<u>48,908</u>	<u>828,270</u>	<u>5,213,174</u>
Total deferred inflows of resources	<u>3,816,001</u>	<u>519,995</u>	<u>48,908</u>	<u>828,270</u>	<u>5,213,174</u>
FUND BALANCES:					
Nonspendable	87,265	88,363	-	2,370	177,998
Restricted	-	225,281	-	2,407,830	2,633,111
Committed	243,392	-	-	251,594	494,986
Assigned	227,709	-	1,999,039	-	2,226,748
Unassigned	6,052,984	-	-	(46,169)	6,006,815
Total fund balances	<u>6,611,350</u>	<u>313,644</u>	<u>1,999,039</u>	<u>2,615,625</u>	<u>11,539,658</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 12,737,491</u>	<u>\$ 924,683</u>	<u>\$ 2,095,817</u>	<u>\$ 3,602,700</u>	<u>\$ 19,360,691</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, 2013**

Total governmental fund balances \$ 11,539,658

*Amounts reported for governmental
activities in the statement of net position
are different because:*

Some assets used in governmental activities are not
financial resources and therefore are not reported in the funds:

Capital Assets 53,370,586

Other long-term assets are not available to
pay for current-period expenditures and
therefore are deferred in the funds:

Income taxes receivable 2,001,580
Other taxes and intergovernmental receivables 892,397
Other receivables 360,884

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 525,179

Internal service fund activity allocated to enterprise funds 280,044

Long-term liabilities, including bonds payable,
are not due and payable in the current period
and therefore not reported in the funds:

Bonds payable (6,850,000)
Premium on bond (32,189)
Compensated absences (1,406,174)
Accrued interest on long-term debt (13,915)

Net position of governmental activities \$ 60,668,050

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, 2013

	General Fund	Street Repair & Maintenance Fund	Capital Improvement Fund	Non-major Governmental Funds	Total Governmental Funds
REVENUES:					
Local taxes	\$ 12,707,946	\$ -	\$ 2,842,964	\$ 194,891	\$ 15,745,801
Intergovernmental revenues	793,013	1,027,000	2,017,501	898,206	4,735,720
Special assessments	244,691	-	49,596	1,250	295,537
Charges for services	1,365,720	-	-	318,969	1,684,689
Fines, licenses and permits	120,649	-	-	67,231	187,880
Investment income	83,660	2,288	12	37,041	123,001
Miscellaneous receipts and reimbursements	466,477	79,210	173,701	76,398	795,786
	<u>15,782,156</u>	<u>1,108,498</u>	<u>5,083,774</u>	<u>1,593,986</u>	<u>23,568,414</u>
EXPENDITURES:					
Current:					
General government	928,871	-	-	-	928,871
Police	5,346,466	-	-	102,302	5,448,768
Fire	4,515,742	-	-	8,500	4,524,242
Judicial	1,286,011	-	-	253,952	1,539,963
Health	-	-	-	176,073	176,073
Public transportation	-	-	-	-	-
Street repair and maintenance	-	1,321,150	-	74,000	1,395,150
Community development	138,534	-	-	240,741	379,275
Community environment	496,984	-	-	13,066	510,050
Parks and recreation	1,187,370	-	-	-	1,187,370
Basic utility services	-	-	-	-	-
Capital outlay	13,553	-	3,883,834	404,424	4,301,811
Debt service:					
Principal	30,000	-	5,325,000	50,000	5,405,000
Bond issuance costs	-	-	86,666	-	86,666
Interest	6,794	-	268,203	30,450	305,447
	<u>13,950,325</u>	<u>1,321,150</u>	<u>9,563,703</u>	<u>1,353,508</u>	<u>26,188,686</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,831,831</u>	<u>(212,652)</u>	<u>(4,479,929)</u>	<u>240,478</u>	<u>(2,620,272)</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	-	130,000	-	66,000	196,000
Sale of capital assets	-	-	7,868	-	7,868
Bonds issued	-	-	4,947,432	-	4,947,432
Transfers out	(369,671)	-	-	-	(369,671)
	<u>(369,671)</u>	<u>130,000</u>	<u>4,955,300</u>	<u>66,000</u>	<u>4,781,629</u>
Net change in fund balances	1,462,160	(82,652)	475,371	306,478	2,161,357
Fund balances, beginning of year	5,149,190	396,296	1,523,668	2,309,147	9,378,301
Fund balances, end of year	<u>\$ 6,611,350</u>	<u>\$ 313,644</u>	<u>\$ 1,999,039</u>	<u>\$ 2,615,625</u>	<u>\$ 11,539,658</u>

See Notes to the Basic Financial Statements.

CITY OF SIDNEY, OHIO
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013

Net change in fund balances - total governmental funds	\$ 2,161,357
<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	3,201,857
Current year depreciation	(2,970,477)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the fund:	
Income taxes	(188,454)
Intergovernmental revenue	13,696
Investment income	6,023
Other revenue	17,597
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	5,405,000
Proceeds from issuance of bonds is recorded as an other financing source in the governmental funds, but the issue increases long-term liabilities in the statement of net assets.	(4,875,000)
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	(7,868)
Gain on sale of assets	3,369
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	(133,838)
Interest payable	9,596
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	83,942
Add: Enterprise allocation	(18,953)
Change in net position of governmental activities	<u>\$ 2,712,693</u>

See Notes to the Basic Financial Statements.

CITY OF SIDNEY, OHIO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2013

	Business-type Activities					Governmental Activities - Internal Service Funds
	Water	Sewer	Stormwater	Non-major Enterprise Funds	Totals	
ASSETS						
Current assets:						
Pooled cash	\$ 2,288,997	\$ 358,872	\$ 176,836	\$ 391,094	\$ 3,215,799	\$ 178,599
Pooled investments	920,854	1,411,636	57,142	126,374	2,516,006	57,711
Restricted cash	572,470	4,027,249	-	-	4,599,719	-
Receivables:						
Accounts	804,555	849,210	18,275	135,384	1,807,424	5,740
Interest	2,504	3,752	-	-	6,256	-
Other	253,224	194,188	-	20	447,432	-
Receivables from other governments	2,286	8,113	-	394,646	405,045	84
Inventory	274,123	63,874	30,831	34,306	403,134	13,721
Due from other funds	-	-	-	-	-	-
Prepaid items	15,195	18,815	18	3,815	37,843	71,645
Total current assets	<u>5,134,208</u>	<u>6,935,709</u>	<u>283,102</u>	<u>1,085,639</u>	<u>13,438,658</u>	<u>327,500</u>
Noncurrent assets:						
Capital assets:						
Capital assets not subject to depreciation:						
Land	1,505,291	126,320	-	1,074,911	2,706,522	-
Construction in progress	1,059,876	1,335,624	-	2,886,640	5,282,140	-
Capital assets net of accumulated depreciation						
	<u>12,704,448</u>	<u>18,561,824</u>	<u>4,839,044</u>	<u>3,810,115</u>	<u>39,915,431</u>	<u>448,632</u>
Total noncurrent assets	<u>15,269,615</u>	<u>20,023,768</u>	<u>4,839,044</u>	<u>7,771,666</u>	<u>47,904,093</u>	<u>448,632</u>
Total assets	<u>\$ 20,403,823</u>	<u>\$ 26,959,477</u>	<u>\$ 5,122,146</u>	<u>\$ 8,857,305</u>	<u>\$ 61,342,751</u>	<u>\$ 776,132</u>
LIABILITIES						
Current liabilities:						
Accounts payable	\$ 131,205	\$ 282,676	\$ 662	\$ 776,418	\$ 1,190,961	\$ 65,031
Salaries and benefits payable	80,652	83,162	13,463	31,409	208,686	60,063
Advances from other funds	-	-	-	85,000	85,000	-
Due to other funds	-	-	-	67,207	67,207	-
Current portion of long term debt	295,518	615,000	-	-	910,518	-
Compensated absences	3,446	1,638	302	56	5,442	614
Unearned revenue	-	292,303	31,088	188,790	512,181	-
Refundable deposits	165,496	-	-	290	165,786	-
Accrued interest payable	14,052	22,705	-	-	36,757	-
Total current liabilities	<u>690,369</u>	<u>1,297,484</u>	<u>45,515</u>	<u>1,149,170</u>	<u>3,182,538</u>	<u>125,708</u>
Noncurrent liabilities:						
Noncurrent portion of long term debt	6,581,046	8,757,988	-	-	15,339,034	-
Compensated absences	196,552	162,608	9,446	59,556	428,162	125,245
Total noncurrent liabilities	<u>6,777,598</u>	<u>8,920,596</u>	<u>9,446</u>	<u>59,556</u>	<u>15,767,196</u>	<u>125,245</u>
Total liabilities	<u>7,467,967</u>	<u>10,218,080</u>	<u>54,961</u>	<u>1,208,726</u>	<u>18,949,734</u>	<u>250,953</u>
NET POSITION						
Net investment in capital assets	8,965,521	14,678,029	4,839,044	7,771,666	36,254,260	448,632
Unrestricted	3,970,335	2,063,368	228,141	(123,087)	6,138,757	76,547
Total net position	<u>12,935,856</u>	<u>16,741,397</u>	<u>5,067,185</u>	<u>7,648,579</u>	<u>42,393,017</u>	<u>525,179</u>
Total liabilities and net position	<u>\$ 20,403,823</u>	<u>\$ 26,959,477</u>	<u>\$ 5,122,146</u>	<u>\$ 8,857,305</u>	<u>\$ 61,342,751</u>	<u>\$ 776,132</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					(280,044)	
Total position from above					<u>42,393,017</u>	
Net position of business-type activities					<u>\$ 42,112,973</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, 2013

	Business-type Activities				Totals	Governmental Activities - Internal Service Funds
	Water	Sewer	Stormwater	Non-major Enterprise Funds		
OPERATING REVENUES:						
Charges for services	\$ 3,928,167	\$ 5,690,493	\$ 350,623	\$ 1,958,980	\$ 11,928,263	\$ 2,288,674
Other revenue	48,001	21,481	102,190	260,057	431,729	10,086
Total operating revenues	<u>3,976,168</u>	<u>5,711,974</u>	<u>452,813</u>	<u>2,219,037</u>	<u>12,359,992</u>	<u>2,298,760</u>
OPERATING EXPENSES:						
Personal services	1,307,148	1,408,300	222,789	599,987	3,538,224	1,048,670
Operations and maintenance	1,701,175	1,476,399	82,422	2,068,448	5,328,444	1,084,637
Depreciation & amortization	666,705	933,674	187,687	235,807	2,023,873	81,522
Total operating expenses	<u>3,675,028</u>	<u>3,818,373</u>	<u>492,898</u>	<u>2,904,242</u>	<u>10,890,541</u>	<u>2,214,829</u>
Operating income (loss)	<u>301,140</u>	<u>1,893,601</u>	<u>(40,085)</u>	<u>(685,205)</u>	<u>1,469,451</u>	<u>83,931</u>
NONOPERATING REVENUES (EXPENSES):						
Investment income	114,623	19,274	-	-	133,897	-
Intergovernmental	220,731	33,780	-	2,930,560	3,185,071	-
Gain (loss) on disposal of assets	-	6,000	-	7,179	13,179	11
Interest expense	(171,002)	(152,196)	-	-	(323,198)	-
Total nonoperating revenues (expenses)	<u>164,352</u>	<u>(93,142)</u>	<u>-</u>	<u>2,937,739</u>	<u>3,008,949</u>	<u>11</u>
(Loss) before contributions and transfers	465,492	1,800,459	(40,085)	2,252,534	4,478,400	83,942
Capital contributions	-	-	45,600	-	45,600	-
Capital grants	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Transfers in	-	-	-	173,671	173,671	-
Change in net position	465,492	1,800,459	5,515	2,426,205	4,697,671	83,942
Total net position - beginning, as restated	<u>12,470,364</u>	<u>14,940,938</u>	<u>5,061,670</u>	<u>5,222,374</u>		<u>441,237</u>
Total net position - ending	<u>\$ 12,935,856</u>	<u>\$ 16,741,397</u>	<u>\$ 5,067,185</u>	<u>\$ 7,648,579</u>		<u>\$ 525,179</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					18,953	
Change in net assets of business-type activities					<u>\$ 4,716,624</u>	

See Notes to the Basic Financial Statements.

**CITY OF SIDNEY, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	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	\$ 3,943,730	\$ 5,639,530	\$ 263,091	\$ 1,974,319	\$ 11,820,670	\$ 75,192
Receipts from interfund services	22,631	8,481	190,197	244,975	466,284	2,222,912
Payments to suppliers	(993,643)	(847,541)	(20,743)	(1,683,786)	(3,545,713)	(949,518)
Payments to employees	(1,307,326)	(1,365,581)	(259,360)	(578,954)	(3,511,221)	(1,026,431)
Payments for interfund services used	(733,557)	(635,209)	(67,070)	(491,018)	(1,926,854)	(153,315)
Net cash provided by (used for) operating activities	<u>931,835</u>	<u>2,799,680</u>	<u>106,115</u>	<u>(534,464)</u>	<u>3,303,166</u>	<u>168,840</u>
Cash flows from noncapital financing activities:						
Transfers in	-	-	-	173,671	173,671	-
Intergovernmental	-	-	-	468,171	468,171	-
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>641,842</u>	<u>641,842</u>	<u>-</u>
Cash flows from capital and related financing activities:						
Acquisition of capital assets	(641,703)	(2,218,017)	(66,070)	(2,388,095)	(5,313,885)	(58,058)
Proceeds from sale of capital assets	-	6,000	-	7,179	13,179	11
Proceeds from the issuance of capital debt	-	5,045,000	-	-	5,045,000	-
Principal paid on capital debt	(276,710)	(740,000)	-	-	(1,016,710)	-
Interest paid on capital debt	(112,046)	(141,511)	-	-	(253,557)	-
Intergovernmental	220,731	33,780	-	2,462,389	2,716,900	-
Net cash provided by (used for) capital and related financing activities	<u>(809,728)</u>	<u>1,985,252</u>	<u>(66,070)</u>	<u>81,473</u>	<u>1,190,927</u>	<u>(58,047)</u>
Cash flows from investing activities:						
Purchase of investments	(925,057)	(1,417,933)	(57,142)	(126,374)	(2,526,506)	(57,711)
Interest on investments	56,995	21,819	-	-	78,814	-
Net cash & cash equivalent used for investing activities	<u>(868,062)</u>	<u>(1,396,114)</u>	<u>(57,142)</u>	<u>(126,374)</u>	<u>(2,447,692)</u>	<u>(57,711)</u>
Net increase (decrease) in cash & cash equivalents	(745,955)	3,388,818	(17,097)	62,477	2,688,243	53,082
Pooled cash & cash equivalents, beginning of year	<u>3,607,422</u>	<u>997,303</u>	<u>193,933</u>	<u>328,617</u>	<u>5,127,275</u>	<u>125,517</u>
Pooled cash & cash equivalents, end 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>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	\$ 301,140	\$ 1,893,601	\$ (40,085)	\$ (685,205)	\$ 1,469,451	\$ 83,931
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation & amortization	666,705	933,674	187,687	235,807	2,023,873	81,522
Change in assets and liabilities:						
Accounts receivable	(55,643)	(205,934)	(1,248)	(24,535)	(287,360)	(656)
Other receivables	(2,463)	(114,088)	-	11,228	(105,323)	-
Due from other funds	3,778	2,139	1,111	-	7,028	-
Prepaid items	(500)	(6,441)	(18)	(229)	(7,188)	(15,780)
Inventory	11,569	(1,316)	(4,970)	(10,442)	(5,159)	2,085
Accounts payable	(37,094)	1,406	(705)	(11,955)	(48,348)	(4,501)
Salaries and benefits payable and compensated absences	(178)	42,719	(36,571)	21,033	27,003	22,239
Advances in	-	-	-	(84,000)	(84,000)	-
Due to other funds	-	-	302	270	572	-
Refundable deposits	44,521	-	-	-	44,521	-
Unearned revenue	-	253,920	612	13,564	268,096	-
Net cash provided by (used for) operating activities	<u>\$ 931,835</u>	<u>\$ 2,799,680</u>	<u>\$ 106,115</u>	<u>\$ (534,464)</u>	<u>\$ 3,303,166</u>	<u>\$ 168,840</u>
Noncash investing, capital and financing activities:						
Purchase of equipment on account	\$ 55,185	\$ 212,185	\$ -	\$ 554,798	\$ 822,168	\$ -
Prior year purchase of equipment on account	\$ 7,559	\$ 141,210	\$ 5,920	\$ 5,718	\$ 160,407	\$ -
Contributions of capital assets from governmental funds	\$ -	\$ -	\$ 45,600	\$ -	\$ 45,600	\$ -
Transfer net book value of equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt payment paid by third party	\$ 15,708	\$ -	\$ -	\$ -	\$ 15,708	\$ -
Debt interest paid by federal subsidy	\$ 59,326	\$ -	\$ -	\$ -	\$ 59,326	\$ -

See Notes to the Basic Financial Statements.

CITY OF SIDNEY, OHIO
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2013

	Agency Funds	Private-Purpose Trust Fund		
		C. Truster Flower Trust	B. Bennett Flower Trust	Ike Mauseleum Family Trust
ASSETS				
Pooled cash	\$ 46,488	\$ 2,074	\$ 3,623	\$ 3,157
Pooled investments	15,022	668	1,167	1,017
Cash held by outside agent	164,877	-	-	-
Prepaid items	1,034	-	-	-
Total assets	<u>\$ 227,421</u>	<u>\$ 2,742</u>	<u>\$ 4,790</u>	<u>\$ 4,174</u>
LIABILITIES				
Accounts payable	\$ -	-	306	-
Due to employees	-	-	-	-
Due to other governments	96,190	-	-	-
Undistributed monies	131,231	-	-	-
Total liabilities	<u>\$ 227,421</u>	<u>\$ -</u>	<u>\$ 306</u>	<u>\$ -</u>
NET POSITION				
Net position held in trust for other purposes		<u>\$ 2,742</u>	<u>\$ 4,484</u>	<u>\$ 4,174</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, 2013

	Private-Purpose Trust Fund		
	C. Truster Flower Trust	B. Bennett Flower Trust	Ike Mausoleum Family Trust
ADDITIONS			
Private contributions	\$ -	\$ 5,000	\$ 5,712
Investment income	<u>40</u>	<u>46</u>	<u>10</u>
	<u>40</u>	<u>5,046</u>	<u>5,722</u>
DEDUCTIONS			
Purchase of flowers	40	562	-
Maintenance expenses	<u>-</u>	<u>-</u>	<u>1,548</u>
	<u>40</u>	<u>562</u>	<u>1,548</u>
Change in net position	-	4,484	4,174
Net position, beginning of year	<u>2,742</u>	<u>-</u>	<u>-</u>
Net position, end of year	<u>\$ 2,742</u>	<u>\$ 4,484</u>	<u>\$ 4,174</u>

See Notes to the Basic Financial Statements

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2013

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, 2013.

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, 2013

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, 2013

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.

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2013

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

C. Basis of Accounting

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

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2013

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

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

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

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

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2013

budgetary basis, as provided by law, is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

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

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

E. Cash and Cash Equivalents

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

- 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.

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2013

Payments made to vendors for services that will benefit periods beyond December 31, 2013 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

H. Capital Assets

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

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

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

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

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2013

balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The following categories are used:

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

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

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

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

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

The City applies restricted resources first when an expense is incurred for purposes that both restricted and unrestricted net assets are 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 amount, \$572,470 remains to fund the purchase of the new water source property acquisition and other new water source project costs, while \$4,027,249 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.

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2013

N. Grants and Other Intergovernmental Revenues

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

O. Interfund Activity

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

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

P. Estimates

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

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, 2013.

At December 31, 2013, the carrying amount of the City's deposits was \$17,269,924 and the bank balance was \$17,579,565. Of the bank balance:

1. \$672,280 was covered by federal depository insurance;
2. \$16,907,285 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

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2013

market value of at least equal to 102% of the total amount of all public deposits to be secured, or pledge a pool of collateral with a market value of at least 105% of the total amount of public deposits secured. Pooled securities so pledged provide the equivalent of a deposit insurance fund. This approach protects all public entities against a single public depository collapse. The state has implemented collateral pools to minimize the interest penalty to public entities for protecting public deposits.

All investments are reported at fair value, which is based on quoted market prices.

The City's pooled investments consisted of U.S. Government-Sponsored corporations totaling \$5,404,275 at December 31, 2013. These pooled investments have weighted average maturity of approximately three months. The weighted average maturity was calculated using estimated maturity dates at December 31, 2013 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, 2013, 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, 2013 include:

<u>Issuer</u>	<u>Fair Value</u>	<u>Percent</u>
U.S. Government-Sponsored Corporations:		
Federal Home Loan Bank	\$2,985,050	55%
Federal Home Loan Mortgage Company	\$999,510	18%
Federal National Mortgage Association	\$500,350	9%
Federal Farm Credit Bank	\$919,365	17%

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2013

4. Income Taxes:

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

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 2013 were levied on December 31, 2012 on assessed values listed as of January 1, 2012, the lien date. One-half of these taxes were due on February 14, 2013 with the remaining balance due on July 20, 2013.

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 2011. 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 2012 upon which the 2013 levy was based was approximately \$355,354,130. The assessed value for 2013 upon which the 2014 levy will be based is approximately \$355,259,920.

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.

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2013

6. Capital Assets:

Capital asset activity for the year ended December 31, 2013 was as follows:

Governmental activities:

	Beginning Balance	Additions	Disposals	Net Transfers	Ending Balance
<i>Capital assets not being depreciated:</i>					
Land	\$ 7,754,862	\$ 20,794	\$ -	\$ -	\$ 7,775,656
Construction in progress	<u>2,827,687</u>	<u>331,388</u>	<u>-</u>	<u>(2,799,393)</u>	<u>359,682</u>
Subtotal	<u>10,582,549</u>	<u>352,182</u>	<u>-</u>	<u>(2,799,393)</u>	<u>8,135,338</u>
<i>Capital assets being depreciated:</i>					
Buildings and improvements	18,396,401	17,159	-	-	18,413,560
Machinery and equipment	10,123,904	229,683	(308,246)	-	10,045,341
General infrastructure	48,523,835	2,696,485	-	2,799,393	54,019,713
Subtotal	<u>77,044,140</u>	<u>2,943,327</u>	<u>(308,246)</u>	<u>2,799,393</u>	<u>82,478,614</u>
Totals at historical cost	<u>87,626,689</u>	<u>3,295,509</u>	<u>(308,246)</u>	<u>-</u>	<u>90,613,952</u>
<i>Less accumulated depreciation for:</i>					
Buildings and improvements	5,844,416	460,778	-	-	6,305,194
Machinery and equipment	7,603,390	631,785	(303,747)	-	7,931,428
General infrastructure	<u>20,598,676</u>	<u>1,959,435</u>	<u>-</u>	<u>-</u>	<u>22,558,111</u>
Total accumulated depreciation	<u>34,046,482</u>	<u>3,051,998</u>	<u>(303,747)</u>	<u>-</u>	<u>36,794,733</u>
Net capital assets	<u>\$ 53,580,207</u>	<u>\$ 243,511</u>	<u>\$ (4,499)</u>	<u>\$ -</u>	<u>\$ 53,819,219</u>

Depreciation was charged to governmental activities as follows:

General government	\$ 32,296
Police	355,324
Fire	230,278
Judicial	100,315
Health	34,075
Street repairs and maintenance	2,032,125
Community environment	5,728
Parks and recreation	<u>180,335</u>

Total governmental funds depreciation expense \$ 2,970,476

Portion of internal service funds' depreciation allocable to governmental activities 81,522

Total additions to accumulated depreciation of governmental activities \$ 3,051,998

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2013

Business-type activities:

	Beginning Balance, as restated	Additions	Disposals	Net Transfers	Ending Balance
<i>Capital assets not being depreciated:</i>					
Land	\$ 2,401,908	\$ 304,614	\$ -	\$ -	\$ 2,706,522
Construction in progress	1,817,299	3,756,978	-	(292,137)	5,282,140
Subtotal	<u>4,219,207</u>	<u>4,061,592</u>	<u>-</u>	<u>(292,137)</u>	<u>7,988,662</u>
<i>Capital assets being depreciated:</i>					
Buildings, improvements and Infrastructure	60,796,605	410,216	-	292,137	61,498,958
Machinery and equipment	11,426,295	1,616,375	(241,082)	-	12,801,588
Subtotal	<u>72,222,900</u>	<u>2,026,591</u>	<u>(241,082)</u>	<u>292,137</u>	<u>74,300,546</u>
Totals at historical cost	<u>76,442,107</u>	<u>6,088,183</u>	<u>(241,082)</u>	<u>(0)</u>	<u>82,289,208</u>
<i>Less accumulated depreciation for:</i>					
Buildings, improvements and Infrastructure	24,509,736	1,406,118	-	-	25,915,854
Machinery and equipment	8,092,588	617,755	(241,082)	-	8,469,261
Total accumulated depreciation	<u>32,602,324</u>	<u>2,023,873</u>	<u>(241,082)</u>	<u>-</u>	<u>34,385,115</u>
Net capital assets	<u>\$ 43,839,783</u>	<u>\$ 4,064,310</u>	<u>\$ -</u>	<u>\$ (0)</u>	<u>\$ 47,904,093</u>

Depreciation was charged to business-type activities as follows:

Water	\$ 666,705
Sewer	933,674
Transportation	121,471
Stormwater	187,687
Airport	82,329
Swimming Pool	<u>32,007</u>
Total additions to accumulated depreciation of business-type activities	<u>\$ 2,023,873</u>

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

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2013

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 2013, the member and employer contribution rates were consistent across all three plans. The 2013 member contribution rates were 10.0% of covered payroll.

The 2013 employer contribution rate was 14.00% of covered payroll. The City's employers' contributions, representing 91% for 2013, and 100% for 2012 and 2011, for the years ended December 31, 2013, 2012, and 2011 were \$974,203, \$958,398, and \$1,025,845, respectively. The unpaid portion of \$86,601 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 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, 2013 thru July 1, 2013, plan members were required to contribute 10.0% of their annual covered salary. From July 2, 2013 thru December 31, 2013, plan members were required to contribute 10.75% of their annual covered salary. Throughout 2013, employers were required to contribute 19.5% and 24.0% respectively for police officers and firefighters. The City's contributions to OP&F representing 90% for 2013, 77% for 2012 and 100% for 2011 for the years ended December 31, 2013, 2012 and 2011 were \$1,156,522, \$1,125,199, and \$1,192,418, respectively. The unpaid portion of \$375,047 is reported as liability in the respective funds.

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2013

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.

The ORC permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. 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 2013, 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 1.0% during calendar year 2013. The portion of employer contribution allocated to the health care for members in the Combined Plan was 1.0% during calendar year 2013. Effective January 1, 2014, the portion of employer contributions allocated to healthcare was raised to 2.0% for both plans, as recommended by the OPERS Actuary. The OPERS Retirement Board of Trustees is also authorized to establish 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, 2013, 2012 and 2011, was \$69,558, \$273,814, and \$293,084 respectively; 91% has been contributed for 2013 and 100% for 2012 and 2011.

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.

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2013

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 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 4.69% of covered payroll from January 1, 2013 thru May 31, 2013 and 2.85% of covered payroll from June 1, 2013 thru December 31, 2013. 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.

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2013

Payment amounts vary depending on the number of covered dependents and coverage selected.

The City's actual contributions for 2013, 2012 and 2011 that were used to fund post-employment benefits for police and firefighters were \$187,253, \$349,350 and \$370,468, respectively; 90% has been contributed for 2013, 77% for 2012, and 100% for 2011.

9. Noncurrent Liabilities:

The following is a summary of changes for noncurrent liabilities of the City for the year ended December 31, 2013:

Governmental activities:	Balance January 1, 2013	Additions	Reductions	Balance December 31, 2013	Due Within One Year
Capital Improvement fund:					
<i>G.O. bonds, 2011-2018, 2.0%, Monumental Bldg renovation</i>	\$ 1,085,000	\$ -	\$ 175,000	\$ 910,000	\$ 180,000
<i>G.O. bonds, 2005-2024, 4.0% to 4.7%, Police Facility Construction</i>	5,120,000	-	5,120,000	-	-
<i>Current Refunding G.O. bonds, 2013-2024, 2.52% avg. Police Facility Construction</i>	-	4,875,000	30,000	4,845,000	390,000
General fund:					
<i>G.O. bonds, 2011-2022, 2.0% to 2.5%, Fire & Police Pension</i>	320,000	-	30,000	290,000	30,000
Kuther Road TIF fund:					
<i>G.O. bonds 2010-2030, 2.0% to 4.25%, , Kuther Road TIF, Water & Sewer Infrastructure</i>	225,000	-	10,000	215,000	10,000
Menards TIF fund:					
<i>G.O. bonds, 2010-2025, 2.0% to 4.0%, Menards TIF, Sewer Infrastructure</i>	630,000	-	40,000	590,000	40,000
Premium on Bonds	37,035	-	4,846	32,189	-
Accrued vacation and sick leave	<u>1,426,650</u>	<u>702,225</u>	<u>596,842</u>	<u>1,532,033</u>	<u>71,114</u>
Total	<u>\$ 8,843,685</u>	<u>\$ 5,577,225</u>	<u>\$ 6,006,688</u>	<u>\$ 8,414,222</u>	<u>\$ 721,114</u>

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2013

Business-type activities:	Balance January 1, 2013	Additions	Reductions	Balance December 31, 2013	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>	\$ 3,721,272	-	\$ 216,710	\$ 3,504,562	\$ 219,810
<i>O.W.D.A. loans, 2009-2029, 0% ARRA – NMHP distribution system</i>	267,036	-	15,708	251,328	15,708
<i>G.O. bonds, 2010-2040, 2.0% to 4.5% Water Source testing</i>	685,000	-	15,000	670,000	15,000
Premium on Bonds	3,817	-	142	3,675	-
<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>	2,492,000	-	45,000	2,447,000	45,000
Sewer fund:					
<i>G.O. bonds, 2011-2022, 2.0% to 2.5% - Wastewater system improvements</i>	5,040,000	-	470,000	4,570,000	475,000
<i>G.O. bonds, 2013-2037, 1.0% to 4.5% - Wastewater system and plant improvements</i>	-	5,045,000	270,000	4,775,000	140,000
Premium on Bonds	31,096	-	3,109	27,987	-
Accrued vacation and sick leave	<u>418,157</u>	<u>159,843</u>	<u>144,396</u>	<u>433,604</u>	<u>5,442</u>
Total	<u>\$ 12,658,378</u>	<u>\$ 5,204,843</u>	<u>\$ 1,180,065</u>	<u>\$ 16,683,156</u>	<u>\$ 915,960</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

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2013

and distribution system. Water revenue, net of operating and maintenance expenses, is pledged as repayment for this loan. A receivable in the amount of \$251,328 at December 31, 2013 is recorded in the basic financial statements.

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 corresponding other receivable 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 6% of net revenues. The total principal payments to be paid on the loans as of December 31, 2013 are \$3,755,890. Principal paid and total customer net revenues for 2013 were \$232,418 and \$3,928,167, 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 \$1,969,530 were used to pay for water related capital projects. The unspent proceeds as of December 31, 2013 totaling \$572,470 will be used for new water source property acquisitions.

Annual requirements to pay principal and interest on long-term debt at December 31, 2013 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>
2014	650,000	166,981	910,518	431,681	(58,786)
2015	670,000	153,981	920,518	416,629	(57,761)
2016	685,000	140,306	920,518	401,301	(56,737)
2017	685,000	126,056	945,518	385,899	(55,713)
2018	705,000	111,806	960,518	369,824	(54,575)
2019-2023	2,730,000	353,226	4,542,591	1,575,236	(254,327)
2024-2028	685,000	40,430	2,632,590	1,207,203	(216,888)
2029-2033	40,000	2,550	2,018,119	865,060	(167,357)
2034-2038	-	-	1,955,000	395,225	(95,839)
2039-2040	-	-	412,000	35,715	(12,754)
Total	\$ 6,850,000	\$ 1,095,336	\$16,217,890	\$ 6,083,773	\$ (1,030,737)

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,

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2013

would not be material.

11. Interfund Receivables and Payables:

Interfund balances in the basic financial statements at December 31, 2013 were as follows:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General	\$ 71,144	\$ 508,349
Capital Improvement	508,282	-
Non-major enterprise funds	-	67,207
Non-major governmental funds	<u>67</u>	<u>3,937</u>
	<u>\$ 579,493</u>	<u>\$ 579,493</u>

Interfund balances at December 31, 2013 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, 2013 were as follows:

<u>Fund</u>	<u>Purpose</u>	<u>Cash Advance To Other Funds</u>	<u>Cash Advance From Other Funds</u>
General		\$ 83,000	\$ -
Capital Improvement		55,000	-
Non-major enterprise funds	Grant reimbursable/ Timing of receipts	-	85,000
Non-major governmental funds	Grant reimbursable	<u>-</u>	<u>53,000</u>
		<u>\$ 138,000</u>	<u>\$ 138,000</u>

12. Interfund Transfers:

Interfund transfers in the basic financial statements for the year ended December 31, 2013 were:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General	\$ -	\$ 369,671
Street Repair & Maintenance	130,000	
Non-major governmental funds	66,000	-
Non-major enterprise funds	<u>173,671</u>	<u>-</u>
	<u>\$ 369,671</u>	<u>\$ 369,671</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 2012, the Association's per-occurrence retention limit for property was \$250,000, with the exception of boiler

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2013

and machinery for which there was a \$5,000 per occurrence retention limit. Liability had a per-occurrence retention limit of \$500,000. After the retention limits are reached, excess insurance will cover up to the limits stated below.

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

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

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	\$ 41,954	\$ 87,965	\$ -	\$ -	\$ 129,919
Prepaid Expenses	45,311	398	-	2,370	48,079
Restricted for:					
Streets & Highways	-	225,281	-	50,752	276,033
Law Enforcement	-	-	-	236,418	236,418
Municipal Court	-	-	-	660,951	660,951
Cemetery	-	-	-	869,292	869,292
Community development	-	-	-	229,659	229,659
Tax incremental financing	-	-	-	315,693	315,693
Other purposes	-	-	-	45,065	45,065
Committed to:					
Separation pay	243,392	-	-	-	243,392
Health	-	-	-	172,288	172,288
Other purposes	-	-	-	79,306	79,306
Assigned to:					
Capital projects	-	-	1,999,039	-	1,999,039
Other purposes	227,709	-	-	-	227,709
Unassigned:	6,052,984	-	-	(46,169)	6,006,815
	<u>\$ 6,611,350</u>	<u>\$ 313,644</u>	<u>\$ 1,999,039</u>	<u>\$ 2,615,625</u>	<u>\$ 11,539,658</u>

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2013

15. Fund Deficits at December 31, 2013:

The Revenue Collections Fund has a deficit fund balance of \$85,258 and the Garage Fund has a deficit fund balance of \$364. These funds have deficit balances primarily due to the accrual of compensated absences, which is long term in nature. The Solid Waste Fund has a deficit fund balance of \$132,872. Solid Waste charges are billed and collected in advance, therefore, the recording of receivables and unearned income using the accrual basis of accounting generates the fund's deficit balance. The Moving Ohio Forward Fund has a deficit fund balance of \$44,053, and Municipal Court Mental Health Grant Fund has a deficit fund balance of \$2,116, 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. Prior Period Adjustments and Restatement of Net Position:

During 2013, it was discovered that the reporting of stormwater receivables was inadvertently overstated and a portion of unearned revenue should have been recorded to reflect stormwater charges paid in advance.

During 2013, it was determined that water system infrastructure owned by Northbrook Mobile Home Park, initially recorded in 2010, was capitalized and being depreciated in error. Rather, a corresponding receivable should have been recorded for the amount of the loan payable to OWDA on behalf of Northbrook Mobile Home (see Note 9). Additionally, it was discovered that the automated meter read system capitalized in 2011 had inadvertently not been depreciated. The effect of these prior period adjustments on the basic financial statements of the City are as follows:

	Water	Stormwater	Business-Type Activities
Net position as previously reported, 1/1/2013	\$ 13,065,761	\$ 5,139,914	\$ 38,069,990
Increase/(Reduction) of accounts receivable	251,328	(47,768)	203,560
Increase in unearned revenue	-	(30,476)	(30,476)
Reduction in Capital Assets net of accumulated depreciation	(846,725)	-	(846,725)
Net position, 1/1/2013, as restated	<u>\$ 12,470,364</u>	<u>\$ 5,061,670</u>	<u>\$ 37,396,349</u>

17. Contractual Commitment:

The encumbrances (amounts committed to liquidate purchase orders of the prior periods) at December 31, 2013 for governmental activities are as follows:

<u>Fund</u>	<u>Total Encumbrances</u>
General	\$ 227,709
Street	11,220
Capital	
Improvement	347,120
Non-major	511,478
Total	<u>\$ 1,097,527</u>

CITY OF SIDNEY, OHIO
Notes to the Basic Financial Statements
December 31, 2013

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, 2013, 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 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, 2013, no known pollution remediation liability has been recorded, as these potential costs are unknown.

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, 2013

	Original Budget	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:				
Local taxes	\$ 11,404,397	\$ 11,404,397	\$ 12,545,469	\$ 1,141,072
Intergovernmental revenues	605,068	605,068	784,674	179,606
Special assessments	235,600	235,600	244,523	8,923
Charges for services	1,481,783	1,481,783	1,371,881	(109,902)
Fines, licenses and permits	133,282	133,282	124,057	(9,225)
Investment income	50,000	50,000	95,704	45,704
Miscellaneous receipts and reimbursements	-	-	-	-
	<u>1,433,743</u>	<u>1,433,743</u>	<u>1,575,360</u>	<u>141,617</u>
Total revenues	<u>15,343,873</u>	<u>15,343,873</u>	<u>16,741,668</u>	<u>1,397,795</u>
EXPENDITURES:				
Current:				
General government	2,594,955	2,590,874	2,371,903	218,971
Police	5,630,796	5,605,510	5,455,492	150,018
Fire	4,465,267	4,681,433	4,581,766	99,667
Judicial	1,161,536	1,155,128	1,141,153	13,975
Community development	150,460	142,410	139,081	3,329
Community environment	627,923	631,291	542,437	88,854
Parks and recreation	1,225,086	1,234,133	1,210,504	23,629
Capital outlay	27,249	27,249	27,214	35
	<u>15,883,272</u>	<u>16,068,028</u>	<u>15,469,550</u>	<u>598,478</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(539,399)</u>	<u>(724,155)</u>	<u>1,272,118</u>	<u>1,996,273</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(386,671)</u>	<u>(411,671)</u>	<u>(369,671)</u>	<u>42,000</u>
Total other financing sources	<u>(386,671)</u>	<u>(411,671)</u>	<u>(369,671)</u>	<u>42,000</u>
Net change in fund balance	(926,070)	(1,135,826)	902,447	2,038,273
Fund Balances, beginning of year	5,771,225	5,771,225	5,771,225	-
Prior Year Encumbrances	<u>210,770</u>	<u>210,770</u>	<u>210,770</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 5,055,925</u>	<u>\$ 4,846,169</u>	<u>\$ 6,884,442</u>	<u>\$ 2,038,273</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, 2013

	Original Budget	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:				
Intergovernmental revenues	\$ 1,079,277	\$ 1,079,277	\$ 1,027,385	\$ (51,892)
Investment Income	1,000	1,000	2,538	1,538
Miscellaneous receipts and reimbursements	80,500	75,500	100,365	24,865
Total revenues	<u>1,160,777</u>	<u>1,155,777</u>	<u>1,130,288</u>	<u>(25,489)</u>
EXPENDITURES:				
Current:				
Street repair & maintenance	1,343,933	1,363,926	1,326,945	36,981
Total expenditures	<u>1,343,933</u>	<u>1,363,926</u>	<u>1,326,945</u>	<u>36,981</u>
Deficiency of revenues under expenditures	<u>(183,156)</u>	<u>(208,149)</u>	<u>(196,657)</u>	<u>11,492</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	130,000	130,000	130,000	-
Total other financing sources	<u>130,000</u>	<u>130,000</u>	<u>130,000</u>	<u>-</u>
Net change in fund balance	(53,156)	(78,149)	(66,657)	11,492
Fund Balances, beginning of year	213,888	213,888	213,888	-
Prior Year Encumbrances	26,465	26,465	26,465	-
Fund Balances, end of year	<u>\$ 187,197</u>	<u>\$ 162,204</u>	<u>\$ 173,696</u>	<u>\$ 11,492</u>

See Notes to the Required Supplementary Information.

CITY OF SIDNEY, OHIO
Notes to the Required Supplementary Information
For the Year Ended December 31, 2013

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, 2013

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

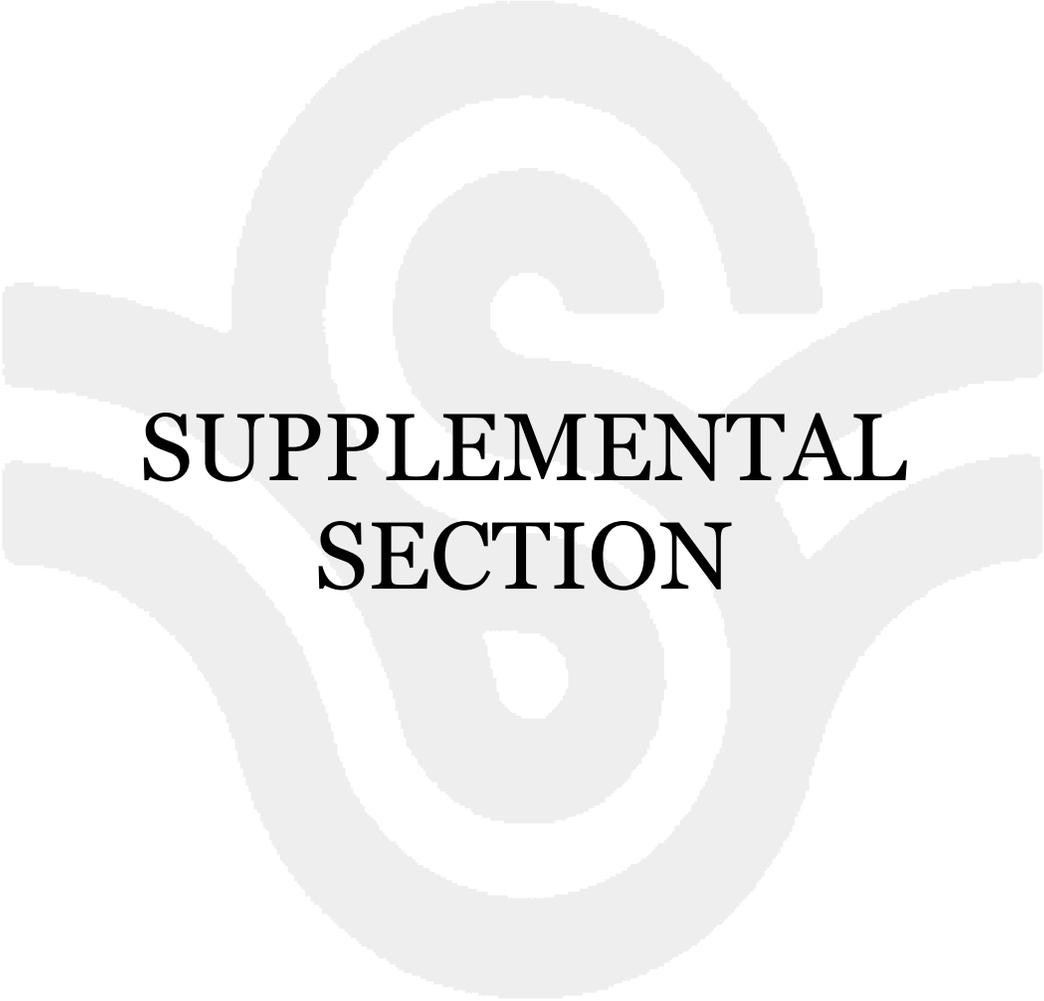
The adjustments necessary to convert the results of operations for the year ended December 31, 2013, from the GAAP basis to the budget basis are as follows:

	<u>General Fund</u>	<u>Street Repair & Maintenance Fund</u>
Net change in fund balance - <i>GAAP Basis</i>	\$ 1,462,160	\$ (82,652)
Increase / (decrease):		
Due to revenues	959,512	21,790
Due to expenditures	<u>(1,519,225)</u>	<u>(5,795)</u>
Net change in fund balance - Budget Basis	<u>\$ 902,447</u>	<u>\$ (66,657)</u>

CITY OF SIDNEY



OHIO



**SUPPLEMENTAL
SECTION**

CITY OF SIDNEY



OHIO

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, 2013**

	Non-major Special Revenue Funds	Brookside Park Capital Projects Fund	Total Non-major Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Pooled cash	\$ 2,065,790	\$ 5,114	\$ 2,070,904
Cash held by outside agent	7,403	-	7,403
Pooled investments	666,500	1,652	668,152
Receivables:			
Property taxes	131,681	-	131,681
Other taxes	5,991	-	5,991
Interest	1,063	-	1,063
Loans	572,292	-	572,292
Other	65,147	-	65,147
Due from other funds	67	-	67
Receivables from other governments	77,630	-	77,630
Prepaid items	2,370	-	2,370
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 3,595,934</u>	<u>\$ 6,766</u>	<u>\$ 3,602,700</u>
LIABILITIES			
Liabilities:			
Accounts payable	\$ 80,929	\$ -	\$ 80,929
Salaries and benefits payable	20,939	-	20,939
Advances from other funds	53,000	-	53,000
Due to other funds	3,937	-	3,937
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>158,805</u>	<u>-</u>	<u>158,805</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	828,270	-	828,270
Total deferred inflows of resources	828,270	-	828,270
FUND BALANCES			
Nonspendable	2,370	-	2,370
Restricted	2,407,830	-	2,407,830
Committed	244,828	6,766	251,594
Unassigned	(46,169)	-	(46,169)
	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>2,608,859</u>	<u>6,766</u>	<u>2,615,625</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,595,934</u>	<u>\$ 6,766</u>	<u>\$ 3,602,700</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, 2013

	Non-major Special Revenue Funds	Brookside Park Capital Projects Fund	Total Non-major Governmental Funds
REVENUES:			
Local taxes	\$ 194,891	\$ -	\$ 194,891
Intergovernmental revenues	898,206	-	898,206
Special assessments	1,250	-	1,250
Charges for services	318,969	-	318,969
Fines, licenses and permits	67,231	-	67,231
Investment income	37,041	-	37,041
Miscellaneous receipts and reimbursements	71,398	5,000	76,398
	<u>1,588,986</u>	<u>5,000</u>	<u>1,593,986</u>
EXPENDITURES:			
Current:			
Police	102,302	-	102,302
Fire	8,500	-	8,500
Judicial	253,952	-	253,952
Health	176,073	-	176,073
Street repairs and maintenance	74,000	-	74,000
Community development	240,741	-	240,741
Community environment	13,066	-	13,066
Capital outlay	404,424	-	404,424
Debt service:			
Principal	50,000	-	50,000
Interest	30,450	-	30,450
	<u>1,353,508</u>	<u>-</u>	<u>1,353,508</u>
Excess (deficiency) of revenues over (under) expenditures	<u>235,478</u>	<u>5,000</u>	<u>240,478</u>
OTHER FINANCING SOURCES:			
Transfers in	<u>66,000</u>	<u>-</u>	<u>66,000</u>
	<u>66,000</u>	<u>-</u>	<u>66,000</u>
Net change in fund balance	301,478	5,000	306,478
Fund balances, beginning of year	<u>2,307,381</u>	<u>1,766</u>	<u>2,309,147</u>
Fund balances, end of year	<u>\$ 2,608,859</u>	<u>\$ 6,766</u>	<u>\$ 2,615,625</u>

**CITY OF SIDNEY, OHIO
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2013**

	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	\$ 617	\$ 33,429	\$ 10,288	\$ 55,040	\$ 14,669	\$ 35,915	\$ 22,201	\$ 11,848	\$ 2,956
Cash held by outside agent	-	7,403	-	-	-	-	-	-	-
Pooled investments	198	10,802	3,324	17,785	4,740	11,605	7,174	3,829	951
Receivables:									
Property taxes	-	-	-	-	-	-	-	-	-
Other taxes	-	-	5,991	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	4
Loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	1,050	-	-	3,359	94	-
Due from other funds	-	-	-	-	-	-	-	-	-
Receivables from other governments	43,752	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-	-
Total assets	\$ 44,567	\$ 51,634	\$ 19,603	\$ 73,875	\$ 19,409	\$ 47,520	\$ 32,734	\$ 15,771	\$ 3,911
LIABILITIES									
Accounts payable	\$ -	\$ -	\$ 13,612	\$ 435	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	-	-	-	-	-	-	-	1,392	-
Advances from other funds	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-
Total liabilities	-	-	13,612	435	-	-	-	1,392	-
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue	38,046	7,403	1,540	900	-	-	2,350	-	2
Total deferred inflows of resources	38,046	7,403	1,540	900	-	-	2,350	-	2
FUND BALANCES									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	6,521	44,231	4,451	-	19,409	47,520	30,384	14,379	3,909
Committed	-	-	-	72,540	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances	6,521	44,231	4,451	72,540	19,409	47,520	30,384	14,379	3,909
Total liabilities, deferred inflows of resources and fund balances	\$ 44,567	\$ 51,634	\$ 19,603	\$ 73,875	\$ 19,409	\$ 47,520	\$ 32,734	\$ 15,771	\$ 3,911

(continued)

**CITY OF SIDNEY, OHIO
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2013**

	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	\$ 133,267	\$ 7	\$ 3,805	\$ 442,290	\$ 14,021	\$ 11,115	\$ 12,210	\$ -
Cash held by outside agent	-	-	-	-	-	-	-	-
Pooled investments	43,063	2	1,230	142,920	4,530	3,591	3,946	-
Receivables:								
Property taxes	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Other	-	-	-	9,771	441	-	2,587	-
Due from other funds	-	-	-	-	-	-	-	-
Receivables from other governments	-	-	-	-	-	-	-	7,417
Prepaid items	11	-	-	300	-	-	-	-
Total assets	\$ 176,341	\$ 9	\$ 5,035	\$ 595,281	\$ 18,992	\$ 14,706	\$ 18,743	\$ 7,417
LIABILITIES								
Accounts payable	\$ 105	\$ -	\$ -	\$ 8,016	\$ 1,730	\$ 400	\$ -	\$ 5,125
Salaries and benefits payable	-	-	3,685	8,059	-	-	-	2,292
Advances in	-	-	-	-	-	-	-	-
Due to other funds	3,937	-	-	-	-	-	-	-
Total liabilities	4,042	-	3,685	16,075	1,730	400	-	7,417
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	-	-	-	-	-	-	-	2,116
Total deferred inflows of resources	-	-	-	-	-	-	-	2,116
FUND BALANCES								
Nonspendable	11	-	-	300	-	-	-	-
Restricted	-	9	1,350	578,906	17,262	14,306	18,743	-
Committed	172,288	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	(2,116)
Total fund balances	172,299	9	1,350	579,206	17,262	14,306	18,743	(2,116)
Total liabilities, deferred inflows of resources and fund balances	\$ 176,341	\$ 9	\$ 5,035	\$ 595,281	\$ 18,992	\$ 14,706	\$ 18,743	\$ 7,417

(continued)

**CITY OF SIDNEY, OHIO
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2013**

	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	\$ 77,353	\$ 560,374	\$ 22,980	\$ 142,649	\$ 4,443	\$ 3,540	\$ 39,712	\$ 163
Cash held by outside agent	-	-	-	-	-	-	-	-
Pooled investments	24,996	180,335	7,395	45,906	1,430	1,139	12,780	53
Receivables:								
Property taxes	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-
Interest	-	647	26	165	171	4	46	-
Loans	-	-	-	526,955	45,337	-	-	-
Other	47,472	-	373	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Receivables from other governments	-	-	-	-	-	-	-	-
Prepaid items	291	-	-	-	-	-	-	-
Total assets	\$ 150,112	\$ 741,356	\$ 30,774	\$ 715,675	\$ 51,381	\$ 4,683	\$ 52,538	\$ 216
LIABILITIES								
Accounts payable	\$ 820	\$ 116	\$ -	\$ 23,275	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	5,511	-	-	-	-	-	-	-
Advances in	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Total liabilities	6,331	116	-	23,275	-	-	-	-
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	45,475	350	387	527,044	44,488	2	25	-
Total deferred inflows of resources	45,475	350	387	527,044	44,488	2	25	-
FUND BALANCES								
Nonspendable	291	-	-	-	-	-	-	-
Restricted	98,015	740,890	30,387	165,356	6,893	4,681	52,513	216
Committed	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	98,306	740,890	30,387	165,356	6,893	4,681	52,513	216
Total liabilities, deferred inflows of resources and fund balances	\$ 150,112	\$ 741,356	\$ 30,774	\$ 715,675	\$ 51,381	\$ 4,683	\$ 52,538	\$ 216

(continued)

**CITY OF SIDNEY, OHIO
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2013**

	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	\$ 20,007	\$ 121,608	\$ 28,168	\$ 2,521	\$ 42,958	\$ 188,183	\$ 7,453	\$ 2,065,790
Cash held by outside agent	-	-	-	-	-	-	-	7,403
Pooled investments	6,465	39,296	9,102	814	13,881	60,809	2,409	666,500
Receivables:								
Property taxes	-	-	-	-	28,426	98,466	4,789	131,681
Other taxes	-	-	-	-	-	-	-	5,991
Interest	-	-	-	-	-	-	-	1,063
Loans	-	-	-	-	-	-	-	572,292
Other	-	-	-	-	-	-	-	65,147
Due from other funds	67	-	-	-	-	-	-	67
Receivables from other governments	26,461	-	-	-	-	-	-	77,630
Prepaid items	-	1,768	-	-	-	-	-	2,370
	<u>-</u>	<u>1,768</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,370</u>
Total assets	<u>\$ 53,000</u>	<u>\$ 162,672</u>	<u>\$ 37,270</u>	<u>\$ 3,335</u>	<u>\$ 85,265</u>	<u>\$ 347,458</u>	<u>\$ 14,651</u>	<u>\$ 3,595,934</u>
LIABILITIES								
Accounts payable	\$ 17,592	\$ 9,703	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,929
Salaries and benefits payable	-	-	-	-	-	-	-	20,939
Advances in	53,000	-	-	-	-	-	-	53,000
Due to other funds	-	-	-	-	-	-	-	3,937
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,937</u>
Total liabilities	<u>70,592</u>	<u>9,703</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>158,805</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	26,461	-	-	-	28,426	98,466	4,789	828,270
Total deferred inflows of resources	<u>26,461</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,426</u>	<u>98,466</u>	<u>4,789</u>	<u>828,270</u>
FUND BALANCES								
Nonspendable	-	1,768	-	-	-	-	-	2,370
Restricted	-	151,201	37,270	3,335	56,839	248,992	9,862	2,407,830
Committed	-	-	-	-	-	-	-	244,828
Assigned	-	-	-	-	-	-	-	-
Unassigned	(44,053)	-	-	-	-	-	-	(46,169)
	<u>(44,053)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(46,169)</u>
Total fund balances	<u>(44,053)</u>	<u>152,969</u>	<u>37,270</u>	<u>3,335</u>	<u>56,839</u>	<u>248,992</u>	<u>9,862</u>	<u>2,608,859</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 53,000</u>	<u>\$ 162,672</u>	<u>\$ 37,270</u>	<u>\$ 3,335</u>	<u>\$ 85,265</u>	<u>\$ 347,458</u>	<u>\$ 14,651</u>	<u>\$ 3,595,934</u>

**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, 2013**

	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	\$ -	\$ -	\$ 64,165	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	73,540	89,330	-	-	-	-	-	-	3,911
Special Assessments	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Fines, licenses and permits	-	-	-	15,973	7,290	28,035	13,023	2,910	-
Investment income	414	-	-	-	-	-	-	-	(2)
Miscellaneous receipts and reimbursements	-	-	-	-	-	-	-	-	-
Total revenues	73,954	89,330	64,165	15,973	7,290	28,035	13,023	2,910	3,909
EXPENDITURES:									
Current:									
Police	-	-	-	-	12,180	7,387	-	7,404	-
Fire	-	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	4,994	-	-
Health	-	-	-	-	-	-	-	-	-
Street repairs and maintenance	74,000	-	-	-	-	-	-	-	-
Community development	-	-	62,943	-	-	-	-	-	-
Community environment	-	-	-	13,066	-	-	-	-	-
Capital outlay	-	94,800	-	-	-	-	-	-	-
Debt service:									
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total expenditures	74,000	94,800	62,943	13,066	12,180	7,387	4,994	7,404	-
Excess (deficiency) of revenues over (under) expenditures	(46)	(5,470)	1,222	2,907	(4,890)	20,648	8,029	(4,494)	3,909
OTHER FINANCING SOURCES:									
Transfers in	-	-	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-	-	-
Net change in fund balance	(46)	(5,470)	1,222	2,907	(4,890)	20,648	8,029	(4,494)	3,909
Fund balances, beginning of year	6,567	49,701	3,229	69,633	24,299	26,872	22,355	18,873	-
Fund balances, end of year	\$ 6,521	\$ 44,231	\$ 4,451	\$ 72,540	\$ 19,409	\$ 47,520	\$ 30,384	\$ 14,379	\$ 3,909

(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, 2013**

	Health Department Building Lease	FEMA 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	-	37,503	54,247	-	-	-	-	108,514
Special Assessments	-	-	-	-	-	-	-	-
Charges for services	-	-	-	135,688	14,872	-	36,008	-
Fines, licenses and permits	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-
Miscellaneous receipts and reimbursements	22,979	-	225	-	-	-	-	-
Total revenues	<u>22,979</u>	<u>37,503</u>	<u>54,472</u>	<u>135,688</u>	<u>14,872</u>	<u>-</u>	<u>36,008</u>	<u>108,514</u>
EXPENDITURES:								
Current:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Judicial	-	-	51,747	19,693	29,845	7,712	33,357	106,604
Health	18,352	-	-	-	-	-	-	-
Street repairs and maintenance	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community environment	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	25,230	-	-	775	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	<u>18,352</u>	<u>-</u>	<u>51,747</u>	<u>44,923</u>	<u>29,845</u>	<u>7,712</u>	<u>34,132</u>	<u>106,604</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,627</u>	<u>37,503</u>	<u>2,725</u>	<u>90,765</u>	<u>(14,973)</u>	<u>(7,712)</u>	<u>1,876</u>	<u>1,910</u>
OTHER FINANCING SOURCES:								
Transfers in	-	-	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	4,627	37,503	2,725	90,765	(14,973)	(7,712)	1,876	1,910
Fund balances, beginning of year	<u>167,672</u>	<u>(37,494)</u>	<u>(1,375)</u>	<u>488,441</u>	<u>32,235</u>	<u>22,018</u>	<u>16,867</u>	<u>(4,026)</u>
Fund balances, end of year	<u>\$ 172,299</u>	<u>\$ 9</u>	<u>\$ 1,350</u>	<u>\$ 579,206</u>	<u>\$ 17,262</u>	<u>\$ 14,306</u>	<u>\$ 18,743</u>	<u>\$ (2,116)</u>

(continued)

**CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	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	-	-	-	436,876	-	-	-	-
Special Assessments	-	-	-	-	-	-	-	-
Charges for services	132,401	-	-	-	-	-	-	-
Fines, licenses and permits	-	-	-	-	-	-	-	-
Investment income	-	10,800	440	1,243	10,515	139	13,492	-
Miscellaneous receipts and reimbursements	794	-	-	1,563	-	-	-	-
Total revenues	133,195	10,800	440	439,682	10,515	139	13,492	-
EXPENDITURES:								
Current:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	-	-
Health	151,682	6,039	-	-	-	-	-	-
Street repairs and maintenance	-	-	-	-	-	-	-	-
Community development	-	-	-	124,080	28,738	-	-	-
Community environment	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	193,363	-	5,920	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	151,682	6,039	-	317,443	28,738	5,920	-	-
Excess (deficiency) of revenues over (under) expenditures	(18,487)	4,761	440	122,239	(18,223)	(5,781)	13,492	-
OTHER FINANCING SOURCES:								
Transfers in	66,000	-	-	-	-	-	-	-
Total other financing sources	66,000	-	-	-	-	-	-	-
Net change in fund balance	47,513	4,761	440	122,239	(18,223)	(5,781)	13,492	-
Fund balances, beginning of year	50,793	736,129	29,947	43,117	25,116	10,462	39,021	216
Fund balances, end of year	\$ 98,306	\$ 740,890	\$ 30,387	\$ 165,356	\$ 6,893	\$ 4,681	\$ 52,513	\$ 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, 2013**

	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	\$ -	\$ -	\$ -	\$ -	\$ 28,219	\$ 97,753	\$ 4,754	\$ 194,891
Intergovernmental revenues	42,166	52,119	-	-	-	-	-	898,206
Special Assessments	-	-	-	1,250	-	-	-	1,250
Charges for services	-	-	-	-	-	-	-	318,969
Fines, licenses and permits	-	-	-	-	-	-	-	67,231
Investment income	-	-	-	-	-	-	-	37,041
Miscellaneous receipts and reimbursements	67	-	45,770	-	-	-	-	71,398
Total revenues	42,233	52,119	45,770	1,250	28,219	97,753	4,754	1,588,986
EXPENDITURES:								
Current:								
Police	-	75,331	-	-	-	-	-	102,302
Fire	-	-	8,500	-	-	-	-	8,500
Judicial	-	-	-	-	-	-	-	253,952
Health	-	-	-	-	-	-	-	176,073
Street repairs and maintenance	-	-	-	-	-	-	-	74,000
Community development	-	-	-	362	2,000	21,667	951	240,741
Community environment	-	-	-	-	-	-	-	13,066
Capital outlay	84,336	-	-	-	-	-	-	404,424
Debt service:								
Principal	-	-	-	-	10,000	40,000	-	50,000
Interest	-	-	-	-	8,425	22,025	-	30,450
Total expenditures	84,336	75,331	8,500	362	20,425	83,692	951	1,353,508
Excess (deficiency) of revenues over (under) expenditures	(42,103)	(23,212)	37,270	888	7,794	14,061	3,803	235,478
OTHER FINANCING SOURCES:								
Transfers in	-	-	-	-	-	-	-	66,000
Total other financing sources	-	-	-	-	-	-	-	66,000
Net change in fund balance	(42,103)	(23,212)	37,270	888	7,794	14,061	3,803	301,478
Fund balances, beginning of year	(1,950)	176,181	-	2,447	49,045	234,931	6,059	2,307,381
Fund balances, end of year	\$ (44,053)	\$ 152,969	\$ 37,270	\$ 3,335	\$ 56,839	\$ 248,992	\$ 9,862	\$ 2,608,859

CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS
DECEMBER 31, 2013

	Transportation	Airport	Yard Waste	Solid Waste	Swimming Pool	Non-major Enterprise Funds Totals
ASSETS						
Current assets:						
Pooled cash	\$ 27,848	\$ 230,063	\$ 8,007	\$ 103,914	\$ 21,262	\$ 391,094
Pooled investments	8,998	74,341	2,587	33,578	6,870	126,374
Receivables:						
Accounts	15,329	2,785	-	117,270	-	135,384
Other	-	-	-	-	20	20
Receivables from other governments	45,211	349,435	-	-	-	394,646
Inventory	-	34,306	-	-	-	34,306
Prepaid items	1,616	2,083	44	-	72	3,815
	<u>99,002</u>	<u>693,013</u>	<u>10,638</u>	<u>254,762</u>	<u>28,224</u>	<u>1,085,639</u>
Total current assets						
Noncurrent assets:						
Capital assets:						
Capital assets not subject to depreciation:						
Land	55,000	1,008,571	11,340	-	-	1,074,911
Construction in progress	-	2,886,640	-	-	-	2,886,640
Capital assets net of accumulated depreciation	1,436,079	1,437,991	-	-	936,045	3,810,115
	<u>1,491,079</u>	<u>5,333,202</u>	<u>11,340</u>	<u>-</u>	<u>936,045</u>	<u>7,771,666</u>
Total noncurrent assets						
	<u>1,491,079</u>	<u>5,333,202</u>	<u>11,340</u>	<u>-</u>	<u>936,045</u>	<u>7,771,666</u>
Total assets	<u>\$ 1,590,081</u>	<u>\$ 6,026,215</u>	<u>\$ 21,978</u>	<u>\$ 254,762</u>	<u>\$ 964,269</u>	<u>\$ 8,857,305</u>
LIABILITIES						
Current liabilities:						
Accounts payable	\$ 4,232	\$ 573,197	\$ 539	\$ 198,069	\$ 381	\$ 776,418
Salaries and benefits payable	29,509	-	-	391	1,509	31,409
Compensated absences	56	-	-	-	-	56
Advances from other funds	-	85,000	-	-	-	85,000
Refundable deposits	-	290	-	-	-	290
Unearned revenue	-	-	-	188,790	-	188,790
Due to Other Funds	-	67,207	-	-	-	67,207
	<u>33,797</u>	<u>725,694</u>	<u>539</u>	<u>387,250</u>	<u>1,890</u>	<u>1,149,170</u>
Total current liabilities						
	<u>33,797</u>	<u>725,694</u>	<u>539</u>	<u>387,250</u>	<u>1,890</u>	<u>1,149,170</u>
Noncurrent liabilities:						
Compensated absences	59,172	-	-	384	-	59,556
Total noncurrent liabilities	59,172	-	-	384	-	59,556
	<u>59,172</u>	<u>-</u>	<u>-</u>	<u>384</u>	<u>-</u>	<u>59,556</u>
Total liabilities	<u>92,969</u>	<u>725,694</u>	<u>539</u>	<u>387,634</u>	<u>1,890</u>	<u>1,208,726</u>
NET POSITION						
Net investment in capital assets	1,491,079	5,333,202	11,340	-	936,045	7,771,666
Unrestricted	6,033	(32,681)	10,099	(132,872)	26,334	(123,087)
	<u>1,497,112</u>	<u>5,300,521</u>	<u>21,439</u>	<u>(132,872)</u>	<u>962,379</u>	<u>7,648,579</u>
Total net position						
	<u>1,497,112</u>	<u>5,300,521</u>	<u>21,439</u>	<u>(132,872)</u>	<u>962,379</u>	<u>7,648,579</u>
Total liabilities and net position	<u>\$ 1,590,081</u>	<u>\$ 6,026,215</u>	<u>\$ 21,978</u>	<u>\$ 254,762</u>	<u>\$ 964,269</u>	<u>\$ 8,857,305</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, 2013

	Transportation	Airport	Yard Waste	Solid Waste	Swimming Pool	Non-major Enterprise Funds Totals
OPERATING REVENUES:						
Charges for services	\$ 228,599	\$ 321,713	\$ 17,158	\$ 1,325,314	\$ 66,196	\$ 1,958,980
Other revenue	<u>11,424</u>	<u>244,970</u>	<u>-</u>	<u>20</u>	<u>3,643</u>	<u>260,057</u>
Total operating revenues	<u>240,023</u>	<u>566,683</u>	<u>17,158</u>	<u>1,325,334</u>	<u>69,839</u>	<u>2,219,037</u>
OPERATING EXPENSES:						
Personal services	500,875	-	-	6,618	92,494	599,987
Operations and maintenance	300,530	351,862	24,084	1,341,572	50,400	2,068,448
Depreciation	<u>121,471</u>	<u>82,329</u>	<u>-</u>	<u>-</u>	<u>32,007</u>	<u>235,807</u>
Total operating expenses	<u>922,876</u>	<u>434,191</u>	<u>24,084</u>	<u>1,348,190</u>	<u>174,901</u>	<u>2,904,242</u>
Operating loss	<u>(682,853)</u>	<u>132,492</u>	<u>(6,926)</u>	<u>(22,856)</u>	<u>(105,062)</u>	<u>(685,205)</u>
NONOPERATING REVENUE:						
Intergovernmental	483,284	2,447,276	-	-	-	2,930,560
Gain on disposal of assets	<u>3,573</u>	<u>3,606</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,179</u>
Total nonoperating revenue	<u>486,857</u>	<u>2,450,882</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,937,739</u>
Loss before transfers	<u>(195,996)</u>	<u>2,583,374</u>	<u>(6,926)</u>	<u>(22,856)</u>	<u>(105,062)</u>	<u>2,252,534</u>
Transfers in	<u>53,671</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>70,000</u>	<u>173,671</u>
Change in net position	(142,325)	2,633,374	(6,926)	(22,856)	(35,062)	2,426,205
Net position - beginning	<u>1,639,437</u>	<u>2,667,147</u>	<u>28,365</u>	<u>(110,016)</u>	<u>997,441</u>	<u>5,222,374</u>
Net position - ending	<u>\$ 1,497,112</u>	<u>\$ 5,300,521</u>	<u>\$ 21,439</u>	<u>\$ (132,872)</u>	<u>\$ 962,379</u>	<u>\$ 7,648,579</u>

CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF CASH FLOWS - NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Transportation	Airport	Yard Waste	Solid Waste	Swimming Pool	Non-major Enterprise Funds Totals
Cash flows from operating activities:						
Receipts from customers and users	\$ 236,580	\$ 334,740	\$ 17,158	\$ 1,316,107	\$ 69,734	\$ 1,974,319
Receipts from interfund services	-	244,890	-	-	85	244,975
Payments to suppliers	(71,950)	(350,059)	(21,018)	(1,198,922)	(41,837)	(1,683,786)
Payments to employees	(480,295)	-	-	(6,392)	(92,267)	(578,954)
Payments for interfund services used	(230,820)	(111,820)	(8,531)	(131,315)	(8,532)	(491,018)
Net cash provided by (used for) operating activities	(546,485)	117,751	(12,391)	(20,522)	(72,817)	(534,464)
Cash flows from noncapital financing activities:						
Transfers in	53,671	50,000	-	-	70,000	173,671
Intergovernmental	468,171	-	-	-	-	468,171
Net cash provided by noncapital financing activities	521,842	50,000	-	-	70,000	641,842
Cash flows from capital and related financing activities:						
Proceeds from sale of capital assets	3,573	3,606	-	-	-	7,179
Acquisition of capital assets	(62,823)	(2,325,272)	-	-	-	(2,388,095)
Intergovernmental	15,113	2,447,276	-	-	-	2,462,389
Net provided by (used for) capital and related financing activities	(44,137)	125,610	-	-	-	81,473
Cash flows from investing activities:						
Purchase of investments	(8,998)	(74,341)	(2,587)	(33,578)	(6,870)	(126,374)
Net cash provided by investing activities	(8,998)	(74,341)	(2,587)	(33,578)	(6,870)	(126,374)
Net increase (decrease) in pooled cash	(77,778)	219,020	(14,978)	(54,100)	(9,687)	62,477
Pooled cash, beginning of year	105,626	11,043	22,985	158,014	30,949	328,617
Pooled cash, end of year	\$ 27,848	\$ 230,063	\$ 8,007	\$ 103,914	\$ 21,262	\$ 391,094
Reconciliation of operating loss to net cash used by operating activities:						
Operating income (loss)	\$ (682,853)	\$ 132,492	\$ (6,926)	\$ (22,856)	\$ (105,062)	\$ (685,205)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities:						
Depreciation	121,471	82,329	-	-	32,007	235,807
Change in assets and liabilities:						
Accounts receivable	(4,114)	2,390	-	(22,791)	(20)	(24,535)
Other receivables	671	10,557	-	-	-	11,228
Prepaid items	(119)	(68)	(44)	14	(12)	(229)
Inventory	-	(10,442)	-	-	-	(10,442)
Accounts payable	(2,121)	(15,777)	(5,421)	11,321	43	(11,955)
Advances from other funds	-	(84,000)	-	-	-	(84,000)
Salaries and benefits payable and compensated absences	20,580	-	-	226	227	21,033
Refundable deposits	-	-	-	-	-	-
Due to other funds	-	270	-	-	-	270
Unearned revenue	-	-	-	13,564	-	13,564
Net cash provided by (used for) operating activities	\$ (546,485)	\$ 117,751	\$ (12,391)	\$ (20,522)	\$ (72,817)	\$ (534,464)
Noncash investing, capital and related financing activities:						
Purchase of equipment on account	\$ -	\$ 554,798	\$ -	\$ -	\$ -	\$ 554,798
Prior year purchase of equipment on account	\$ -	\$ 5,718	\$ -	\$ -	\$ -	\$ 5,718

CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2013

	Service Center Building	Technology	Revenue Collections	Garage/Fleet Operations	Internal Service Totals
ASSETS					
Current assets:					
Pooled cash	\$ 49,652	\$ 80,509	\$ 23,502	\$ 24,936	\$ 178,599
Pooled investments	16,044	26,015	7,594	8,058	57,711
Receivables (net):					
Accounts	-	5,740	-	-	5,740
Receivables from other governments	-	84	-	-	84
Inventory	-	2,079	-	11,642	13,721
Prepaid items	386	70,520	308	431	71,645
	<u>66,082</u>	<u>184,947</u>	<u>31,404</u>	<u>45,067</u>	<u>327,500</u>
Total current assets					
Noncurrent assets:					
Capital assets, net of accumulated depreciation	<u>292,324</u>	<u>151,692</u>	<u>-</u>	<u>4,616</u>	<u>448,632</u>
	<u>292,324</u>	<u>151,692</u>	<u>-</u>	<u>4,616</u>	<u>448,632</u>
Total noncurrent assets					
	<u>\$ 358,406</u>	<u>\$ 336,639</u>	<u>\$ 31,404</u>	<u>\$ 49,683</u>	<u>\$ 776,132</u>
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 4,708	\$ 38,454	\$ 8,557	\$ 13,312	\$ 65,031
Salaries and benefits payable	-	20,981	25,351	13,731	60,063
Compensated absences	-	-	607	7	614
	<u>4,708</u>	<u>59,435</u>	<u>34,515</u>	<u>27,050</u>	<u>125,708</u>
Total current liabilities					
Noncurrent liabilities:					
Compensated absences	<u>-</u>	<u>20,101</u>	<u>82,147</u>	<u>22,997</u>	<u>125,245</u>
Total noncurrent liabilities	<u>-</u>	<u>20,101</u>	<u>82,147</u>	<u>22,997</u>	<u>125,245</u>
	<u>4,708</u>	<u>79,536</u>	<u>116,662</u>	<u>50,047</u>	<u>250,953</u>
Total liabilities					
NET POSITION					
Invested in capital assets, net of related debt	292,324	151,692	-	4,616	448,632
Unrestricted	<u>61,374</u>	<u>105,411</u>	<u>(85,258)</u>	<u>(4,980)</u>	<u>76,547</u>
	<u>353,698</u>	<u>257,103</u>	<u>(85,258)</u>	<u>(364)</u>	<u>525,179</u>
Total net position					
	<u>\$ 358,406</u>	<u>\$ 336,639</u>	<u>\$ 31,404</u>	<u>\$ 49,683</u>	<u>\$ 776,132</u>
Total liabilities and net position					

CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Service Center Building	Technology	Revenue Collections	Garage/Fleet Operations	Internal Service Totals
OPERATING REVENUES:					
Charges for services	\$ 123,000	\$ 752,477	\$ 576,613	\$ 836,584	\$ 2,288,674
Other revenue	-	2,979	3,579	3,528	10,086
Total operating revenues	<u>123,000</u>	<u>755,456</u>	<u>580,192</u>	<u>840,112</u>	<u>2,298,760</u>
OPERATING EXPENSES:					
Personal services	-	342,729	433,365	272,576	1,048,670
Operations and maintenance	85,425	295,364	138,279	565,569	1,084,637
Depreciation	<u>27,627</u>	<u>50,636</u>	-	<u>3,259</u>	<u>81,522</u>
Total operating expenses	<u>113,052</u>	<u>688,729</u>	<u>571,644</u>	<u>841,404</u>	<u>2,214,829</u>
Operating income (loss)	<u>9,948</u>	<u>66,727</u>	<u>8,548</u>	<u>(1,292)</u>	<u>83,931</u>
NONOPERATING REVENUES:					
Gain (loss) on disposal of assets	<u>11</u>	-	-	-	<u>11</u>
Total nonoperating revenues	<u>11</u>	-	-	-	<u>11</u>
Change in net position	9,959	66,727	8,548	(1,292)	83,942
Net position - beginning	<u>343,739</u>	<u>190,376</u>	<u>(93,806)</u>	<u>928</u>	<u>441,237</u>
Net position - ending	<u>\$ 353,698</u>	<u>\$ 257,103</u>	<u>\$ (85,258)</u>	<u>\$ (364)</u>	<u>\$ 525,179</u>

**CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	Service Center Building	Technology	Revenue Collections	Garage/Fleet Operations	Internal Service Totals
Cash flows from operating activities:					
Receipts from customers and users	\$ -	\$ 75,192	\$ -	\$ -	\$ 75,192
Receipts from interfund services	123,000	679,608	580,192	840,112	2,222,912
Payments to suppliers	(78,302)	(290,887)	(61,441)	(518,888)	(949,518)
Payments to employees	-	(341,112)	(430,797)	(254,522)	(1,026,431)
Payments for interfund services used	(7,094)	(23,508)	(72,589)	(50,124)	(153,315)
Net cash provided by (used for) operating activities	<u>37,604</u>	<u>99,293</u>	<u>15,365</u>	<u>16,578</u>	<u>168,840</u>
Cash flows from capital and related financing activities:					
Proceeds from sales of capital assets	11	-	-	-	11
Acquisition of capital assets	-	(58,058)	-	-	(58,058)
Net cash used for capital and related financing activities	<u>11</u>	<u>(58,058)</u>	<u>-</u>	<u>-</u>	<u>(58,047)</u>
Cash flows from investing activities:					
Purchase of investments	(16,044)	(26,015)	(7,594)	(8,058)	(57,711)
Net cash provided by investing activities	<u>(16,044)</u>	<u>(26,015)</u>	<u>(7,594)</u>	<u>(8,058)</u>	<u>(57,711)</u>
Net increase (decrease) in pooled cash	21,571	15,220	7,771	8,520	53,082
Pooled cash, beginning of year	<u>28,081</u>	<u>65,289</u>	<u>15,731</u>	<u>16,416</u>	<u>125,517</u>
Pooled cash, end of year	<u>\$ 49,652</u>	<u>\$ 80,509</u>	<u>\$ 23,502</u>	<u>\$ 24,936</u>	<u>\$ 178,599</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ 9,948	\$ 66,727	\$ 8,548	\$ (1,292)	\$ 83,931
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation	27,627	50,636	-	3,259	81,522
Change in assets and liabilities:					
Accounts receivables	-	(656)	-	-	(656)
Due from other funds	-	-	-	-	-
Prepaid items	(40)	(17,508)	32	1,736	(15,780)
Inventory	-	312	-	1,773	2,085
Accounts payable	69	(1,835)	4,217	(6,952)	(4,501)
Salaries and benefits payable and compensated absences	-	1,617	2,568	18,054	22,239
Net cash provided by (used for) operating activities	<u>\$ 37,604</u>	<u>\$ 99,293</u>	<u>\$ 15,365</u>	<u>\$ 16,578</u>	<u>\$ 168,840</u>

CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
DECEMBER 31, 2013

	Municipal Court	Medical Reimbursement	Port Jefferson	River Clean-Up	Agency Funds Totals
ASSETS					
Pooled cash	\$ -	\$ 13,055	\$ 6,714	\$ 26,719	\$ 46,488
Pooled investments	-	4,218	2,170	8,634	15,022
Cash held by outside agent	164,877	-	-	-	164,877
Prepaid items	-	-	-	1,034	1,034
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,034</u>	<u>1,034</u>
Total assets	<u>\$ 164,877</u>	<u>\$ 17,273</u>	<u>\$ 8,884</u>	<u>\$ 36,387</u>	<u>\$ 227,421</u>
LIABILITIES					
Due to other governments	\$ 87,306	\$ -	\$ 8,884	\$ -	\$ 96,190
Undistributed monies	77,571	17,273	-	36,387	131,231
	<u>77,571</u>	<u>17,273</u>	<u>-</u>	<u>36,387</u>	<u>131,231</u>
Total liabilities	<u>\$ 164,877</u>	<u>\$ 17,273</u>	<u>\$ 8,884</u>	<u>\$ 36,387</u>	<u>\$ 227,421</u>

**CITY OF SIDNEY, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	Balance at January 1, 2013	Additions	Deductions	Balance at December 31, 2013
<u>Municipal Court Fund</u>				
ASSETS				
Cash held by outside agent	\$ 142,646	\$ 2,168,912	\$ 2,146,681	\$ 164,877
Total assets	<u>\$ 142,646</u>	<u>\$ 2,168,912</u>	<u>\$ 2,146,681</u>	<u>\$ 164,877</u>
LIABILITIES				
Due to other governments	\$ 72,582	\$ 1,139,698	\$ 1,124,974	\$ 87,306
Undistributed monies	<u>70,064</u>	<u>1,029,214</u>	<u>1,021,707</u>	<u>77,571</u>
Total liabilities	<u>\$ 142,646</u>	<u>\$ 2,168,912</u>	<u>\$ 2,146,681</u>	<u>\$ 164,877</u>
<u>Medical Reimbursement Fund</u>				
ASSETS				
Pooled cash	\$ 2,697	\$ 33,821	\$ 23,463	\$ 13,055
Pooled investments	<u>-</u>	<u>4,218</u>	<u>-</u>	<u>\$ 4,218</u>
Total assets	<u>\$ 2,697</u>	<u>\$ 38,039</u>	<u>\$ 23,463</u>	<u>\$ 17,273</u>
LIABILITIES				
Undistributed monies	\$ 2,697	\$ 38,039	\$ 23,463	17,273
Total liabilities	<u>\$ 2,697</u>	<u>\$ 38,039</u>	<u>\$ 23,463</u>	<u>\$ 17,273</u>
<u>Port Jefferson Fund</u>				
ASSETS				
Pooled cash	\$ 14,252	\$ 72,668	\$ 80,206	\$ 6,714
Pooled investments	<u>-</u>	<u>2,170</u>	<u>-</u>	<u>2,170</u>
Total assets	<u>\$ 14,252</u>	<u>\$ 74,838</u>	<u>\$ 80,206</u>	<u>\$ 8,884</u>
LIABILITIES				
Due to other governments	<u>14,252</u>	<u>74,838</u>	<u>80,206</u>	<u>8,884</u>
Total liabilities	<u>\$ 14,252</u>	<u>\$ 74,838</u>	<u>\$ 80,206</u>	<u>\$ 8,884</u>
<u>River Clean-Up Fund</u>				
ASSETS				
Pooled cash	\$ 25,535	\$ 10,372	\$ 9,188	\$ 26,719
Pooled investments	<u>-</u>	<u>8,634</u>	<u>-</u>	<u>8,634</u>
Prepaid items	<u>-</u>	<u>1,034</u>	<u>-</u>	<u>1,034</u>
Total assets	<u>\$ 25,535</u>	<u>\$ 20,040</u>	<u>\$ 9,188</u>	<u>\$ 36,387</u>
LIABILITIES				
Undistributed monies	<u>25,535</u>	<u>20,040</u>	<u>9,188</u>	<u>36,387</u>
Total liabilities	<u>\$ 25,535</u>	<u>\$ 20,040</u>	<u>\$ 9,188</u>	<u>\$ 36,387</u>
<u>Total Fiduciary Funds</u>				
ASSETS				
Pooled cash	\$ 42,484	\$ 116,861	\$ 112,857	\$ 46,488
Pooled investments	<u>-</u>	<u>15,022</u>	<u>-</u>	<u>15,022</u>
Cash held by outside agent	142,646	2,168,912	2,146,681	164,877
Prepaid items	<u>-</u>	<u>1,034</u>	<u>-</u>	<u>1,034</u>
Total assets	<u>\$ 185,130</u>	<u>\$ 2,301,829</u>	<u>\$ 2,259,538</u>	<u>\$ 227,421</u>
LIABILITIES				
Due to other governments	\$ 86,834	\$ 1,214,536	\$ 1,205,180	\$ 96,190
Undistributed monies	<u>98,296</u>	<u>1,087,293</u>	<u>1,054,358</u>	<u>131,231</u>
Total liabilities	<u>\$ 185,130</u>	<u>\$ 2,301,829</u>	<u>\$ 2,259,538</u>	<u>\$ 227,421</u>

CITY OF SIDNEY



OHIO

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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local taxes	\$ 11,404,397	\$ 12,545,469	\$ 1,141,072
Intergovernmental revenues	605,068	784,674	179,606
Special assessments	235,600	244,523	8,923
Charges for services	1,481,783	1,371,881	(109,902)
Fines, licenses and permits	133,282	124,057	(9,225)
Investment income	50,000	95,704	45,704
Miscellaneous receipts and reimbursements	1,433,743	1,575,360	141,617
Total revenues	<u>15,343,873</u>	<u>16,741,668</u>	<u>1,397,795</u>
EXPENDITURES:			
Current:			
General government			
City Council			
Personal services	65,567	64,779	788
Contractual, materials and other	36,159	32,998	3,161
City Administration			
Personal services	204,640	202,994	1,646
Contractual, materials and other	21,456	18,858	2,598
Finance			
Personal services	358,015	358,013	2
Contractual, materials and other	128,331	126,265	2,066
Law Director			
Personal services	187,368	186,977	391
Contractual, materials and other	71,826	67,277	4,549
Personnel			
Personal services	168,770	168,651	119
Contractual, materials and other	202,239	170,276	31,963
County Auditor Deductions			
Contractual, materials and other	128,184	126,951	1,233
Purchasing			
Personal services	49,365	49,241	124
Contractual, materials and other	18,890	12,890	6,000
City Hall			
Personal services	50,554	50,056	498
Contractual, materials and other	160,504	149,367	11,137
Miscellaneous			
Contractual, materials and other	739,006	586,310	152,696
Total general government	<u>2,590,874</u>	<u>2,371,903</u>	<u>218,971</u>
Police			
Police Services			
Personal services	4,495,830	4,416,218	79,612
Contractual, materials and other	893,858	823,917	69,941
Street Lighting Department			
Contractual, materials and other	220,900	220,400	500
Total police	<u>5,610,588</u>	<u>5,460,535</u>	<u>150,053</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, 2013

	<u>Final Budget</u>	<u>Actual Including Encumbrances</u>	<u>Variance from Final Budget</u>
Fire			
Fire Services			
Personal services	4,010,722	3,959,168	51,554
Contractual, materials and other	<u>692,882</u>	<u>644,769</u>	<u>48,113</u>
Total fire	<u>4,703,604</u>	<u>4,603,937</u>	<u>99,667</u>
Judicial			
Municipal Court			
Personal services	901,300	899,071	2,229
Contractual, materials and other	<u>253,828</u>	<u>242,082</u>	<u>11,746</u>
Total judicial	<u>1,155,128</u>	<u>1,141,153</u>	<u>13,975</u>
Community environment			
Building Inspection			
Personal services	125,010	124,116	894
Contractual, materials and other	15,026	13,757	1,269
Engineering			
Personal services	215,660	211,696	3,964
Contractual, materials and other	130,487	51,401	79,086
Public Works			
Personal services	32,071	32,062	9
Code Enforcement			
Personal services	76,584	76,305	279
Contractual, materials and other	<u>36,453</u>	<u>33,100</u>	<u>3,353</u>
Total community environment	<u>631,291</u>	<u>542,437</u>	<u>88,854</u>
Community development			
Community Planning & Development			
Personal services	109,919	109,873	46
Contractual, materials and other	<u>32,491</u>	<u>29,208</u>	<u>3,283</u>
Total community development	<u>142,410</u>	<u>139,081</u>	<u>3,329</u>
Parks and recreation			
Parks & Recreation - Administration			
Personal services	96,765	96,042	723
Contractual, materials and other	31,287	31,249	38
Parks & Recreation - Programs			
Personal services	94,284	93,062	1,222
Contractual, materials and other	52,345	51,845	500

(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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
Parks & Public Grounds			
Personal services	600,540	590,035	10,505
Contractual, materials and other	270,977	262,491	8,486
Urban Forest			
Contractual, materials and other	41,750	39,800	1,950
Senior Center			
Contractual, materials and other	46,185	45,980	205
Total parks and recreation	<u>1,234,133</u>	<u>1,210,504</u>	<u>23,629</u>
Total expenditures	<u>16,068,028</u>	<u>15,469,550</u>	<u>598,478</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(724,155)</u>	<u>1,272,118</u>	<u>1,996,273</u>
OTHER FINANCING SOURCES (USES):			
Transfers out	<u>(411,671)</u>	<u>(369,671)</u>	<u>42,000</u>
Total other financing uses	<u>(411,671)</u>	<u>(369,671)</u>	<u>42,000</u>
Net change in fund balance	<u>(1,135,826)</u>	<u>902,447</u>	<u>2,038,273</u>
Fund Balances, beginning of year - restated	5,771,225	5,771,225	-
Prior Year Encumbrances	210,770	210,770	-
Fund Balances, end of year	<u>\$ 4,846,169</u>	<u>\$ 6,884,442</u>	<u>\$ 2,038,273</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 1,079,277	\$ 1,027,385	\$ (51,892)
Investment Income	1,000	2,538	1,538
Miscellaneous receipts and reimbursements	75,500	100,365	24,865
Total revenues	<u>1,155,777</u>	<u>1,130,288</u>	<u>(25,489)</u>
EXPENDITURES:			
Current:			
Street repair & maintenance			
Personal services	598,318	590,148	8,170
Contractual, materials and other	765,608	736,797	28,811
Total expenditures	<u>1,363,926</u>	<u>1,326,945</u>	<u>36,981</u>
Deficiency of revenues under expenditures	<u>(208,149)</u>	<u>(196,657)</u>	<u>11,492</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	<u>130,000</u>	<u>130,000</u>	<u>-</u>
Total other financing sources	<u>130,000</u>	<u>130,000</u>	<u>-</u>
Net change in fund balance	(78,149)	(66,657)	11,492
Fund Balances, beginning of year	213,888	213,888	-
Prior Year Encumbrances	26,465	26,465	-
Fund Balances, end of year	<u>\$ 162,204</u>	<u>\$ 173,696</u>	<u>\$ 11,492</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 75,356	\$ 73,590	\$ (1,766)
Investment income	200	416	216
Total revenues	75,556	74,006	(1,550)
EXPENDITURES:			
Current:			
Street repair & maintenance			
Contractual, materials and other	74,000	74,000	-
Total expenditures	74,000	74,000	-
Excess (deficiency) of revenues over (under) expenditures	1,556	6	(1,550)
Fund Balances, beginning of year	810	810	-
Fund Balances, end of year	<u>\$ 2,366</u>	<u>\$ 816</u>	<u>\$ (1,550)</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenue	\$ 95,000	\$ 89,328	\$ (5,672)
Total revenues	95,000	89,328	(5,672)
EXPENDITURES:			
Current:			
Street repair & maintenance			
Contractual, materials and other	95,000	94,800	200
Total expenditures	95,000	94,800	200
Excess of revenues over expenditures	-	(5,472)	(5,472)
Fund Balances, beginning of year	49,702	49,702	-
Fund Balances, end of year	<u>\$ 49,702</u>	<u>\$ 44,230</u>	<u>\$ (5,472)</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, 2013

	<u>Final Budget</u>	<u>Actual Including Encumbrances</u>	<u>Variance from Final Budget</u>
REVENUES:			
Local taxes	\$ 58,280	\$ 62,943	\$ 4,663
Total revenues	<u>58,280</u>	<u>62,943</u>	<u>4,663</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	<u>67,300</u>	<u>67,300</u>	<u>-</u>
Total expenditures	<u>67,300</u>	<u>67,300</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	(9,020)	(4,357)	4,663
Fund Balances, beginning of year	17,969	17,969	-
Fund Balances, end of year	<u>\$ 8,949</u>	<u>\$ 13,612</u>	<u>\$ 4,663</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, 2013

	<u>Final Budget</u>	<u>Actual Including Encumbrances</u>	<u>Variance from Final Budget</u>
REVENUES:			
Charges for services	\$ 16,000	\$ 15,018	\$ (982)
Fines, licenses and permits	<u>1,400</u>	<u>1,825</u>	<u>425</u>
Total revenues	<u>17,400</u>	<u>16,843</u>	<u>(557)</u>
EXPENDITURES:			
Current:			
Community Environment			
Personal services	15,025	7	15,018
Contractual, materials and other	<u>14,396</u>	<u>13,065</u>	<u>1,331</u>
Total expenditures	<u>29,421</u>	<u>13,072</u>	<u>16,349</u>
Excess (deficiency) of revenues over (under) expenditures	(12,021)	3,771	15,792
Fund Balances, beginning of year	68,900	68,900	-
Prior Year Encumbrances	145	145	-
Fund Balances, end of year	<u>\$ 57,024</u>	<u>\$ 72,816</u>	<u>\$ 15,792</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, 2013

	<u>Final Budget</u>	<u>Actual Including Encumbrances</u>	<u>Variance from Final Budget</u>
REVENUES:			
Fines, licenses and permits	\$ 8,800	\$ 7,290	\$ (1,510)
Total revenues	<u>8,800</u>	<u>7,290</u>	<u>(1,510)</u>
EXPENDITURES:			
Current:			
Police			
Personal services	18,265	2,180	16,085
Contractual, materials and other	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Total expenditures	<u>28,265</u>	<u>12,180</u>	<u>16,085</u>
Excess (deficiency) of revenues over (under) expenditures	(19,465)	(4,890)	14,575
Fund Balances, beginning of year	24,300	24,300	-
Fund Balances, end of year	<u>\$ 4,835</u>	<u>\$ 19,410</u>	<u>\$ 14,575</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, 2013

	<u>Final Budget</u>	<u>Actual Including Encumbrances</u>	<u>Variance from Final Budget</u>
REVENUES:			
Miscellaneous receipts and reimbursements	\$ 8,000	\$ 28,035	\$ 20,035
Total Revenues	<u>8,000</u>	<u>28,035</u>	<u>20,035</u>
EXPENDITURES:			
Current:			
Police			
Contractual, materials and other	13,070	7,308	5,762
Total Expenditures	<u>13,070</u>	<u>7,308</u>	<u>5,762</u>
Deficiency of revenues under expenditures	(5,070)	20,727	25,797
Fund Balances, beginning of year	24,452	24,452	-
Prior Year Encumbrances	2,320	2,320	-
Fund Balances, end of year	<u>\$ 21,702</u>	<u>\$ 47,499</u>	<u>\$ 25,797</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 18,000	\$ 12,721	\$ (5,279)
Total revenues	<u>18,000</u>	<u>12,721</u>	<u>(5,279)</u>
EXPENDITURES:			
Current:			
Judicial			
Contractual, materials and other	<u>15,000</u>	<u>6,376</u>	<u>8,624</u>
Total expenditures	<u>15,000</u>	<u>6,376</u>	<u>8,624</u>
Deficiency of revenues under expenditures	3,000	6,345	3,345
Fund Balances, beginning of year	<u>23,030</u>	<u>23,030</u>	-
Fund Balances, end of year	<u>\$ 26,030</u>	<u>\$ 29,375</u>	<u>\$ 3,345</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Charges for services	\$ 500	\$ 420	\$ (80)
Fines, licenses and permits	<u>2,000</u>	<u>2,519</u>	<u>519</u>
Total revenues	<u>2,500</u>	<u>2,939</u>	<u>439</u>
EXPENDITURES:			
Current:			
Police			
Personal services	6,300	4,306	1,994
Contractual, materials and other	<u>3,000</u>	<u>2,250</u>	<u>750</u>
Total expenditures	<u>9,300</u>	<u>6,556</u>	<u>2,744</u>
Excess (deficiency) of revenues over (under) expenditures	(6,800)	(3,617)	3,183
Fund Balances, beginning of year	<u>19,294</u>	<u>19,294</u>	-
Fund Balances, end of year	<u>\$ 12,494</u>	<u>\$ 15,677</u>	<u>\$ 3,183</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ -	\$ 3,911	\$ 3,911
Investment income	-	2	2
Total revenues	<u>-</u>	<u>3,913</u>	<u>3,913</u>
EXPENDITURES:			
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	3,913	3,913
Fund Balances, beginning of year	-	-	-
Fund Balances, end of year	<u>\$ -</u>	<u>\$ 3,913</u>	<u>\$ 3,913</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Miscellaneous receipts and reimbursements	\$ 20,000	\$ 22,979	\$ 2,979
Total revenues	20,000	22,979	2,979
EXPENDITURES:			
Current:			
Health			
Contractual, materials and other	23,298	18,731	4,567
Total expenditures	23,298	18,731	4,567
Excess of revenues over expenditures	(3,298)	4,248	7,546
Fund Balances, beginning of year	161,052	161,052	-
Prior Year Encumbrances	4,885	4,885	-
Fund Balances, end of year	<u>\$ 162,639</u>	<u>\$ 170,185</u>	<u>\$ 7,546</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 37,503	\$ 37,503	\$ -
Total revenues	37,503	37,503	-
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	37,503	37,503	-
Total expenditures	37,503	37,503	-
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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 51,163	\$ 54,472	\$ 3,309
Miscellaneous receipts and reimbursements	-	225	225
Total revenues	<u>51,163</u>	<u>54,697</u>	<u>3,534</u>
EXPENDITURES:			
Current:			
Judicial			
Personal services	51,702	51,702	-
Contractual, materials and other	101	101	-
Total expenditures	<u>51,803</u>	<u>51,803</u>	<u>-</u>
Excess of revenues over expenditures	(640)	2,894	3,534
Fund Balances, beginning of year	2,365	2,365	-
Fund Balances, end of year	<u>\$ 1,725</u>	<u>\$ 5,259</u>	<u>\$ 3,534</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 137,000	\$ 134,104	\$ (2,896)
Total revenues	<u>137,000</u>	<u>134,104</u>	<u>(2,896)</u>
EXPENDITURES:			
Current:			
Judicial			
Personal services			-
Contractual, materials and other	330,000	327,640	2,360
Total expenditures	<u>330,000</u>	<u>327,640</u>	<u>2,360</u>
Excess (deficiency) of revenues over (under) expenditures	(193,000)	(193,536)	(536)
Fund Balances, beginning of year	492,430	492,430	-
Fund Balances, end of year	<u>\$ 299,430</u>	<u>\$ 298,894</u>	<u>\$ (536)</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Fines, licenses and permits	\$ 15,800	\$ 14,814	\$ (986)
Total revenues	<u>15,800</u>	<u>14,814</u>	<u>(986)</u>
EXPENDITURES:			
Current:			
Judicial			
Contractual, materials and other	<u>40,000</u>	<u>30,735</u>	<u>9,265</u>
Total expenditures	<u>40,000</u>	<u>30,735</u>	<u>9,265</u>
Excess of revenues over expenditures	(24,200)	(15,921)	8,279
Fund Balances, beginning of year	<u>34,472</u>	<u>34,472</u>	-
Fund Balances, end of year	<u>\$ 10,272</u>	<u>\$ 18,551</u>	<u>\$ 8,279</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, 2013

	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>25,000</u>	<u>11,394</u>	<u>13,606</u>
Total expenditures	<u>25,000</u>	<u>11,394</u>	<u>13,606</u>
Excess of revenues over expenditures	(25,000)	(11,394)	13,606
Fund Balances, beginning of year	<u>26,101</u>	<u>26,101</u>	-
Fund Balances, end of year	<u>\$ 1,101</u>	<u>\$ 14,707</u>	<u>\$ 13,606</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Charges for services	\$ 124,704	\$ 105,088	\$ (19,616)
 Total Revenues	 124,704	 105,088	 (19,616)
EXPENDITURES:			
Current:			
Judicial			
Personal services	39,244	39,244	-
Contractual, materials and other	85,280	85,279	1
 Total expenditures	 124,524	 124,523	 1
Deficiency of revenues under expenditures	180	(19,435)	(19,615)
Fund Balances, beginning of year	(2,511)	(2,511)	-
Prior Year Encumbrances	2,511	2,511	-
Fund Balances, end of year	<u>\$ 180</u>	<u>\$ (19,435)</u>	<u>\$ (19,615)</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
MUNICIPAL COURT COMPUTER FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Charges for services	\$ 35,000	\$ 35,602	\$ 602
 Total Revenues	 35,000	 35,602	 602
EXPENDITURES:			
Current:			
Judicial			
Contractual, materials and other	40,000	34,132	5,868
 Total expenditures	 40,000	 34,132	 5,868
Deficiency of revenues under expenditures	(5,000)	1,470	6,470
Fund Balances, beginning of year	14,686	14,686	-
Fund Balances, end of year	<u>\$ 9,686</u>	<u>\$ 16,156</u>	<u>\$ 6,470</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Charges for services	\$ 98,122	\$ 130,776	\$ 32,654
Miscellaneous receipts and reimbursements	-	2,967	2,967
Total revenues	<u>98,122</u>	<u>133,743</u>	<u>35,621</u>
EXPENDITURES:			
Current:			
Health			
Personal services	116,784	113,195	3,589
Contractual, materials and other	<u>51,783</u>	<u>41,097</u>	<u>10,686</u>
Total expenditures	<u>168,567</u>	<u>154,292</u>	<u>14,275</u>
Deficiency of revenues under expenditures	<u>(70,445)</u>	<u>(20,549)</u>	<u>49,896</u>
OTHER FINANCING SOURCES:			
Transfers in	<u>66,000</u>	<u>66,000</u>	-
Total other financing sources	<u>66,000</u>	<u>66,000</u>	-
Net change in fund balance	(4,445)	45,451	49,896
Fund Balances, beginning of year	52,686	52,686	-
Prior Year Encumbrances	1,538	1,538	-
Fund Balances, end of year	<u>\$ 49,779</u>	<u>\$ 99,675</u>	<u>\$ 49,896</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Investment income	3,000	11,578	8,578
Total revenues	3,000	11,578	8,578
EXPENDITURES:			
Current:			
Health			
Contractual, materials and other	6,212	6,034	178
Total expenditures	6,212	6,034	178
Excess of revenues over expenditures	(3,212)	5,544	8,756
Fund Balances, beginning of year	736,240	736,240	-
Fund Balances, end of year	<u>\$ 733,028</u>	<u>\$ 741,784</u>	<u>\$ 8,756</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Charges for services	\$ 200	\$ -	\$ (200)
Investment income	200	471	271
Total revenues	400	471	71
EXPENDITURES:	-	-	-
Excess of revenues over expenditures	400	471	71
Fund Balances, beginning of year	29,947	29,947	-
Fund Balances, end of year	<u>\$ 30,347</u>	<u>\$ 30,418</u>	<u>\$ 71</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenue	\$ 301,935	\$ 436,876	\$ 134,941
Investment income	1,000	1,441	441
Miscellaneous receipts and reimbursements	-	1,563	1,563
Total revenues	302,935	439,880	136,945
EXPENDITURES:			
Current:			
Community development			
Personal services	9,044	4,469	4,575
Contractual, materials and other	513,800	512,717	1,083
Total expenditures	522,844	517,186	5,658
Excess (deficiency) of revenues over (under) expenditures	(219,909)	(77,306)	142,603
Fund Balances, beginning of year	(135,235)	(135,235)	-
Prior Year Encumbrances	196,909	196,909	-
Fund Balances, end of year	<u>\$ (158,235)</u>	<u>\$ (15,632)</u>	<u>\$ 142,603</u>

CITY OF SIDNEY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
AT LEGAL LEVEL OF BUDGETARY CONTROL
C.D.B.G. REVOLVING LOAN FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Investment income	\$ 10,428	\$ 10,305	\$ (123)
Total revenues	10,428	10,305	(123)
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	51,419	50,739	680
Total expenditures	51,419	50,739	680
Deficiency of revenues under expenditures	(40,991)	(40,434)	557
Fund Balances, beginning of year	7,196	7,196	-
Prior Year Encumbrances	36,294	36,294	-
Fund Balances, end of year	<u>\$ 2,499</u>	<u>\$ 3,056</u>	<u>\$ 557</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Investment income	\$ 50	\$ 143	\$ 93
Total revenues	50	143	93
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	10,500	5,919	4,581
Total expenditures	10,500	5,919	4,581
Excess (deficiency) of revenues over (under) expenditures	(10,450)	(5,776)	4,674
Fund Balances, beginning of year	10,462	10,462	-
Fund Balances, end of year	<u>\$ 12</u>	<u>\$ 4,686</u>	<u>\$ 4,674</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Investment income	\$ 300	\$ 13,548	\$ 13,248
Total revenues	300	13,548	13,248
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	15,000	-	15,000
Total expenditures	15,000	-	15,000
Deficiency of revenues under expenditures	(14,700)	13,548	28,248
Fund Balances, beginning of year	39,020	39,020	-
Fund Balances, end of year	<u>\$ 24,320</u>	<u>\$ 52,568</u>	<u>\$ 28,248</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ -	\$ -	\$ -
Total revenues	-	-	-
EXPENDITURES:			
Current:			
Community development			
Personal services	-	-	-
Contractual, materials and other	216	216	-
Total expenditures	216	216	-
Deficiency of revenues under expenditures	(216)	(216)	-
Fund Balances, beginning of year	-	-	-
Prior Year Encumbrances	216	216	-
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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 120,681	\$ 42,167	\$ (78,514)
Total revenues	120,681	42,167	(78,514)
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	94,181	90,077	4,104
Total expenditures	94,181	90,077	4,104
Deficiency of revenues under expenditures	26,500	(47,910)	(74,410)
Fund Balances, beginning of year	-	-	-
Prior Year Encumbrances	-	-	-
Fund Balances, end of year	<u>\$ 26,500</u>	<u>\$ (47,910)</u>	<u>\$ (74,410)</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Intergovernmental revenues	\$ 35,000	\$ 66,718	\$ 31,718
Total revenues	<u>35,000</u>	<u>66,718</u>	<u>31,718</u>
EXPENDITURES:			
Current:			
Police			
Contractual, materials and other	<u>82,400</u>	<u>82,400</u>	<u>-</u>
Total expenditures	<u>82,400</u>	<u>82,400</u>	<u>-</u>
Excess of revenues over expenditures	(47,400)	(15,682)	31,718
Fund Balances, beginning of year	152,954	152,954	-
Prior Year Encumbrances	-	-	-
Fund Balances, end of year	<u>\$ 105,554</u>	<u>\$ 137,272</u>	<u>\$ 31,718</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Miscellaneous receipts and reimbursements	\$ 38,363	\$ 45,770	\$ 7,407
Total Revenues	<u>38,363</u>	<u>45,770</u>	<u>7,407</u>
EXPENDITURES:			
Current:			
Fire Services			
Contractual, materials and other	<u>38,363</u>	<u>8,500</u>	<u>29,863</u>
Total expenditures	<u>38,363</u>	<u>8,500</u>	<u>29,863</u>
Deficiency of revenues under expenditures	-	37,270	37,270
Fund Balances, beginning of year	-	-	-
Fund Balances, end of year	<u>\$ -</u>	<u>\$ 37,270</u>	<u>\$ 37,270</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Special assessments	\$ 500	\$ 1,250	\$ 750
Total Revenues	500	1,250	750
EXPENDITURES:			
Current:			
Community development			
Personal services	362	362	-
Contractual, materials and other	200	-	200
Total expenditures	562	362	200
Excess (deficiency) of revenues over (under) expenditures	(62)	888	950
Fund Balances, beginning of year	2,447	2,447	-
Fund Balances, end of year	\$ 2,385	\$ 3,335	\$ 950

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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local taxes	\$ 27,893	\$ 28,220	\$ 327
Total revenues	27,893	28,220	327
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	20,425	20,425	-
Total expenditures	20,425	20,425	-
Excess of revenues over expenditures	7,468	7,795	327
Fund Balances, beginning of year	49,045	49,045	-
Fund Balances, end of year	\$ 56,513	\$ 56,840	\$ 327

CITY OF SIDNEY, OHIO
FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY (NON-GAAP) BASIS
AT LEGAL LEVEL OF BUDGETARY CONTROL
TIF -MENARDS FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local Taxes	\$ 96,620	\$ 97,753	\$ 1,133
Total revenues	<u>96,620</u>	<u>97,753</u>	<u>1,133</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	<u>83,692</u>	<u>83,692</u>	<u>-</u>
Total expenditures	<u>83,692</u>	<u>83,692</u>	<u>-</u>
Excess of revenues over expenditures	12,928	14,061	1,133
Fund Balances, beginning of year	<u>234,930</u>	<u>234,930</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 247,858</u>	<u>\$ 248,991</u>	<u>\$ 1,133</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local Taxes	\$ 4,699	\$ 4,754	\$ 55
Total revenues	<u>4,699</u>	<u>4,754</u>	<u>55</u>
EXPENDITURES:			
Current:			
Community development			
Contractual, materials and other	<u>951</u>	<u>951</u>	<u>-</u>
Total expenditures	<u>951</u>	<u>951</u>	<u>-</u>
Excess of revenues over expenditures	3,748	3,803	55
Fund Balances, beginning of year	<u>6,059</u>	<u>6,059</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 9,807</u>	<u>\$ 9,862</u>	<u>\$ 55</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, 2013

	Final Budget	Actual Including Encumbrances	Variance from Final Budget
REVENUES:			
Local taxes	\$ 2,578,133	\$ 2,577,397	\$ (736)
Intergovernmental revenues	2,272,989	1,972,135	(300,854)
Interest income	-	13	13
Special assessments	40,000	49,597	9,597
Miscellaneous receipts and reimbursements	<u>4,946,123</u>	<u>5,027,862</u>	<u>81,739</u>
Total revenues	<u>9,837,245</u>	<u>9,627,004</u>	<u>(210,241)</u>
EXPENDITURES:			
Capital Outlay:			
Contractual, materials and other	<u>10,613,816</u>	<u>10,016,924</u>	<u>596,892</u>
Total expenditures	<u>10,613,816</u>	<u>10,016,924</u>	<u>596,892</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(776,571)</u>	<u>(389,920)</u>	<u>386,651</u>
OTHER FINANCING SOURCES (USES):			
Sale of asset	<u>15,000</u>	<u>7,868</u>	<u>(7,132)</u>
Total other financing sources	<u>15,000</u>	<u>7,868</u>	<u>(7,132)</u>
Net change in fund balance	(761,571)	(382,052)	379,519
Fund Balances, beginning of year	1,023,563	1,023,563	-
Prior Year Encumbrances	<u>469,723</u>	<u>469,723</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 731,715</u>	<u>\$ 1,111,234</u>	<u>\$ 379,519</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, 2013

	<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>5,000</u>	<u>5,000</u>	<u>-</u>
EXPENDITURES:			
Capital Outlay:			
Contractual, materials and other	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total expenditures	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Excess of revenues over expenditures	-	5,000	5,000
Fund Balances, beginning of year	<u>1,766</u>	<u>1,766</u>	<u>-</u>
Fund Balances, end of year	<u>\$ 1,766</u>	<u>\$ 6,766</u>	<u>\$ 5,000</u>

CITY OF SIDNEY



OHIO



STATISTICAL SECTION

CITY OF SIDNEY



OHIO

CITY OF SIDNEY, OHIO
Statistical Section
December 31, 2013

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.	108 – 112
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.	113 – 114
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.	115 – 117
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.	118 – 119
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.	120 – 122

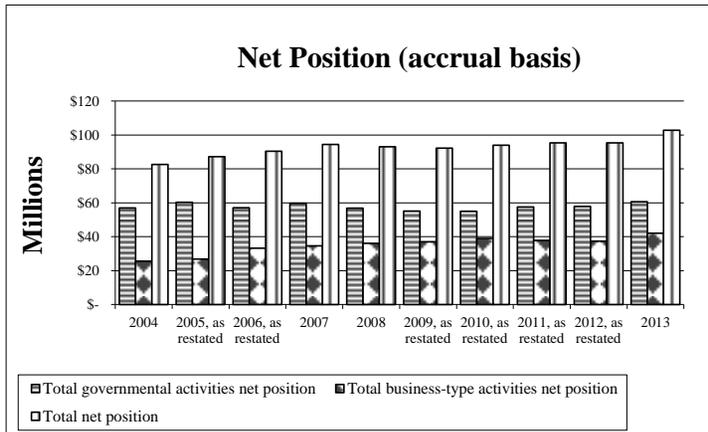
Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2000; schedules presenting government-wide information include information beginning in that year.

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

Schedule 1

	Year Ended December 31,									
	2004	2005, as restated	2006, as restated	2007	2008	2009, as restated	2010, as restated	2011, as restated	2012, as restated	2013
Governmental activities										
Net investments in capital assets	44,263,989	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
Restricted for:										
Other purposes	1,764,537	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
Unrestricted	10,957,084	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
Total governmental activities net position	56,985,610	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
Business-type activities										
Net investments in capital assets	21,277,102	23,223,096	29,250,922	29,300,583	31,074,156	31,619,476	34,273,069	33,450,981	32,434,937	36,254,260
Restricted	-	-	-	-	160,420	-	-	-	-	-
Unrestricted	4,327,735	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
Total business-type activities net position	25,604,837	26,866,406	33,310,764	34,688,056	36,163,282	37,078,429	38,995,411	37,819,978	37,396,349	42,112,973
Total										
Net investments in capital assets	65,541,091	69,553,261	71,195,344	73,159,431	74,507,815	77,229,982	78,881,931	80,265,733	78,919,920	83,482,919
Restricted for:										
Other purposes	1,764,537	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
Unrestricted	15,284,819	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
Total net position	\$ 82,590,447	\$ 87,176,307	\$ 90,440,237	\$ 94,427,657	\$ 93,088,573	\$ 92,247,634	\$ 93,978,721	\$ 95,361,182	\$ 95,351,706	\$ 102,781,023

Note: Accounting standards require that the net assets be reported in three components in the financial statements: invested in capital assets, net of related debt; restricted; and unrestricted. Net assets are 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 assets 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 invested in capital assets, net of related debt, 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.

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

Schedule 2

	Year Ended December 31,									
	2004	2005, as restated	2006, as restated	2007	2008	2009	2010	2011, as restated	2012, as restated	2013
Expenses										
Governmental activities:										
General government	1,489,376	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
Public safety										
Police	5,184,474	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
Fire	3,913,548	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
Judicial	1,401,639	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
Health	218,608	202,737	214,883	227,045	239,068	375,100	197,366	188,091	200,968	212,134
Transportation										
Public transportation	471,970	608,704							5,643	-
Street repair & maintenance	2,300,975	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
Community environment										
Community development	514,914	448,168	453,261	326,902	735,153	339,155	924,429	833,892	690,046	674,110
Community environment	915,697	920,618	973,205	1,291,112	1,152,583	1,167,276	1,301,521	783,027	704,322	522,557
Parks and recreation	1,427,369	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
Basic utility services	460,118	487,141	-	54,531	24,630	134,047	73,127	-	54,751	-
Bond issuance cost	-	-	-	-	-	-	-	-	-	14,234
Interest on long-term debt	266,501	425,995	411,424	392,921	386,824	364,625	353,017	321,257	295,729	291,005
Total governmental activities expenses	18,565,189	19,535,559	19,382,926	21,038,573	21,994,460	20,725,775	20,531,012	20,004,129	19,916,657	20,304,507
Business-type activities:										
Water	2,930,771	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
Sewer	3,125,699	3,466,500	3,464,976	3,720,157	3,812,880	3,864,227	3,724,801	3,631,479	3,473,960	3,964,102
Stormwater	-	-	644,140	567,091	538,199	579,263	561,378	543,603	568,224	491,391
Solid Waste	1,038,399	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
Other business-type activities	448,909	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
Total business-type activities expenses	7,543,778	7,968,287	9,585,479	10,278,929	10,368,464	10,163,038	10,326,333	10,647,334	10,750,713	11,194,786
Total Expenses	26,108,967	27,503,846	28,968,405	31,317,502	32,362,924	30,888,813	30,857,345	30,651,463	30,667,370	31,499,293
Program Revenues **										
Governmental activities:										
General government	-	-	-	5,801	882	-	-	-	1,578	-
Public safety										
Police	539,633	570,464	368,777	388,020	487,553	379,701	420,134	410,885	404,573	434,230
Fire	736,431	607,655	687,561	853,487	389,990	443,174	751,523	561,125	637,602	555,901
Judicial	625,725	715,396	800,751	867,714	857,705	867,504	804,453	831,903	883,356	926,900
Health	150,921	97,804	129,886	120,151	139,266	101,170	115,009	144,307	133,823	152,802
Transportation										
Public transportation	421,071	487,542								
Street repair & maintenance	4,564,128	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
Community environment										
Community development	269,124	450,043	334,276	507,213	465,771	125,651	596,581	457,017	405,217	632,825
Community environment	228,672	209,990	76,179	82,830	114,375	105,499	86,795	63,674	89,396	87,860
Parks and recreation	29,718	235,638	72,453	64,939	111,888	199,613	259,480	191,588	206,674	119,649
Basic utility services	-	17,224	-	-	14,503	-	-	-	-	-
Total governmental activities program revenues	7,565,423	6,821,223	5,975,573	5,406,654	4,440,398	5,681,776	4,876,682	6,660,462	4,445,674	6,099,879
Business-type activities:										
Water	3,321,811	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
Sewer	3,453,028	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
Solid Waste	927,527	874,119	841,242	893,935	1,016,660	974,202	1,094,019	1,140,751	1,205,710	1,325,314
Stormwater	-	-	-	275,893	316,988	403,100	318,396	345,438	344,723	350,623
Other business-type activities	548,303	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
Total business-type activities program revenues	8,250,669	8,867,893	9,069,486	10,881,425	9,942,434	10,753,233	11,695,793	9,408,595	10,034,115	15,113,334

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

Schedule 2

	Year Ended December 31,									
	2004	2005, as restated	2006, as restated	2007	2008	2009	2010	2011, as restated	2012, as restated	2013
Net (Expense) Revenue ^(a)										
Governmental activities:										
General government	(1,489,376)	(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)
Public safety	-	-	-	-	-	-	-	-	-	-
Police	(4,644,841)	(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)
Fire	(3,177,117)	(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)
Judicial	(775,914)	(781,287)	(716,574)	(819,134)	(730,576)	(769,401)	(759,270)	(807,039)	(691,275)	(717,304)
Health	(67,687)	(104,933)	(84,997)	(106,894)	(99,802)	(273,930)	(82,357)	(43,784)	(67,145)	(59,332)
Transportation										
Public transportation	(50,899)	(121,162)	-	-	-	-	-	-	(5,643)	-
Street repair & maintenance	2,263,153	963,293	813,646	(647,100)	(1,450,440)	365,498	(1,482,132)	579,593	(1,592,035)	(312,086)
Community environment										
Community development	(245,790)	1,875	(118,985)	180,311	(269,382)	(213,504)	(327,848)	(376,875)	(284,829)	(41,285)
Community environment	(687,025)	(710,628)	(897,026)	(1,208,282)	(1,038,208)	(1,061,777)	(1,214,726)	(719,353)	(614,926)	(434,697)
Parks and recreation	(1,397,651)	(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)
Basic utility services	(460,118)	(469,917)	-	(54,531)	(10,127)	(134,047)	(73,127)	-	(54,751)	-
Bond issuance costs	-	-	-	-	-	-	-	-	-	(14,234)
Interest on long-term debt	(266,501)	(425,995)	(411,424)	(392,921)	(386,824)	(364,625)	(353,017)	(321,257)	(295,729)	(291,005)
Total governmental activities	<u>(10,999,766)</u>	<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>
Net (Expense) Revenue ^(a)										
Business-type activities:										
Water	391,040	603,223	287,122	197,452	(126,455)	830,955	2,320,607	(312,510)	(395,947)	310,517
Sewer	327,329	354,948	241,882	844,169	(491,188)	(464,276)	(465,032)	(371,200)	(112,737)	1,760,171
Solid Waste	(110,872)	(174,550)	197,102	(192,973)	14,248	(111,735)	(52,747)	(47,975)	(27,491)	(21,460)
Stormwater	-	-	(1,126,873)	(291,198)	(221,211)	(176,163)	(242,982)	(198,165)	(223,501)	(140,768)
Other business-type activities	<u>99,394</u>	<u>115,985</u>	<u>(115,226)</u>	<u>45,046</u>	<u>398,576</u>	<u>511,414</u>	<u>(190,386)</u>	<u>(308,889)</u>	<u>43,078</u>	<u>2,010,088</u>
Total business-type activities	<u>706,891</u>	<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>3,918,548</u>
Total	<u>(10,292,875)</u>	<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>(10,286,080)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Income taxes	11,313,150	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
Property taxes	1,321,566	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
Other taxes	585,600	688,045	507,960	819,030	693,003	805,708	637,560	810,199	670,257	807,038
Grants and contributions not restricted to specific prog	1,287,579	1,174,034	1,183,356	1,610,680	1,135,782	887,749	977,843	886,421	577,012	582,407
Investment earnings	243,088	340,469	545,906	894,963	561,282	132,406	114,967	126,830	129,953	106,092
Gain (loss) on sale/disposal of capital assets	12,983	10,430	24,248	-	4,070	21,017	31,689	56,952	26,069	3,380
Miscellaneous	42,357	76,941	46,216	573,924	68,482	242,371	442,446	282,027	252,167	459,786
Transfers	<u>(286,635)</u>	<u>(295,727)</u>	<u>(190,440)</u>	<u>(555,572)</u>	<u>(1,668,948)</u>	<u>(249,300)</u>	<u>(334,993)</u>	<u>(126,500)</u>	<u>(343,100)</u>	<u>(219,271)</u>
Total governmental activities	<u>14,519,688</u>	<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>
Business-type activities:										
Miscellaneous	-	-	-	-	-	-	117,007	82,131	153,812	431,729
Investment earnings	39,519	64,736	118,884	219,224	227,958	75,652	75,020	199,574	169,073	133,897
Gain on sale/disposal of capital assets	2,400	1,500	7,352	-	4,350	-	20,502	5,158	99,280	13,179
Transfers	<u>286,635</u>	<u>295,727</u>	<u>190,440</u>	<u>555,572</u>	<u>1,668,948</u>	<u>249,300</u>	<u>334,993</u>	<u>126,500</u>	<u>343,100</u>	<u>219,271</u>
Total business-type activities	<u>328,554</u>	<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>798,076</u>
Total	<u>14,848,242</u>	<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>17,715,397</u>
Change in Net Position										
Governmental activities	3,519,922	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
Business-type activities	<u>1,035,445</u>	<u>1,261,569</u>	<u>(199,317)</u>	<u>1,377,292</u>	<u>1,475,226</u>	<u>915,147</u>	<u>1,916,982</u>	<u>(825,376)</u>	<u>48,667</u>	<u>4,716,624</u>
Total	<u>4,555,367</u>	<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>

^(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,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund										
Reserved for:										
Inventory	\$ 41,583	\$ 35,817	\$ 36,018	\$ 49,255	\$ 48,516	\$ 51,953	\$ 65,312			
Prepaid items	43,949	31,608	24,389	21,576	23,793	33,350	30,918			
Encumbrances	95,417	20,441	692,064	104,072	125,775	69,040	112,982			
Unreserved	<u>2,894,238</u>	<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>\$ 3,075,187</u>	<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
Restricted								-	-	-
Committed								275,349	64,415	243,392
Assigned								190,981	163,878	227,709
Unassigned								<u>4,667,200</u>	<u>4,821,760</u>	<u>6,052,984</u>
Total general fund								<u>\$ 5,212,504</u>	<u>\$ 5,149,190</u>	<u>\$ 6,611,350</u>
All Other Governmental Funds										
Reserved for:										
Inventory	\$ 85,260	\$ 76,273	\$ 92,915	\$ 52,740	\$ 101,224	\$ 65,994	\$ 72,438			
Prepaid items	97,254	91,248	85,851	1,342	1,154	9,930	10,962			
Long-term loans receivable	82,474	69,112	55,066	40,301	24,781	-	-			
Encumbrances	4,845,128	728,243	896,553	1,210,351	386,292	751,599	983,927			
Unreserved, reported in:										
Special revenue funds	4,948,733	5,352,567	5,348,396	4,782,780	4,082,591	2,626,063	2,464,455			
Capital projects funds	<u>2,682,669</u>	<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>\$ 12,741,518</u>	<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
Restricted								2,263,940	2,391,836	2,633,111
Committed								226,106	237,336	251,594
Assigned								1,354,486	1,523,668	1,999,039
Unassigned								<u>(148,369)</u>	<u>(44,845)</u>	<u>(46,169)</u>
Total all other governmental funds								<u>\$ 3,801,243</u>	<u>\$ 4,229,111</u>	<u>\$ 4,928,308</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,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues:										
Local taxes	13,445,397	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
Intergovernmental revenues	3,810,313	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
Special assessments	229,316	236,104	223,510	258,866	245,045	261,408	249,283	296,942	263,184	295,537
Charges for services	1,421,837	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
Fines, licenses and permits	256,498	258,766	269,686	267,507	240,658	385,620	188,665	181,183	200,370	187,880
Investment income	207,837	334,897	612,932	880,706	610,887	173,504	145,895	135,882	140,156	123,001
Miscellaneous receipts and reimbursements	308,898	321,297	289,589	797,011	304,689	348,460	623,442	501,423	683,974	795,786
Total revenues	19,680,096	22,207,318	21,906,040	22,718,249	21,297,219	19,716,621	20,778,053	22,685,752	20,467,263	23,568,414
EXPENDITURES:										
Current:										
General government	1,440,284	1,605,525	1,542,352	1,629,417	1,754,338	1,241,283	994,747	761,594	833,851	928,871
Public safety										
Police	4,978,256	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
Fire	3,607,916	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
Judicial	1,274,857	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
Health	189,070	185,517	194,161	209,334	220,980	358,851	193,334	161,354	164,201	176,073
Transportation										
Public transportation	393,795	532,245	569,944	-	-	-	-	-	5,643	-
Street repair & maintenance	1,250,523	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
Community environment & development										
Community development	229,394	326,767	377,251	321,575	1,006,091	289,206	450,990	253,872	324,004	379,275
Community environment	875,699	895,827	908,978	988,605	1,084,882	1,117,688	1,080,338	798,625	704,250	510,050
Parks and recreation	1,251,521	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
Basic utility services	284,370	283,767	398,791	45,593	23,543	44,872	14,127	-	61,779	-
Capital outlay	4,247,656	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
Debt service:										
Principal	130,000	425,000	435,000	445,000	435,000	445,000	1,360,000	838,714	585,000	5,405,000
Bond issuance costs	-	-	-	-	-	-	-	-	-	86,666
Interest and other charges	239,721	429,276	413,338	388,520	369,535	371,902	360,066	323,888	302,424	305,447
Total expenditures	20,393,062	26,306,258	20,484,529	21,890,880	23,435,863	22,714,740	20,687,913	22,951,771	19,981,844	26,188,686
Excess (deficiency) of revenues over (under) expenditures	(712,966)	(4,098,940)	1,421,511	827,369	(2,138,644)	(2,998,119)	90,140	(266,019)	485,419	(2,620,272)
OTHER FINANCING SOURCES (USES):										
Transfers in	12,028,819	12,605,445	13,956,196	14,189,448	13,571,638	2,312,307	25,000	235,000	225,000	196,000
Bonds issued	7,600,000	-	-	-	-	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	26,525	10,430	31,448	74,328	26,392	21,017	56,389	56,952	29,635	7,868
Transfers out	(12,132,019)	(12,801,789)	(14,112,236)	(14,747,305)	(14,085,128)	(2,561,607)	(160,000)	(361,500)	(470,500)	(369,671)
Total other financing sources (uses)	7,523,325	(185,914)	(124,592)	(483,529)	(487,098)	671,717	883,627	299,165	(120,865)	4,781,629
Net change in fund balances	\$ 6,810,359	\$ (4,284,854)	\$ 1,296,919	\$ 343,840	\$ (2,625,742)	\$ (2,326,402)	\$ 973,767	\$ 33,146	\$ 364,554	\$ 2,161,357
Debt service as a percentage of noncapital expenditures	2.2%	4.7%	4.7%	4.5%	4.0%	4.4%	8.9%	6.4%	4.9%	3.3% *

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

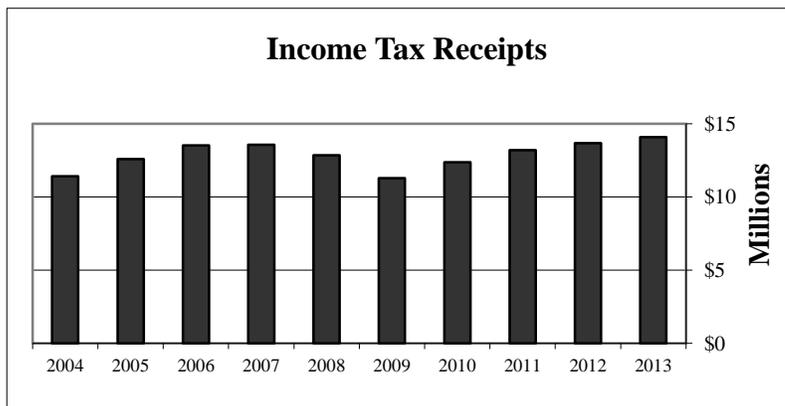
CITY OF SIDNEY, OHIO
INCOME TAX BY PAYER TYPE AND INCOME TAX RATE
LAST TEN FISCAL YEARS (cash basis of accounting -- excluding refunds)

Schedule 5

Year	Individuals		Net Profits	Total	Income Tax Rate
	Withheld by Employer	Paid by Taxpayer			
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%
2004	\$ 9,584,082	\$ 422,876	\$ 1,401,307	\$ 11,408,265	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)

2013		2004		
<u>Rank</u>	<u>Name</u>	<u>2013 Rank</u>	<u>Rank</u>	<u>Name</u>
1	Emerson Climate (formerly Copeland Corp)	1	1	Copeland Corporation
2	Wilson Memorial Hospital	5	2	NK Parts Industries, Inc.
3	Honda of America Mfg	6	3	Superior Metal Products
4	Cargill, Inc	2	4	Wilson Memorial Hospital
5	NK Parts Industries, Inc.	3	5	Honda of America Mfg
6	Superior Metal (formerly American Trim)	4	6	Cargill, Inc
7	Sidney Board of Education	7	7	Sidney Board of Education
8	Shelby County Auditors Office	-	8	Lear Operations Corp
9	Freshway Foods	-	9	Alcoa Building Products, Inc
10	Advanced Composites	-	10	Ross Aluminum Foundries
Combined percentage of Total income taxes 27.15%		Combined percentage of Total income taxes 32.95%		

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	
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%	\$ 736	\$ 3,177,000	\$3,988,308	\$ 5,040,000	\$19,585,308	1.93%	\$ 925
2011	\$ 7,965,000	0.78%	\$ 789	\$ 3,237,000	\$4,136,429	\$ 5,500,000	\$20,838,429	2.05%	\$ 984
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
2004	\$ 9,810,000	0.67%	\$ 947	\$ 500,000	\$ -	\$ 8,775,000	\$19,085,000	1.31%	\$ 947

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

Schedule 8

	<u>2004</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>
General Obligation Bonds	\$ 19,085,000	\$ 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
Assessed value of taxable property ^(a)	\$ 453,740,892	\$ 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
General Obligation Bonds as percent of total assessed value of taxable property	4.21%	3.92%	3.98%	4.09%	4.28%	4.04%	4.51%	4.69%	4.39%	5.44%
Estimated actual value of taxable property ^(a)	1,458,980,574	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
General Obligation Bonds as percent of total estimated actual value of taxable property	1.31%	1.13%	1.39%	1.37%	1.50%	1.41%	1.58%	1.64%	1.54%	1.90%
Population ^(b)	20,147	20,171	20,139	20,139	20,019	19,944	21,229	21,118	21,031	21,031
General Obligation Bonds Per capita	\$ 947	\$ 882	\$ 847	\$ 802	\$ 804	\$ 769	\$ 807	\$ 791	\$ 742	\$ 918
Less debt not subject to limitations										
Self-supporting securities issued for water systems or facilities	\$ (500,000)	\$ (250,000)	\$ -	\$ (200,000)	\$ (650,000)	\$ (670,000)	\$ (3,357,000)	\$ (3,342,000)	\$ (3,277,000)	\$ (3,212,000)
Self-supporting securities issued for sanitary sewer systems or facilities	\$ (8,775,000)	\$ (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)
Less: Bond Retirement Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net debt subject to 10-1/2% limitation ^(c)	\$ 9,810,000	\$ 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
Voted and Unvoted Debt Limit -- 10-1/2% of assessed value	\$ 47,642,794	\$ 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
Legal Debt Margin within 10-1/2% Limitation	\$ 37,832,794	\$ 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
Net debt within limitations for both Voted and Unvoted debt as a percentage of debt limit	20.59%	19.68%	19.90%	20.49%	22.69%	21.38%	17.98%	18.89%	17.49%	16.21%
Net debt subject to 5-1/2% limitation ^(d)	\$ 9,810,000	\$ 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
Unvoted Debt Limit -- 5-1/2% of assessed value	\$ 24,955,749	\$ 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
Legal Debt Margin within 5-1/2% Limitation	\$ 15,145,749	\$ 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
Net debt within limitations for Unvoted debt as a percentage of debt limit	39.31%	37.57%	38.00%	39.12%	43.31%	40.82%	34.33%	36.06%	33.39%	30.94%

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

^(b) Source for population: For years 2004 - 2009 & 2011 - 2013, 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, 2013**

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⁾	\$17,262,627	100%	\$17,262,627
Shelby County ⁽²⁾	\$123,747	43% ⁽³⁾	<u>\$53,211</u>
Subtotal, overlapping debt			\$17,315,838
City of Sidney direct debt			<u>\$6,850,000</u>
Total direct and overlapping debt			<u><u>\$24,165,838</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 (21,031) as a percent of Shelby County 2013 estimate population (49,192) is equal to 43%.

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

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⁾
2004	20,147 (1)(a)	\$19,075 (1)(c)	33.9 yrs (1)(c)	3,941	4.4%	\$453,740,892	\$1,458,980,574
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

⁽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

2013			2004		
<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 (formerly Copeland Corp)	1,595	29.99%	1 Copeland Corporation	2,100	27.15%
2 Wilson Memorial Hospital	613	11.53%	2 NK Parts Industries	1,100	14.22%
3 NK Parts Industries	574	10.79%	3 Stolle Products	800	10.34%
4 Superior Metal Products/American Trim	441	8.29%	4 Wilson Memorial Hospital	775	10.02%
5 Cargill, Inc	430	8.09%	5 Wal-Mart Super Center	600	7.76%
6 Freshway Foods	412	7.75%	6 Norcold	500	6.46%
7 Sidney Board of Education	410	7.71%	7 Sidney Board of Education	500	6.46%
8 MaMa Rosa's Pizza	308	5.79%	8 ConAgra	484	6.26%
9 Wal-Mart Super Center	286	5.38%	9 Alcoa Home Exteriors	450	5.82%
10 Ross Casting & Innovation	249	4.68%	10 Ross Aluminum Foundries	425	5.50%
Total	5,318	100.00%	Total	7,734	100.00%

Source: West Ohio Development Council - 2013 data was not available as of report date therefore used 2012 numbers.

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,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General government	16.75	16.75	16.75	17.48	14.48	13.45	11.85	10.85	10.85	10.65
Police										
Officers	40.00	40.00	40.00	40.00	40.00	40.00	39.00	37.00	35.00	35.00
Civilians	14.84	15.84	15.84	15.84	15.84	15.84	13.92	13.35	13.35	13.35
Fire										
Firefighters and officers	37.00	37.00	37.00	37.00	38.00	38.00	35.00	35.00	35.00	35.00
Civilians	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Judicial	17.95	17.88	17.95	17.95	17.95	17.95	16.66	16.66	17.66	17.16
Health - cemetery	3.38	3.32	3.32	3.08	3.08	2.76	2.00	2.00	2.00	2.00
Street repair & maintenance	11.79	12.29	12.04	11.67	11.67	8.88	6.88	6.98	6.98	7.08
Community development	1.23	1.23	1.23	1.23	1.23	1.00	1.00	1.00	1.00	1.00
Community environment	11.29	11.25	11.51	11.51	11.59	11.30	10.50	5.60	5.60	5.75
Parks and recreation	17.62	17.60	16.90	16.90	17.23	16.23	15.51	15.51	14.94	13.94
Transportation	9.35	12.55	12.38	12.28	13.89	13.60	13.60	13.60	12.57	12.72
Stormwater	2.96	3.06	4.06	4.06	4.06	4.06	3.60	3.60	3.60	3.80
Water	21.46	21.77	21.77	21.77	18.25	16.03	15.83	15.73	15.73	15.88
Sewer	14.00	15.33	15.33	15.33	15.33	15.55	15.33	15.23	14.23	17.38
Solid waste	2.76	0.10	0.10	-	-	-	-	-	-	0.05
Airport	0.25	0.25	0.25	-	-	-	-	-	-	-
Swimming pool	3.76	4.05	5.06	4.05	5.06	4.21	3.98	3.98	3.98	4.38
Revenue Collection	-	-	-	-	6.50	6.50	6.00	6.00	6.00	6.00
Service center including city garage	4.69	4.44	4.44	4.04	3.75	3.50	3.00	3.00	3.00	3.05
Information technology	3.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00
Total	235.08	238.71	239.93	238.19	242.91	233.86	218.66	210.09	206.49	209.19

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,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
Accounts payable checks processed	5,644	5,590	5,181	5,543	5,633	5,230	4,276	4,594	4,376	4,608
Purchase orders issued	1,870	1,825	1,611	1,680	1,650	1,479	1,291	1,327	1,231	1,195
Police										
Calls for service processed	37,330	37,445	36,825	34,880	31,573	26,943	25,151	22,508	21,015	25,046
9-1-1 calls processed	4,230	3,734	3,810	4,067	3,958	7,247	7,542	11,661	10,703	9,886
Adult & juvenile arrests	2,811	2,888	2,615	1,739	2,399	1,998	1,321	1,193	1,361	1,408
Traffic citations	3,340	3,478	3,261	2,923	2,337	2,003	1,083	856	805	1,258
Fire										
Fire calls	632	735	610	632	701	592	502	524	575	583
EMS calls	2,603	2,585	2,540	2,702	2,664	2,638	2,552	2,772	2,729	2,542
Municipal Court										
New cases filed	9,070	10,419	11,284	11,816	10,059	8,478	7,224	7,372	7,928	7,925
Cases completed	9,696	10,913	11,663	11,918	9,269	9,230	9,287	8,471	8,255	8,500
Prisoners transported by bailiff	982	1,147	1,246	1,300	1,313	1,242	569	895	618	800
Cemetery										
Burials	103	73	68	71	94	69	69	74	102	90
Grave sales	79	49	58	37	68	34	29	35	40	40
Public Transportation										
Total ridership	49,877	48,218	47,429	43,277	45,400	43,448	38,636	37,912	41,543	42,374
Streets and highways										
Miles of street responsibility	97.0	98.0	97.5	97.5	97.5	97.5	97.5	97.5	97.5	97.5
Traffic signal intersections	51	50	50	50	52	52	50	50	48	48
Planning										
Sign permits issued	72	43	41	53	40	37	27	37	40	32
Zoning occupancy permits issued	26	20	23	18	20	17	22	32	34	38
Building inspection										
Building permits issued	292	259	251	265	246	330	491	319	567	560
Building inspections	1,103	1,103	1,618	833	822	612	734	472	404	342
Engineering										
Sanitary sewer inspections	101	94	67	51	32	25	25	25	25	30
Parks and recreation										
Free clinics organized and directed	20	20	37	37	38	24	-	14	12	12
Free clinics (attendance)	609	764	1,526	1,494	1,452	2,560	-	701	399	446
Park shelters maintained	33	33	33	33	35	37	37	43	43	43
Trees planted	274	150	100	100	76	1	1	16	6	1
Senior Center members	1,200	1,200	1,200	1,200	1,044	1,002	945	945	990	990
Water										
Gallons of water processed (in millions)	1,365	1,339	1,375	1,375	1,382	2,994	3,123	3,185	3,277	3,095
Lime sludge processed/removed (dry tons)	5,632	-	10,000	10,000	10,300	7,095	7,038	6,291	3,571	6,250
Water main breaks	18	23	17	34	20	16	16	24	15	20
Sewer										
Wastewater processed (million gallons per day)	5.10	6.00	5.80	6.00	6.03	4.76	5.07	6.40	4.66	5.55
Biosolids processed (dry tons)	725	855	723	1,002	642	618.55	650	590	602	675
Feet of sewer cleaned	90,000	137,969	112,663	105,901	102,997	90,089	93,327	93,327	87,516	88,000
Swimming Pool										
Daily admissions	12,032	20,181	16,912	16,354	14,612	12,957	14,703	15,103	13,176	9,786
Season passes	379	479	521	564	509	490	401	492	344	286
Information Technology										
Number of personal computers maintained	148	165	192	205	205	210	205	195	205	213
Service Center - Garage										
Units in fleet	235	236	239	235	276	263	250	248	256	258
Revenue Collections										
Tax returns processed	5,000	6,000	8,500	9,980	6,416	5,458	9,686	11,906	13,639	15,370
Monthly Utility Customers	n/a	n/a	n/a	n/a	n/a	2,356	2,889	2,985	3,015	3,400

Source: City of Sidney, Ohio, Appropriation Budgets for applicable years. Actual statistics for years 2004 - 2012. Estimated statistics for 2013.

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>2004</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>
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	98.61	99.73	100.14	100.75	100.43	100.46	100.46	110.16	110.16	109.99
Basic utility services - stormwater management ⁽¹⁾										
Miles of storm sewers	71.78	73.29	73.27	74.46	74.67	75.17	75.24	76.20	76.54	76.77
Parks and recreation ⁽²⁾										
Acres of parks maintained	380	380	430	430	430	430	450	450	450	450
Acres of public grounds maintained	250	250	250	250	250	250	250	250	250	250
Neighborhood parks	14	14	15	15	15	16	16	16	16	16
Sewer ⁽¹⁾										
Miles of sanitary sewers	116.19	117.86	118.81	119.86	120.50	120.57	122.07	122.11	125.05	125.46
Water ⁽¹⁾										
Miles of water mains	117.11	118.22	118.58	119.85	119.91	121.02	123.22	123.23	123.23	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 2004 - 2012. Estimated statistics for 2013.