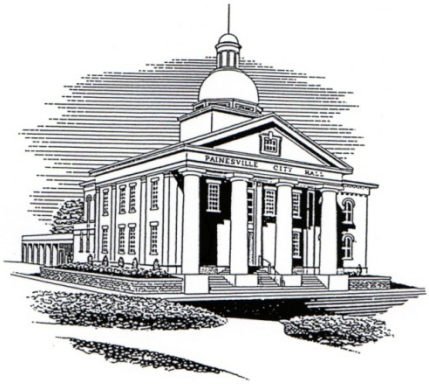
THE CITY OF PAINESVILLE, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2014


PAINESVILLE CITY HALL

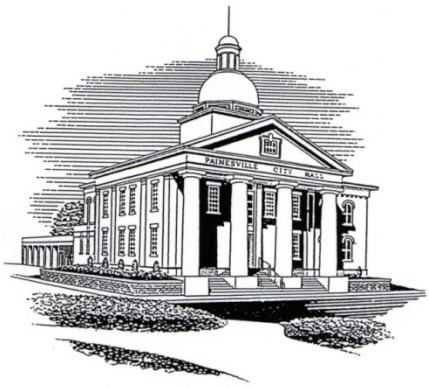
Lake County, Ohio

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2014

Prepared by the Finance Department

Andrew A. Unetic
Director


PAINESVILLE CITY HALL

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LAKE COUNTY, OHIO

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Introductory Section

PAINESVILLE CITY HALL

CITY OF
Painesville

7 Richmond Street • P.O. Box 601 • Painesville, Ohio 44077 • 440.352.9301 • www.painesville.com

June 25, 2015

Honorable Members of Painesville City Council and
The Citizens of the City of Painesville, Ohio:

We are pleased to present this Comprehensive Annual Financial Report for the City of Painesville, Ohio for the fiscal year ended December 31, 2014. This report has been prepared in conformity with Generally Accepted Accounting Principles (GAAP) and guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

INTRODUCTION

While there is no legal requirement for the preparation of this report, it represents a commitment by the City of Painesville to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data, as presented, is accurate in all material respects, is presented in a manner designed to fairly set forth the financial position and results of operations of the City, and includes all disclosures necessary to enable the reader to gain an understanding of the City's financial activity.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The City of Painesville's MD&A can be found immediately following the report of the independent auditors.

The Reporting Entity

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (the "GASB") Statement No. 14, *"The Financial Reporting Entity,"* as amended by GASB Statement No. 39, "*Determining Whether Certain Organizations Are Component Units"* and GASB Statement No. 61, "*The Financial Reporting Entity; Omnibus"* in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the reporting entity of the City has no component units but includes the following services as authorized by its charter: public safety (police and fire), culture and recreation (parks and recreation), community environment (planning, zoning and community development), basic utility (water, electric, sanitation, public parking, wastewater pollution control and storm water), highways and streets (street and highway maintenance), and general government.

Certain organizations, although sharing some degree of name similarity with the City, are separate and distinct entities, not only from the City, but also from each other. The City is not financially accountable for these entities. Due to their independent nature, the following organizations are not part of the City of Painesville's reporting entity and are excluded from the City's financial statements:

The Painesville City Local School District and Riverside Local School District (the "Districts") are distinct governmental entities, independent of the City and one another. The members of boards of the Districts are elected by the voters. The Districts each represent a body both political and corporate and the City is not financially accountable for the Districts.

Painesville Township is a separate and distinct political subdivision governed by a Board of Trustees elected by the residents of the township. The City is not financially accountable for this legally separate organization.

The History of the City

The City of Painesville was incorporated as a town on February 11, 1832, reclassified as an incorporated village in 1852 and became a city in 1903. The City became a home rule municipal corporation operating under the laws of the State of Ohio in 1962. The City's current Charter has been amended four times since its original adoption. The State Constitution prevails when conflicts exist between the Charter and the Constitution and in matters where the Charter is silent. The City's Charter can only be amended by a majority of the City's voters.

Painesville is located approximately 35 miles east of the City of Cleveland in northeastern Ohio. It is the county seat for Lake County and is the fourth largest city, based upon population, within the County. According to the 2010 Census, Painesville is the 87th largest city in the State. Some of the City's major transportation arteries include State Routes 2, 44, 84 and 86, U. S. Highway 20 and Interstate Highway I-90. Lake Erie College, a private four-year college with an enrollment of approximately 1,100, is located near the center of the City.

The Management

The Council-Manager form of government is established by the Charter. The legislative power of the City is vested in a Council of seven members who are elected on a non-partisan basis for a term of four years. Four of the members are elected from wards and their current terms began on January 1, 2011; the remaining members are elected At-Large and their current term expire on December 31, 2017. The chief executive power of the City is vested in the City Manager who is appointed by the City Council. The Director of Finance and Law Director, as well as other administrative directors, are appointed by the City Manager, with the affirmation of City Council.

The Painesville Municipal Court provides judicial services for the City of Painesville. The jurisdiction of the court, as established by the Ohio Revised Code, encompasses the east side of Lake County. The Court serves the following communities: Concord Township, Fairport Harbor Village, Grand River Village, Leroy Township, Madison Township, Madison Village, North Perry Village, Painesville Township, Perry Township and Perry Village.

Services Provided

As authorized by its Charter and codified ordinances, the City provides a full range of municipal services that include police and fire protection, emergency medical service, street construction, maintenance and repair, recreation and cultural activities, cemeteries, municipal court, community development, economic development, public improvements, planning and general administrative services. The City does not operate hospitals or schools, nor is it responsible for public assistance programs.

The City also operates seven enterprise activities: a water system, sanitary sewer system, storm water system, electric system, refuse, off-street parking facilities and a community program activity. These activities are accounted for in separate enterprise funds. Enterprise funds are used to account for operations financed and operated in a manner similar to private business enterprises. The intent of the City is that the costs of providing the goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The City's enterprise activities are not subject to rate review or determination by the Public Utilities Commission of Ohio or any similar regulatory body. The City's Council has the necessary authority to establish and amend appropriate user rates as required. The rates are monitored on an on-going basis to ensure their adequacy. Responsibility for the frequency and amount of rate change lies solely with the City Council.

The Organization

The municipal government consists of four chartered departments and one office. Four departments were also created at the direction of City Council. A director who is appointed by and reports directly to the City Manager heads each department. All directors work closely with the City Manager in providing the citizens of Painesville with the highest quality of services while maintaining efficiency and cost effectiveness.

> The *Department of Public Safety* consists of two divisions: Police Division and Fire Division. The Police Division enforces local, state, and federal laws in addition to protecting citizens and their property. Most recently, the division has taken a more community oriented policing approach that has met with great success. Numerous programs are offered to citizens. The division is headed by the Police Chief. The Police Division is located in a separate section of City Hall. The Fire Division provides fire protection and emergency medical services to citizens, as well as placing strong emphasis on community involvement and education. The Fire Chief heads the division. A Fire Prevention unit focuses on the reduction of potential fires and loss of property within the City. The fire station is a separate section of City Hall.

The *Department of Public Service* is comprised of three divisions and two enterprise activities administered by a director. The Public Works Division is responsible for the maintenance of all City vehicles, all non-contractual street repairs, snow and ice removal, leaf and yard waste pick-up and maintenance of storm and sanitary sewers. The Parking Division is in charge of installation, removal, maintenance of the City parking meters including collection and deposit of all monies from the meters. This division is also responsible for striping, cleaning and plowing snow from off-street parking areas. The Traffic Division consists of the fabrication and installation of regulatory, warning and informational signage within the City. This division is also responsible for the striping of traffic lanes, edge lines and parking stalls on the City streets. The enterprise functions within the Department of Public Service consist of the general operational maintenance of the parking garage (Off-Street Parking) and a storm water utility. The Off-Street Parking operation is sustained through a user-fee for hourly and monthly parkers as well as merchant validations for surrounding businesses. The Storm Water Division is responsible for the management and monitoring of the general maintenance of the storm water system of the City. This division is also responsible for providing long-range planning for the infrastructure improvements for the overall system. The operation of the Storm Water Utility is a part of the Public Works Division.

The *Department of Finance* is responsible for the accurate recording of all receipts and disbursements. The department also maintains the capital asset system. The department compiles the Annual Budget, and prepares the Comprehensive Annual Financial Report for residents, and assists the City Manager in all financial decisions.

The *Department of Law* advises Council, the City Manager, and all departments on legal matters concerning the City. The department prepares or reviews all contracts, legislation, and legal documents.

The *City Manager's Office* was established to ensure that the policies of City Council are followed and implemented by all of the City employees. There are several functions managed and maintained under the umbrella of this office. Community and public relations is managed through this office for the entire City. The retention, expansion and attraction of businesses to the City of Painesville are coordinated through the Economic Development activities in this office. The information technology management and maintenance is coordinated through this department.

The four departments created by City Council are the Recreation and Public Lands Department, the Human Resources Department, the Community Development Department, and the Department of Utilities. These departments are outlined below:

The *Recreation and Public Lands Department* provides numerous courses and programs throughout the year. This department provides a diverse range of leisure activities and services to improve the quality of life within the community. The Division of Parks within this department maintains the publicly owned parks and facilities of the City. The Cemetery Division is a non-profit enterprise activity that provides for the daily operation and maintenance of eighty-four acres of cemetery properties and their amenities.

The *Human Resources Department* furnishes consistent and timely guidance to management and employees in all human resource functions including retirement, employee enhancement, employee orientation, development and training and labor relations. This department ensures compliance with established policies and procedures, labor contracts and employment laws. The department also handles all personnel matters, including health insurance.

The *Community Development Department* is responsible for implementing plans and programs that promote the comprehensive and orderly development of the City. The department works in conjunction with the Planning Commission and the Board of Zoning. This department is responsible for interpreting and enforcing all building codes in the City. The department issues permits and citations, conducts site inspections, and licenses all contractors. This department was reorganized in 2006 to include the engineering function. The engineering division must ensure that all contractors working in Painesville meet the general engineering requirements of the City. Engineering controls the review and implementation of plans and programs relating to the City's infrastructure.

The *Department of Utilities* consists of three divisions that are individually operated utility systems—Water, Water Pollution Control, and Electric. The Water Division consists of the plant and a water distribution system. The Water Division provides the highest quality service in a timely, safe and reliable manner to its customers. The Water Pollution Control Division consists of the wastewater treatment plant. The collection and transmission is maintained by the Department of Public Services as noted above. The goal of this division is to efficiently operate and maintain the wastewater treatment facility. The Electric Division consists of the plant and an electric distribution system. The Electric Division provides adequate, reliable and economical power to its customers in an efficient and professional manner.

Basis of Accounting

The basis of accounting used by the City is in conformity with GAAP as applicable to governmental units and is consistent with GASB Section 1600, "Basis of Accounting," except for accounting used for budgetary purposes. All governmental funds are accounted for using a flow of current financial resources measurement focus. The modified accrual basis of accounting is utilized for the governmental funds. Revenues are recognized when they are susceptible to accrual, both measurable and available. Expenditures are recognized when the related liability is incurred, except for the interest on long-term debt which is recorded when due.

The measurement focus for the City's proprietary and private-purpose trust funds is on "economic resources." All assets, liabilities, and deferred outflows/inflows of resources associated with the operation of these funds are included on the balance sheet. The accrual basis of accounting is used for the proprietary and private-purpose trust funds. Under the accrual basis of accounting, revenues are recognized when earned and expenses when they are incurred.

The City's basis of accounting for budgetary purposes differs from GAAP in that revenues are recognized when received, rather than when susceptible to accrual. In addition, encumbrances are recorded as expenditures on the budgetary basis of accounting. A reconciliation of the results of these two methods appears in Note 1.

ECONOMIC CONDITION AND OUTLOOK

Local Economy

The primary focus of the Office of Economic Development in 2014 was business retention during the tough economic recovery. With continued great uncertainty in the US economy, there was some positive feedback we began to see from local businesses in our manufacturing sector. At the same time, however, our commercial, retail and office sectors were still struggling to return to previous year's profits. In an effort to gain perspective on the conditions within our community we conducted several one-on-one company visits.

Painesville City remains a progressive and pro-business community and we have established many programs that enable us to work on business attraction, retention and expansion on a regular basis. These programs include the Synchronist program which enables us to collect valuable data on each of our largest employers to ascertain potential moves in climate and change within their industry and local operations. The Key Accounts and Direct Connections program through AMP, Inc. also provides us a one to one communication point on a technical basis with these largest employers as well as our largest energy users on an annual basis. The Office of Economic Development also meets with local business owners and managers monthly to identify resources and sources to aid their future business growth.

The City has recently been recognized for the third consecutive time as a Platinum Level RP3 Community through the American Public Power Association which demonstrates our commitment to electric reliability for our industrial users.

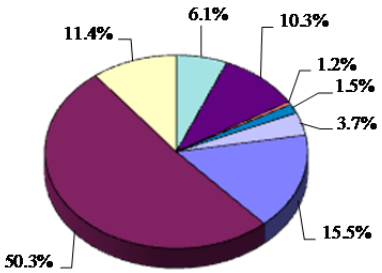
Some of the new and exciting things taking place at this time include the redevelopment of an 8 acre parcel in our downtown district and a new downtown master plan. These plans are a great compliment to our new downtown Streetscape Plan which is expected to begin construction in 2016. In addition we have received grant financing to assist us in the demolition of a former hotel in the heart of the downtown. This site will also open new redevelopment opportunities.

We continue to work on our 2010 – 2015 Economic Development Strategic Plan designed to enhance our abilities to grow our local businesses here within the community to further new private investments.

Local Business

The City of Painesville has 600 businesses which employ approximately 6,529 workers in all sectors of the economy. The percentage of businesses by sector breakdown is as follows:

Sector	Businesses	Percentage of Total
Retail	92	15.5%
Service	300	50.3%
Manufacturing	68	11.4%
Construction	36	6.1%
Finance, Insurance and Real Estate	61	10.3%
Other	7	1.2%
Wholesale	9	1.5%
Government	22	3.7%
Total	595	100.00%



The largest business sector of the City is the service sector at 50.3% of all businesses in the City of Painesville. The remainder of the business composite is Retail at 15.5%, Manufacturing at 11.4%, Finance, Insurance and Real Estate at 10.3%, Construction at 6.1%, Government at 3.7% and Wholesale and Others at 2.7%.

The primary focus of the Office of Economic Development in 2014 was business retention and downtown redevelopment. With continued great uncertainty in the US economy, there was great uncertainty for the effects it may create on business overall in the region. We are now also focusing new efforts on attracting new customers, attracting new industry and business and continuing our business retention and expansion efforts.

This past year the Economic Development Office worked closely with and offered proposals on four leads on industrial investment in 2014 and the beginning of this year. This continues to be a slow year for industrial investment but interest in industrial land has increased due to less industrial building inventory on the market. So we have put much of our resources into reevaluating our incentives for new construction and industrial investment.

The retention efforts of the department over the past year have been aggressive towards our existing industry and helping them determine where potential opportunities and cost saving measures could be obtained. We worked with several to identify key energy savings and worked closely with the Lake County Port Authority to try and identify re-financing and alternative creative financing solutions on new equipment that would enable them to gain new work contracts replacing customers they may have lost due to the economic downturn.

Business Growth

The business growth in the City of Painesville is a direct result of the Economic Development Office's focus on business retention, expansion and attraction. The office continues to aggressively work to attract commercial, retail and manufacturing companies into various citywide developments including a business center and a business parkway. In addition to marketing those developments the City continues its focus on the Ohio Main Street Approach to economic restructuring for the downtown retail and commercial district.

Business connections and communication are also very important to the City of Painesville. This past year we have been working on new marketing initiatives with the newly formed City of Painesville Public Relations Committee for each of our events that focus on collaboration between business and residents of the area. These efforts have been placed on the Business Networking Breakfasts, Art in the Park, Taste of Painesville, and the Farmers Market. In addition, we publish our section of the City's newsletter "Speaking of Painesville" which is sent to each city business. This newsletter details new projects, new businesses and other on-going community events that are focused around the Painesville Business Community.

MAJOR INITIATIVES

Current Year Projects

The Citywide goals are the primary factor used in making determinations of the appropriateness of increased expenditures in any given budget year. The mission of the City of Painesville, City Council and City employees is to enhance and improve the quality of life and growth in the community by providing the highest level of service in an efficient and cost effective manner. In 2014, the City continued to uphold that mission by expanding and improving services, upgrading and constructing infrastructure, and enhancing public grounds and facilities.

During the year, vehicles were acquired by the Water, Water Pollution and Electric Departments to enhance the overall operational effectiveness and readiness of the City. To maintain the public safety, the Police Department purchased three new patrol cars.

Public Works entered into its tenth year of an intensive sanitary sewer maintenance program. Public Works along with the Department of Recreation and Public Lands maintains most City vehicles (with basic maintenance) resulting in a substantial savings to the City. In 2014 the City began receiving the funds from the new road levy. This road levy will allow the City to do some much needed repairs on the City roads.

In 2014, the City completed the majority of the $1.3 million Main Street Streetscape Project with over 80% of this project being paid for with grant money. This project vastly updates one of the City's streets and improves the image of downtown Painesville.

In 2014, the City completed work on the $7.3 million Shamrock Bridge and Brookstone Blvd. extension project. This project will allow the City to build a bridge over the railroad tracks and open up an area of the City for further economic development.

The Water Department continues to replace water mains on several streets throughout the City and in communities outside the City that the City provides water to. The Water Department also made various improvements to the plant to make it more efficient and improve its technology. The Water Pollution Control Division made various improvements to the plants infrastructure as well as improving the plant's technology.

In 2014, the Electric Department had several capital projects to increase the plant's efficiency and improve the plant's technology. The Electric Department also made several improvements to the electric distribution system to make it more reliable.

Future Projects

In 2015, the Public Works department will be purchasing several pieces of equipment to assist them with maintaining and repairing the roads. The City will also be repaving several roads in 2015.

In 2015, the City will continue to replace waterlines on at least four roads. In 2015, the water plant will start doing the engineering to install a new water intake at the water plant.

In 2015, the electric plant will have several capital projects that will increase the efficiency and reliability of the Electric Department.

The City also will have various other capital projects that will improve the City's infrastructure in 2015.

MANAGEMENT PRACTICES

Internal Control

Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The Finance Department is committed to strengthening internal controls to assure the safeguarding of assets and to provide reasonable assurance that all financial transactions are properly recorded. A capital asset software system allows for detailed reporting and analysis. On an annual basis, the individual departments perform an inventory of their assets. These inventories are given to the Finance Department to assure accuracy and accountability. An independent appraisal is also done periodically to value and ensure the existence of capital assets within the City.

Budgetary System

Detailed provisions for the City's budget, tax levies, and appropriations are set forth in the Ohio Revised Code and in the City Charter. With the assistance of the Finance Director, the City Manager may submit to Council, a temporary appropriation ordinance to control expenditures for passage on or about January 1 of each year for the period January 1 through March 31. By charter, the City Manager must submit an annual appropriation ordinance, for the period January 1 through December 31, to City Council by March 31 of each year.

The primary level of budgetary control is at the program level (general government, public safety, highways and streets, public health and welfare, culture and recreation and community environment) and within each program at the level of personal services, certain other expenditures, capital outlay and transfers as required by Ohio law.

The City maintains budgetary control on a cash basis by department for personal services, materials and supplies, other services and charges, utilities, other operating charges, capital outlay, debt service, and other financing uses. Estimated expenditure amounts must be encumbered prior to release of purchase orders to vendors or finalization of other contracts. Encumbrances which would exceed the available appropriation level are identified on an ongoing basis and are not approved or recorded until City Council authorizes additional appropriations or transfers. Unencumbered appropriations lapse at the end of each calendar year. As an additional control over expenditures, the City's Purchasing Policy requires that all contracts in excess of $25,000 shall be authorized and directed by ordinance of City Council.

The City compiles its Annual Budget in document form. The budget presents anticipated revenues and expenditures by fund and department by category with additional supporting documentation that explains the budgetary process and individual departmental goals. The budget is submitted to the Government Finance Officers Association (GFOA) and has received the Distinguished Budget Presentation Award for the last thirteen consecutive years.

Accounting System

The City uses automated governmental accounting software developed and licensed by Civica CMI, Inc. This software controls budgetary accounting, payroll, utility billing, and capital assets. In 2003 the Finance Department purchased a new mainframe computer and updated software on all modules by September 2004.

The City's accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein. These funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. Generally accepted accounting principles determine the type of funds used. Prudent financial administration determines the number of individual funds established.

The City maintains records on a cash basis for all fund types. After year-end closing, adjusting entries are prepared for the various funds to convert the cash/budgetary basis records to the modified accrual basis of accounting for all governmental fund types and to the accrual basis of accounting for the proprietary fund types. The fund statements are then converted to entity-wide financial statements, and classified as either governmental or business-type activities, using the accrual basis of accounting. Modified accrual basis accounting requires that revenues be recognized when both measurable and available. Expenditures are recorded as fund liabilities when incurred, except for interest on long-term debt which is recorded when due. The accrual basis of accounting recognizes revenues when earned and expenses when incurred. A more detailed explanation of the basis of accounting for the various funds is included in the Notes to the Basic Financial Statements, located in the Financial Section of this report.

OTHER INFORMATION

Independent Audit

Under federal law, the City is required to have an audit performed every year. The State of Ohio Auditor's Office performed the 2014 audit. The independent auditor's unmodified report has been included in this report. The Administration plans to continue this audit procedure as required by law as part of the preparation of its CAFR. The annual audit and management letter submitted by the independent auditor provides information to the City to enable it to maintain and strengthen the City's accounting and budgeting controls.

Awards

A Certificate of Achievement for Excellence in Financial Reporting was awarded to the City of Painesville, Ohio for its Comprehensive Annual Financial Report for the year ended December 31, 2013. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. The Certificate of Achievement represents a significant accomplishment by a governmental unit.

A Certificate of Achievement is valid for a period of one year. Painesville has received a Certificate of Achievement for the last twenty-seven consecutive years, fiscal years ended 1987 – 2013. We believe our current report continues to conform to Certificate of Achievement Program requirements, and we are submitting the report to the GFOA to determine its eligibility for another certificate.

The Government Finance Officers Association of the United States and Canada (GFOA) also awarded the City with the Distinguished Budget Presentation Award. The GFOA established the Distinguished Budget Presentation Awards Program to encourage and assist state and local governments to prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's recommended practices on budgeting and then to recognize individual governments that succeed in achieving that goal. The City of Painesville has received this award for fourteen consecutive years from 2001 – 2014.

Public Disclosure

The publication of this Comprehensive Annual Financial Report is indicative of the City's commitment to provide significantly enhanced financial information and accountability to its citizens. In addition to the citizens of Painesville, the recipients of this report include city, state and federal officials, schools, libraries, newspapers, investment banking firms, banks and rating agencies. The report is made available to any person or organization requesting it. The extensive effort to prepare and distribute this report is indicative of the continued efforts of the City to improve its overall financial accounting, management and reporting capabilities.

Letter of Transmittal
For the Year Ended December 31, 2014

Acknowledgements

We would like to thank the staff and extend special recognition to all members of the Finance Department and related departments within the City who assisted with the preparation of the Comprehensive Annual Financial Report and annual independent audit.

Special thanks are also due to Donald J. Schonhardt, President, Donald J. Schonhardt & Associates, Inc., Columbus, Ohio, and the members of his staff for their efforts in converting the City's budgetary basis accounting records to the generally accepted accounting principles (GAAP) basis. In addition, we would like to express appreciation to the State Auditors, for their assistance and review during this project.

In closing, without the leadership and support of the Painesville City Council, preparation of this report would not have been possible.

Sincerely,

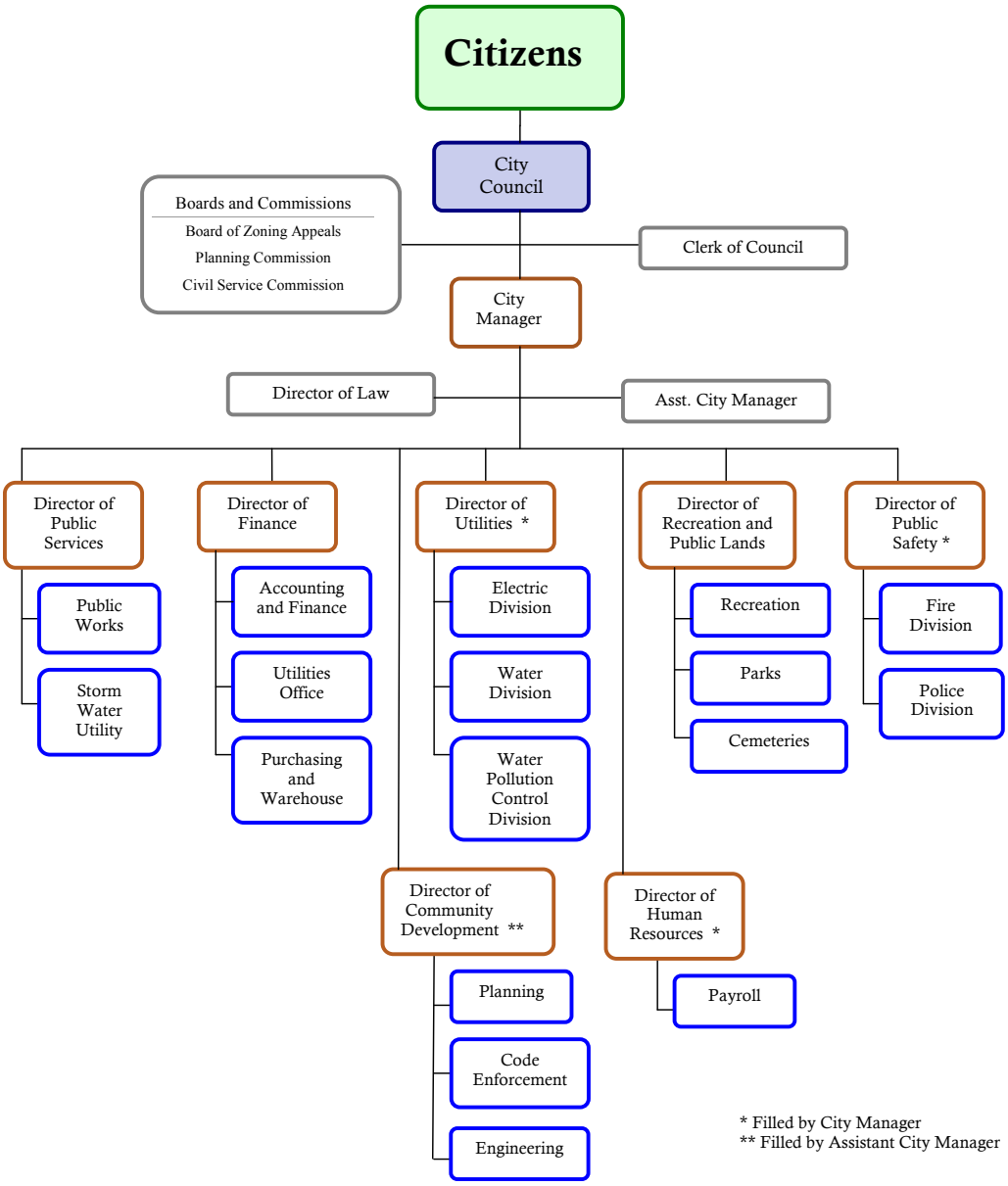
Anthony J. Carson, Jr.
City Manager

Andrew A. Unetic
Director of Finance

List of Principal Officials
For the Year Ended December 31, 2014

Name	Title		Years of Municipal/Governmental Service			
			Position	City	Other Municipal/ Governmental Service	Total Public Service
CITY COUNCIL						
Paul W. Hach II	President	(Ward 4)	1.0	11.0	0.0	11.0
Lori Dinallo	Vice President	(at Large)	1.0	5.0	1.0	6.0
Tom Fitzgerald	Council Member	(at Large)	1.0	1.0	0.0	1.0
Jim Fodor	Council Member	(at Large)	5.0	5.0	0.0	5.0
Andrew Flock	Council Member	(Ward 1)	19.5	19.5	0.0	19.5
Katie Jenkins	Council Member	(Ward 2)	3.0	3.0	9.0	12.0
Mike DeLeone	Council Member	(Ward 3)	3.0	3.0	11.0	14.0
Tara Diehl	Clerk of Council		1.4	1.4	6.8	8.2
CITY ADMINISTRATION						
Anthony Carson	City Manager		1.5	1.5	17.0	18.5
Doug Lewis	Assistant City Manager		6.6	6.6	13.0	19.6
Andrew A. Unetic	Director of Finance		7.1	7.1	14.1	21.2
Joseph M. Gurley	Director of Law		27.0	34.3	15.3	49.6
DEPARTMENT/DIVISION HEADS						
Brian Belfiore	Service Director		1.0	8.9	0.0	8.9
Leanne Exum	City Engineer		0.5	0.5	0.0	0.5
Jeffrey McHugh	Electric Power Superintendent		2.3	2.3	33.0	35.3
Randy Bruback	Water Pollution Control Superintendent		12.8	12.8	16.0	28.8
Mark Mlachak	Fire Chief		12.3	33.3	0.0	33.3
Anthony Powalie	Chief of Police		0.5	17.7	7.0	24.7
George Ginnis	Water Supt./Public Serv. Executive Dir.		1.0	3.7	19.9	23.6
Lee Homyock	Director of Recreation and Public Lands		10.7	10.7	20.0	30.7
Russ Schaedlich	City Planner		7.6	7.6	21.5	29.1

City Organizational Chart
For the Year Ended December 31, 2014



Government Finance Officers Association of the United States and Canada
Certificate of Achievement for Excellence in Financial Reporting

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

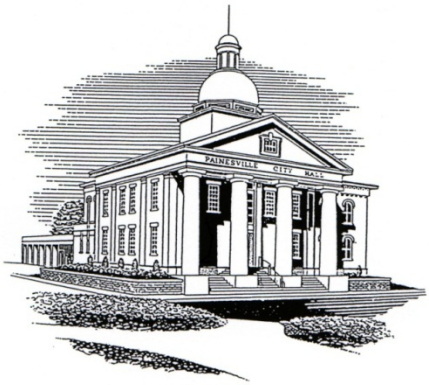
City of Painesville

Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO


PAINESVILLE CITY HALL

FINANCIAL SECTION

PAINESVILLE CITY HALL

Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

City of Painesville
Lake County
7 Richmond Street
Painesville, Ohio 44077

To the City Council:

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Lausche Building, 615 Superior Ave., NW, Twelfth Floor, Cleveland, Ohio 44113-1801
Phone: 216-787-3665 or 800-626-2297 Fax: 216-787-3361
www.ohioauditor.gov

Opinion

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

Other Matters

Required Supplementary Information

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

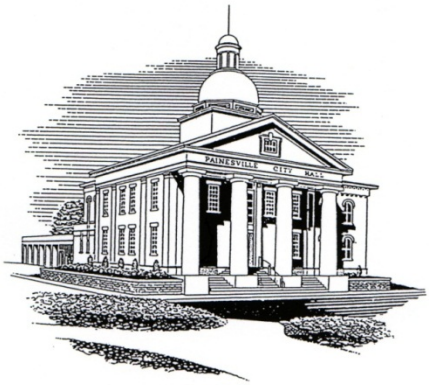
We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2015, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Dave Yost
Auditor of State
Columbus, Ohio

June 25, 2015


PAINESVILLE CITY HALL

The discussion and analysis of the City of Painesville's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2014. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2014 are as follows:

- In total, net position increased $2,646,887. Net position of governmental activities increased $2,840,578, which represents a 6% increase from 2013. Net position of business-type activities decreased $193,691, or less than 1% from 2013.
- General revenues accounted for $11,176,648 in revenue, or 21% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for $42,063,227, or 79% of total revenues of $53,239,875.
- The City had $14,843,095 in expenses related to governmental activities; only $5,388,715 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of $11,176,648 were adequate to fully provide for these programs.
- Among major funds, the general fund had $12,625,840 in revenues, including other financing sources and $12,630,382 in expenditures, including other financing uses. The general fund's fund balance decreased $154,909.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management's discussion and analysis*, the *basic financial statements*, *supplementary information*, and an optional section that presents *combining statements* for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the basic financial statements and provide more detailed data. The statements are followed by a section of supplementary information that further explains and supports the information in the financial statements.

Government-Wide Financial Statements

The government-wide statements report information about the City as a whole using accepted methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets, liabilities, and deferred outflows/inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how it has changed. Net-position is one way to measure the City's financial health.

- Over time, increases or decreases in the City's net position is an indicator of whether its financial health is improving or deteriorating, respectively.

- To assess the overall health of the City you need to consider additional nonfinancial factors such as the City's tax base and the condition of the City's capital assets.

  The government-wide financial statements of the City are divided into two categories:

- *Governmental Activities* – Most of the City's programs and services are reported here including general government, public safety, highways and streets, public health and welfare, culture and recreation, community environment, interest and fiscal charges, and other expenditures.

- *Business-Type Activities* – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's water, sewer, electric, refuse, off-street parking, storm water and community program services are reported as business-type activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

Governmental Funds – Most of the City's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance governmental programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the 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. All of the City's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The following table provides a comparison of the City's net position at December 31, 2014 and 2013:

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and Other Assets	$19,365,108	$19,809,487	$32,418,945	$33,383,548	$51,784,053	$53,193,035
Capital Assets, Net	45,490,279	42,554,784	63,788,596	63,884,794	109,278,875	106,439,578
Total Assets	64,855,387	62,364,271	96,207,541	97,268,342	161,062,928	159,632,613
Long-Term Debt Outstanding	14,722,426	14,570,998	11,654,677	12,743,155	26,377,103	27,314,153
Other Liabilities	1,060,232	1,570,732	3,000,897	2,779,529	4,061,129	4,350,261
Total Liabilities	15,782,658	16,141,730	14,655,574	15,522,684	30,438,232	31,664,414
Deferred Inflows of Resources	2,183,202	2,173,592	0	0	2,183,202	2,173,592
Net Position						
Net Investment in Capital Assets	33,584,837	31,513,541	54,456,010	53,612,184	88,040,847	85,125,725
Restricted	6,309,396	5,438,792	0	0	6,309,396	5,438,792
Unrestricted	6,995,294	7,096,616	27,095,957	28,133,474	34,091,251	35,230,090
Total Net Position	$46,889,527	$44,048,949	$81,551,967	$81,745,658	$128,441,494	$125,794,607

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Changes in Net Position – The following table shows the changes in net position for the fiscal years 2014 and 2013:

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues						
Program Revenues:						
Charges for Services and Sales	$2,852,778	$2,600,623	$36,546,295	$33,855,432	$39,399,073	$36,456,055
Operating Grants and Contributions	876,783	802,599	128,071	7,154	1,004,854	809,753
Capital Grants and Contributions	1,659,154	1,042,448	146	584	1,659,300	1,043,032
Total Program Revenues	5,388,715	4,445,670	36,674,512	33,863,170	42,063,227	38,308,840
General Revenues:						
Property Taxes	1,966,322	1,144,755	0	0	1,966,322	1,144,755
Municipal Income Taxes	7,900,150	7,721,126	0	0	7,900,150	7,721,126
Intergovernmental, Unrestricted	847,630	875,970	0	0	847,630	875,970
Investment Earnings	177,819	47,643	0	760	177,819	48,403
Miscellaneous	284,727	256,805	0	0	284,727	256,805
Total General Revenues	11,176,648	10,046,299	0	760	11,176,648	10,047,059
Total Revenues	16,565,363	14,491,969	36,674,512	33,863,930	53,239,875	48,355,899
Program Expenses						
General Government	3,921,566	3,739,730	0	0	3,921,566	3,739,730
Public Safety	6,752,510	6,887,389	0	0	6,752,510	6,887,389
Highways and Streets	2,637,941	2,566,021	0	0	2,637,941	2,566,021
Public Health and Welfare	488,651	516,688	0	0	488,651	516,688
Culture and Recreation	618,468	590,591	0	0	618,468	590,591
Community Environment	105,322	314,010	0	0	105,322	314,010
Interest and Fiscal Charges	318,637	313,959	0	0	318,637	313,959
Water	0	0	6,117,078	5,302,197	6,117,078	5,302,197
Sewer	0	0	4,387,215	4,295,486	4,387,215	4,295,486
Electric	0	0	24,835,860	22,217,456	24,835,860	22,217,456
Refuse	0	0	2,250	2,116	2,250	2,116
Off-Street Parking	0	0	117,292	185,296	117,292	185,296
Storm Water Utility	0	0	248,916	193,270	248,916	193,270
Community Programs	0	0	41,282	37,531	41,282	37,531
Total Expenses	14,843,095	14,928,388	35,749,893	32,233,352	50,592,988	47,161,740
Excess (Deficiency) Before Transfers	1,722,268	(436,419)	924,619	1,630,578	2,646,887	1,194,159
Transfers	1,118,310	795,935	(1,118,310)	(795,935)	0	0
Total Change in Net Position	2,840,578	359,516	(193,691)	834,643	2,646,887	1,194,159
Beginning Net Position	44,048,949	43,689,433	81,745,658	80,911,015	125,794,607	124,600,448
Ending Net Position	$46,889,527	$44,048,949	$81,551,967	$81,745,658	$128,441,494	$125,794,607

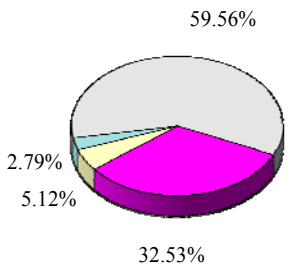
Governmental Activities

Net position of the City's governmental activities increased $2,840,578. In 2014 the City received capital grants from the Lake County Land Reutilization Fund for demolition of an aged hotel as well as capital grants from the Ohio Water Development Authority for development of a flood plain area. An increase in property taxes was the result of two new levies, one for fire department operations and one for road improvements. Expenses remained consistent with the previous year.

The City also receives an income tax, which is based on 2.0% of all salaries, wages, commissions and other compensation and on net profits earned from residents living within the City and businesses operating in the City.

Taxes made up 60% of revenues for governmental activities for the City in fiscal year 2014. The City's reliance upon tax revenues is demonstrated by the following graph:

Revenue Sources	2014	Percent of Total
Taxes	$9,866,472	59.56%
Program Revenues	5,388,715	32.53%
Intergovernmental, Unrestricted	847,630	5.12%
General Other	462,546	2.79%
Total Revenue	$16,565,363	100.00%



Business-Type Activities

Net position of the business-type activities decreased $193,691. An increase in charges for services can be attributed to an increase in electric charges, which was the result of increased consumption. This increase in electric consumption resulted in increased costs for purchased power. In addition, costs for benefits in the electric department increased due to medical expenses for an employee.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of $14,882,671, which is an increase from last year's balance of $14,684,546. The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2014 and 2013:

	Fund Balance December 31, 2014	Fund Balance December 31, 2013	Increase (Decrease)
General	$7,564,610	$7,719,519	($154,909)
Shamrock Business Center TIF	1,184,121	1,986,829	(802,708)
Other Governmental	6,133,940	4,978,198	1,155,742
Total	$14,882,671	$14,684,546	$198,125

General Fund – The City's General Fund balance change is due to many factors. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2014 Revenues	2013 Revenues	Increase (Decrease)
Property Taxes	$360,959	$350,475	$10,484
Municipal Income Taxes	7,900,150	7,721,126	179,024
Intergovernmental Revenues	831,379	855,703	(24,324)
Charges for Services	45,755	44,866	889
Licenses, Permits and Inspection Fees	476,660	337,067	139,593
Investment Earnings	147,069	48,551	98,518
Fines and Forfeitures	1,019,718	1,016,160	3,558
All Other Revenue	415,830	437,113	(21,283)
Total	$11,197,520	$10,811,061	$386,459

General Fund revenues in 2014 increased approximately 4% when compared to 2013 revenues. The decrease in intergovernmental revenues was the result of decreases in estate taxes and local government funding. The increase in licenses, permits and inspection fees can be attributed to an increase in vacant property registration fees. Beginning in 2014, the City tied these fees to City owned utilities. A property cannot be transferred or the utilities turned on until the registration fees are paid. This resulted in an increase in the amount of fees paid.

	2014 Expenditures	2013 Expenditures	Increase (Decrease)
Current:			
General Government	$3,339,470	$3,130,220	$209,250
Public Safety	5,813,330	5,833,012	(19,682)
Highways and Streets	692,760	643,493	49,267
Public Health and Welfare	121,064	122,841	(1,777)
Culture and Recreation	574,406	538,577	35,829
Community Environment	113,556	162,166	(48,610)
Debt Service:			
Principal Retirement	67,592	224,137	(156,545)
Interest and Fiscal Charges	8,204	10,999	(2,795)
Total	$10,730,382	$10,665,445	$64,937

Overall, General Fund expenditures remained consistent with the previous year, increasing $64,937, or less than 1% from the prior year. The increase in general government can be attributed to payouts for accrued sick and vacation time to retiring employees. An increase in highways and streets was the result of increases in miscellaneous costs for services and supplies. In 2014 the City changed the allocation of Code Enforcement salaries, resulting in the decrease in community environment. The decrease in principal retirement was the result of an internal note being paid off in the prior year.

Shamrock Business Center TIF Fund – The Shamrock Business Center TIF Fund reported a substantial decrease in fund balance, which was the result of capital expenditures made for the extension of Shamrock Boulevard.

Water Fund – The City's Water Fund reported an increase in net position of 1%. Revenues were consistent with the previous year. Expenses increased due to increased costs for contractual services, supplies, and wages. The increase in wages can be attributed to the filling of a vacant position, as well as a step increase in wage rates.

Sewer Fund – The City's Sewer Fund revenues and expenses remained stable when compared with the prior year, resulting in a decrease in net position of approximately 8%.

Electric Fund – The City's Electric Fund net position remained stable, increasing less than 1%. An increase in electric consumption caused an increase in charges for services as well as costs for purchased power. In addition, costs for benefits increased due to medical expenses for an employee.

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of fiscal year 2014 the City amended its General Fund budget several times, none significant.

For the General Fund, final revenue and other financing sources estimates were 16% higher than original revenue estimates due to an increase in income tax receipts. Actual budget basis revenues were not materially different from final revenue estimates. Original appropriations, final appropriations, and actual budget basis expenditures were not materially different. The General Fund had an adequate fund balance to cover expenditures.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal 2014 the City had $109,278,875 net of accumulated depreciation invested in land, construction in progress, buildings and improvements, improvements other than buildings, machinery and equipment, and infrastructure. Of this total**,** $45,490,279 was related to governmental activities and $63,788,596 to the business-type activities. The following tables show fiscal year 2014 and 2013 balances:

	Governmental Activities		Increase (Decrease)
	2014	2013	
Land	$9,838,526	$9,838,526	$0
Construction in Progress	13,477,193	9,414,709	4,062,484
Buildings and Improvements	5,444,096	5,444,096	0
Improvements other than Buildings	8,958,144	8,699,969	258,175
Machinery and Equipment	6,468,700	6,350,685	118,015
Infrastructure	24,929,303	24,929,303	0
Less: Accumulated Depreciation	(23,625,683)	(22,122,504)	(1,503,179)
Totals	$45,490,279	$42,554,784	$2,935,495

	Business-Type Activities		Increase (Decrease)
	2014	2013	
Land	$1,397,784	$1,397,784	$0
Construction in Progress	20,030,053	20,686,770	(656,717)
Buildings and Improvements	32,466,522	32,177,026	289,496
Improvements other than Buildings	46,000,972	44,746,814	1,254,158
Machinery and Equipment	28,306,275	26,992,303	1,313,972
Less: Accumulated Depreciation	(64,413,010)	(62,115,903)	(2,297,107)
Totals	$63,788,596	$63,884,794	($96,198)

Increases in construction in progress in the Governmental Activities capital assets can be attributed to the Millstone park project and Brookstone/Shamrock Boulevard improvement project. In Business-Type capital assets, an increase in improvements can be attributed to water main improvements. An increase in machinery and equipment included the purchase of a boom crane and digger derrick in the electric department. Additional information on the City's capital assets can be found in Note 10.

As of December 31, 2014, the City had contractual commitments of $2,603,023 related to various projects throughout the City. Additional information on the City's construction commitments can be found in Note 17.

Debt

At December 31, 2014, the City had $8,750,908 in general obligation bonds outstanding, $370,000 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2014 and 2013:

	2014	2013
Governmental Activities:		
General Obligation Bonds	$8,750,908	$8,930,736
Special Assessment Bonds	270,000	290,000
Ohio Public Works Commission Loans	1,261,736	908,491
Long Term Notes Payable	1,205,271	960,876
Construction Loan	135,547	203,139
Compensated Absences	1,399,984	1,530,453
Workers' Compensation Liability	752,891	861,401
Capital Leases	281,980	201,737
Police and Firemen's Accrued Pension	664,109	684,165
Total Governmental Activities	14,722,426	14,570,998
Business-Type Activities:		
Mortgage Revenue Bonds	795,089	1,050,236
General Obligation Bonds	0	1,250,000
Ohio Water Development Authority Loans	3,708,874	3,853,679
Ohio Public Works Commission Loans	67,896	111,301
Long Term Notes Payable	2,254,729	1,339,124
Capital Leases	3,301,087	3,548,506
Compensated Absences	1,527,002	1,590,309
Total Business-Type Activities	11,654,677	12,743,155
Totals	$26,377,103	$27,314,153

Under current state statutes, the City's general obligation bonded debt issues are subject to a legal limitation based on 10.50% of the total assessed value of real and personal property. At December 31, 2014, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 13.

ECONOMIC FACTORS

For the first time since 2009, the 2014 General Fund original budget was balanced without having to use carryover to balance it. The City had an increase in General Fund revenues from 2013, which is a positive sign that the City is going in the right direction. The General Fund continues to be negatively affected by the state's decision to reduce the Local Government Fund revenue sharing and the elimination of the inheritance tax in 2013. The Enterprise funds 2014 revenues were up for water and electric and down for sewer. In 2013, the City of Painesville approved a new road levy and a new fire levy. The City started to receive these new levy monies in 2014 and the City was able to do some much needed paving on several roads in 2014 as well as buy some critical pieces of fire equipment for the Fire Department.

City Council continued a conservative spending pattern in 2014. The 2014 General Fund budget was reduced by 4% compared to 2013. Departments of the City were asked to maintain their 2014 operating budgets at 2013 levels and positions were eliminated through attrition. Only capital items that management and City Council determined necessary, or had off-setting grant revenues were appropriated. A close watch of current economic conditions is ongoing to determine if increased revenues, or further reductions in expenditures, are necessary in order to maintain fiscal stability.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact the Finance Department by calling 440-392-5796 or writing to City of Painesville Finance Department, 7 Richmond Street, Painesville, Ohio 44077.

Statement of Net Position
December 31, 2014

	Governmental Activities	Business-Type Activities	Total
Assets:			
Pooled Cash and Investments	$ 11,818,123	$ 26,577,450	$ 38,395,573
Receivables:			
Taxes	3,824,259	0	3,824,259
Accounts	119,671	3,123,183	3,242,854
Intergovernmental	938,604	0	938,604
Interest	66,126	0	66,126
Special Assessments	195,202	0	195,202
Internal Balances	389,858	(389,858)	0
Inventory of Supplies at Cost	0	565,924	565,924
Land Held for Resale	785,000	0	785,000
Prepaid Items	104,720	321,055	425,775
Investment in Joint Venture	0	1,031,453	1,031,453
Restricted Assets:			
Cash and Cash Equivalents	1,123,545	1,189,738	2,313,283
Capital Assets:			
Capital Assets Not Being Depreciated	23,315,719	21,427,837	44,743,556
Capital Assets Being Depreciated, Net	22,174,560	42,360,759	64,535,319
Total Assets	64,855,387	96,207,541	161,062,928
Liabilities:			
Accounts Payable	124,584	1,266,351	1,390,935
Accrued Wages and Benefits	449,280	484,993	934,273
Intergovernmental Payable	43,294	24,153	67,447
Claims Payable	353,600	0	353,600
Refundable Deposits	0	1,189,738	1,189,738
Accrued Interest Payable	89,474	35,662	125,136
Noncurrent liabilities:			
Due within one year	1,189,910	1,673,749	2,863,659
Due in more than one year	13,532,516	9,980,928	23,513,444
Total Liabilities	15,782,658	14,655,574	30,438,232
Deferred Inflows of Resources:			
Property Tax Levy for Next Fiscal Year	2,183,202	0	2,183,202

	Governmental Activities	Business-Type Activities	Total
Net Position:			
Net Investment in Capital Assets	33,584,837	54,456,010	88,040,847
Restricted For:			
Capital Projects	478,495	0	478,495
Debt Service	453,463	0	453,463
Highways	3,209,733	0	3,209,733
Public Safety	777,025	0	777,025
Cemetery Operations:			
Nonexpendable	1,123,545	0	1,123,545
Expendable	267,135	0	267,135
Unrestricted	6,995,294	27,095,957	34,091,251
Total Net Position	$ 46,889,527	$ 81,551,967	$ 128,441,494

See accompanying notes to the basic financial statements

Statement of Activities
For the Year Ended December 31, 2014

		Program Revenues		
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	$ 3,921,566	$ 1,749,663	$ 0	$ 0
Public Safety	6,752,510	616,933	113,725	0
Highways and Streets	2,637,941	60,591	763,058	736,667
Public Health and Welfare	488,651	110,225	0	0
Culture and Recreation	618,468	9,232	0	641,502
Community Environment	105,322	306,134	0	280,985
Interest and Fiscal Charges	318,637	0	0	0
Total Governmental Activities	14,843,095	2,852,778	876,783	1,659,154
Business-Type Activities:				
Water	6,117,078	6,209,116	98,071	0
Sewer	4,387,215	3,706,993	10,000	0
Electric	24,835,860	26,107,694	20,000	146
Refuse	2,250	2,510	0	0
Off Street Parking	117,292	37,868	0	0
Storm Water Utility	248,916	435,905	0	0
Community Programs	41,282	46,209	0	0
Total Business-Type Activities	35,749,893	36,546,295	128,071	146
Totals	$ 50,592,988	$ 39,399,073	$ 1,004,854	$ 1,659,300

General Revenues and Transfers

Property Taxes

Municipal Income Taxes

Intergovernmental, Unrestricted

Investment Earnings

Miscellaneous

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
$ (2,171,903)	$ 0	$ (2,171,903)
(6,021,852)	0	(6,021,852)
(1,077,625)	0	(1,077,625)
(378,426)	0	(378,426)
32,266	0	32,266
481,797	0	481,797
(318,637)	0	(318,637)
(9,454,380)	0	(9,454,380)
0	190,109	190,109
0	(670,222)	(670,222)
0	1,291,980	1,291,980
0	260	260
0	(79,424)	(79,424)
0	186,989	186,989
0	4,927	4,927
0	924,619	924,619
$ (9,454,380)	$ 924,619	$ (8,529,761)
1,966,322	0	1,966,322
7,900,150	0	7,900,150
847,630	0	847,630
177,819	0	177,819
284,727	0	284,727
1,118,310	(1,118,310)	0
12,294,958	(1,118,310)	11,176,648
2,840,578	(193,691)	2,646,887
44,048,949	81,745,658	125,794,607
$ 46,889,527	$ 81,551,967	$ 128,441,494

Balance Sheet
Governmental Funds
December 31, 2014

	General	Shamrock Business Center TIF
Assets:		
Pooled Cash and Investments	$ 5,201,437	$ 1,184,121
Receivables:		
Taxes	2,005,190	515,000
Accounts	56,172	0
Intergovernmental	430,662	0
Interest	66,126	0
Special Assessments	0	0
Interfund Loans Receivable	210,000	0
Land Held for Resale	785,000	0
Prepaid Items	91,065	0
Restricted Assets:		
Cash and Cash Equivalents	0	0
Total Assets	$ 8,845,652	$ 1,699,121
Liabilities:		
Accounts Payable	$ 39,927	$ 0
Accrued Wages and Benefits Payable	392,828	0
Intergovernmental Payable	1,324	0
Interfund Loans Payable	0	0
Compensated Absences Payable	1,834	0
Total Liabilities	435,913	0
Deferred Inflows of Resources:		
Unavailable Amounts	391,045	0
Property Tax Levy for Next Fiscal Year	454,084	515,000
Total Deferred Inflows of Resources	845,129	515,000
Fund Balances:		
Nonspendable	876,065	0
Restricted	0	1,184,121
Committed	0	0
Assigned	923,785	0
Unassigned	5,764,760	0
Total Fund Balances	7,564,610	1,184,121
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 8,845,652	$ 1,699,121

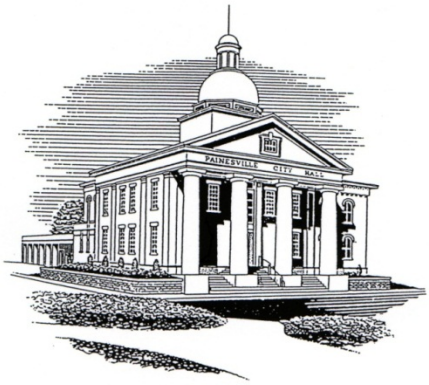
See accompanying notes to the basic financial statements

Other Governmental Funds	Total Governmental Funds
$ 5,069,298	$ 11,454,856
1,304,069	3,824,259
63,499	119,671
507,942	938,604
0	66,126
195,202	195,202
0	210,000
0	785,000
13,655	104,720
1,123,545	1,123,545
$ 8,277,210	$ 18,821,983
$ 83,496	$ 123,423
56,452	449,280
41,970	43,294
210,000	210,000
0	1,834
391,918	827,831
537,234	928,279
1,214,118	2,183,202
1,751,352	3,111,481
1,279,005	2,155,070
3,478,893	4,663,014
1,436,758	1,436,758
0	923,785
(60,716)	5,704,044
6,133,940	14,882,671
$ 8,277,210	$ 18,821,983

Reconciliation Of Total Governmental Fund Balances To Net Position Of Governmental Activities December 31, 2014

Total Governmental Fund Balances	$	14,882,671
Amounts reported for governmental activities in the statement of net position are different because		
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.		45,490,279
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		928,279
Internal service funds are used by management to charge the costs of services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		(354,527)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		(14,057,175)
Net Position of Governmental Activities	$	46,889,527

See accompanying notes to the basic financial statements


PAINESVILLE CITY HALL

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2014

	General	Shamrock Business Center TIF
Revenues:		
Property Taxes	$ 360,959	$ 538,426
Municipal Income Taxes	7,900,150	0
Intergovernmental Revenues	831,379	0
Charges for Services	45,755	0
Licenses, Permits and Inspection Fees	476,660	0
Investment Earnings	147,069	0
Special Assessments	0	0
Fines and Forfeitures	1,019,718	0
All Other Revenues	415,830	0
Total Revenues	11,197,520	538,426
Expenditures:		
Current:		
General Government	3,339,470	0
Public Safety	5,813,330	0
Highways and Streets	692,760	1,942,140
Public Health and Welfare	121,064	0
Culture and Recreation	574,406	0
Community Environment	113,556	0
Capital Outlay	0	0
Debt Service:		
Principal Retirement	67,592	77,000
Interest and Fiscal Charges	8,204	215,129
Total Expenditures	10,730,382	2,234,269
Excess (Deficiency) of Revenues Over Expenditures	467,138	(1,695,843)
Other Financing Sources (Uses):		
Sale of Capital Assets	10	0
Long Term Note Issuance	0	460,000
Issuance of OPWC Loans	0	358,135
Transfers In	1,428,310	75,000
Transfers Out	(1,900,000)	0
Other Financing Sources - Capital Leases	0	0
Total Other Financing Sources (Uses)	(471,680)	893,135
Net Change in Fund Balances	(4,542)	(802,708)
Fund Balance at Beginning of Year	7,719,519	1,986,829
Decrease in Inventory	(150,367)	0
Fund Balance End of Year	$ 7,564,610	$ 1,184,121

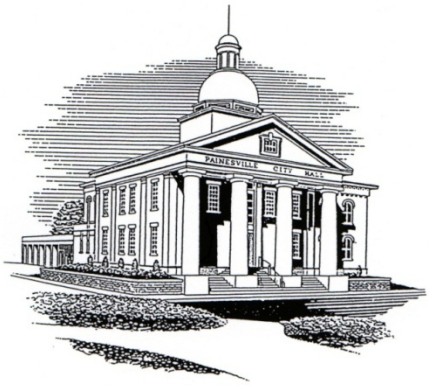
See accompanying notes to the basic financial statements

Other Governmental Funds	Total Governmental Funds
$ 1,112,890	$ 2,012,275
0	7,900,150
2,538,021	3,369,400
632,888	678,643
0	476,660
553	147,622
91,321	91,321
408,701	1,428,419
103,783	519,613
4,888,157	16,624,103
445,751	3,785,221
778,398	6,591,728
1,759,299	4,394,199
359,737	480,801
0	574,406
0	113,556
1,493,091	1,493,091
1,147,523	1,292,115
103,810	327,143
6,087,609	19,052,260
(1,199,452)	(2,428,157)
0	10
745,271	1,205,271
0	358,135
1,715,000	3,218,310
(250,000)	(2,150,000)
147,000	147,000
2,357,271	2,778,726
1,157,819	350,569
4,978,198	14,684,546
(2,077)	(152,444)
$ 6,133,940	$ 14,882,671

Reconciliation Of The Statement Of Revenues, Expenditures And Changes In Fund Balances Of Governmental Funds To The Statement Of Activities For the Year Ended December 31, 2014

Net Change in Fund Balances - Total Governmental Funds	$	350,569
Amounts reported for governmental activities in the statement of activities are different because		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		2,977,138
Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the loss on the disposal of capital assets net of proceeds received.		(41,643)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(58,740)
The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net position. In addition, repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		(390,407)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		678
Some expenses reported in the statement of activities, such as compensated absences do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		(72,539)
The internal service funds are used by management to charge the costs of services to individual funds and is not reported in the statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among the governmental activities.		75,522
Change in Net Position of Governmental Activities	$	2,840,578

See accompanying notes to the basic financial statements


PAINESVILLE CITY HALL

Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) General Fund For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	$ 362,000	$ 362,000	$ 360,959	$ (1,041)
Municipal Income Taxes	6,703,200	7,603,200	8,153,220	550,020
Other Local Taxes	3,000	3,000	0	(3,000)
Intergovernmental Revenue	812,200	812,200	829,746	17,546
Charges for Services	153,980	153,980	45,755	(108,225)
Licenses, Permits and Inspection Fees	324,230	324,230	476,905	152,675
Investment Earnings	200,000	200,000	223,703	23,703
Fines and Forfeitures	988,200	988,200	1,019,718	31,518
All Other Revenues	346,670	411,670	453,416	41,746
Total Revenues	9,893,480	10,858,480	11,563,422	704,942
Expenditures:				
Current:				
General Government	3,672,903	3,585,180	3,546,516	38,664
Public Safety	6,221,762	6,247,611	6,208,344	39,267
Highways and Streets	668,473	745,944	738,029	7,915
Public Health and Welfare	119,075	121,375	121,115	260
Culture and Recreation	589,388	620,954	605,116	15,838
Community Environment	116,836	122,836	118,453	4,383
Debt Service:				
Principal Retirement	66,296	66,168	66,162	6
Interest and Fiscal Charges	7,792	7,792	7,792	0
Total Expenditures	11,462,525	11,517,860	11,411,527	106,333
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,569,045)	(659,380)	151,895	811,275
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	10	10
Sale of General Obligation Notes	51,000	51,000	0	(51,000)
Transfers In	551,195	1,226,194	1,578,310	352,116
Transfers Out	(435,000)	(2,051,000)	(2,051,000)	0
Advances In	0	0	10,000	10,000
Advances Out	(71,710)	0	0	0
Total Other Financing Sources (Uses):	95,485	(773,806)	(462,680)	311,126
Net Changes in Fund Balance	(1,473,560)	(1,433,186)	(310,785)	1,122,401
Fund Balance at Beginning of Year	4,396,959	4,396,959	4,396,959	0
Prior Year Encumbrances	506,282	506,282	506,282	0
Fund Balance at End of Year	$ 3,429,681	$ 3,470,055	$ 4,592,456	$ 1,122,401

See accompanying notes to the basic financial statements

Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Special Revenue Fund – Shamrock Business Center TIF Fund For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	$ 506,000	$ 506,000	$ 538,426	$ 32,426
Total Revenues	506,000	506,000	538,426	32,426
Expenditures:				
Current:				
Highways and Streets	2,752,302	2,752,302	2,476,157	276,145
Debt Service:				
Principal Retirement	557,000	557,000	557,000	0
Interest and Fiscal Charges	219,050	219,050	217,156	1,894
Total Expenditures	3,528,352	3,528,352	3,250,313	278,039
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,022,352)	(3,022,352)	(2,711,887)	310,465
Other Financing Sources (Uses):				
Issuance of OPWC Loans	800,000	360,000	358,135	(1,865)
General Obligation Notes Issued	460,000	460,000	460,000	0
Premiums on Debt Issuances	0	0	54	54
Transfers In	0	75,000	75,000	0
Total Other Financing Sources (Uses)	1,260,000	895,000	893,189	(1,811)
Net Change in Fund Balance	(1,762,352)	(2,127,352)	(1,818,698)	308,654
Fund Balance at Beginning of Year	2,196,808	2,196,808	2,196,808	0
Prior Year Encumbrances	318,137	318,137	318,137	0
Fund Balance at End of Year	$ 752,593	$ 387,593	$ 696,247	$ 308,654

See accompanying notes to the basic financial statements

Statement of Net Position
Proprietary Funds
December 31, 2014

	Business-Type Activities Enterprise Funds		
	Water	Sewer	Electric
Assets			
Current Assets:			
Pooled Cash and Investments	$ 2,407,599	$ 2,242,468	$ 21,256,912
Receivables:			
Accounts	460,745	294,300	2,323,430
Inventory of Supplies at Cost	0	0	565,924
Prepaid Items	86,289	66,284	165,018
Total Current Assets	2,954,633	2,603,052	24,311,284
Noncurrent Assets:			
Restricted Assets:			
Cash and Cash Equivalents	421,398	0	764,411
Total Restricted Assets	421,398	0	764,411
Investment in Joint Venture	0	0	1,031,453
Capital Assets:			
Capital Assets Not Being Depreciated	3,580,094	805,947	16,542,838
Capital Assets Being Depreciated, Net	18,943,134	8,632,069	12,465,229
Total Noncurrent Assets	22,944,626	9,438,016	30,803,931
Total Assets	25,899,259	12,041,068	55,115,215
Liabilities			
Current Liabilities:			
Accounts Payable	171,447	13,554	1,068,329
Accrued Wages and Benefits	105,998	100,218	271,589
Intergovernmental Payable	1,655	11,760	10,738
Claims Payable - Current	0	0	0
Refundable Deposits	421,398	0	764,411
Accrued Interest Payable	28,895	2,349	545
Capital Leases Payable - Current	186,342	35,135	24,364
Revenue Bond Payable - Current	0	0	256,053
OWDA Loans Payable - Current	95,532	0	0
OPWC Loans Payable - Current	41,261	2,048	0
Long Term Notes Payable - Current	332,250	59,000	0
Compensated Absences Payable - Current	60,597	160,920	342,782
Total Current Liabilities	1,445,375	384,984	2,738,811

Other Enterprise Funds	Total	Governmental Activities - Internal Service Funds
$ 670,471	$ 26,577,450	$ 363,267
44,708	3,123,183	0
0	565,924	0
3,464	321,055	0
718,643	30,587,612	363,267
3,929	1,189,738	0
3,929	1,189,738	0
0	1,031,453	0
498,958	21,427,837	0
2,320,327	42,360,759	0
2,823,214	66,009,787	0
3,541,857	96,597,399	363,267
13,021	1,266,351	1,161
7,188	484,993	0
0	24,153	0
0	0	561,653
3,929	1,189,738	0
3,873	35,662	0
10,580	256,421	0
0	256,053	0
0	95,532	0
0	43,309	0
63,844	455,094	0
3,041	567,340	0
105,476	4,674,646	562,814

(Continued)

Statement of Net Position
Proprietary Funds
December 31, 2014

	Business-Type Activities Enterprise Funds		
	Water	Sewer	Electric
Noncurrent Liabilities:			
Capital Leases Payable	2,602,328	243,956	165,555
Claims Payable	0	0	0
Revenue Bonds Payable	0	0	539,036
OWDA Loans Payable	518,861	3,094,481	0
OPWC Loans Payable	0	24,587	0
Long Term Notes Payable	1,357,149	113,930	0
Compensated Absences Payable	312,917	189,550	442,596
Total Noncurrent Liabilities	4,791,255	3,666,504	1,147,187
Total Liabilities	6,236,630	4,051,488	3,885,998
Net Position			
Net Investment in Capital Assets	17,389,505	5,864,879	28,818,148
Unrestricted	2,273,124	2,124,701	22,411,069
Total Net Position	$ 19,662,629	$ 7,989,580	$ 51,229,217
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise funds.			
Net Position of Business-type Activities			

See accompanying notes to the basic financial statements

Other Enterprise Funds	Total	Governmental Activities - Internal Service Funds
32,827	3,044,666	0
0	0	544,838
0	539,036	0
0	3,613,342	0
0	24,587	0
328,556	1,799,635	0
14,599	959,662	0
375,982	9,980,928	544,838
481,458	14,655,574	1,107,652
2,383,478	54,456,010	0
676,921	27,485,815	(744,385)
$ 3,060,399	$ 81,941,825	$ (744,385)
	(389,858)	
	$ 81,551,967	

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2014

	Business-Type Activities Enterprise Funds		
	Water	Sewer	Electric
Operating Revenues:			
Charges for Services	$ 4,316,082	$ 3,524,504	$ 25,551,677
Other Charges for Services	136,457	42,081	287,503
Other Operating Revenues	291,137	93,052	108,957
Total Operating Revenues	4,743,676	3,659,637	25,948,137
Operating Expenses:			
Personal Services	2,411,497	2,481,064	6,434,418
Contractual Services	1,488,283	608,187	2,213,997
Materials and Supplies	565,945	248,446	1,681,289
Utilities	406,025	277,603	13,718,021
Depreciation	1,036,624	637,102	678,446
Total Operating Expenses	5,908,374	4,252,402	24,726,171
Operating Income (Loss)	(1,164,698)	(592,765)	1,221,966
Non-Operating Revenue (Expenses):			
Interest and Fiscal Charges	(182,030)	(124,303)	(6,838)
Loss on Disposal of Assets	0	(200)	(50)
Loss on Investment in Joint Venture	0	0	(158,090)
Intergovernmental Grants	98,071	10,000	20,000
Other Nonoperating Revenue	1,465,440	47,556	159,607
Other Nonoperating Expense	(26,674)	(10,510)	(72,609)
Total Non-Operating Revenues (Expenses)	1,354,807	(77,457)	(57,980)
Income (Loss) Before Transfers and Contributions	190,109	(670,222)	1,163,986

Other Enterprise Funds	Total	Governmental Activities - Internal Service Funds
$ 511,041	$ 33,903,304	$ 4,051,836
6,983	473,024	0
2,468	495,614	0
520,492	34,871,942	4,051,836
169,110	11,496,089	2,758,847
133,899	4,444,366	816,985
21,643	2,517,323	322,634
18,736	14,420,385	0
61,016	2,413,188	0
404,404	35,291,351	3,898,466
116,088	(419,409)	153,370
(5,336)	(318,507)	0
0	(250)	0
0	(158,090)	0
0	128,071	0
2,000	1,674,603	0
0	(109,793)	0
(3,336)	1,216,034	0
112,752	796,625	153,370

(Continued)

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2014

	Business-Type Activities Enterprise Funds		
	Water	Sewer	Electric
Transfers and Contributions:			
Transfers In	0	0	0
Transfers Out	0	(25,000)	(1,153,310)
Capital Contributions	0	0	146
Total Transfers and Contributions	0	(25,000)	(1,153,164)
Change in Net Position	190,109	(695,222)	10,822
Net Position Beginning of Year	19,472,520	8,684,802	51,218,395
Net Position End of Year	$ 19,662,629	$ 7,989,580	$ 51,229,217

Change in Net Position - Total Enterprise Funds

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

Change in Net Position - Business-type Activities

See accompanying notes to the basic financial statements

Other Enterprise Funds	Total	Governmental Activities - Internal Service Funds
60,000	60,000	50,000
0	(1,178,310)	0
0	146	0
60,000	(1,118,164)	50,000
172,752	(321,539)	203,370
2,887,647	82,263,364	(947,755)
$ 3,060,399	$ 81,941,825	$ (744,385)
	$ (321,539)	
	127,848	
	$ (193,691)	

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2014

	Business-Type Activities Enterprise Funds		
	Water	Sewer	Electric
Cash Flows from Operating Activities:			
Cash Received from Customers	$6,295,167	$3,779,909	$26,692,837
Cash Receipts from Interfund Services Provided	0	0	0
Cash Payments for Goods and Services	(2,314,930)	(1,099,862)	(16,861,133)
Cash Payments to Employees	(2,397,070)	(2,489,692)	(6,445,670)
Cash Payments for Employee Medical Claims	0	0	0
Net Cash Provided by Operating Activities	1,583,167	190,355	3,386,034
Cash Flows from Noncapital Financing Activities:			
Operating Grants Received	98,071	10,000	20,000
Transfers In from Other Funds	0	0	0
Transfers Out to Other Funds	0	(25,000)	(1,153,310)
Net Cash Provided (Used) by Noncapital Financing Activities	98,071	(15,000)	(1,133,310)
Cash Flows from Capital and Related Financing Activities:			
Proceeds of General Obligation Notes	1,689,399	172,930	0
Premiums on Debt Issuances	685	73	0
Principal Paid on General Obligation Notes	(789,454)	(251,300)	0
Intergovernmental Grants Received	0	0	146
Acquisition and Construction of Assets	(1,443,168)	(96,763)	(1,382,857)
Issuance of OPWC Loans	89,600	0	0
Principal Paid on Capital Leases	(178,979)	(34,267)	(23,769)
Principal Paid on General Obligation Bonds	(1,250,000)	0	0
Principal Paid on Ohio Public Works Commission Loans	(41,357)	(2,048)	0
Principal Paid on Ohio Water Development Authority Loans	(91,257)	(143,148)	0
Interest Paid on All Debt	(180,949)	(124,929)	(6,958)
Net Cash Used for Capital and Related Financing Activities	(2,195,480)	(479,452)	(1,413,438)
Net Increase (Decrease) in Cash and Cash Equivalents	(514,242)	(304,097)	839,286
Cash and Cash Equivalents at Beginning of Year	3,343,239	2,546,565	21,182,037
Cash and Cash Equivalents at End of Year	$2,828,997	$2,242,468	$22,021,323
Reconciliation of Cash and Cash Equivalents per the Balance Sheet			
Cash and Cash Equivalents	$2,407,599	$2,242,468	$21,256,912
Restricted Cash and Cash Equivalents	421,398	0	764,411
Cash and Cash Equivalents at End of Year	$2,828,997	$2,242,468	$22,021,323

Other Enterprise Funds	Total	Governmental Activities Internal Service Funds
$529,313	$37,297,226	$0
0	0	4,051,836
(174,373)	(20,450,298)	(1,138,097)
(171,796)	(11,504,228)	(306,528)
0	0	(2,602,799)
183,144	5,342,700	4,412
0	128,071	0
60,000	60,000	50,000
0	(1,178,310)	0
60,000	(990,239)	50,000
392,400	2,254,729	0
159	917	0
(468,370)	(1,509,124)	0
0	146	0
(43,412)	(2,966,200)	0
0	89,600	0
(10,404)	(247,419)	0
0	(1,250,000)	0
0	(43,405)	0
0	(234,405)	0
(5,709)	(318,545)	0
(135,336)	(4,223,706)	0
107,808	128,755	54,412
566,592	27,638,433	308,855
$674,400	$27,767,188	$363,267
$670,471	$26,577,450	$363,267
3,929	1,189,738	0
$674,400	$27,767,188	$363,267

(Continued)

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2014

	Business-Type Activities Enterprise Funds		
	Water	Sewer	Electric
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Operating Income (Loss)	($1,164,698)	($592,765)	$1,221,966
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation Expense	1,036,624	637,102	678,446
Miscellaneous Nonoperating Revenues	1,532,545	76,601	245,803
Miscellaneous Nonoperating Expenses	(70,813)	(10,384)	(61,962)
Changes in Assets and Liabilities:			
Decrease in Accounts Receivable	18,946	43,671	498,897
Decrease in Inventory	191,110	55,168	147,520
Increase in Prepaid Items	(5,116)	(5,274)	(25)
Increase (Decrease) in Accounts Payable	29,453	1,723	911,316
Increase (Decrease) in Accrued Wages and Benefits	13,518	11,753	29,242
Increase (Decrease) in Intergovernmental Payable	855	(6,586)	10,738
Increase (Decrease) in Compensated Absences Payable	743	(20,654)	(40,760)
Decrease in Payable to Joint Venture	0	0	(255,147)
Decrease in Claims Liability	0	0	0
Total Adjustments	2,747,865	783,120	2,164,068
Net Cash Provided by Operating Activities	$1,583,167	$190,355	$3,386,034

Schedule of Noncash Investing, Capital and Financing Activities:

As of December 31, 2014 the Water, Electric, and Storm Water Funds had outstanding liabilities of $116,055, $58,321, and $12,484 respectively for the purchase of certain capital assets.

See accompanying notes to the basic financial statements

Other Enterprise Funds	Total	Governmental Activities Internal Service Funds
$116,088	($419,409)	$153,370
61,016	2,413,188	0
2,000	1,856,949	0
0	(143,159)	0
6,821	568,335	0
0	393,798	31,077
(162)	(10,577)	0
72	942,564	(36,925)
(50)	54,463	0
(5)	5,002	0
(2,636)	(63,307)	0
0	(255,147)	0
0	0	(143,110)
67,056	5,762,109	(148,958)
$183,144	$5,342,700	$4,412

Statement of Net Position
Fiduciary Funds
December 31, 2014

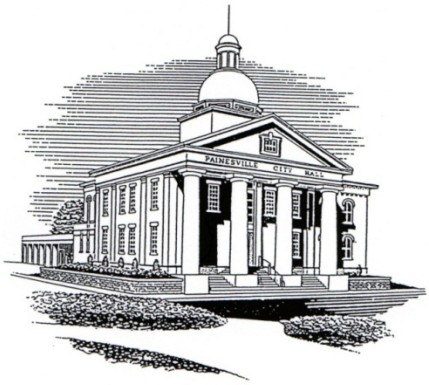
	Private Purpose Trust	
	Deposit Trust	Agency
Assets:		
Cash and Cash Equivalents	$ 635,230	$ 414,838
Receivables:		
Taxes	0	84,659
Total Assets	635,230	499,497
Liabilities:		
Accounts Payable	400	0
Intergovernmental Payable	620	63,494
Due to Others	0	436,003
Total Liabilities	1,020	499,497
Net Position:		
Unrestricted	634,210	0
Total Net Position	$ 634,210	$ 0

See accompanying notes to the basic financial statements

Statement of Changes in Net Position
Fiduciary Fund
For the Year Ended December 31, 2014

	Private Purpose Trust Deposit Trust
Additions:	
Contributions:	
Private Donations	$ 96,627
Total Additions	96,627
Deductions:	
Administrative Expenses	47,330
Total Deductions	47,330
Change in Net Position	49,297
Net Position at Beginning of Year	584,913
Net Position End of Year	$ 634,210

See accompanying notes to the basic financial statements


PAINESVILLE CITY HALL

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Painesville, Ohio (the City), is a home-rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Council/Manager form of government, was adopted on November 6, 1962 and has been amended four times (1963, 1973, 1983 and 1989).

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (the "GASB") Statement No. 14, *"The Financial Reporting Entity,"* as amended by GASB Statement No. 39, "*Determining Whether Certain Organizations Are Component Units"* and GASB Statement No. 61, "*The Financial Reporting Entity; Omnibus"* in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, agencies, boards and commissions that are part of the primary government, which includes the following services: public safety (police and fire), health (health department), culture and recreation (parks and recreation), community environment (planning, zoning and community development), basic utility (water, electric, sanitation, public parking and wastewater pollution control), highways and streets (street and highway maintenance), and general government (administrative services including the municipal court).

Joint Venture with Equity Interest – The City is a participant with thirty-five other subdivisions within the State of Ohio in the Ohio Municipal Electric Generation Agency Joint Venture 2 (Omega JV-2). The Omega JV-2 was created to provide additional sources of reliable, reasonably priced electric power and energy when prices are high or during times of generation shortages or transmission constraints, and to improve the reliability and economics of the participants' respective municipal electric utility systems. The Omega JV-2 is managed by AMP-Ohio, which acts as the joint venture's agent. See Note 16, "Joint Venture."

B. Basis of Presentation - Fund Accounting

The accounting system is organized and operated on the basis of 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, deferred outflows/inflows of resources, fund equity, revenues and expenditures (expenses).

The various funds are grouped into generic fund types and three broad fund categories for financial statement presentation purposes. Governmental funds include the general, special revenue, debt service, capital projects, and permanent funds. Proprietary funds include enterprise and internal service funds. Fiduciary funds include trust and agency funds. The following fund types are used by the City:

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Governmental Funds - Governmental funds are those funds 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 the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the City's major governmental funds:

General Fund - This fund is used to account for all financial resources except those accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio and the provisions of the City Charter.

Shamrock Business Center TIF Fund – This fund accounts for bond proceeds to be used for the extension of Shamrock Boulevard. The debt is retired from payments received in lieu of taxes per the tax increment financing agreement.

The other governmental funds of the City account for grants and other resources whose use is restricted to a particular purpose.

Proprietary Funds - All proprietary funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets, liabilities, and deferred outflows/inflows of resources associated with the operation of these funds are presented on the statement of net position. Proprietary fund type operating statements present increases (i.e. revenues) and decreases (i.e. expenses) in net position.

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (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 maintains separate enterprise funds for its water, sewer, electricity, refuse, off-street parking, storm water utility services and community programs. The following are the City's major enterprise funds:

Water Fund - This fund is used to account for the operation of the City's water treatment and distribution systems.

Sewer Fund - This fund is used to account for the operation of the City's sewage treatment and collection systems.

Electric Fund - This fund is used to account for the operation of the City's electric generation and distribution systems.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Internal Service Funds - These 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 City, or to other governments, on a cost-reimbursement basis. The City uses internal service funds to account for costs associated with fuel, supplies, employee health insurance, and worker's compensation.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Fiduciary funds are used to account for assets the City holds in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. The City's fiduciary funds are private-purpose trust funds and agency funds. The City's private-purpose trust fund accounts for various deposits held by the City. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations. The City's agency funds account for monies that flow through the Municipal Court, monies from electric license fees, monies from the sale of property under the Land Bank Program, deposits from contractors, and income tax collections generated by the Concord Township Joint Economic Development District.

C. Basis of Presentation - Financial Statements

Government-wide Financial Statements – The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities. In order to avoid distorting the measurement of the cost of individual functional activities, entries are made to eliminate the activity provided by the internal service funds to those funds considered governmental and those considered business-type. These balances appear as internal balances on the statement of net position.

Interfund receivables and payables between governmental and business-type activities have been eliminated in the government-wide Statement of Net Position. These eliminations minimize the duplicating effect on assets and liabilities within the governmental and business-type activities total column. Interfund services provided and used are not eliminated in the process of consolidation.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

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

Fund Financial Statements – Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets, current liabilities, and deferred outflows/inflows of resources, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

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

D. Basis of Accounting

The basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses in the accounts and reported in the financial statements and relates to the timing of the measurements made. The accounting and reporting treatment applied to a fund is determined by its measurement focus. The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is considered to be 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. Revenue from income taxes is recognized in the period in which the income is earned and is available. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied and the revenue is available. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

Revenue considered susceptible to accrual at year end includes income taxes, interest on investments, fines and forfeitures, and state levied locally shared taxes (including motor vehicle license fees and local government assistance). Other revenue, including licenses, permits, certain charges for services, and miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received.

Special assessment installments, including related accrued interest, which are measurable but not available at December 31, are recorded as deferred inflows of resources. Property taxes which are measurable at December 31, 2014, but which are not intended to finance 2014 operations or are not expected to be received within sixty (60) days after year end, are recorded as deferred inflows of resources. Property taxes are further described in Note 5.

The accrual basis of accounting is utilized for reporting purposes by all government wide statements, proprietary and fiduciary (including agency) funds. Revenues are recognized when they are earned and expenses are recognized when they are incurred. Allocations of costs, such as depreciation, are recorded in the proprietary funds.

E. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the annual tax budget, the certificate of estimated resources and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

All funds, other than agency funds, are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The primary level of budgetary control is at the program level (general government, public safety, highways and streets, public health and welfare, culture and recreation and community environment) and within each program at the level of personal services, certain other expenditures, capital outlay and transfers as required by Ohio law. The City Manager is authorized to transfer appropriations between objects of expenditure budgeted within the same program, so long as total appropriations for each program do not exceed the amount approved by Council. Budgetary modifications, other than those noted previously, may only be made by ordinance of the City Council.

1. Tax Budget

By July 15, the City Manager submits an annual tax budget for the following fiscal year to City Council for consideration and passage. The adopted budget is submitted to the County Auditor, as secretary of the County Budget Commission, by July 20th of each year, for the period January 1 to December 31 of the following year.

2. Estimated Resources

The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Budget Commission then certifies its actions to the City by September 1st of each year. As part of the certification process, the City receives an official certificate of estimated resources which states the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The estimated revenue amounts reported on the accompanying budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued for 2014.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

3. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1st of each year for the period January 1 through March 31. By Charter, the City Manager must submit an annual appropriation ordinance (for the period January 1 through December 31) to City Council by March 31 of each year. The primary level of budgetary control is at the program level (general government, public safety, highways and streets, public health and welfare, culture and recreation and community environment) and within each program at the level of personal services, certain other expenditures, capital outlay and transfers as required by Ohio law. The appropriation ordinance may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. During the year, several supplemental appropriations were necessary. The budgetary figures which appear in the Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual—General Fund, and major special revenue fund (Shamrock Business Center TIF Fund) are presented on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications.

4. Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance.

5. Lapsing of Appropriations

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

6. Budgetary Basis of Accounting

The City's budgetary process accounts for the City’s transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on the cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. Encumbrances are recorded as the equivalent of expenditures on the budgetary basis. On the budgetary basis investment earnings are recognized when realized, whereas on a GAAP basis unrealized gains and losses are recognized when investments are adjusted to fair value.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

6. Budgetary Basis of Accounting (Continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the "Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual" for the General Fund and Major Special Revenue Fund:

	Net Change in Fund Balance	
	General Fund	Shamrock Business Center TIF Fund
GAAP Basis (as reported)	($4,542)	($802,708)
Increase (Decrease):		
Accrued Revenues at December 31, 2014 received during 2015	(1,923,021)	0
Accrued Revenues at December 31, 2013 received during 2014	2,245,458	0
Accrued Expenditures at December 31, 2014 paid during 2015	435,913	0
Accrued Expenditures at December 31, 2013 paid during 2014	(455,287)	(528,116)
2013 Prepaids for 2014	76,837	0
2014 Prepaids for 2015	(91,065)	0
2013 Adjustment to Fair Value	2,266	0
2014 Adjustment to Fair Value	51,399	0
Outstanding Encumbrances	(647,743)	(487,874)
Perspective Difference:		
Activity of Funds Reclassified for GAAP Reporting Purposes	(1,000)	0
Budget Basis	($310,785)	($1,818,698)

F. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, the State Treasury Asset Reserve (STAR Ohio), and short-term certificates of deposit with original maturities of three months or less. The STAR Ohio is considered an investment for purposes of GASB Statement No. 3, but it is reported as a cash equivalent in the basic financial statements because it is a highly liquid instrument which is readily convertible to cash.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Cash Equivalents (Continued)

The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash, including the investment instrument described above, represents the balance on hand as if each fund maintained its own cash and investments account. For purposes of the statement of cash flows, the share of equity in the pooled cash and investments of the proprietary funds is considered to be a cash equivalent. See Note 4 "Cash and Cash Equivalents."

G. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution, the Ohio Revised Code, and the City Charter. In accordance with GASB Statement No. 31, *"Accounting and Financial Reporting for Certain Investments and for External Investment Pools"*, the City reports its investments at fair value, except for nonparticipating investment contracts (certificates of deposit) which are reported at cost, which approximates fair value. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements. Fair value is determined by quoted market prices. Interest revenue credited to the General Fund during 2014 amounted to $147,069, which includes $134,603 assigned from other funds.

The City invested funds in the STAR Ohio during 2014. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2014. See Note 4 "Cash and Cash Equivalents."

H. Accounts Receivable

Receivables consist primarily of taxes in the governmental funds and accounts (billings for user charged services, including unbilled amounts) in the proprietary funds.

I. Inventory

On the government-wide financial statements and in the proprietary funds, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used. Inventories of governmental funds are stated at cost. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental funds when purchased.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Capital Assets and Depreciation

Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life threshold of three or more years.

1. Property, Plant and Equipment - Governmental Activities

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements.

Contributed capital assets are recorded at fair market value at the date received. Capital assets include land, improvements to land, buildings, building improvements, machinery, equipment and infrastructure. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems.

2. Property, Plant and Equipment – Business Type Activities

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Contributed capital assets are recorded at fair market value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Position and in the respective funds.

3. Depreciation

All capital assets are depreciated, excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

Description	Governmental and Business-Type Activities Estimated Lives (Years)
Buildings and Improvements	40 - 60
Utility Plant in Service	20 - 60
Improvements other than Buildings	20
Infrastructure	25 - 50
Machinery, Equipment, Furniture, Fixtures and Vehicles	5 - 15

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Interfund Transactions

During the course of normal operations, the City has numerous transactions between funds, most of which are in the form of transfers of resources to provide services, construct assets, and service debt. The accompanying financial statements generally reflect such transactions as transfers. To the extent that certain transactions between funds have not been paid or received as of year end, interfund receivables or payables have been recorded.

L. Compensated Absences

In accordance with GASB Statement No. 16, "*Accounting for Compensated Absences*," the City records a liability for vacation time and sick leave when the obligation is attributable to services previously rendered, to rights that vest or accumulate, and where payment of the obligation is probable and can be reasonably determined. For governmental funds, that portion of unpaid compensated absences that is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." The City only reports a "Compensated Absence Payable" in governmental funds if the liability has matured. In the government wide statement of net position, "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account. Compensated absences are expensed in the proprietary funds when earned and the related liability is reported within the fund.

Employees of the City earn vacation leave at various rates within limits specified under collective bargaining agreements or under statute. At termination or retirement, employees are paid at their full rate for 100% of their unused vacation leave.

Sick leave is accrued using the vesting method, whereby the liability is recorded on the basis of leave accumulated by employees who are eligible to receive termination payments, as of the balance sheet date, and on leave balances accumulated by other employees who are expected to become eligible in the future to receive such payments.

M. Long-Term Debt

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, claims and judgments, compensated absences, contractually required pension contributions and special termination benefits are reported in the government wide statement of net position as a liability to the extent that they will not be paid with current expendable available financial resources. Such liabilities are reported in the government wide statement of net position in the "Due within one year" account and the "Due in more than one year" account. Payments made more than 60 days after year end are generally considered not to have been paid with current available financial resources. Bonds are recognized as a liability in the government wide statement of net position. Long-term debt and other obligations to be paid from proprietary funds are reported in those funds.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Long-Term Debt (Continued)

Long-term liabilities are being repaid from the following funds:

Obligation	Fund
General Obligation Bonds	Water Fund, General Bond Retirement Fund
Special Assessment Bonds	Special Assessment Bond Retirement Fund
Ohio Public Works Commission (OPWC) Loans	Street Construction, Maintenance and Repair Fund Water Fund, Sewer Fund
Ohio Water Development Authority (OWDA) Loans	Water Fund Sewer Fund
Mortgage Revenue Bonds	Electric Fund
Police and Fire Pension Accrued Liability	General Fund
Workers' Compensation Liability	Workers' Compensation Retrospective Fund
Capital Leases	General Fund Street Construction, Maintenance and Repair Fund Cemeteries Fund Capital Equipment Reserve Fund Capital Improvement Fund Water Fund Sewer Fund Electric Fund Storm Water Utility Fund
Compensated Absences	General Fund Street Construction, Maintenance and Repair Fund Cemeteries Fund Water Fund Sewer Fund Electric Fund Off-Street Parking Fund Storm Water Utility Fund
Long-Term Notes Payable	General Fund, Water Fund, Sewer Fund, Storm Water Utility Fund

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Fund Balances

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted – Restricted fund balance consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

Committed – Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest level of decision making authority. For the City, these constraints consist of ordinances passed by City Council. Committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action (ordinance) it employed previously to commit those amounts.

Assigned – Assigned fund balance consists of amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Assigned amounts represent intended uses established by policies of City Council, including giving the Finance Director the authority to constrain monies for intended purposes. City Council may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenues and appropriations in the subsequent year's appropriated budget. Through the City's purchasing policy, City Council has given the Finance Director the authority to constrain monies for intended purposes, which are also reported as assigned fund balance.

Unassigned – Unassigned fund balance consists of amounts that have not been restricted, committed or assigned to specific purposes within the General Fund as well as negative fund balances in all other governmental funds.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted (committed, assigned and unassigned) resources as they are needed.

O. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2014, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Restricted Assets

Certain cash and cash equivalents are classified as restricted on the balance sheet because these funds are being held by a trustee, an agent or by the City for specified purposes.

Q. Intergovernmental Revenues

In governmental funds, grants awarded on a non-reimbursement basis, entitlements and shared revenues are recorded as intergovernmental receivables and revenues when measurable and available. Reimbursable grants are recorded as intergovernmental receivables and revenues when the related expenditures are made.

Grants received for proprietary fund operations are recognized as revenues when measurable and earned. Such resources restricted for the construction of capital assets are recorded as contributed capital.

R. Pensions

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

S. Net Position

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

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

T. Estimates

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

U. Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water treatment and distribution, wastewater collection and treatment, maintenance of storm water collection systems, electric distribution, off-street parking and collection of solid waste refuse. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

V. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Council and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2014.

W. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The City reports no deferred outflows of resources.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, *unavailable amounts,* is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for property taxes, income taxes, special assessments, and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

NOTE 2 – RECONCILITATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position of governmental activities as reported in the government-wide statement of net position. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

Other long-term assets not available to pay for current-period expenditures:

Tax Revenues	$121,932
Shared Revenues	548,415
Interest Revenues	62,730
Special Assessment Revenue	195,202
	$928,279

Long-Term liabilities not reported in the funds:

General Obligation Bonds Payable	($8,750,908)
Special Assessment Bonds Payable	(270,000)
Long Term Notes Payable	(1,205,271)
OPWC Loans Payable	(1,261,736)
Construction Loan Payable	(135,547)
Accrued Interest on Long-Term Debt	(89,474)
Capital Leases Payable	(281,980)
Police/Firemen's Pension Accrued Liability	(664,109)
Compensated Absences Payable	(1,398,150)
	($14,057,175)

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NOTE 2 – RECONCILITATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government – wide statement of activities. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

Amount by which capital outlay exceeded depreciation in the current period:

Capital Outlay	$4,506,100
Depreciation Expense	(1,528,962)
	$2,977,138

Governmental revenues not reported in the funds:

Decrease in Tax Revenue	($45,953)
Increase in Intergovernmental Revenue	14,167
Increase in Interest Revenue	30,197
Decrease in Special Assessment Revenue	(57,151)
	($58,740)

Net amount of long-term debt issuance and principal payments:

Long-Term Note Issuance	($1,205,271)
Long-Term Note Principal Payment	960,876
Premium Amortization	7,828
General Obligation Bond Principal Payment	172,000
Special Assessment Bond Principal Payment	20,000
Construction Loan Principal Payment	67,592
OPWC Loan Principal Payment	4,890
OPWC Loan Issuance	(358,135)
Police/Firemen's Pension Liability Payment	20,056
Capital Lease Issuance	(147,000)
Capital Lease Payments	66,757
	($390,407)

Expenses not requiring the use of current financial resources:

Decrease in Compensated Absences Payable	$79,905
Decrease in Supplies Inventory	(152,444)
	($72,539)

NOTE 3 – FUND BALANCE CLASSIFICATION

Fund balance is classified as nonspendable, restricted, committed, assigned, and 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:

Fund Balances	General Fund	Shamrock Business Center TIF Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:				
Land Held for Resale	$785,000	$0	$0	$785,000
Prepaid Items	91,065	0	13,655	104,720
Permanent Fund Corpus	0	0	1,265,350	1,265,350
Total Nonspendable	876,065	0	1,279,005	2,155,070
Restricted:				
Street Maintenance and Repair	0	0	1,789,262	1,789,262
Cemetery Maintenance	0	0	179,123	179,123
Law Enforcement	0	0	261,766	261,766
Fire Department Operations	0	0	351,226	351,226
Drug and Alcohol Treatment	0	0	56,771	56,771
Adult Probation Program	0	0	44,710	44,710
Court Computer Improvements	0	0	70,063	70,063
Debt Retirement	0	0	251,607	251,607
Capital Improvements	0	1,184,121	474,365	1,658,486
Total Restricted	0	1,184,121	3,478,893	4,663,014
Committed:				
Emergency Medical Services	0	0	353,876	353,876
Capital Improvements	0	0	1,081,951	1,081,951
Other Purposes	0	0	931	931
Total Committed	0	0	1,436,758	1,436,758
Assigned:				
Budget Resource	293,233	0	0	293,233
General Government	194,505	0	0	194,505
Public Safety	366,662	0	0	366,662
Highways and Streets	37,952	0	0	37,952
Public Health and Welfare	51	0	0	51
Culture and Recreation	25,584	0	0	25,584
Community Environment	5,798	0	0	5,798
Total Assigned	923,785	0	0	923,785
Unassigned (Deficits):	5,764,760	0	(60,716)	5,704,044
Total Fund Balances	$7,564,610	$1,184,121	$6,133,940	$14,882,671

NOTE 4 - CASH AND CASH EQUIVALENTS

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments.

Statutes require the classification of funds held by the City into three categories. Category 1 consists of "active" funds - those funds required to be kept in a "cash" or "near cash" status for immediate use by the City. Such funds must be maintained either as cash in the City Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of "inactive" funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

Category 3 consists of "interim" funds - those funds which are not needed for immediate use but, which will be needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;

- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

- Interim deposits in eligible institutions applying for interim funds;

- Bonds and other obligations of the State of Ohio;

- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and;

- The State Treasury Asset Reserve of Ohio (STAR Ohio).

NOTE 4 - CASH AND CASH EQUIVALENTS (Continued)

A. Deposits

Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned. Protection of City cash and deposits is provided by the federal deposit insurance corporation as well as qualified securities pledged by the institution holding the assets. Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

At year end the carrying amount of the City's deposits was $12,361,779 and the bank balance was $12,953,384. Federal depository insurance covered $1,760,019 of the bank balance and $11,193,365 was uninsured. Of the remaining uninsured bank balance, the City was exposed to custodial risk as follows:

	Balance
Uninsured and collateralized with securities held by the pledging institution's trust department not in the City's name	$11,193,365
Total Balance	$11,193,365

B. Investments

The City's investments at December 31, 2014 were as follows:

	Fair Value	Credit Rating	Concentration of Credit Risk	Investment Maturities (in Years) less than 1	1-3	3-5
STAR Ohio	$52,604	AAAm [1]	0.18%	$52,604	$0	$0
Negotiable CD's	8,164,275	AAA[3]	27.77%	2,489,637	4,206,736	1,467,902
FHLB	6,492,248	AA+[1] /Aaa[2]	22.08%	1,001,610	2,495,415	2,995,223
FHLMC	4,440,732	AA+[1] /Aaa[2]	15.11%	0	3,440,472	1,000,260
FFCB	7,492,356	AA+[1] /Aaa[2]	25.49%	1,001,085	2,494,294	3,996,977
FNMA	2,754,930	AAA[1] /Aaa[2]	9.37%	0	0	2,754,930
Total Investments	$29,397,145		100.00%	$4,544,936	$12,636,917	$12,215,292

[1] Standard & Poor's
[2] Moody's Investor Service
[3] All are fully FDIC insured and therefore have an implied AAA credit rating

NOTE 4 - CASH AND CASH EQUIVALENTS (Continued)

B. Investments (Continued)

Interest Rate Risk – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date.

Investment Credit Risk – The City has no investment policy that limits its investment choices other than the limitation of State statute for "interim" funds described previously.

Concentration of Credit Risk – The City places no limit on the amount the City may invest in one issuer. Allocation of the City's investments by issuer is detailed in the table above.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party.

NOTE 5 - PROPERTY TAX

Property taxes include amounts levied against all real estate and public utility property located in the City. Real property taxes (other than public utility) collected during 2014 were levied after October 1, 2013 on assessed values as of January 1, 2013, the lien date. Assessed values are established by the county auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments are made in the third year following reappraisal. The last reappraisal was completed in 2009. Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by June 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100 percent of its true value. Public utility property taxes are payable on the same dates as real property described previously.

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

NOTE 5 - PROPERTY TAX (Continued)

The full tax rate for all City operations for the year ended December 31, 2014 was $8.17 per $1,000 of assessed value. The assessed value upon which the 2014 collections were based was $219,194,440. This amount constitutes $216,987,990 in real property assessed value and $2,206,450 in public utility assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Property taxes recorded as revenue in 2014 were based on a tax rate equal to .817% (8.17 mills) of assessed value.

NOTE 6 - RECEIVABLES

Receivables at December 31, 2014 consisted of taxes, interest, accounts receivable, special assessments, and intergovernmental receivables arising from shared revenues.

NOTE 7 - LAND HELD FOR RESALE

In December 1999, the City purchased 43.1 acres of land with the intent of resale as part of the City's economic development strategy. Additional land was purchased during 2001 for the same purpose. This land is instrumental in the development of commercial or industrial facilities to create and preserve jobs. At December 31, 2014 the City's Land Held for Resale balance was $785,000.

NOTE 8 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at December 31, 2014 consist of the following individual fund receivables and payables:

Fund	Interfund Loan Receivable	Interfund Loan Payable
General Fund	$210,000	$0
Nonmajor Governmental Fund:		
Fire Levy Fund	0	210,000
Totals	$210,000	$210,000

The interfund loan balances result from the General Fund's advance of monies to the Fire Levy Fund to assist the fund's cashflow. The advance is scheduled to be repaid during the 2015 fiscal year.

NOTE 9 - TRANSFERS

Following is a summary of transfers in and out for all funds for 2014:

Fund	Transfers In	Transfers Out
Major Governmental Funds:		
General Fund	$1,428,310	$1,900,000
Shamrock Business Center TIF Fund	75,000	0
Total Major Governmental Funds	1,503,310	1,900,000
Major Enterprise Funds:		
Sewer Fund	0	25,000
Electric Fund	0	1,153,310
Total Major Enterprise Funds	0	1,178,310
Nonmajor Governmental Funds:		
Street Construction, Maintenance and Repair Fund	450,000	0
State Highway Improvement Fund	15,000	0
Cemeteries Fund	290,000	0
Capital Equipment Reserve Fund	375,000	0
Capital Improvement Fund	570,000	0
Industrial Park Project Fund	15,000	0
Millstone Acquisition Fund	0	250,000
Total Nonmajor Governmental Funds	1,715,000	250,000
Nonmajor Enterprise Funds:		
Off-Street Parking Fund	60,000	0
Total Nonmajor Enterprise Funds	60,000	0
Internal Service Funds:		
Fuel and Oil Rotary Fund	50,000	0
Total Internal Service Funds	50,000	0
Total All Funds	$3,328,310	$3,328,310

Transfers are used to (1) move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorization. The City's transfers out were made in accordance to City ordinances as required by Ohio Revised Code.

NOTE 10 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at December 31, 2014:

Historical Cost:

Class	December 31, 2013	Additions	Deletions	December 31, 2014
Capital assets not being depreciated:				
Land	$9,838,526	$0	$0	$9,838,526
Construction in Progress	9,414,709	4,310,469	(247,985)	13,477,193
Subtotal	19,253,235	4,310,469	(247,985)	23,315,719
Capital assets being depreciated:				
Buildings and Improvements	5,444,096	0	0	5,444,096
Improvements other than Buildings	8,699,969	258,175	0	8,958,144
Machinery and Equipment	6,350,685	185,441	(67,426)	6,468,700
Infrastructure	24,929,303	0	0	24,929,303
Subtotal	45,424,053	443,616	(67,426)	45,800,243
Total Cost	$64,677,288	$4,754,085	($315,411)	$69,115,962

Accumulated Depreciation:

Class	December 31, 2013	Additions	Deletions	December 31, 2014
Buildings and Improvements	($2,443,687)	($57,525)	$0	($2,501,212)
Improvements other than Buildings	(1,784,891)	(224,377)	0	(2,009,268)
Machinery and Equipment	(4,805,538)	(416,083)	25,783	(5,195,838)
Infrastructure	(13,088,388)	(830,977)	0	(13,919,365)
Total Depreciation	($22,122,504)	($1,528,962) *	$25,783	($23,625,683)
Net Value:	$42,554,784			$45,490,279

* Depreciation expense was charged to governmental functions as follows:

General Government	$86,272
Public Safety	211,590
Highways and Streets	1,158,935
Public Health and Welfare	18,621
Culture and Recreation	50,840
Community Environment	2,704
Total Depreciation Expense	$1,528,962

NOTE 10 - CAPITAL ASSETS (Continued)

B. Business-Type Activities Capital Assets

Summary by category of changes in business-type activities capital assets at December 31, 2014:

Historical Cost:

Class	December 31, 2013	Additions	Deletions	December 31, 2014
Capital assets not being depreciated:				
Land	$1,397,784	$0	$0	$1,397,784
Construction In Progress	20,686,770	2,339,045	(2,995,762)	20,030,053
Subtotal	22,084,554	2,339,045	(2,995,762)	21,427,837
Capital assets being depreciated:				
Buildings and Improvements	32,177,026	289,496	0	32,466,522
Infrastructure	44,746,814	1,254,158	0	46,000,972
Machinery and Equipment	26,992,303	1,430,303	(116,331)	28,306,275
Subtotal	103,916,143	2,973,957	(116,331)	106,773,769
Total Cost	$126,000,697	$5,313,002	($3,112,093)	$128,201,606

Accumulated Depreciation:

Class	December 31, 2013	Additions	Deletions	December 31, 2014
Buildings and Improvements	($20,296,760)	($527,451)	$0	($20,824,211)
Infrastructure	(22,241,536)	(1,066,472)	0	(23,308,008)
Machinery and Equipment	(19,577,607)	(819,265)	116,081	(20,280,791)
Total Depreciation	($62,115,903)	($2,413,188)	$116,081	($64,413,010)
Net Value:	$63,884,794			$63,788,596

NOTE 11 – DEFINED BENEFIT PENSION PLANS

All of the City's full-time employees participate in one of two separate retirement systems which are cost-sharing multiple employer defined benefit pension plans.

A. Ohio Public Employees Retirement System ("OPERS")

The following information was provided by OPERS to assist the City in complying with GASB Statement No. 27, *"Accounting for Pensions by State and Local Government Employers."*

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

A. Ohio Public Employees Retirement System ("OPERS") (Continued)

All employees of the City, except full-time uniformed police officers and full-time firefighters, participate in one of the three pension plans administered by OPERS: the Traditional Pension Plan (TP), the Member-Directed Plan (MD), and the Combined Plan (CO). The TP Plan is a cost-sharing multiple employer defined benefit pension plan. The MD Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the MD Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon. The CO Plan is a cost-sharing multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. Under the CO Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the TP Plan. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the TP Plan and CO Plan. Members of the MD Plan do not qualify for ancillary benefits, including postemployment health care benefits. Chapter 145 of the Ohio Revised Code provides statutory authority to establish and amend benefits. The Ohio Public Employees Retirement System issues a stand-alone financial report that includes financial statements and required supplementary information for OPERS. Interested parties may obtain a copy by visiting https://www.opers.org/investments/cafr.shtml, by making a written request to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

The ORC provides statutory authority for employee and employer contributions. For 2014, employee and employer contribution rates were consistent across all three plans (TP, MD and CO). The employee contribution rate is 10.0%. The 2014 employer contribution rate for local government employer units was 14.00% of covered payroll, which is the maximum contribution rate set by State statutes. Employer contribution rates are actuarially determined. A portion of the City's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. The portion of employer contributions allocated to pension obligations for members in the Traditional and Combined Plans was 12.0% for calendar year 2014. The contribution requirements of plan members and the City are established and may be amended by the OPERS Board. The City's contributions for pension obligations to OPERS for the years ending December 31, 2014, 2013, and 2012 were $1,200,459, $1,319,937 and $1,002,439, respectively, which were equal to the required contributions for each year. Contributions to the member-directed plan for 2014 were $18,250 made by the City and $13,036 made by the plan members.

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

B. Ohio Police and Fire Pension Fund ("OP&F")

All City full-time police officers and full-time firefighters participate in OP&F, a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. Contribution requirements and benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the ORC. The Ohio Police and Fire Pension Fund issues a stand-alone financial report that includes financial statements and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164, by calling (614) 228-2975, or by visiting www.op-f.org.

From January 1, 2014 through July 1, 2014, plan members were required to contribute 10.75% of their annual covered salary. From July 2, 2014 through December 31, 2014, plan members were required to contribute 11.5% of their annual covered salary. Throughout 2014, employers were required to contribute 19.5% and 24.0% respectively for police officers and firefighters. A portion of the City's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for 2014, 19.0% of annual covered salary for police and 23.5% of annual covered salary for firefighters, respectively, were the portions used to fund pension obligations. The City's contributions for pension obligations to the OP&F Fund for the years ending December 31, 2014, 2013, and 2012 were $473,344, $459,434 and $327,364 for police officers and $436,616, $415,314 and $306,545 for firefighters, respectively, which were equal to the required contributions for each year.

NOTE 12 - POSTEMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System ("OPERS")

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care plan, which includes a medical plan, prescription drug program and Medicare Part B Premium reimbursement, to qualifying member 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 is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45. OPERS' eligibility requirements for post-employment health care coverage changed for those retiring on and after January 1, 2015. Please see the Plan Statement in the OPERS 2013 CAFR for details.

NOTE 12 - POSTEMPLOYMENT BENEFITS (Continued)

A. Ohio Public Employees Retirement System ("OPERS") (Continued)

The ORC permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the ORC.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting https://www.opers.org/investments/cafr.shtml, by making a written request to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

Funding Policy – The ORC provides the statutory authority requiring public 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 benefits. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2014, local government employers contributed at a rate of 14.00% of covered payroll. The ORC currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for local government employers. Active members do not make contributions to the OPEB plan.

The OPERS Postemployment 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 postemployment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional and Combined Plans was 2.0% for calendar year 2014. Effective January 1, 2015, the portion of employer contributions allocated to healthcare remains at 2% for both plans, as recommended by the OPERS actuary. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions for health care to the OPERS for the years ending December 31, 2014, 2013, and 2012 were $200,077, $101,534 and $400,976, respectively, which were equal to the required contributions for each year.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

B. Ohio Police and Fire Pension Fund ("OP&F")

Plan Description – The City contributes to the OP&F sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides health care 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.

NOTE 12 - POSTEMPLOYMENT BENEFITS (Continued)

B. Ohio Police and Fire Pension Fund ("OP&F") (Continued)

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 check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

The ORC permits, but does not mandate, OP&F to provide OPEB benefits. Authority to establish and amend benefits is provided in Chapter 742 of the ORC.

OP&F issues a stand-alone 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 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F's website at www.op-f.org.

Funding Policy – The ORC provides for contribution requirements of the participating employers and of plan members to the OP&F. 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 ORC states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24.0% 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 an IRS code Section 115 trust and one for Medicare Part B reimbursements administrated 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. For 2014, the portion of employer contributions allocated to health care was 0.5% of covered payroll for both police officers and firefighters. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h). The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions for health care to the OP&F for the years ending December 31, 2014, 2013, and 2012 were $12,456, $104,614 and $173,310 for police and $9,290, $73,690 and $119,952 for firefighters, respectively, which were equal to the required contributions for each year.

NOTE 13 - LONG-TERM DEBT

Long-term debt of the City at December 31, 2014 is as follows:

			Balance December 31, 2013	Issued	(Retired)	Balance December 31, 2014	Amount Due Within One Year
Business-Type Activities:							
Amp-Ohio Joint Venture Agreement:							
4.600 - 4.750%	Joint Venture Agreement		$1,554,395	$0	($252,811)	$1,301,584	$256,053
	Joint Venture Reserve Amount		(504,159)	0	(2,336)	(506,495)	0
	Net Joint Venture Agreement		1,050,236	0	(255,147)	795,089	256,053
General Obligation Bonds:							
3.250 - 4.600%	Waterworks	1998	1,250,000	0	(1,250,000)	0	0
Ohio Water Development Authority Loans (OWDA):							
4.618%	Safe Drinking Water	1998	616,050	0	(91,257)	524,793	95,532
3.420%	WPCLF WWTP Upgrades	2009	3,237,629	0	(143,148)	3,094,481	0
4.300%	Water Intake Design	2014	0	89,600	0	89,600	0
	Total OWDA Loans		3,853,679	89,600	(234,405)	3,708,874	95,532
Ohio Public Works Commission Loans (OPWC):							
0.000%	Pump Station	2005	82,618	0	(41,357)	41,261	41,261
0.000%	Mentor Ave / Jackson Street Sewer	2008	28,683	0	(2,048)	26,635	2,048
	Total OPWC Loans		111,301	0	(43,405)	67,896	43,309
Long-Term Notes Payable:							
1.125%	Various Purpose	2011	1,339,124	2,254,729	(1,339,124)	2,254,729	455,094
Capital Leases Payable			3,548,506	0	(247,419)	3,301,087	256,421
Compensated Absences			1,590,309	504,899	(568,206)	1,527,002	567,340
	Total Business-Type Activities		$12,743,155	$2,849,228	($3,937,706)	$11,654,677	$1,673,749
Governmental Activities:							
General Obligation Bonds:							
4.250 - 5.000%	Waterworks	2007	$1,380,000	$0	($95,000)	$1,285,000	$100,000
2.850%	Shamrock Blvd Improvement	2013	1,917,000	0	(77,000)	1,840,000	80,000
2.0 - 3.000%	Shamrock Blvd Improvement TIF	2012	5,485,000	0	0	5,485,000	190,000
	Premium on Debt Issuance		148,736	(7,828)	0	140,908	0
	Total General Obligation Bonds		8,930,736	(7,828)	(172,000)	8,750,908	370,000
Special Assessment Debt (with governmental commitment)							
4.75%	Renaissance Parkway	2005	290,000	0	(20,000)	270,000	20,000
Ohio Public Works Commission Loans (OPWC):							
0.000%	Chester Street Improvements	2008	68,461	0	(4,890)	63,571	4,890
0.000%	Brookstone Blvd Improvements	2013	840,030	358,135	0	1,198,165	0
	Total OPWC Loans		908,491	358,135	(4,890)	1,261,736	4,890
Long-Term Notes Payable:							
1.125%	Various Purpose	2011	960,876	1,205,271	(960,876)	1,205,271	144,905
Construction Loan Payable:							
4.250%	City Hall Construction		203,139	0	(67,592)	135,547	66,354
Compensated Absences			1,530,453	256,435	(386,904)	1,399,984	286,038
Workers' Compensation Liability			861,401	752,891	(861,401)	752,891	208,053
Capital Lease Payable			201,737	147,000	(66,757)	281,980	68,752
Police/Firemen's Pension Accrued Liability			684,165	0	(20,056)	664,109	20,918
	Total Governmental Activities		$14,570,998	$2,711,904	($2,560,476)	$14,722,426	$1,189,910

NOTE 13 - LONG-TERM DEBT (Continued)

A. Long Term Notes

Long term notes payable at December 31, 2014 consisted of Various Purpose Improvement Notes. All of the debt has a term of one year or less and was issued to finance improvements to City owned property and to acquire equipment. The City has been retiring a portion of the Various Purpose Improvement Notes as they mature and is issuing new notes for the remaining balance. The notes are dated March 5, 2014 and are due March 4, 2015, at an interest rate of 1.125%. Subsequent to year-end, the Various Purpose Improvement Notes, due March 4, 2015, were refinanced; therefore, these notes payable are recorded as long-term obligations.

B. Compensated Absences

City management staff and employees in each bargaining unit earn sick leave credit. Employees with at least 10 years of service are paid for one-third of their accumulated sick leave credit upon termination of employment, which may not exceed 120 days. This obligation amounted to $1,666,166 for the City as of December 31, 2014.

In addition, management staff and personnel in each bargaining unit earn vacation at different rates based upon length of service. Vacation carried forward to the current year may not exceed one year's leave balance. In case of death, termination or retirement, an employee (or his estate) is paid for unused vacation up to a maximum of one year credit and two week accrual. The total obligation for accrued vacation for the City as a whole at December 31, 2014 amounted to $1,260,820.

C. Police and Firemen's Pension Accrued Liability

The City's liability for past service costs related to the Police and Fire Pension Fund at December 31, 2014 was $1,000,708 in principal and scheduled interest payments through the year 2035. Only the principal portion of the payments due is included in the government-wide statement of net position.

NOTE 13 - LONG-TERM DEBT (Continued)

D. Capital Leases

The City has entered into agreements to lease equipment. The original cost of the equipment was $7,869,924. Such agreements are, in substance, lease purchases (capital leases) and are classified as long-term obligations in the financial statements. The costs of these assets are included in the capital asset balances of the Governmental Activities and Water Fund, Sewer Fund, Electric Fund (major enterprise funds) and the Storm Water Utility Fund (nonmajor enterprise fund). The capital leases payable are recorded in Governmental Activities and the Business-Type Activities in the amount of $281,980, and $3,301,087, respectively.

The following is a schedule of future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of December 31, 2014:

Year Ending December 31,	Governmental Activities	Business-Type Activities
2015	$80,458	$390,008
2016	80,458	390,008
2017	28,699	390,009
2018	28,699	390,009
2019	28,698	314,896
2020-2024	80,400	1,574,489
2025-2027	0	787,237
Minimum Lease Payments	327,412	4,236,656
Less: amount representing interest at the City's incremental borrowing rate of interest	(45,432)	(935,569)
Present value of minimum lease payments	$281,980	$3,301,087

E. Special Assessments with Governmental Commitment

The principal amount of the City's special assessment debt outstanding at December 31, 2014, $270,000, is general obligation debt (backed by the full faith and credit of the City) that is being retired with the proceeds from special assessments levied against benefited property owners. The City is obligated to repay the debt irrespective of the amount of special assessments collected from property owners. The fund balance of $129,959 in the Special Assessment Bond Retirement Fund at December 31, 2014 is restricted for the retirement of outstanding special assessment bonds.

NOTE 13 - LONG-TERM DEBT (Continued)

F. Ohio Water Development Authority Loans

In 1998, the City entered into an agreement with the Ohio Water Development Authority to receive loans from the Water Supply Revolving Loan Account and the Freshwater Loan Agreement in the amount of $1,644,613. The interest rate on the loan is 4.618% per annum. This loan is payable from water service charges. The City began repaying the loan in semiannual payments in 1999 based on a loan amount of $1,664,613 to be paid through 2019. As of December 31, 2014, the loan had an outstanding balance of $524,793.

In 2009, the City entered into an agreement with the Ohio Water Development Authority to receive loans for wastewater treatment plant upgrades in the amount of $3,570,578. The interest rate on the loan is 3.42% per annum. This loan is payable from wastewater service charges. The loan can only be received by the City in increments as the project is completed. As of December 31, 2014 the City had received $3,495,846. As of December 31, 2014 the loan has not been finalized and there is no amortization schedule for the loan.

In 2014, the City entered into an agreement with the Ohio Water Development Authority to receive loans for water system intake improvements in the amount of $333,529. The interest rate on the loan is 4.30% per annum. This loan is payable from water service charges. The loan can only be received by the City in increments as the project is completed. As of December 31, 2014 the City had received $89,600. As of December 31, 2014 the loan has not been finalized and there is no amortization schedule for the loan.

G. Ohio Public Works Commission Loan

In 2013 the City obtained financing through the Ohio Public Works Commission for improvements to Brookstone Boulevard at an interest rate of 0%. This loan is received by the City in increments as the project is completed. As of December 31, 2014, the City had received $1,198,165 from OPWC. Subsequent amounts will be received in future years. As of December 31, 2014 the loan has not been finalized and there is no amortization schedule for the loan.

H. Principal and Interest Requirements

The principal and interest requirements to retire long-term debt and Police and Fire Pension Liability obligations at December 31, 2014, are as follows:

	General Obligation Bonds		Special Assessment Bonds	
Years	Principal	Interest	Principal	Interest
2015	$370,000	$266,753	$20,000	$13,500
2016	412,000	256,423	20,000	12,500
2017	419,000	245,123	20,000	11,500
2018	427,000	233,554	20,000	10,500
2019	439,000	220,825	25,000	9,500
2020-2024	2,261,000	892,486	135,000	28,500
2025-2029	2,173,000	533,882	30,000	1,500
2030-2034	2,109,000	185,243	0	0
Totals	$8,610,000	$2,834,289	$270,000	$87,500

NOTE 13 - LONG-TERM DEBT (Continued)

H. Principal and Interest Requirements (Continued)

	OWDA Loans		OPWC Loans		Police/Firemen's Pension Accrued Liability	
Years	Principal	Interest	Principal	Interest	Principal	Interest
2015	$95,532	$23,374	$48,199	$0	$20,918	$28,005
2016	100,017	18,888	6,939	0	21,816	27,106
2017	104,725	14,180	6,939	0	22,753	26,169
2018	109,667	9,239	6,939	0	23,730	25,192
2019	114,852	4,051	6,939	0	24,750	24,173
2020-2024	0	0	34,694	0	140,638	103,976
2025-2029	0	0	20,818	0	173,549	71,064
2030-2034	0	0	0	0	214,163	30,451
2035-2036	0	0	0	0	21,792	463
Totals	$524,793	$69,732	$131,467	$0	$664,109	$336,599

	Construction Loan	
Years	Principal	Interest
2015	$66,354	$4,843
2016	69,193	2,214
Totals	$135,547	$7,057

The repayment of the mortgage revenue bonds is secured by the revenues and a first mortgage on the property of the related utility operation. All other bonds, notes and the police and fire pension accrued liability are backed by the full faith and credit of the City. The Ohio Water Development Authority construction loans are secured by the revenues of the City's wastewater treatment operations. The loans require, among other things, that the City charge sufficient rates and fees for wastewater treatment services to enable the revenues to service the loan principal and provide resources for the payment of the necessary operating and maintenance expenses of the facility. The City was not required to pledge the general resources or general credit of the City to secure the repayment of the loans.

NOTE 14 - NOTES PAYABLE

The Ohio Revised Code provides that notes and renewal notes issued in anticipation of the issuance of general obligation bonds may be issued and outstanding from time to time up to a maximum period of 20 years from the date of issuance of the original notes. The maximum maturity for notes anticipating general obligation bonds payable from special assessments is five years. Any period in excess of five years must be deducted from the permitted maximum maturity of the bonds anticipated, and portions of the principal amount of notes outstanding for more than five years must be retired in amounts at least equal to and payable no later than the principal maturities required if the bonds had been issued at the expiration of the initial five year period. Below is a summary of notes payable activity during 2014:

	Balance January 1, 2014	Issued	(Retired)	Balance December 31, 2014
Governmental Funds:				
Special Revenue Funds:				
Shamrock Business Center TIF Fund:				
1.00% Shamrock Blvd Improvements	$480,000	$0	($480,000)	$0
Total Governmental Funds	480,000	0	(480,000)	0
Enterprise Funds:				
Water Fund:				
1.00% Water Treatment Plant Improvements	131,260	0	(131,260)	0
Sewer Fund:				
1.00% Wastewater Treatment Plant Improvements	19,370	0	(19,370)	0
Storm Water Utility Fund:				
1.00% Storm Water Improvements	19,370	0	(19,370)	0
Total Enterprise Funds	170,000	0	(170,000)	0
Total Notes Payable	$650,000	$0	($650,000)	$0

NOTE 15 - RISK MANAGEMENT

The City purchases insurance policies in varying amounts providing coverage for general liability, vehicle liability, property damage, employee and public officials liability, professional liability and errors and omissions liability. The City also pays unemployment claims to the State of Ohio as incurred.

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. During 2014 the City contracted with several different insurance providers for various insurance coverages, as follows:

Insurance Provider	Coverage	Deductible
McGowan Underwriters of America	Public Employee Dishonesty/ Forgery	$1,000
McGowan Underwriters of America	Law Enforcement Professional Liability	$25,000
McGowan Underwriters of America	Public Officials Liability	$25,000
McGowan Underwriters of America	Comprehensive General Liability	$0
McGowan Underwriters of America	Ohio Employers Intentional Tort Liability	$0
McGowan Underwriters of America	Commercial Umbrella Liability	$0
McGowan Underwriters of America	Boiler and Machinery	$25,000
McGowan Underwriters of America	Automobile	$1,000
McGowan Underwriters of America	Commercial General Liability (Fire)	$0
McGowan Underwriters of America	Commercial Umbrella	$0

In 1993, the Workers' Compensation Retrospective Rating Fund was established to account for the funding of the City's workers' compensation plan. Under the plan, the City is charged by the State of Ohio for administrative fees, claims paid and premiums for individual and aggregate claim limits. All City funds are charged a premium per employee covered by the Workers' Compensation Retrospective Rating Fund based on claims experience. The City has a claims limit of $300,000 per individual and a maximum yearly amount for all claims which varies each policy year. The claims liability of $752,891 reported in the fund at December 31, 2014 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount for the past two years are as follows:

Fiscal Year	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	End of Year Liability
2013	$740,201	$387,360	($266,160)	$861,401
2014	861,401	198,018	(306,528)	752,891

NOTE 15 - RISK MANAGEMENT (Continued)

In 2000, the Employee Health Insurance Fund was created to account for the City's self-funded employee health insurance. Under this program, the City operates with a third party administrator and under stop-loss thresholds. The actual claims are passed through the City for payment. There is protection as to the amount of claims that can be passed through to the City—both specific and aggregate stop-loss protection. Under specific stop-loss, the City pays 100% for any one individual generating claims up to the specific level of $75,000. Any dollar amount over this specific level is paid by the re-insurance carrier. The aggregate stop-loss protects the City from having a large number of claims exceeding the expected claims level by more than 20% or 25%. Any claims over the specific level do not count toward the aggregate level. Only claims less than the specific level are applied toward the aggregate level. The claims liability of $353,600 reported in the fund at December 31, 2014 is based on the requirements of GASB Statement No. 30, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount for the past two years are as follows:

Fiscal Year	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	End of Year Liability
2013	$459,900	$2,632,399	($2,704,099)	$388,200
2014	388,200	2,560,829	(2,595,429)	353,600

NOTE 16 - JOINT VENTURE

The City of Painesville is a Financing Participant and a Purchaser Participant with percentages of liability and ownership of 6.66% and 5.22% respectively and shares participation with thirty-five other subdivisions within the State of Ohio in the Ohio Municipal Electric Generation Agency (OMEGA JV2). Owner Participants own undivided interests, as tenants in common, in the OMEGA JV2 Project in the amount of their respective Project Shares. Purchaser Participants agree to purchase the output associated with their respective Project shares, ownership of which is held in trust for such Purchaser Participants.

Pursuant to the OMEGA JV2 Agreement (Agreement), the participants jointly undertook as either Financing Participants or Non-Financing Participants and as either Owner Participants or Purchaser Participants, the acquisition, construction, and equipping of OMEGA JV2, including such portions of OMEGA JV2 as have been acquired, constructed or equipped by AMP and to pay or incur the costs of the same in accordance with the Agreement.

NOTE 16 - JOINT VENTURE (Continued)

Pursuant to the Agreement each participant has an obligation to pay its share of debt service on the Distributive Generation Bonds (Bonds) from the revenues of its electric system, subject only to the prior payment of Operating & Maintenance Expenses (O&M) of each participant's System, and shall be on a parity with any outstanding and future senior electric system revenue bonds, notes or other indebtedness payable from any revenues of the System. Under the terms of the Agreement each Financing Participant is to fix, charge and collect rates, fees and charges at least sufficient in order to maintain a debt coverage ratio equal to 110% of the sum of OMEGA JV2 debt service and any other outstanding senior lien electric system revenue obligations. As of December 31, 2014 the City of Painesville has met their debt coverage obligation.

OMEGA JV2 was created to provide additional sources of reliable, reasonably priced electric power and energy when prices are high or during times of generation shortages or transmission constraints, and to improve the reliability and economic status of the participants' respective municipal electric utility system. The Project consists of 138.65 MW of distributed generation of which 134.081MW is the participants entitlement and 4.569MW are held in reserve. On dissolution of OMEGA JV2, the net assets will be shared by the participants on a percentage of ownership basis. OMEGA JV2 is managed by AMP, which acts as the joint venture's agent. During 2001, AMP issued $50,260,000 of 20 year fixed rate bonds on behalf of the Financing Participants of OMEGA JV2. The net proceeds of the bond issue of $45,904,712 were contributed to OMEGA JV2. On January 3, 2011, AMP redeemed all of the $31,110,000 OMEGA JV2 Project Distributive Generation Bonds then outstanding by borrowing on AMP's revolving credit facility. As such, the remaining outstanding bond principal of the OMEGA JV2 indebtedness was reduced to zero, with the remaining principal balance now residing on the AMP credit facility. As of December 31, 2014, the outstanding debt was $11,938,283. The City's net obligation for this amount at December 31, 2014 was $795,089. The City's net investment and its share of operating results of OMEGA JV2 are reported in the City's electric fund (an enterprise fund). The City's net investment in OMEGA JV2 was $1,031,453 at December 31, 2014. Complete financial statements for OMEGA JV2 may be obtained from AMP or from the State Auditor's website at www.auditor.state.oh.us.

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NOTE 16 - JOINT VENTURE (Continued)

The thirty-six participating subdivisions and their respective ownership shares at December 31, 2014 are:

Municipality	Percent Ownership	Kw Entitlement	Municipality	Percent Ownership	Kw Entitlement
Hamilton	23.87%	32,000	Grafton	0.79%	1,056
Bowling Green	14.32%	19,198	Brewster	0.75%	1,000
Niles	11.49%	15,400	Monroeville	0.57%	764
Cuyahoga Falls	7.46%	10,000	Milan	0.55%	737
Wadsworth	5.81%	7,784	Oak Harbor	0.55%	737
Painesville	5.22%	7,000	Elmore	0.27%	364
Dover	5.22%	7,000	Jackson Center	0.22%	300
Galion	4.29%	5,753	Napoleon	0.20%	264
Amherst	3.73%	5,000	Lodi	0.16%	218
St. Mary's	2.98%	4,000	Genoa	0.15%	199
Montpelier	2.98%	4,000	Pemberville	0.15%	197
Shelby	1.89%	2,536	Lucas	0.12%	161
Versailles	1.24%	1,660	South Vienna	0.09%	123
Edgerton	1.09%	1,460	Bradner	0.09%	119
Yellow Springs	1.05%	1,408	Woodville	0.06%	81
Oberlin	0.91%	1,217	Haskins	0.05%	73
Pioneer	0.86%	1,158	Arcanum	0.03%	44
Seville	0.79%	1,066	Custar	0.00%	4
	95.20%	127,640		4.80%	6,441
			Grand Total	100.00%	134,081

The City's liability for the bonds is disclosed below:

Years	Principal	Interest	Total Debt Service
2015	$256,053	$10,227	$266,280
2016	259,337	6,943	266,280
2017-2020	786,194	3,866	790,060
Total Gross Liability	1,301,584	$21,036	$1,322,620
Less: Amounts Held in Reserve	(506,495)		
Net Obligation	$795,089		

NOTE 17 – CONTRACTUAL COMMITMENTS

As of December 31, 2014, the City had the following contracts with respect to capital improvements:

Project	Remaining Construction Commitment	Expected Date of Completion
Waterline Replacement	$152,216	2015
Brookstone Boulevard and Shamrock Extension	487,874	2015
Gristmill/Millstone Nature Preservation	150,022	2015
Streetscapes Project	819,645	2015
Boiler Compliance Project	128,142	2015
Newell Street Railroad Crossing	473,131	2015
Sewer Lining Rehabilitation	123,746	2015
Electric Substation	268,247	2015
Total	$2,603,023	

NOTE 18 - COMPLIANCE AND ACCOUNTABILITY

Deficit Fund Equities - The fund deficits at December 31, 2014 of $60,716 in the Fire Levy Fund (special revenue fund), $331,905 in the Employee Health Insurance Fund and $599,113 in the Workers' Compensation Retrospective Fund (internal service funds) arise from the recognition of expenditures/expenses on the modified accrual/accrual basis that are greater than expenditures/expenses recognized on the budgetary/cash basis. Deficits do not exist under the budgetary/cash basis of accounting. Transfers are provided when cash is required, not when accruals occur.

NOTE 19 - CONTINGENCIES

There are several lawsuits pending in which the City is involved. The City's management believes that the ultimate outcome of these matters will not significantly impact the City's financial position or operations.

NOTE 20 – SUBSEQUENT EVENT

In March 2015 the City issued $2,860,000 of various purpose General Obligation Notes. These notes carry an interest rate of 1.125% and mature in March 2016.

NOTE 21 – PURCHASE COMMITMENT

American Municipal Power Generating Station Project (AMPGS)

The City is a member of American Municipal Power (AMP) and has participated in the AMP Generating Station (AMPGS) Project. This project intended to develop a pulverized coal power plant in Meigs County, Ohio. The City's share was 8,501 kilowatts of a total 771,281 kilowatts, giving the City a 1.10 percent share. The AMPGS Project required participants to sign "take or pay" contracts with AMP. As such, the participants are obligated to pay any costs incurred for the project. In November 2009, the participants voted to terminate the AMPGS Project due to projected escalating costs. These costs were therefore deemed *impaired* and participants were obligated to pay costs already incurred. In prior years, the payment of these costs was not considered probable due to AMP's pursuit of legal action to void them. As a result of a March 31, 2014 legal ruling, the AMP Board of Trustees on April 15, 2014 and the AMPGS participants on April 16, 2014 approved the collection of the impaired costs and provided the participants with an estimate of their liability.

The City's estimated share at March 31, 2014 of the impaired costs is $2,240,514. The City received a credit of $587,923 related to the AMPGS costs deemed to have future benefit for the project participants, and payments made of $2,194,829 leaving a net credit balance of impaired cost estimate of $542,238. The City will be leaving the credit balance with AMP to offset any additional costs in the future. Any additional costs (including line-of-credit interest and legal fees) or amounts received related to the project will impact the City's credit balance. These amounts will be recorded as they become estimable. The net credit balance of impaired cost estimate at December 31, 2014 was $532,707.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS, NONMAJOR ENTERPRISE FUNDS, NONMAJOR INTERNAL SERVICE FUNDS, AND FIDUCIARY FUNDS.

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to trusts or major capital projects) that are restricted or committed to expenditures for specified purposes.

Street Construction, Maintenance, and Repair Fund
To account for state levied and controlled gasoline tax and motor vehicle license fees restricted for local street construction, maintenance and repair.

State Highway Improvement Fund
Required by the Ohio Revised Code to account for 7.5% of the state gasoline tax and motor vehicle registration fees designated for maintenance of state highways within the City.

Cemeteries Fund
To account for revenue received from the operation of the City's two municipal cemeteries.

Police Pension Transfer Fund
To accumulate property taxes levied for the partial payment of the current and accrued liability for police disability and pension.

Fire Pension Transfer Fund
To accumulate property taxes levied for the partial payment of the current and accrued liability for fire disability and pension.

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

Municipal Motor Vehicle License Tax Fund
To account for County-levied motor vehicle registration fees designated for street construction, maintenance and repair. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the Street Construction, Maintenance and Repair Fund on a GAAP basis.)

Indigent Drivers Alcohol Treatment Fund
To account for funds received pursuant to Ohio Revised Code Section 4511.191 (M) to be used for the incarceration and/or treatment of alcohol abuse by individuals that are determined by the courts to be indigent.

(Continued)

Special Revenue Funds

Enforcement and Education Fund

To account for funds received pursuant to Ohio Revised Code Section 4511.99 (A) to be used by the Painesville Police to pay the costs of educating the public about laws governing operation of a motor vehicle while under the influence of alcohol.

City Motor Vehicle License Tax Fund

To account for City-levied motor vehicle registration fees designated for street construction, maintenance and repair. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the Street Construction, Maintenance and Repair Fund on a GAAP basis.)

Fire Levy Fund

To account for a voted continuous property tax levy which is used to fund a portion of Fire Department salaries and the purchase of fire fighting apparatus.

Underground Storage Tank Fund

To account for monies to pay for the deductible amount of costs of third party damages and corrective actions necessary to clean up a petroleum release from an underground storage tank.

Probation Services Fund

To account for monies received pursuant to Ohio Revised Code Section 2951.021 to be used for operating expenses of the Probation Department.

Community Oriented Policing Services (COPS) Fast Grant Fund

To account for federal grant monies designated for the cost of additional police officers.

Skate Facility Fund

To account for monies designated for the costs to construct and maintain a skate facility. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Fire Fund

To account for grants and donated monies received for funding the operations of the Fire Division.

Victim’s Advocate Grant Fund

To account for the Victim’s Advocate Grant the Court received.

Emergency Medical Services (EMS) Fund

To account for revenue received from the operation of the City's Emergency Medical Services.

(Continued)

Special Revenue Funds

Municipal Court Computerization Fund

To account for monies from fines to be used to place an updated computer system in the Municipal Court.

Zoning Application Fund

To account for monies received and held by the City for zoning application requests. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Fire Improvement Levy Fund

To account for a voted property tax levy restricted in use for equipment purchases for the Fire Department. This levy is required to be renewed by the voters every 5 years.

Road Improvement Levy Fund

To account for a voted property tax levy to be used for improvements to City streets.

Columbarium Trust Fund

To account for monies received and held by the City for charges related to the columbarium burial site.

Law Enforcement Trust Fund

To account for monies received by the police division from the sale of drug related contraband.

Debt Service Funds

The Debt Service Funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment levies when the government is obligated in some manner for the payment.

General Bond Retirement Fund

To account for the accumulation of resources for the payments of general obligation debt of the City including self-supporting obligations not otherwise paid from proprietary funds.

Special Assessment Bond Retirement Fund

To accumulate special assessment revenues collected by the County Treasurer and remitted to the City by the County Auditor for payment of assessment bonds.

Land Acquisition Note Retirement Fund

To account for the accumulation of resources for the payments of land acquisition notes of the City. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because there are no assets or liabilities and there was no activity during the year.)

Capital Projects Funds

The Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than that financed by proprietary funds and trust funds.

Municipal Court Improvement Fund

To account for the expansion to a second municipal courtroom, including remodeling and furnishing of the existing facilities financed by unvoted general obligation bond anticipation notes.

Capital Equipment Reserve Fund

To account for the costs associated with the purchase and maintenance of capital equipment.

Capital Improvement Fund

To account for the accumulation of funds for the acquisition of capital assets and/or the construction of major capital facilities.

Lake Hospital Demolition Fund

To account for costs associated with the acquisition and demolition of the Lake East Hospital.

Jackson Street Interchange Project Fund

To account for the costs associated with the construction of an interchange off of State Route 44 and Jackson Street.

Industrial Park Project Fund

To account for the costs associated with the construction of the Renaissance Industrial Park located on Newell Street.

Municipal Court Special Projects Fund

To account for the accumulation of funds for the general use of the Municipal Court.

Millstone Acquisition Fund

To account for costs associated with the acquisition and demolition of Millstone Condominiums.

City Hall Fire Fund

To account for insurance proceeds received due to a fire at City Hall.

Shamrock Boulevard Road Project Fund

To account for costs associated with construction of Shamrock Boulevard.

Permanent Funds

The Permanent Fund is used to account for the financial resources that are legally restricted in that only the earnings, not the principal, may be used to support the City's programs.

Cemetery Trust Fund
To account for interest income earned from the investment of cemetery trust principal. The interest portion of the trust can be used to maintain the City's two cemeteries.

Special Endowment Fund
To account for interest income earned from the investment of special endowment (non-resident) principal. The interest portion of the trust can be used to maintain the City's two cemeteries.

Evergreen Cemetery Trust Fund
To account for the principal, acquired from contributions and endowments, for the City's Evergreen Cemetery.

Riverside Cemetery Trust Fund
To account for the principal, acquired from contributions and endowments, for the City's Riverside Cemetery.

Special Endowment Trust Fund
To account for the principal, acquired from contributions and endowments, from non-residents, for the City's two cemeteries.

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Funds	Total Nonmajor Governmental Funds
Assets:					
Pooled Cash and Investments	$ 3,110,310	$ 251,607	$ 1,565,576	$ 141,805	$ 5,069,298
Receivables:					
Taxes	1,250,061	54,008	0	0	1,304,069
Accounts	63,499	0	0	0	63,499
Intergovernmental	504,842	3,100	0	0	507,942
Special Assessments	0	195,202	0	0	195,202
Prepaid Items	9,525	0	4,130	0	13,655
Restricted Assets:					
Cash and Cash Equivalents	0	0	0	1,123,545	1,123,545
Total Assets	$ 4,938,237	$ 503,917	$ 1,569,706	$ 1,265,350	$ 8,277,210
Liabilities:					
Accounts Payable	$ 76,429	$ 0	$ 7,067	$ 0	$ 83,496
Accrued Wages and Benefits Payable	55,295	0	1,157	0	56,452
Intergovernmental Payable	40,934	0	1,036	0	41,970
Interfund Loans Payable	210,000	0	0	0	210,000
Total Liabilities	382,658	0	9,260	0	391,918
Deferred Inflows of Resources:					
Unavailable Amounts	335,378	201,856	0	0	537,234
Property Tax Levy for Next Fiscal Year	1,163,664	50,454	0	0	1,214,118
Total Deferred Inflows of Resources	1,499,042	252,310	0	0	1,751,352
Fund Balances:					
Nonspendable	9,525	0	4,130	1,265,350	1,279,005
Restricted	2,752,921	251,607	474,365	0	3,478,893
Committed	354,807	0	1,081,951	0	1,436,758
Unassigned	(60,716)	0	0	0	(60,716)
Total Fund Balances	3,056,537	251,607	1,560,446	1,265,350	6,133,940
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 4,938,237	$ 503,917	$ 1,569,706	$ 1,265,350	$ 8,277,210

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Funds	Total Nonmajor Governmental Funds
Revenues:					
Property Taxes	$ 1,063,995	$ 48,895	$ 0	$ 0	$ 1,112,890
Intergovernmental Revenues	1,563,129	12,401	962,491	0	2,538,021
Charges for Services	632,888	0	0	0	632,888
Investment Earnings	0	0	0	553	553
Special Assessments	0	91,321	0	0	91,321
Fines and Forfeitures	257,571	0	151,130	0	408,701
All Other Revenues	94,883	0	0	8,900	103,783
Total Revenues	3,612,466	152,617	1,113,621	9,453	4,888,157
Expenditures:					
Current:					
General Government	239,829	17,391	188,531	0	445,751
Public Safety	631,398	0	147,000	0	778,398
Highways and Streets	1,759,299	0	0	0	1,759,299
Public Health and Welfare	359,510	0	0	227	359,737
Capital Outlay	0	0	1,493,091	0	1,493,091
Debt Service:					
Principal Retirement	944,801	145,000	57,722	0	1,147,523
Interest and Fiscal Charges	55,031	38,837	9,942	0	103,810
Total Expenditures	3,989,868	201,228	1,896,286	227	6,087,609
Excess (Deficiency) of Revenues Over Expenditures	(377,402)	(48,611)	(782,665)	9,226	(1,199,452)
Other Financing Sources (Uses):					
Long Term Note Issuance	745,271	0	0	0	745,271
Transfers In	755,000	0	960,000	0	1,715,000
Transfers Out	0	0	(250,000)	0	(250,000)
Other Financing Sources - Capital Leases	0	0	147,000	0	147,000
Total Other Financing Sources (Uses)	1,500,271	0	857,000	0	2,357,271
Net Change in Fund Balances	1,122,869	(48,611)	74,335	9,226	1,157,819
Fund Balances at Beginning of Year	1,935,745	300,218	1,486,111	1,256,124	4,978,198
Decrease in Inventory	(2,077)	0	0	0	(2,077)
Fund Balances End of Year	$ 3,056,537	$ 251,607	$ 1,560,446	$ 1,265,350	$ 6,133,940

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2014

	Street Construction, Maintenance and Repair Fund	State Highway Improvement Fund	Cemeteries Fund	Police Pension Transfer Fund
Assets:				
Pooled Cash and Investments	$ 1,462,698	$ 92,935	$ 192,065	$ 82,274
Receivables:				
Taxes	0	0	0	67,510
Accounts	0	0	0	0
Intergovernmental	447,153	19,962	0	3,875
Prepaid Items	0	0	2,598	0
Total Assets	$ 1,909,851	$ 112,897	$ 194,663	$ 153,659
Liabilities:				
Accounts Payable	$ 59,668	$ 0	$ 947	$ 0
Accrued Wages and Benefits Payable	11,100	0	12,084	0
Intergovernmental Payable	17,904	0	0	0
Interfund Loans Payable	0	0	0	0
Total Liabilities	88,672	0	13,031	0
Deferred Inflows of Resources:				
Unavailable Amounts	197,946	13,308	0	8,317
Property Tax Levy for Next Fiscal Year	0	0	0	63,068
Total Deferred Inflows of Resources	197,946	13,308	0	71,385
Fund Balances:				
Nonspendable	0	0	2,598	0
Restricted	1,623,233	99,589	179,034	82,274
Committed	0	0	0	0
Unassigned	0	0	0	0
Total Fund Balances	1,623,233	99,589	181,632	82,274
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 1,909,851	$ 112,897	$ 194,663	$ 153,659

Fire Pension Transfer Fund	Law Enforcement Fund	Indigent Drivers Alcohol Treatment Fund	Enforcement and Education Fund	Fire Levy Fund	Underground Storage Tank Fund
$ 82,319	$ 21,627	$ 79,801	$ 115,837	$ 149,738	$ 931
67,510	0	0	0	108,471	0
0	0	0	0	0	0
3,875	0	0	0	3,685	0
0	0	0	0	0	0
$ 153,704	$ 21,627	$ 79,801	$ 115,837	$ 261,894	$ 931
$ 0	$ 0	$ 0	$ 0	$ 454	$ 0
0	0	0	0	0	0
0	0	23,030	0	0	0
0	0	0	0	210,000	0
0	0	23,030	0	210,454	0
8,317	0	0	0	14,327	0
63,068	0	0	0	97,829	0
71,385	0	0	0	112,156	0
0	0	0	0	0	0
82,319	21,627	56,771	115,837	0	0
0	0	0	0	0	931
0	0	0	0	(60,716)	0
82,319	21,627	56,771	115,837	(60,716)	931
$ 153,704	$ 21,627	$ 79,801	$ 115,837	$ 261,894	$ 931

(Continued)

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2014

	Probation Services Fund	COPS Fast Grant Fund	Fire Fund	Victim's Advocate Grant Fund
Assets:				
Pooled Cash and Investments	$ 47,371	$ 7,846	$ 2,196	$ 6,805
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	0	0
Intergovernmental	0	0	0	9,422
Prepaid Items	0	0	0	0
Total Assets	$ 47,371	$ 7,846	$ 2,196	$ 16,227
Liabilities:				
Accounts Payable	$ 532	$ 0	$ 0	$ 0
Accrued Wages and Benefits Payable	2,129	0	0	2,191
Intergovernmental Payable	0	0	0	0
Interfund Loans Payable	0	0	0	0
Total Liabilities	2,661	0	0	2,191
Deferred Inflows of Resources:				
Unavailable Amounts	0	0	0	9,422
Property Tax Levy for Next Fiscal Year	0	0	0	0
Total Deferred Inflows of Resources	0	0	0	9,422
Fund Balances:				
Nonspendable	0	0	0	0
Restricted	44,710	7,846	2,196	4,614
Committed	0	0	0	0
Unassigned	0	0	0	0
Total Fund Balances	44,710	7,846	2,196	4,614
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 47,371	$ 7,846	$ 2,196	$ 16,227

Emergency Medical Services Fund	Municipal Court Computerization Fund	Fire Improvement Levy Fund	Road Improvement Levy Fund	Columbarium Trust Fund	Law Enforcement Trust Fund	Total Nonmajor Special Revenue Funds
$ 319,259	$ 73,436	$ 266,711	$ 76,804	$ 89	$ 29,568	$ 3,110,310
0	0	331,643	674,927	0	0	1,250,061
63,499	0	0	0	0	0	63,499
0	0	6,398	10,472	0	0	504,842
6,927	0	0	0	0	0	9,525
$ 389,685	$ 73,436	$ 604,752	$ 762,203	$ 89	$ 29,568	$ 4,938,237
$ 4,464	$ 0	$ 0	$ 10,364	$ 0	$ 0	$ 76,429
24,418	3,373	0	0	0	0	55,295
0	0	0	0	0	0	40,934
0	0	0	0	0	0	210,000
28,882	3,373	0	10,364	0	0	382,658
0	0	29,013	54,728	0	0	335,378
0	0	309,028	630,671	0	0	1,163,664
0	0	338,041	685,399	0	0	1,499,042
6,927	0	0	0	0	0	9,525
0	70,063	266,711	66,440	89	29,568	2,752,921
353,876	0	0	0	0	0	354,807
0	0	0	0	0	0	(60,716)
360,803	70,063	266,711	66,440	89	29,568	3,056,537
$ 389,685	$ 73,436	$ 604,752	$ 762,203	$ 89	$ 29,568	$ 4,938,237

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2014

	Street Construction, Maintenance and Repair Fund	State Highway Improvement Fund	Cemeteries Fund	Police Pension Transfer Fund
Revenues:				
Property Taxes	$ 0	$ 0	$ 0	$ 52,945
Intergovernmental Revenues	1,353,302	48,361	0	15,501
Charges for Services	48,000	0	110,225	0
Fines and Forfeitures	0	0	0	0
All Other Revenues	13,031	0	15,000	0
Total Revenues	1,414,333	48,361	125,225	68,446
Expenditures:				
Current:				
General Government	0	0	0	929
Public Safety	0	0	0	0
Highways and Streets	1,134,728	60,014	0	0
Public Health and Welfare	0	0	359,510	0
Debt Service:				
Principal Retirement	811,719	0	0	0
Interest and Fiscal Charges	44,260	0	0	0
Total Expenditures	1,990,707	60,014	359,510	929
Excess (Deficiency) of Revenues Over Expenditures	(576,374)	(11,653)	(234,285)	67,517
Other Financing Sources (Uses):				
Long Term Note Issuance	666,227	0	0	0
Transfers In	450,000	15,000	290,000	0
Total Other Financing Sources (Uses)	1,116,227	15,000	290,000	0
Net Change in Fund Balances	539,853	3,347	55,715	67,517
Fund Balances at Beginning of Year	1,083,380	96,242	127,994	14,757
Decrease in Inventory	0	0	(2,077)	0
Fund Balances End of Year	$ 1,623,233	$ 99,589	$ 181,632	$ 82,274

Fire Pension Transfer Fund	Law Enforcement Fund	Indigent Drivers Alcohol Treatment Fund	Enforcement and Education Fund	Fire Levy Fund	Underground Storage Tank Fund
$ 52,945	$ 0	$ 0	$ 0	$ 84,511	$ 0
15,501	0	0	0	14,738	0
0	0	0	0	0	0
0	0	29,330	15,566	0	0
0	5,792	0	0	42,161	0
68,446	5,792	29,330	15,566	141,410	0
929	0	26,250	0	1,754	0
0	2,532	0	0	7,928	0
0	0	0	0	0	1,000
0	0	0	0	0	0
0	0	0	0	133,082	0
0	0	0	0	10,771	0
929	2,532	26,250	0	153,535	1,000
67,517	3,260	3,080	15,566	(12,125)	(1,000)
0	0	0	0	79,044	0
0	0	0	0	0	0
0	0	0	0	79,044	0
67,517	3,260	3,080	15,566	66,919	(1,000)
14,802	18,367	53,691	100,271	(127,635)	1,931
0	0	0	0	0	0
$ 82,319	$ 21,627	$ 56,771	$ 115,837	$ (60,716)	$ 931

(Continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2014

	Probation Services Fund	COPS Fast Grant Fund	Fire Fund	Victim's Advocate Grant Fund
Revenues:				
Property Taxes	$ 0	$ 0	$ 0	$ 0
Intergovernmental Revenues	0	0	0	48,247
Charges for Services	0	0	0	0
Fines and Forfeitures	99,544	0	0	0
All Other Revenues	600	0	150	0
Total Revenues	100,144	0	150	48,247
Expenditures:				
Current:				
General Government	82,490	0	0	41,291
Public Safety	0	0	173	0
Highways and Streets	0	0	0	0
Public Health and Welfare	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
Total Expenditures	82,490	0	173	41,291
Excess (Deficiency) of Revenues Over Expenditures	17,654	0	(23)	6,956
Other Financing Sources (Uses):				
Long Term Note Issuance	0	0	0	0
Transfers In	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	17,654	0	(23)	6,956
Fund Balances at Beginning of Year	27,056	7,846	2,219	(2,342)
Decrease in Inventory	0	0	0	0
Fund Balances End of Year	$ 44,710	$ 7,846	$ 2,196	$ 4,614

Emergency Medical Services Fund	Municipal Court Computerization Fund	Fire Improvement Levy Fund	Road Improvement Levy Fund	Columbarium Trust Fund	Law Enforcement Trust Fund	Total Nonmajor Special Revenue Funds
$ 0	$ 0	$ 285,484	$ 588,110	$ 0	$ 0	$ 1,063,995
0	0	25,592	41,887	0	0	1,563,129
474,663	0	0	0	0	0	632,888
0	113,131	0	0	0	0	257,571
3,400	0	0	0	0	14,749	94,883
478,063	113,131	311,076	629,997	0	14,749	3,612,466
0	86,186	0	0	0	0	239,829
575,972	0	44,365	0	0	428	631,398
0	0	0	563,557	0	0	1,759,299
0	0	0	0	0	0	359,510
0	0	0	0	0	0	944,801
0	0	0	0	0	0	55,031
575,972	86,186	44,365	563,557	0	428	3,989,868
(97,909)	26,945	266,711	66,440	0	14,321	(377,402)
0	0	0	0	0	0	745,271
0	0	0	0	0	0	755,000
0	0	0	0	0	0	1,500,271
(97,909)	26,945	266,711	66,440	0	14,321	1,122,869
458,712	43,118	0	0	89	15,247	1,935,745
0	0	0	0	0	0	(2,077)
$ 360,803	$ 70,063	$ 266,711	$ 66,440	$ 89	$ 29,568	$ 3,056,537

Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2014

	General Bond Retirement Fund	Special Assessment Bond Retirement Fund	Total Nonmajor Debt Service Funds
Assets:			
Pooled Cash and Investments	$ 121,648	$ 129,959	$ 251,607
Receivables:			
Taxes	54,008	0	54,008
Intergovernmental	3,100	0	3,100
Special Assessments	0	195,202	195,202
Total Assets	$ 178,756	$ 325,161	$ 503,917
Liabilities:			
Total Liabilities	$ 0	$ 0	$ 0
Deferred Inflows of Resources:			
Unavailable Amounts	6,654	195,202	201,856
Property Tax Levy for Next Fiscal Year	50,454	0	50,454
Total Deferred Inflows of Resources	57,108	195,202	252,310
Fund Balances:			
Restricted	121,648	129,959	251,607
Total Fund Balances	121,648	129,959	251,607
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 178,756	$ 325,161	$ 503,917

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Debt Service Funds
For the Year Ended December 31, 2014

	General Bond Retirement Fund	Special Assessment Bond Retirement Fund	Total Nonmajor Debt Service Funds
Revenues:			
Property Taxes	$ 48,895	$ 0	$ 48,895
Intergovernmental Revenues	12,401	0	12,401
Special Assessments	0	91,321	91,321
Total Revenues	61,296	91,321	152,617
Expenditures:			
Current:			
General Government	760	16,631	17,391
Debt Service:			
Principal Retirement	100,000	45,000	145,000
Interest and Fiscal Charges	839	37,998	38,837
Total Expenditures	101,599	99,629	201,228
Excess (Deficiency) of Revenues Over Expenditures	(40,303)	(8,308)	(48,611)
Fund Balances at Beginning of Year	161,951	138,267	300,218
Fund Balances End of Year	$ 121,648	$ 129,959	$ 251,607

Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2014

	Municipal Court Improvement Fund	Capital Equipment Reserve Fund	Capital Improvement Fund	Lake Hospital Demolition Fund
Assets:				
Pooled Cash and Investments	$ 76,564	$ 503,791	$ 555,483	$ 10,404
Prepaid Items	0	0	0	0
Total Assets	$ 76,564	$ 503,791	$ 555,483	$ 10,404
Liabilities:				
Accounts Payable	$ 0	$ 114	$ 2,305	$ 0
Accrued Wages and Benefits Payable	0	0	0	0
Intergovernmental Payable	0	0	0	0
Total Liabilities	0	114	2,305	0
Fund Balances:				
Nonspendable	0	0	0	0
Restricted	76,564	0	0	10,404
Committed	0	503,677	553,178	0
Total Fund Balances	76,564	503,677	553,178	10,404
Total Liabilities and Fund Balances	$ 76,564	$ 503,791	$ 555,483	$ 10,404

Jackson Street Interchange Project Fund	Industrial Park Project Fund	Municipal Court Special Projects Fund	Millstone Acquisition Fund	City Hall Fire Fund	Shamrock Boulevard Road Project Fund	Total Nonmajor Capital Projects Funds
$ 115,249	$ 25,096	$ 189,307	$ 31,578	$ 189	$ 57,915	$ 1,565,576
0	0	4,130	0	0	0	4,130
$ 115,249	$ 25,096	$ 193,437	$ 31,578	$ 189	$ 57,915	$ 1,569,706
$ 2,395	$ 0	$ 2,253	$ 0	$ 0	$ 0	$ 7,067
0	0	1,157	0	0	0	1,157
0	0	1,036	0	0	0	1,036
2,395	0	4,446	0	0	0	9,260
0	0	4,130	0	0	0	4,130
112,854	0	184,861	31,578	189	57,915	474,365
0	25,096	0	0	0	0	1,081,951
112,854	25,096	188,991	31,578	189	57,915	1,560,446
$ 115,249	$ 25,096	$ 193,437	$ 31,578	$ 189	$ 57,915	$ 1,569,706

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2014

	Municipal Court Improvement Fund	Capital Equipment Reserve Fund	Capital Improvement Fund	Lake Hospital Demolition Fund
Revenues:				
Intergovernmental Revenues	$ 0	$ 0	$ 896,276	$ 26,211
Fines and Forfeitures	55,768	0	0	0
Total Revenues	55,768	0	896,276	26,211
Expenditures:				
Current:				
General Government	87,658	0	0	0
Public Safety	0	147,000	0	0
Capital Outlay	7,891	119,903	1,273,202	28,136
Debt Service:				
Principal Retirement	0	47,722	0	0
Interest and Fiscal Charges	0	4,714	0	0
Total Expenditures	95,549	319,339	1,273,202	28,136
Excess (Deficiency) of Revenues Over Expenditures	(39,781)	(319,339)	(376,926)	(1,925)
Other Financing Sources (Uses):				
Transfers In	0	375,000	570,000	0
Transfers Out	0	0	0	0
Other Financing Sources - Capital Leases	0	147,000	0	0
Total Other Financing Sources (Uses)	0	522,000	570,000	0
Net Change in Fund Balances	(39,781)	202,661	193,074	(1,925)
Fund Balances at Beginning of Year	116,345	301,016	360,104	12,329
Fund Balances End of Year	$ 76,564	$ 503,677	$ 553,178	$ 10,404

Jackson Street Interchange Project Fund	Industrial Park Project Fund	Municipal Court Special Projects Fund	Millstone Acquisition Fund	City Hall Fire Fund	Shamrock Boulevard Road Project Fund	Total Nonmajor Capital Project Funds
$ 40,004	$ 0	$ 0	$ 0	$ 0	$ 0	$ 962,491
0	0	95,362	0	0	0	151,130
40,004	0	95,362	0	0	0	1,113,621
0	0	100,873	0	0	0	188,531
0	0	0	0	0	0	147,000
43,865	0	20,094	0	0	0	1,493,091
0	10,000	0	0	0	0	57,722
0	5,228	0	0	0	0	9,942
43,865	15,228	120,967	0	0	0	1,896,286
(3,861)	(15,228)	(25,605)	0	0	0	(782,665)
0	15,000	0	0	0	0	960,000
0	0	0	(250,000)	0	0	(250,000)
0	0	0	0	0	0	147,000
0	15,000	0	(250,000)	0	0	857,000
(3,861)	(228)	(25,605)	(250,000)	0	0	74,335
116,715	25,324	214,596	281,578	189	57,915	1,486,111
$ 112,854	$ 25,096	$ 188,991	$ 31,578	$ 189	$ 57,915	$ 1,560,446

Combining Balance Sheet
Nonmajor Permanent Funds
December 31, 2014

	Cemetery Trust Fund	Special Endowment Fund	Evergreen Cemetery Trust Fund	Riverside Cemetery Trust Fund
Assets:				
Pooled Cash and Investments	$ 81,462	$ 60,343	$ 0	$ 0
Restricted Assets:				
Cash and Cash Equivalents	0	0	405,827	380,087
Total Assets	$ 81,462	$ 60,343	$ 405,827	$ 380,087
Liabilities:				
Total Liabilities	$ 0	$ 0	$ 0	$ 0
Fund Balances:				
Nonspendable	81,462	60,343	405,827	380,087
Total Fund Balances	81,462	60,343	405,827	380,087
Total Liabilities and Fund Balances	$ 81,462	$ 60,343	$ 405,827	$ 380,087

Special Endowment Trust Fund	Total Nonmajor Permanent Funds
$ 0	$ 141,805
337,631	1,123,545
$ 337,631	$ 1,265,350
$ 0	$ 0
337,631	1,265,350
337,631	1,265,350
$ 337,631	$ 1,265,350

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Permanent Funds
For the Year Ended December 31, 2014

	Cemetery Trust Fund	Special Endowment Fund	Evergreen Cemetery Trust Fund	Riverside Cemetery Trust Fund
Revenues:				
Investment Earnings	$ 390	$ 163	$ 0	$ 0
All Other Revenues	0	0	120	4,320
Total Revenues	390	163	120	4,320
Expenditures:				
Current:				
Public Health and Welfare	227	0	0	0
Total Expenditures	227	0	0	0
Excess (Deficiency) of Revenues Over Expenditures	163	163	120	4,320
Fund Balances at Beginning of Year	81,299	60,180	405,707	375,767
Fund Balances End of Year	$ 81,462	$ 60,343	$ 405,827	$ 380,087

Special Endowment Trust Fund	Total Nonmajor Permanent Funds
$ 0	$ 553
4,460	8,900
4,460	9,453
0	227
0	227
4,460	9,226
333,171	1,256,124
$ 337,631	$ 1,265,350

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Major Fund – General Fund For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes:				
Property Taxes:				
Real Estate and Public Utility	$ 362,000	$ 362,000	$ 360,959	$ (1,041)
Municipal Income Tax	6,703,200	7,603,200	8,153,220	550,020
Other Local Taxes	3,000	3,000	0	(3,000)
Total Taxes	7,068,200	7,968,200	8,514,179	545,979
Intergovernmental Revenues:				
Local Government Fund - County	685,000	685,000	644,018	(40,982)
Local Government Fund - State	60,000	60,000	58,523	(1,477)
Inheritance Tax	0	0	531	531
Property Tax Allocation	55,000	55,000	111,608	56,608
Miscellaneous Tax	12,200	12,200	15,066	2,866
Total Intergovernmental Revenues	812,200	812,200	829,746	17,546
Charges for Services:				
General Government	101,800	101,800	1,043	(100,757)
Public Safety	15,080	15,080	19,624	4,544
Highways and Streets	21,100	21,100	11,704	(9,396)
Culture and Recreation	14,500	14,500	9,023	(5,477)
Community Environment	1,500	1,500	4,361	2,861
Total Charges for Services	153,980	153,980	45,755	(108,225)
Licenses, Permits and Inspection Fees:				
License Fees	25,200	25,200	30,950	5,750
Permit Fees	58,500	58,500	67,092	8,592
Inspection Fees	2,000	2,000	11,000	9,000
Zoning Appeal Fees	11,030	11,030	14,455	3,425
Other Fees	227,500	227,500	353,408	125,908
Total Licenses, Permits and Inspection Fees	324,230	324,230	476,905	152,675
Investment Earnings	200,000	200,000	223,703	23,703
Fines and Forfeitures	988,200	988,200	1,019,718	31,518
All Other Revenues	346,670	411,670	453,416	41,746
Total Revenues	9,893,480	10,858,480	11,563,422	704,942

(Continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Major Fund – General Fund For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures:				
General Government:				
Legislative:				
Council:				
Personal Services	1,564,610	1,267,318	1,266,986	332
All Other Expenditures	2,630	2,091	1,779	312
Clerk of Council:				
Personal Services	9,279	9,346	9,254	92
All Other Expenditures	2,909	3,084	2,989	95
Judicial - Municipal Court:				
Judicial Activities:				
Personal Services	221,149	218,649	215,876	2,773
Clerk of Court:				
Personal Services	544,077	543,077	536,668	6,409
All Other Expenditures	55,822	55,822	47,078	8,744
Probation:				
Personal Services	178,471	194,526	189,119	5,407
Executive:				
City Manager:				
Personal Services	53,825	54,655	53,792	863
All Other Expenditures	7,383	6,053	5,278	775
Comm., Promotions and Public Relations Activities:				
All Other Expenditures	3,313	1,813	1,309	504
Information Technology:				
All Other Expenditures	34,004	32,804	32,404	400
Capital Outlay	5,987	5,987	5,987	0
Human Resources:				
Personal Services	19,815	19,815	19,555	260
All Other Expenditures	12,371	12,371	12,244	127
Economic Development:				
Personal Services	22,186	22,246	21,728	518
All Other Expenditures	11,344	14,245	14,198	47

(Continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Major Fund – General Fund For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Finance:				
Administration:				
Personal Services	39,075	36,000	34,592	1,408
All Other Expenditures	7,793	7,793	7,339	454
Accounting:				
Personal Services	31,482	31,927	31,332	595
All Other Expenditures	25,443	25,443	24,638	805
Purchasing/Warehousing:				
Personal Services	22,394	22,524	22,264	260
All Other Expenditures	1,582	2,252	2,204	48
Income Tax Collection:				
All Other Expenditures	199,746	259,926	259,923	3
Law:				
Administration:				
Personal Services	29,933	29,933	29,395	538
All Other Expenditures	10,101	1,101	981	120
Engineering:				
Administration:				
Personal Services	50,461	39,560	37,879	1,681
All Other Expenditures	3,328	14,123	13,835	288
Public Lands and Buildings:				
Building Operations, Maintenance and Repair:				
Personal Services	14,667	11,367	9,790	1,577
All Other Expenditures	39,169	42,719	41,771	948
Miscellaneous:				
Insurance:				
All Other Expenditures	37,975	49,975	49,975	0
Tax Settlement Deductions:				
All Other Expenditures	13,070	9,970	9,911	59
Other Miscellaneous:				
Personal Services	260,000	459,626	459,626	0
All Other Expenditures	134,509	77,039	74,817	2,222
Capital Outlay	3,000	0	0	0
Total General Government	3,672,903	3,585,180	3,546,516	38,664

(Continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Major Fund – General Fund For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Public Safety:				
Police:				
Law Enforcement - Sworn Officers:				
Personal Services	3,006,340	2,981,440	2,966,169	15,271
Law Enforcement - Other:				
Personal Services	260,371	251,891	250,121	1,770
All Other Expenditures	238,824	235,173	231,928	3,245
Fire:				
Fire Fighting, Prevention and Inspection:				
Personal Services	1,936,165	2,050,610	2,042,041	8,569
All Other Expenditures	144,456	143,751	138,844	4,907
Fire Service - Other:				
Personal Services	148,279	96,739	91,237	5,502
Police and Fire Communications:				
Control Center:				
All Other Expenditures	487,327	488,007	488,004	3
Total Public Safety	6,221,762	6,247,611	6,208,344	39,267
Highways and Streets:				
Public Works:				
Administration:				
Personal Services	57,242	48,757	46,458	2,299
All Other Expenditures	21,510	22,345	22,239	106
Street Maintenance and Repair:				
All Other Expenditures	31,336	66,901	66,901	0
Building Maintenance:				
All Other Expenditures	44,624	48,195	47,755	440
Equipment Maintenance:				
Personal Services	22,359	23,764	23,238	526
All Other Expenditures	150,375	156,945	156,525	420

(Continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Major Fund – General Fund For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Employee Benefits:				
Personal Services	256,434	290,884	288,665	2,219
Sidewalks - Snow Removal:				
All Other Expenditures	3,717	3,717	3,716	1
Parking:				
Parking Meters:				
Other Expenditures	748	748	425	323
Parking Lots:				
All Other Expenditures	15,400	13,700	13,393	307
Traffic Signs, Markings:				
Traffic Signs, Markings, Signals:				
Personal Services	29,912	31,502	30,499	1,003
All Other Expenditures	34,816	38,486	38,215	271
Total Highways and Streets	668,473	745,944	738,029	7,915
Public Health and Welfare:				
Support of Prisoners:				
Prisoner Expense:				
All Other Expenditures	45	45	4	41
Payments to County Health Board:				
County Health District Assessments:				
All Other Expenditures	118,910	118,910	118,908	2
Assistance to Needy/Aged:				
Poor Relief:				
All Other Expenditures	120	2,420	2,203	217
Total Public Health and Welfare	119,075	121,375	121,115	260
Culture and Recreation:				
Parks:				
Administration:				
Personal Services	117,029	117,534	116,440	1,094
All Other Expenditures	10,156	19,270	19,258	12
Parks Systems:				
Personal Services	177,000	188,545	180,626	7,919
All Other Expenditures	64,435	68,577	68,210	367

(Continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Major Fund – General Fund For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Building Maintenance:				
All Other Expenditures	15,044	17,649	17,440	209
Morse Avenue Community Center:				
All Other Expenditures	9,199	10,099	9,775	324
Recreation Activities:				
Personal Services	122,663	129,088	124,707	4,381
All Other Expenditures	24,862	21,192	19,660	1,532
Other Leisure Time Activities:				
Senior Citizens Center:				
All Other Expenditures	25,000	25,000	25,000	0
Community Functions:				
All Other Expenditures	24,000	24,000	24,000	0
Total Culture and Recreation	589,388	620,954	605,116	15,838
Community Environment:				
Community Planning and Zoning:				
Planning Commission:				
Personal Services	693	373	0	373
All Other Expenditures	595	595	378	217
Demolition:				
All Other Expenditures	1,000	2,200	2,136	64
Planning and Development:				
Personal Services	27,961	27,961	27,117	844
All Other Expenditures	2,328	2,328	2,223	105
Housing and Building Code Enforcement:				
Code Enforcement:				
Personal Services	62,575	68,855	66,556	2,299
All Other Expenditures	5,974	4,814	4,340	474
Tree Care and Weed Control:				
Weed Control:				
All Other Expenditures	15,710	15,710	15,703	7
Total Community Environment	116,836	122,836	118,453	4,383

(Continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Major Fund – General Fund For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Debt Service:				
Principal Retirement	66,296	66,168	66,162	6
Interest and Fiscal Charges	7,792	7,792	7,792	0
Total Expenditures	11,462,525	11,517,860	11,411,527	106,333
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,569,045)	(659,380)	151,895	811,275
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	10	10
Sale of General Obligation Notes	51,000	51,000	0	(51,000)
Transfers In	551,195	1,226,194	1,578,310	352,116
Transfers Out	(435,000)	(2,051,000)	(2,051,000)	0
Advances In	0	0	10,000	10,000
Advances Out	(71,710)	0	0	0
Total Other Financing Sources (Uses)	95,485	(773,806)	(462,680)	311,126
Net Change in Fund Balance	(1,473,560)	(1,433,186)	(310,785)	1,122,401
Fund Balance at Beginning of Year	4,396,959	4,396,959	4,396,959	0
Prior Year Encumbrances	506,282	506,282	506,282	0
Fund Balance at End of Year	$ 3,429,681	$ 3,470,055	$ 4,592,456	$ 1,122,401

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Major Fund – Special Revenue Fund – Shamrock Business Center TIF Fund For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	$ 506,000	$ 506,000	$ 538,426	$ 32,426
Total Revenues	506,000	506,000	538,426	32,426
Expenditures:				
Highways and Streets:				
All Other Expenditures	101,000	110,168	110,168	0
Capital Outlay	2,651,302	2,642,134	2,365,989	276,145
Debt Service:				
Principal Retirement	557,000	557,000	557,000	0
Interest and Fiscal Charges	219,050	219,050	217,156	1,894
Total Expenditures	3,528,352	3,528,352	3,250,313	278,039
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,022,352)	(3,022,352)	(2,711,887)	310,465
Other Financing Sources (Uses):				
Issuance of OPWC Loans	800,000	360,000	358,135	(1,865)
General Obligation Notes Issued	460,000	460,000	460,000	0
Premiums on Debt Issuances	0	0	54	54
Transfers In	0	75,000	75,000	0
Total Other Financing Sources (Uses)	1,260,000	895,000	893,189	(1,811)
Net Change in Fund Balance	(1,762,352)	(2,127,352)	(1,818,698)	308,654
Fund Balance at Beginning of Year	2,196,808	2,196,808	2,196,808	0
Prior Year Encumbrances	318,137	318,137	318,137	0
Fund Balance at End of Year	$ 752,593	$ 387,593	$ 696,247	$ 308,654

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	$ 1,546,355	$ 996,355	$ 1,090,802	$ 94,447
Charges for Services	0	0	48,000	48,000
All Other Revenues	0	0	13,031	13,031
Total Revenues	1,546,355	996,355	1,151,833	155,478
Expenditures:				
Highways and Streets:				
Public Works:				
Administration:				
Personal Services	146,724	95,471	90,223	5,248
Street Construction and Reconstruction:				
Personal Service	158,148	172,473	166,299	6,174
Capital Outlay	1,370,874	1,380,550	1,380,542	8
Street Maintenance and Repair:				
All Other Expenditures	8,299	8,826	8,199	627
Snow and Ice Removal:				
All Other Expenditures	113,208	162,433	162,022	411
Debt Service:				
Principal Retirement	811,720	811,720	811,719	1
Interest Charges	44,675	44,675	44,541	134
Total Expenditures	2,653,648	2,676,148	2,663,545	12,603
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,107,293)	(1,679,793)	(1,511,712)	168,081
Other Financing Sources (Uses):				
General Obligation Notes Issued	666,228	666,228	666,227	(1)
Premiums on Debt Issuances	0	0	281	281
Transfers In	96,000	546,000	548,000	2,000
Total Other Financing Sources (Uses)	762,228	1,212,228	1,214,508	2,280
Net Changes in Fund Balance	(345,065)	(467,565)	(297,204)	170,361
Fund Balance at Beginning of Year	728,341	728,341	728,341	0
Prior Year Encumbrances	255,131	255,131	255,131	0
Fund Balance at End of Year	$ 638,407	$ 515,907	$ 686,268	$ 170,361

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

STATE HIGHWAY IMPROVEMENT FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	$ 44,500	$ 44,500	$ 48,051	$ 3,551
Total Revenues	44,500	44,500	48,051	3,551
Expenditures:				
Highways and Streets:				
Public Works:				
State Highway Maintenance:				
All Other Expenditures	60,014	60,014	60,014	0
Total Expenditures	60,014	60,014	60,014	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(15,514)	(15,514)	(11,963)	3,551
Other Financing Sources (Uses):				
Transfers In	0	15,000	15,000	0
Total Other Financing Sources (Uses)	0	15,000	15,000	0
Net Change in Fund Balance	(15,514)	(514)	3,037	3,551
Fund Balance at Beginning of Year	89,884	89,884	89,884	0
Prior Year Encumbrances	14	14	14	0
Fund Balance at End of Year	$ 74,384	$ 89,384	$ 92,935	$ 3,551

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

CEMETERIES FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	$ 114,400	$ 114,400	$ 110,225	$ (4,175)
All Other Revenues	0	0	15,000	15,000
Total Revenues	114,400	114,400	125,225	10,825
Expenditures:				
Public Health and Welfare:				
Cemeteries:				
Administration:				
Personal Services	241,352	238,037	205,933	32,104
All Other Expenditures	6,652	6,652	6,329	323
Evergreen/Riverside Cemeteries:				
Personal Services	119,357	122,672	115,433	7,239
All Other Expenditures	26,272	25,372	24,346	1,026
Building Maintenance:				
All Other Expenditures	11,886	12,786	12,269	517
Total Expenditures	405,519	405,519	364,310	41,209
Excess (Deficiency) of Revenues Over (Under) Expenditures	(291,119)	(291,119)	(239,085)	52,034
Other Financing Sources (Uses):				
Transfers In	290,000	290,000	290,000	0
Total Other Financing Sources (Uses)	290,000	290,000	290,000	0
Net Change in Fund Balance	(1,119)	(1,119)	50,915	52,034
Fund Balance at Beginning of Year	130,614	130,614	130,614	0
Prior Year Encumbrances	4,834	4,834	4,834	0
Fund Balance at End of Year	$ 134,329	$ 134,329	$ 186,363	$ 52,034

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

POLICE PENSION TRANSFER FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	$ 55,944	$ 50,300	$ 52,945	$ 2,645
Intergovernmental Revenues	7,000	12,644	15,501	2,857
Total Revenues	62,944	62,944	68,446	5,502
Expenditures:				
Public Safety:				
Police:				
Law-Enforcement-Sworn Officer:				
Personal Services	56,300	0	0	0
All Other Expenditures	1,000	929	929	0
Total Expenditures	57,300	929	929	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,644	62,015	67,517	5,502
Fund Balance at Beginning of Year	14,757	14,757	14,757	0
Fund Balance at End of Year	$ 20,401	$ 76,772	$ 82,274	$ 5,502

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

FIRE PENSION TRANSFER FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	$ 55,944	$ 50,300	$ 52,945	$ 2,645
Intergovernmental Revenues	7,000	12,644	15,501	2,857
Total Revenues	62,944	62,944	68,446	5,502
Expenditures:				
Public Safety:				
Fire:				
Fire Fighting, Prevention, Inspection:				
Personal Services	56,300	0	0	0
All Other Expenditures	1,000	929	929	0
Total Expenditures	57,300	929	929	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,644	62,015	67,517	5,502
Fund Balance at Beginning of Year	14,802	14,802	14,802	0
Fund Balance at End of Year	$ 20,446	$ 76,817	$ 82,319	$ 5,502

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

LAW ENFORCEMENT FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
All Other Revenues	$ 1,500	$ 6,500	$ 5,792	$ (708)
Total Revenues	1,500	6,500	5,792	(708)
Expenditures:				
Public Safety:				
Police:				
Law-Enforcement-Other:				
All Other Expenditures	3,800	3,800	3,719	81
Total Expenditures	3,800	3,800	3,719	81
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,300)	2,700	2,073	(627)
Fund Balance at Beginning of Year	16,067	16,067	16,067	0
Prior Year Encumbrances	2,300	2,300	2,300	0
Fund Balance at End of Year	$ 16,067	$ 21,067	$ 20,440	$ (627)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

MUNICIPAL MOTOR VEHICLE LICENSE TAX FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	$ 33,000	$ 33,000	$ 35,890	$ 2,890
Total Revenues	33,000	33,000	35,890	2,890
Expenditures:				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	33,000	33,000	35,890	2,890
Other Financing Sources (Uses):				
Transfers Out	(33,000)	(33,000)	(33,000)	0
Total Other Financing Sources (Uses)	(33,000)	(33,000)	(33,000)	0
Net Change in Fund Balance	0	0	2,890	2,890
Fund Balance at Beginning of Year	10,308	10,308	10,308	0
Fund Balance at End of Year	$ 10,308	$ 10,308	$ 13,198	$ 2,890

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

INDIGENT DRIVERS ALCOHOL TREATMENT FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	$ 21,000	$ 21,000	$ 29,330	$ 8,330
Total Revenues	21,000	21,000	29,330	8,330
Expenditures:				
General Government:				
Judicial - Municipal Court:				
Judicial Activities:				
All Other Expenditures	72,007	72,007	42,006	30,001
Total Expenditures	72,007	72,007	42,006	30,001
Excess (Deficiency) of Revenues Over (Under) Expenditures	(51,007)	(51,007)	(12,676)	38,331
Fund Balance at Beginning of Year	11,684	11,684	11,684	0
Prior Year Encumbrances	42,007	42,007	42,007	0
Fund Balance at End of Year	$ 2,684	$ 2,684	$ 41,015	$ 38,331

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

ENFORCEMENT AND EDUCATION FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	$ 16,000	$ 16,000	$ 15,566	$ (434)
Total Revenues	16,000	16,000	15,566	(434)
Expenditures:				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	16,000	16,000	15,566	(434)
Fund Balance at Beginning of Year	100,271	100,271	100,271	0
Fund Balance at End of Year	$ 116,271	$ 116,271	$ 115,837	$ (434)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

CITY MOTOR VEHICLE LICENSE TAX FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	$ 65,000	$ 65,000	$ 71,780	$ 6,780
Total Revenues	65,000	65,000	71,780	6,780
Expenditures:				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	65,000	65,000	71,780	6,780
Other Financing Sources (Uses):				
Transfers Out	(65,000)	(65,000)	(65,000)	0
Total Other Financing Sources (Uses)	(65,000)	(65,000)	(65,000)	0
Net Change in Fund Balance	0	0	6,780	6,780
Fund Balance at Beginning of Year	19,555	19,555	19,555	0
Fund Balance at End of Year	$ 19,555	$ 19,555	$ 26,335	$ 6,780

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

FIRE LEVY FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	$ 88,548	$ 83,000	$ 84,511	$ 1,511
Intergovernmental Revenues	9,000	14,548	14,738	190
All Other Revenues	0	0	2,161	2,161
Total Revenues	97,548	97,548	101,410	3,862
Expenditures:				
Public Safety:				
Fire Fighting, Prevention, Inspection:				
All Other Expenditures	1,900	1,900	1,754	146
Fire Service - Other:				
All Other Expenditures	12,976	12,976	11,591	1,385
Capital Outlay	2,149	2,149	2,149	0
Debt Service:				
Principal Retirement	133,083	133,083	133,082	1
Interest and Fiscal Charges	10,809	10,809	10,808	1
Total Expenditures	160,917	160,917	159,384	1,533
Excess (Deficiency) of Revenues Over (Under) Expenditures	(63,369)	(63,369)	(57,974)	5,395
Other Financing Sources (Uses):				
General Obligation Notes Issued	79,044	79,044	79,044	0
Premiums on Debt Issuances	0	0	37	37
Advances Out	(10,000)	(10,000)	(10,000)	0
Total Other Financing Sources (Uses)	69,044	69,044	69,081	37
Net Changes in Fund Balance	5,675	5,675	11,107	5,432
Fund Balance at Beginning of Year	129,490	129,490	129,490	0
Prior Year Encumbrances	2,875	2,875	2,875	0
Fund Balance at End of Year	$ 138,040	$ 138,040	$ 143,472	$ 5,432

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

UNDERGROUND STORAGE TANK FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	$ 0	$ 0	$ 0	$ 0
Expenditures:				
Highways and Streets:				
Public Works:				
All Other Expenditures	1,000	1,000	1,000	0
Total Expenditures	1,000	1,000	1,000	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,000)	(1,000)	(1,000)	0
Fund Balance at Beginning of Year	1,931	1,931	1,931	0
Fund Balance at End of Year	$ 931	$ 931	$ 931	$ 0

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

PROBATION SERVICES FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	$ 115,000	$ 115,000	$ 99,544	$ (15,456)
All Other Revenues	0	0	600	600
Total Revenues	115,000	115,000	100,144	(14,856)
Expenditures:				
General Government:				
Judicial - Municipal Court:				
Probation:				
Personal Services	93,110	93,110	59,155	33,955
All Other Expenditures	32,564	32,564	29,615	2,949
Total Expenditures	125,674	125,674	88,770	36,904
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,674)	(10,674)	11,374	22,048
Fund Balance at Beginning of Year	26,172	26,172	26,172	0
Prior Year Encumbrances	5,014	5,014	5,014	0
Fund Balance at End of Year	$ 20,512	$ 20,512	$ 42,560	$ 22,048

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

COPS FAST GRANT FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	$ 0	$ 0	$ 0	$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	7,846	7,846	7,846	0
Fund Balance at End of Year	$ 7,846	$ 7,846	$ 7,846	$ 0

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

SKATE FACILITY FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	$ 0	$ 0	$ 0	$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	627	627	627	0
Fund Balance at End of Year	$ 627	$ 627	$ 627	$ 0

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

FIRE FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	$ 4,500	$ 0	$ 0	$ 0
All Other Revenues	500	200	150	(50)
Total Revenues	5,000	200	150	(50)
Expenditures:				
Public Safety:				
Fire:				
Fire Service - Other:				
All Other Expenditures	4,000	1,500	173	1,327
Total Expenditures	4,000	1,500	173	1,327
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,000	(1,300)	(23)	1,277
Fund Balance at Beginning of Year	2,219	2,219	2,219	0
Fund Balance at End of Year	$ 3,219	$ 919	$ 2,196	$ 1,277

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

VICTIM'S ADVOCATE GRANT FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	$ 62,500	$ 48,500	$ 48,247	$ (253)
Total Revenues	62,500	48,500	48,247	(253)
Expenditures:				
General Government:				
Judicial - Municipal Court:				
Clerk of Court:				
Personal Services	58,570	44,070	41,825	2,245
Total Expenditures	58,570	44,070	41,825	2,245
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,930	4,430	6,422	1,992
Fund Balance at Beginning of Year	383	383	383	0
Fund Balance at End of Year	$ 4,313	$ 4,813	$ 6,805	$ 1,992

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

EMERGENCY MEDICAL SERVICES FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	$ 490,000	$ 490,000	$ 487,500	$ (2,500)
All Other Revenues	0	0	3,400	3,400
Total Revenues	490,000	490,000	490,900	900
Expenditures:				
Public Safety:				
Fire:				
Fire Fighting, Prevention and Inspection:				
Personal Services	407,090	407,090	394,164	12,926
All Other Expenditures	190,365	190,365	178,738	11,627
Capital Outlay	3,000	3,000	0	3,000
Fire Service - Other:				
Personal Services	107,510	107,510	76,566	30,944
Total Expenditures	707,965	707,965	649,468	58,497
Excess (Deficiency) of Revenues Over (Under) Expenditures	(217,965)	(217,965)	(158,568)	59,397
Fund Balance at Beginning of Year	362,278	362,278	362,278	0
Prior Year Encumbrances	47,656	47,656	47,656	0
Fund Balance at End of Year	$ 191,969	$ 191,969	$ 251,366	$ 59,397

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

MUNICIPAL COURT COMPUTERIZATION FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	$ 101,000	$ 101,000	$ 113,131	$ 12,131
Total Revenues	101,000	101,000	113,131	12,131
Expenditures:				
General Government:				
Judicial - Municipal Court:				
Clerk of Court:				
Personal Services	79,862	79,862	75,268	4,594
Probation:				
Personal Services	10,852	10,852	10,438	414
Total Expenditures	90,714	90,714	85,706	5,008
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,286	10,286	27,425	17,139
Fund Balance at Beginning of Year	46,011	46,011	46,011	0
Fund Balance at End of Year	$ 56,297	$ 56,297	$ 73,436	$ 17,139

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

ZONING APPLICATION FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
All Other Revenues	$ 300	$ 300	$ 1,200	$ 900
Total Revenues	300	300	1,200	900
Expenditures:				
Community Environment:				
Zoning Application:				
All Other Expenditures	342	342	253	89
Total Expenditures	342	342	253	89
Excess (Deficiency) of Revenues Over (Under) Expenditures	(42)	(42)	947	989
Fund Balance at Beginning of Year	10,893	10,893	10,893	0
Prior Year Encumbrances	117	117	117	0
Fund Balance at End of Year	$ 10,968	$ 10,968	$ 11,957	$ 989

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

FIRE IMPROVEMENT LEVY FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	$ 309,327	$ 285,000	$ 285,484	$ 484
Intergovernmental Revenues	0	24,327	25,592	1,265
Total Revenues	309,327	309,327	311,076	1,749
Expenditures:				
Public Safety:				
Fire:				
Fire Service - Other:				
All Other Expenditures	4,000	9,070	9,067	3
Capital Outlay	256,000	250,930	130,298	120,632
Total Expenditures	260,000	260,000	139,365	120,635
Excess (Deficiency) of Revenues Over (Under) Expenditures	49,327	49,327	171,711	122,384
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	$ 49,327	$ 49,327	$ 171,711	$ 122,384

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

ROAD IMPROVEMENT LEVY FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	$ 631,280	$ 587,000	$ 588,110	$ 1,110
Intergovernmental Revenues	0	44,280	41,887	(2,393)
Total Revenues	631,280	631,280	629,997	(1,283)
Expenditures:				
Highways and Streets:				
Public Works:				
All Other Expenditures	10,000	10,000	4,264	5,736
Capital Outlay	645,000	618,000	614,070	3,930
Total Expenditures	655,000	628,000	618,334	9,666
Excess (Deficiency) of Revenues Over (Under) Expenditures	(23,720)	3,280	11,663	8,383
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	$ (23,720)	$ 3,280	$ 11,663	$ 8,383

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

COLUMBARIUM TRUST FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	$ 0	$ 0	$ 0	$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	89	89	89	0
Fund Balance at End of Year	$ 89	$ 89	$ 89	$ 0

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Funds For the Year Ended December 31, 2014

LAW ENFORCEMENT TRUST FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
All Other Revenues	$ 500	$ 14,500	$ 14,749	$ 249
Total Revenues	500	14,500	14,749	249
Expenditures:				
Public Safety:				
Police:				
Law Enforcement - Other:				
All Other Expenditures	600	600	528	72
Total Expenditures	600	600	528	72
Excess (Deficiency) of Revenues Over (Under) Expenditures	(100)	13,900	14,221	321
Fund Balance at Beginning of Year	15,147	15,147	15,147	0
Prior Year Encumbrances	100	100	100	0
Fund Balance at End of Year	$ 15,147	$ 29,147	$ 29,468	$ 321

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Debt Service Funds For the Year Ended December 31, 2014

GENERAL BOND RETIREMENT FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	$ 44,354	$ 44,354	$ 48,895	$ 4,541
Intergovernmental Revenues	6,000	6,000	12,401	6,401
Total Revenues	50,354	50,354	61,296	10,942
Expenditures:				
General Government:				
All Other Expenditures	1,050	1,050	760	290
Debt Service Function:				
Debt Service:				
Principal Retirement	100,000	100,000	100,000	0
Interest and Fiscal Charges	1,000	1,000	917	83
Total Expenditures	102,050	102,050	101,677	373
Excess (Deficiency) of Revenues Over (Under) Expenditures	(51,696)	(51,696)	(40,381)	11,315
Other Financing Sources (Uses):				
Premiums on Debt Issuance	0	0	78	78
Total Other Financing Sources (Uses)	0	0	78	78
Net Change in Fund Balance	(51,696)	(51,696)	(40,303)	11,393
Fund Balance at Beginning of Year	161,951	161,951	161,951	0
Fund Balance at End of Year	$ 110,255	$ 110,255	$ 121,648	$ 11,393

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Debt Service Funds For the Year Ended December 31, 2014

SPECIAL ASSESSMENT BOND RETIREMENT FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Special Assessments	$ 95,000	$ 95,000	$ 91,321	$ (3,679)
Total Revenues	95,000	95,000	91,321	(3,679)
Expenditures:				
General Government:				
All Other Expenditures	20,800	20,800	16,631	4,169
Debt Service Function:				
Debt Service - Unvoted:				
Debt Service:				
Principal Retirement	45,000	45,000	45,000	0
Interest and Fiscal Charges	37,998	37,998	37,998	0
Total Expenditures	103,798	103,798	99,629	4,169
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,798)	(8,798)	(8,308)	490
Fund Balance at Beginning of Year	138,267	138,267	138,267	0
Fund Balance at End of Year	$ 129,469	$ 129,469	$ 129,959	$ 490

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Debt Service Funds For the Year Ended December 31, 2014

LAND ACQUISITION NOTE RETIREMENT FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	$ 0	$ 0	$ 0	$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Other Financing Sources (Uses):				
Advances In	71,710	0	0	0
Advances Out	(71,710)	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	$ 0	$ 0	$ 0	$ 0

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Capital Projects Funds For the Year Ended December 31, 2014

MUNICIPAL COURT IMPROVEMENT FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	$ 49,800	$ 49,800	$ 55,768	$ 5,968
Total Revenues	49,800	49,800	55,768	5,968
Expenditures:				
General Government:				
Judicial - Municipal Court:				
Judicial Activities:				
Capital Outlay	10,000	10,000	10,000	0
Clerk of Court:				
Capital Outlay	94,000	94,000	94,000	0
Total Expenditures	104,000	104,000	104,000	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(54,200)	(54,200)	(48,232)	5,968
Fund Balance at Beginning of Year	62,345	62,345	62,345	0
Prior Year Encumbrances	54,000	54,000	54,000	0
Fund Balance at End of Year	$ 62,145	$ 62,145	$ 68,113	$ 5,968

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Capital Projects Funds For the Year Ended December 31, 2014

CAPITAL EQUIPMENT RESERVE FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	$ 0	$ 0	$ 0	$ 0
Expenditures:				
General Government:				
Executive:				
City Manager:				
Capital Outlay	7,500	11,348	11,347	1
Finance:				
Accounting:				
Capital Outlay	1,500	1,758	1,758	0
Total General Government	9,000	13,106	13,105	1
Public Safety:				
Police:				
Law Enforcement - Sworn Officers:				
Capital Outlay	7,254	7,254	7,254	0
Law Enforcement - Other:				
Capital Outlay	133,053	80,824	80,810	14
Total Public Safety	140,307	88,078	88,064	14
Culture and Recreation:				
Parks:				
Parks Systems:				
Capital Outlay	50,800	49,954	49,952	2
Total Culture and Recreation	50,800	49,954	49,952	2
Community Environment:				
Housing and Building Code Enforcement:				
Code Enforcement:				
Capital Outlay	3,300	4,000	3,582	418
Total Community Environment	3,300	4,000	3,582	418

(Continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Capital Projects Funds For the Year Ended December 31, 2014

CAPITAL EQUIPMENT RESERVE FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Debt Service:				
Principal Retirement	0	47,723	47,722	1
Interest and Fiscal Charges	0	4,715	4,714	1
Total Expenditures	203,407	207,576	207,139	437
Excess (Deficiency) of Revenues Over (Under) Expenditures	(203,407)	(207,576)	(207,139)	437
Other Financing Sources (Uses):				
Transfers In	0	375,000	375,000	0
Total Other Financing Sources (Uses)	0	375,000	375,000	0
Net Change in Fund Balance	(203,407)	167,424	167,861	437
Fund Balance at Beginning of Year	247,811	247,811	247,811	0
Prior Year Encumbrances	53,307	53,307	53,307	0
Fund Balance at End of Year	$ 97,711	$ 468,542	$ 468,979	$ 437

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Capital Projects Funds For the Year Ended December 31, 2014

CAPITAL IMPROVEMENT FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	$ 0	$ 890,000	$ 896,276	$ 6,276
Total Revenues	0	890,000	896,276	6,276
Expenditures:				
General Government:				
Public Lands and Buildings:				
Building Operations, Maintenance and Repair:				
Capital Outlay	62,182	28,692	28,556	136
Total General Government	62,182	28,692	28,556	136
Public Safety:				
Fire:				
Fire Fighting, Prevention and Inspection:				
Capital Outlay	75,000	75,000	75,000	0
Total Public Safety	75,000	75,000	75,000	0
Highways and Streets:				
Public Works:				
Street Maintenance and Repair:				
Capital Outlay	137,000	137,000	137,000	0
Total Highways and Streets	137,000	137,000	137,000	0
Culture and Recreation:				
Parks:				
Recreation Activities:				
Capital Outlay	85,159	838,279	832,204	6,075
Total Culture and Recreation	85,159	838,279	832,204	6,075
Community Environment:				
Community Planning and Zoning:				
Planning and Development:				
Capital Outlay	30,000	541,680	541,605	75
Total Community Environment	30,000	541,680	541,605	75
Total Expenditures	389,341	1,620,651	1,614,365	6,286
Excess (Deficiency) of Revenues Over (Under) Expenditures	(389,341)	(730,651)	(718,089)	12,562

(Continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Capital Projects Funds For the Year Ended December 31, 2014

CAPITAL IMPROVEMENT FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses):				
Transfers In	0	570,000	570,000	0
Total Other Financing Sources (Uses)	0	570,000	570,000	0
Net Change in Fund Balance	(389,341)	(160,651)	(148,089)	12,562
Fund Balance at Beginning of Year	263,287	263,287	263,287	0
Prior Year Encumbrances	112,341	112,341	112,341	0
Fund Balance at End of Year	$ (13,713)	$ 214,977	$ 227,539	$ 12,562

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Capital Projects Funds For the Year Ended December 31, 2014

LAKE HOSPITAL DEMOLITION FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	$ 0	$ 26,000	$ 26,211	$ 211
Total Revenues	0	26,000	26,211	211
Expenditures:				
Community Environment:				
Capital Outlay	30,570	48,331	48,315	16
Total Expenditures	30,570	48,331	48,315	16
Excess (Deficiency) of Revenues Over (Under) Expenditures	(30,570)	(22,331)	(22,104)	227
Fund Balance at Beginning of Year	1,923	1,923	1,923	0
Prior Year Encumbrances	30,570	30,570	30,570	0
Fund Balance at End of Year	$ 1,923	$ 10,162	$ 10,389	$ 227

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Capital Projects Funds For the Year Ended December 31, 2014

JACKSON STREET INTERCHANGE PROJECT FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	$ 500,000	$ 40,000	$ 40,004	$ 4
Total Revenues	500,000	40,000	40,004	4
Expenditures:				
Highways and Streets:				
Miscellaneous:				
Capital Outlay	500,000	100,000	42,000	58,000
Total Expenditures	500,000	100,000	42,000	58,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(60,000)	(1,996)	58,004
Fund Balance at Beginning of Year	116,715	116,715	116,715	0
Fund Balance at End of Year	$ 116,715	$ 56,715	$ 114,719	$ 58,004

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Capital Projects Funds For the Year Ended December 31, 2014

INDUSTRIAL PARK PROJECT FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	$ 0	$ 0	$ 0	$ 0
Expenditures:				
Debt Service:				
Principal Retirement	10,000	10,000	10,000	0
Interest and Fiscal Charges	5,228	5,228	5,228	0
Total Expenditures	15,228	15,228	15,228	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(15,228)	(15,228)	(15,228)	0
Other Financing Sources (Uses):				
Transfers In	0	15,000	15,000	0
Total Other Financing Sources (Uses)	0	15,000	15,000	0
Net Change in Fund Balance	(15,228)	(228)	(228)	0
Fund Balance at Beginning of Year	25,324	25,324	25,324	0
Fund Balance at End of Year	$ 10,096	$ 25,096	$ 25,096	$ 0

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Capital Projects Funds For the Year Ended December 31, 2014

MUNICIPAL COURT SPECIAL PROJECTS FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	$ 91,500	$ 91,500	$ 95,362	$ 3,862
Total Revenues	91,500	91,500	95,362	3,862
Expenditures:				
General Government:				
Judicial - Municipal Court:				
Judicial Activities:				
Personal Services	6,135	6,135	2,364	3,771
All Other Expenditures	32,119	32,119	27,760	4,359
Capital Outlay	24,368	24,368	23,718	650
Clerk of Court:				
Personal Services	32,916	32,916	17,595	15,321
All Other Expenditures	93,495	93,495	82,749	10,746
Probation:				
Personal Services	7,385	7,385	503	6,882
All Other Expenditures	23,511	23,511	13,511	10,000
Total Expenditures	219,929	219,929	168,200	51,729
Excess (Deficiency) of Revenues Over (Under) Expenditures	(128,429)	(128,429)	(72,838)	55,591
Fund Balance at Beginning of Year	156,557	156,557	156,557	0
Prior Year Encumbrances	64,517	64,517	64,517	0
Fund Balance at End of Year	$ 92,645	$ 92,645	$ 148,236	$ 55,591

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Capital Projects Funds For the Year Ended December 31, 2014

MILLSTONE ACQUISITION FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	$ 0	$ 0	$ 0	$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Other Financing Sources (Uses):				
Transfers Out	0	(250,000)	(250,000)	0
Total Other Financing Sources (Uses)	0	(250,000)	(250,000)	0
Net Change in Fund Balance	0	(250,000)	(250,000)	0
Fund Balance at Beginning of Year	281,578	281,578	281,578	0
Fund Balance at End of Year	$ 281,578	$ 31,578	$ 31,578	$ 0

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Capital Projects Funds For the Year Ended December 31, 2014

CITY HALL FIRE FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	$ 0	$ 0	$ 0	$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	189	189	189	0
Fund Balance at End of Year	$ 189	$ 189	$ 189	$ 0

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Capital Projects Funds For the Year Ended December 31, 2014

SHAMROCK BOULEVARD ROAD PROJECT FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	$ 0	$ 0	$ 0	$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	57,915	57,915	57,915	0
Fund Balance at End of Year	$ 57,915	$ 57,915	$ 57,915	$ 0

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Permanent Funds For the Year Ended December 31, 2014

CEMETERY TRUST FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment Earnings	$ 800	$ 800	$ 390	$ (410)
Total Revenues	800	800	390	(410)
Expenditures:				
Public Health and Welfare:				
Cemeteries:				
Evergreen/Riverside Cemeteries:				
All Other Expenditures	2,206	2,206	227	1,979
Total Expenditures	2,206	2,206	227	1,979
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,406)	(1,406)	163	1,569
Fund Balance at Beginning of Year	81,093	81,093	81,093	0
Prior Year Encumbrances	206	206	206	0
Fund Balance at End of Year	$ 79,893	$ 79,893	$ 81,462	$ 1,569

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Permanent Funds For the Year Ended December 31, 2014

SPECIAL ENDOWMENT FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment Earnings	$ 300	$ 300	$ 163	$ (137)
Total Revenues	300	300	163	(137)
Expenditures:				
Public Health and Welfare:				
Cemeteries:				
Evergreen/Riverside Cemeteries:				
All Other Expenditures	2,000	2,000	0	2,000
Total Expenditures	2,000	2,000	0	2,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,700)	(1,700)	163	1,863
Fund Balance at Beginning of Year	60,180	60,180	60,180	0
Fund Balance at End of Year	$ 58,480	$ 58,480	$ 60,343	$ 1,863

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Permanent Funds For the Year Ended December 31, 2014

EVERGREEN CEMETERY TRUST FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
All Other Revenues	$ 500	$ 500	$ 120	$ (380)
Total Revenues	500	500	120	(380)
Expenditures:				
Public Health and Welfare:				
All Other Expenditures	500	500	0	500
Total Expenditures	500	500	0	500
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	120	120
Fund Balance at Beginning of Year	405,707	405,707	405,707	0
Fund Balance at End of Year	$ 405,707	$ 405,707	$ 405,827	$ 120

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Permanent Funds For the Year Ended December 31, 2014

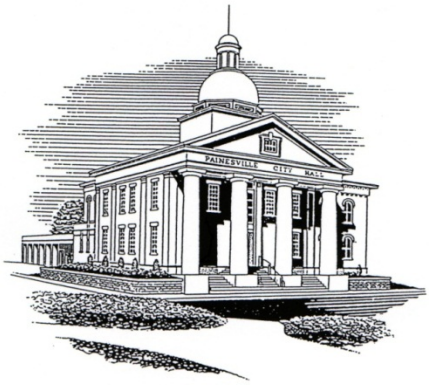
RIVERSIDE CEMETERY TRUST FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
All Other Revenues	$ 5,000	$ 5,000	$ 4,320	$ (680)
Total Revenues	5,000	5,000	4,320	(680)
Expenditures:				
Public Health and Welfare:				
All Other Expenditures	500	500	0	500
Total Expenditures	500	500	0	500
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,500	4,500	4,320	(180)
Fund Balance at Beginning of Year	375,767	375,767	375,767	0
Fund Balance at End of Year	$ 380,267	$ 380,267	$ 380,087	$ (180)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Permanent Funds For the Year Ended December 31, 2014

SPECIAL ENDOWMENT TRUST FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
All Other Revenues	$ 2,300	$ 2,300	$ 4,460	$ 2,160
Total Revenues	2,300	2,300	4,460	2,160
Expenditures:				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,300	2,300	4,460	2,160
Fund Balance at Beginning of Year	333,171	333,171	333,171	0
Fund Balance at End of Year	$ 335,471	$ 335,471	$ 337,631	$ 2,160


PAINESVILLE CITY HALL

Nonmajor Enterprise Funds

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to a private business enterprise, whereby the intent of City Council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or when City Council has decided that periodic determination of net income is appropriate for accountability purposes.

Refuse Fund

To account for the operation of the City's solid waste collection systems.

Off Street Parking Fund

To account for the operation of the City's off-street parking garage.

Storm Water Utility Fund

To account for the operation of the City's storm water utility system.

Community Programs Fund

To account for operation of several user fee recreational programs offered by the City.

Combining Statement of Net Position
Nonmajor Enterprise Funds
December 31, 2014

	Refuse Fund	Off Street Parking Fund	Storm Water Utility Fund
Assets			
Current Assets:			
Pooled Cash and Investments	$ 13,134	$ 200,001	$ 446,044
Receivables:			
Accounts	0	0	44,708
Prepaid Items	0	3,464	0
Total Current Assets	13,134	203,465	490,752
Noncurrent Assets:			
Restricted Assets:			
Cash and Cash Equivalents	0	3,929	0
Total Restricted Assets	0	3,929	0
Capital Assets:			
Capital Assets Not Being Depreciated	0	118,972	379,986
Capital Assets Being Depreciated, Net	0	1,007,021	1,313,306
Total Noncurrent Assets	0	1,129,922	1,693,292
Total Assets	13,134	1,333,387	2,184,044
Liabilities			
Current Liabilities:			
Accounts Payable	0	135	12,802
Accrued Wages and Benefits	0	2,334	4,666
Refundable Deposits	0	3,929	0
Accrued Interest Payable	0	0	3,873
Capital Leases Payable - Current	0	0	10,580
Long Term Notes Payable - Current	0	0	63,844
Compensated Absences Payable - Current	0	0	3,041
Total Current Liabilities	0	6,398	98,806
Noncurrent Liabilities:			
Capital Leases Payable	0	0	32,827
Long Term Notes Payable	0	0	328,556
Compensated Absences Payable	0	4,327	10,272
Total Noncurrent Liabilities	0	4,327	371,655
Total Liabilities	0	10,725	470,461
Net Position			
Net Investment in Capital Assets	0	1,125,993	1,257,485
Unrestricted	13,134	196,669	456,098
Total Net Position	$ 13,134	$ 1,322,662	$ 1,713,583

Community Programs Fund	Total Nonmajor Enterprise Funds
$ 11,292	$ 670,471
0	44,708
0	3,464
11,292	718,643
0	3,929
0	3,929
0	498,958
0	2,320,327
0	2,823,214
11,292	3,541,857
84	13,021
188	7,188
0	3,929
0	3,873
0	10,580
0	63,844
0	3,041
272	105,476
0	32,827
0	328,556
0	14,599
0	375,982
272	481,458
0	2,383,478
11,020	676,921
$ 11,020	$ 3,060,399

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Enterprise Funds
For the Year Ended December 31, 2014

	Refuse Fund	Off Street Parking Fund	Storm Water Utility Fund
Operating Revenues:			
Charges for Services	$ 42	$ 37,868	$ 426,922
Other Charges for Services	0	0	6,983
Other Operating Revenues	2,468	0	0
Total Operating Revenues	2,510	37,868	433,905
Operating Expenses:			
Personal Services	0	50,421	101,560
Contractual Services	2,250	13,820	98,402
Materials and Supplies	0	836	16,081
Utilities	0	18,736	0
Depreciation	0	33,479	27,537
Total Operating Expenses	2,250	117,292	243,580
Operating Income (Loss)	260	(79,424)	190,325
Non-Operating Revenue (Expenses):			
Interest and Fiscal Charges	0	0	(5,336)
Other Nonoperating Revenue	0	0	2,000
Total Non-Operating Revenues (Expenses)	0	0	(3,336)
Income (Loss) Before Transfers	260	(79,424)	186,989
Transfers:			
Transfers-In	0	60,000	0
Total Transfers	0	60,000	0
Change in Net Position	260	(19,424)	186,989
Net Position Beginning of Year	12,874	1,342,086	1,526,594
Net Position End of Year	$ 13,134	$ 1,322,662	$ 1,713,583

Community Programs Fund	Total Nonmajor Enterprise Funds
$ 46,209	$ 511,041
0	6,983
0	2,468
46,209	520,492
17,129	169,110
19,427	133,899
4,726	21,643
0	18,736
0	61,016
41,282	404,404
4,927	116,088
0	(5,336)
0	2,000
0	(3,336)
4,927	112,752
0	60,000
0	60,000
4,927	172,752
6,093	2,887,647
$ 11,020	$ 3,060,399

Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2014

	Refuse Fund	Off-Street Parking Fund	Storm Water Utility Fund
Cash Flows from Operating Activities:			
Cash Received from Customers	$2,510	$37,868	$442,726
Cash Payments for Goods and Services	(2,250)	(33,594)	(114,460)
Cash Payments to Employees	0	(49,986)	(104,702)
Net Cash Provided (Used) by Operating Activities	260	(45,712)	223,564
Cash Flows from Noncapital Financing Activities:			
Transfers In from Other Funds	0	60,000	0
Net Cash Provided by Noncapital Financing Activities	0	60,000	0
Cash Flows from Capital and Related Financing Activities:			
Proceeds from General Obligation Notes	0	0	392,400
Premium on Debt Issuances	0	0	159
Principal Paid on General Obligation Notes	0	0	(468,370)
Acquisition and Construction of Assets	0	(14,548)	(28,864)
Principal Paid on Capital Leases	0	0	(10,404)
Interest Paid on All Debt	0	0	(5,709)
Net Cash Used by Capital and Related Financing Activities	0	(14,548)	(120,788)
Net Increase (Decrease) in Cash and Cash Equivalents	260	(260)	102,776
Cash and Cash Equivalents at Beginning of Year	12,874	204,190	343,268
Cash and Cash Equivalents at End of Year	$13,134	$203,930	$446,044
Reconciliation of Cash and Cash Equivalents per the Balance Sheet			
Cash and Cash Equivalents	$13,134	$200,001	$446,044
Restricted Cash and Cash Equivalents	0	3,929	0
Cash and Cash Equivalents at End of Year	$13,134	$203,930	$446,044
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	$260	($79,424)	$190,325
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	0	33,479	27,537
Miscellaneous Nonoperating Revenues	0	0	2,000
Changes in Assets and Liabilities:			
Decrease in Accounts Receivable	0	0	6,821
Increase in Prepaid Items	0	(162)	0
Increase (Decrease) in Accounts Payable	0	(40)	28
Increase (Decrease) in Accrued Wages and Benefits	0	230	(301)
Decrease in Intergovernmental Payable	0	0	(5)
Increase (Decrease) in Compensated Absences Payable	0	205	(2,841)
Total Adjustments	0	33,712	33,239
Net Cash Provided (Used) by Operating Activities	$260	($45,712)	$223,564

Schedule of Noncash Investing, Capital and Financing Activities:

As of December 31, 2014 the Storm Water Fund had outstanding liabilities of $12,484 for the purchase of certain capital assets.

Community Programs Fund	Total Nonmajor Enterprise Funds
$46,209	$529,313
(24,069)	(174,373)
(17,108)	(171,796)
5,032	183,144
0	60,000
0	60,000
0	392,400
0	159
0	(468,370)
0	(43,412)
0	(10,404)
0	(5,709)
0	(135,336)
5,032	107,808
6,260	566,592
$11,292	$674,400
$11,292	$670,471
0	3,929
$11,292	$674,400
$4,927	$116,088
0	61,016
0	2,000
0	6,821
0	(162)
84	72
21	(50)
0	(5)
0	(2,636)
105	67,056
$5,032	$183,144

Nonmajor Internal Service Funds

The internal service funds are used to account for financing goods or services provided by one department to other departments of the City on a cost-reimbursement basis.

Fuel and Oil Rotary Fund

To account for the accumulation and allocation of costs associated with petroleum products.

Supplies Rotary Fund

To account for the accumulation and allocation of costs associated with operating supplies.

Employee Health Insurance Fund

To account for the expenses related to employee health insurance coverage provided by the City. This program is partially self-funded by the City as well as through a 'stop-loss' cap arrangement with an outside contractor.

Workers' Compensation Retrospective Fund

To account for expenses for workers' compensation coverage provided by the Ohio Bureau of Workers' Compensation.

Combining Statement of Net Position
Nonmajor Internal Service Funds
December 31, 2014

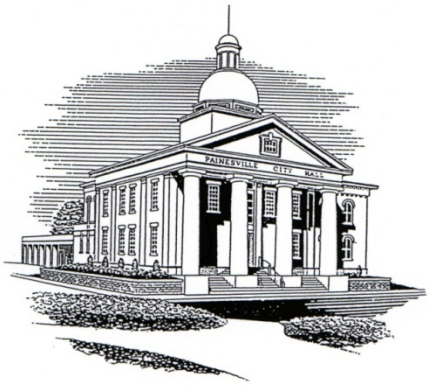
	Fuel and Oil Rotary Fund	Supplies Rotary Fund	Employee Health Insurance Fund	Workers' Compensation Retrospective Fund	Total
Assets:					
Current Assets:					
Pooled Cash and Investments	$ 150,590	$ 36,043	$ 22,856	$ 153,778	$ 363,267
Total Assets	150,590	36,043	22,856	153,778	363,267
Liabilities:					
Current Liabilities:					
Accounts Payable	0	0	1,161	0	1,161
Claims Payable - Current	0	0	353,600	208,053	561,653
Total Current Liabilities	0	0	354,761	208,053	562,814
Noncurrent Liabilities:					
Claims Payable	0	0	0	544,838	544,838
Total Liabilities	0	0	354,761	752,891	1,107,652
Net Position:					
Unrestricted	150,590	36,043	(331,905)	(599,113)	(744,385)
Total Net Position	$ 150,590	$ 36,043	$ (331,905)	$ (599,113)	$ (744,385)

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Internal Service Funds
For the Year Ended December 31, 2014

	Fuel and Oil Rotary Fund	Supplies Rotary Fund	Employee Health Insurance Fund	Workers' Compensation Retrospective Fund	Total
Operating Revenues:					
Charges for Services	$ 249,643	$ 38,668	$ 3,248,036	$ 515,489	$ 4,051,836
Total Operating Revenues	249,643	38,668	3,248,036	515,489	4,051,836
Operating Expenses:					
Personal Services	0	0	2,560,829	198,018	2,758,847
Contractual Services	0	0	608,024	208,961	816,985
Materials and Supplies	254,336	68,298	0	0	322,634
Total Operating Expenses	254,336	68,298	3,168,853	406,979	3,898,466
Income (Loss) Before Transfers	(4,693)	(29,630)	79,183	108,510	153,370
Transfers:					
Transfers In	50,000	0	0	0	50,000
Total Transfers	50,000	0	0	0	50,000
Change in Net Position	45,307	(29,630)	79,183	108,510	203,370
Net Position Beginning of Year	105,283	65,673	(411,088)	(707,623)	(947,755)
Net Position End of Year	$ 150,590	$ 36,043	$ (331,905)	$ (599,113)	$ (744,385)

Combining Statement of Cash Flows
Nonmajor Internal Service Funds
For the Year Ended December 31, 2014

	Fuel and Oil Rotary Fund	Supplies Rotary Fund	Employee Health Insurance Fund	Workers' Compensation Retrospective Fund	Total
Cash Flows from Operating Activities:					
Cash Receipts from Interfund Services Provided	$249,643	$38,668	$3,248,036	$515,489	$4,051,836
Cash Payments for Goods and Services	(254,336)	(37,221)	(637,579)	(208,961)	(1,138,097)
Cash Payments to Employees	0	0	0	(306,528)	(306,528)
Cash Payments for Employee Medical Claims	0	0	(2,602,799)	0	(2,602,799)
Net Cash Provided (Used) by Operating Activities	(4,693)	1,447	7,658	0	4,412
Cash Flows from Noncapital Financing Activities:					
Transfers In From Other Funds	50,000	0	0	0	50,000
Net Cash Provided by Noncapital Financing Activities	50,000	0	0	0	50,000
Net Increase in Cash and Cash Equivalents	45,307	1,447	7,658	0	54,412
Cash and Cash Equivalents at Beginning of Year	105,283	34,596	15,198	153,778	308,855
Cash and Cash Equivalents at End of Year	$150,590	$36,043	$22,856	$153,778	$363,267
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating Income (Loss)	($4,693)	($29,630)	$79,183	$108,510	$153,370
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Changes in Assets and Liabilities:					
Decrease in Inventory	0	31,077	0	0	31,077
Decrease in Accounts Payable	0	0	(36,925)	0	(36,925)
Decrease in Claims Liability	0	0	(34,600)	(108,510)	(143,110)
Total Adjustments	0	31,077	(71,525)	(108,510)	(148,958)
Net Cash Provided (Used) by Operating Activities	($4,693)	$1,447	$7,658	$0	$4,412


PAINESVILLE CITY HALL

Fiduciary Funds

Fiduciary fund types are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Agency Funds

Municipal Court Fund
To account for funds that flow through the municipal court.

State Patrol Transfer Fund
To account for the receipt from the City's municipal court and disbursement to the City and County Law Library of fines and forfeitures for State Highway Patrol cases in accordance with provisions of the Ohio Revised Code.

Electric License Fund
To account for funds from the fifteen percent (15%) fees as required by Ohio Revised Code.

Land Bank Fund
To account for the receipt of monies from the sale of property under the Land Bank Program and the disbursement to the County for back taxes.

Plan Review Fund
To account for monies received and held by the City for various deposits for review of construction plans.

C.D.B.G. Fund
To account for monies designated for renovations of properties in the City.

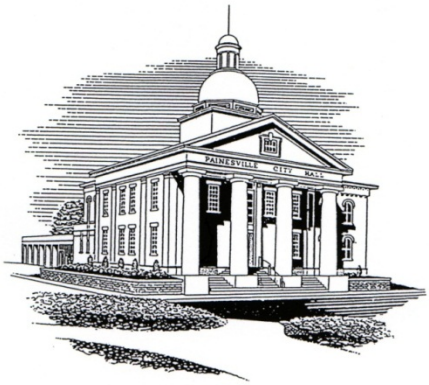
JEDD Fund
To account for income tax revenues from University and Tri-Point hospitals as part of a Joint Economic Development District between the City and Concord Township.

Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2014

	Balance January 1, 2014	Additions	Deductions	Balance December 31, 2014
Municipal Court Fund				
Assets:				
Cash and Cash Equivalents	$274,119	$3,115,577	($3,127,825)	$261,871
Total Assets	$274,119	$3,115,577	($3,127,825)	$261,871
Liabilities:				
Due to Others	$274,119	$3,115,577	($3,127,825)	$261,871
Total Liabilities	$274,119	$3,115,577	($3,127,825)	$261,871
State Patrol Transfer Fund				
Assets:				
Cash and Cash Equivalents	$18,284	$93,830	($93,830)	$18,284
Total Assets	$18,284	$93,830	($93,830)	$18,284
Liabilities:				
Due to Others	$18,284	$93,830	($93,830)	$18,284
Total Liabilities	$18,284	$93,830	($93,830)	$18,284
Electric License Fund				
Assets:				
Cash and Cash Equivalents	$7,206	$0	$0	$7,206
Total Assets	$7,206	$0	$0	$7,206
Liabilities:				
Due to Others	$7,206	$0	$0	$7,206
Total Liabilities	$7,206	$0	$0	$7,206
Land Bank Fund				
Assets:				
Cash and Cash Equivalents	$4,100	$4,120	($1,100)	$7,120
Total Assets	$4,100	$4,120	($1,100)	$7,120
Liabilities:				
Due to Others	$4,100	$4,120	($1,100)	$7,120
Total Liabilities	$4,100	$4,120	($1,100)	$7,120

(Continued)

	Balance January 1, 2014	Additions	Deductions	Balance December 31, 2014
Plan Review Fund				
Assets:				
Cash and Cash Equivalents	$99,693	$55,000	($34,815)	$119,878
Total Assets	$99,693	$55,000	($34,815)	$119,878
Liabilities:				
Due to Others	$99,693	$55,000	($34,815)	$119,878
Total Liabilities	$99,693	$55,000	($34,815)	$119,878
C.D.B.G Fund				
Assets:				
Cash and Cash Equivalents	$188	$30,399	($30,399)	$188
Total Assets	$188	$30,399	($30,399)	$188
Liabilities:				
Due to Others	$188	$30,399	($30,399)	$188
Total Liabilities	$188	$30,399	($30,399)	$188
JEDD Fund				
Assets:				
Cash and Cash Equivalents	$0	$886,436	($886,145)	$291
Receivables:				
Taxes	73,151	84,659	(73,151)	84,659
Total Assets	$73,151	$971,095	($959,296)	$84,950
Liabilities:				
Intergovernmental Payable	$54,863	$63,494	($54,863)	$63,494
Due to Others	18,288	907,601	(904,433)	21,456
Total Liabilities	$73,151	$971,095	($959,296)	$84,950
Totals - All Agency Funds				
Assets:				
Cash and Cash Equivalents	$403,590	$4,185,362	($4,174,114)	$414,838
Receivables:				
Taxes	73,151	84,659	(73,151)	84,659
Total Assets	$476,741	$4,270,021	($4,247,265)	$499,497
Liabilities:				
Intergovernmental Payable	$54,863	$63,494	($54,863)	$63,494
Due to Others	421,878	4,206,527	(4,192,402)	436,003
Total Liabilities	$476,741	$4,270,021	($4,247,265)	$499,497


PAINESVILLE CITY HALL

STATISTICAL SECTION

PAINESVILLE CITY HALL

STATISTICAL TABLES

This part of the City'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.

Contents

Financial Trends S 2 – S 13

These schedules contain trend information to help the reader understand how the City's financial position has changed over time.

Revenue Capacity S 14 – S 17

These schedules contain information to help the reader understand and assess the factors affecting the City's ability to generate its most significant local revenue source, the income tax.

Debt Capacity S 18 – S 27

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Economic and Demographic Information S 28 – S 31

These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

Operating Information S 32 – S 41

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources Note:

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

City of Painesville

Net Position by Component
Last Ten Years
(accrual basis of accounting)

	2005	2006 (1)	2007	2008
Governmental Activities:				
Net Investment in Capital Assets	$12,923,925	$23,248,755	$23,806,608	$23,885,884
Restricted	2,082,124	2,756,163	6,813,043	4,893,216
Unrestricted	1,345,168	7,361,806	6,316,586	11,427,126
Total Governmental Activities Net Position	$16,351,217	$33,366,724	$36,936,237	$40,206,226
Business-type Activities:				
Net Investment in Capital Assets	$32,921,887	$33,400,614	$35,152,108	$38,454,848
Restricted	896,417	792,875	0	0
Unrestricted	24,597,934	27,439,385	28,790,094	28,085,141
Total Business-type Activities Net Position	$58,416,238	$61,632,874	$63,942,202	$66,539,989
Primary Government:				
Net Investment in Capital Assets	$45,845,812	$56,649,369	$58,958,716	$62,340,732
Restricted	2,978,541	3,549,038	6,813,043	4,893,216
Unrestricted	25,943,102	34,801,191	35,106,680	39,512,267
Total Primary Government Net Position	$74,767,455	$94,999,598	$100,878,439	$106,746,215

Source: Finance Director's Office
(1) Restated to include infrastructure assets

2009	2010	2011	2012	2013	2014
$28,000,333	$29,982,485	$30,387,358	$33,102,011	$31,513,541	$33,584,837
2,173,310	3,246,469	4,044,306	3,724,814	5,438,792	6,309,396
10,186,938	7,286,446	6,921,791	6,862,608	7,096,616	6,995,294
$40,360,581	$40,515,400	$41,353,455	$43,689,433	$44,048,949	$46,889,527
$41,103,064	$41,322,460	$44,350,926	$48,090,083	$53,612,184	$54,456,010
0	0	0	0	0	0
27,590,062	28,707,112	28,876,607	32,820,932	28,133,474	27,095,957
$68,693,126	$70,029,572	$73,227,533	$80,911,015	$81,745,658	$81,551,967
$69,103,397	$71,304,945	$74,738,284	$81,192,094	$85,125,725	$88,040,847
2,173,310	3,246,469	4,044,306	3,724,814	5,438,792	6,309,396
37,777,000	35,993,558	35,798,398	39,683,540	35,230,090	34,091,251
$109,053,707	$110,544,972	$114,580,988	$124,600,448	$125,794,607	$128,441,494

City of Painesville

Changes in Net Position
Last Ten Years
(accrual basis of accounting)

	2005	2006	2007	2008
Expenses				
Governmental Activities:				
General Government	$2,790,590	$2,825,835	$3,453,915	$3,213,592
Public Safety	6,989,395	7,585,876	7,511,624	7,800,817
Highways and Streets	2,817,057	2,870,730	3,540,017	3,380,986
Public Health and Welfare	668,013	531,090	613,032	630,964
Culture and Recreation	700,165	746,813	847,647	949,788
Community Environment	351,307	353,652	551,236	443,315
Interest and Fiscal Charges	67,711	230,802	329,646	282,227
Total Governmental Activities Expenses	14,384,238	15,144,798	16,847,117	16,701,689
Business-type Activities:				
Water	4,696,086	4,863,071	4,746,880	4,764,766
Sewer	3,550,942	3,340,241	3,183,132	3,658,566
Electric	18,650,228	19,568,938	20,600,631	20,682,416
Other Enterprise	682,843	766,324	730,063	429,441
Total Business-type Activities Expenses	27,580,099	28,538,574	29,260,706	29,535,189
Total Primary Government Expenses	$41,964,337	$43,683,372	$46,107,823	$46,236,878
Program Revenues				
Governmental Activities:				
Charges for Services				
General Government	$1,290,247	$1,328,425	$1,438,482	$1,567,302
Public Safety	338,428	436,247	555,777	716,239
Highways and Streets	50,844	67,586	51,231	61,505
Public Health and Welfare	151,607	131,527	159,275	151,953
Culture and Recreation	78,114	21,688	7,917	21,280
Community Environment	264,293	264,180	304,968	195,427
Operating Grants and Contributions	1,324,588	831,378	876,146	975,160
Capital Grants and Contributions	429,980	735,382	2,856,316	3,186,194
Total Governmental Activities Program Revenues	3,928,101	3,816,413	6,250,112	6,875,060

2009	2010	2011	2012	2013	2014
$4,444,947	$4,594,616	$5,319,087	$4,802,387	$3,739,730	$3,921,566
7,687,567	7,029,666	7,418,708	6,830,774	6,887,389	6,752,510
3,823,054	2,158,737	1,821,320	3,067,864	2,566,021	2,637,941
688,623	637,876	635,108	559,347	516,688	488,651
843,945	778,109	792,999	682,194	590,591	618,468
476,715	525,976	377,113	180,433	314,010	105,322
266,284	202,221	167,510	304,756	313,959	318,637
18,231,135	15,927,201	16,531,845	16,427,755	14,928,388	14,843,095
4,683,197	4,934,978	4,651,337	5,155,459	5,302,197	6,117,078
3,462,406	4,132,446	3,700,750	3,930,761	4,295,486	4,387,215
20,517,909	24,023,809	24,798,140	20,741,060	22,217,456	24,835,860
507,534	381,553	563,107	436,918	418,213	409,740
29,171,046	33,472,786	33,713,334	30,264,198	32,233,352	35,749,893
$47,402,181	$49,399,987	$50,245,179	$46,691,953	$47,161,740	$50,592,988
$1,575,108	$1,942,968	$1,533,460	$1,861,207	$1,720,626	$1,749,663
671,145	658,667	756,827	670,873	587,466	616,933
36,694	35,895	32,842	26,650	19,050	60,591
119,891	109,421	119,652	124,596	108,261	110,225
18,112	12,372	20,456	14,448	12,580	9,232
135,666	115,077	98,930	665,096	152,640	306,134
951,327	863,877	883,020	1,363,819	802,599	876,783
2,494,194	432,405	1,693,078	2,958,673	1,042,448	1,659,154
6,002,137	4,170,682	5,138,265	7,685,362	4,445,670	5,388,715

(continued)

City of Painesville

Changes in Net Position
Last Ten Years
(accrual basis of accounting)

	2005	2006	2007	2008
Business-type Activities:				
Charges for Services				
Water	4,905,365	4,654,394	4,838,095	4,570,987
Sewer	3,268,359	3,215,491	3,237,420	3,451,161
Electric	22,173,641	21,014,180	22,505,860	23,331,839
Other Enterprise	507,485	610,279	554,923	547,994
Operating Grants and Contributions	587,546	0	110,973	47,611
Capital Grants and Contributions	0	410,942	997,376	0
Total Business-type Activities Program Revenues	31,442,396	29,905,286	32,244,647	31,949,592
Total Primary Government Program Revenues	35,370,497	33,721,699	38,494,759	38,824,652
Net (Expense)/Revenue				
Governmental Activities	(10,456,137)	(11,328,385)	(10,597,005)	(9,826,629)
Business-type Activities	3,862,297	1,366,712	2,983,941	2,414,403
Total Primary Government Net (Expense)/Revenue	($6,593,840)	($9,961,673)	($7,613,064)	($7,412,226)
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property Taxes	$725,082	$801,010	$896,215	$819,812
Municipal Income Taxes	7,681,884	8,039,713	7,962,098	8,644,123
Other Local Taxes	5,957	31,692	8,056	8,013
Intergovernmental, Unrestricted	1,766,542	2,007,863	1,802,287	2,181,223
Investment Earnings	378,891	1,189,061	1,870,044	1,380,595
Miscellaneous	278,499	111,205	884,813	52,065
Transfers	558,853	505,320	743,005	10,787
Total Governmental Activities	11,395,708	12,685,864	14,166,518	13,096,618
Business-type Activities:				
Investment Earnings	568,022	407,410	68,392	194,171
Transfers	(558,853)	(505,320)	(743,005)	(10,787)
Total Business-type Activities	9,169	(97,910)	(674,613)	183,384
Total Primary Government	$11,404,877	$12,587,954	$13,491,905	$13,280,002
Change in Net Position				
Governmental Activities	$939,571	$1,357,479	$3,569,513	$3,269,989
Business-type Activities	3,871,466	1,268,802	2,309,328	2,597,787
Total Primary Government Change in Net Position	$4,811,037	$2,626,281	$5,878,841	$5,867,776

Source: Finance Director's Office

2009	2010	2011	2012	2013	2014
4,422,481	4,883,093	5,489,308	6,576,748	6,307,635	6,209,116
3,320,167	3,104,324	3,473,151	3,746,854	3,985,434	3,706,993
22,753,669	26,400,302	26,354,842	26,692,992	23,082,430	26,107,694
524,991	541,495	572,402	570,045	479,933	522,492
1,478,559	618,902	0	0	7,154	128,071
0	0	2,364,576	1,324,655	584	146
32,499,867	35,548,116	38,254,279	38,911,294	33,863,170	36,674,512
38,502,004	39,718,798	43,392,544	46,596,656	38,308,840	42,063,227
(12,228,998)	(11,756,519)	(11,393,580)	(8,742,393)	(10,482,718)	(9,454,380)
3,328,821	2,075,330	4,540,945	8,647,096	1,629,818	924,619
($8,900,177)	($9,681,189)	($6,852,635)	($95,297)	($8,852,900)	($8,529,761)
$1,214,434	$1,168,067	$1,175,475	$1,185,735	$1,144,755	$1,966,322
7,748,215	7,157,251	7,167,242	7,519,822	7,721,126	7,900,150
11,164	13,305	6,400	0	0	0
1,266,406	1,605,729	1,871,767	1,086,944	875,970	847,630
831,745	451,850	539,269	173,022	47,643	177,819
226,494	762,245	324,107	144,224	256,805	284,727
1,084,895	752,891	1,253,475	968,624	795,935	1,118,310
12,383,353	11,911,338	12,337,735	11,078,371	10,842,234	12,294,958
(90,789)	14,007	(89,509)	5,010	760	0
(1,084,895)	(752,891)	(1,253,475)	(968,624)	(795,935)	(1,118,310)
(1,175,684)	(738,884)	(1,342,984)	(963,614)	(795,175)	(1,118,310)
$11,207,669	$11,172,454	$10,994,751	$10,114,757	$10,047,059	$11,176,648
$154,355	$154,819	$944,155	$2,335,978	$359,516	$2,840,578
2,153,137	1,336,446	3,197,961	7,683,482	834,643	(193,691)
$2,307,492	$1,491,265	$4,142,116	$10,019,460	$1,194,159	$2,646,887

City of Painesville

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

	2005	2006	2007	2008	2009
General Fund					
Nonspendable	$0	$0	$0	$0	$0
Restricted	0	0	0	0	0
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	0	0	0	0	0
Reserved	1,201,195	1,133,204	1,301,396	803,475	623,231
Unreserved	2,027,492	4,026,432	5,423,645	6,667,131	6,437,487
Total General Fund	3,228,687	5,159,636	6,725,041	7,470,606	7,060,718
All Other Governmental Funds					
Nonspendable	0	0	0	0	0
Restricted	0	0	0	0	0
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	0	0	0	0	0
Reserved	2,004,446	1,653,817	1,511,911	5,119,596	2,111,943
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	355,394	637,926	2,370,336	1,567,018	1,482,725
Capital Projects Funds	(109,712)	23,236	2,207,811	(262,210)	(431,495)
Permanent Fund	63,532	129,713	185,778	209,599	226,050
Total All Other Governmental Funds	2,313,660	2,444,692	6,275,836	6,634,003	3,389,223
Total Governmental Funds	$5,542,347	$7,604,328	$13,000,877	$14,104,609	$10,449,941

Source: Finance Director's Office
Note: The City implemented GASB 54 in 2011 which established new fund balance classifications for governmental funds.

2010	2011	2012	2013	2014
$0	$996,297	$1,005,381	$1,012,204	$876,065
0	0	0	0	0
0	0	0	0	0
0	416,777	742,007	756,351	923,785
0	5,733,751	5,698,670	5,950,964	5,764,760
520,398	0	0	0	0
6,065,354	0	0	0	0
6,585,752	7,146,825	7,446,058	7,719,519	7,564,610
0	1,108,205	1,115,415	1,126,574	1,279,005
0	3,161,485	7,717,818	4,827,946	4,663,014
0	1,359,464	1,090,045	1,140,484	1,436,758
0	0	0	0	0
0	(1,826,088)	(1,870,841)	(129,977)	(60,716)
1,974,139	0	0	0	0
1,204,465	0	0	0	0
(1,173,006)	0	0	0	0
236,087	0	0	0	0
2,241,685	3,803,066	8,052,437	6,965,027	7,318,061
$8,827,437	$10,949,891	$15,498,495	$14,684,546	$14,882,671

City of Painesville

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

	2005	2006	2007	2008
Revenues:				
Taxes	$8,389,482	$8,417,301	$9,323,731	$9,480,913
Intergovernmental Revenues	3,107,173	3,805,033	2,928,630	5,466,933
Charges for Services	598,062	529,395	658,104	740,977
Licenses, Permits and Inspection Fees	348,422	354,320	396,750	352,004
Investment Earnings	431,046	1,126,218	1,922,173	1,330,957
Special Assessments	65,099	56,858	85,079	168,049
Fines and Forfeitures	1,104,650	1,227,721	1,283,191	1,402,202
All Other Revenue	300,778	225,135	725,957	235,801
Total Revenue	14,344,712	15,741,981	17,323,615	19,177,836
Expenditures:				
Current:				
General Government	2,657,661	2,899,758	3,241,261	3,066,705
Public Safety	6,848,266	7,464,913	7,164,514	7,772,649
Highways and Streets	2,800,859	2,703,721	2,420,543	2,344,519
Public Health and Welfare	694,291	544,005	563,578	628,215
Culture and Recreation	659,993	667,236	774,225	886,575
Community Environment	345,801	346,486	530,400	445,066
Capital Outlay	882,396	298,301	497,808	2,266,246
Debt Service:				
Principal Retirement	50,000	105,778	126,569	831,311
Interest and Fiscal Charges	117,237	228,653	303,355	286,578
Total Expenditures	15,056,504	15,258,851	15,622,253	18,527,864
Excess (Deficiency) of Revenues Over Expenditures	(711,792)	483,130	1,701,362	649,972

2009	2010	2011	2012	2013	2014
$8,954,176	$8,330,535	$8,335,086	$8,705,017	$8,778,000	$9,912,425
3,122,006	2,860,371	5,328,950	4,200,293	2,694,920	3,369,400
660,330	801,465	834,222	777,772	672,887	678,643
308,161	303,800	296,994	450,655	337,067	476,660
846,527	442,524	562,484	166,025	49,611	147,622
104,844	89,140	92,547	115,843	76,294	91,321
1,341,501	1,227,158	1,257,805	1,377,753	1,416,206	1,428,419
396,349	1,337,779	439,886	519,586	462,724	519,613
15,733,894	15,392,772	17,147,974	16,312,944	14,487,709	16,624,103
4,117,937	4,515,245	4,657,111	5,777,433	3,558,335	3,785,221
7,424,843	7,178,506	7,135,751	6,694,103	6,660,415	6,591,728
2,682,268	1,880,062	2,345,029	3,550,420	5,882,834	4,394,199
656,218	618,599	619,796	528,871	494,241	480,801
771,982	712,688	725,325	619,372	538,577	574,406
465,922	509,372	363,544	201,364	309,105	113,556
3,547,668	1,702,801	1,101,883	616,881	820,402	1,493,091
488,042	399,072	346,102	1,796,045	1,336,673	1,292,115
270,945	205,692	161,423	311,643	268,510	327,143
20,425,825	17,722,037	17,455,964	20,096,132	19,869,092	19,052,260
(4,691,931)	(2,329,265)	(307,990)	(3,783,188)	(5,381,383)	(2,428,157)

(Continued)

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

	2005	2006	2007	2008
Other Financing Sources (Uses):				
Proceeds from the Sale of Capital Assets	4,090	2,555	258,092	5,894
Other Financing Sources - Capital Leases	419,406	353,758	553,838	303,733
Ohio Public Works Commission Loan	0	0	0	97,801
General Obligation Bonds Issued	410,000	0	2,075,000	0
Premium on Debt Issuance	0	4,302	73,565	0
Long Term Note Issuance	0	0	0	0
Insurance Proceeds	0	0	0	0
Construction Loans	0	587,645	0	0
Transfers In	2,552,091	2,787,199	3,409,345	2,366,380
Transfers Out	(2,307,523)	(2,171,146)	(2,666,340)	(2,355,593)
Total Other Financing Sources (Uses)	1,078,064	1,564,313	3,703,500	418,215
Net Change in Fund Balance	$366,272	$2,047,443	$5,404,862	$1,068,187
Debt Service as a Percentage of Noncapital Expenditures	1.19%	2.23%	3.41%	7.27%

Source: Finance Director's Office

2009	2010	2011	2012	2013	2014
9,745	9,169	0	758	30,322	10
0	0	0	0	0	147,000
0	0	0	0	840,030	358,135
0	0	0	5,485,000	1,917,000	0
1,192	0	0	156,564	0	0
0	0	1,440,751	1,190,481	1,031,876	1,205,271
0	0	5,513	607,425	3,482	0
0	0	0	0	0	0
2,132,398	1,682,167	1,698,475	1,734,524	1,628,935	3,218,310
(1,097,503)	(969,276)	(595,000)	(845,900)	(883,000)	(2,150,000)
1,045,832	722,060	2,549,739	8,328,852	4,568,645	2,778,726
($3,646,099)	($1,607,205)	$2,241,749	$4,545,664	($812,738)	$350,569
4.49%	4.05%	3.25%	13.32%	11.00%	11.13%

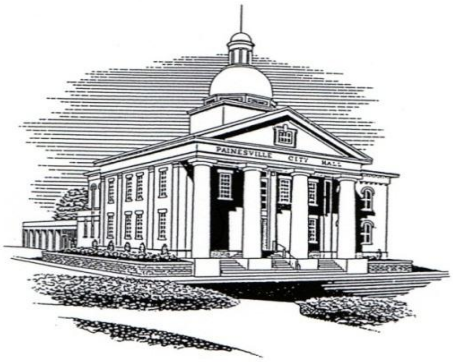
City of Painesville

Income Tax Revenues by Source, Governmental Funds
Last Ten Years

Tax year	2005	2006	2007	2008	2009
Income Tax Rate	2.00%	2.00%	2.00%	2.00%	2.00%
Estimated Personal Income	$582,815	$627,413	$669,350	$689,811	$662,226
Total Tax Collected	$7,653,206	$7,775,604	$7,828,025	$8,382,560	$7,867,889
Income Tax Receipts					
Withholding	6,263,019	6,460,073	6,540,893	6,870,498	6,412,330
Percentage	81.9%	83.1%	83.6%	82.0%	81.5%
Corporate	576,843	588,673	548,194	788,789	629,431
Percentage	7.5%	7.6%	7.0%	9.4%	8.0%
Individuals	813,344	726,858	738,938	723,273	826,128
Percentage	10.6%	9.3%	9.4%	8.6%	10.5%

Source: City Income Tax Department
Collection amounts are cash basis and represent only collections due in the current collection year.

2010	2011	2012	2013	2014
2.00%	2.00%	2.00%	2.00%	2.00%
$694,976	$780,798	$788,822	$850,247	$866,328
$6,968,103	$6,959,790	$7,230,012	$6,870,545	$7,955,171
5,685,972	5,679,189	5,899,690	5,606,364	6,491,419
81.6%	81.6%	81.6%	81.6%	81.6%
634,097	633,341	657,931	625,220	723,921
9.1%	9.1%	9.1%	9.1%	9.1%
648,034	647,260	672,391	638,961	739,831
9.3%	9.3%	9.3%	9.3%	9.3%


PAINESVILLE CITY HALL

City of Painesville

Income Tax Collections
Current Year and Nine Years Ago

	Calendar Year 2014			
Income Level	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
$0 - $19,999	2,150	45.61%	$13,386,820	8.14%
20,000 - 49,999	1,352	28.69%	52,311,094	31.79%
50,000 - 74,999	670	14.22%	40,932,412	24.88%
75,000 - 99,999	325	6.90%	28,047,234	17.04%
Over 100,000	216	4.58%	29,874,010	18.15%
Total	4,713	100.00%	$164,551,570	100.00%

Local Taxes Paid by Residents	Tax Dollars
Taxes Paid to Painesville	$749,854
Taxes Credited to Other Municipalities	504,488
	$1,254,342

	Calendar Year 2005			
Income Level	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
$0 - $19,999	2,280	45.82%	$15,426,174	10.68%
20,000 - 49,999	1,675	33.65%	54,972,156	38.03%
50,000 - 74,999	656	13.18%	39,726,105	27.49%
75,000 - 99,999	240	4.82%	17,800,253	12.32%
Over 100,000	126	2.53%	16,582,642	11.48%
Total	4,977	100.00%	$144,507,330	100.00%

Local Taxes Paid by Residents	Tax Dollars
Taxes Paid to Painesville	$743,127
Taxes Credited to Other Municipalities	1,156,217
	$1,899,344

Source: Finance Director's Office

City of Painesville

Ratios of Outstanding Debt By Type
Last Ten Years

	2005	2006	2007	2008
Governmental Activities (1)				
General Obligation Bonds	$0	$0	$2,075,000	$1,975,000
Special Assessment Bonds	555,000	500,000	435,000	370,000
Ohio Public Works Commission Loan Payable	45,000	35,000	25,000	107,911
Long-Term Notes Payable	100,000	0	0	0
Construction Loan Payable	0	587,645	539,365	489,012
Capital Leases	1,178,895	1,096,129	1,162,451	865,116
Business-type Activities (1)				
Mortgage Revenue Bonds Payable	$3,491,056	$2,651,829	$2,517,273	$2,376,055
General Obligation Bonds Payable	5,005,000	4,520,000	4,035,000	3,545,000
Ohio Water Development Authority Loan Payable	1,214,400	1,150,870	1,084,426	1,014,923
Ohio Public Works Commission Loan Payable	833,474	732,117	630,760	568,328
Long-Term Notes Payable	0	0	0	0
Capital Leases	368,603	339,731	4,492,400	4,222,884
Total Primary Government	$12,791,428	$11,613,321	$16,996,675	$15,534,229
Population (2)				
City of Painesville	17,503	17,503	17,503	17,503
Outstanding Debt Per Capita	$731	$664	$971	$888
Income (3)				
Personal (in thousands)	$582,815	$627,413	$669,350	$689,811
Percentage of Personal Income	2.19%	1.85%	2.54%	2.25%

Sources:

(1) Source: Finance Director's Office
(2) US Bureau of Census, Population Division
(3) US Department of Commerce, Bureau of Economic Analysis
  (a) Per Capita Income is only available by County, Total Personal Income is a calculation

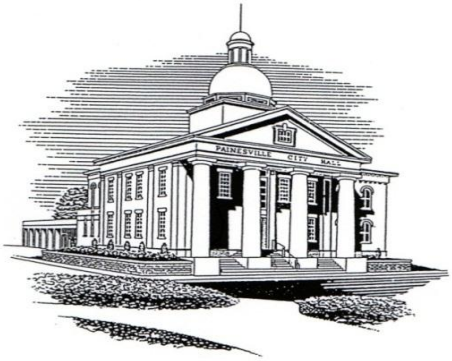
2009	2010	2011	2012	2013	2014
$1,840,000	$1,700,000	$1,565,000	$7,116,564	$8,930,736	$8,750,908
355,000	340,000	325,000	310,000	290,000	270,000
93,021	83,131	78,241	73,351	908,491	1,261,736
0	0	1,440,751	1,065,481	960,876	1,205,271
436,750	381,978	324,854	265,276	203,139	135,547
594,226	414,816	280,728	219,902	201,737	281,980
$2,227,843	$2,072,304	$1,908,438	$1,334,040	$1,050,236	$795,089
3,045,000	2,540,000	2,025,000	1,500,000	1,250,000	0
3,325,443	4,281,356	4,282,382	4,072,160	3,853,679	3,708,874
464,922	361,516	258,111	154,706	111,301	67,896
0	0	1,754,179	1,535,519	1,339,124	2,254,729
3,946,531	3,738,838	3,540,782	3,360,319	3,548,506	3,301,087
$16,328,736	$15,913,939	$17,783,466	$21,007,318	$22,647,825	$22,033,117
17,503	19,563	19,563	19,549	19,563	19,933
$933	$813	$909	$1,075	$1,158	$1,105
$662,226	$694,976	$780,798	$788,822	$850,247	$866,328
2.47%	2.29%	2.28%	2.66%	2.66%	2.54%

Ratios of General Bonded Debt Outstanding
Last Ten Years

Year	2005	2006	2007	2008
Population (1)	17,503	17,503	17,503	17,503
Personal Income (2)	$582,814,894	$627,412,538	$669,349,726	$689,810,733
General Bonded Debt				
General Obligation Bonds	$5,005,000	$4,520,000	$6,110,000	$5,520,000
Resources Available to Pay Principal	$77,196	$3,821	$10,709	$27,516
Net General Bonded Debt	$4,927,804	$4,516,179	$6,099,291	$5,492,484
Ratio of Net Bonded Debt to Personal Income	0.85%	0.72%	0.91%	0.80%
Net Bonded Debt per Capita	$281.54	$258.02	$348.47	$313.80

Source:
(1) U.S. Bureau of Census of Population
(2) U.S. Department of Commerce, Bureau of Economic Analysis information is only available through 2013, for the presentation of 2014 statistics, the City is using the latest information available.
(a) Per Capita Income is only available by County, Total Personal Income is a calculation.

2009	2010	2011	2012	2013	2014
17,503	19,563	19,563	19,549	19,563	19,933
$662,226,005	$694,975,575	$780,798,456	$788,821,699	$850,247,106	$866,328,046
$4,885,000	$4,240,000	$3,590,000	$8,616,564	$10,180,736	$8,750,908
$47,318	$95,541	$160,845	$102,737	$161,951	$121,648
$4,837,682	$4,144,459	$3,429,155	$8,513,827	$10,018,785	$8,629,260
0.73%	0.60%	0.44%	1.08%	1.18%	1.00%
$276.39	$211.85	$175.29	$435.51	$512.13	$432.91


PAINESVILLE CITY HALL

City of Painesville

Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2014

Jurisdiction	Gross Debt Outstanding	Percentage Applicable to the City of Painesville	Amount Applicable to the City of Painesville
Direct:			
City of Painesville	$11,905,442	100.00%	$11,905,442
Overlapping:			
Painesville City School District	29,703,534	100.00%	29,703,534
Riverside Schools	3,919,092	4.00%	156,764
Lake County	12,405,000	3.82%	473,871
		Subtotal	30,334,169
		Total	$42,239,611

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the City by the total assessed valuation of the political subdivision.

Sources: Lake County
Painesville City School District
Riverside School District

City of Painesville

Debt Limitations
Last Ten Years

Collection Year	2005	2006	2007	2008
Total Debt				
Net Assessed Valuation	$254,533,194	$259,644,108	$281,300,753	$278,912,006
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation ($) (1)	26,725,985	27,262,631	29,536,579	29,285,761
City Debt Outstanding (2)	4,187,000	3,202,000	3,705,000	5,799,500
Less: Applicable Debt Service Fund Amounts	(77,196)	(3,821)	(10,709)	(27,516)
Net Indebtedness Subject to Limitation	4,109,804	3,198,179	3,694,291	5,771,984
Overall Legal Debt Margin	$22,616,181	$24,064,452	$25,842,288	$23,513,777
Debt Margin as a Percentage of Debt Limit	84.62%	88.27%	87.49%	80.29%
Unvoted Debt				
Net Assessed Valuation	$254,533,194	$259,644,108	$281,300,753	$278,912,006
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation ($) (1)	13,999,326	14,280,426	15,471,541	15,340,160
City Debt Outstanding (2)	1,645,000	1,280,000	670,000	70,000
Less: Applicable Debt Service Fund Amounts	(77,196)	(3,821)	(10,709)	(27,516)
Net Indebtedness Subject to Limitation	1,567,804	1,276,179	659,291	42,484
Overall Legal Debt Margin	$12,431,522	$13,004,247	$14,812,250	$15,297,676

(1) Direct Debt Limitation based upon Section 133, The Uniform Bond Act of the Ohio Revised Code.

(2) City Debt Outstanding includes Non Self-Supporting General Obligation Bonds and Notes only. Enterprise Debt is not considered in the computation of the Legal Debt Margin.

Source: City Auditor's / Finance Director's Office

2009	2010	2011	2012	2013	2014
$275,691,690	$256,194,750	$251,049,200	$252,866,440	$218,554,660	$219,194,440
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
28,947,627	26,900,449	26,360,166	26,550,976	22,948,239	23,015,416
5,736,573	4,939,766	4,887,591	4,955,121	4,939,613	4,612,251
(47,318)	(95,541)	(160,845)	(102,737)	(161,951)	(121,648)
5,689,255	4,844,225	4,726,746	4,852,384	4,777,662	4,490,603
$23,258,372	$22,056,224	$21,633,420	$21,698,592	$18,170,577	$18,524,813
80.35%	81.99%	82.07%	81.72%	79.18%	80.49%
$275,691,690	$256,194,750	$251,049,200	$252,866,440	$218,554,660	$219,194,440
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
15,163,043	14,090,711	13,807,706	13,907,654	12,020,506	12,055,694
20,000	0	0	0	0	0
(47,318)	(95,541)	(160,845)	(102,737)	(161,951)	(121,648)
(27,318)	(95,541)	(160,845)	(102,737)	(161,951)	(121,648)
$15,190,361	$14,186,252	$13,968,551	$14,010,391	$12,182,457	$12,177,342

City of Painesville

Pledged Revenue Coverage
Last Ten Years

	2005	2006	2007	2008
Revenue Bonds - Electric (1 a)				
Gross Revenues (2)	$22,172,809	$21,308,391	N/A	N/A
Direct Operating Expenses (3)	17,512,070	18,730,885	N/A	N/A
Net Revenue Available for Debt Service	4,660,739	2,577,506	N/A	N/A
Annual Debt Service Requirement	747,500	752,600	N/A	N/A
Coverage	6.24	3.42	0.00	0.00
Special Assessment Bonds (4)				
Special Assessment Collections	$65,099	$56,858	$85,079	$168,049
Debt Service				
Principal	0	10,000	15,000	15,000
Interest	0	31,938	19,775	19,062
Coverage	0.00	1.36	2.45	4.93

(1) The Mortgage Revenue Bonds were issued as follows:
(a) The $4,540,000 balance of the 1st Mortgage Revenue Bonds-6th and 7th Series were defeased in December, 1985, by the issuance of $3,400,000 Special Obligation Electric System Refunding Bonds. The bond proceeds were deposited in an escrow account with the City's trustee, and the principal and interest on these funds will be sufficient to retire both the defeased debt and the Special Obligation debt, thus the Special Obligation Bond debt is not included in the annual debt service requirements above. The City also issued $7,490,000 Electric system Mortgage Revenue bonds, Series 1985, which debt service requirements are included above. In 1992, the City defeased $5,090,000 of the 1985 Bonds through the issuance of $6,000,000 of Electric System Mortgage Revenue Refunding Bonds.

(2) Gross revenues include operating revenues plus interest income.

(3) Direct operating expenses include operating expenses less depreciation.

N/A - The Electric Mortgage Revenue Bonds were retired in 2006.

(4) The special assessment bonds were issued for improvements to the Renaissance Parkway area.

2009	2010	2011	2012	2013	2014
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
0.00	0.00	0.00	0.00	0.00	0.00
$104,845	$89,140	$57,402	$77,616	$56,832	$78,213
15,000	15,000	15,000	15,000	20,000	20,000
18,350	17,638	16,926	16,212	15,500	14,500
3.14	2.73	1.80	2.49	1.60	2.27

Demographic and Economic Statistics
Last Ten Years

Calendar Year	2005	2006	2007	2008
Population (1)				
City of Painesville	17,503	17,503	17,503	17,503
Lake County	232,466	232,466	232,466	232,466
Income (2) (a)				
Total Personal (in thousands)	$582,815	$627,413	$669,350	$689,811
Per Capita	$33,298	$35,846	$38,242	$39,411
Unemployment Rate (3)				
Federal	5.5%	5.0%	4.6%	5.8%
State	6.0%	5.9%	5.6%	6.6%
Lake County	5.1%	4.8%	5.2%	6.1%
Civilian Work Force Estimates (3)				
State	5,900,400	5,934,000	5,976,500	5,986,400
Lake County	130,600	131,400	132,500	131,100

Sources:

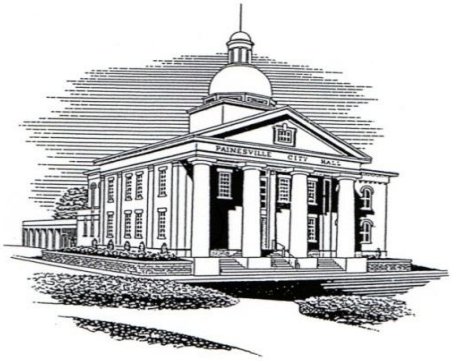
(1) US Bureau of Census of Population

(2) U.S. Department of Commerce, Bureau of Economic Analysis information is only available through 2013, for the presentation of 2014 statistics, the City is using the latest information available.

(a) Per Capita Income is only available by County, Total Personal Income is a calculation

(3) State Department of Labor Statistics

2009	2010	2011	2012	2013	2014
17,503	19,563	19,563	19,549	19,563	19,933
232,466	236,775	230,041	229,582	230,041	299,857
$662,226	$694,976	$780,798	$788,822	$850,247	$866,328
$37,835	$35,525	$39,912	$40,351	$43,462	$43,462
9.3%	9.0%	8.5%	7.8%	6.7%	5.6%
10.2%	9.0%	8.6%	6.7%	6.5%	4.8%
8.8%	8.1%	8.4%	6.4%	7.9%	6.2%
5,905,107	5,908,000	5,897,600	5,740,900	5,765,000	5,738,000
124,400	133,900	133,600	126,800	126,500	126,800


PAINESVILLE CITY HALL

City of Painesville

Principal Employers
Current Year and Nine Years Ago

		2014		
Employer	Nature of Business	Number of Employees	Rank	Percentage of Total Employment
County of Lake	Government	1,059	1	17.92%
Fasson Division/Avery International Corp.	Manufacturing	556	2	9.41%
Painesville City Schools	Education	397	3	6.72%
Lake Erie College	Education	263	4	4.45%
The City of Painesville	Government	259	5	4.38%
Aero Fluid Products, Inc.	Manufacturing	168	6	2.84%
Cintas	Service	110	7	1.86%
Eckart America	Manufacturing	108	8	1.83%
STP Products/Armoured Auto Group	Manufacturing	98	9	1.66%
Yokohama Industries Americas Ohio	Manufacturing	74	10	1.25%
		3,092		
Total Employment within the City		5,909		

		2005		
Employer	Nature of Business	Number of Employees	Rank	Percentage of Total Employment
County of Lake	Government	1,259	1	24.34%
Lake Hospital System	Medical-Patient Care	854	2	16.51%
Fasson Division/Avery International Corp.	Manufacturing	611	3	11.81%
Painesville City Schools	Education	450	4	8.70%
The City of Painesville	Government	280	5	5.41%
Core Systems	Manufacturing	182	6	3.52%
Lake Erie College	Education	174	7	3.36%
Ohio Association Enterprises	Commercial	155	8	3.00%
Cintas	Service	108	9	2.09%
Sas Rubber Co.	Manufacturing	104	10	2.01%
Total		4,177		
Total Employment within the City		5,173		

Sources:
Compiled by City of Painesville Finance Department

City of Painesville

Full Time Equivalent Employees by Function
Last Ten Years

	2005	2006	2007	2008	2009
Governmental Activities					
General Government					
Finance	6.00	6.00	7.00	7.00	7.00
Judicial	23.00	23.00	23.00	23.00	23.00
Administration	30.00	30.00	50.00	50.00	48.00
Maintenance	1.00	1.00	1.00	1.00	1.00
Public Safety					
Police	44.00	44.00	44.00	44.00	45.00
Fire	28.00	29.00	28.00	28.00	28.00
Public Works					
Public Works	19.00	19.00	19.00	19.00	17.00
Public Health and Welfare					
Cemeteries	4.00	5.00	6.00	5.00	5.00
Culture and Recreation					
Parks - Recreation	10.00	10.00	11.00	8.00	7.00
Business-Type Activities					
Utilities					
Water	22.00	22.00	26.00	20.00	20.00
Sewer	18.00	18.00	18.00	17.00	17.00
Electric	61.00	61.00	64.00	64.00	64.00
Off Street Parking	4.00	4.00	3.00	3.00	2.00
Total Employees	270.00	272.00	300.00	289.00	284.00

Method: 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

Source: Finance Director's Office

2010	2011	2012	2013	2014
7.00	7.00	7.00	6.00	6.00
20.00	19.00	19.00	19.00	17.00
47.00	47.00	44.00	43.00	43.00
1.00	1.00	1.00	1.00	1.00
43.00	42.00	41.00	41.00	42.00
28.00	27.00	27.00	27.00	26.00
17.00	16.00	15.00	15.00	16.00
5.00	5.00	4.00	4.00	4.00
7.00	7.00	6.00	6.00	6.00
21.00	20.00	19.00	20.00	21.00
17.00	17.00	17.00	17.00	17.00
64.00	62.00	62.00	56.00	56.00
1.00	1.00	1.00	1.00	1.00
278.00	271.00	263.00	256.00	256.00

Operating Indicators by Function
Last Ten Years

	2005	2006	2007
Governmental Activities			
General Government			
Court			
Number of Probation Cases	2,029	2,048	2,096
Number of Traffic Cases	10,471	11,510	11,319
Licenses and Permits			
Number of Building Permits - Residential	451	520	328
Number of Building Permits - Commercial & Industrial	54	51	51
Number of Building Inspections - Residential	1,686	2,094	3,391
Number of Building Inspections - Commercial	243	562	2,898
Public Safety			
Police			
Number of Citations Issued	1,818	2,225	2,197
Number of Arrests	1,350	1,535	1,200
Number of Accidents	657	645	653
Fire			
Number of Fire Calls	146	142	152
Number of EMS Runs	1,829	1,911	2,103
Number of Inspections	630	782	618
Public Works			
Public Works			
Number of Streets Resurfaced	7	9	8
Public Health and Welfare			
Cemeteries			
Number of Burials	210	219	219
Number of Cemeteries	2	2	2
Culture and Recreation			
Parks - Recreation			
Program Attendance (1)	7,486	6,758	6,570
Number of Park Visitations	100,000	90,000	93,500

2008	2009	2010	2011	2012	2013	2014
2,084	2,023	1,968	1,683	1,658	1,524	1,349
10,892	9,855	9,086	8,550	9,573	9,694	9,763
327	340	531	508	329	372	352
96	69	132	106	148	115	74
2,179	1,893	1,866	2,200	1,660	834	819
2,920	2,150	954	543	1,588	1,949	1,233
2,472	1,877	2,430	1,878	1,513	1,613	2,025
1,048	1,321	1,411	1,232	1,378	1,252	650
637	561	564	579	562	442	415
103	116	119	104	104	76	92
2,276	2,431	2,659	2,686	2,661	2,594	2,630
639	718	624	625	493	606	477
5	3	7	2	0	1	3
214	215	183	197	192	188	169
2	2	2	2	2	2	2
6,850	7,150	40,429	39,929	42,350	41,525	40,500
100,000	109,000	139,050	135,000	142,000	155,000	147,500

(Continued)

Operating Indicators by Function
Last Ten Years

	2005	2006	2007
Business-Type Activities			
Water			
Number of Service Connections	9,751	9,744	10,066
Water Main Breaks	57	27	60
Daily Average Consumption (thousands of gallons)	3,849	3,728	3,530
Peak Daily Consumption (thousands of gallons)	6,000	6,000	6,000
Storage Capacity (thousands of gallons)	4,053	4,053	4,053
Sewer			
Daily Average Sewage Treatment (thousands of gallons)	3.17	3.62	3.17
Electric			
Number of Service Connections	11,403	11,613	11,636
Average Daily Generation in Kilowatt Hours	652,416	635,317	587,647
Peak Load in Kilowatts	54,200	57,900	54,700
Off Street Parking			
Number of Parking Garage Spaces	502	502	502
Number of Vogue Lot Spaces	60	60	60
Number of Sterling Lot Spaces	101	101	101
Storm Water Drainage			
Number of Billings	5,938	5,984	5,981

(1) Beginning in 2010, program attendance data includes special events.

2008	2009	2010	2011	2012	2013	2014
10,147	10,184	10,254	10,316	10,380	10,454	10,536
45	42	55	34	50	44	43
3,241	3,485	3,590	3,440	3,410	3,059	3,100
6,192	5,573	4,667	5,208	6,098	4,450	4,051
4,053	4,053	4,053	4,053	4,053	4,053	4,053
3.73	3.03	2.75	4.11	3.33	3.29	3.30
11,896	12,056	12,041	12,038	12,032	12,231	12,240
660,507	315,577	252,084	247,814	79,714	41,115	16,983
50,700	55,200	54,000	55,500	57,400	54,500	50,600
502	502	502	502	502	502	502
60	60	60	60	60	60	60
101	101	101	101	101	101	101
6,023	6,046	6,095	6,095	7,103	7,605	7,631

Capital Asset Statistics by Function
Last Ten Years

	2005	2006	2007	2008
Governmental Activities				
General Government				
Public Land and Buildings				
Land (acres)	0.95	0.95	0.95	0.95
Buildings	7	7	7	7
Public Safety				
Police				
Stations	1	1	1	1
Vehicles	14	14	14	16
Fire				
Stations	1	1	1	1
Vehicles	11	11	11	11
Public Works				
Street				
Streets (lane miles)	58	58	58	58
Street Lights	1,474	1,504	1,550	1,571
Traffic Signals	106	106	108	116
Vehicles	27	27	27	27
Culture and Recreation				
Recreation/Seniors				
Land (acres)	118.02	118.02	118.02	118.02
Buildings	1	1	1	1
Parks	10	10	10	10
Playgrounds	7	7	7	7
Tennis Courts	2	2	2	2
Baseball/Softball Diamonds	9	9	9	9
Soccer Fields	1	1	1	1

2009	2010	2011	2012	2013	2014
0.95	0.95	0.95	0.95	0.95	0.95
7	7	7	7	7	7
1	1	1	1	1	1
16	18	18	20	21	25
1	1	1	1	1	1
12	13	13	13	14	13
58	58	59	59	59	59
1,571	1,571	1,571	1,571	1,571	1,571
116	116	116	116	116	116
28	28	28	27	27	27
125.32	125.32	125.32	140.51	140.51	140.51
1	1	1	1	1	1
14	14	14	15	15	15
7	8	8	11	11	11
2	2	2	2	2	2
9	9	9	9	9	9
1	1	1	0	0	0

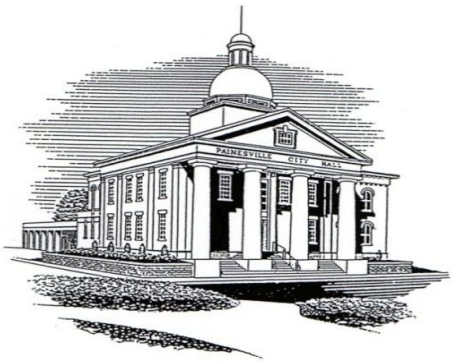
(Continued)

Capital Asset Statistics by Function
Last Ten Years

	2005	2006	2007	2008
Business-Type Activities				
Utilities				
Water				
Waterlines (Miles)	128.3	128.3	131.0	131.4
Pump Stations	5	5	5	7
Number of Hydrants	1,735	1,735	1,743	1,776
Sewer				
Sewer lines (Miles)	49	50	50	50
Lift Stations	7	7	7	7
Electric				
Lines (Miles)	205	210	215	218
Off Street Parking				
Buildings and Improvements	1	1	1	1
Storm Water Drainage				
Storm Drains (Miles)	37	37	37	37
Number of Catch Basins	2,900	2,900	2,900	2,900
Treatment Capacity (thousands of gallons)	28,000	28,000	28,000	28,000

Source: Finance Director's Office

2009	2010	2011	2012	2013	2014
132.3	132.6	132.7	132.9	133.1	138.6
7	7	7	7	7	7
1,797	1,803	1,805	1,813	1,839	1,866
50	50	50	50	50	50
7	7	7	8	8	8
220	220	220	220	222	222
1	1	1	1	1	1
37	37	38	38	38	38
2,900	2,900	2,902	2,902	2,902	2,902
28,000	28,000	28,000	28,000	28,000	28,000


PAINESVILLE CITY HALL