



Dave Yost • Auditor of State

CITY OF AKRON
SUMMIT COUNTY

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Dave Yost • Auditor of State

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

City of Akron
Summit County
166 South High Street
Akron, Ohio 44308

To the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Akron, Summit 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 and have issued our report thereon dated August 31, 2015, where we noted the City restated certain fund balances and net position as of January 1, 2014 to reflect the change in accounting practice for transactions relating to specific assets.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. However, as described in the accompanying schedule of findings we identified a certain deficiency in internal control over financial reporting, that we consider a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider finding 2014-001 described in the accompanying schedule of findings to be a material weakness.

Compliance and Other Matters

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

Entity's Response to Findings

The City's response to the finding identified in our audit is described in the accompanying schedule of findings and/or corrective action plan. We did not audit the City's response and, accordingly, we express no opinion on it.

Purpose of this Report

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

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Dave Yost
Auditor of State
Columbus, Ohio

August 31, 2015



Dave Yost • Auditor of State

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

City of Akron
Summit County
166 South High Street
Akron, Ohio 44308

To the City Council:

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Basis for Qualified Opinion on the Capitalization Grants for Clean Water State Revolving Funds, Highway Planning and Construction Cluster, and Assistance to Firefighters Grant

As described in Findings 2014-002 in the accompanying schedule of findings, the City did not comply with requirements regarding Procurement, Suspension & Debarment applicable to its Capitalization Grants for Clean Water State Revolving Funds, Highway Planning and Construction Cluster, and Assistance to Firefighters Grant major federal programs. Compliance with these requirements is necessary, in our opinion, for the City to comply with the requirements applicable to these programs.

Qualified Opinion on Capitalization Grants for Clean Water State Revolving Funds, Highway Planning and Construction Cluster, and Assistance to Firefighters Grant

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion on Capitalization Grants for Clean Water State Revolving Funds, Highway Planning and Construction Cluster, and Assistance to Firefighters Grant* paragraph, the City of Akron, Summit County, Ohio complied, in all material respects, with the requirements referred to above that could directly and materially affect its *Capitalization Grants for Clean Water State Revolving Funds, Highway Planning and Construction Cluster, and Assistance to Firefighters Grant* for the year ended December 31, 2014.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, City of Akron, Summit County, Ohio complied in all material respects with the requirements referred to above that could directly and materially affect each of its other major federal programs identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings for the year ended December 31, 2014.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which OMB Circular A-133 requires us to report, described in the accompanying schedule of findings as items 2014-003. This finding did not require us to modify our compliance opinion on the major federal program.

The City's responses to our noncompliance findings are described in the accompanying schedule of findings and / or corrective action plan. We did not audit the City's responses and, accordingly, we express no opinion on them.

Report on Internal Control over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Therefore, we cannot assure we have identified all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness and a deficiency we consider to be a significant deficiency.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program's compliance requirement will not be prevented, or timely detected and corrected. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings as item 2014-002 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency or a combination of deficiencies in internal control over compliance with a federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings as item 2014-003 to be a significant deficiency.

The City's responses to our internal control over compliance findings are described in the accompanying schedule of findings and / or corrective action plan. We did not audit the City's responses and, accordingly, we express no opinion on them.

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

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

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Akron, Summit 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. We issued our unmodified report thereon dated August 31, 2015. Our opinion also explained that the City restated certain fund balances and net position as of January 1, 2014 to reflect the change in accounting practice for transactions relating to specific assets. We conducted our audit to opine on the City's' basic financial statements. We have not performed any procedures to the audited financial statements subsequent to August 31, 2015. The accompanying supplemental schedule of expenditures of federal awards presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements.

We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements, or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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Dave Yost
Auditor of State
Columbus, Ohio

October 5, 2015

CITY OF AKRON, OHIO

**SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2014**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA No.	Federal Expenditures
DEPARTMENT OF AGRICULTURE		
Passed Through the Ohio Department of Health:		
Summer Food Service Program for Children	10.559	\$ 197,999
Total Department of Agriculture		<u>197,999</u>
DEPARTMENT OF EDUCATION		
Passed Through the Ohio Department of Education:		
Twenty-First Century Community Learning Centers	84.287	1,167,810
Total Department of Education		<u>1,167,810</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		
Direct Programs:		
CDBG - Entitlement Grants Cluster:		
Community Development Block Grants/Entitlement Grants	14.218	5,508,190
Neighborhood Stabilization Program	14.218	896,894
Total CDBG - Entitlement Grants Cluster		<u>6,405,084</u>
Emergency Shelter Grants Program	14.231	598,461
HOME Investment Partnership Program	14.239	947,525
Continuum of Care Program	14.267	10,000
Healthy Homes Production Grant Program	14.913	664,757
Lead Hazard Reduction Demonstration Grant Program	14.905	1,170,371
Passed Through the Ohio Development Services Agency:		
Neighborhood Stabilization Program	14.228	2,424
Total Department of Housing and Urban Development		<u>9,798,622</u>
DEPARTMENT OF JUSTICE		
Direct Programs:		
Juvenile Accountability Incentive Block Grants	16.523	7,206
Violence Against Women	16.588	46,241
Equitable Sharing Program	16.922	78,232
Passed Through the Governor's Office of Criminal Justice Services:		
ARRA - Public Safety Partnership and Community Policing Grants	16.710	1,486,773
Edward Byrne Memorial Justice Assistance - Formula Grants	16.738	256,730
Total Department of Justice		<u>1,875,182</u>
ENVIRONMENTAL PROTECTION AGENCY		
Direct Programs:		
Brownfields Assessment and Cleanup	66.818	78,867
Passed Through the Ohio Environmental Protection Agency:		
Capitalization Grants for Clean Water State Revolving Funds	66.458	12,507,170
Total Environmental Protection Agency		<u>12,586,037</u>
DEPARTMENT OF TRANSPORTATION		
Passed Through the Federal Aviation Administration:		
Airport Improvement Program	20.106	41,490
Passed Through the Ohio Department of Highway Safety:		
Highway Safety Cluster:		
State and Community Highway Safety	20.600	47,916
Alcohol Traffic Safety and Drunk Driving Prevention Program	20.601	21,915
Total Highway Safety Cluster		<u>69,831</u>

CITY OF AKRON, OHIO

**SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2014**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA No.	Federal Expenditures
Passed Through the Ohio Department of Public Safety		
National Priority Safety Programs - Impaired Driving Enforcement Program	20.616	9,816
Passed Through the Ohio Department of Transportation:		
Highway Planning and Construction Cluster:		
ODOT - Akron Metropolitan Area Transportation Study, PID #95257	20.205	41,797
ODOT - Akron Metropolitan Area Transportation Study, PID #95260	20.205	37,309
ODOT - Akron Metropolitan Area Transportation Study, PID #95219	20.205	734,650
ODOT - Akron Metropolitan Area Transportation Study, PID #97401	20.205	493,591
ODOT - Akron Metropolitan Area Transportation Study - Rideshare, PID #90473	20.205	27,171
ODOT - Akron Metropolitan Area Transportation Study - Rideshare, PID #90474	20.205	35,034
Total Akron Metropolitan Area Transportation Study		<u>1,369,552</u>
ODOT - Akron Safe Routes to School, PID #95710	20.205	22,268
ODOT - Akron Innerbelt, PID #75436	20.205	238,404
ODOT - Arlington Waterloo Intersection , PID #96359	20.205	56,251
ODOT - East Market Street Signalization, PID #87783	20.205	186,128
ODOT - Evans Avenue, PID #80684	20.205	162,700
ODOT - Manchester Road-PH2, PID #79989	20.205	11,542
ODOT - Mill Street Bridge, PID #14543	20.205	120,408
ODOT - Whitepond PH3, PID #90890	20.205	29,683
ODOT - Northside Train Station, PID #88552	20.205	39,485
ODOT - Parkside East Towpath Trail, PID #88529	20.205	41,265
ODOT - Eagle Street, PID #84398	20.205	18,890
ODOT - Massillon Road, PID #84399	20.205	107,482
ODOT - Seiberling Way Phase 1, PID #84397	20.205	367,414
ODOT - Seiberling Way Phase 2, PID #84907	20.205	1,475,068
Total Highway Planning & Construction Cluster		<u>4,246,540</u>
Total Department of Transportation		<u>4,367,677</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES		
Passed Through the County of Summit:		
Temporary Assistance for Needy Families	93.558	261,381
Total Department of Health and Human Services		<u>261,381</u>
EXECUTIVE OFFICE OF THE PRESIDENT		
Office of National Drug Control Policy		
Passed Through the City of Shaker Heights, Ohio:		
High Intensity Drug Trafficking Area	95.001	50,400
Total Executive Office of the President		<u>50,400</u>
DEPARTMENT OF HOMELAND SECURITY		
Direct Programs:		
Staffing for Adequate Fire and Emergency Response 2011	97.083	2,985,222
Staffing for Adequate Fire and Emergency Response 2012	97.083	3,068,058
Passed Through the Federal Emergency Management Agency		
Assistance to Firefighters Grant	97.044	984,824
Passed Through the U. S. Department of Health and Human Services		
Metropolitan Medical Response System	97.071	280,739
Total Department of Homeland Security		<u>7,318,843</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u>\$ 37,623,951</u>

See notes to supplemental schedule of expenditures of federal awards.

CITY OF AKRON, OHIO

NOTES TO SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED DECEMBER 31, 2014

1. BASIS OF PRESENTATION

The accompanying supplemental schedule of expenditures of federal awards includes the federal grant activity of the City of Akron, Ohio, and is presented on the cash basis of accounting except expenditures passed through the Ohio Department of Transportation and Ohio Environmental Protection Agency loans which are presented on an accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

2. SUBRECIPIENTS

Of the federal expenditures presented in this schedule, the City of Akron, Ohio, provided federal awards to subrecipients as follows:

Program Title	Federal CFDA No.	Provided to Subrecipients
CDBG- Entitlement and (HUD-Administered) Small Cities Cluster - Community Development Block Grant/Entitlement Grants	14.218	\$1,090,749
Neighborhood Stabilization Program - Federal Direct	14.218	465,454
Emergency Shelter Grants Program	14.231	570,570
HOME Investment Partnership Program	14.239	910,263
Continuum of Care Program	14.267	10,000
Lead Hazard Reduction Demonstration Grant Program	14.905	977,823
Edward Byrne Memorial Formula Grant Program	16.738	45,214
Temporary Assistance for Needy Families	93.558	261,381
Total		<u>\$4,331,454</u>

3. LOANS OUTSTANDING

The City of Akron, Ohio, had the following loan balances outstanding at December 31, 2014, which had continuing compliance requirements.

Program Title	CFDA No.	Outstanding
Community Development Block Grants/Entitlement Grants	14.218	\$ 66,898
Empowerment Zone Program	14.244	367,232
HOME Investment Partnership Program	14.239	3,802,877

4. MATCHING REQUIREMENTS

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

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**CITY OF AKRON
SUMMIT COUNTY**

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

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	Yes
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	Yes
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	Yes
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified except Qualified Capitalization Grants for Clean Water State Revolving Funds - CFDA #66.458 Highway Planning and Construction Cluster - CFDA #20.205 Assistance to Firefighters Grant - CFDA #97.044
(d)(1)(vi)	Are there any reportable findings under § .510(a)?	Yes
(d)(1)(vii)	Major Programs (list):	Twenty-First Century Community Learning Centers - CFDA #84.287 Lead Hazard Reduction Demonstration Grant Program – CFDA #14.905 Capitalization Grants for Clean Water State Revolving Funds – CFDA #66.458 Highway Planning and Construction Cluster - CFDA #20.205 Staffing for Adequate Fire and Emergency Response – CFDA #97.083 Assistance to Firefighters Grant – CFDA #97.044
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$1,128,719 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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Financial Statement Adjustments

Finding Number	2014-001
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MATERIAL WEAKNESS

Sound financial reporting is the responsibility of the City Council and the Director of Finance, and is essential to ensure the information provided to the readers of the financial statements and accompanying notes is complete and accurate.

The City's trial balances, accounting records and financial statements were adjusted for each of the following errors identified:

- The proceeds received from two of the City's 2014 bond issuances were used to retire previously issued bonds. However, the city treated the bond issuances as a regular refunding instead of an advance refunding with defeasance of debt. This resulted in an overstatement of debt service expense- principal retirement and an understatement of other financing uses - payment to refunding agent totaling \$62,680,000 in the Income Tax Capital Improvement Fund.
- Principal payments for Water Fund bonds and OWDA loans were appropriately used to reduce the mortgage revenue bond and OWDA loan liabilities in the Water Fund. However, because of issues with how transaction information was brought in to the City's new GAAP reporting system, these payments were also recorded as interest expense resulting in an overstatement of interest expense and an understatement of direct expenses totaling \$4,685,559 in the Water Fund.
- The City acquired water infrastructure assets from Summit County in a prior year which were never recorded, resulting in a restatement of beginning net position totaling \$6,454,845 as well as understatements of the Water Fund Balance Sheet and Business Type Activity Statement of Net Position infrastructure assets, depreciation expense and accumulated depreciation totaling \$6,454,845, \$1,371,655 and \$1,371,655, respectively.
- Principal payments for Sewer Fund bonds and OWDA loans were appropriately used to reduce the revenue bond and OWDA loan liabilities in the Sewer Fund. However, because of issues with how transaction information was brought in to the City's new GAAP reporting system, these payments were recorded as interest expense resulting in an overstatement of interest expense and an understatement of direct expenses totaling \$15,961,742 in the Sewer Fund.
- Assets held for resale was overstated \$6,672,829 on the Statement of Net Position (Governmental Activities). Related opening net position was overstated \$2,672,489 and community environment expenditures was understated \$4,000,340 on the Statement of Activities (Governmental Activities).

The errors occurred because management did not ensure the reported properties were owned by the City. Management should implement procedures to improve communication between the Audit and Budget division and the Economic Development Division (largely involved in consummating activities) during the year. Management should also implement procedures which account for changes in assets held for resale on an interim basis and ensure City ownership of reported assets held for resale is established.

Financial Statement Adjustments (continued)

- **Governmental Activities:** Bonds, notes, and loans payable – current, was understated \$5,500,000 on the Statement of Net Position. Related liabilities due in more than one year, accounts payable and other accrued liabilities, and deferred inflows - other financing source – debt, were overstated \$ 2,811,588, \$ 115,927, and \$ 2,572,485 respectively, on the Statement of Net Position.

Income Tax Capital Improvement Fund: Due to others was overstated \$5,500,000, and deferred inflows - other financing source – debt was understated \$2,572,485 on the Balance Sheet. Related opening equity, and other financing source – debt, were understated \$223,274 and \$2,704,241 respectively on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.

The errors occurred because management was not aware of the liability and omitted a 2013 bond anticipation note. Management also reported the liability as a fund liability. Management should implement procedures that ensure all debt activity is properly reported and recorded timely within the finance department. Procedures should include improved communication between the Audit and Budget Division and Treasury Assessments & Licenses Division that is responsible for monitoring certain debt activity not monitored and recorded by the Audit and Budget Division during the fiscal year.

These errors were not identified and corrected prior to the City preparing their financial statements due to deficiencies in the City's internal controls over financial statement monitoring.

Additional immaterial adjustments totaling \$18,793,198 were reported in a separate management letter comment.

To help ensure complete and accurate financial reporting, the Director of Finance, or appointed representatives, should closely monitor all financial transactions for proper posting throughout the year, as well as review year-end financial statement adjustments for accuracy, consistency and reasonableness.

Official's Response: See corrective action plan.

3. FINDINGS FOR FEDERAL AWARDS

1. Procurement Suspension & Debarment

Finding Number	2014-002
CFDA Title and Number	Capitalization Grants for Clean Water State Revolving Funds - CFDA #66.458
Federal Award Number / Year	2014
Federal Agency	Environmental Protection Agency
Pass-Through Agency	Ohio Environmental Protection Agency
CFDA Title and Number	Highway Planning and Construction Cluster - CFDA #20.205
Federal Award Number / Year	2014
Federal Agency	Department Of Transportation
Pass-Through Agency	Ohio Department of Transportation
CFDA Title and Number	Assistance to Firefighters Grant - CFDA #97.044
Federal Award Number / Year	2014
Federal Agency	Department Of Homeland Security
Pass-Through Agency	Federal Emergency Management Agency

NONCOMPLIANCE AND MATERIAL WEAKNESS

2 C.F.R. Part 180.220 states that Non-Federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. "Covered transactions" include those procurement contracts for goods and services awarded under a non-procurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 C.F.R. section 180.220. All non-procurement transactions entered into by a recipient (i.e., subawards to subrecipients), irrespective of award amount, are considered covered transactions, unless they are exempt as provide in 2 C.F.R. section 180.215.

When a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-federal entity must verify that the entity and its principals, as defined in 2 C.F.R. section 180.995 and agency adopting regulations, are not suspended or debarred or otherwise excluded from participating in the transaction. This verification may be accomplished by (1) checking the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA) on the System for Award Management (SAM) at <https://www.sam.gov/portal/public/SAM/#1>, (2) collecting a certification from the entity, or (3) adding a clause or condition to the covered transaction with that entity (2 C.F.R. section 180.300).

Capitalization Grants for Clean Water State Revolving Funds (CFDA #66.458) and Highway Planning and Construction Cluster (CFDA #20.205): The City performed procedures to ensure that parties are not excluded, suspended or debarred for construction contracts only, however, these procedures were not performed for engineering consulting contracts. We subsequently performed EPLS searches on the SAM website for engineering consultants and other governments and not for profits selected and noted none of the parties were listed at that time as excluded, suspended or debarred.

1. Procurement Suspension & Debarment (continued)

Assistance to Firefighters Grant (CFDA #97.044): The City did not perform EPLS searches on program vendors. We subsequently performed EPLS searches on the SAM website for selected vendors and noted none of the parties were listed at that time as excluded, suspended or debarred.

Fire Department management was not aware of the requirements. In addition, City management was not aware that these requirements also extend to engineering consulting contracts.

To help ensure compliance with Federal suspension and debarment, the City should perform procedures for all subrecipients and vendors paid with Federal funds to ensure the parties are not excluded, suspended or debarred. The City should maintain a copy of the search results when they perform a review of the System for Award Management (SAM) at <https://www.sam.gov/portal/public/SAM/#1> of vendors and subrecipients receiving greater than \$25,000 from the Clean Water Revolving Fund Grant and the Highway Planning and Construction Cluster, ensuring the vendors and subrecipients are not suspended or debarred or otherwise excluded.

Official's Response: See corrective action plan.

2. Equipment & Real Property Management

Finding Number	2014-003
CFDA Title and Number	Assistance to Firefighters Grant - CFDA #97.044
Federal Award Number / Year	2014
Federal Agency	Department Of Homeland Security
Pass-Through Agency	Federal Emergency Management Agency

NONCOMPLIANCE AND SIGNIFICANT DEFICIENCY

A-102 Common Rule (§___.32) requires equipment records to be maintained, a physical inventory of equipment shall be taken at least once every 2 years and reconciled to the equipment records, an appropriate control system shall be used to safeguard equipment and equipment shall be adequately maintained. Equipment, for Federal grant purposes, means tangible nonexpendable property, including exempt property, charged directly to the award having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

The City purchased qualified equipment for the fire department with Federal Assistance to Fire Fighters Grant funding however, the City did not perform physical inventories of this equipment nor separately track and account for this equipment as federal program equipment. This condition increases the risk of City noncompliance occurring because City management would not be aware of federal disposal regulations attached to federal funded equipment at the time of disposal.

Fire Department management was not aware of the requirements.

To help ensure compliance with federal grant requirements the City should perform a physical inventory of equipment at least every two years and reconcile inventory counts to property records as required by A-102 Common Rule (§___.32). The City should also track the purchase and disposal of assets with federal funds.

Official's Response: See corrective action plan.

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**CITY OF AKRON
SUMMIT COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 § .315 (b)
DECEMBER 31, 2014**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2013-001	<p>Highway Planning and Construction - CFDA #20.205 – The City did not perform required 30% verification of contractor payrolls for compliance with Prevailing Wage requirements.</p>	yes	
2013-002	<p>Lead Hazard Reduction Demonstration Grant Program – CFDA #14.905 – The City overstated cost reimbursement requests due to accounting errors resulting in Questioned Costs of \$19,750.</p>	yes	

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CITY OF AKRON, OHIO

CORRECTIVE ACTION PLAN
OMB CIRCULAR A -133 § .315 (c)
YEAR ENDED DECEMBER 31, 2014

Finding 2014-001:

Official Response – The City made the adjustments to the trial balances; therefore, the financial statements are accurately reported.

Finding 2014-002:

- A. Name of Contact Person: Diane L. Miller-Dawson, Director of Finance
- B. Corrective Action Plan:
 - 1. The Department of Finance will work with City divisions to ensure they are aware of the importance of verifying and documenting that vendors are not listed on the Excluding Parties List System.
- C. Proposed Completion Date:
 - 1. This will be resolved by December 31, 2015.

Finding 2014-003:

- A. Name of Contact Person: Diane L. Miller-Dawson, Director of Finance
 - B. Corrective Action Plan:
 - 1. The Department of Finance is confident the Fire Department's daily inventory of items purchased with the Federal Assistance Firefighters Grant is sufficient to meet the federal guidelines; however, the process will be reviewed.
 - C. Proposed Completion Date:
 - 1. This will be resolved by December 31, 2015.
-

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Jeff Fusco, Mayor

Comprehensive Annual Financial Report

City of Akron, Ohio

For the Fiscal Year Ended December 31, 2014



City of Akron, Ohio
**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**



For the Fiscal Year Ended December 31, 2014

Issued by the Department of Finance

Introductory Section



ELECTED AND APPOINTED OFFICIALS

As of June, 2015

Jeff Fusco, Mayor

COUNCIL MEMBERS

Rich Swirsky	1st Ward
James P. Hurley III	2nd Ward
Margo M. Sommerville	3rd Ward
Russel C. Neal, Jr.	4th Ward
Tara Mosley-Samples	5th Ward
Robert E. Hoch	6th Ward
Donnie J. Kammer	7th Ward
Marilyn L. Keith	8th Ward
Michael N. Freeman, Council President	9th Ward
Jack Hefner	10th Ward
Linda F. R. Omobien	Councilman-at-Large
Michael D. Williams	Councilman-at-Large
Vacant	Councilman-at-Large

CABINET OF THE MAYOR

Diane L. Miller-Dawson	Director of Finance
Patricia Ambrose Rubright	Director of Law
John O. Moore	Director of Public Service
John W. Valle	Director of Neighborhood Assistance
Marco S. Sommerville	Director of Planning and Urban Development
Randy D. Briggs	Deputy Mayor for Labor Relations
Samuel D. DeShazor	Deputy Mayor of Economic Development
Adele Dorfner Roth	Deputy Director of Planning and Urban Development
Phillip J. Montgomery	Deputy Director of Public Service
Richard A. Schmahl	Chief Information Officer
Stephanie H. York	Communications - Assistant Director of Law
Dr. Teresa H. Albanese	Assistant to the Mayor for Education, Health and Families
Robert C. Ross	Deputy Mayor for Public Safety
Richard A. Merolla	Deputy Mayor for Administration

CITY OF AKRON, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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Diane L. Miller-Dawson
Director of Finance
E-mail: DMiller-Dawson@akronohio.gov



Tina Vick
Executive Assistant

Jeff Fusco
Mayor

DEPARTMENT OF FINANCE

502 Municipal Building / 166 South High Street / Akron, Ohio 44308
PH: (330) 375-2316 FAX: (330) 375-2291

August 31, 2015

The Honorable Jeff Fusco
and Members of City Council
The City of Akron, Ohio

Dear Mayor Fusco and Council Members:

I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Akron for the year ended December 31, 2014. This report presents financial and operating information about the City's activities during 2014 that should be useful to citizens and taxpayers. The report, prepared by the Department of Finance, contains a comprehensive analysis of the City's financial position and activities for the year.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City of Akron. To the best of our knowledge and belief, the enclosed data is accurate in all material respects; it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of our various funds; and all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activities have been included.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that has been established for this purpose. The cost of internal control should not exceed anticipated benefits; therefore, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. The Audit and Budget Division prepared all of the financial statements and assisted the external independent accountants in their performance of the annual audit. The Treasurer's Office assisted in drafting the statistical section.

Generally accepted accounting principles (GAAP) 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). This letter of transmittal is designed to

complement the MD&A and should be read in conjunction with it. The City of Akron's MD&A can be found immediately following the Independent Auditor's Report.

As background for the reader of this report, the City of Akron is a charter city. The City is the fifth largest Ohio municipality in terms of population based on the 2010 Census population of 199,110. The City's land area is approximately 62 square miles and is located in the northeastern region of the state in the County of Summit.

The City is directed by a mayor and council form of government. Legislative authority is vested in a 13-member Council, three members of which are elected at-large and ten by wards. The Council determines the compensation of City officials and employees and enacts ordinances and resolutions relating to City services, tax levies, appropriation and borrowing of money, licensing and regulating businesses and trades, and other municipal purposes.

The Mayor is elected for a four-year term and has the responsibility as the City's chief executive and administrative officer. The Mayor may veto any legislation passed by Council. A veto may be overridden by a two-thirds vote of all members of Council. The Director of Finance is appointed by the Mayor and serves as the City's chief financial officer and chief accounting officer. The Director of Finance has comprehensive responsibility for the City's fiscal activities, including budget preparation and control, employee benefits, payroll and general accounting, investment and debt management, purchasing, local income tax administration, utility revenue collection, information processing, and financial reporting.

The City provides the full range of municipal services mandated by statute or charter, including police and fire protection, health, parks, recreation, street maintenance, planning, zoning, and other general government services. The City has management control of the following enterprise activities: water, sewer, oil and gas development, golf course, airport, and off-street parking.

Economic Conditions and Outlook

Major revenue sources for the City continue to be the City's income tax, property taxes, local fees, charges for services, and state-shared local government revenue. The City's cash income tax collections increased by approximately 0.16% in 2014. On a cash basis for 2014, property taxes in the general fund decreased by 1% and the state's local government revenue to the City decreased by approximately 2.1%. Income tax receipts from the 12 largest economic sectors in the City have increased by 11.6% since 2010 and, combined, account for over 78% of total tax collections. Receipts from the 12 fastest growing economic sectors have increased by 40%. No one sector makes up more than 19% of the total collected.

Despite economic concerns in 2014, the City of Akron remains in a stable financial state. Efforts to reduce expenses and operate more efficiently have allowed the City to function at a continuously high service level at lower costs. These efforts ensure the City will be in strong position for growth as the economy rebounds. The revenue collected from the four Joint Economic Development Districts (JEDDs) is an additional funding source to encourage and promote economic development and to secure a solid tax base.

Long-term Financial Policies

Unassigned fund balance in the general fund (7.4% of the general fund expenditures) is over the City's 5% threshold policy guidelines set by the Administration for budgetary and planning purposes. The Administration intends to review this policy in the near future to determine if this policy meets the City's current needs.

The City completes a five-year capital budget that is updated annually. In this document, the City attempts to forecast its capital requirements for the next five years.

Relevant Financial Policies

The City has a charter requirement that the 2% income tax (the City's largest revenue source) used specifically for City services, be allocated so that 73% of net revenue is used for operations and the balance is used for capital needs.

Major Initiatives

Defining the major initiatives for the City of Akron can be summed up into three parts: creating and retaining jobs, energizing our neighborhoods and security and alliance with other governmental entities.

In 2014, the Akron Global Business Accelerator (AGBA) continued to grow and contribute directly to the success of several client companies in the City. Vadxx Energy attracted \$20M in investments and made plans to build its first North American plastic waste-to-fuel plant in Akron. The Software Craftsmanship Guild established a boot camp to train software programmers, placing 98% of graduates in jobs by the end of their 12-week course. Ravizza, an Italian packaging manufacturer, opened its U.S. headquarters and joined the Accelerator program. In total, the AGBA assisted 38 companies in raising almost \$13 million in investments and generating nearly \$30 million in sales. These businesses created 106 new jobs in 2014.

The Bit Factory, funded in part with a \$150,000 grant from the Burton D. Morgan Foundation, opened in the Accelerator in 2014 to offer free office space and mentoring programs for technology entrepreneurs. The Bit Factory will be part of the planned Bits and Atoms Innovation Center, for which the City has received \$4.5 million dollars in grants.

Recognizing its water supply as a major asset, the City of Akron hosted a two-day launch event to unveil the formation of the Akron Global Water Alliance (AGWA) in 2014. The AGWA initiative aims to establish the City as a "Center for Water Excellence" as well as a place "Where Collaboration Brings Innovation to Life". The initiative hopes to make Akron an exchange center for innovative water technologies and an attractive place for water technology companies to start, relocate, or grow their businesses in the United States and within the City. The event drew attendees from all over the world, including Israel and the Netherlands.

The City took many steps to ensure the safety of its citizens in 2014. The Akron Police Department hired and extended conditional job offers to 52 police officers. The department created a Gun Violence Reduction Team to locate individuals in possession of illegal firearms, confiscating 538 guns from the streets of Akron. Akron Police also formed a Neighborhood Response Team composed of officers working with Zone Commanders, Council Members, and the Department of Neighborhood Assistance to tackle neighborhood concerns directly.

The Akron Fire Department hired 17 new firefighter/medics in 2014. The department was awarded a grant to install 3,432 smoke detectors in homes and perform safety inspections in 520 residences throughout the community. Akron Fire also was awarded a federal Assistance to Firefighters Grant which will fund a collaborative project with Summit County to improve the jointly owned 800 MHz radio system.

The City continued to partner with Akron Public Schools to provide expanded resources and opportunities to citizens through Community Learning Centers. The 29th Community Learning Center, King Community Learning Center, was completed in 2014. The Mayor's newly-formed Office of Education, Health and Families worked with Community Learning Center leaders, Akron Public Schools, the Summit Education Initiative, United Way, and the GAR Foundation to improve mentoring skills of staff and coaches at the centers while supporting youth participants' personal and academic growth. The Community Learning Centers also served over 50,000 meals in the Akron Summer Food Service program and hosted many "Akron After School" programs.

The City also supported various new building developments in 2014. Akron Children's Hospital continued construction of its \$200 million seven-story downtown expansion project. The new facility will help create between 175 and 200 jobs upon completion. Construction was completed on an \$18 million Hilton Garden Inn on East Market Street near the recently built Goodyear World Headquarters. That area is further being developed as the Goodyear Hall is renovated with 100 apartments and space for 8 retail shops. Construction of a new Mustard Seed Market continued in the Highland Square neighborhood, made possible by a \$3.8 million HUD loan guarantee secured by the City.

The City remained committed to providing a vibrant and fun downtown atmosphere in 2014. The City's Lock 3 venue hosted 260,000 people in the summer, co-sponsoring over 40 community events including 17 "Rock the Lock" Fridays and seven "Lock 3 Live" concerts on Saturdays. In the winter, the City's ice rink at Lock 3 welcomed over 18,000 skaters and had approximately 40,000 visitors between Thanksgiving and First Night, the City's New Year's Eve celebration. The City sponsored major festivals downtown such as the Hamburger Festival, the July 4th Rib White and Blue Festival, and the Italian-American Societies Festival.

These are just a few of the initiatives that, when taken together, contribute to the strength and diversity of the City's economy.

Reporting Standards

The City's accounts are organized as funds. Each fund is a separate accounting entity with its own self-balancing set of accounts, assets and deferred outflows of resources, liabilities and deferred inflows of resources, and fund balance/equity. Following are the titles of these fund types with a brief description.

Governmental funds:

General Fund – The General Fund is the general operating fund of the City and is appropriated. It is used to account for all financial resources traditionally associated with government that are not required to be accounted for in another fund.

Special Revenue Funds – The Special Revenue Funds are used to account for revenues derived from specific taxes, grants, or other restricted revenue sources. City ordinances or federal or state statutes specify the uses and limitations of each Special Revenue Fund. During 2014, the City had 23 Special Revenue Funds.

Debt Service Funds – The Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. During 2014, the City had ten Debt Service Funds.

Capital Projects Funds – The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital facilities other than those financed by proprietary funds. During 2014, the City had six Capital Projects Funds.

Permanent Funds – The Permanent Funds are used for the purpose of accounting for resources that are legally restricted to the extent that earnings, and not principal, may be used for purposes that support the reporting governments. The City does not have any Permanent Funds.

Proprietary funds:

Enterprise Funds – The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, in that the intent of the governing body 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. The City has six Enterprise Funds.

Internal Service Funds – The Internal Service Funds are used to account for the financing of goods or services provided by one division or agency to other divisions or agencies of the government, generally on a cost-reimbursement basis. The City has seven Internal Service Funds.

Fiduciary funds:

Private Purpose Trust Funds – The Private Purpose Trust Funds are used to account for other trust arrangements which benefit individuals, private organizations, or other governments. During 2014, the City had three Private Purpose Trust Funds.

Agency Funds – The Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. During 2014, the City had three Agency Funds.

Other Fiduciary Funds – The Other Fiduciary Funds include pension trust funds and investment trust funds. The City does not utilize any such Other Fiduciary Funds.

Basis of Accounting:

Except for budgetary purposes, the basis of accounting used by the City conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units and is consistent with Governmental Accounting Standards Board (GASB) Cod. Sec. 1600, “Basis of Accounting.” All governmental funds are accounted for using a current financial resources-current assets and current liabilities measurement focus. The modified accrual basis of accounting is utilized for 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 interest on long-term debt which is recorded when due.

The measurement focus on the City’s proprietary and fiduciary funds is on the flow of total economic resources (all assets and liabilities). The accrual basis of accounting (revenues are recognized when earned and expenses when incurred) is utilized by the City in its proprietary funds.

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 (measurable and available), and encumbrances are included as expenditures rather than as an allocation of fund balances.

Accounting policies are further explained in Note 1 to the basic financial statements.

Cash Management

Effective cash management is recognized as essential to good fiscal management. The primary objectives of the City’s investment activities are the preservation of capital and the protection of investment principal. The Treasurer’s Office within the Department of Finance invests all cash, following the City’s own investment ordinance, in various securities which consist of fixed-rate City bonds and notes, certificates of deposit, fully collateralized repurchase agreements, and U.S. government obligations. The City’s investment ordinance was modified in late 1986 to take advantage of State of Ohio investment opportunities. However, the local investment policy

continues to be conservative with the highest priority given to safeguarding assets. For 2014, investment interest income averaged a yield of 0.24% compared to a yield of 0.26% in 2013. The interest earnings are maximized by investing to projected payment dates on a competitive bid basis and by investing bank balances daily.

Risk Management

The City has been self-insured for liability coverage for non-auto-related incidents since 1985. This program was established in response to the dramatic rise in premiums in the mid-1980's and the increases in exclusions written into standard insurance policies. Additionally, the City is primarily self-insured for employee medical benefits, including major medical, dental, and vision care. This has proven to be the most cost-effective program for this type of coverage. The City also has in place reserve funds for workers' compensation and medical benefits. For other types of coverage, such as property insurance, airport liability, employee life, auto liability, and boiler and machinery coverage, the City has secured traditional insurance. The City is assisted in its insurance program by an independent consulting firm that does not underwrite insurance but has expertise in the insurance industry. The City relies on the advice offered by the consultant in securing any insurance.

Pension

The City contributes to two state-administered retirement plans covering various groups of City employees. Uniform police and fire employees participate in the statewide Ohio Police and Fire Pension Fund. Substantially, all other City employees participate in the statewide Ohio Public Employees Retirement System (OPERS). The City's total contributions to these plans were equal to 100% of the required employer contributions for the year. The financial statements of these state-mandated plans are not included in the City's financial reports as the plans are outside of our control and are independent of our financial resources or influence.

Independent Annual Audit

We appreciate the cooperation of State Auditor Dave Yost and his staff in completing the City's audit in a timely and highly professional manner.

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Akron, Ohio, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2013. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such a CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City of Akron, Ohio, has received Certificates of Achievement for the last 30 consecutive years (1984 through 2013). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgments

The 2014 Comprehensive Annual Financial Report could not have been accomplished without the dedication of the professionals in the Audit and Budget Division of the Department of Finance. Special acknowledgment must go to the Audit and Budget staff for the many hours of quality service they have provided to the City in the formulation of this report. I further wish to thank you, Mayor, for continuing to provide to the department the necessary support and leadership required to enhance the City's overall fiscal position and its financial reporting practices. We trust that this timely, complete, and fully readable Comprehensive Annual Financial Report satisfies your needs and those of City Council for responsible financial planning and reporting.

Respectfully,



Diane L. Miller-Dawson
Director of Finance

DLMD/tv



Government Finance Officers Association

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

Presented to

**City of Akron
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO

Financial Section



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

City of Akron
Summit County
166 South High Street
Akron, Ohio 44308

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 Akron, Summit County, Ohio (the City), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

Emphasis of Matter

As discussed in Note 28 to the financial statements, the City restated certain fund balances and net position as of January 1, 2014 to reflect the change in accounting practice for transactions relating to specific assets. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted to opine on the City's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 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.

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

Dave Yost
Auditor of State
Columbus, Ohio

August 31, 2015

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CITY OF AKRON, OHIO MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis of the City of Akron, Ohio financial performance provides an overview of Akron's financial activities for the fiscal year ended December 31, 2014. Please read it in conjunction with the transmittal letter on page 7 and the City's financial statements, which begin on page 38.

FINANCIAL OVERVIEW

- The assets and deferred outflows of the City of Akron, Ohio exceeded its liabilities and deferred inflows at December 31, 2014 by \$809,387,933 (net position). Of this amount, \$53,169,027 is restricted for debt service.
- The City's total net position increased by \$16,738,317 during the current year. Governmental activities, total net position increased by \$10,504,229 and the business-type activities, total net position increased by \$6,234,088.
- As of the close of the current fiscal year, the City of Akron's governmental funds reported combined ending fund balances of \$166,665,718, an increase from the prior year which is attributed to the issuance of bonds.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$10,911,360 or 7.4% of total general fund expenditures.
- The City of Akron's total debt outstanding increased by \$45,959,363 (6.3%) during the current year. During 2014, the City issued \$83,178,000 in Income Tax Revenue Bonds for the Community Learning Centers and various purpose improvements. There were OWDA loans issued for the cost of improving the Waterworks System (\$11,414,738) and the Sanitary Sewer System (\$25,297,063).

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Akron's basic financial statements. The City of Akron's basic financial statements are comprised of the following: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Akron's finances in a manner similar to a private sector business.

The statement of net position presents information on all of the City of Akron's assets and deferred outflows and liabilities and deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the financial position of the City of Akron.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Akron that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business type activities). The governmental activities of the City of Akron include general government, public service, public safety, community environment, public health and recreation and parks. The business-type activities of the City of Akron include water, sewer, oil and gas, golf, airport and off-street parking operations.

The government-wide financial statements can be found on pages 38 – 39 of this report.

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

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The City of Akron maintains 40 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Community Learning Centers (CLC) Fund, the Income Tax Capital Improvement Fund, the Special Assessment Bond Payment Fund, and the Streets Fund which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Akron adopts an annual appropriated budget for its General Fund, special revenue funds, some debt service, enterprise and internal service funds. The General Fund, Community Learning Centers Fund, and Income Tax Capital Improvement Fund budgetary schedules (non-GAAP budgetary basis) have been provided as Required Supplementary Information (RSI) to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 40-43 of this report.

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

The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. During 2012, the City implemented GASB 63 – *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and also GASB 65 *Items Previously Reported as Assets and Liabilities*. The standard establishes a basis to reclassify certain items that were previously reported as assets and liabilities and instead classify them as Deferred Inflows of Resources, Deferred Outflows of Resources, or as outflows or resources.

Fund balances are the differences between assets and deferred outflows and liabilities and deferred inflows in a governmental funds. 1) Nonspendable fund balance includes amounts that are not in spendable form, or amounts that are required to be maintained intact. 2) Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by external providers, such as grantors or bondholders, as well as amounts that are restricted through enabling legislation. 3) Committed fund balance includes amounts that can be used only for the specific purposes that are determined by a formal action of the City's highest level of decision making authority. 4) Assigned fund balance applies to amounts that are intended for specific purposes as expressed by the governing body or authorized official and applies to remaining resources in any governmental funds other than the General Fund. 5) Unassigned fund balances include all amounts not contained in other classifications for the General Fund, and deficit fund balances in any other governmental funds.

As of the end of the current fiscal year, the City's total governmental funds reported an ending fund balance of \$166,665,718, an increase of \$61,126,009 in comparison with the prior year. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 7.4% of total General Fund expenditures, while total fund balance represents 8.7% of that same amount.

Proprietary Funds. The City of Akron maintains two different types of proprietary funds, enterprise and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Akron uses enterprise funds to account for its water, sewer, oil and gas, golf, airport, and off-street parking operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of Akron's various functions. The City of Akron

uses internal service funds to account for its vehicle maintenance, medical self-insurance, workers' compensation self-insurance, other self-insurance costs, information technology (responsible for all data processing and computer operations of the City), telephone system (with outside cable plant consisting of underground and aerial wires and telephone cables), and engineering bureau (responsible for design and construction for City streets, sidewalks, sewer and water utilities, bridges, and City facilities). Because most of the internal services predominantly benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Sewer, and Off-Street Parking operations, which are considered to be major funds of the City of Akron. Conversely, the internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the nonmajor enterprise and the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 44 – 46 of this report.

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 of Akron's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 47 – 48 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 49-112 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information (RSI) concerning the City of Akron's General Fund, Community Learning Centers Fund and Income Tax Capital Improvement Fund budgetary comparison. Required Supplementary Information (RSI) can be found on pages 113-118 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds, enterprise funds and internal service funds are presented immediately following the Required Supplementary Information (RSI) and can be found on pages 119-180 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Akron, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$809,387,933 at the close of the most recent fiscal year.

By far the largest portion of the City of Akron's net position reflects its net investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City of Akron uses these capital assets to provide services to the citizens; consequently, these assets are not available for future spending. Although the City of Akron's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Akron's net position (6.5%) is restricted for the payment of debt service. The City's overall net position increased by \$16,738,317 during the current year; the net position of the governmental activities increased by \$10,504,229 and business-type activities increased by \$6,234,088.

Summary Statement of Net Position
as of December 31, 2013 and 2014
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2013	2014	2013	2014	2013	2014
Assets:						
Current and other assets	\$ 339,398	\$ 379,032	\$ 48,810	\$ 52,149	\$ 388,208	\$ 431,181
Capital assets	1,003,488	1,010,274	510,704	539,456	1,514,192	1,549,730
Total assets	<u>\$ 1,342,886</u>	<u>\$ 1,389,306</u>	<u>\$ 559,514</u>	<u>\$ 591,605</u>	<u>\$ 1,902,400</u>	<u>\$ 1,980,911</u>
Deferred outflows	581	933	572	429	1,153	1,362
Total assets and deferred outflows	<u>\$ 1,343,467</u>	<u>\$ 1,390,239</u>	<u>\$ 560,086</u>	<u>\$ 592,034</u>	<u>\$ 1,903,553</u>	<u>\$ 1,982,273</u>
Liabilities:						
Long-term liabilities	687,305	735,218	112,448	124,324	799,753	859,542
Other liabilities	117,811	101,951	31,463	39,077	149,274	141,028
Total liabilities	<u>\$ 805,116</u>	<u>\$ 837,169</u>	<u>\$ 143,911</u>	<u>\$ 163,401</u>	<u>\$ 949,027</u>	<u>\$ 1,000,570</u>
Deferred inflows	163,765	170,876	1,671	1,439	165,436	172,315
Total liabilities and deferred inflows	<u>\$ 968,881</u>	<u>\$ 1,008,045</u>	<u>\$ 145,582</u>	<u>\$ 164,840</u>	<u>\$ 1,114,463</u>	<u>\$ 1,172,885</u>
Net position:						
Net investment in capital assets	353,686	352,412	385,492	400,523	739,178	752,935
Restricted	46,822	43,314	9,790	9,855	56,612	53,169
Unrestricted (deficit)	(25,922)	(13,532)	19,222	16,815	(6,700)	3,283
Total net position	<u>\$ 374,586</u>	<u>\$ 382,194</u>	<u>\$ 414,504</u>	<u>\$ 427,193</u>	<u>\$ 789,090</u>	<u>\$ 809,387</u>

Governmental Activities. Changes in net position before transfers was an increase in the amount of \$10,970,000.

For the governmental activities, the unrestricted deficit results from having insufficient assets set aside for long-term obligations such as compensated absences and OPEB liability. The City finances such obligations on a year-to-year basis as they come due and also has ongoing capital projects that are debt-financed.

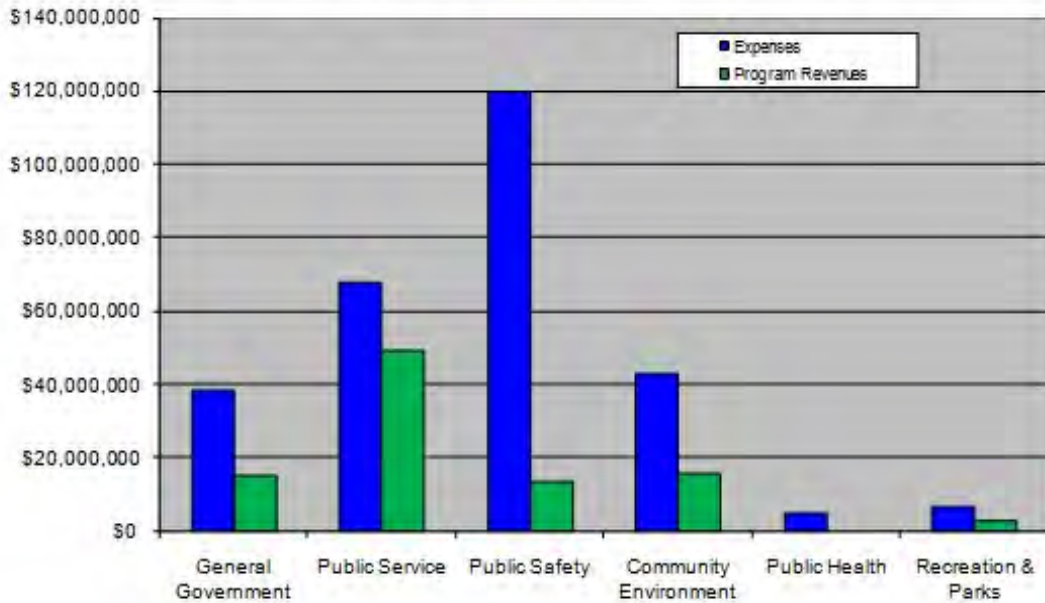
The following table shows total revenues for 2014 were \$335,856,000 which reflects a decrease from the prior year. Unrestricted shared revenue showed a significant decrease of \$46,071,000 and Capital grants and contributions decreased by \$5,680,000. Income taxes increased slightly by \$100,000 which is attributed to the stabilization of the local job market. Expenses for 2014 were also lower than 2013 by approximately \$30,442,000 through restraint on spending. A significant decrease was in the expenses for community environment relating to timing of large commitments and interest expense. Key events contributing to the changes are as follows:

- The decrease in shared revenues is evidenced by the change in the state of the economy and is in conjunction with the timing of expenses relating to the Community Learning Center Projects.
- Unemployment shows a decrease to 6.6%, which is a result of employees returning to the workforce.
- The majority of the variance in capital grants and contributions is attributed to the decrease in Ohio Department of Transportation grant funding.
- For the second time in seven years, Income taxes exceed the pre-recession number and is attributed to the stabilization of the local job market.
- Significant efforts are still in place to keep expenses in line with revenue as is shown on the following page, “Change in net position before transfers”.
- The notable decrease in community environment expenses is primarily due to the expenses attributed to the Community Learning Centers and the Economic Development Fund.

Changes in Net Position
For Fiscal Year Ended December 31, 2013 and 2014
(in thousands)

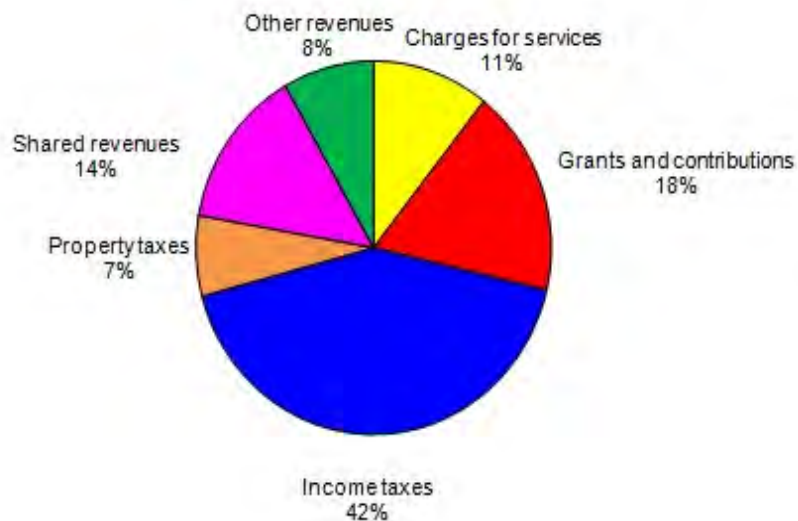
	Governmental Activities		Business-type Activities		Total	
	2013	2014	2013	2014	2013	2014
Revenues:						
Program revenues:						
Charges for services	\$ 32,257	\$ 35,721	\$ 104,189	\$ 110,733	\$ 136,446	\$ 146,454
Operating grants and contributions	20,410	19,327	-	-	20,410	19,327
Capital grants and contributions	46,775	41,095	4,045	4,872	50,820	45,967
General revenues:						
Income taxes	141,290	141,390	-	-	141,290	141,390
Property taxes	19,627	23,342	-	-	19,627	23,342
JEDD revenues	18,486	17,759	-	-	18,486	17,759
Investment earnings	553	301	1	1	554	302
Unrestricted shared revenues	92,823	46,752	-	-	92,823	46,752
Miscellaneous	10,657	10,155	1,087	3,761	11,744	13,916
Gain on sale of capital assets	31	14	-	-	31	14
Total revenues	\$ 382,909	\$ 335,856	\$ 109,322	\$ 119,367	\$ 492,231	\$ 455,223
Expenses:						
General government	\$ 35,134	\$ 38,547	\$ -	\$ -	\$ 35,134	\$ 38,547
Public service	65,741	67,516	-	-	65,741	67,516
Public safety	112,374	120,176	-	-	112,374	120,176
Community environment	88,673	42,971	-	-	88,673	42,971
Public health	3,922	4,833	-	-	3,922	4,833
Recreation and parks	7,691	6,811	-	-	7,691	6,811
Interest on debt	26,325	27,940	-	-	26,325	27,940
Unallocated depreciation	15,468	16,092	-	-	15,468	16,092
Water	-	-	31,076	32,523	31,076	32,523
Sewer	-	-	54,959	71,710	54,959	71,710
Oil & gas	-	-	202	350	202	350
Golf course	-	-	1,243	1,106	1,243	1,106
Airport	-	-	683	721	683	721
Off-street parking	-	-	6,930	7,189	6,930	7,189
Total expenses	\$ 355,328	\$ 324,886	\$ 95,093	\$ 113,599	\$ 450,421	\$ 438,485
Changes in net position before transfers	27,581	10,970	14,229	5,768	41,810	16,738
Transfers	(338)	(466)	338	466	-	-
Changes in net position	\$ 27,243	\$ 10,504	\$ 14,567	\$ 6,234	\$ 41,810	\$ 16,738
Net position - beginning, as restated	347,343	371,690	399,937	420,959	747,280	792,649
Net position - ending	\$ 374,586	\$ 382,194	\$ 414,504	\$ 427,193	\$ 789,090	\$ 809,387

Expenses and Program Revenues - Governmental Activities



The above chart shows the revenue generated by the various programs of the City of Akron and the expenses relating to each program. As shown below, the primary source of revenue that funds these programs is reported in the financial statements as income taxes.

Revenues By Sources Governmental Activities



FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

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

Governmental Funds. The focus of the City of Akron's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Akron's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Akron's governmental funds reported a combined ending fund balance of \$166,665,718, an increase in comparison to the prior year. The unassigned fund balance at the end of the current year is \$1,495,839. The remainder of fund balance is distributed to indicate that it is not available for new spending because it has already been dedicated. The City's major governmental funds are the General Fund, the Community Learning Centers (CLC) Fund, the Income Tax Capital Improvement Fund, Special Assessment Bond Payment Fund, and the Streets Fund.

The General Fund is the chief operating fund of the City of Akron. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$10,911,360, while the total fund balance is \$12,835,275. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 7.4% of total General Fund expenditures, while total fund balance represents 8.7% of that same amount.

The fund balance of the City of Akron's General Fund increased by \$1,602,279 during the current fiscal year. Key factors in this change are as follows:

- The City's commitment to monitor revenues and approve expenditures in conformity with available resources.
- Akron's Income tax collection, our largest source of revenue in the General Fund, has improved and for the second time in seven years exceeds the pre-recession level.
- Shared revenues decrease is directly attributed to the elimination of the estate tax (Inheritance).
- Safety program transfers during 2014 decreased which allowed for the increase in direct expenditures for Public Safety by approximately \$7,800,000.
- The practice of transferring monies from the General Fund, \$3,193,000, to subsidize various operations and provide the local match for grants is a method used annually by the City to provide resources to these funds.

The Community Learning Centers Fund has a total fund balance of \$106,406,553. The net increase in fund balance the Community Learning Centers Fund from the prior year was \$35,607,241 which is attributed to the issuance of Income Tax Revenue Bonds that will be used to fund the payment of expenditures for project specific costs.

The Income Tax Capital Improvement Fund has a total fund balance of \$6,158,996. Expenditures exceeded revenue by \$32,352,182 in 2014 which were funded by the issuance of bonds yielding a slight decrease in the fund balance of \$104,848. The Fund is responsible for debt service payments and relies heavily on the collection of income taxes.

The Special Assessment Bond Payment Fund has a total fund balance of \$2,035,168. The Fund is utilized for the accumulation of resources for, and the payment of, special assessment debt principal and interest and related costs.

The Streets Fund has a total fund balance of \$449,903. The Fund is used to account for the accumulation of resources for, and payment of street projects.

Other Governmental Funds have a combined fund balance of \$38,779,823. The increase in the combined fund balance was \$9,751,297. This majority of the change is attributed to projects within the capital project funds. The City has been diligent in addressing several special revenue funds and the capital project funds as reflected in the net change in fund balance in the following: Community Development Fund, Tax Equivalency Fund, Public Facilities and Improvements Fund, and Economic Development Fund.

GENERAL FUND BUDGETARY OVERVIEW

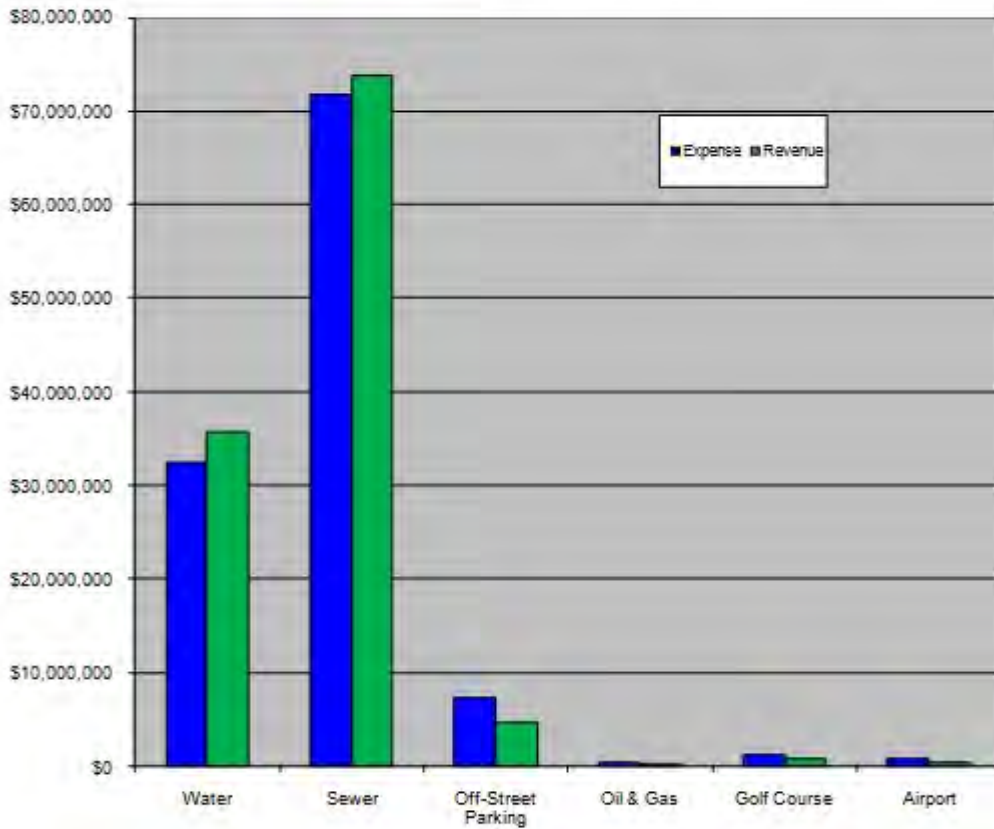
During the year, actual revenues and other sources were under original budgetary estimates by \$515,038 (0.3%). Income tax revenue, the major revenue source, was more than the budgeted amount by \$3,530,320. Conversely, Service revenues during 2014 were lower than budgeted amount by \$4,537,489. Due to the elimination of estate taxes (Inheritance) no revenue was budgeted for 2014, but actual results was revenue of \$655,451.

Through restraint on spending, the General Fund was able to end the year with resources exceeding expenditures by \$80,485. This slight increase follows a three year trend in the General Fund which has experienced a decrease for 2011, 2012, and 2013. The actual expenditures were under the original budget by \$488,897.

Key events contributing to the changes in the General Fund budget amounts are as follows:

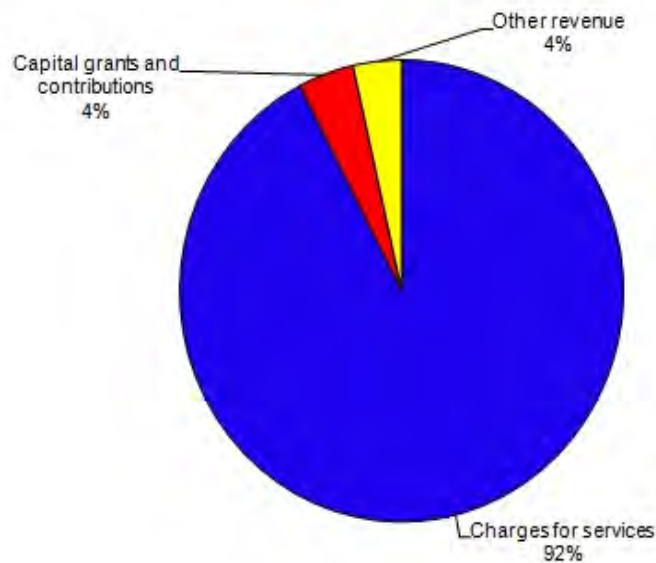
- The Police Department's budget was increased by \$1,750,000, the Fire Department's budget was increased by \$4,800,000, and the Department of Public Service was increased by \$5,960,000, but the revenue did not materialize to allow for the full budgeted expenditures.
- The Department of Public Safety's actual expenditures were under the budgeted amount by \$2,779,246 which is attributed to the restraint on spending.

Expenses and Program Revenues - Business-type Activities



The above chart shows the revenue generated by the various business-type activities of the City of Akron and the expenses relating to each activity. As shown below, the majority of the revenue that funds these activities is reported in the financial statements as charges for services.

Revenues by Sources - Business-type Activities



FINANCIAL ANALYSIS OF THE PROPRIETARY FUNDS

Business-Type Activities. Business-type activities increased the City of Akron's net position by \$6,234,088 compared to an increase of \$14,567,385 in the prior year. Total program revenues increased by \$7,370,890 allowing an increase in expenses of \$18,505,267 attributing to the change in net position.

Proprietary Funds. The City of Akron's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The City's major enterprise funds are the Water, Sewer and Off-Street Parking.

Unrestricted net position of the Water Fund at the end of the year was \$4,690,558; for the Sewer Fund was \$13,091,414 and for the Off-Street Parking Fund was a deficit of \$585,170. The increase reported in net position for the Water and Sewer Funds were \$3,865,988 and \$4,429,760, respectively. The decrease reported in net position for Off-Street Parking was \$2,457,119.

The Water Department services the City and 12 surrounding communities which account for 82,621 customer accounts and 1,226 miles of water mains. All bonds of the Water Fund are paid from water enterprise revenues. A ten-year comparison of certain water enterprise data is shown in Schedule 15 of the Statistical Section. Water rates remained stable and results of operations yielded an increase in net position due to cost containment.

The Sewer Department services the City and 12 surrounding communities which account for 76,706 customer accounts and 1,349 miles of sewer lines. All bonds of the Sewer Fund are paid from sewer enterprise revenues. A ten-year comparison of certain sewer enterprise data is shown in Schedule 15 of the Statistical Section. Sewer rates remained virtually unchanged with only slight increases to a small population of non-resident customers and results of operations yielded an increase in net position due again to cost containment.

The Off-Street Parking Fund experienced a slight decrease in operating revenues coupled with a minor increase in operating expenses. The decrease in net position directly relates to expenses exceeding operating revenues.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The City of Akron's investment in capital assets for its government and business-type activities as of December 31, 2014, amounts to \$1,549,730,323 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements (other than buildings), equipment, and infrastructure. The total increase in the City of Akron's investment in capital assets for the current fiscal year was \$35,537,653 (a 0.7% increase for governmental activities and a 5.6% increase for business-type activities).

	Capital Assets (net of accumulated depreciation) (in thousands)					
	Governmental Activities		Business-type Activities		Total	
	2013	2014	2013	2014	2013	2014
Land	\$ 158,067	\$ 158,693	\$ 33,026	\$ 35,072	\$ 191,093	\$ 193,765
Construction in progress	108,312	95,925	63,983	80,679	172,295	176,604
Buildings	300,576	301,670	107,148	106,973	407,724	408,643
Improvements	89,759	102,042	174,370	166,925	264,129	268,967
Equipment	20,994	19,208	4,294	4,255	25,288	23,463
Infrastructure	325,780	332,736	127,883	145,552	453,663	478,288
	<u>\$ 1,003,488</u>	<u>\$ 1,010,274</u>	<u>\$ 510,704</u>	<u>\$ 539,456</u>	<u>\$ 1,514,192</u>	<u>\$ 1,549,730</u>

The City of Akron displays additional information relating to the capital assets of the City that can be found in Note 1. G. and Note 7.

Major capital assets placed into service during the current fiscal year included the following:

- Community Learning Centers Construction-In-Progress - \$13,982,090
- Water Distribution Yard Relocation - \$6,264,764
- Ohio Interceptor Tunnel - \$4,208,028
- Mud Run Trunk Sewer Lining - \$3,572,916
- Cascade Plaza Improvements - \$2,718,063
- Bridgestone/Firestone Parkway - \$1,757,381
- Eagle Street Improvements - \$1,260,558

Long-Term Debt. At the end of the current fiscal year, the City of Akron had total debt outstanding of \$777,148,800. All general obligation bonds are backed by the full faith and credit of the City. Special assessment bonds and notes are covered by special assessment collections and are backed by the full faith and credit of the City. The remainder of the City of Akron’s debt represents bonds secured solely by specified revenue sources.

City of Akron Outstanding Debt (in thousands)						
	Governmental Activities		Business-type Activities		Total	
	2013	2014	2013	2014	2013	2014
General Obligation Bonds	\$ 215,140	\$ 201,379	\$ 631	\$ 617	\$ 215,771	\$ 201,996
General Obligation Notes	33,730	6,500	-	-	33,730	6,500
OPWC Loan	9,242	9,084	1,542	1,341	10,784	10,425
Ohio Development Services Agency	5,483	5,379	-	-	5,483	5,379
Non-Tax Revenue Bonds	48,475	53,565	-	-	48,475	53,565
Income Tax Revenue Bonds	246,102	319,911	-	-	246,102	319,911
Special Revenue Bonds	27,165	25,245	-	-	27,165	25,245
Special Assessment Bonds and Notes	19,221	17,080	-	-	19,221	17,080
SIB Loan	1,742	313	-	-	1,742	313
Mortgage Revenue Bonds	-	-	33,835	30,360	33,835	30,360
Revenue Bonds	-	-	15,385	11,075	15,385	11,075
OWDA Loan	-	-	73,496	95,300	73,496	95,300
	<u>\$ 606,300</u>	<u>\$ 638,456</u>	<u>\$ 124,889</u>	<u>\$ 138,693</u>	<u>\$ 731,189</u>	<u>\$ 777,149</u>

The City of Akron’s total debt outstanding increased by \$45,959,363 (6.3%) during the current fiscal year.

During the current fiscal year the City issued \$83,178,000 in Income Tax Revenue Bonds for the Community Learning Centers and various purpose improvements. There were OWDA loans issued for the cost of improving the Waterworks System (\$11,414,738) and the Sanitary Sewer System (\$25,297,063).

The Ohio Revised Code provides that the outstanding general obligation bonds less self-supporting debt (e.g., income tax-backed projects) of the municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the assessed value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of total assessed value of property. The City of Akron’s total debt limit (10.5%) is \$271,203,065 and the total unvoted net debt limit (5.5%) is \$142,058,748.

The City's general obligation bonds are rated "AA-" by Standard & Poor's Ratings Services, "AA-" by Fitch Ratings and "Aa3" by Moody's Investors Service, Inc. The insured Water and Sewer Revenue bonds were originally rated AAA from Fitch, AAA from Moody's and AAA from Standard & Poor's.

Additional information on the City of Akron's long-term debt can be found in Notes 10-12.

Economic Factors and Next Year's Budgets and Rates

- Unemployment shows a decrease to 6.6%, which is a result of employees returning to the workforce.
- The City of Akron budgeted income tax collections to increase by 2%, Local Government and Property Tax to remain flat.
- The elimination of estate taxes (Inheritance) revenue results in a decrease of \$655,000.
- Effective January 1, 2015, Sewer Rates increased 12% to 27% for retail customers based on the type of account.

In the 2015 budget, the General Fund unencumbered fund balance is projecting a slight increase of \$51,704.

Fiscal Analysis

On September 30, 2011, the City was declared in Fiscal Caution by the Auditor of State. The City implemented changes based on an acceptable plan provided to the Auditor of State and was released from Fiscal Caution on March 5, 2015.

Request for Information

This financial report is designed to provide a general overview of the City of Akron's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to the Director of Finance, Municipal Building, 166 South High Street, Room 502, Akron, Ohio 44308.

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BASIC FINANCIAL STATEMENTS

City of Akron, Ohio
Statement of Net Position
December 31, 2014

	Governmental Activities	Business-Type Activities	Total
Assets			
Current assets:			
Pooled cash and investments	\$ 76,490,461	\$ 25,631,850	\$ 102,122,311
Restricted cash and investments	61,211,211	9,854,895	71,066,106
Receivables, net	87,134,537	16,288,952	103,423,489
Loans receivable	4,937,219	-	4,937,219
Due from other governments	2,408,972	604,601	3,013,573
Due from others	2,572,485	-	2,572,485
Internal balances	3,213,937	(3,213,937)	-
Inventories, at cost	808,447	2,981,732	3,790,179
Total current assets	<u>238,777,269</u>	<u>52,148,093</u>	<u>290,925,362</u>
Noncurrent assets:			
Receivables, net	91,472,686	-	91,472,686
Loans receivable	12,403,098	-	12,403,098
Deposits	31,593,575	-	31,593,575
Assets held for resale	4,786,232	-	4,786,232
Capital assets:			
Land and construction in progress	254,617,714	115,750,393	370,368,107
Other capital assets, net	755,655,872	423,706,344	1,179,362,216
Total noncurrent assets	<u>1,150,529,177</u>	<u>539,456,737</u>	<u>1,689,985,914</u>
Total assets	<u>1,389,306,446</u>	<u>591,604,830</u>	<u>1,980,911,276</u>
Deferred Outflows of Resources	932,976	429,111	1,362,087
Total assets and deferred outflows of resources	<u>1,390,239,422</u>	<u>592,033,941</u>	<u>1,982,273,363</u>
Liabilities			
Current liabilities:			
Accounts payable and other accrued liabilities	12,119,811	9,860,870	21,980,681
Deposits	420,621	713,379	1,134,000
Due to other governments	4,382,244	428,257	4,810,501
Accrued interest payable	2,387,574	2,042,012	4,429,586
Accrued wages	3,671,735	517,017	4,188,752
Accrued vacation and leave	10,221,763	1,312,838	11,534,601
COPs and obligations under capital lease	8,381,938	82,810	8,464,748
Liability for unpaid claims	4,290,209	-	4,290,209
Bonds, notes and loans payable	56,075,405	24,120,228	80,195,633
Total current liabilities	<u>101,951,300</u>	<u>39,077,411</u>	<u>141,028,711</u>
Noncurrent liabilities:			
COPs and obligations under lease	58,724,161	157,320	58,881,481
Liabilities due in more than one year	89,177,973	9,593,942	98,771,915
Bonds, notes and loans payable	587,315,438	114,573,202	701,888,640
Total noncurrent liabilities	<u>735,217,572</u>	<u>124,324,464</u>	<u>859,542,036</u>
Total liabilities	<u>837,168,872</u>	<u>163,401,875</u>	<u>1,000,570,747</u>
Deferred Inflows of Resources	170,876,019	1,438,664	172,314,683
Total liabilities and deferred inflows of resources	<u>1,008,044,891</u>	<u>164,840,539</u>	<u>1,172,885,430</u>
Net position			
Net investment in capital assets	352,411,914	400,523,178	752,935,092
Restricted for debt service	43,314,132	9,854,895	53,169,027
Unrestricted (deficit)	(13,531,515)	16,815,329	3,283,814
Total net position	<u>\$ 382,194,531</u>	<u>\$ 427,193,402</u>	<u>\$ 809,387,933</u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Activities
For the Year Ended December 31, 2014

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General government	\$ 38,547,406	\$ 9,553,457	\$ 48,740	\$ 5,277,519	\$ (23,667,690)	\$ -	\$ (23,667,690)
Public service	67,516,145	18,489,527	-	30,589,397	(18,437,221)	-	(18,437,221)
Public safety	120,176,274	4,717,778	6,959,047	1,987,056	(106,512,393)	-	(106,512,393)
Community environment	42,970,628	2,230,381	10,873,857	2,815,256	(27,051,134)	-	(27,051,134)
Public health	4,832,375	-	-	-	(4,832,375)	-	(4,832,375)
Recreation and parks	6,811,470	730,079	1,445,192	426,298	(4,209,901)	-	(4,209,901)
Interest	27,940,204	-	-	-	(27,940,204)	-	(27,940,204)
Unallocated depreciation*	16,091,850	-	-	-	(16,091,850)	-	(16,091,850)
Total governmental activities	324,886,352	35,721,222	19,326,836	41,095,526	(228,742,768)	-	(228,742,768)
Business-type Activities:							
Water	32,522,741	33,986,195	-	1,719,236	-	3,182,690	3,182,690
Sewer	71,709,972	70,951,430	-	2,890,959	-	2,132,417	2,132,417
Oil and gas	350,060	241,905	-	-	-	(108,155)	(108,155)
Golf course	1,106,275	826,503	-	54,051	-	(225,721)	(225,721)
Airport	720,934	156,983	-	194,865	-	(369,086)	(369,086)
Parking facilities	7,189,194	4,570,975	-	12,803	-	(2,605,416)	(2,605,416)
Total business-type activities	113,599,176	110,733,991	-	4,871,914	-	2,006,729	2,006,729
Total Government	\$ 438,485,528	\$ 146,455,213	\$ 19,326,836	\$ 45,967,440	\$ (228,742,768)	\$ 2,006,729	\$ (226,736,039)
General revenues:							
Taxes:							
Income taxes					\$ 141,389,904	\$ -	\$ 141,389,904
Property taxes					23,342,160	-	23,342,160
JEDD Revenues					17,758,520	-	17,758,520
Investment earnings					300,784	727	301,511
Unrestricted shared revenues					46,752,194	-	46,752,194
Miscellaneous					10,155,196	3,760,632	13,915,828
Gain on sale of capital assets					14,239	-	14,239
Transfers					(466,000)	466,000	-
Total general revenues and transfers					239,246,997	4,227,359	243,474,356
Change in net position					10,504,229	6,234,088	16,738,317
Net position - beginning, as restated					371,690,302	420,959,314	792,649,616
Net position - ending					\$ 382,194,531	\$ 427,193,402	\$ 809,387,933

*Excludes depreciation included in program expenses.

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Balance Sheet - Governmental Funds
December 31, 2014

	General	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Bond Payment	Streets	Other Governmental Funds	Total Governmental Funds
Assets							
Pooled cash and investments	\$ 5,577,211	\$ 22,755,201	\$ 3,316,425	\$ -	\$ 1,297,237	\$ 31,273,079	\$ 64,219,153
Restricted cash and investments	-	51,820,565	-	35,168	-	9,355,478	61,211,211
Receivables, net of allowances for uncollectibles	44,523,323	59,504,748	5,380,232	32,440,867	30,028	17,956,380	159,835,578
Loans receivable	-	-	-	-	-	17,340,317	17,340,317
Due from other governments	8,741	-	-	-	561,874	4,018,186	4,588,801
Due from other funds	3,112,165	-	98	-	24,862	1,244,577	4,381,702
Due from others	-	-	2,572,485	-	67,253	-	2,639,738
Deposits	-	31,593,575	-	-	-	-	31,593,575
Advances to other funds	534,500	-	101,000	-	-	-	635,500
Assets held for resale	-	-	-	-	-	4,786,232	4,786,232
Total assets	<u>\$ 53,755,940</u>	<u>\$ 165,674,089</u>	<u>\$ 11,370,240</u>	<u>\$ 32,476,035</u>	<u>\$ 1,981,254</u>	<u>\$ 85,974,249</u>	<u>\$ 351,231,807</u>
Liabilities							
Accounts payable	\$ 2,204,253	\$ 626	\$ 106,883	\$ -	\$ 864,453	\$ 2,638,130	\$ 5,814,345
Deposits	85,435	-	-	-	-	335,186	420,621
Advances from other funds	-	-	-	-	-	497,500	497,500
Due to other governments	2,515,001	493	6,697	-	3,218	6,161,064	8,686,473
Due to other funds	711,399	1,110,326	23,386	-	49,216	549,251	2,443,578
Due to others	752,448	-	-	-	-	1,913,810	2,666,258
Accrued liabilities	1,711,142	-	7,946	-	545,824	748,486	3,013,398
Accrued wages	2,610,697	-	14,654	-	3,297	876,150	3,504,798
Accrued vacation and leave	454,095	-	-	-	-	38,400	492,495
Special assessment notes	-	-	-	-	-	13,000,000	13,000,000
Total liabilities	11,044,470	1,111,445	159,566	-	1,466,008	26,757,977	40,539,466
Deferred Inflows of Resources	29,876,195	58,156,091	5,051,678	30,440,867	65,343	20,436,449	144,026,623
Fund balances							
Nonspendable	-	-	-	-	-	4,786,232	4,786,232
Restricted	-	106,406,553	6,158,996	2,035,168	449,903	29,579,625	144,630,245
Committed	329,961	-	-	-	-	13,829,487	14,159,448
Assigned	1,593,954	-	-	-	-	-	1,593,954
Unassigned	10,911,360	-	-	-	-	(9,415,521)	1,495,839
Total fund balances	12,835,275	106,406,553	6,158,996	2,035,168	449,903	38,779,823	166,665,718
Total liabilities, deferred inflows and fund balances	<u>\$ 53,755,940</u>	<u>\$ 165,674,089</u>	<u>\$ 11,370,240</u>	<u>\$ 32,476,035</u>	<u>\$ 1,981,254</u>	<u>\$ 85,974,249</u>	<u>\$ 351,231,807</u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
 Reconciliation of the Balance Sheet to the Statement of Net Position - Governmental Funds
 December 31, 2014

Total fund balances for governmental funds (Exhibit 3)	\$	166,665,718
Total net position reported for governmental activities in the statement of net position is different because:		
Investments in City of Akron issued bonds and notes are eliminated in the government-wide statement of net position.		(564,527)
Capital assets used in governmental activities (excluding internal service fund capital assets) are not financial resources and therefore are not reported in the funds.		1,008,238,614
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred inflows in the funds.		
Grant revenues	2,857,751	
Income taxes	10,338,288	
JEDD revenues	1,499,480	
Property taxes	5,764,828	
Special assessments	14,500,000	
Shared revenues	<u>6,061,739</u>	
		41,022,086
Long-term accounts receivables are not available to pay for current period expenditures.		1,656,700
The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.		(5,081,113)
Long-term liabilities including bonds payable and accrued interest payable are not due and payable in the current period and therefore are not reported in the funds.		
Accounts payable and other accrued liabilities	(38,617,177)	
Due to other governments	(491,000)	
Accrued interest payable	(2,387,574)	
Accrued vacation and leave	(46,327,891)	
Bonds, notes and loans payable	(623,490,843)	
Obligations under capital lease	(66,276,099)	
Unamortized bond premium, discount, deferred loss, gain	<u>(52,545,019)</u>	
		(830,135,603)
Unavailable grant revenue reflected as a receivable in the funds, therefore, eliminated entity wide.		(2,179,829)
Unavailable loan proceeds recorded as deferred revenue in the fund and recognized entity-wide.		2,572,485
Total net position of governmental activities (Exhibit 1)	<u>\$</u>	<u>382,194,531</u>

The notes to the financial statements are an integral part of this statement.

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

	General	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Bond Payment	Streets	Other Governmental Funds	Total Governmental Funds
Revenues							
Income taxes	\$ 88,214,990	\$ 12,936,652	\$ 27,057,800	\$ -	\$ 281,030	\$ 11,820,895	\$ 140,311,367
Property taxes	16,123,399	-	-	-	-	7,394,719	23,518,118
JEDD revenues	4,074,900	-	2,125,100	-	-	11,195,933	17,395,933
Special assessments	123,181	-	-	538,275	324,508	30,966,853	31,952,817
Grants and subsidies	37,500	1,001,400	747,095	-	2,588,834	25,891,552	30,266,381
Investment earnings	130,037	117,741	-	-	-	90,920	338,698
Shared revenues	16,385,872	9,192,143	411,809	-	-	21,362,127	47,351,951
Licenses, fees and fines	7,141,426	-	-	-	-	3,051,345	10,192,771
Charges for services	16,586,760	-	-	-	-	6,913,905	23,500,665
Miscellaneous	3,517,108	112,634	319,558	-	1,209,779	7,646,070	12,805,149
	<u>152,335,173</u>	<u>23,360,570</u>	<u>30,661,362</u>	<u>538,275</u>	<u>4,404,151</u>	<u>126,334,319</u>	<u>337,633,850</u>
Expenditures							
Current:							
General government	18,298,302	975	2,437,813	30	2,473	16,584,186	37,323,779
Public service	25,788,433	-	899,020	538,275	10,604,355	47,438,572	85,268,655
Public safety	93,073,549	-	868,836	-	1,534,637	26,539,423	122,016,445
Community environment	1,308,948	21,837,416	6,126,037	-	2,485	24,124,163	53,399,049
Public health	4,319,705	-	-	-	-	280,739	4,600,444
Recreation and parks	3,758,024	-	138,249	-	-	2,851,559	6,747,832
Debt service:							
Principal retirement	825,599	7,455,000	38,751,544	-	-	12,787,759	59,819,902
Interest	230,522	11,389,969	12,885,487	109	206,524	4,002,220	28,714,831
Bond issuance expenditures	11,210	494,007	906,558	-	219,511	180,359	1,811,645
	<u>147,614,292</u>	<u>41,177,367</u>	<u>63,013,544</u>	<u>538,414</u>	<u>12,569,985</u>	<u>134,788,980</u>	<u>399,702,582</u>
Excess (deficiency) of revenues over (under) expenditures	4,720,881	(17,816,797)	(32,352,182)	(139)	(8,165,834)	(8,454,661)	(62,068,732)
Other financing sources (uses)							
Issuance of bonds	-	50,000,000	2,040,794	-	22,457,599	13,789,607	88,288,000
Issuance of loans	-	-	2,927,515	-	446,000	-	3,373,515
Premium on G.O. debt	-	3,424,038	2,096,020	-	2,544,607	1,697,069	9,761,734
Original bond issue discount	-	-	(217,351)	-	(116,430)	(97,248)	(431,029)
Issuance of refunding obligations	-	-	88,080,356	-	-	4,644	88,085,000
Issuance of capital lease	74,398	-	-	-	-	84,886	159,284
Payment to refunding agent	-	-	(62,680,000)	-	-	-	(62,680,000)
Transfers-in	-	-	-	-	-	2,727,000	2,727,000
Transfers-out	(3,193,000)	-	-	-	-	-	(3,193,000)
	<u>(3,118,602)</u>	<u>53,424,038</u>	<u>32,247,334</u>	<u>-</u>	<u>25,331,776</u>	<u>18,205,958</u>	<u>126,090,504</u>
Net change in fund balance	1,602,279	35,607,241	(104,848)	(139)	17,165,942	9,751,297	64,021,772
Fund balances (deficit), January 1, 2014, as restated	11,232,996	70,799,312	6,263,844	2,035,307	(16,716,039)	29,028,526	102,643,946
Fund balances, December 31, 2014	<u>\$ 12,835,275</u>	<u>\$ 106,406,553</u>	<u>\$ 6,158,996</u>	<u>\$ 2,035,168</u>	<u>\$ 449,903</u>	<u>\$ 38,779,823</u>	<u>\$ 166,665,718</u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
 to the Statement of Activities - Governmental Funds
 For the Year Ended December 31, 2014

Net changes in fund balances - total governmental funds (Exhibit 4) \$ 64,021,772

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, which meet capitalization requirements, is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$39,337,797) exceeded depreciation (\$32,588,266) in the current period.

6,749,531

The net effect of selling capital assets increased net position.

14,239

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

(23,770,848)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums and deferred amount on refundings when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of debt	(179,905,799)	
Payment of debt	122,499,902	
Premium on debt	(9,761,734)	
Discount on debt	431,029	
Bond issuance expenditures	1,811,645	

(64,924,957)

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

24,885,196

The change in net position of the internal service funds are included in the governmental activities in the statement of activities.

3,529,296

Change in net position of governmental activities (Exhibit 2)

\$ 10,504,229

The notes to financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Net Position - Proprietary Funds
December 31, 2014

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities- Internal Service Funds
Assets						
Current assets:						
Pooled cash and investments	\$ 9,117,233	\$ 16,111,372	\$ 192,086	\$ 211,159	\$ 25,631,850	\$ 12,835,835
Restricted cash and investments	3,209,441	6,645,454	-	-	9,854,895	-
Receivables, net of allowance for uncollectibles	4,628,698	11,589,891	63,583	6,780	16,288,952	81,720
Due from other governments	-	422,786	-	181,815	604,601	-
Due from other funds	430,849	81,437	-	11,687	523,973	988,945
Inventories, at cost	1,965,106	969,891	-	46,735	2,981,732	808,447
Total current assets	<u>19,351,327</u>	<u>35,820,831</u>	<u>255,669</u>	<u>458,176</u>	<u>55,886,003</u>	<u>14,714,947</u>
Noncurrent assets:						
Property, plant and equipment, net of accumulated depreciation	160,161,844	291,428,913	78,001,099	9,864,881	539,456,737	2,034,972
Total noncurrent assets	<u>160,161,844</u>	<u>291,428,913</u>	<u>78,001,099</u>	<u>9,864,881</u>	<u>539,456,737</u>	<u>2,034,972</u>
Total assets	<u>179,513,171</u>	<u>327,249,744</u>	<u>78,256,768</u>	<u>10,323,057</u>	<u>595,342,740</u>	<u>16,749,919</u>
Deferred Outflows of Resources						
	226,157	202,954	-	-	429,111	-
Total assets and deferred outflows	<u>179,739,328</u>	<u>327,452,698</u>	<u>78,256,768</u>	<u>10,323,057</u>	<u>595,771,851</u>	<u>16,749,919</u>
Liabilities						
Current liabilities:						
Accounts payable	1,561,635	7,454,442	498,163	68,824	9,583,064	464,181
Deposits	713,379	-	-	-	713,379	-
Due to other governments	48,527	61,088	272,180	46,462	428,257	-
Advances from other funds	-	-	-	-	-	138,000
Due to other funds	689,652	2,558,380	68,221	15,341	3,331,594	119,448
Accrued interest payable	683,278	1,356,459	2,275	-	2,042,012	-
Accrued liabilities	180,582	64,371	-	32,853	277,806	1,347,241
Accrued wages	310,077	194,584	-	12,356	517,017	166,937
Accrued vacation and leave	781,695	497,882	-	33,261	1,312,838	520,048
Obligations under capital lease	66,885	-	-	15,925	82,810	-
Liability for unpaid claims	-	-	-	-	-	4,290,209
Debt:						
General obligation bonds	-	-	72,370	-	72,370	-
Mortgage revenue bonds	3,625,000	-	-	-	3,625,000	-
Revenue bonds	-	4,525,000	-	-	4,525,000	400,000
OWDA loans	1,127,249	14,569,095	-	-	15,696,344	-
OPWC loans	95,958	105,556	-	-	201,514	-
Total current liabilities	<u>9,883,917</u>	<u>31,386,857</u>	<u>913,209</u>	<u>225,022</u>	<u>42,409,005</u>	<u>7,446,064</u>
Noncurrent liabilities:						
Obligations under capital lease	127,066	-	-	30,254	157,320	-
Due in more than one year	5,558,119	3,811,587	-	224,236	9,593,942	7,461,284
Bonds, notes, and loans	44,578,253	69,450,720	544,229	-	114,573,202	7,330,000
Total noncurrent liabilities	<u>50,263,438</u>	<u>73,262,307</u>	<u>544,229</u>	<u>254,490</u>	<u>124,324,464</u>	<u>14,791,284</u>
Total liabilities	<u>60,147,355</u>	<u>104,649,164</u>	<u>1,457,438</u>	<u>479,512</u>	<u>166,733,469</u>	<u>22,237,348</u>
Deferred Inflows of Resources						
	1,150,540	288,124	-	-	1,438,664	-
Net Position						
Net investment in capital assets	110,541,434	202,778,542	77,384,500	9,818,702	400,523,178	2,034,972
Restricted for debt service	3,209,441	6,645,454	-	-	9,854,895	-
Unrestricted (deficit)	4,690,558	13,091,414	(585,170)	24,843	17,221,645	(7,522,401)
Total net position	<u>118,441,433</u>	<u>222,515,410</u>	<u>76,799,330</u>	<u>9,843,545</u>	<u>427,599,718</u>	<u>(5,487,429)</u>
Total liabilities, deferred inflows and net position	<u>\$ 179,739,328</u>	<u>\$ 327,452,698</u>	<u>\$ 78,256,768</u>	<u>\$ 10,323,057</u>	<u>\$ 595,771,851</u>	<u>\$ 16,749,919</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds:					(406,316)	
Net position of business-type activities					<u>\$ 427,193,402</u>	

The notes to the financial statements are an integral part of this statement.

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

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities- Internal Service Funds
Operating revenues						
Charges for services	\$ 34,049,150	\$ 70,951,430	\$ 4,558,173	\$ 1,225,391	\$ 110,784,144	\$ 57,896,190
Other	1,026,558	2,576,011	95,731	99,624	3,797,924	1,169,728
	<u>35,075,708</u>	<u>73,527,441</u>	<u>4,653,904</u>	<u>1,325,015</u>	<u>114,582,068</u>	<u>59,065,918</u>
Operating expenses						
Personal services	13,159,925	8,521,563	-	865,493	22,546,981	7,465,694
Direct expenses	10,469,714	51,141,170	3,592,880	789,325	65,993,089	12,632,493
Claims	13,525	-	-	-	13,525	34,749,154
Rentals and lease	365,737	78,633	-	69,403	513,773	7,560
Utilities	1,340,305	992,281	681,612	86,770	3,100,968	159,044
Insurance	135,277	224,592	51,193	25,921	436,983	29,865
Depreciation, depletion and amortization	5,994,902	8,536,516	2,416,350	265,791	17,213,559	123,231
Other	113,706	160,155	447,383	99,855	821,099	7,396
	<u>31,593,091</u>	<u>69,654,910</u>	<u>7,189,418</u>	<u>2,202,558</u>	<u>110,639,977</u>	<u>55,174,437</u>
Operating income (loss)	<u>3,482,617</u>	<u>3,872,531</u>	<u>(2,535,514)</u>	<u>(877,543)</u>	<u>3,942,091</u>	<u>3,891,481</u>
Nonoperating revenues (expenses)						
Interest income	102	625	-	-	727	31
Interest expense	(1,335,967)	(2,334,355)	(656)	(1,297)	(3,672,275)	(124,982)
	<u>(1,335,865)</u>	<u>(2,333,730)</u>	<u>(656)</u>	<u>(1,297)</u>	<u>(3,671,548)</u>	<u>(124,951)</u>
Gain (loss) before transfers and contributions	2,146,752	1,538,801	(2,536,170)	(878,840)	270,543	3,766,530
Transfers-in	-	-	25,000	441,000	466,000	-
Capital contributions	1,719,236	2,890,959	54,051	194,865	4,859,111	401,200
	<u>1,719,236</u>	<u>2,890,959</u>	<u>79,051</u>	<u>635,865</u>	<u>5,325,111</u>	<u>401,200</u>
Changes in net position	3,865,988	4,429,760	(2,457,119)	(242,975)	5,595,654	4,167,730
Net position, January 1, 2014, as restated	<u>114,575,445</u>	<u>218,085,650</u>	<u>79,256,449</u>	<u>10,086,520</u>		<u>(9,655,159)</u>
Net position, December 31, 2014	<u>\$ 118,441,433</u>	<u>\$ 222,515,410</u>	<u>\$ 76,799,330</u>	<u>\$ 9,843,545</u>		<u>\$ (5,487,429)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					638,434	
Change in net position of business-type activities					<u>\$ 6,234,088</u>	

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Cash Flows - Proprietary Funds
For the Year Ended December 31, 2014

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities Internal Service Funds
Operating activities						
Cash received from customers	\$ 34,340,871	\$ 73,750,288	\$ 4,532,120	\$ 1,238,620	\$ 113,861,899	\$ 58,376,987
Cash payments to suppliers for goods and services	(12,143,885)	(46,778,262)	(4,179,917)	(1,003,360)	(64,105,424)	(12,853,637)
Cash paid for salaries and employee benefits	(12,563,748)	(8,377,108)	-	(872,299)	(21,813,155)	(42,226,809)
Other revenues	1,026,558	2,576,011	95,731	99,624	3,797,924	1,169,728
Other expenses	(113,706)	(160,155)	(447,383)	(99,855)	(821,099)	(7,396)
Net cash provided by (used for) operating activities	10,546,090	21,010,774	551	(637,270)	30,920,145	4,458,873
Non-capital financing activities						
Operating transfers from other funds	-	-	25,000	441,000	466,000	-
Transfers/advances in for negative cash balances	-	-	-	-	-	70,000
Proceeds from sale of notes	-	-	-	-	-	6,500,000
Principal paid on bonds, loans and notes	-	-	-	-	-	(9,000,000)
Interest paid on bonds, loans and notes	-	-	-	-	-	(101,250)
Net cash provided by (used for) non-capital financing activities	-	-	25,000	441,000	466,000	(2,531,250)
Capital and related financing activities						
Proceeds from the sale of bonds	11,414,738	25,297,063	-	-	36,711,801	-
Principal paid on bonds and loans	(4,587,134)	(18,306,193)	(14,957)	-	(22,908,284)	(385,000)
Interest paid on bonds and loans	(1,779,488)	(2,805,440)	(682)	(1,297)	(4,586,907)	(23,732)
Acquisition and construction of capital assets	(16,170,272)	(22,336,217)	(54,051)	(197,417)	(38,757,957)	(186,248)
Capital contributions	1,719,236	2,890,959	54,051	194,865	4,859,111	401,200
Net cash provided by (used for) capital and related financing activities	(9,402,920)	(15,259,828)	(15,639)	(3,849)	(24,682,236)	(193,780)
Investing activities						
Purchase of investment securities	(5,028,091)	(9,503,673)	-	-	(14,531,764)	-
Proceeds from sales and maturities of investment securities	5,028,091	9,503,673	-	-	14,531,764	-
Interest on investments	102	625	-	-	727	31
Net cash provided by investing activities	102	625	-	-	727	31
Net increase (decrease) in cash and cash equivalents	1,143,272	5,751,571	9,912	(200,119)	6,704,636	1,733,874
Cash and cash equivalents, January 1, 2014	11,183,402	17,005,255	182,174	411,278	28,782,109	11,101,961
Cash and cash equivalents, December 31, 2014	\$ 12,326,674	\$ 22,756,826	\$ 192,086	\$ 211,159	\$ 35,486,745	\$ 12,835,835
Operating income (loss)	\$ 3,482,617	\$ 3,872,531	\$ (2,535,514)	\$ (877,543)	\$ 3,942,091	\$ 3,891,481
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation, depletion and amortization	5,994,902	8,536,516	2,416,350	265,791	17,213,559	123,231
(Increase) decrease in operating assets:						
Receivables	583,705	959,711	(26,053)	24,916	1,542,279	39,444
Due from other funds	(291,984)	1,839,147	-	(11,687)	1,535,476	441,353
Inventories	(85,174)	(84,411)	-	(9,838)	(179,423)	60,073
Increase (decrease) in operating liabilities:						
Accounts payable	181,770	4,205,359	76,667	(32,141)	4,431,655	(127,412)
Due to other funds	61,002	1,614,633	23,206	12,597	1,711,438	42,664
Due to other governments	(72)	(77,167)	45,895	(2,559)	(33,903)	-
Accrued liabilities	377,786	244,426	-	(24,398)	597,814	223,745
Accrued wages	22,757	(424)	-	470	22,803	(37,195)
Accrued vacation and leave	218,781	(99,547)	-	17,122	136,356	(363,328)
Estimated liability for unpaid claims	-	-	-	-	-	164,817
Net cash provided by (used for) operating activities	\$ 10,546,090	\$ 21,010,774	\$ 551	\$ (637,270)	\$ 30,920,145	\$ 4,458,873

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Net Position - Fiduciary Funds
December 31, 2014

	Private Purpose Trust Funds	Agency Funds
Assets		
Cash and investments	\$ 16,569	\$ 868,645
Total assets	<u>16,569</u>	<u>868,645</u>
Liabilities		
Due to others	<u>-</u>	868,645
Total liabilities	<u>-</u>	<u>868,645</u>
Net Position	<u>\$ 16,569</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Changes in Fiduciary Net Position - Private Purpose Trust Funds
For the Year Ended December 31, 2014

Exhibit 9

	Private Purpose Trust Funds
Additions	
Contributions	\$ 9,872
	9,872
Deductions	
Education and awareness	11,294
	11,294
Change in net position	(1,422)
Net position, January 1, 2014	17,991
Net position, December 31, 2014	\$ 16,569

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Notes to the Financial Statements
Year Ended December 31, 2014

1. Summary of Significant Accounting Policies

The City of Akron (the City) was incorporated in 1836 and is a home rule municipal corporation under the laws of the State of Ohio. The City operates under a Council-Mayor form of government and provides the following services as authorized by its Charter: public safety, public service, public health, recreation and development. The accompanying financial statements comply with the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, and Statement No. 61, *The Financial Reporting Entity: Omnibus* in that the financial statements include those activities and functions for which the City is accountable. The City has no component units as defined by GASB 14 and 39. The City is associated with certain organizations which are defined as jointly governed organizations and related organizations. These organizations are presented in Notes 25 and 26 to the basic financial statements. These organizations are the Akron Metropolitan Area Transportation Study (AMATS), the Akron/Summit Convention and Visitors' Bureau and the Summit Medina Business Alliance (SMBA). The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units.

The following is a summary of the more significant policies followed during the preparation of the accompanying financial statements.

A. Government-wide and fund financial statements

GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* establishes requirements and a reporting model for the annual financial reports of state and local governments. The Statement was developed to make annual reports easier to understand and more useful to the people who use governmental financial information to make decisions. Financial information of the City is presented in the following format:

Basic Financial Statements:

1. *Government-wide financial statements* consist of a statement of net position and a statement of activities.

These statements report all of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, expenses, and gains and losses of the City. Governmental activities are reported separately from business-type activities. Governmental activities are normally supported by taxes and intergovernmental revenues, whereas business-type activities are normally supported by fees and charges for services and are usually intended by management to be financially self-sustaining. Fiduciary funds of the City are not included in these government-wide financial statements.

Interfund receivables and payables, and bonds and notes issued by the City and held by the City as investments, within governmental and business-type activities have been eliminated in the government-wide statement of net position. Related interest amounts are eliminated in the government-wide statement of activities.

1. Summary of Significant Accounting Policies (Continued)

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.

Internal service net position, whether positive or negative, have been eliminated against the expenses and program revenues shown in the governmental activities statement of activities.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities.

Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

2. *Fund financial statements* consist of a series of statements focusing on information about the City's major governmental and enterprise funds. Separate statements are presented for the governmental, proprietary, and fiduciary funds.

The City's major governmental funds are the General Fund, the Community Learning Centers (CLC) Fund, Income Tax Capital Improvement Fund, Special Assessment Bond Payment Fund and the Streets Fund. Of the City's business-type activities, the Water, Sewer, and Off-Street Parking Funds are considered major funds.

The General Fund is the primary operating fund of the City. It is used to account for all financial resources except those required to be accounted for in other funds. Its revenues consist primarily of income and property taxes, JEDD revenues, shared revenues, charges for services, and licenses, fees, and fines.

General Fund expenditures represent costs of general government, public service (including sanitation and recycling collection), public safety (including police and fire), community environment, public health, and recreation and parks. General Fund resources are also transferred annually to support other services which are accounted for in other separate funds.

The Community Learning Centers (CLC) Fund is used to account for the daily activity relating to the CLC project. The primary sources of revenue are City income tax, shared revenue and bond proceeds.

The Income Tax Capital Improvement Fund, a special revenue fund, is used to account for the accumulation of income tax revenue and the payments of costs for items specifically designated as project costs and payment of debt service. The primary revenue source is income tax revenue and some debt proceeds.

The Special Assessment Bond Payment fund is used to account for the accumulation of resources for, and the payment of, special assessment debt principal and interest and related costs. Revenues consist primarily of special assessment collections.

1. Summary of Significant Accounting Policies (Continued)

The Streets fund is used to account for the accumulation of resources for, and payment of street projects. Revenue consists primarily of grants and subsidies.

The Water Enterprise Fund accounts for financial activity related to operating the City's water supply, treatment and distribution system. The Water Enterprise Fund serves six other municipalities and parts of six adjacent townships. Revenues consist primarily of charges for services.

The Sewer Enterprise Fund accounts for the financial activity related to operating the City's wastewater collection and treatment system that serves the City and twelve other subdivisions. Revenues consist primarily of charges for services.

The Off-Street Parking Fund accounts for the financial activity related to operating the City's parking facilities located throughout the downtown area. Revenues consist almost exclusively of charges for services.

While not considered major funds, the City maintains Internal Service Funds used to account for the financing of goods or services provided by one department or division to another department or division of the City, generally on a cost-reimbursement basis. The three largest of these funds account for the motor equipment, engineering, and information technology services. In addition, the City also maintains Internal Service Funds to account for the financial activity relating to self-insurance. The financial activity relating to the self insurance funds are for workers' compensation, medical, and judgment and claims.

3. Notes to the financial statements provide information that is essential to a user's understanding of the basic financial statements.

Required Supplementary Information:

Required supplementary information such as Management's Discussion and Analysis and budgetary comparison schedules are also required by GASB Statement No. 34.

B. *Financial reporting presentation*

The accounts of the City are organized 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 balance (equity), revenues, and expenditures (expenses). The fund types and classifications that the City reports are as follows:

GOVERNMENTAL FUNDS

1. **General Fund** – The General Fund is the general operating fund of the City and is appropriated. It is used to account for all financial resources except those required to be accounted for in another fund.
2. **Special Revenue Funds** – Special Revenue Funds are used to account for revenues derived from specific taxes, grants, or other restricted revenue sources. The uses and limitations of each Special Revenue Fund are specified by City ordinances or federal or state statutes.

1. Summary of Significant Accounting Policies (Continued)

3. **Debt Service Funds** – Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.
4. **Capital Projects Funds** - The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital projects (other than those financed by proprietary funds).
5. **Permanent Funds** – Permanent Funds are for the purpose of accounting for resources that are legally restricted to the extent that earnings, and not principal, may be used for purposes that support the reporting government's programs. The City, however, does not utilize Permanent Funds at this time.

PROPRIETARY FUNDS

1. **Enterprise Funds** - The Enterprise Funds are used to account for the operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.
2. **Internal Service Funds** - The Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments or to other governments on a cost-reimbursement basis.

FIDUCIARY FUNDS

1. **Private-Purpose Trust Funds** – Private-Purpose Trust Funds are used to account for other trust arrangements which benefit individuals, private organizations, or other governments. For accounting measurement purposes, the Private-Purpose Trust Funds are accounted for using the economic resources measurement focus (essentially the same manner as proprietary funds). The City utilizes three Private-Purpose Trust Funds. The Claire Merrix Trust was established in memory of a former City of Akron employee and is to fund tennis-related activities; the Holocaust Memorial Trust pays for annual holocaust services throughout the City; and the Police/Fire Beneficiary Trust was recently established to provide scholarships for dependents of those serving in the Police and Fire departments.
2. **Agency Funds** – Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. For accounting measurement purposes, the Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City has three Agency Funds, the first one is the Municipal Court Agency Fund and it is used to account for assets held by the Municipal Court Clerk for individuals, private organizations and other governments. The second one is the Police Property Monetary Evidence Fund and is used to account for funds held by the Police Department that will be returned to other agencies. The third one is the Unclaimed Monies Fund and it is used to account for funds held until a claim is made by the lawful owner.
3. **Other Fiduciary Funds** – Other Fiduciary Funds include pension trust funds and investment trust funds. The City does not utilize any such trust funds. Fiduciary Funds are not included in the government-wide statements.

1. Summary of Significant Accounting Policies (Continued)

C. *Measurement focus and basis of accounting*

Except for budgetary purposes, the basis of accounting used by the City conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting, except Agency Funds because they are custodial in nature. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include income taxes, property taxes, grants, shared revenue, and donations. On a full accrual basis, revenue from income taxes is recognized in the period in which the taxpayer's liability occurs and revenue from property taxes is recognized in the fiscal year for which the taxes are levied. On a full accrual basis, revenue in the form of shared revenue is recognized when the provider government recognizes its liability to the City. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. The City generally considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are generally recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

In applying the susceptible-to-accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available (i.e., collectible within the current year or within sixty days after year-end and available to pay obligations of the current period). These include income taxes, JEDD revenues, investment earnings, shared revenues, and a portion of special assessments. Reimbursements due for federally funded projects are accrued as revenue at the time the expenditures are made or, when received in advance, deferred until expenditures are made. Property taxes and the balance of special assessments, though measurable, are not available soon enough in the subsequent year to finance current period obligations. Therefore, property tax and the balance of special assessment receivables are recorded as deferred inflows until they become available. Other revenues, including licenses, fees and fines, and charges for services are recorded as revenue when received in cash because they are generally not measurable until actually received. The City applies restricted resources first when an expenditure is incurred for purposes for which both restricted and unrestricted net position are available.

1. Summary of Significant Accounting Policies (Continued)

Proprietary Fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as rental revenue and connection fees, result from ancillary activities. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

D. *Budgetary Procedures*

The City Council follows these procedures in establishing the budgetary data.

- (1) The Mayor submits to the City Council a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public hearings are conducted to obtain taxpayer comments.
- (3) According to state law, the budget must be enacted through passage of an ordinance by April 1.
- (4) The City Finance Director is authorized by City Council to transfer funds already appropriated within departments within any fund or category of expenditures; however, any revisions that alter the total appropriation of said department must be individually approved by the City Council. During 2014, supplemental appropriations were passed by City Council.
- (5) Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are recorded as the equivalent of expenditures. Unencumbered appropriations lapse at year-end.

1. Summary of Significant Accounting Policies (Continued)

(6) The majority of all funds have a legally adopted annual budget. Those funds include:

General Fund	Safety Programs	Golf Course
Income Tax Collection	Health Grants	Airport
Emergency Medical Service	City Facilities Operating	Off-Street Parking
Special Assessment	Various Purpose Funding	Motor Equipment
Income Tax Capital Improvement	Deposits	Medical Self-Insurance
Street and Highway Maintenance	Community Learning Centers	Workers' Compensation Reserve
Community Development	General Bond Payment Fund	Self-Insurance Settlement
Community Environment Grants	Streets	Telephone System
Akron Metro. Area Transportation Study	Information Technology and Improvements	Engineering Bureau
H.O.M.E. Program	Parks and Recreation	Information Technology
Tax Equivalency	Public Facilities and Improvements	Holocaust Memorial Trust
E.D.A. Revolving Loans	Public Parking	Unclaimed Monies
Joint Economic Development Districts	Economic Development	Police/Fire Beneficiary Trust
Akron Muni Court Information System	Water	Police Property Monetary Evidence
Public Health	Sewer	
Police Grants	Oil and Gas	

(7) The City appropriates an annual budget for the Police Pension Employer's Liability Fund and the Fire Pension Employer's Liability Fund which are required due to their funding source. On a GAAP basis, the two funds are combined with the General Fund.

E. *Cash, Cash Equivalents, and Investments*

Cash balances of the individual funds are combined to form a pool of cash held by the City Treasurer and invested in authorized investments (see Note 2). Earnings from these investments are credited to the General Fund in accordance with the City Charter except where the terms of a grant or regulation specify otherwise. Certain cash balances are held on behalf of the City by outside agents (see Note 2). Earnings from these investments are credited to the General Fund and certain other funds pursuant to the City Charter and federal and state requirements.

Investments are stated at fair value. Changes in fair value are recorded as a component of investment earnings.

For purposes of the Statement of Cash Flows, equity in pooled cash and investments, as well as segregated investments with original maturities of three months or less at the time they are purchased by the City, are considered to be cash equivalents. Investments with maturities of more than three months are not considered to be cash equivalents.

F. *Inventories* – Inventories are valued at cost (first-in, first-out) and adjusted to annual physical counts which are then maintained on a perpetual basis until the end of the year.

1. Summary of Significant Accounting Policies (Continued)

- G. **Capital Assets** – Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements to the extent the City’s capitalization threshold is met. The City defines capital assets as assets with an estimated useful life in excess of three years and an individual cost of more than \$5,000 for land; \$10,000 for equipment and vehicles; \$500,000 for intangibles – Computer Software; \$25,000 for land improvements, buildings, and improvements other than buildings; and \$100,000 for infrastructure. Assets are recorded at historical cost or estimated historical cost if historical cost is not available. Contributed capital assets are recorded at their estimated fair market value at the date contributed. Infrastructure acquired prior to December 31, 1980, is also reported as a component of the above-mentioned capital assets.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the governmental capital assets. Interest accrued during the construction of capital assets utilized by the proprietary funds is also capitalized.

Costs for maintenance and repairs are expensed when incurred. However, costs for repairs and upgradings that materially add to the value or life of an asset and meet the above criteria are capitalized.

The City depreciates capital assets on a straight-line basis, half-year convention, using the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings, bridges, and storm sewers	50
Improvements, skywalks, and paving	40
Sewer and water mains	40
Sidewalks, curbs, electrical and lighting	30
Traffic control system and bridge repairs	25
Land improvements	20
Equipment and Intangibles	3-20
CLC Building Equity Interest	70
CLC improvements other than buildings	40

- H. **Compensated Absences** – Vacation, paid leave, and compensatory time benefits are accrued as liabilities as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated, unused vacation, paid leave, and compensatory time when earned for all employees.

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

1. Summary of Significant Accounting Policies (Continued)

- I. **Fund Balances** – Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds.

The classifications are as follows:

(1) **Nonspendable** – Amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

(2) **Restricted** – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

(3) **Committed** – Amounts constrained to specific purposes imposed by a formal action (ordinance) of City Council, its highest level of decision making authority; to be reported as committed, amounts cannot be used for any other purposes unless the same highest level of action is taken to remove or change the constraint.

(4) **Assigned** – Amounts the City intends to use for a specified purpose; intent can be expressed by the governing body or by the Director of Finance which has been designated this authority. The City’s intent is typically expressed through a directive issued by the Director of Finance.

(5) **Unassigned** – Amounts that are available for any new purpose: positive amounts are reported only in the general fund. In other governmental funds, the unassigned classification is used only to report a deficit fund balance.

Council establishes fund balance commitments by passage of an ordinance. Assigned fund balance is established by City administration including the Director of Finance through the issuance of requisitions, purchase orders, contracts, and directives.

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

Governmental funds of the City do not have specified fund balance targets. Recommended levels of committed and/or assigned fund balance will be determined on a case by case basis, based on the needs of each fund and as recommended by officials and approved by Council where necessary.

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

Significant encumbrances as of December 31, 2014, total \$1,593,954 in the General fund, \$651,170 in the Income Tax Capital Improvement fund, \$570,704 in the Streets fund, and \$4,878,297 in all other Governmental funds.

1. Summary of Significant Accounting Policies (Continued)

J. ***Interfund Transactions*** – During the course of normal operations, the City records numerous transactions between funds including expenditures and transfers of resources to provide services, subsidize operations, and service debt. The City has the following types of transactions among funds:

- (1) Reciprocal interfund services provided and used – Purchases and sales of goods and services between funds for a price approximating their external exchange value.
- (2) Nonreciprocal interfund transfers – Flows of assets between funds without equivalent flows of assets in return and without a requirement for repayment. This includes transfers to subsidize various funds.
- (3) Nonreciprocal interfund reimbursements – Repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them.

The City's interfund receivables and payables at December 31, 2014 are presented in Note 5. Interfund transfers are presented in Note 22.

K. ***Post-retirement Benefits*** – In addition to the post-retirement benefits provided by the Ohio Police and Fire Pension Fund and the Ohio Public Employees Retirement System of Ohio, the City provides post-retirement health care and life insurance benefits, in accordance with union agreements and City Council ordinances, for retired employees (see note 9).

L. ***Debt Issuance Costs, Premiums, Discounts, and Losses on Refundings*** – Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Losses on advance refundings are deferred and amortized over the life of the new debt, or the life of the advance refunded debt, whichever is shorter.

M. ***Employment Related Liabilities*** – The City records a liability for employment related liabilities relating to deferred longevity payments and former employees of the Building Inspection Division and the Health Department (see note 14).

To improve governmental efficiency and economy, effective February 1, 2009, the City's Building Inspection and Plans and Permits Divisions consolidated with Summit County. In the best interest of the public health, safety and welfare and to improve governmental efficiency and economy, effective January 1, 2011, the City's Health Department consolidated with the Summit County Health District.

The former Building Inspection and Plans and Permits employees, while employed by Summit County, must retire under Ohio Public Employees Retirement System to be entitled to receive payment of the accumulated sick leave at the hourly rate the employee was receiving at the time of resignation from the City along with the retirement differential. The City has recorded a long-term liability of \$130,734.

1. Summary of Significant Accounting Policies (Continued)

The former Health Department employees while employed by Summit County must retire under Ohio Public Employees Retirement System to be entitled to receive payment of the accumulated sick leave at the hourly rate the employee was receiving at the time of resignation from the City along with the retirement differential. The City has recorded a long-term liability of \$1,218,135. Additionally, the former Health Department employees are entitled to staggered payouts for their accumulated vacation, paid leave, and compensatory time at the hourly rate the employee was receiving at the time of resignation from the City. The liability is the actual amount due to employees and the City recorded \$29,213 as a current liability for the amounts scheduled to be paid during 2015.

- N. **Accounting Standards** – The City applies all applicable and effective pronouncements issued by the Governmental Accounting Standards Board (GASB).

In June 2012, the GASB issued statement No. 68 *Accounting and Financial Reporting for Pensions an amendment of GASB Statement No. 27*. This Statement improves the usefulness of information for decisions made by the various users of the general purpose external financial reports of governments whose employees – both active employees and inactive employees – are provided with pensions. For the City, this statement is effective for periods beginning after June 15, 2014.

In January 2013, the GASB issued statement No. 69 *Government Combinations and Disposals of Government Operations*. This Statement improves financial reporting by addressing accounting and financial reporting for government combinations and disposals of government operations. The City's financial statements have been prepared in conformance with this Standard.

In April 2013, the GASB issued statement No. 70 *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. This Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. For the City, this statement is effective for periods beginning after June 15, 2013. The City's financial statements have been prepared in conformance with this Standard.

In November 2013, the GASB issued statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date an amendment of GASB Statement No. 68*. The objective of this Statement is to improve accounting and financial reporting by addressing an issue in Statement No. 68, *Accounting and Financial Reporting for Pensions*, concerning transition provisions related to certain pension contributions made to defined benefit pension plans prior to implementation of that Statement by employers and nonemployer contributing entities. This statement must be implemented simultaneously with the provisions of Statement No. 68.

2. Pooled Cash and Investments

City ordinances require that all cash, with the exception of certain debt service cash and cash held by fiscal agents, be deposited with the City Treasurer. Each fund's portion of these funds is displayed on the statements of net position or balance sheets as "pooled cash and investments." Earnings on these investments are allocated to the various funds based on City and state statutes, grant agreements and various bond agreement requirements. Investments are also held separately by the Special Revenue, Debt Service, Enterprise, and Internal Service Funds. City ordinances further authorize and direct the permitted types of deposits and investments.

Deposits:

City ordinances require that all deposits be secured by collateral securities pledged at market value in an amount equal to at least 100% of the deposit, less any amount covered by federal deposit insurance. Custodial credit risk is the risk that, in the event of a bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by Ohio Revised Code, is held in collateral pools at Federal Reserve Banks, or at member banks of the Federal Reserve System, in the name of the depository bank and pledged as a pool of collateral against all public deposits held by the depository. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money have been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

At December 31, 2014, the carrying amount of the City's deposits was \$85,704,410 and the bank balance was \$89,428,230. The difference in the carrying amount and bank balance was composed of outstanding checks and other normal reconciling items. Of the bank balance, \$15,828,969 was covered by federal depository insurance, and \$73,599,261 was uninsured but collateralized with unregistered securities held by the pledging financial institution's trust department in the City's name.

2. Pooled Cash and Investments (Continued)

Total cash and investments are reported as follows:

Balance Sheet - Governmental Funds:	
Pooled cash and investments	\$ 64,219,153
Restricted cash and investments	61,211,211
Statement of Net Position - Proprietary Funds:	
Enterprise Funds	
Pooled cash and investments	25,631,850
Restricted cash and investments	9,854,895
Internal Service Funds	
Pooled cash and investments	12,835,835
Statement of Net Position - Fiduciary Funds:	<u>885,214</u>
Total	<u>\$ 174,638,158</u>

Investments in City of Akron bonds and notes amounting to \$564,527 are eliminated in the government-wide statement of net position at December 31, 2014.

Investments:

The City records all of its investments at fair value under the guidance set forth by Governmental Accounting Standards Board Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

Under the fair value method of recording investments, the City is required to report realized and unrealized gains and losses arising from market fluctuations as well as the sale and maturity of various investments above or below their beginning-of-the-year fair value or their purchase price, when purchased during the current fiscal year. Realized gains and losses, on investments that had been held in more than one fiscal year and sold in the current year, may have been recognized as an increase or decrease in the fair value of the investments reported in the prior year.

The repurchase agreement investment maturity is less than one year.

Interest Rate Risk. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rate risk.

Credit Risk. City ordinances authorize the treasurer to invest in obligations of the United States Treasury, agencies and instrumentalities and direct obligations of the State of Ohio, including any subdivisions of the state. As of December 31, 2014, the investments held by the bond trustees and STAROhio were rated AAAM by Standard & Poor's. All municipal bonds and notes are rated A2 or better by Moody's or A or better by Standard & Poor's.

The City invests funds in the State Treasury Asset Reserve of Ohio (STAROhio). STAROhio is an investment pool managed by the State Treasurer's office which allows governments within the state to pool their funds for investment purposes. STAROhio 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 STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31, 2014.

2. Pooled Cash and Investments (Continued)

Bond trustees holding the investments are not registered with the SEC as an investment company but do operate in a manner consistent with rule 2a7 of the Investment Company Act of 1940. Bond trustees and Community Learning Center trustees holding the investments are not registered with the SEC as an investment company but do operate in a manner consistent with rule 2a7 of the Investment Company Act of 1940.

Investments held by bond trustees, Community Learning Centers and STAROhio are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

At December 31, 2014, \$71,066,106 of cash and investments was restricted for the following purposes: \$154,874 was restricted for lease costs for Canal Park Stadium; \$4,120,050 was restricted for Off-Street Parking Deck COPs; \$1,338,408 was restricted for Akron District Energy COPs; and \$13,632,209 was restricted solely for retirement of City obligations; and the balance of \$51,820,565 was held by the trustee for payment of debt service on the Community Learning Centers' Income Tax Revenue Bonds.

As of December 31, 2014 the City had the following investments.

<u>Investment Types</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years)</u>	
		<u>Less Then 1</u>	<u>1-5</u>
Repurchase agreement	\$ 8,635,000	\$ 8,635,000	\$ -
U.S. Treasuries or Agenices	12,998,632	12,998,632	-
STAROhio	96,137	96,137	-
Municipal Bonds	485,000	485,000	-
City of Akron Assessment Debt	79,527	24,206	55,321
Investments held by bond trustees:			
U.S. Treasuries or Agencies	13,089,932	13,089,932	-
Cash Reserve	3,576,192	3,576,192	-
Investments held by Community Learning Center trustees:			
U.S. Treasuries or Agencies	48,936,590	7,997,103	40,939,487
Money Market	1,036,738	1,036,738	-
Total	<u>\$ 88,933,748</u>	<u>\$ 47,938,940</u>	<u>\$ 40,994,808</u>

3. Receivables

Receivables, net of allowances for uncollectible reported in the Statement of Net Position, consist of the following at December 31, 2014:

	Taxes	Customer Charges, Special Assessments, and Others	Gross Receivables	Allowance for Uncollectibles	Net
Governmental Activities					
Governmental Funds:					
General Fund	\$ 34,531,195	\$ 11,016,655	\$ 45,547,850	\$ (1,024,527)	\$ 44,523,323
Community Learning Centers	2,504,748	57,000,000	59,504,748	-	59,504,748
Income Tax Capital Improvement	5,371,337	8,895	5,380,232	-	5,380,232
Special Assessment Bond Payment	-	37,006,714	37,006,714	(4,565,847)	32,440,867
Streets	-	30,028	30,028	-	30,028
Other Governmental Funds	9,100,286	27,546,019	36,646,305	-	36,646,305
Total Governmental Funds	51,507,566	132,608,311	184,115,877	(5,590,374)	178,525,503
Internal Service Funds	-	81,720	81,720	-	81,720
Total Governmental Activities	51,507,566	132,690,031	184,197,597	(5,590,374)	178,607,223
Business-type Activities					
Enterprise Funds:					
Water	-	7,235,705	7,235,705	(2,607,007)	4,628,698
Sewer	-	14,280,298	14,280,298	(2,690,407)	11,589,891
Oil & Gas	-	5,547	5,547	-	5,547
Airport	-	1,233	1,233	-	1,233
Off-Street Parking	-	63,583	63,583	-	63,583
Total Business-type Activities	-	21,586,366	21,586,366	(5,297,414)	16,288,952
Total Receivables	\$ 51,507,566	\$ 154,276,397	\$ 205,783,963	\$ (10,887,788)	\$ 194,896,175

Included in the amounts above are water and sewer unbilled charges for services of approximately \$1,171,000 and \$2,843,000, respectively.

Delinquent special assessment receivables amounted to \$4,565,847 at December 31, 2014 and were fully reserved for in the allowance for uncollectibles in the Special Assessment Bond Payment fund.

4. Due From/To Other Governments

Amounts due from other governments at December 31, 2014 consist of the following:

	Federal	State	Total
Governmental Funds:			
General Fund	\$ 8,741	\$ -	\$ 8,741
Streets	44,956	516,918	561,874
Other Governmental Funds	3,706,719	311,467	4,018,186
Total Governmental Funds	<u>\$ 3,760,416</u>	<u>\$ 828,385</u>	<u>\$ 4,588,801</u>
Enterprise Funds:			
Sewer	\$ -	\$ 422,786	\$ 422,786
Other Enterprise Funds	28,439	153,376	181,815
Total Enterprise Funds	<u>\$ 28,439</u>	<u>\$ 576,162</u>	<u>\$ 604,601</u>

Amounts due to other governments at December 31, 2014 consist of the following:

	Federal	State	County	Local	Total
Governmental Funds:					
General Fund	\$ -	\$ -	\$ 2,515,001	\$ -	\$ 2,515,001
Community Learning Center	-	-	493	-	493
Income Tax Capital Improvement	-	-	6,697	-	6,697
Streets	-	-	3,218	-	3,218
Other Governmental Funds	4,815,000	378,553	221,391	746,120	6,161,064
Total Governmental Funds	<u>\$ 4,815,000</u>	<u>\$ 378,553</u>	<u>\$ 2,746,800</u>	<u>\$ 746,120</u>	<u>\$ 8,686,473</u>

The \$8,686,473 due to other governments includes \$4,795,229 that is reported as long-term liabilities in the government-wide statement of net position as liabilities due in more than one year.

Enterprise Funds:					
Water	\$ -	\$ -	\$ 48,527	\$ -	\$ 48,527
Sewer	-	-	61,088	-	61,088
Off-Street Parking	-	-	272,180	-	272,180
Other Enterprise Fund	-	-	46,462	-	46,462
Total Enterprise Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 428,257</u>	<u>\$ -</u>	<u>\$ 428,257</u>

The federal amount is comprised of two section 108 loans from the U.S. Department of Housing and Urban Development (HUD).

The state amount is comprised of an Ohio Development Services Agency loan.

The county amount recorded in Governmental Funds relates to City reimbursements to Summit County for the debt service on debt issued by Summit County related directly to the cost of construction of additional jail space to house City inmates.

The county amount recorded in Business-type Activities relates to a master meter sewer agreement in the Mud Brook service area.

5. Due From/To Other Funds

Interfund receivable and payable balances at December 31, 2014 are due within one year consist of the following individual fund receivables and payables:

	Receivable	Payable
Governmental Funds:		
General Fund	\$ 3,112,165	\$ 711,399
Community Learning Centers	-	1,110,326
Income Tax Capital Improvement	98	23,386
Streets	24,862	49,216
Other Governmental Funds	1,244,577	549,251
	<u>\$ 4,381,702</u>	<u>\$ 2,443,578</u>
Proprietary Funds:		
Enterprise Funds:		
Water	\$ 430,849	\$ 689,652
Sewer	81,437	2,558,380
Off-Street Parking	-	68,221
Other Enterprise Funds	11,687	15,341
	<u>\$ 523,973</u>	<u>\$ 3,331,594</u>
Internal Service Funds	<u>988,945</u>	<u>119,448</u>
Total	<u><u>\$ 5,894,620</u></u>	<u><u>\$ 5,894,620</u></u>

6. Deposits

On December 15, 2003, the City of Akron entered into a cooperative agreement for Community Learning Centers (CLC) with the Board of Education of the Akron City School District (District). The cooperative agreement is the foundation for all the activity associated with the City's .25% income tax and the ownership relating to the CLCs. As of December 31, 2014, the District had \$31,593,575 of unspent City funds that are recorded as Deposits on the City's Statement of Net Position and are recorded on the District's financial statements as "due to City of Akron".

7. Capital Assets

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

	Balance January 1, 2014	Additions	Deletions	Balance December 31, 2014
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 156,718,601	\$ 613,620	\$ -	\$ 157,332,221
Construction in progress	77,320,014	15,021,104	32,991,621	59,349,497
CLC Land	1,348,786	11,514	-	1,360,300
CLC Construction in progress	30,992,422	13,982,090	8,398,816	36,575,696
Total capital assets, not being depreciated	<u>266,379,823</u>	<u>29,628,328</u>	<u>41,390,437</u>	<u>254,617,714</u>
Capital assets, being depreciated:				
Buildings	208,737,635	245,266	-	208,982,901
CLC Building Equity Interest	192,112,520	8,187,668	-	200,300,188
Improvements other than buildings	146,139,167	17,337,194	-	163,476,361
CLC Improvements other than buildings	53,610	199,634	-	253,244
Equipment & Intangibles	114,733,120	2,325,590	970,281	116,088,429
Infrastructure	636,549,666	22,898,596	-	659,448,262
Total capital assets, being depreciated	<u>1,298,325,718</u>	<u>51,193,948</u>	<u>970,281</u>	<u>1,348,549,385</u>
Less accumulated depreciation for:				
Buildings	87,901,866	4,315,961	-	92,217,827
CLC Building Equity Interest	12,372,563	3,022,577	-	15,395,140
Improvements other than buildings	56,424,191	5,249,148	-	61,673,339
CLC Improvements other than buildings	9,382	5,176	-	14,558
Equipment & Intangibles	93,739,143	4,052,583	911,320	96,880,406
Infrastructure	310,769,422	15,942,821	-	326,712,243
Total accumulated depreciation	<u>561,216,567</u>	<u>32,588,266</u>	<u>911,320</u>	<u>592,893,513</u>
Total capital assets, being depreciated, net	<u>737,109,151</u>	<u>18,605,682</u>	<u>58,961</u>	<u>755,655,872</u>
Governmental activities capital assets, net	<u>\$ 1,003,488,974</u>	<u>\$ 48,234,010</u>	<u>41,449,398</u>	<u>\$ 1,010,273,586</u>

7. Capital Assets (Continued)

	Balance January 1, 2014	Additions	Deletions	Balance December 31, 2014
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 33,026,360	\$ 2,045,415	\$ -	\$ 35,071,775
Construction in progress	63,982,704	33,284,107	16,588,193	80,678,618
Total capital assets, not being depreciated	<u>97,009,064</u>	<u>35,329,522</u>	<u>16,588,193</u>	<u>115,750,393</u>
Capital assets, being depreciated:				
Buildings	192,398,550	2,902,624	-	195,301,174
Improvements other than buildings	452,590,441	182,692	-	452,773,133
Equipment and Intangibles	37,984,624	919,673	173,029	38,731,268
Infrastructure	163,209,592	23,241,137	-	186,450,729
Total capital assets, being depreciated	<u>846,183,207</u>	<u>27,246,126</u>	<u>173,029</u>	<u>873,256,304</u>
Less accumulated depreciation for:				
Buildings	85,250,348	3,077,863	-	88,328,211
Improvements other than buildings	278,220,943	7,627,295	-	285,848,238
Equipment and Intangibles	33,690,640	937,595	152,174	34,476,061
Infrastructure	35,326,644	5,570,806	-	40,897,450
Total accumulated depreciation	<u>432,488,575</u>	<u>17,213,559</u>	<u>152,174</u>	<u>449,549,960</u>
Total capital assets, being depreciated, net	<u>413,694,632</u>	<u>10,032,567</u>	<u>20,855</u>	<u>423,706,344</u>
Business-type activities capital assets, net	<u>\$ 510,703,696</u>	<u>\$ 45,362,089</u>	<u>\$ 16,609,048</u>	<u>\$ 539,456,737</u>

7. Capital Assets (Continued)

Depreciation expense was charged during 2014 to functions of the government as follows:

Governmental Activities:

General government	\$ 1,991,602
Public service	8,271,781
Public safety	1,256,912
Community environment	4,570,449
Public health	282,441
Unallocated depreciation	16,091,850
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>123,231</u>
Total depreciation expense charged to governmental activities	<u>\$ 32,588,266</u>

Business-type Activities:

Water	\$ 5,994,902
Sewer	8,536,516
Off-Street Parking	2,416,350
Other Business-type activities	<u>265,791</u>
Total depreciation, depletion and amortization expense charged to business-type activities	<u>\$ 17,213,559</u>

Construction in progress and remaining capital commitments (including capitalized interest of \$2,563,081, of which \$926,212 was capitalized in 2014) are comprised of the following:

	Project Authorization	Expended to December 31, 2014	Committed
Governmental Activities:			
Governmental	\$ 88,344,172	\$ 85,406,478	\$ 2,937,694
Business-type Activities:			
Water	27,695,428	23,684,819	4,010,609
Sewer	58,294,365	55,037,791	3,256,575
Off-Street Parking	67,550	54,051	13,499
Golf	<u>78,000</u>	<u>78,000</u>	<u>-</u>
	<u>\$ 174,479,516</u>	<u>\$ 164,261,139</u>	<u>\$ 10,218,377</u>

8. Accrued Vacation and Leave

GASB Statement No. 16, *Accounting for Compensated Absences*, requires a liability to be established for all compensated absences as earned by the employees. At the time of the employee’s separation, such compensated absences are paid to the employee from the fund to which the employee’s payroll is charged.

Vacation, paid leave, sick leave and compensatory time accumulated by employees whose wages are charged to governmental fund types have been recorded as liabilities in the governmental funds only if they have matured. The balance has been recorded on the statement of net position. Vacation, paid leave, sick leave and compensatory time accumulated by employees whose wages are charged to proprietary fund types are expensed when earned and recorded as liabilities in the government-wide statement of net position and in the proprietary fund statement of net position.

Sick leave is earned by substantially all employees. Unused sick leave is accumulated up to 960 hours per employee and vests upon reaching certain age and service requirements. The vested portion of accumulated sick leave and amounts earned through December 31, 2014 and expected to vest in the future has been accrued in the government-wide statement of net position for all City employees. Amounts related to the City’s proprietary fund operations are also accrued for in the proprietary fund statement of net position due to the nature of these funds.

The following governmental funds have typically been used in prior years to reduce or liquidate the liability for compensated absences:

- | | |
|--------------------------------|--------------------------------|
| General Fund | Street and Highway Maintenance |
| Income Tax Collection | Community Development |
| Emergency Medical Service | Police Grants |
| Special Assessment Fund | Safety Programs |
| Income Tax Capital Improvement | |

8. Accrued Vacation and Leave (Continued)

As of December 31, 2014, the accrued vacation, paid leave, sick leave, and compensatory time is recorded as a current liability (due within one year) in the Statement of Net Position as follows:

	Balance January 1, 2014	Additions	Deletions	Balance December 31, 2014
Governmental Activities:				
Governmental Funds:				
General Fund	\$ 7,839,827	\$ 7,559,087	\$ (7,839,827)	\$ 7,559,087
Income Tax Capital Improvement	58,092	55,045	(58,092)	55,045
Special Assessment Bond Payment	247,468	258,149	(247,468)	258,149
Streets	18,993	-	(18,993)	-
Other Governmental Activities	<u>2,348,182</u>	<u>1,829,434</u>	<u>(2,348,182)</u>	<u>1,829,434</u>
Total Governmental Funds	10,512,562	9,701,715	(10,512,562)	9,701,715
Internal Service Funds	<u>642,339</u>	<u>520,048</u>	<u>(642,339)</u>	<u>520,048</u>
Total Governmental Activities	11,154,901	10,221,763	(11,154,901)	10,221,763
Business-type Activities:				
Enterprise Funds:				
Water	746,753	781,695	(746,753)	781,695
Sewer	535,480	497,882	(535,480)	497,882
Other Enterprise Funds	<u>32,513</u>	<u>33,261</u>	<u>(32,513)</u>	<u>33,261</u>
Total Enterprise Funds/ Business-type Activities	1,314,746	1,312,838	(1,314,746)	1,312,838
	<u>\$ 12,469,647</u>	<u>\$ 11,534,601</u>	<u>\$ (12,469,647)</u>	<u>\$ 11,534,601</u>

The following amounts are also included as long-term obligations in the government-wide statement of net position (Note 14):

Governmental Activities:				
Governmental Funds:				
General Fund	\$ 28,195,077	\$ 11,255,752	\$ (10,019,010)	\$ 29,431,819
Income Tax Capital Improvement	170,839	62,687	(113,684)	119,842
Special Assessment Bond Payment	1,396,259	459,022	(990,698)	864,583
Streets	80,333	-	(80,333)	-
Other Governmental Activities	<u>7,289,472</u>	<u>2,345,935</u>	<u>(2,932,977)</u>	<u>6,702,430</u>
Total Governmental Funds	37,131,980	14,123,396	(14,136,702)	37,118,674
Internal Service Funds	<u>2,086,024</u>	<u>780,135</u>	<u>(1,021,172)</u>	<u>1,844,987</u>
Total Governmental Activities	39,218,004	14,903,531	(15,157,874)	38,963,661
Business-type Activities:				
Water	2,648,731	1,253,132	(1,069,293)	2,832,570
Sewer	1,875,132	1,340,700	(1,402,649)	1,813,183
Other Business-type Activities	<u>64,409</u>	<u>47,135</u>	<u>(30,761)</u>	<u>80,783</u>
Total Business-type Activities	4,588,272	2,640,967	(2,502,703)	4,726,536
	<u>\$ 43,806,276</u>	<u>\$ 17,544,498</u>	<u>\$ (17,660,577)</u>	<u>\$ 43,690,197</u>

9. Pension and Other Post-Retirement Benefit Plans

Police officers and firefighters participate in the statewide Ohio Police and Fire Pension Fund (Police and Fire), a cost-sharing, multi-employer defined-benefit public employee retirement system. Police and Fire offers three types of service retirement: normal, service commuted, and age/service commuted. In a normal retirement, a member is eligible at age 48 with 25 years of service with a monthly pension equal to 60% of the average of the three highest years of allowable earnings. The maximum pension of 72% of the average allowable earnings for the three highest years is paid after 33 years of service. Under the service commuted retirement, a member is eligible if they have at least 15 years of service, they have reached the age of 48 and 25 years has elapsed from the date of their full-time hire. Under the age/service commuted retirement, a member is eligible if they have 15 years of service and they have reached the age of 62. In the event of death, eligible survivors may qualify for a monthly benefit and a one-time \$1,000 lump sum benefit payment. Benefits are established by the Ohio Revised Code.

The City also participates in a cost-sharing multi-employer post-retirement health benefits plan, administered by Police and Fire, for these city employees. Substantially all other City employees participate in the statewide Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multi-employer defined-benefit pension plan. The member-directed 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 member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined-benefit pension plan that has elements of both a defined-benefit and a defined-contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan. The City also participates in a cost-sharing multi-employer post-retirement health benefits plan, administered by OPERS, for these City employees.

In addition to participating in the plans described above, the City provides its own post-retirement health and life insurance benefits plan which is administered as a single-employer benefit plan. Typically, the following funds have been use to liquidate the net pension obligation or net other post-retirement benefit obligation:

General Fund	General Bond Payment
Income Tax Collection	Water
Emergency Medical Service	Sewer
Special Assessment	Oil & Gas
Income Tax Capital Improvement	Golf Course
Street and Highway Maintenance	Airport
Community Development	Motor Equipment
Akron Metropolitan Area Transportation Study	Engineering
Joint Economic Development Districts	Data Processing
Safety Programs	

9. Pension and Other Post-Retirement Benefit Plans (Continued)

OPERS

OPERS provides retirement and death benefits, disability benefits, and annual cost-of-living adjustments to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to: 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-PERS (7377).

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employees of local governments are required to contribute 10.0% of their covered payroll to OPERS. The 2014 and 2013 employer contribution rate for local government employer units was 14.00%, of covered payroll including 2% during calendar year 2014, which is used to fund post-retirement health care benefits for members of the Traditional Plan. The portion of employer contributions allocated to members in the Traditional and Combined Plans was 2% during calendar year 2014. The City's total contributions to OPERS for pension benefits (excluding the amount relating to post-retirement health care benefits) for the years ended December 31, 2014, 2013, and 2012 were \$6,282,842, \$6,790,587, and \$5,247,777 respectively, which were equal to 100% of the required employer contributions for each year.

OPERS members are eligible to retire at any age with 30 years of service, at age 60 with at least 5 years of service or at age 55 with at least 25 years of service. Those retiring with less than 30 years of service or less than age 65 receive reduced benefits. Under the Traditional Pension Plan, eligible employees are entitled to a monthly retirement benefit equal to 2.2% of the average of their three highest years of earnings multiplied by the first 30 years of service plus 2.5% of the average of their three highest years for each year in excess of 30. Under the Member-Directed Plan, eligible members are entitled to a monthly benefit dependent upon the performance of the OPERS investment options that the members selected. Under the Combined Plan, eligible members are entitled to a monthly benefit equal to 1.0% of the average of their three highest years of earnings multiplied by the number of years of service plus 1.25% of the average of their three highest years for each year in excess of 30. Additionally, under the Combined Plan, a benefit is provided based on the performance of the OPERS investment options the member selected. OPERS also provides death and disability benefits. Benefits are established by the Ohio Revised Code.

In addition to the pension benefits, OPERS provides post-retirement health care coverage to age and service retirees with 10 or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is also available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered to be an "other post-employment benefit" (OPEB) as described in GASB Statement No. 45. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of post-retirement health care based on authority granted by state statute. As noted above, the Ohio Revised Code provides statutory authority for employer contributions. During 2014, 2013 and 2012, \$1,104,043, \$556,299, and \$2,099,110, respectively, of the City's total contribution to OPERS were used for post-retirement benefits which were equal to 100% of the required employer contributions for each year.

The assumptions and calculations below were based on OPERS's latest actuarial review performed as of December 31, 2014. OPEB are advanced-funded using the entry-age normal actuarial cost method. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12% corridor. Other significant actuarial assumptions include a rate of

9. Pension and Other Post-Retirement Benefit Plans (Continued)

return on investments of 6.5% and a salary increase of 4.0% for inflation and between 0.5% and 6.3% based on seniority and merit. Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from 0.5% to 3.0% for the next 6 years. In subsequent years (7 and beyond) health care costs were assumed to increase at 4.0% (the projected wage inflation rate).

In December, 2001, the Board adopted the Health Care “Choices” Plan. The Choices Plan will be offered to all persons newly hired in an OPERS-covered position after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices will incorporate a cafeteria approach, offering a broader range of health care options. The Plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year “cliff” eligibility standard for the present Plan.

The benefit recipients will be free to select the option that best meets their needs. Recipients will fund health care costs in excess of their monthly health care benefits. The Plan will also offer a spending account feature, enabling the benefit recipients to apply their allowances towards specific medical expenses, much like a Medical Spending Account.

Ohio Police and Fire Pension Fund

The Ohio Police and Fire Pension Fund provides retirement and death benefits, disability benefits, and annual cost-of-living adjustments to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. The Police and Fire Pension Fund issues a publicly available financial report that includes financial information and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to: Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

The Ohio Revised Code provides statutory authority for employee and employer contributions. From Jan. 1, 2014 thru July 1, 2014, plan members were required to contribute 10.75% of their annual covered salary. From July 2, 2014 thru Dec. 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% respectively for police officers and firefighters. Required employer contributions to the Ohio Police and Fire Pension Fund are equal to the amounts actually paid by the City each year. The City’s total contributed amounts for Police (excluding the amount relating to post-retirement health care benefits) for the years ended December 31, 2014, 2013, and 2012 were \$5,375,337, \$4,538,566, and \$3,478,503, respectively, which were equal to 100% of the required employer contributions for each year. The City’s total contributed amounts for Fire (excluding the amount relating to post-retirement health care benefits) for the years ended December 31, 2014, 2013, and 2012 were \$5,657,059, \$4,807,709, and \$3,784,368, respectively, which were equal to 100% of the required employer contributions for each year.

In addition to pension benefits, the Police and Fire plan provides post-retirement health care coverage for eligible persons who receive a monthly service, disability, or survivor benefit check. If eligible, the plan subsidizes a spouse, survivor (which includes a dependent parent receiving a statutory survivor benefit), child up to 28, or incapacitated child for medical and prescription drugs. The health care coverage provided by the retirement system is considered to be an “other post-employment benefit” (OPEB) as described in GASB Statement No. 45. Police and Fire provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. The Ohio Revised Code allows, but does not mandate OP&F to

9. Pension and Other Post-Retirement Benefit Plans (Continued)

provide OPEB benefits. The authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code. The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the Police and Fire (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members; currently, 19.50% and 24.00% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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

The Police and Fire 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 Police for the years ended December 31, 2014, 2013, and 2012 used to pay post-retirement health care were \$826,975, \$973,154, and \$1,841,560, respectively, which were equal to 100% of the required employer contributions for each year. The City's contributions for Fire for the years ended December 31, 2014, 2013, and 2012 used to pay post-retirement health care were \$542,458, \$807,518, and \$1,480,840, respectively, which were equal to 100% of the required employer contributions for each year.

These amounts can be determined by multiplying the City's contributions by the following factors: For 2014, multiply the police employer contributions by .026 and multiply the fire employer contributions by .021. For 2013, Jan. 1, 2013 thru May 31, 2013 multiply the police employer contributions by .241 and multiply the fire employer contributions by .195. For the period June 1, 2013 thru Dec. 31, 2013 multiply the police employer contributions by .146 and multiply the fire employer contributions by .119. For 2012, multiply the police employer contributions by 0.346 and multiply the firefighter employer contributions by 0.281.

Other Post-retirement Benefits (OPEB)

In addition to the post-retirement benefits provided by the Ohio Police and Fire Pension Fund and the Ohio Public Employees Retirement System of Ohio, the City provides post-retirement health care and life insurance benefits, in accordance with union agreements and City Council ordinances, for retired employees. The post-retirement healthcare coverage is a single self-insured plan, administered through Medical Mutual, which provides medical, prescription drugs, dental, and vision benefits. The major medical portion of the coverage, which includes prescription drugs, ends at age 65. All other benefits continue for the lifetime of the participant. The life insurance amounts are dependent on age at retirement and the retiree's collective bargaining unit. All life insurance amounts are reduced by 50% after the first year of retirement. Dependents are not eligible for life insurance during retirement. The life insurance is fully insured. Substantially all of the City's employees may become eligible for those

9. Pension and Other Post-Retirement Benefit Plans (Continued)

benefits if they reach normal retirement age while working for the City. Currently, 2,150 retirees meet those eligibility requirements. The City pays 100% of the cost of health care and life insurance benefits. These benefits are financed on a pay-as-you go basis; as such, the cost of retiree health care and life insurance benefits is recognized as expenditure/expense as claims are incurred. For the years ended 2014, 2013 and 2012 those costs were \$4,913,830, \$4,168,613, and \$4,512,097 respectively. Eligibility for OPEB benefits is receiving a pension benefit from OPERS, Police and Fire, or disability retirement. Former employees who are term-vested for pension benefits are not eligible.

Pursuant to GASB issued Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension Benefits*, the City has recorded liabilities of \$38,891,358, and \$4,659,642 in the government-wide statement of net position, as liabilities due in more than one year for Governmental Activities and Business-type Activities, respectively.

Calculations are based on the OPEB benefits provided under the terms of the plan. The calculations are based on the substantive plan in effect at the time of the valuation and the plan provisions related to participant cost sharing. Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to the past expectations and new estimates are made about the future. The actuarial calculations of the OPEB plan reflect a long-term perspective.

The following exhibits provide summaries of the annual required contributions, funded status, expense, and net OPEB obligation (year-end accrued liability).

Year Ended	Annual Required Contributions	Actual Contributions	Percentage Contributed
12/31/2012	\$ 11,473,000	\$ 4,772,000	41.6
12/31/2013	11,132,000	4,725,000	42.4
12/31/2014	10,622,000	4,908,000	46.2

Year Ended	Annual OPEB Cost	Percentage OPEB Cost Contributed	Net OPEB Obligation
12/31/2012	\$ 11,288,000	42.3	\$ 31,944,000
12/31/2013	10,899,000	43.4	38,118,000
12/31/2014	10,341,000	47.5	43,551,000

Year Ended	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Covered Payroll	Percentage of Covered Payroll
12/31/2012	\$ 178,939,000	\$ 178,939,000	\$ 83,935,000	213.2
12/31/2013	172,962,000	172,962,000	85,622,000	202.0
12/31/2014	167,137,000	167,137,000	91,306,000	183.1

OPEB are advanced-funded using the entry-age normal actuarial cost method with a level percentage of pay. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. The Unfunded Actuarial Accrued Liability is then amortized as a level percentage of pay over 30 years of open group payroll. For actuarial valuation purposes, an inflation rate of 2.5% from 2013 to 2014 is assumed, a discount rate of 3.5% is assumed, along with a projected payroll growth rate of 2.0%. Other significant actuarial assumptions include a health care cost rate for medical and prescription drugs of 7.5% in 2014, with the rate decreasing by one-half percentage per year an ultimate of 5.0% in 2019 and after. In subsequent years after 2019 health care cost rates are assumed to remain at 5.0%. Health care costs for dental and vision were assumed to be 5.5% in 2014,

9. Pension and Other Post-Retirement Benefit Plans (Continued)

decreasing every 2 years by one-half percentage point for an ultimate of 5.0% in 2015. In subsequent years after 2015 health care cost rates for dental and vision are assumed to remain at 5.0%.

The following chart shows the determination of the 2014 annual required contribution (ARC) and accrual.

<u>Cost Element</u>	<u>Fiscal Year Ending December 31, 2014</u>		
	<u>Pre-Plan Change 1/1/2014 - 11/30/2014</u>	<u>Post-Plan Change 12/1/2014 - 12/31/2014</u>	<u>Fiscal 2014 Amount 12/31/2014</u>
Unfunded actuarial accrued liability	\$ 164,877,000	\$ 164,720,000	\$ 167,137,000
<u>Annual Required Contribution (ARC)</u>			
Normal cost (including interest to the end of the year)	\$ 3,407,000	\$ 234,000	\$ 3,641,000
Amortization of the unfunded actuarial accrued liability over 30 years using level % of payroll	6,393,000	588,000	6,981,000
Annual Required Contribution	\$ 9,800,000	\$ 822,000	\$ 10,622,000
<u>Annual OPEB Cost (Expense)</u>			
ARC	\$ 9,800,000	\$ 822,000	\$ 10,622,000
Interest on beginning of year CAFR accrual	1,223,000	126,000	1,349,000
Amortization of beginning of year CAFR accrual	(1,478,000)	(152,000)	(1,630,000)
Fiscal year 2014 OPEB cost			\$ 10,341,000
<u>End of Year CAFR Accrual (Net OPEB Obligation)</u>			
Beginning of year CAFR Accrual			\$ 38,118,000
Annual OPEB cost			10,341,000
Employer contribution (benefit payments and expense)			(4,908,000)
End of year CAFR accrual			<u>\$ 43,551,000</u>

10. Notes Payable

The following is a summary of note transactions for the year ended December 31, 2014 reflected in governmental activities in the government-wide financial statements:

	<u>Governmental Activities Special Assessment</u>	<u>Governmental Activities Capital Projects</u>	<u>Governmental Activities Internal Service General Health</u>	<u>Governmental Activities Total</u>
Notes Payable at January 1, 2014	\$ 13,000,000	\$ 24,730,000	\$ 9,000,000	\$ 46,730,000
New notes issued	13,000,000	-	6,500,000	19,500,000
Notes retired	<u>(13,000,000)</u>	<u>(24,730,000)</u>	<u>(9,000,000)</u>	<u>(46,730,000)</u>
Notes Payable at December 31, 2014	<u>\$ 13,000,000</u>	<u>\$ -</u>	<u>\$ 6,500,000</u>	<u>\$ 19,500,000</u>

The following is a summary of the City's future debt service requirements for notes payable as of December 31, 2014 (in thousands):

Fiscal Year Ending December 31	<u>Governmental Activities</u>				Total
	<u>Special Assessment Notes</u>		<u>General Obligation Notes</u>		
	Principal	Interest	Principal	Interest	
2015	<u>\$ 13,000</u>	<u>\$ 123</u>	<u>\$ 6,500</u>	<u>\$ 75</u>	<u>\$ 19,698</u>

The following notes are backed by the full faith and credit of the City and generally mature within one to five years. The notes generally are issued in anticipation of long-term bond financing and are refinanced, if necessary, until such bonds are issued.

Bonds issued by the City of Akron and held by the City as investments at December 31, 2014 amounting to \$564,527 (Note 2) are eliminated in the government-wide statement of net position.

10. Notes Payable (Continued)

Special assessment notes are issued to finance the property owners' share of improvements. Upon completion of a project, owners may pay the assessments in full. Bonds are issued in the amount of any unpaid assessments and are repaid largely from levies on the property owners for principal and interest collected by the County Fiscal Officer on behalf of the City.

The weighted average interest rates on special assessment notes and general obligation notes at December 31, 2014 were .95% and 1.15% respectively.

Notes payable as of December 31, 2014, are comprised of the following individual issues:

Issued	Rate %	Issue	Final Maturity	Amount
Special Assessment Notes:				
<u>Governmental Activities:</u>				
Street Cleaning/Lighting Note: December 15, 2014	0.95	12-14	December 14, 2015	\$ 13,000,000
General Obligation Notes:				
<u>Governmental Activities:</u>				
Health Benefit Notes: March 12, 2014	1.15	3-14	March 12, 2015	<u>6,500,000</u>
				<u>\$ 19,500,000</u>

11. Bonds and Loans Payable

The following is a summary of bonds and loans payable for the year ended December 31, 2014:

Governmental Activities						
	General Obligation	OPWC	ODSA	Non-Tax Revenue	Income Tax Revenue	
Bonds and loans payable at January 1, 2014	\$ 215,139,753	\$ 9,241,963	\$ 5,482,636	\$ 48,475,000	\$ 244,487,135	
New Issues:						
CLC	-	-	-	-	50,000,000	
Capital Projects	-	446,000	-	28,230,000	-	
Sewer System	-	-	-	-	-	
Water System	-	-	-	-	-	
Various Purpose Improvements	64,965,000	-	-	-	33,178,000	
Retirements	<u>(78,725,919)</u>	<u>(603,799)</u>	<u>(104,083)</u>	<u>(23,140,000)</u>	<u>(8,984,048)</u>	
Bonds and loans payable at December 31, 2014	<u>\$ 201,378,834</u>	<u>\$ 9,084,164</u>	<u>\$ 5,378,553</u>	<u>\$ 53,565,000</u>	<u>\$ 318,681,087</u>	
Governmental Activities						
	Special Revenue (JEDD)	Special Assessment	State Infrastructure Bank	Internal Service Income Tax Revenue		
Bonds and loans payable at January 1, 2014	\$ 27,165,000	\$ 6,220,758	\$ 1,742,279	\$ 1,615,000		
New Issues:						
CLC	-	-	-	-		
Capital Projects	-	-	-	-		
Sewer System	-	-	-	-		
Water System	-	-	-	-		
Various Purpose Improvements	-	-	-	-		
Retirements	<u>(1,920,000)</u>	<u>(2,141,231)</u>	<u>(1,429,074)</u>	<u>(385,000)</u>		
Bonds and loans payable at December 31, 2014	<u>\$ 25,245,000</u>	<u>\$ 4,079,527</u>	<u>\$ 313,205</u>	<u>\$ 1,230,000</u>		
Business-type Activities						
	General Obligation	Mortgage Revenue	Revenue	OWDA	OPWC	Total
Bonds and loans payable at January 1, 2014	\$ 631,556	\$ 33,835,000	\$ 15,385,000	\$ 73,495,595	\$ 1,542,762	\$ 684,459,437
New Issues:						
CLC	-	-	-	-	-	50,000,000
Capital Projects	-	-	-	-	-	28,676,000
Sewer System	-	-	-	25,297,063	-	25,297,063
Water System	-	-	-	11,414,738	-	11,414,738
Various Purpose Improvements	-	-	-	-	-	98,143,000
Retirements	<u>(14,957)</u>	<u>(3,475,000)</u>	<u>(4,310,000)</u>	<u>(14,906,813)</u>	<u>(201,514)</u>	<u>(140,341,438)</u>
Bonds and loans payable at December 31, 2014	<u>\$ 616,599</u>	<u>\$ 30,360,000</u>	<u>\$ 11,075,000</u>	<u>\$ 95,300,583</u>	<u>\$ 1,341,248</u>	<u>\$ 757,648,800</u>

11. Bonds and Loans Payable (Continued)

Bonds and loans payable at December 31, 2014 is comprised of the following individual issues:

Issued	Rate %	Issue	Final Maturity	Amount
<u>Governmental Activities:</u>				
<u>General Obligation Bonds:</u>				
Urban Renewal Public Improvement Bonds:				
February 21, 1991	8.0	Series 1990	December 1, 2020	\$ 594,432
December 10, 1991	8.0	Series 1991	December 1, 2021	1,226,000
Various Purpose Improvement Bonds:				
September 1, 2005	3.5 to 5.0	Series 2005	December 1, 2015	4,215,001
December 21, 2006	3.75 to 5.0	Series 2006	December 1, 2027	14,895,000
December 3, 2007	3.75 to 5.0	Series 2007	December 1, 2028	14,490,000
December 1, 2009	3.75 to 5.0	Series 2009	December 1, 2028	10,570,000
November 30, 2010	2.0 to 5.50	Series 2010	December 1, 2031	39,253,669
December 8, 2010	5.625 to 6.50	Series 2010	December 1, 2031	7,315,000
December 21, 2011	1.50 to 4.0	Series 2011	December 1, 2023	37,184,732
November 29, 2012	2.0 to 4.0	Series 2012	December 1, 2024	7,655,000
March 20, 2014	1.25 to 4.0	Series 2014A	December 1, 2026	18,630,000
March 20, 2014	4.25 to 4.125	Series 2014B	December 1, 2026	20,150,000
December 2, 2014	2.0 to 5.0	Series 2014C	December 1, 2031	25,200,000
Total General Obligation Bonds:				<u>\$ 201,378,834</u>
<u>Ohio Public Works Commission Loans:</u>				
July 1, 1997	-	Boxwood Ave.	July 1, 2018	\$ 152,000
July 1, 1998	-	Lakeshore Blvd.	January 1, 2020	304,200
July 1, 1998	-	Tallmadge Ave.	July 1, 2021	316,782
July 1, 1999	-	Lakeshore Blvd.	July 1, 2022	91,799
July 1, 1999	-	Bye Street	July 1, 2022	102,375
July 1, 1999	-	Wooster/East Ave.	July 1, 2022	224,438
July 1, 2000	-	Bishop Street	July 1, 2022	48,800
July 1, 2000	-	NW Storm Outlets	July 1, 2022	194,620
July 1, 2000	-	N. Arlington Bridge	July 1, 2022	132,604
July 1, 2001	-	Darrow Road	July 1, 2023	391,300
July 1, 2003	-	US 244 Phase II	July 1, 2025	498,353
July 1, 2005	-	Manchester Rd Ph I	July 1, 2027	39,150
July 1, 2005	-	Arlington St Signalization	July 1, 2027	509,378
July 1, 2005	-	E. Market St Widening	July 1, 2027	1,173,750
July 1, 2006	-	W. Market Street	July 1, 2028	741,000
July 1, 2006	-	Tallmadge Ave Singalization	July 1, 2027	119,860
July 1, 2006	-	Brown and Power St.	July 1, 2027	625,500
November 28, 2008	-	Barbara Ave.	January 1, 2040	167,521
November 28, 2008	-	Newton Street Bridge	January 1, 2040	546,278
July 1, 2008	-	Mill St. Bridge	July 1, 2039	1,299,000
March 13, 2009	-	Dover Ave.	January 1, 2030	340,256
August 4, 2010	-	Smith/Riverview Round	December 1, 2031	446,000
October 11, 2011	-	Carroll Street	July 1, 2041	619,200
Total Ohio Public Works Commission Loans:				<u>\$ 9,084,164</u>

11. Bonds and Loans Payable (Continued)

Issued	Rate %	Issue	Final Maturity	Amount
Governmental Activities (Continued):				
<u>Ohio Development Services Agency Loans:</u>				
March 1, 2003	1/2 Prime	2003 Univ Tech Pk	March 1, 2018	\$ 378,553
March 31, 2011	2.0	Goodyear 166 Loan	December 1, 2030	5,000,000
Total Ohio Development Services Agency Loans:				<u>\$ 5,378,553</u>
<u>Non-Tax Revenue Bonds:</u>				
December 15, 2006	5.01 to 5.61	2006	December 1, 2026	\$ 14,580,000
December 15, 2011	2.0 to 2.25	2011	December 1, 2018	10,755,000
November 25, 2014	.85 to 4.75	2014	December 1, 2034	28,230,000
Total Non-tax Revenue Bonds:				<u>\$ 53,565,000</u>
<u>Income Tax Revenue Bonds:</u>				
December 15, 2011	2.0 to 3.75	2011	December 1, 2023	\$ 5,510,000
November 14, 2012	3.0 to 4.0	2012	December 1, 2032	25,615,000
August 8, 2013	2.03	2013	December 1, 2021	2,126,170
August 8, 2013	4.20	2013	December 1, 2028	2,355,914
August 7, 2014	2.03	2014	December 1, 2021	804,003
November 25, 2014	2.0 to 5.0	2014	December 1, 2034	32,340,000
Total Income Tax Revenue Bonds:				<u>\$ 68,751,087</u>
<u>CLC Income Tax Revenue Bonds:</u>				
July 28, 2010	3.0 to 4.5	2010A	December 1, 2033	\$ 17,880,000
July 28, 2010	5.074 to 6.463	2010B	December 1, 2033	12,060,000
July 28, 2010	5.87	2010C	December 1, 2026	15,060,000
June 27, 2012	3.5 to 5.0	2012A	December 1, 2033	155,360,000
June 27, 2012	3.0 to 4.0	2012B	December 1, 2015	925,000
May 7, 2014	.5 to 5.0	2014	December 1, 2033	48,645,000
Total CLC Income Tax Revenue Bonds:				<u>\$ 249,930,000</u>
<u>Special Revenue (JEDD) Bonds:</u>				
December 21, 2011	2.75 to 5.0	2000	December 1, 2020	\$ 6,040,000
December 21, 2011	2.75 to 5.0	2000	December 1, 2020	6,045,000
December 21, 2011	2.75 to 5.0	2002	December 1, 2022	8,090,000
December 21, 2011	2.75 to 5.0	2002	December 1, 2022	5,070,000
Total Special Revenue (JEDD) Bonds:				<u>\$ 25,245,000</u>

11. Bonds and Loans Payable (Continued)

<u>Issued</u>	<u>Rate %</u>	<u>Issue</u>	<u>Final Maturity</u>	<u>Amount</u>
<u>Governmental Activities (Continued):</u>				
<u>Special Assessment Obligations:</u>				
Street Improvement Bonds:				
September 29, 2005	3.70	2005	December 1, 2015	\$ 280,000
March 1, 2006	4.0	2006	December 1, 2015	7,545
September 14, 2006	4.0 to 5.5	2006	December 1, 2016	305,000
March 1, 2007	4.0	2007	December 1, 2016	5,074
September 5, 2007	4.0	2007	December 1, 2017	315,000
March 1, 2008	4.0	2008	December 1, 2017	13,405
June 1, 2010	4.0	2010	December 1, 2019	53,503
November 22, 2011	2.45	2011	December 1, 2021	<u>3,100,000</u>
Total Special Assessment Obligations:				<u>\$ 4,079,527</u>
<u>State Infrastructure Bank (SIB) Loans:</u>				
June 21, 2005	3.0	Bikeway	December 9, 2015	<u>\$ 313,205</u>
Total State Infrastructure Bank (SIB) Loans:				<u>\$ 313,205</u>
<u>Internal Service Income Tax Revenue Bonds:</u>				
November 14, 2012	3.0 to 4.0	2012	December 1, 2017	<u>\$ 1,230,000</u>
Total Internal Service Income Tax Revenue Bonds:				<u>\$ 1,230,000</u>
<u>Business-type Activities:</u>				
<u>General Obligation Bonds:</u>				
November 30, 2010	2.35 to 1.55	Canal/Tell	December 1, 2020	\$ 486,332
December 21, 2011	1.5 to 4.0	Canal/Tell	December 1, 2022	<u>130,267</u>
Total General Obligation Bonds:				<u>\$ 616,599</u>
<u>Mortgage Revenue Bonds:</u>				
Waterworks System Bonds:				
August 10, 2006	4.0 to 4.5	2006	March 1, 2026	\$ 9,300,000
September 17, 2009	2.5 to 5.0	2009	March 1, 2034	<u>21,060,000</u>
Total Mortgage Revenue Bonds:				<u>\$ 30,360,000</u>
<u>Revenue Bonds:</u>				
Sewer System Bonds:				
December 1, 2005	3.50 to 5.00	2005	December 1, 2017	<u>\$ \$ 11,075,000</u>
Total Revenue Bonds:				<u>\$ 11,075,000</u>

11. Bonds and Loans Payable (Continued)

<u>Issued</u>	<u>Rate %</u>	<u>Issue</u>	<u>Final Maturity</u>	<u>Amount</u>
<u>Business-type Activities (Continued):</u>				
<u>Ohio Water Development Authority Loans:</u>				
January 26, 1995	4.56	Sewer	July 1, 2015	\$ 1,137,856
March 30, 1995	4.56	Sewer	July 1, 2015	1,326,260
September 30, 1999	4.02	Water	July 1, 2020	416,556
May 25, 2000	4.64	Water	July 1, 2020	3,248,931
September 30, 2004	3.81	Sewer	July 1, 2015	969,844
October 30, 2008	3.52	Water	January 1, 2020	917,133
October 30, 2008	3.52	Sewer	January 1, 2020	917,133
January 14, 2010	3.25	Sewer	January 1, 2030	818,768
November 19, 2009	3.25	Sewer	July 1, 2030	136,015
December 10, 2009	3.25	Sewer	January 1, 2015	9,602
December 10, 2009	3.25	Sewer	July 1, 2020	235,807
December 10, 2009	3.25	Sewer	January 1, 2030	71,786
March 31, 2011	4.72	Sewer	January 1, 2032	732,321
February 24, 2011	4.14	Sewer	January 1, 2032	1,971,058
February 24, 2011	4.14	Sewer	January 1, 2032	377,517
October 27, 2011	2.60	Sewer	January 1, 2017	2,211
October 27, 2011	2.60	Sewer	January 1, 2017	(7,352)
December 8, 2011	2.55	Sewer	July 1, 2018	2,211,566
December 8, 2011	2.80	Sewer	July 1, 2032	2,523,817
December 8, 2011	2.80	Water	January 1, 2033	1,822,344
December 8, 2011	2.80	Sewer	January 1, 2033	1,822,344
December 8, 2011	2.80	Sewer	January 1, 2032	815,734
December 8, 2011	3.55	Water	July 1, 2032	437,019
October 27, 2011	2.78	Sewer	July 1, 2033	19,540,267
October 27, 2011	2.85	Sewer	January 1, 2033	1,170,557
October 27, 2011	2.85	Sewer	July 1, 2032	904,885
May 31, 2012	2.69	Sewer	July 1, 2019	17,405,021
May 31, 2012	2.69	Sewer	January 1, 2019	1,347,207
June 28, 2012	2.00	Water	July 1, 2033	1,042,648
September 27, 2012	2.54	Sewer	July 1, 2018	535,651
October 25, 2012	2.48	Sewer	July 1, 2019	81,055
March 28, 2013	3.15	Sewer	July 1, 2034	1,936,355
December 6, 2012	2.44	Sewer	January 1, 2018	4,299,012
December 6, 2012	2.44	Sewer	July 1, 2018	252,977
May 30, 2013	2.67	Sewer	July 1, 2018	1,201,430
May 30, 2013	2.67	Sewer	July 1, 2033	1,833,437
June 27, 2013	2.00	Water	July 1, 2034	2,502,785
June 27, 2013	2.00	Water	July 1, 2034	685,229
June 27, 2013	2.00	Water	July 1, 2034	11,255
August 29, 2013	3.05	Sewer	January 1, 2035	3,879,277
September 26, 2013	4.24	Water	July 1, 2023	150,366
October 31, 2013	3.59	Sewer	July 1, 2019	178,209
October 31, 2013	3.59	Sewer	January 1, 2020	213,407
December 12, 2013	3.62	Water	January 1, 2035	322,058
January 30, 2014	3.66	Sewer	July 1, 2034	787,681
January 30, 2014	3.66	Water	July 1, 2024	482,207
February 27, 2014	3.65	Water	January 1, 2035	1,499,988
February 27, 2014	4.15	Water	July 1, 2035	4,824,402
January 30, 2014	3.38	Sewer	July 1, 2019	1,001,336
January 30, 2014	3.38	Sewer	July 1, 2019	724,284
April 24, 2014	3.95	Sewer	January 1, 2036	327,704
April 24, 2014	3.45	Sewer	July 1, 2034	873,395
June 26, 2014	3.09	Sewer	January 1, 2036	629,020
June 26, 2014	3.01	Sewer	July 1, 2036	1,719,209
August 28, 2014	3.34	Sewer	July 1, 2035	23,999
Total Ohio Water Development Authority Loans:				<u>\$ 95,300,583</u>

11. Bonds and Loans Payable (Continued)

Ohio Public Works Commission Loans:

July 1, 1995	-	Water	July 1, 2016	\$	256,039
December 1, 1995	-	Sewer	January 1, 2017		85,238
July 1, 1996	-	Sewer	July 1, 2017		249,498
July 1, 1997	-	Sewer	July 1, 2018		193,375
July 1, 2000	-	Water	July 1, 2021		447,500
July 1, 2005	-	Sewer	July 1, 2025		<u>109,598</u>
Total Ohio Public Works Commission Loans:				\$	<u>1,341,248</u>

11. Bonds and Loans Payable (Continued)

The following is a summary of the City's future debt service requirements as of December 31, 2014 (in thousands):

Governmental Activities						
Fiscal Year Ending December 31	General Obligation		OPWC		ODSA	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 16,748	\$ 7,608	\$ 662	\$ -	\$ 108	\$ 26
2016	17,329	7,006	662	-	243	72
2017	17,747	6,457	662	-	417	112
2018	17,331	5,880	662	-	345	101
2019	17,099	5,348	624	-	310	94
2020-2024	74,239	17,424	2,664	-	1,675	362
2025-2029	33,320	5,483	1,525	-	1,875	164
2030-2034	7,566	520	598	-	405	7
2035-2039	-	-	598	-	-	-
2040-2044	-	-	427	-	-	-
	<u>\$ 201,379</u>	<u>\$ 55,726</u>	<u>\$ 9,084</u>	<u>\$ -</u>	<u>\$ 5,378</u>	<u>\$ 938</u>

Fiscal Year Ending December 31	Non-Tax Revenue		Income Tax Revenue		Special Revenue (JEDD)	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 5,095	\$ 1,949	\$ 10,324	\$ 14,764	\$ 3,215	\$ 1,072
2016	5,230	1,812	10,746	14,431	3,325	944
2017	5,355	1,688	11,220	14,068	3,485	778
2018	5,480	1,555	12,238	13,600	3,665	603
2019	2,800	1,400	12,937	13,060	3,835	420
2020-2024	15,775	5,254	76,506	55,583	7,720	404
2025-2029	12,155	1,660	92,070	35,687	-	-
2030-2034	1,675	246	92,640	11,600	-	-
2035-2039	-	-	-	-	-	-
2040-2044	-	-	-	-	-	-
	<u>\$ 53,565</u>	<u>\$ 15,564</u>	<u>\$ 318,681</u>	<u>\$ 172,793</u>	<u>\$ 25,245</u>	<u>\$ 4,221</u>

Fiscal Year Ending December 31	Special Assessment		State Infrastructure Bank		Internal Service Income Tax Revenue	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 1,219	\$ 116	\$ 313	\$ 7	\$ 400	\$ 37
2016	962	77	-	-	410	25
2017	460	49	-	-	420	13
2018	351	35	-	-	-	-
2019	362	27	-	-	-	-
2020-2024	726	27	-	-	-	-
2025-2029	-	-	-	-	-	-
2030-2034	-	-	-	-	-	-
2035-2039	-	-	-	-	-	-
2040-2044	-	-	-	-	-	-
	<u>\$ 4,080</u>	<u>\$ 331</u>	<u>\$ 313</u>	<u>\$ 7</u>	<u>\$ 1,230</u>	<u>\$ 75</u>

11. Bonds and Loans Payable (Continued)

Fiscal Year Ending December 31	Business-type Activities					
	General Obligation		Mortgage Revenue		Revenue	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 72	\$ 27	\$ 3,625	\$ 1,322	\$ 4,525	\$ 554
2016	76	24	3,805	1,143	4,750	327
2017	79	20	3,990	954	1,800	90
2018	83	16	4,195	754	-	-
2019	87	12	1,080	630	-	-
2020-2024	220	13	6,125	2,422	-	-
2025-2029	-	-	4,400	1,147	-	-
2030-2034	-	-	3,140	409	-	-
2035-2039	-	-	-	-	-	-
2040-2044	-	-	-	-	-	-
	<u>\$ 617</u>	<u>\$ 112</u>	<u>\$ 30,360</u>	<u>\$ 8,781</u>	<u>\$ 11,075</u>	<u>\$ 971</u>
Fiscal Year Ending December 31	OWDA		OPWC			
	Principal	Interest	Principal	Interest		
2015	\$ 15,696	\$ 3,069	\$ 201	\$ -		
2016	12,315	3,484	202	-		
2017	13,025	3,713	201	-		
2018	9,302	3,158	202	-		
2019	4,991	2,555	180	-		
2020-2024	18,458	7,991	337	-		
2025-2029	16,788	4,114	18	-		
2030-2034	4,726	447	-	-		
2035-2039	-	-	-	-		
2040-2044	-	-	-	-		
	<u>\$ 95,301</u>	<u>\$ 28,531</u>	<u>\$ 1,341</u>	<u>\$ -</u>		
Fiscal Year Ending December 31	Governmental Activities Total		Business-type Activities Total		Grand Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 38,084	\$ 25,579	\$ 24,119	\$ 4,972	\$ 62,203	\$ 30,551
2016	38,907	24,367	21,148	4,978	60,055	29,345
2017	39,766	23,165	19,095	4,777	58,861	27,942
2018	40,072	21,774	13,782	3,928	53,854	25,702
2019	37,967	20,349	6,338	3,197	44,305	23,546
2020-2024	179,305	79,053	25,140	10,426	204,445	89,479
2025-2029	140,945	42,995	21,206	5,261	162,151	48,256
2030-2034	102,884	12,373	7,866	856	110,750	13,229
2035-2039	598	-	-	-	598	-
2040-2044	427	-	-	-	427	-
	<u>\$ 618,955</u>	<u>\$ 249,655</u>	<u>\$ 138,694</u>	<u>\$ 38,395</u>	<u>\$ 757,649</u>	<u>\$ 288,050</u>

11. Bonds and Loans Payable (Continued)

All bonds and notes are backed by the full faith and credit of the City except revenue bonds. Water Mortgage Revenue Bonds are collateralized by the capital assets of the Water System that had net carrying values of approximately \$160,161,844 at December 31, 2014. It is the City's policy to pay debt service of the Enterprise and Internal Service Funds from the receipts of those funds. Accordingly, such debt is reported in those funds. Any deficiency is paid from the City's General Fund. Revenue bonds and OWDA loans are retired entirely from the excess of operating revenues over operating expenses of the applicable enterprise activity. Therefore, the City is under no obligation to repay these long-term obligations from the City's General Fund.

The Sanitary Sewer System Improvement and Refunding Revenue Bond dated April 1, 1998 and the Waterworks System Mortgage Revenue Improvement Bond dated August 10, 2006 require deposits to a Debt Service Reserve Fund based on a calculation of net operating revenues. The minimum deposits to the Debt Service Reserve Funds for these bonds are zero. The balances in the Debt Service Reserve Funds at December 31, 2014 were as follows:

	Sewer System 1998 Issue	Waterworks System 2006 Issue
Actual balance of debt service reserve fund	\$ 3,160,553	\$ 554,911

The debt service and debt service reserve funds for Mortgage Revenue Bond issues are included in the applicable enterprise fund for reporting purposes.

The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the assessed value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total assessed value of property. At December 31, 2014, the City's total net debt amounted to 5.30% of the total assessed value of all property within the City and unvoted net debt amounted to 5.30% of the total assessed value of all property within the City.

11. Bonds and Loans Payable (Continued)

On March 20, 2014 the City issued \$19,080,000 in General Obligation Various Purpose Refunding Bonds, Series 2014A maturing December 1, 2014 through December 1, 2026 with interest rates ranging from 1.25% to 4%. Net proceeds of \$19,756,766, including an original issue discount of \$54,943, a premium of \$898,251, an underwriter's discount of \$95,400 and payment of \$71,142 in issuance costs, were used to provide cash for debt service payments on refunded General Obligation Various Purpose Bonds, Series 2005.

Also on March 20, 2014, the City issued \$20,685,000 in General Obligation Various Purpose Refunding Bonds, Series 2014B maturing December 1, 2014 through December 1, 2026 with interest rates ranging from .45% to 4.125%. Net proceeds of \$20,468,190, including an original issue discount of \$32,446, an underwriter's discount of \$103,425 and payment of \$80,939 in issuance costs, were used to provide cash for debt service payments on refunded General Obligation Various Purpose Bonds, Series 2005.

As a result, the 2005 refunded bonds are considered defeased and the liability for these bonds has been removed from the financial statements. The City advanced refunded these bonds to reduce its total debt service payments by \$2,366,492, and incurred an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$2,039,467.

On December 2, 2014, the City issued \$25,200,000 in General Obligation Various Purpose Refunding Bonds, Series 2014C maturing December 1, 2015 through December 1, 2031 with interest rates ranging from 2% to 4%. Net proceeds of \$26,066,492, including a premium of \$1,156,288, an underwriter's discount of \$157,500, payment of \$132,296 in issuance costs and \$4,399 in additional proceeds, were used to provide cash for debt service payments on refunded General Obligation Various Purpose Bonds, Series 2010C.

As a result, the 2010 refunded bonds are considered to be defeased and the liability for these bonds has been removed from the financial statements. The City advanced refunded these bonds to reduce its total debt service payments by approximately \$2,067,095, and incurred an economic gain (difference between the present values of the debt service payments on the old and new debt) of approximately \$1,624,459.

11. Bonds and Loans Payable (Continued)

The City has defeased certain debt issues by placing investments in U.S. Government obligations in irrevocable escrow accounts. Such accounts will be used, together with interest earned thereon, to provide for the payment of all principal and interest on the defeased bonds on their scheduled due dates. Accordingly, the escrow accounts and the defeased bonds summarized below are not included in the accompanying financial statements at December 31, 2014:

Issue	Defeasance Date	Original Amount		Principal Outstanding at 12/31/14
		Defeased	Escrowed	
Various Purpose Improvement Bonds, Series 1995-2	2005	\$ 3,855,000	\$ -	\$ 570,000
Various Purpose Improvement Bonds, Series 1996	2005	2,600,000	-	1,270,000
Various Purpose Improvement Bonds, Series 1996-2	2005	7,900,000	-	1,950,000
Various Purpose Improvement Bonds, Series 1997	2005	11,960,000	-	3,380,000
Various Purpose Improvement Bonds, Series 1999	2005	14,310,000	-	5,885,000
Various Purpose Improvement Bonds, Series 2000	2005	14,265,000	-	7,745,000
		<u>54,890,000</u>	<u>40,208,751</u>	<u>20,800,000</u>
Sanitary Sewer System Revenue Bonds, Series 1996	2005	12,655,000	-	4,305,000
Sanitary Sewer System Revenue Bonds, Series 1997	2005	11,245,000	-	1,570,000
Revenue Bonds, Series 1998	2005	6,165,000	-	4,020,000
		<u>30,065,000</u>	<u>30,839,036</u>	<u>9,895,000</u>
Revenue Bonds, Series 1998	2009	<u>6,570,000</u>	<u>14,464,701</u>	<u>3,280,000</u>
Various Purpose Improvement Bonds, Series 1998	2010	5,835,000	6,044,651	3,280,000
Various Purpose Improvement Bonds, Series 2001	2010	13,850,000	14,792,506	7,730,000
		<u>19,685,000</u>	<u>20,837,157</u>	<u>11,010,000</u>
Various Purpose Improvement Bonds, Series 2001	2011	7,425,000	7,474,877	3,160,000
Various Purpose Improvement Bonds, Series 2002	2011	19,390,000	20,342,508	16,260,000
Various Purpose Improvement Bonds, Series 2003	2011	15,635,000	17,109,007	15,105,000
		<u>42,450,000</u>	<u>44,926,392</u>	<u>34,525,000</u>
Non-Tax Revenue Bonds, Series 1997	2011	<u>16,385,000</u>	<u>16,594,456</u>	<u>10,055,000</u>
Income Tax Revenue Bonds, Series 1999	2011	<u>6,290,000</u>	<u>6,330,767</u>	<u>5,050,000</u>
Special Revenue Bonds (JEDD), Series 2000	2011	16,180,000	16,308,393	11,635,000
Special Revenue Bonds (JEDD), Series 2002	2011	16,400,000	17,153,385	12,625,000
		<u>32,580,000</u>	<u>33,461,778</u>	<u>24,260,000</u>
CLC Income Tax Revenue Bonds, Series 2004A	2012	<u>165,000,000</u>	<u>177,376,931</u>	<u>162,600,000</u>
Various Purpose Improvement Bonds, Series 2003	2012	<u>8,755,000</u>	<u>9,301,891</u>	<u>6,960,000</u>
Various Purpose Improvement Bonds, Series 2005	2014	36,750,000	40,380,525	36,750,000
Various Purpose Improvement Bonds, Series 2010C	2014	25,930,000	26,063,093	25,930,000
		<u>\$ 62,680,000</u>	<u>\$ 66,443,618</u>	<u>\$ 62,680,000</u>
				<u>\$ 351,115,000</u>

11. Bonds and Loans Payable (Continued)

The City of Akron's original General Obligation bond ratings are AA- from Fitch, Aa3 from Moody's and AA- from Standard and Poor's. The insured Water and Sewer Revenue bonds were originally rated AAA from Fitch, Aaa from Moody's and AAA from Standard and Poor's. As of December 31, 2014, the City's bond ratings are as follows:

<u>Bond Description</u>	<u>Moody's</u> <u>Investors</u> <u>Service</u>	<u>Standard</u> <u>and Poor's</u>	<u>Fitch</u> <u>Ratings</u>
	<u>Current</u> <u>Rating</u>	<u>Current</u> <u>Rating</u>	<u>Current</u> <u>Rating</u>
1998 Sanitary Sewer System Improvement and Refunding Bonds	WR	n/a	n/a
1999 Various Purpose Improvement Bonds (Advance Refunded)	Aa3	n/a	n/a
2005 Refunding Certificates of Participation	n/a	AA	n/a
2005 Sanitary Sewer System Improvement and Refunding Bonds	WR	n/a	n/a
2005 Street Improvement Special Assessment Bonds	Aa3	AA-	AA-
2005 Various Purpose Improvement and Refunding Bonds	Aa3	AA+	AA-
2005-A Certificates of Participation	WR	A+	n/a
2006 Street Improvement Special Assessment Bonds	A2	AA	n/a
2006 Taxable Economic Development Revenue Bonds	A3	n/a	n/a
2006 Various Purpose Improvement Bonds	Aa3	AA-	AA-
2006 Waterworks System Mortgage Revenue Improvement and Refunding Bonds	WR	n/a	n/a
2007 Certificates of Participation	WR	A+	n/a
2007 Various Purpose Improvement Bonds	Aa3	AA	AA-
2009 Various Purpose Improvement Refunding Bonds	n/a	AA+	n/a
2009 Waterworks System Mortgage Revenue Improvement and Refunding Bonds	A3	n/a	n/a
2010 Steam Utility Certificates of Participation	n/a	A+	n/a
2010 Various Purpose Refunding Bonds, Series A	n/a	AA-	AA-
2010 Various Purpose Refunding Bonds, Series B	n/a	AA-	AA-
2010 Various Purpose Refunding Bonds, Series C	n/a	AA-	n/a
2010A Income Tax Revenue Bonds (CLC)	n/a	AA+	n/a
2010B Income Tax Revenue Bonds (CLC)	n/a	AA+	n/a
2010C Income Tax Revenue Bonds (CLC)	n/a	AA+	n/a
2011 JEDD Revenue Refunding Bonds	n/a	AA-	n/a
2011 Nontax Revenue Economic Dev Bonds	A1	n/a	n/a
2011 Pension Income Tax Revenue Refunding Bonds	A1	n/a	n/a
2011 Various Purpose Refunding Bonds	Aa3	AA-	n/a
2012 Various Purpose Refunding Bonds	n/a	AA-	n/a
2012 Various Purpose Income Tax Refunding Bonds	n/a	AA+	n/a
2012A Income Tax Revenue Bonds (CLC)	n/a	AA+	n/a
2012B Income Tax Revenue Bonds (CLC)	n/a	AA+	n/a
2013-A Certificates of Participation	n/a	A+	n/a
2013-B Certificates of Participation	n/a	A+	n/a
2013 Various Purpose Refunding Bonds, Series A	n/a	AA-	n/a
2013 Various Purpose Refunding Bonds, Series B	n/a	AA-	n/a
2013 Various Purpose Refunding Bonds, Series C	n/a	AA-	n/a
2013 Various Purpose Refunding Bonds, Series D	n/a	AA-	n/a
2014 Income Tax Revenue Bonds (CLC)	n/a	AA+	n/a
2014 General Obligation, Series A	n/a	AA-	n/a
2014 General Obligation, Series B	n/a	AA-	n/a
2014 General Obligation, Series C	n/a	AA-	n/a
2014 Income Tax Health Benefit Claims BANs	n/a	SP-1+	n/a
2014 Various Purpose Income Tax Revenue	n/a	AA+	n/a
2014 Economic Development Refund	n/a	A+	n/a

11. Bonds and Loans Payable (Continued)

During 2008, the City entered into an agreement with various parties to unconditionally guarantee the principal and interest payments on behalf of MemPro Ceramics Corporation for the loan issued by The Huntington National Bank. As of December 31, 2014, the principal amount outstanding was \$41,227. During 2014 the City was required to make principal and interest payment on behalf of MemPro Ceramics Corporation. The City paid \$50,440 in principal and \$2,612 in interest that was due to The Huntington National Bank. The City's cumulative amounts of payment are \$208,773 for principal and \$33,749 for interest. The City believes that collection of indemnification payments is unlikely, therefore no receivable has been recorded. MemPro Ceramics Corporation scheduled 2015 principal and interest payments are \$41,227 and \$1,063, respectively, and are recorded as a fund liability using the current financial resources measurement focus.

During 2010, the City entered into an agreement with various parties to unconditionally guarantee the principal and interest payments on behalf of the International Soap Box Derby, Inc. for the loan issued by FirstMerit Bank. As of December 31, 2014, the principal amount outstanding was \$415,396. The City believes that the International Soap Box Derby Inc. is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the loan; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2014.

During 2012, the City entered into an amendment and restatement of cooperative agreement among various parties to unconditionally guarantee the principal and interest payments of the Development Finance Authority of Summit County Revenue Bonds (Akron Civic Theatre Project), issued by the Development Finance Authority of Summit County. As of December 31, 2014, the principal amount outstanding was \$14,475,000. The City believes that the Development Finance Authority of Summit County is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the bonds; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2014.

During 2012, the City entered into a cooperative agreement with the Development Finance Authority of Summit County, Akron Baseball, LLC, and The Bank of New York Mellon Trust Company, N.A. to facilitate financing. The Development Finance Authority of Summit Development Revenue Bonds, Series 2012 were issued for \$3.6 million. The obligation of the City to make appropriation payments are subject to the annual appropriations made by City Council. The City has recorded a liability of \$209,925 for the principal and interest payments scheduled to be paid during 2015 in the accompanying financial statements. The principal balance outstanding as of December 31, 2014 is \$3,450,000.

The obligations of the City under this agreement, including its obligation to make payments during any fiscal year of the City in which this agreement is in effect, shall not constitute a general obligation or indebtedness of the City within the meaning of the constitution and laws of the State of Ohio. The agreement does not pledge any taxes or other moneys to the amounts payable by the City. Nothing constitutes a pledge by the City or an obligation by the City, of any taxes or other moneys to the payment of any amount payable by the City under this agreement; therefore, no provision for such liability has been recorded in the financial statements as of December 31, 2014.

11. Bonds and Loans Payable (Continued)

From time to time, the City has issued industrial revenue bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received by the bond trustees on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The bonds do not constitute a debt or pledge of the faith and credit of the City and, accordingly, have not been reported in the accompanying financial statements. As of December 31, 2014, there was one industrial revenue bond outstanding. The aggregate principal amount payable for the issue was \$485,000.

On May 8, 2013, the Development Finance Authority (DFA) of Summit County issued Taxable Development Revenue Bonds, Series 2013A, in the amount of \$6,645,000 for the University Edge project by developer Lawrence B. Levey & University Square Investors II, LLC. These bonds mature on November 15, 2027. The City has applied for approval from the State of Ohio for Tax Increment Financing (TIF) on improvements to the land to be used for the project. If approved, the TIF Service Payments will be used to pay the debt service on the bonds issued by the DFA. In the event TIF Service Payments are not sufficient in any particular year to cover the annual debt service on the bonds, or if the City does not receive TIF approval from the State, the developer will be required to pay the deficiency.

During 2014, the City entered into an agreement with the University Park Alliance (UPA) and Valley Savings Bank (now Westfield Bank) to guarantee principal and interest not to exceed \$585,000 on loans outstanding and maturing on February 5, 2015. As of December 31, 2014, the outstanding principal balance on the loans was \$514,307 with expected interest due in the amount of \$30,155, making the total guarantee obligation \$571,462. The City has recorded a liability of \$551,587 for the principal and interest payments to be made in 2015, representing the total guarantee obligation less amounts required to be on deposit at the bank per the agreement.

During 2014, the City entered into an agreement with the County of Summit and Fifth Third Bank to guarantee principal and interest payments on behalf of the Akron Community Service Center and Urban League to refinance bonds issued to pay the costs of the Akron Urban League's community service center and operations. Fifth Third agreed to issue a term loan to the Akron Urban League in the amount of \$2,000,000 to be used to finance previous bond obligations which the City had also guaranteed. Fifth Third also agreed to issue a credit line in the amount of \$100,000 to the Urban League to support operations. The City agreed to guarantee one half of the term loan and credit line debt service to be paid solely from non-tax revenues, with the County of Summit agreeing to guarantee the other half. As of December 31, 2014, the principal outstanding on the term loan was \$1,980,800 and the principal outstanding on the credit line was \$100,000. The City believes the Akron Urban League is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the loan and credit line; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2014.

12 Obligations Under Capitalized Leases and Certificates of Participation (COPs)

In November, 1996, \$28.9 million Series 1996 Convertible Capital Appreciation Certificates of Participation (COPs) were issued by a bank to finance the costs of the construction of a professional baseball stadium (meeting class “AA” standards) within the City. In connection with the issuance of the Series 1996 COPs, the City entered into a capital lease agreement (as lessee) for the baseball stadium. The City will make lease payments during successive annual renewal periods through November 25, 2016, providing City Council appropriates funds each year for that purpose. If the lease is paid through November 25, 2016, the City will acquire title to the baseball stadium. The lease agreement also includes a purchase option during the years 2002 through 2016.

Unspent funds of approximately \$154,876 provided from the COPs are recorded as restricted assets in the governmental activities in the accompanying government-wide statement of net position as of December 31, 2014. In the unlikely event the lease is terminated, the restricted funds are available for payment of the certificates.

The City has defeased certain certificate issues by placing investments in U.S. Government Obligations in irrevocable escrow accounts. Such accounts will be used, together with interest earned thereon, to provide for the payment of all principal and interest on the defeased certificates on their scheduled due dates. Accordingly, the escrow accounts and the defeased certificates summarized below are not included in the accompanying financial statements at December 31, 2014:

Issue	Defeasance Date	Original Amount		Principal Outstanding at 12/31/14
		Defeased	Escrowed	
Certificates of Participation, Series 2005	2013	\$ 13,580,000	\$ 14,619,000	\$ 7,120,000

On November 3, 2010, the City issued \$13.2 million Series 2010 Convertible Certificates of Participation (COPs) for the Akron Energy Systems Project. Total future payments as of December 31, 2014 are as follows:

Year	Governmental Activities	
	Principal	Interest
2015	\$ 480,000	\$ 570,063
2016	495,000	556,862
2017	505,000	543,250
2018	530,000	518,000
2019	560,000	491,500
2020-2024	3,240,000	2,009,750
2025-2029	4,135,000	1,114,000
2030-2031	1,895,000	94,750
	<u>\$ 11,840,000</u>	<u>\$ 5,898,175</u>

12. Obligations Under Capitalized Leases and Certificates of Participation (COPs) (Continued)

The City also has six other capital leases. One is for the redesign of the City's sanitation trash collection system. The cost of the sanitation redesign equipment is \$9,050,203 and is included in the City's capital assets in the Statement of Net Position – Governmental Activities.

The second is a lease from 2009 for equipment with an original cost of \$1,952,230. The lease was refinanced in 2013 in the amount of \$1,235,577 and is included in the City's capital assets in the Statement of Net Position – Governmental Activities and in the Water and Golf Course Funds.

The third is a 2012 lease for the purchase of various service-equipment. The cost of the equipment is \$7,154,080 and is included in the City's capital assets in the Statement of Net Position – Governmental Activities.

The fourth and fifth are 2012 capital lease agreements for street cleaners/sweepers. The cost of equipment for each lease is \$536,585 and is included in the City's capital assets in the Statement of Net Position – Governmental Activities.

The sixth is a 2013 capital lease agreement for the purchase of various service-equipment. The cost of the equipment was \$1,541,382 and is included in the City's capital assets in the Statement of Net Position – Governmental Activities. The final equipment purchases made in 2014 totaled \$159,284 and were recorded on the governmental Statement of Revenues, Expenditures and Changes in Fund Balance.

The following is a summary of the capital lease transactions for the year ended December 31, 2014:

	Governmental Activities			
	COPS Stadium	COPS Parking	Sanitation Redesign	Street Cleaners
Capital Lease at January 1, 2014	\$ 17,275,000	\$ 34,135,000	\$ 3,189,964	\$ 332,233
Retirements	(1,970,000)	(2,725,000)	(1,014,059)	(99,501)
Capital Lease at December 31, 2014	<u>\$ 15,305,000</u>	<u>\$ 31,410,000</u>	<u>\$ 2,175,905</u>	<u>\$ 232,732</u>

	Governmental Activities (continued)				Enterprise
	Street Sweepers	Public Service Equipment	Public Works Equipment	Equipment	Equipment
Capital Lease at January 1, 2014	\$ 362,379	\$ 1,146,382	\$ 5,849,928	\$ 914,327	\$ 321,250
Retirements	(83,938)	(390,762)	(1,425,001)	(230,880)	(81,120)
Adjustments	-	27	-	-	-
Capital Lease at December 31, 2014	<u>\$ 278,441</u>	<u>\$ 755,647</u>	<u>\$ 4,424,927</u>	<u>\$ 683,447</u>	<u>\$ 240,130</u>

Note - The \$159,284 of new capital lease proceeds shown on Exhibit 4 was already included in the note balance as of December 31, 2013. Therefore, this amount will not be shown as an addition in 2014.

12. Obligations Under Capitalized Leases and Certificates of Participation (COPs) (Continued)

Future lease payments are as follows as of December 31, 2014:

Year	Governmental Activities			
	COPS Stadium	COPS Parking	Sanitation Redesign	Street Cleaners
2015	\$ 2,393,298	\$ 4,145,438	\$ 1,152,972	\$ 107,675
2016	2,392,600	4,108,038	1,152,972	134,000
2017	2,392,425	4,402,438	-	-
2018	2,392,435	4,505,688	-	-
2019	2,392,050	2,992,688	-	-
2020-2024	5,356,975	12,912,419	-	-
2025-2029	-	6,880,954	-	-
Total lease payments	17,319,783	39,947,663	2,305,944	241,675
Less amount representing interest	2,014,783	8,537,663	130,039	8,943
Present value of lease payments	<u>\$ 15,305,000</u>	<u>\$ 31,410,000</u>	<u>\$ 2,175,905</u>	<u>\$ 232,732</u>
Net book value of leased assets	<u>*\$ 18,774,432</u>	<u>\$ 59,357,564</u>	<u>\$ 1,357,530</u>	<u>\$ 482,926</u>

Year	Governmental Activities (continued)				Enterprise
	Street Sweepers	Public Service Equipment	Public Works Equipment	Equipment	Equipment
2015	\$ 92,587	\$ 336,669	\$ 1,392,923	\$ 250,042	\$ 87,853
2016	92,587	263,690	1,321,182	249,903	87,804
2017	107,000	184,059	1,149,257	211,610	74,349
2018	-	-	775,316	-	-
Total lease payments	292,174	784,418	4,638,678	711,555	250,006
Less amount representing interest	13,733	28,771	213,751	28,108	9,876
Present value of lease payments	<u>\$ 278,441</u>	<u>\$ 755,647</u>	<u>\$ 4,424,927</u>	<u>\$ 683,447</u>	<u>\$ 240,130</u>
Net book value of leased assets	<u>\$ 482,926</u>	<u>\$ 1,202,768</u>	<u>\$ 6,074,500</u>	<u>\$ 721,772</u>	<u>\$ 282,485</u>

*Amount represents the entire net book value of the capital lease recorded in the statement of net position.

13. Self-Insurance Funds

The City is exposed to various risks of loss including employee health-care costs and accidents, torts and legal judgments, and damage or destruction of assets. The City purchases fire and extended coverage insurance on all buildings and contents up to \$175,000,000 per occurrence, with a variety of deductibles beginning at \$250,000. Coverage is purchased on 982 vehicles for combined single-limit liability of \$1,000,000. There has been no significant reduction in coverage from the prior year, and settled claims have not exceeded the City's insurance coverage in any of the past three years.

The City has a Medical Self-Insurance Fund. The purpose of this fund is to pay medical claims for City employees and their covered dependents and minimize the total cost of medical benefits of the City. The plan is internally managed and accounted for as an Internal Service Fund. This Internal Service Fund has been in existence since 1987.

The City has an Internal Service Fund entitled "Workers' Compensation Reserve Fund" to account for self-insured workers' compensation claims. Workers' compensation is administered by the State of Ohio under a retrospective rating plan. The City reimburses the Ohio Bureau of Workers' Compensation for injured workers' claims subject to a maximum annual claim limit of \$300,000 for each worker's compensation claim. All funds of the City participate in the program and make payments to the Internal Service Fund based on the experience premium that would normally be charged by the Ohio Bureau of Workers' Compensation. Future claims liabilities are actuarially determined.

The City has a Self-Insurance Settlement Fund. The purpose of this fund is to pay judgments and claims. Claims are accrued based upon estimates, past experience, and current claims outstanding. Actual claims experience may differ from the estimate.

The claims liabilities of \$2,701,065, \$4,951,208, and \$631,180 reported in the Medical, Workers' Compensation, and Self-Insurance Settlement funds, respectively, at December 31, 2014, are in accordance with the requirements of GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, and GASB Statement No. 30, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*. These GASB statements require 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. The liabilities recorded include the estimated incremental expenses to be incurred to settle the claims, including legal fees. Claims liabilities are based on evaluations of individual claims and a review of experience with respect to the probable number and nature of claims arising from losses that have been incurred but have not yet been reported. The claims liabilities represent the estimated ultimate cost of settling the claims, including the effects of inflation and other societal and economic factors. Estimated future recoveries on settled and unsettled claims, such as subrogations, if any, are evaluated in terms of their estimated realizable value and deducted from the liability for unpaid claims. Any adjustments resulting from the actual settlement of the claims are reflected in the financial statements at the time the adjustments are determined.

13. Self-Insurance Funds (Continued)

Changes in the funds' claims liabilities (both current and long-term) amounts in fiscal 2013 and 2014 were:

	Beginning of Year Liability	Claim Adjustments	Current Period Claims	Claim Payments	Balance at End of Year
<u>Medical Self- Insurance Fund</u>					
2013	3,019,840	-	27,633,829	(27,687,066)	2,966,603
2014	2,966,603	-	32,107,200	(32,372,738)	2,701,065
<u>Workers' Compensation Reserve Fund</u>					
2013	5,660,005	-	551,797	(1,219,974)	4,991,828
2014	4,991,828	-	985,305	(1,025,925)	4,951,208
<u>Self-Insurance Settlement Fund</u>					
2013	278,441	(151,634)	70,425	-	197,232
2014	197,232	(197,232)	631,180	-	631,180

14. Long-term Liabilities

The City reports the following amounts, on the Statement of Net Position, relating to the government's long-term liabilities for the year ended December 31, 2014:

	Due in More Than One Year				Due within One Year *
	January 1, 2014	Additions	Deletions	December 31, 2014	
Governmental Activities:					
Governmental Funds:					
Accounts payable and other accrued liabilities	\$ 915,595	\$ -	\$ (915,595)	\$ -	\$ 8,798,530
Accrued interest payable	-	-	-	-	2,387,574
Accrued vacation and leave (Note 8)	37,131,980	14,123,396	(14,136,702)	37,118,674	9,701,715
Accrued wages	-	-	-	-	3,504,798
Bonds, notes and loans payable	524,872,538	176,373,000	(121,260,100)	579,985,438	55,675,405
COPs and obligations under capital lease (Note 12)	67,144,194	-	(8,420,033)	58,724,161	8,381,938
Deposits	-	-	-	-	420,621
Due to other governments	3,024,553	2,800,000	(1,029,324)	4,795,229	4,382,244
Employment Related Liabilities (Note 1)	1,396,007	-	(47,138)	1,348,869	29,213
Guarantees and other obligations	2,449,335	857,785	(2,121,508)	1,185,612	1,480,646
OPEB liability (Note 9)	32,679,228	4,589,077	-	37,268,305	-
Pollution Remediation (Note 20)	20,000	-	(20,000)	-	-
Total Governmental Funds	669,633,430	198,743,258	(147,950,400)	720,426,288	94,762,684
Internal Service Funds:					
Accounts payable and other accrued liabilities	-	-	-	-	1,811,422
Accrued vacation and leave (Note 8)	2,086,024	780,135	(1,021,172)	1,844,987	520,048
Accrued wages	-	-	-	-	166,937
Bonds, notes and loans payable	10,230,000	6,500,000	(9,400,000)	7,330,000	400,000
OPEB liability (Note 9)	1,389,850	233,203	-	1,623,053	-
Liability for unpaid claims	3,965,903	27,341	-	3,993,244	4,290,209
Total Internal Service Funds	17,671,777	7,540,679	(10,421,172)	14,791,284	7,188,616
Total Governmental Activities	687,305,207	206,283,937	(158,371,572)	735,217,572	101,951,300
Business-type Activities:					
Enterprise Funds:					
Water					
Accounts payable and other accrued liabilities	-	-	-	-	1,742,217
Accrued interest payable	-	-	-	-	683,278
Accrued vacation and leave (Note 8)	2,648,731	1,253,132	(1,069,293)	2,832,570	781,695
Accrued wages	-	-	-	-	310,077
Bonds, notes and loans payable (Notes 10,11)	38,048,211	11,414,738	(4,884,696)	44,578,253	4,848,207
Deposits	-	-	-	-	713,379
Due to other governments	-	-	-	-	48,527
OPEB liability (Note 9)	2,362,833	362,716	-	2,725,549	-
COPs and obligations under capital lease (Note 12)	193,951	-	(66,885)	127,066	66,885
Sewer					
Accounts payable and other accrued liabilities	-	-	-	-	7,518,813
Accrued interest payable	-	-	-	-	1,356,459
Accrued vacation and leave (Note 8)	1,875,132	1,340,700	(1,402,649)	1,813,183	497,882
Accrued Wages	-	-	-	-	194,584
Bonds, notes and loans payable (Notes 10,11)	64,660,211	25,297,063	(20,506,554)	69,450,720	19,199,651
Due to other governments	219,057	-	(31,293)	187,764	61,088
OPEB liability (Note 9)	1,566,298	244,342	-	1,810,640	-
Off Street Parking					
Accounts payable and other accrued liabilities	-	-	-	-	498,163
Accrued interest payable	-	-	-	-	2,275
Bonds, notes and loans payable (Notes 10,11)	616,600	-	(72,371)	544,229	72,370
Due to other governments	-	-	-	-	272,180
Other Business-type Activities					
Accounts payable and other accrued liabilities	-	-	-	-	72,617
Accrued vacation and leave (Note 8)	64,409	47,135	(30,761)	80,783	33,261
Accrued wages	-	-	-	-	12,356
COPs and obligations under capital lease (Note 12)	46,179	-	(15,925)	30,254	15,925
Due to other governments	-	-	-	-	46,462
Pollution Remediation (Note 20)	27,000	-	(7,000)	20,000	29,060
OPEB liability (Note 9)	119,586	3,867	-	123,453	-
Total Business-type Activities	112,448,198	39,963,693	(28,087,427)	124,324,464	39,077,411
Total	\$ 799,753,405	\$ 246,247,630	\$ (186,458,999)	\$ 859,542,036	\$ 141,028,711

* The amount that is due within one year is classified as current liabilities on the Statement of Net Position.

The above liabilities are liquidated by the various operating funds in which the liabilities exist. See Note 4 for detailed explanations for the amounts recorded as due to other governments.

15. Compliance and Accountability

The following funds have fund balance deficits or net position deficits at December 31, 2014:

Special Revenue Funds:

Special Assessment	\$	9,025,631
Akron Metro. Area Transportation Study		38,222
Police Grants		97,583
City Facilities Operating		254,085

Internal Service Funds:

Medical Self-Insurance		2,931,770
Workers' Compensation Reserve		1,383,840
Self-Insurance Settlement		616,987
Engineering Bureau		800,376
Information Technology		1,701,734

The Special Revenue Funds that have deficit fund balances at year-end have incurred expenditures that have not yet received the revenue under federal or state grant agreements or as a reimbursement from other funds. On a cash basis, the Special Assessment Fund has a positive balance and is awaiting receipt of assessments from property owners to retire the special assessment notes. The Akron Metro Area Transportation Fund and Police Grants Fund requested grant draws are based on actual cash basis expenditures. The City will review the charges for services in the City Facilities Operating Fund.

The Internal Service Funds that have deficit net position balances at year-end have incurred expenses above charges for services. User charges will be assessed to eliminate the deficits. In 2014, the City issued bond anticipation notes for the Medical Self-Insurance Fund. The debt will be repaid through user charges. The City's policy is to transfer funds from the pertinent division's operating budget for actual claim settlements to reimburse the Workers' Compensation Reserve Fund and the Self-Insurance Settlement Fund. The Engineering Bureau and Information Technology Division will review applied overhead rates charged for projects to decrease deficits going forward.

16. Income Taxes

The City levies a tax at the rate of 2.25% on substantially all income earned within the City. In addition, residents of the City are required to pay City income tax on income earned outside the City. However, a credit is allowed for income taxes paid to other municipalities. Employers within the City are required to withhold income tax on employee compensation and remit this tax to the City at least quarterly. Corporations and other individual taxpayers are required to file a declaration annually and pay their estimated tax quarterly.

On May 6, 2003, Akron voters increased the City's income tax rate from 2% to 2.25% which took effect January 1, 2004. However, the additional .25% increase is designated exclusively for funding the Akron Public Schools' local share in obtaining State of Ohio grants for the construction and renovation of community learning centers in Akron. Therefore, the additional .25% will not be distributed according to City Charter into both operation and capital improvement funds, as described below.

The proceeds of income taxes, after payment of the expenditures incurred from collection thereof, are allocated by the City Charter as follows: 27% to capital expenditures and 73% to the General Fund. The portion allocated to capital expenditures may be utilized for payment of debt service or capital expenditures of any City fund.

17. Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. The Property taxes collected are allocated to the various funds based upon voter authorization.

Real property taxes are levied each October on the assessed value listed as of the prior January 1. Assessed values are established by the County Fiscal Officer at 35% of appraised market value. By law, a revaluation of all property based on current individual appraisals is required to be completed no less than every six years. The last revaluation was completed in tax year 2014 for collection in 2015. The next sexennial revaluation will be completed in 2020 for collection in 2021. In addition, the County Fiscal Officer is required to adjust (but without individual appraisal of properties except in the sexennial reappraisal) taxable real property values triennially to reflect true values.

Real estate and public utility taxes attach an enforceable lien on property as of December 31 in the year levied. Payments are scheduled in two installments in mid-February and mid-July of the succeeding year and are considered delinquent if unpaid as of December 31 of that year.

To compensate for foregone revenue from tangible personal property tax, the state will make distributions to taxing subdivisions from revenue generated by a newly enacted commercial activity tax. Generally, these distributions are expected to fully compensate taxing subdivisions for such tax losses with gradual reductions in the reimbursement from 2011 through 2017.

The assessed value upon which the 2014 property tax was based aggregated \$2,619,904,000. The assessed value for 2014 (upon which the 2015 property tax will be based) is approximately \$2,582,886,000. Under the current allocation method, the City's share was 1.030% (10.30 mills) of assessed value in 2014 for collection in 2015. The City's Charter limits the maximum total tax rate that could be levied without a vote of the electors to 1.05% (10.5 mills).

The Fiscal Officer collects property taxes on behalf of all taxing districts in the County including the City of Akron and periodically remits to the City its portion of the taxes collected. Current real property tax collections for the year ended December 31, 2014, including delinquencies from prior years, were 92.73% of the current year tax levy. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue, while the remainder of the tax receivable is deferred.

18. JEDD Revenues

In an effort to promote regional growth and economic development, the City has entered into contracts with four surrounding townships and a bordering municipality to create Joint Economic Development Districts (JEDDs). The City entered into separate contracts with Copley, Coventry, and Springfield Townships to create JEDDs in 1994. Voters in each township approved the respective JEDD contracts in the November 1994 election, which became effective January 1, 1995. In accordance with state law, each of the Districts' Board of Trustees levied a 2% income tax effective January 1, 1995. In accordance with the City of Akron's income tax increase, as of January 1, 2005, Copley, Coventry and Springfield's income tax rate increased to 2.25%. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. The City has utilized these JEDD revenues, in part, to construct water and sewer lines so that the JEDDs have access to the City's water and sewer system and to encourage and promote economic development.

In 1998 the City entered into a JEDD contract with Bath Township (Bath) and the City of Fairlawn (Fairlawn). This contract was approved by voters in November 1998 and became effective on January 1, 1999. As in the other JEDDs, a 2% income tax has been levied by the District. In accordance with the City of Akron's income tax increase, as of January 1, 2006, Bath's income tax rate increased to 2.25%. As stated in the contract, the net JEDD revenues are allocated to the City and Fairlawn, with the City providing water and sewer services.

19. Pledged Revenues

Pursuant to GASB No. 48, *Accounting and Financial Reporting for Sales and Pledges of Receivables and Intra-Entity Transfers of Assets and Future Revenues*, the City holds different types of pledged revenue. Pledged revenues of the City are broken down into water system revenues, sewer system revenues, JEDD revenues, non-tax revenues, income tax revenues, and CLC income tax revenues.

Water System Revenues

The City has pledged future water customer revenues, net of specified operating expenses, to repay \$69.2 million in water system revenue bonds and Ohio Water Development Authority loans issued at various dates ranging from September 30, 1999 through February 27, 2014. Proceeds from the bonds and loans provided financing for various water projects. The bonds and loans are payable solely from water customer net revenues and have varying final maturity dates ranging from January 1, 2020 through July 1, 2035. The total principal and interest remaining to be paid on the bonds and loans as of December 31, 2014 is \$65,404,499. Principal and interest paid for 2014 and total customer net revenues were \$3,521,205 and \$9,477,519 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
08/10/06	\$ 13,340,000	Various Water Projects	03/01/26	\$ 1,000,995	\$ 11,985,913
09/17/09	22,100,000	Various Water Projects	03/01/34	1,340,212	27,155,138
09/30/99	1,076,288	Clean and Reline Wtr Main	07/01/20	78,827	472,963
05/25/00	8,108,231	Sedimentation Basin Rehab	07/01/20	626,573	3,759,441
10/30/08	1,547,061	Water Meter Replacement	01/01/20	184,872	1,016,797
06/28/12	1,092,305	Water Main Replacement	07/01/33	66,534	1,259,393
12/08/11	2,375,202	Water Wall	01/01/33	155,909	2,451,592
12/08/11	470,615	Stow Road Bolt Replcmnt	07/01/32	32,506	595,156
06/27/13	2,913,053	High Service Pumps Install	07/01/34	-	3,129,786
06/27/13	761,969	Chlorine Dioxide Feed Syst.	07/01/34	-	850,140
06/27/13	831,467	Water Main Replcmnt 2013	07/01/34	-	19,570
09/26/13	306,056	Spillway Improvements	07/01/23	34,777	199,732
12/12/13	783,568	Johnston St. Pump Station	01/01/35	-	553,770
01/30/14	699,377	Standby Generator Imprvmts	07/01/24	-	756,105
02/27/14	2,648,531	Water Main Reloctn & Repr	01/01/35	-	2,463,699
02/27/14	10,161,593	Water Distribution Yard	07/01/35	-	8,735,304
	<u>\$ 69,215,316</u>			<u>\$ 3,521,205</u>	<u>\$ 65,404,499</u>

19. Pledged Revenues (Continued)

Sewer System Revenues

The City has pledged future sewer customer revenues, net of specified operating expenses to repay \$221 million in sewer system revenue bonds and Ohio Water Development Authority loans issued at various dates ranging from January 26, 1995 through August 28, 2014. Proceeds from the bonds and loans provided financing for various sewer projects. The bonds and loans are payable solely from sewer customer net revenues and have varying maturity dates ranging from January 1, 2015 through July 1, 2036. The total principal and interest remaining to be paid on the bonds as of December 31, 2014 is \$109,614,597. Principal and interest paid for 2014 and total customer net revenues were \$19,401,660 and \$12,409,047 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
12/01/05	\$ 33,855,000	Various Sewer Projects	12/01/17	\$ 5,079,250	\$ 12,046,250
01/26/95	15,328,404	WWTP Computerization	07/01/15	1,176,439	1,176,922
03/30/95	17,873,704	Hawkins-Willow Run	07/01/15	1,371,789	1,371,789
09/30/04	8,231,733	Water Meter Replacement	07/01/15	997,645	997,645
10/30/08	1,547,061	Water Meter Replcmnt	01/01/20	184,872	1,016,797
01/14/10	989,338	Sand Run Sewer Recon	01/01/30	67,660	1,048,734
11/19/09	160,393	Mill Street Sewer Repair	07/01/30	10,969	175,507
12/10/09	89,400	WWTP Inflent Screen	01/01/15	12,281	9,758
12/10/09	369,492	WPC Control System	07/01/20	27,931	263,410
12/10/09	86,741	WWTP Roof Replcmnt	01/01/30	5,932	91,948
03/31/11	846,270	Lake Woods Pump Station	01/01/32	65,845	1,105,450
02/24/11	2,189,031	Massilon Road Sewer	01/01/32	189,849	2,927,416
02/24/11	414,210	2nd Street Pump Station	01/01/32	30,657	534,993
08/25/11	299,794	Goodyear CSO Rentention	07/07/17	286,044	-
10/27/11	78,750	Shullo Pump Station Design	01/01/17	16,898	2,740
10/27/11	78,750	Weathervane Pump Station	01/01/17	16,897	(7,352)
12/08/11	4,330,000	Large Diam. Pipe Inspection	07/01/18	926,824	2,360,712
12/08/11	2,987,144	CSO Rack 8 Sewer Sep	07/01/32	196,077	3,291,649
12/08/11	2,375,202	Water Wall	01/01/33	155,909	2,451,592
12/08/11	903,132	Sanitary Sewer Recon 2011	01/01/32	59,282	1,037,430
10/27/11	23,943,236	WPC Step Feed Ph1	07/01/33	1,519,602	26,206,567
10/27/11	1,243,132	CSO Rack 25 Separation	01/01/33	84,008	1,523,321
10/27/11	979,845	Northside Interceptor Rehab	07/01/32	64,613	1,163,040
05/31/12	24,283,767	CSO Ohio Canal Tunnel	07/01/19	1,584,439	18,887,036
05/31/12	2,137,778	WPCS High Rate Treatment	01/01/19	229,909	1,470,651
09/27/12	755,168	Lrg Pipe Dmtr Insp-Design	07/01/18	161,782	571,122
10/25/12	316,937	CSO Rack 21 Swr Sep Dsgn	07/01/19	(33,688)	91,726
12/06/12	2,114,697	Mud Run Pump Prgm Imp CD	07/01/19	1,477,321	-
03/28/13	4,861,683	Litle Cuahoga Int Rplcmnt	07/01/34	-	2,866,316
12/06/12	6,032,632	CSO Design Prog Mngt Team	01/01/18	1,288,957	4,511,348
12/06/12	767,704	Rack 15 CSO Storage Basin	07/01/18	785,555	-
12/06/12	383,985	Sewer System I & I Study	07/01/18	82,044	269,791
05/30/13	5,162,579	2013 Large Diameter Pipe Cln	07/01/18	1,109,836	1,348,927
05/30/13	2,593,857	Main Outfall Sewer Rehab	07/01/33	168,232	2,496,931
08/29/13	6,174,836	Mud Run Trunk Swr Lining	01/01/35	-	5,768,444
10/31/13	334,170	CSO WPCS Headworks Study	07/01/19	-	205,704
10/31/13	1,523,988	WPCS Final Settling Tanks	01/01/20	-	265,596
01/30/14	1,881,680	Main Outfall Sewer	07/01/34	-	1,370,958
01/30/14	1,063,037	Rack 12 CSO Storage Basin	07/01/19	-	1,102,628
01/30/14	781,309	Rack 14 CSO Storage Basin	07/01/19	-	798,732
04/24/14	3,419,313	Retention Tank #2 Rehab.	01/01/36	-	714,887
04/24/14	1,500,016	Kingswood-Rocky Hollow Swr	07/01/34	-	1,386,982
06/26/14	11,029,390	Rack 15 Storage Basin	01/01/36	-	1,291,374
06/26/14	17,900,171	Mud Run Pump Station Impr.	07/01/36	-	3,261,152
08/28/14	6,827,976	OCIT Lining Protection of LCI	07/01/35	-	137,974
	<u>\$ 221,046,435</u>			<u>\$ 19,401,660</u>	<u>\$ 109,614,597</u>

19. Pledged Revenues (Continued)

JEDD Revenues

The City has pledged future JEDD revenues to repay JEDD revenue bonds originally issued in 2000 and 2002 for \$53.2 million. These bonds were refinanced in December of 2011 with a \$27.2 million refunding bond issue. Proceeds from the original bonds issued provided financing for various water and sewer projects. The bonds are payable solely from JEDD revenues and have a final maturity date of December 1, 2022. The total principal and interest remaining to be paid on the bonds as of December 31, 2014 is \$29,466,475. Principal and interest paid for 2014 and total JEDD revenues were \$3,069,263 and \$17,395,933 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
12/21/11	\$ 27,165,000	Various Water/Sewer Projects	12/01/22	\$ 3,069,263	\$ 29,466,475

Non-Tax Revenues

The City has pledged future non-tax revenues, to repay \$61.8 million in non-tax revenue bonds issued December 15, 2006 through November 25, 2014. In December of 2011 bonds were issued to refund the bonds originally issued in 1997. The 2014 issue refunded the issue from 2008. Proceeds from the bonds provided financing for various economic development and renovation projects. The bonds are payable from non-tax revenue including shared revenue, charges for services, licenses, fees, and fines, and miscellaneous revenue. The maturity dates range from December 1, 2018 through December 1, 2034. The total principal and interest remaining to be paid on the bonds as of December 31, 2014 is \$69,129,140. Principal and interest paid for 2014 and total non-tax revenues were \$4,523,571 and \$93,850,536 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
12/15/06	19,500,000	Various Econ. Dev. Proj.	12/01/26	\$ 1,694,033	\$ 20,344,695
12/15/11	14,035,000	Various Econ. Dev. Proj.	12/01/18	2,829,538	11,332,412
11/25/14	28,230,000	Various Econ Dev. Proj.	12/01/34	-	37,452,033
	<u>\$ 61,765,000</u>			<u>\$ 4,523,571</u>	<u>\$ 69,129,140</u>

19. Pledged Revenues (Continued)

Income Tax Revenues

The City has pledged future income tax revenues, to repay \$79.8 million in income tax revenue bonds and bond anticipation notes issued at various dates ranging from December 15, 2011 through November 25, 2014. The 2011 issue refunded an issue from 1999. Proceeds from the bonds provided financing for various liabilities, equipment, facilities, and improvements. The bonds are payable solely from income tax revenues and have varying maturity dates ranging from March 12, 2015 through December 1, 2034. The total principal and interest remaining to be paid on the bonds as of December 31, 2014 is \$105,775,335. Principal and interest paid for 2014 and total income tax revenues were \$3,210,157 and \$127,374,715 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
12/15/11	\$ 6,405,000	Pension	12/01/23	\$ 704,375	\$ 6,323,000
11/14/12	28,870,000	Var Purp IT Rev Bonds	12/01/32	2,038,550	36,707,819
08/08/13	2,493,570	OAQDA Series A	12/01/21	328,897	2,302,283
08/08/13	2,355,914	OAQDA Series B	12/01/28	98,948	3,444,864
03/12/14	6,500,000	Health Benefit BAN	03/12/15	-	6,574,750
08/07/14	838,000	OAQDA Series A	12/01/21	39,387	870,633
11/25/14	32,340,000	Var Purp IT Rev Bonds	12/01/34	-	49,551,986
	<u>\$ 79,802,484</u>			<u>\$ 3,210,157</u>	<u>\$ 105,775,335</u>

CLC Income Tax Revenues

The City's income tax rate includes .25% Community Learning Center (CLC) income tax revenue. This is designated exclusively for funding the Akron Public Schools' local share in obtaining State of Ohio grants for the construction and renovation of community learning centers (CLC) in Akron. The City has issued bonds totaling \$257.4 million with final maturities in 2015, 2026, and 2033. The Akron Public Schools' annual contribution towards this debt is \$3,000,000. The City has committed each year, from the supplemental income tax revenue, amounts sufficient to cover the City's portion of the principal and interest requirements. Total principal and interest remaining on bonds are \$393,578,764. For 2014 total principal and interest paid by the City was \$18,844,969 and total income tax revenues were \$12,936,652.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service*	Future Debt Service
07/28/10	\$ 17,880,000	Community Learning Centers	12/01/33	\$ 771,650	\$ 29,307,575
07/28/10	12,060,000	Community Learning Centers	12/01/33	765,548	24,082,182
07/28/10	15,060,000	Community Learning Centers	12/01/26	884,624	23,463,932
06/27/12	155,360,000	Community Learning Centers	12/01/33	7,647,400	243,941,800
06/27/12	7,025,000	Community Learning Centers	12/01/15	6,320,000	962,000
05/07/14	50,000,000	Community Learning Centers	12/01/33	2,455,746	71,821,275
	<u>\$ 257,385,000</u>			<u>\$ 18,844,969</u>	<u>\$ 393,578,764</u>

*Net of \$3,000,000 annual contribution from Akron City School District.

20. Pollution Remediation

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Cost* addresses reporting standards for pollution remediation obligations. The City is aware of nine sites that meet the requirements for disclosure. The first site is a vacant, undeveloped piece of land known as the Middlebury Property which includes Middlebury East and Middlebury Grocery. The City of Akron legally obligated itself by voluntarily commencing cleanup activities and has obtained a \$750,000 grant to assist in the remediation clean-up. The projected cost to remediate Middlebury East was estimated at approximately \$1,200,000. A No Further Action (NFA) letter was submitted to the Ohio Environmental Protection Agency (OEPA) in 2014. Since the NFA was not finalized in 2014 and a Covenant Not to Sue has not been issued by the OEPA, this property is still in remediation. It is estimated that \$62,000 will be spent in 2015. The project will be completed in 2015 with no expenses for 2016 and beyond. This amount is minimal and is not included in the Statement of Net Position as of December 31, 2014. As for Middlebury Grocery, the expenses are estimated at \$10,000 for 2015 and \$50,000 to the end of the project to facilitate the Operation and Maintenance Plan. This amount is minimal and is not included in the Statement of Net Position as of December 31, 2014.

The second site is known as the Westside Depot property where the City of Akron was compelled to take remediation action. This site used to house an underground storage tank (UST) system. During an upgrade to this system in 1991, there was evidence of residual petroleum hydrocarbons under the tank and the associated dispensing equipment. This site also had been the location of a previous UST system that may have consisted of a diesel tank, a gasoline tank, and a kerosene tank. The City conducted free product recovery in 2014 from this site. The City may request a NFA letter from the Ohio Bureau of Undergrand Storage Tank Regulation (BUSTR) in 2015. The amount estimated for 2015 is \$29,060 with \$20,000 for 2016 and beyond. These amounts are recorded as a liability in the Airport Fund as of December 31, 2014.

The third site is for remediation work is in the Landmark Building. The remediation work included asbestos abatement, general waste removal and soil remediation activities. The total project cost was estimated to be just under \$2,000,000. The City has received funding from the Ohio Development Services Agency (ODSA) to assist with this project. On May 1, 2012, the City received a Covenant Not to Sue order for the NFA letter filing regarding this property. At this time the costs anticipated to be spent on the Operation and Maintenance Plan with the OEPA in 2015 and beyond are minimal. Therefore no liability has been recorded as of December 31, 2014.

The fourth site is referred to as the Imperial Electric/XXth Century property. The City conducted demolition and remediation activities at this site with a total cost of \$1,600,000. The City was awarded Clean Ohio Revitalization Funds (CORF) to assist in the remediation of the property. The project was completed in 2013 and a NFA letter was submitted. On February 24, 2015, the Director of the OEPA issued the Covenant Not to Sue. There is a request from the consultant for \$66,000 for work completed last year. There are no expenses anticipated for further years. The amount is minimal and is not included in the Statement of Net Position as of December 31, 2014.

The fifth site is referred to as the Goodyear Powerhouse Building. Even though the City does not own this property, it is part of the Goodyear Development Project and the CORF Grant Agreement that was awarded to the City of Akron in March 2012. This remediation project was completed in 2013 and no remediation expenses are anticipated for 2015 or beyond. A NFA letter is being finalized so it can be submitted to the OEPA. Since no further expenses are expected, no liability has been recorded.

20. Pollution Remediation (Continued)

The sixth site is referred to as the Seiberling Street Landfill Road Project. It is funded 100% by grants from Ohio Department of Transportation (ODOT), Ohio Public Works Commission (OPWC) and ODSA. The estimated total project cost is approximately \$2,200,000 and was completed in 2014. The City still has to submit the final certification report. Since this project is funded 100%, there will be no recorded liability as of December 31, 2014.

The seventh site is referred to as the Water Treatment Plant Window Replacement Project. The Water Treatment Plant is involved in an ongoing window replacement project that we were informed on March 19, 2015. The building components around the old windows contain asbestos and as they are replaced the asbestos must be removed prior to the renovation activity. The 2015 expenses are \$90,629. There are no expenses identified for 2016 and beyond. This liability is minimal and is not included in the Statement of Net Position as of December 31, 2014.

The eighth site is known as the Water Reclamation Facility Underground Storage Tanks Project. There has been an ongoing remediation of two former USTs at the City's Water Reclamation Facility since 1999. The tanks were removed from the ground over ten years ago and have been regulated under the Ohio BUSTR because there was a release from each UST. The City has been engaged in the ongoing implementation of corrective action for each release in accordance with BUSTR's regulations. The City has spent about \$10,000 a year on remediation. Work has continued in 2014. The amount left for 2015 is \$6,421 with \$10,000 estimated for both 2016 and 2017 until final closure. This liability is minimal and will not be included as a liability as of December 31, 2014.

The ninth site is referred to as Combined Sewer Overflow (CSO) Tank No. 2 Rehabilitation Project. This site is located east of Kelly Avenue and adjacent to the former Settlement Street Landfill. The City was awarded a grant with OPWC to undertake construction activities on the the property to rehabilitate CSO Tank No. 2. On March 19, 2014, the City obtained a Rule 13 approval from the OEPA which regulates the management of waste since investigation found various fill materials and contaminated soils on the site. Construction began in 2014. Rule 13 also authorizes the City to excavate and relocate waste on the property and contains several terms and conditions for the City of Akron regarding this project. The cost associated with this remediation is \$108,864 for 2015 and \$0 estimated for 2016 and beyond. This liability is minimal and will not be included as a liability as of December 31, 2014.

21. Deferred Inflows/Outflows of Resources

In addition to assets, the Statement of Net 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 has deferred charges on the issuance of bonds reported in the government-wide and proprietary fund statements of net position. A deferred charge results from the difference in the carrying value of the debt and its par amount. This amount is deferred and amortized over the life of the debt.

In addition to liabilities, the Statement of Net 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 future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has nonexchange revenue transactions where a receivable has been recorded (such as when property taxes were levied), but the resources cannot be used until a future period. These items have been reported as deferred inflow on the government-wide Statement of Net Position.

On the Statement of Net Position Proprietary Funds, the City has recorded certain deferred items that will not be expensed in the current period. Unavailable revenues have been reported as deferred outflows of resources in the following amounts:

	Business Type Activities		
	Water	Sewer	Total Enterprise Funds
Deferred Loss on Early Retirement	\$ -	\$ 202,954	\$ 202,954
Unamortized Bond Discount	226,157	-	226,157
	<u>\$ 226,157</u>	<u>\$ 202,954</u>	<u>\$ 429,111</u>

On the modified accrual basis of accounting, the City has recorded certain receivables where the related revenue is unavailable. Unavailable revenues have been reported as deferred inflows of resources on the governmental fund balance sheet for the following:

	Governmental Funds						Total Governmental Funds
	General Fund	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Bond Payment	Streets	Other Governmental Funds	
Income Taxes	\$ 6,703,004	\$ -	\$ 2,479,193	\$ -	\$ -	\$ 1,499,480	\$ 10,681,677
Grants	8,741	-	-	-	65,343	2,783,667	2,857,751
Due From Others	-	-	2,572,485	-	-	-	2,572,485
Lease Payments	-	-	-	-	-	4,147,035	4,147,035
Shared Revenues	3,155,758	58,156,091	-	-	-	2,905,981	64,217,830
Property Taxes	20,008,692	-	-	30,440,867	-	9,100,286	59,549,845
	<u>\$ 29,876,195</u>	<u>\$ 58,156,091</u>	<u>\$ 5,051,678</u>	<u>\$ 30,440,867</u>	<u>\$ 65,343</u>	<u>\$ 20,436,449</u>	<u>\$ 144,026,623</u>

	Business Type Activities		
	Water	Sewer	Total Enterprise Funds
Unamortized Bond Premium	<u>\$ 1,150,540</u>	<u>\$ 288,124</u>	<u>\$ 1,438,664</u>

22. Transfers and Advances

For the year ended December 31, 2014 transfers and advances presented in conformity with generally accepted accounting principles (GAAP) are listed in the following tables. Interfund transfers are made to cover expenditures/expenses in various funds or to fulfill grant match requirements.

	Transfers In				Total
	Transfers Out	Other Governmental Funds	Other Enterprise Funds	Off- Street Parking	
Governmental Funds:					
General Fund	\$ 3,193,000	\$ 2,727,000	\$ 441,000	\$ 25,000	\$ 3,193,000

The table below presents the amounts the City has advanced to various funds during 2014.

	Advanced From	Advanced To		Total
		Other Governmental Funds	Internal Service Funds	
Governmental Funds:				
General Fund	\$ 534,500	\$ 396,500	\$ 138,000	\$ 534,500
Income Tax Capital Improvement	101,000	101,000	-	101,000
	<u>\$ 635,500</u>	<u>\$ 497,500</u>	<u>\$ 138,000</u>	<u>\$ 635,500</u>

23. Contingencies

(1) Litigation

The City is a defendant in a number of lawsuits pertaining to matters that are incidental to performing routine governmental functions. The City Law Director is of the opinion that ultimate settlement of all outstanding litigation and claims will not result in a material adverse effect on the City’s financial position.

(2) Federal and State Grants

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agencies for expenditures disallowed under the terms of the grants. The City believes that such disallowances, if any, would not have a material adverse effect on the City’s financial position.

(3) Water Agreement

The City of Akron acquired a water system, located in Hudson, from the County of Summit in December of 2006 for \$6,454,845. In exchange for the water system, the County received the benefit of a future credit to be applied towards the purchase of Akron owned sewer infrastructure. As of December 31, 2014, the County has not purchased any sewer infrastructure and the full balance of the credit is remaining.

24. Closure and Post-Closure Care Costs

Pursuant to a ruling by the Ohio EPA, the Hardy Road Landfill officially closed on June 30, 2002. The City has begun diverting its waste to Waste Management's American Landfill located in Stark County. As part of a 1998 agreement, the City agreed to use landfill facilities controlled by Akron Regional Landfill, Inc., (a subsidiary of Waste Management) for disposal of ninety percent of the refuse collected by the City's sanitation division.

On October 4, 2004, the City entered into an Agreement with the Summit/Akron Solid Waste Management Authority (Authority) implementing a \$1.20 per ton increase in the waste management generation fee by the Authority to help fund the closure and post-closure operations of the landfill.

25. Jointly Governed Organizations

Reported as a non-major special revenue fund in the City's CAFR, the Akron Metropolitan Area Transportation Study (AMATS) is an association of various local political subdivisions in the Akron area whose purpose is to develop and implement a comprehensive and continuing transportation plan for Summit, Portage and parts of Wayne County. The operations of AMATS are financed primarily by federal and state grants and local matching contributions. AMATS is staffed by employees of the City of Akron Department of Planning and Urban Development, and support functions are performed by various departments of the City. The City also makes all disbursements on behalf of AMATS and is reimbursed by the AMATS local share and grant funds. Most of AMATS' grant funds are deposited in a trust fund with Summit County (not included in the City's books), while some funds are deposited directly with the City of Akron.

The Akron/Summit Convention and Visitors' Bureau (Convention Center) was constructed by the City of Akron along with the County of Summit and the University of Akron, with the City paying approximately 26% of the construction costs. The Convention Center contains meeting rooms, an exhibit hall, and a large ballroom-banquet facility to accommodate a wide range of seminars, trade shows, and major community events.

26. Related Organization

The City of Akron, in conjunction with Summit County, University of Akron, Medina County, and Greater Akron Chamber of Commerce, agreed to form the Summit Medina Business Alliance (SMBA). SMBA is a not-for-profit corporation which supports economic development of the region. The organization entered into an agreement with the Kent Regional Business Alliance to carry out activities in cooperation with the Ohio Development Services Agency and the Small Business Administration. The Mayor of the City of Akron appoints three of the five voting members of the board of trustees of the Summit Medina Business Alliance. The SMBA does not pose a financial burden on the City of Akron since it receives revenues from the City and other governments in the area. During 2014, the City paid SMBA \$75,000 for operating expenses.

27. Fund Balance

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

	General Fund	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Bond Payment	Streets	Other Governmental Funds	Total Governmental Funds
Fund balances:							
Nonspendable:							
Non-financial assets held for resale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,786,232	\$ 4,786,232
Total nonspendable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,786,232</u>	<u>4,786,232</u>
Restricted:							
Asset management	-	-	-	-	-	2,225,253	2,225,253
Building, housing and economic incentive	-	-	273,060	-	-	1,023,179	1,296,239
Construction and renovation of CLCs	-	106,406,553	-	-	-	-	106,406,553
Community betterment and outreach	-	-	3,381,215	-	-	12,247,920	15,629,135
Debt service reserves	-	-	-	2,035,168	-	3,973,511	6,008,679
Information technology	-	-	-	-	-	1,112,795	1,112,795
Life enrichment	-	-	22,620	-	-	154,876	177,496
Other purposes	-	-	858,927	-	-	1,338,408	2,197,335
Police and fire equipment	-	-	1,586,658	-	-	-	1,586,658
Protection and enforcement	-	-	-	-	-	2,438,292	2,438,292
Transportation/mobility	-	-	36,516	-	449,903	5,065,391	5,551,810
Total restricted	<u>-</u>	<u>106,406,553</u>	<u>6,158,996</u>	<u>2,035,168</u>	<u>449,903</u>	<u>29,579,625</u>	<u>144,630,245</u>
Committed:							
Building, housing and economic incentive	-	-	-	-	-	4,000,757	4,000,757
Community betterment and outreach	-	-	-	-	-	7,764,729	7,764,729
Information technology	-	-	-	-	-	45,882	45,882
Life enrichment	-	-	-	-	-	108,386	108,386
Protection and enforcement	329,961	-	-	-	-	-	329,961
Transportation/mobility	-	-	-	-	-	1,909,733	1,909,733
Total committed	<u>329,961</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,829,487</u>	<u>14,159,448</u>
Assigned:							
Asset management	182,531	-	-	-	-	-	182,531
Building, housing and economic incentive	75,314	-	-	-	-	-	75,314
Community betterment and outreach	32,816	-	-	-	-	-	32,816
General governance	79,998	-	-	-	-	-	79,998
Life enrichment	192,861	-	-	-	-	-	192,861
Municipal justice	14,013	-	-	-	-	-	14,013
Protection and enforcement	503,833	-	-	-	-	-	503,833
Transportation/mobility	9,036	-	-	-	-	-	9,036
Waste management	498,511	-	-	-	-	-	498,511
Wellness and prevention	5,041	-	-	-	-	-	5,041
Total assigned	<u>1,593,954</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,593,954</u>
Unassigned	<u>10,911,360</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,415,521)</u>	<u>1,495,839</u>
Total fund balances	<u>\$ 12,835,275</u>	<u>\$ 106,406,553</u>	<u>\$ 6,158,996</u>	<u>\$ 2,035,168</u>	<u>\$ 449,903</u>	<u>\$ 38,779,823</u>	<u>\$ 166,665,718</u>

The amounts classified as nonspendable represent non-financial assets held for resale.

28. Restatement of Fund Balance

Effective January 1, 2014, the City recorded an adjustment to beginning balances to reflect the change in accounting practice for transactions relating to specific assets. This resulted in a change in beginning balances as reported in the financial statements. The following balances were restated:

	Balance as of January 1, 2014	Restatement	January 1, 2014 as restated
Statement of Net Position			
Governmental Activities	\$ <u>374,586,065</u>	\$ <u>(2,895,763)</u>	\$ <u>371,690,302</u>
Business-type Activities	\$ <u>414,504,469</u>	\$ <u>6,454,845</u>	\$ <u>420,959,314</u>
Governmental Funds			
Other Governmental Funds	\$ <u>31,924,289</u>	\$ <u>(2,895,763)</u>	\$ <u>29,028,526</u>
Proprietary Funds			
Water	\$ <u>108,120,600</u>	\$ <u>6,454,845</u>	\$ <u>114,575,445</u>

29. Fiscal Analysis

On September 30, 2011, the City was declared in Fiscal Caution by the Auditor of State. The City implemented changes based on an acceptable plan provided to the Auditor of State and was released from Fiscal Caution on March 5, 2015.

30. Subsequent Events

On February 2, 2015, City Council passed ordinance 20-2015 authorizing the issuance and sale of bonds in the maximum principal amount of \$33,000,000 for the purpose of refunding certain maturities of general obligation bonds of the City issued in 2006 and 2007.

On February 2, 2015, City Council passed ordinance 21-2015 authorizing the issuance of Health Benefit Claims Notes in the maximum principal amount of \$6,600,000 to pay the costs of maintaining the self-insurance program for employee health care benefits.

On June 15, 2015, City Council passed ordinance 169-2015 authorizing the issuance and sale of bonds in the maximum principal amount of \$5,600,000 for the purpose of retiring notes issued in anticipation of the issuance of bonds issued by the City to pay the costs of the Cascade Plaza Project and the Cascade Plaza Garage Lighting Project in the City.

Required Supplementary Information

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 General Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2014

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues and other sources			
Revenues:			
Income taxes	\$ 84,383,580	\$ 84,383,580	\$ 87,913,900
Property taxes	17,252,843	17,252,843	16,810,051
JEDD revenues	4,709,510	6,011,590	4,074,900
Inheritance	-	-	655,451
Local government	5,615,092	5,615,092	6,500,339
Ohio casino revenue	3,765,370	4,806,420	3,252,129
Service revenues	28,122,830	35,898,210	23,585,341
Miscellaneous revenues	8,613,590	10,995,080	9,155,666
	<u>152,462,815</u>	<u>164,962,815</u>	<u>151,947,777</u>
Other sources:			
Previous year's encumbrances	1,809,776	1,809,776	1,809,776
	<u>1,809,776</u>	<u>1,809,776</u>	<u>1,809,776</u>
Total revenues and other sources	154,272,591	166,772,591	153,757,553
Expenditures and other uses			
Expenditures:			
Civil Service Commission:			
Wages/benefits	725,880	810,880	794,300
Other	92,015	107,015	98,548
	<u>817,895</u>	<u>917,895</u>	<u>892,848</u>
Finance:			
Wages/benefits	2,261,230	2,356,230	2,353,629
Other	5,310,925	6,650,925	5,056,346
	<u>7,572,155</u>	<u>9,007,155</u>	<u>7,409,975</u>
Law:			
Wages/benefits	2,981,630	2,981,630	2,917,702
Other	1,010,797	1,335,797	1,150,648
	<u>3,992,427</u>	<u>4,317,427</u>	<u>4,068,350</u>
Legislative:			
Wages/benefits	1,056,740	1,066,740	1,065,566
Other	250,159	250,159	186,127
	<u>1,306,899</u>	<u>1,316,899</u>	<u>1,251,693</u>
Municipal Court - Clerk:			
Wages/benefits	3,315,500	3,315,500	3,273,160
Other	290,952	310,952	304,146
	<u>3,606,452</u>	<u>3,626,452</u>	<u>3,577,306</u>

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 General Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2014
 (continued)

	Budgeted Amounts		Actual Amounts
	Original	Final	
Municipal Court - Judges:			
Wages/benefits	4,027,180	4,137,180	4,136,444
Other	189,070	204,070	191,481
	<hr/> 4,216,250	<hr/> 4,341,250	<hr/> 4,327,925
Office of the Mayor:			
Wages/benefits	1,800,630	1,920,630	1,842,466
Other	349,856	349,856	304,425
	<hr/> 2,150,486	<hr/> 2,270,486	<hr/> 2,146,891
Planning:			
Wages/benefits	1,006,370	1,006,370	969,618
Other	105,200	330,200	275,928
	<hr/> 1,111,570	<hr/> 1,336,570	<hr/> 1,245,546
Public Health:			
Wages/benefits	18,970	168,970	142,806
Other	4,206,233	4,431,233	4,401,150
	<hr/> 4,225,203	<hr/> 4,600,203	<hr/> 4,543,956
Public Safety:			
Wages/benefits	5,825,550	5,825,550	3,679,720
Other	9,461,479	9,461,479	8,828,063
	<hr/> 15,287,029	<hr/> 15,287,029	<hr/> 12,507,783
Public Service:			
Wages/benefits	8,734,840	8,734,840	8,697,447
Other	16,344,353	22,094,353	15,180,705
Capital Outlay	154,933	364,933	244,534
	<hr/> 25,234,126	<hr/> 31,194,126	<hr/> 24,122,686
Fire:			
Wages/benefits	23,907,630	25,707,630	25,419,219
Other	3,394,505	6,394,505	3,513,930
	<hr/> 27,302,135	<hr/> 32,102,135	<hr/> 28,933,149
Police:			
Wages/benefits	46,707,150	47,607,150	47,122,207
Other	3,790,646	4,540,646	4,481,895
Capital Outlay	-	100,000	1
	<hr/> 50,497,796	<hr/> 52,247,796	<hr/> 51,604,103

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 General Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2014
 (continued)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Neighborhood Assistance:			
Wages/benefits	5,166,100	5,366,100	5,359,761
Other	1,679,442	2,364,442	1,685,096
	<u>6,845,542</u>	<u>7,730,542</u>	<u>7,044,857</u>
Total expenditures	<u>154,165,965</u>	<u>170,295,965</u>	<u>153,677,068</u>
Excess (deficiency) of revenues and other sources over expenditures	106,626	(3,523,374)	80,485
Fund balance, January 1, 2014	<u>3,564,923</u>	<u>3,564,923</u>	<u>3,564,923</u>
Fund balance, December 31, 2014	<u>\$ 3,671,549</u>	<u>\$ 41,549</u>	<u>\$ 3,645,408</u>

Note:

Included in Other expenditures above are transfers out and advances of the following:

Public Service	\$ 2,181,000
Fire	\$ 1,150,000
Police	\$ 261,500
Neighborhood Assistance	\$ 135,000

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Community Learning Centers Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Income taxes	\$ 16,325,930	\$ 16,325,930	\$ 15,198,084
Governmental revenues	1,093,940	1,093,940	1,001,399
Miscellaneous revenues	240,130	240,130	2,988,218
	<u>17,660,000</u>	<u>17,660,000</u>	<u>19,187,701</u>
Other sources:			
Previous year's encumbrances	34,127	34,127	34,127
	<u>34,127</u>	<u>34,127</u>	<u>34,127</u>
Total revenues and other sources	17,694,127	17,694,127	19,221,828
Expenditures			
Department Wide:			
Other	15,534,127	17,834,127	17,639,812
Total expenditures	<u>15,534,127</u>	<u>17,834,127</u>	<u>17,639,812</u>
Excess (deficiency) of revenues and other sources over expenditures	2,160,000	(140,000)	1,582,016
Fund balance, January 1, 2014	<u>21,173,186</u>	<u>21,173,186</u>	<u>21,173,186</u>
Fund balance, December 31, 2014	<u>\$ 23,333,186</u>	<u>\$ 21,033,186</u>	<u>\$ 22,755,202</u>

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Income Tax Capital Improvement Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Income taxes	\$ 28,354,820	\$ 29,355,570	\$ 29,509,488
JEDD revenues	1,565,550	1,620,800	2,125,100
Governmental revenues	626,220	648,320	758,660
Gasoline tax	23,020	23,840	16,930
Miscellaneous revenues	897,890	929,580	929,714
Note/bond proceeds	2,532,500	2,621,890	1,000,000
	<u>34,000,000</u>	<u>35,200,000</u>	<u>34,339,892</u>
Other sources:			
Previous year's encumbrances	897,642	897,642	897,642
	<u>897,642</u>	<u>897,642</u>	<u>897,642</u>
Total revenues and other sources	34,897,642	36,097,642	35,237,534
Expenditures			
Department Wide:			
Wages/benefits	605,340	715,340	710,062
Other	35,509,019	36,309,019	33,041,316
Capital outlay	1,689,743	2,039,743	2,027,896
Total expenditures	<u>37,804,102</u>	<u>39,064,102</u>	<u>35,779,274</u>
Deficiency of revenues and other sources over expenditures	(2,906,460)	(2,966,460)	(541,740)
Fund balance, January 1, 2014	<u>2,983,721</u>	<u>2,983,721</u>	<u>2,983,721</u>
Fund balance, December 31, 2014	<u>\$ 77,261</u>	<u>\$ 17,261</u>	<u>\$ 2,441,981</u>

Note: Included in Other expenditures above are advances out of \$101,000.

City of Akron, Ohio

Notes to the Budgetary Comparison Schedule

General Fund, Community Learning Centers Fund and Income Tax Capital Improvement Fund

For the Year Ended December 31, 2014

Budgetary Data

The City's budgetary process is based upon accounting for certain transactions on a basis other than on generally accepted accounting principles (GAAP). The actual results of operations are presented in the Budgetary Comparison Schedule in accordance with the City's budgetary process (budget basis) to provide a meaningful comparison of actual results with the budget. The legal level of budgetary control is by category for each department within each fund. The categories are wages/benefits, other, and capital outlay.

The major differences between budget basis and GAAP basis in the General Fund, the Community Learning Centers Fund, and Income Tax Capital Improvement Fund are:

1. Revenues are recorded when received in cash (budget) as opposed to susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are recorded as the equivalent of expenditures (budget) as opposed to restricted, committed or assigned fund balance (GAAP).

Recognition of certain revenues may be reclassified between funds to facilitate matching with the related expenditures.

	<u>General</u>	<u>Community Learning Centers</u>	<u>Income Tax Capital Improvement</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses (budgetary basis)	\$ 80,485	\$ 1,582,016	\$ (541,740)
Adjustments:			
To adjust revenues for accruals	(1,347,982)	57,562,780	90,568,513
To adjust expenditures for accruals	1,275,822	(23,537,555)	(90,782,791)
To adjust for encumbrances	<u>1,593,954</u>	<u>-</u>	<u>651,170</u>
Net change in fund balance (GAAP basis)	<u>\$ 1,602,279</u>	<u>\$ 35,607,241</u>	<u>\$ (104,848)</u>

Supplementary Information

**SUPPLEMENTARY
INFORMATION**

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - are used to account for types of resources for which specific uses are mandated by City ordinances or federal and state statutes. The title of the fund is descriptive of the activities accounted for therein. The non-major Special Revenue Funds are:

To Account for Special Purposes:

Income Tax Collection	Canal Park Stadium COPs
Emergency Medical Service	Downtown District Heating COPs
Special Assessment	Off-Street Parking COPs
Street and Highway Maintenance	Safety Programs
Tax Equivalency	City Facilities Operating
E.D.A. Revolving Loans	Various Purpose Funding
Joint Economic Development Districts	Deposits
Akron Muni. Court Information System	

Federal and/or State Statutes to Account for Grants and Subsidies:

Community Development	H.O.M.E. Program
Community Environment Grants	Police Grants
Akron Metro. Area Transportation Study	Health Grants

NON-MAJOR GOVERNMENTAL FUNDS (Continued)

Debt Service Funds - are used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest and related costs. The non-major Debt Service Funds are as follows:

General Bond Payment	Pension Obligation Refunding
Debt Service Bond Payment	JEDD Bond Payment
Main Place Bond Payment	Income Tax Bond Payment
Downtown Hotel Bond Payment	Taxable Revenue Bond Payment
Non-Tax Revenue Bond Payment	

Capital Project Funds – are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The non-major Capital Projects Funds are as follows:

To Account for Grant Revenue and Other Funding Sources:

Information Technology and Improvements	Public Parking
Parks and Recreation	Economic Development
Public Facilities and Improvements	

City of Akron, Ohio
 Combining Balance Sheet - Non-Major Governmental Funds
 December 31, 2014

B-1

	Special Revenue Funds						Akron		
	Income Tax Collection	Emergency Medical Service	Special Assessment	Street and Highway Maintenance	Community Development	Community Environment Grants	Metro. Area Transportation Study	HOME Program	Tax Equivalency
Assets									
Pooled cash and investments	\$ 1,271,934	\$ 23,283	\$ 5,193,580	\$ 48,071	\$ 1,821,967	\$ 387,627	\$ 316	\$ 843,283	\$ 4,011,492
Restricted cash and investments	-	-	-	-	-	-	-	-	-
Receivables, net of allowances for uncollectibles	-	9,060,523	1,038	4,121,966	42,082	-	-	-	-
Loans receivable	-	-	-	-	-	319,238	-	3,502,877	-
Due from other governments	-	-	-	-	939,864	56,322	129,564	843,283	-
Due from other funds	1,111,761	835	-	65,194	29,859	-	832	-	-
Assets held for resale	-	-	-	-	-	-	-	-	-
Total assets	\$ 2,383,695	\$ 9,084,641	\$ 5,194,618	\$ 4,235,231	\$ 2,833,772	\$ 763,187	\$ 130,712	\$ 5,189,443	\$ 4,011,492
Liabilities									
Accounts payable	\$ 33,623	\$ 29,379	\$ 815,719	\$ 51,138	\$ 218,991	\$ 103,924	\$ 21,347	\$ 15,526	\$ 607
Deposits	-	-	-	-	-	-	101,000	-	-
Advances from other funds	-	-	-	-	32,223	-	-	-	-
Due to other governments	-	-	-	-	8,623	-	-	-	10,128
Due to other funds	64,353	18,818	151,397	113,768	-	13,564	5,086	-	-
Due to others	-	-	-	-	-	-	-	-	-
Accrued liabilities	10,319	211,859	46,606	40,496	12,418	362	9,113	-	-
Accrued wages	48,578	192,601	195,064	163,418	41,595	1,128	32,388	-	-
Accrued vacation and leave	11,848	-	11,463	15,089	-	-	-	-	-
Special assessment notes	-	-	13,000,000	-	-	-	-	-	-
Total liabilities	168,721	452,657	14,220,249	383,909	313,850	118,978	168,934	15,526	10,735
Deferred Inflows of Resources									
	-	7,913,291	-	2,905,981	939,864	56,322	-	843,283	-
Fund balances									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	2,214,974	718,693	-	945,341	1,580,058	587,887	-	4,330,634	-
Committed	-	-	-	-	-	-	-	-	-
Unassigned	-	-	(9,025,631)	-	-	-	(38,222)	-	4,000,757
Total fund balances (deficits)	2,214,974	718,693	(9,025,631)	945,341	1,580,058	587,887	(38,222)	4,330,634	4,000,757
Total liabilities, deferred inflows and fund balances	\$ 2,383,695	\$ 9,084,641	\$ 5,194,618	\$ 4,235,231	\$ 2,833,772	\$ 763,187	\$ 130,712	\$ 5,189,443	\$ 4,011,492

City of Akron, Ohio
 Combining Balance Sheet - Non-Major Governmental Funds
 December 31, 2014

Special Revenue Funds										
	E.D.A. Revolving Loans	Joint Economic Development Districts	Joint Muni. Court Information System	Canal Park Stadium COPs	Downtown District Heating COPs	Off-Street Parking COPs	Police Grants	Safety Programs	Health Grants	
Assets										
Pooled cash and investments	\$ 54,139	\$ 473,352	\$ 1,097,561	\$ 2	\$ -	\$ -	\$ 184,229	\$ 1,671,221	\$ -	\$ -
Restricted cash and investments	-	-	-	154,874	1,338,408	4,120,050	-	-	-	-
Receivables, net of allowances for uncollectibles	-	3,070,603	18,500	-	-	-	-	227,078	-	-
Loans receivable	-	18,000	-	-	-	-	471,238	814,898	-	-
Due from other governments	-	-	2,888	-	-	-	24,887	7,241	-	-
Due from other funds	-	-	-	-	-	-	-	-	-	-
Assets held for resale	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 54,139	\$ 3,561,955	\$ 1,118,949	\$ 154,876	\$ 1,338,408	\$ 4,120,050	\$ 680,354	\$ 2,720,438	\$ -	\$ -
Liabilities										
Accounts payable	-	139,461	806	-	-	-	1,640	476,114	-	-
Deposits	-	-	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	220,000	41,500	-	-
Due to other governments	-	868,697	-	-	-	-	-	-	-	-
Due to other funds	-	20,381	5,348	-	-	-	103,211	-	-	-
Due to others	-	42,290	-	-	-	-	-	-	-	-
Accrued liabilities	-	4,640	-	-	-	-	21,397	88,508	-	-
Accrued wages	-	17,966	-	-	-	-	46,651	125,307	-	-
Accrued vacation and leave	-	-	-	-	-	-	-	-	-	-
Special assessment notes	-	-	-	-	-	-	-	-	-	-
Total liabilities	-	1,093,435	6,154	-	-	-	392,899	731,429	-	-
Deferred Inflows of Resources										
	-	1,499,480	-	-	-	-	385,038	269,410	-	-
Fund balances										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	54,139	969,040	1,112,795	154,876	1,338,408	4,120,050	-	1,719,599	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(97,583)	-	-	-
Total fund balances (deficits)	\$ 54,139	\$ 969,040	\$ 1,112,795	\$ 154,876	\$ 1,338,408	\$ 4,120,050	\$ (97,583)	\$ 1,719,599	\$ -	\$ -
Total liabilities, deferred inflows and fund balances	\$ 54,139	\$ 3,561,955	\$ 1,118,949	\$ 154,876	\$ 1,338,408	\$ 4,120,050	\$ 680,354	\$ 2,720,438	\$ -	\$ -

City of Akron, Ohio
 Combining Balance Sheet - Non-Major Governmental Funds
 December 31, 2014

	Special Revenue Funds				Debt Service Funds				Pension Obligation Refunding
	City Facilities Operating	Various Purpose Funding	Deposits	General Bond Payment	Debt Service Bond Payment	Main Place Bond Payment	Downtown Hotel Bond Payment	Non-Tax Revenue Bond Payment	
Assets									
Pooled cash and investments	\$ 442,711	\$ 5,834,936	\$ 882,808	\$ 135,377	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and investments	-	-	-	-	528,593	-	-	299,094	-
Receivables, net of allowances for uncollectibles	4,474	59,327	35,280	1,315,509	-	-	4	-	3
Loans receivable	-	-	-	-	-	-	-	-	-
Due from other governments	-	134,278	-	-	-	-	-	-	-
Due from other funds	765	-	-	315	-	-	-	-	-
Assets held for resale	-	-	-	-	-	-	-	-	-
Total assets	\$ 447,950	\$ 6,028,541	\$ 918,088	\$ 1,451,201	\$ 528,593	\$ -	\$ 4	\$ 299,094	\$ 3
Liabilities									
Accounts payable	\$ 213,617	\$ 9,897	\$ 20,871	\$ 17,847	\$ -	\$ -	\$ -	\$ -	\$ -
Deposits	-	-	335,186	-	-	-	-	-	-
Advances from other funds	-	135,000	-	-	-	-	-	-	-
Due to other governments	22,211	-	-	-	-	-	-	-	-
Due to other funds	95	120	4,129	333	-	-	-	-	-
Due to others	466,112	-	547,623	-	-	-	-	-	-
Accrued liabilities	-	29,213	-	3,207	-	-	-	-	-
Accrued wages	-	-	-	11,454	-	-	-	-	-
Accrued vacation and leave	-	-	-	-	-	-	-	-	-
Special assessment notes	-	-	-	-	-	-	-	-	-
Total liabilities	702,035	174,230	907,809	32,841	-	-	-	-	-
Deferred Inflows of Resources									
	-	27,240	-	1,186,995	-	-	-	-	-
Fund balances									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	5,749,341	10,279	231,365	528,593	-	4	299,094	3
Committed	-	77,730	-	-	-	-	-	-	-
Unassigned	(254,085)	-	-	-	-	-	-	-	-
Total fund balances (deficits)	(254,085)	5,827,071	10,279	231,365	528,593	-	4	299,094	3
Total liabilities, deferred inflows and fund balances	\$ 447,950	\$ 6,028,541	\$ 918,088	\$ 1,451,201	\$ 528,593	\$ -	\$ 4	\$ 299,094	\$ 3

City of Akron, Ohio
 Combining Balance Sheet - Non-Major Governmental Funds
 December 31, 2014

	Capital Project Funds									
	Debt Service Funds		Income Tax Bond Payment		Taxable Revenue Bond Payment		Information Technology and Improvements		Public Facilities and Improvements	
	JEDD Bond Payment									
Assets										
Pooled cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and investments	5,874	1,206,865	1,701,713	45,963	123,525	1,786,553	1,963,618	2,975,531	31,273,079	
Receivables, net of allowances for uncollectibles	-	-	-	-	-	-	-	-	-	9,355,478
Loans receivable	-	-	-	-	-	-	-	-	-	17,956,380
Due from other governments	-	-	-	-	29,925	-	-	13,500,202	-	17,340,317
Due from other funds	-	-	-	-	-	-	-	598,814	-	4,018,186
Assets held for resale	-	-	-	-	-	-	-	4,786,232	-	1,244,577
Total assets	\$ 5,874	\$ 1,206,865	\$ 1,701,713	\$ 45,963	\$ 153,450	\$ 1,786,553	\$ 1,963,618	\$ 21,860,779	\$ 85,974,249	
Liabilities										
Accounts payable	\$ -	\$ -	\$ -	\$ 81	\$ 6,328	\$ 367,303	\$ 29,208	\$ 64,703	\$ 2,638,130	
Deposits	-	-	-	-	-	-	-	-	335,186	
Advances from other funds	-	-	-	-	-	-	-	-	497,500	
Due to other governments	-	-	-	-	7,887	-	-	5,219,918	6,161,064	
Due to other funds	-	-	-	-	924	10,482	3,666	24,953	549,251	
Due to others	-	-	-	-	-	-	-	857,785	1,913,810	
Accrued liabilities	-	-	-	-	-	249,337	21,011	-	748,486	
Accrued wages	-	-	-	-	-	-	-	-	876,150	
Accrued vacation and leave	-	-	-	-	-	-	-	-	38,400	
Special assessment notes	-	-	-	-	-	-	-	-	13,000,000	
Total liabilities	-	-	-	81	15,139	627,122	53,885	6,167,359	26,757,977	
Deferred Inflows of Resources										
Nonspendable	-	-	-	-	29,925	-	-	4,379,620	20,436,449	
Restricted	5,874	1,206,865	1,701,713	-	-	-	-	4,786,232	4,786,232	
Committed	-	-	-	45,882	108,386	1,159,431	1,909,733	6,527,568	13,829,487	
Unassigned	-	-	-	-	-	-	-	-	(9,415,521)	
Total fund balances (deficits)	\$ 5,874	\$ 1,206,865	\$ 1,701,713	\$ 45,882	\$ 108,386	\$ 1,159,431	\$ 1,909,733	\$ 11,313,800	\$ 38,779,823	
Total liabilities, deferred inflows and fund balances	\$ 5,874	\$ 1,206,865	\$ 1,701,713	\$ 45,963	\$ 153,450	\$ 1,786,553	\$ 1,963,618	\$ 21,860,779	\$ 85,974,249	

City of Akron, Ohio
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
 For the Year Ended December 31, 2014

	Special Revenue Funds						Akron		HOME Program	Tax Equivalency
	Income Tax Collection	Emergency Medical Service	Special Assessment	Street and Highway Maintenance	Community Development	Community Environment Grants	Metro. Area Transportation Study			
Revenues										
Income taxes	\$ 6,454,434	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000
Property taxes	-	6,357,210	-	-	-	-	-	-	-	-
JEDD revenues	-	-	-	-	-	-	-	-	-	-
Special assessments	-	-	30,667,644	-	-	-	-	-	-	-
Grants and subsidies	-	-	-	-	7,563,975	884,962	1,523,082	1,015,849	-	-
Investment earnings	-	1,499	72	1,042	3,009	3,195	-	3,465	-	-
Shared revenues	-	1,312,467	-	8,367,557	-	-	-	-	-	10,666,998
Licenses, fees and fines	171,968	-	6,676	70,347	169,287	-	98,420	-	-	-
Charges for services	-	2,046,918	99,200	1,929,474	-	-	-	-	-	-
Miscellaneous	10,655	63,241	91,516	113,710	2,372,523	11	162,953	63,473	-	3,166
	6,637,057	9,781,335	30,865,108	10,482,130	10,108,794	888,168	1,784,455	1,082,787	-	10,675,164
Expenditures										
Current:										
General government	4,829,496	14,833	1,370,693	105,438	1,759	-	978	-	-	-
Public service	-	-	25,957,905	9,174,889	704,604	-	-	605	-	10,750
Public safety	-	10,246,877	-	-	-	-	-	-	-	-
Community environment	-	-	1,377,903	-	7,763,322	944,283	1,785,673	598,807	-	3,444,466
Public health	-	-	-	-	-	-	-	-	-	-
Recreation and parks	-	-	-	-	-	-	-	-	-	10,128
Debt service:										
Principal retirement	-	11,550	2,141,231	903,532	56,638	-	-	-	-	4,049,354
Interest	-	2,294	446,462	-	-	-	-	-	-	1,190,591
Bond issuance expenditures	-	-	36,500	-	-	-	-	-	-	-
	4,829,496	10,275,554	31,330,694	10,183,859	8,526,323	944,283	1,786,651	599,412	-	8,705,289
Excess (deficiency) of revenues over (under) expenditures	1,807,561	(494,219)	(465,586)	298,271	1,582,471	(56,115)	(2,196)	483,375	-	1,969,875
Other financing sources (uses)										
Issuance of bonds	-	-	-	-	-	-	-	-	-	-
Premium on G.O. debt	-	-	-	-	-	-	-	-	-	-
Original bond issue discount	-	-	-	-	-	-	-	-	-	-
Issuance of refunding obligations	-	-	-	-	-	-	-	-	-	-
Issuance of capital lease	-	-	84,886	-	-	-	-	-	-	-
Transfers-in	-	1,150,000	-	-	-	-	-	-	-	-
	-	1,150,000	84,886	-	-	-	-	-	-	-
Net change in fund balances	1,807,561	655,781	(380,700)	298,271	1,582,471	(56,115)	(2,196)	483,375	-	1,969,875
Fund balances (deficit), January 1, 2014, as restated	407,413	62,912	(8,644,931)	647,070	(2,413)	644,002	(36,026)	3,847,259	-	2,030,882
Fund balances (deficit), December 31, 2014	\$ 2,214,974	\$ 718,693	\$ (9,025,631)	\$ 945,341	\$ 1,580,058	\$ 587,887	\$ (38,222)	\$ 4,330,634	\$ -	\$ 4,000,757

City of Akron, Ohio
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
 For the Year Ended December 31, 2014

Special Revenue Funds										
	E.D.A. Revolving Loans	Joint Economic Development Districts	Akron Muni. Court Information System	Canal Park Stadium COPs	Downtown District Heating COPs	Off-Street Parking COPs	Police Grants	Safety Programs	Health Grants	
Revenues										
Income taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,487,762	\$ -	
Property taxes	-	-	-	-	-	-	-	-	-	
JEDD revenues	-	11,095,933	-	-	-	-	-	-	-	
Special assessments	-	-	-	-	-	-	-	-	-	
Grants and subsidies	-	-	-	-	-	-	1,895,232	7,090,267	280,739	
Investment earnings	643	-	-	177	3,007	4,154	361	2,667	-	
Shared revenues	-	-	-	-	-	-	-	796,259	-	
Licenses, fees and fines	-	4,456	215,157	-	-	-	308,668	444,481	-	
Charges for services	-	959,506	18,500	-	-	-	-	1,797,990	-	
Miscellaneous	1,022	848,663	-	20,000	-	-	11,599	215,788	-	
	1,665	12,908,558	233,657	20,177	3,007	4,154	2,215,860	12,835,214	280,739	
Expenditures										
Current:										
General government	1	6,558,548	131,367	2,287,000	-	4,458	-	101	-	
Public service	-	1,733,064	5,348	-	1,352,459	-	-	12,804	-	
Public safety	-	-	-	-	-	-	2,253,005	13,691,797	-	
Community environment	-	748,144	-	-	-	-	-	-	-	
Public health	-	-	-	-	-	-	-	-	-	
Recreation and parks	-	99,585	-	-	-	-	-	-	280,739	
Debt service:										
Principal retirement	-	2,604,885	-	-	-	-	-	-	-	
Interest	-	1,764,214	-	-	-	-	-	-	-	
Bond issuance expenditures	-	3,300	-	-	-	-	-	-	-	
	1	13,511,740	136,715	2,287,000	1,352,459	4,458	2,253,005	13,704,702	280,739	
	1,664	(603,182)	96,942	(2,266,823)	(1,349,452)	(304)	(37,145)	(869,488)	-	
Excess (deficiency) of revenues over (under) expenditures										
Other financing sources (uses)										
Issuance of bonds	-	-	-	-	-	-	-	-	-	
Premium on G.O. debt	-	-	-	-	-	-	-	-	-	
Original bond issue discount	-	-	-	-	-	-	-	-	-	
Issuance of refunding obligations	-	-	-	-	-	-	-	-	-	
Issuance of capital lease	-	-	-	-	-	-	-	-	-	
Transfers-in	-	-	-	-	-	-	-	-	-	
	1,664	(603,182)	96,942	(2,266,823)	(1,349,452)	(304)	(37,145)	(869,488)	-	
Net change in fund balances	52,475	1,572,222	1,015,853	2,421,699	2,687,860	4,120,354	(60,438)	2,589,087	-	
Fund balances (deficit), January 1, 2014, as restated	\$ 54,139	\$ 969,040	\$ 1,112,795	\$ 154,876	\$ 1,338,408	\$ 4,120,050	\$ (97,583)	\$ 1,719,599	\$ -	
Fund balances (deficit), December 31, 2014										

City of Akron, Ohio
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
 For the Year Ended December 31, 2014

	Special Revenue Funds			Debt Service Funds					Pension Obligation Refunding
	City Facilities Operating	Various Purpose Funding	Deposits	General Bond Payment	Debt Service Bond Payment	Main Place Bond Payment	Downtown Hotel Bond Payment	Non-Tax Revenue Bond Payment	
Revenues	\$	- \$	45,000 \$	- \$	- \$	77,829 \$	- \$	- \$	-
Income taxes	-	-	-	-	-	-	-	-	-
Property taxes	-	-	-	1,037,509	-	-	-	-	-
JEDD revenues	100,000	-	-	-	-	-	-	-	-
Special assessments	299,209	-	-	-	-	-	-	-	-
Grants and subsidies	-	1,403,125	-	-	-	-	-	-	-
Investment earnings	886	152	1	-	-	4,590	-	-	1
Shared revenues	-	-	-	196,869	-	-	-	-	-
Licenses, fees and fines	581,198	980,686	-	-	-	-	-	-	-
Charges for services	2,990	59,327	-	-	-	-	-	-	-
Miscellaneous	1,960,887	70,588	336,873	3,415	11,273	-	-	694	-
	2,945,170	2,558,878	336,874	1,237,793	11,273	82,419	-	694	1
Expenditures									
Current:									
General government	108,218	46,762	374,514	588,366	4,405	-	-	-	-
Public service	4,136,437	2,994	-	-	-	-	-	-	-
Public safety	-	100,000	-	-	-	-	-	-	-
Community environment	125,973	51,138	-	-	-	-	-	-	-
Public health	-	-	-	-	-	-	-	-	-
Recreation and parks	3,531	1,600,537	-	-	-	-	-	-	-
Debt service:									
Principal retirement	1,000,000	-	-	620,318	258,763	141,488	-	1,000,000	-
Interest	15,631	-	-	319,534	27,647	156,954	-	-	-
Bond issuance expenditures	-	-	-	-	-	-	-	-	-
	5,389,790	1,801,431	374,514	1,528,218	290,815	298,442	-	1,000,000	-
	(2,444,620)	757,447	(37,640)	(290,425)	(279,542)	(216,023)	-	(999,306)	1
Excess (deficiency) of revenues over (under) expenditures									
Other financing sources (uses)									
Issuance of bonds	-	-	-	-	910	-	-	-	-
Premium on G.O. debt	-	-	-	-	-	-	-	-	-
Original bond issue discount	-	-	-	-	-	-	-	-	-
Issuance of refunding obligations	-	-	-	4,399	-	-	-	245	-
Issuance of capital lease	-	-	-	-	-	-	-	-	-
Transfers-in	1,577,000	-	-	-	-	-	-	-	-
	1,577,000	-	-	4,399	910	-	-	245	-
	(867,620)	757,447	(37,640)	(286,026)	(278,632)	(216,023)	-	(999,061)	1
Net change in fund balances									
Fund balances (deficit), January 1, 2014, as restated	613,535	5,069,624	47,919	517,391	807,225	216,023	4	1,298,155	2
Fund balances (deficit), December 31, 2014	\$ (254,085)	\$ 5,827,071	\$ 10,279	\$ 231,365	\$ 528,593	\$ -	\$ 4	\$ 299,094	\$ 3

City of Akron, Ohio
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
 For the Year Ended December 31, 2014

	Capital Projects Funds										Total
	Debt Service Funds	JEDD Bond Payment	Income Tax Bond Payment	Taxable Revenue Bond Payment	Information Technology and Improvements	Parks and Recreation	Public Facilities and Improvements	Public Parking	Economic Development		
Revenues											
Income taxes		\$ -	\$ -	\$ -	\$ 46,629	\$ -	\$ 2,704,241	\$ -	\$ -	\$ -	\$ 11,820,895
Property taxes		-	-	-	-	-	-	-	-	-	7,394,719
JEDD revenues		-	-	-	-	-	-	-	-	-	11,195,933
Special assessments		-	-	-	-	-	-	-	-	-	30,966,853
Grants and subsidies		-	-	-	-	169,540	39,991	-	-	4,024,790	25,891,552
Investment earnings	4	-	-	4,707	-	-	-	-	-	57,288	90,920
Shared revenues		-	-	-	-	-	21,977	-	-	-	21,362,127
Licenses, fees and fines		-	-	-	-	-	-	-	-	1	3,051,345
Charges for services		-	-	-	-	-	-	-	-	-	6,913,905
Miscellaneous		4,432	4,432	-	1,020	-	30,250	-	3,179	1,245,139	7,646,070
	4	4,432	4,707	4,707	47,649	169,540	2,796,459	3,179	3,179	5,327,218	126,334,319
Expenditures											
Current:											
General government		-	-	5,401	13,380	-	138,468	-	-	-	16,584,186
Public service		-	-	-	-	-	3,146,899	-	319,153	880,661	47,438,572
Public safety		-	-	-	-	-	247,667	-	77	-	26,539,423
Community environment		-	-	-	-	167,091	24,195	-	-	7,093,168	24,124,163
Public health		-	-	-	-	-	-	-	-	-	280,739
Recreation and parks		-	-	-	-	937,927	199,153	-	-	698	2,851,559
Debt service:											
Principal retirement		-	-	-	-	-	-	-	-	-	12,787,759
Interest		-	-	-	-	6,437	-	-	-	72,456	4,002,220
Bond issuance expenditures		-	-	-	13,031	-	24,435	-	-	103,093	180,359
	-	-	5,401	5,401	13,380	1,124,486	3,780,817	319,230	319,230	8,150,076	134,788,980
Excess (deficiency) of revenues over (under) expenditures	4	4,432	(694)	(694)	34,269	(954,946)	(984,358)	(316,051)	(316,051)	(2,822,858)	(8,454,661)
Other financing sources (uses)											
Issuance of bonds		-	-	-	-	1,333,125	2,500,000	-	-	9,955,572	13,789,607
Premium on G.O. debt		-	1,164,618	-	-	88,485	36,218	-	-	407,748	1,697,069
Original bond issue discount		-	-	-	-	(6,632)	(11,858)	-	-	(78,758)	(97,248)
Issuance of refunding obligations		-	-	-	-	-	-	-	-	4,644	4,644
Issuance of capital lease		-	-	-	-	-	-	-	-	-	84,886
Transfers-in		-	-	-	-	-	-	-	-	-	2,727,000
	-	1,164,618	-	-	-	1,414,978	2,524,360	-	-	10,284,562	18,205,958
Net change in fund balances	4	1,169,050	(694)	(694)	34,269	460,032	1,540,002	(316,051)	(316,051)	7,461,704	9,751,297
Fund balances (deficit), January 1, 2014, as restated	5,870	37,815	1,702,407	1,702,407	11,613	(351,646)	(380,571)	2,225,784	3,852,096	29,028,526	
Fund balances (deficit), December 31, 2014	5,874	\$ 1,206,865	\$ 1,701,713	\$ 1,701,713	\$ 45,882	\$ 108,386	\$ 1,159,431	\$ 1,909,733	\$ 11,313,800	\$ 38,779,823	

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Income Tax Collection Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Income taxes	\$ 5,466,220	\$ 5,466,220	\$ 4,119,845
Miscellaneous revenues	133,780	133,780	182,622
	<u>5,600,000</u>	<u>5,600,000</u>	<u>4,302,467</u>
Other sources:			
Previous year's encumbrances	443,172	443,172	443,172
Total revenues and other sources	6,043,172	6,043,172	4,745,639
Expenditures			
Finance:			
Wages/benefits	1,736,640	1,736,640	1,661,028
Other	4,627,718	4,627,718	3,253,301
Capital outlay	258,604	258,604	258,604
Total expenditures	6,622,962	6,622,962	5,172,933
Deficiency of revenues and other sources over expenditures	(579,790)	(579,790)	(427,294)
Fund balance, January 1, 2014	1,333,083	1,333,083	1,333,083
Fund balance, December 31, 2014	<u>\$ 753,293</u>	<u>\$ 753,293</u>	<u>\$ 905,789</u>

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Emergency Medical Services Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Property taxes	\$ 7,454,932	\$ 7,454,932	\$ 7,263,602
Transport billing	-	1,575,000	1,817,158
Other revenue	-	-	64,741
	<u>7,454,932</u>	<u>9,029,932</u>	<u>9,145,501</u>
Other sources:			
General fund subsidy	1,700,000	1,700,000	1,150,000
Previous year's encumbrances	79,124	79,124	79,124
	<u>1,779,124</u>	<u>1,779,124</u>	<u>1,229,124</u>
Total revenues and other sources	9,234,056	10,809,056	10,374,625
Expenditures			
Fire:			
Wages/benefits	7,813,490	9,338,490	9,131,695
Other	1,301,494	1,426,494	1,303,290
	<u>9,114,984</u>	<u>10,764,984</u>	<u>10,434,985</u>
Excess (deficiency) of revenues and other sources over expenditures	119,072	44,072	(60,360)
Fund deficit, January 1, 2014	(42,446)	(42,446)	(42,446)
Fund balance (deficit), December 31, 2014	<u>\$ 76,626</u>	<u>\$ 1,626</u>	<u>\$ (102,806)</u>

Note: Included in Miscellaneous revenues above is transfers in of \$1,150,000.

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Special Assessment Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Special assessments	\$ 14,206,210	\$ 18,274,010	\$ 18,152,323
Service revenues	129,150	166,130	107,163
Miscellaneous revenues	47,350	60,910	204,264
	<u>14,382,710</u>	<u>18,501,050</u>	<u>18,463,750</u>
Other sources:			
Note/Bond proceeds	10,762,290	13,843,950	13,000,000
Previous year's encumbrances	1,065,169	1,065,169	1,065,169
	<u>11,827,459</u>	<u>14,909,119</u>	<u>14,065,169</u>
Total revenues and other sources	26,210,169	33,410,169	32,528,919
Expenditures			
Finance:			
Wages/benefits	428,360	428,360	368,651
Other	4,199,320	4,199,320	3,847,846
	<u>4,627,680</u>	<u>4,627,680</u>	<u>4,216,497</u>
Planning:			
Other	708,211	1,123,211	1,076,804
Public Service:			
Wages/benefits	3,452,100	5,452,100	5,124,541
Other	19,644,088	23,644,088	21,610,080
Capital outlay	65,965	1,965,965	1,461,583
	<u>23,162,153</u>	<u>31,062,153</u>	<u>28,196,204</u>
Neighborhood Assistance:			
Wages/benefits	206,700	216,700	212,230
Other	615,955	715,955	660,701
Capital outlay	9,500	9,500	9,500
	<u>832,155</u>	<u>942,155</u>	<u>882,431</u>
Total expenditures	29,330,199	37,755,199	34,371,936
Deficiency of revenues and other sources over expenditures	(3,120,030)	(4,345,030)	(1,843,017)
Fund balance, January 1, 2014	4,354,607	4,354,607	4,354,607
Fund balance, December 31, 2014	<u>\$ 1,234,577</u>	<u>\$ 9,577</u>	<u>\$ 2,511,590</u>

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Police Pension Employer's Liability Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues			
Property taxes	\$ 798,743	\$ 798,743	\$ 804,585
Total revenues	798,743	798,743	804,585
Expenditures			
Police:			
Wages/benefits	400,000	400,000	400,000
Other	395,000	395,000	375,457
Total expenditures	795,000	795,000	775,457
Excess of revenues over expenditures	3,743	3,743	29,128
Fund balance, January 1, 2014	1,587	1,587	1,587
Fund balance, December 31, 2014	\$ 5,330	\$ 5,330	\$ 30,715

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Fire Pension Employer's Liability Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues			
Property taxes	\$ 798,743	\$ 798,743	\$ 804,585
Total revenues	798,743	798,743	804,585
Expenditures			
Fire:			
Wages/benefits	400,000	400,000	400,000
Other	395,000	395,000	375,457
Total expenditures	795,000	795,000	775,457
Excess of revenues over expenditures	3,743	3,743	29,128
Fund balance, January 1, 2014	1,587	1,587	1,587
Fund balance, December 31, 2014	\$ 5,330	\$ 5,330	\$ 30,715

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Street and Highway Maintenance Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2014

	Budgeted Amounts		
	Original	Final	Actual Amounts
Revenues and other sources			
Revenues:			
Gasoline tax	\$ 4,733,970	\$ 5,457,990	\$ 5,142,766
Motor vehicle license tax	2,513,400	2,897,800	3,177,503
Service revenues	146,410	168,800	269,765
Transfer from State of Ohio	1,220,100	1,406,700	1,929,474
Miscellaneous revenues	122,010	140,670	185,760
	<u>8,735,890</u>	<u>10,071,960</u>	<u>10,705,268</u>
Other sources:			
General fund subsidy	1,464,110	1,688,040	-
Previous year's encumbrances	153,036	153,036	153,036
	<u>1,617,146</u>	<u>1,841,076</u>	<u>153,036</u>
Total revenues and other sources	10,353,036	11,913,036	10,858,304
Expenditures			
Public safety:			
Other	-	905,000	903,532
Public Service:			
Wages/benefits	6,498,660	6,948,660	6,314,962
Other	3,635,688	3,905,688	3,736,827
Capital outlay	1,808	1,808	-
	<u>10,136,156</u>	<u>10,856,156</u>	<u>10,051,789</u>
Total expenditures	10,136,156	11,761,156	10,955,321
Excess (deficiency) of revenues and other sources over expenditures	216,880	151,880	(97,017)
Fund deficit, January 1, 2014	(147,644)	(147,644)	(147,644)
Fund balance (deficit), December 31, 2014	<u>\$ 69,236</u>	<u>\$ 4,236</u>	<u>\$ (244,661)</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Community Development Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Governmental revenues	\$ 6,441,710	\$ 8,216,710	\$ 8,899,158
Service revenues	322,090	410,840	46,354
Miscellaneous revenues	736,200	939,050	1,228,987
	<u>7,500,000</u>	<u>9,566,600</u>	<u>10,174,499</u>
Other sources:			
Previous year's encumbrances	493,808	493,808	493,808
Total revenues and other sources	7,993,808	10,060,408	10,668,307
Expenditures			
Department Wide:			
Wages/benefits	2,099,080	2,099,080	1,859,720
Other	5,995,398	7,995,398	7,470,958
Total expenditures	8,094,478	10,094,478	9,330,678
Excess (deficiency) of revenues and other sources over expenditures	(100,670)	(34,070)	1,337,629
Fund balance, January 1, 2014	132,052	132,052	132,052
Fund balance, December 31, 2014	<u>\$ 31,382</u>	<u>\$ 97,982</u>	<u>\$ 1,469,681</u>

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Community Environment Grants Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues			
Governmental revenues	\$ -	\$ -	\$ 884,963
Miscellaneous revenues	35,000	1,060,000	23,513
Total revenues	35,000	1,060,000	908,476
Expenditures			
Department Wide:			
Wages/benefits	-	20,000	12,190
Other	50,000	1,130,000	857,652
Total expenditures	50,000	1,150,000	869,842
Excess (deficiency) of revenues over expenditures	(15,000)	(90,000)	38,634
Fund balance, January 1, 2014	348,993	348,993	348,993
Fund balance, December 31, 2014	<u>\$ 333,993</u>	<u>\$ 258,993</u>	<u>\$ 387,627</u>

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Akron Metropolitan Area Transportation Study Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Federal/State grants	\$ 1,688,680	\$ 1,735,850	\$ 1,655,852
Service revenues	4,820	4,960	7,920
Miscellaneous revenues	96,500	99,190	109,227
	<u>1,790,000</u>	<u>1,840,000</u>	<u>1,772,999</u>
Other sources:			
Previous year's encumbrances	24,898	24,898	24,898
Total revenues and other sources	1,814,898	1,864,898	1,797,897
Expenditures			
Planning:			
Wages/benefits	1,400,880	1,400,880	1,361,823
Other	413,298	463,298	438,393
Total expenditures	1,814,178	1,864,178	1,800,216
Excess (deficiency) of revenues and other sources over expenditures	720	720	(2,319)
Fund balance, January 1, 2014	311	311	311
Fund balance (deficit), December 31, 2014	<u>\$ 1,031</u>	<u>\$ 1,031</u>	<u>\$ (2,008)</u>

Note: Included in Miscellaneous revenues above are advances of \$101,000.

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
H.O.M.E. Program Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues			
Governmental revenues	\$ 1,012,860	\$ 1,012,860	\$ 899,059
Miscellaneous revenues	37,140	37,140	66,938
Total revenues	1,050,000	1,050,000	965,997
Expenditures			
Department Wide:			
Wages/benefits	100,000	100,000	-
Other	1,500,000	1,500,000	947,525
Total expenditures	1,600,000	1,600,000	947,525
Excess (deficiency) of revenues over expenditures	(550,000)	(550,000)	18,472
Fund balance, January 1, 2014	824,811	824,811	824,811
Fund balance, December 31, 2014	<u>\$ 274,811</u>	<u>\$ 274,811</u>	<u>\$ 843,283</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Tax Equivalency Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2014

	Budgeted Amounts		
	Original	Final	Actual Amounts
Revenues and other sources			
Revenues:			
Taxes and assessments	\$ 6,046,100	\$ 9,393,940	\$ 10,666,998
Income taxes	-	-	5,000
Miscellaneous revenues	3,900	6,060	4,673
	<u>6,050,000</u>	<u>9,400,000</u>	<u>10,676,671</u>
Other sources:			
Previous year's encumbrances	26,596	26,596	26,596
Total revenues and other sources	6,076,596	9,426,596	10,703,267
Expenditures			
Department Wide:			
Other	7,050,000	12,040,000	9,314,710
Capital outlay	26,596	36,596	34,417
Total expenditures	7,076,596	12,076,596	9,349,127
Excess (deficiency) of revenues and other sources over expenditures	(1,000,000)	(2,650,000)	1,354,140
Fund balance, January 1, 2014	<u>2,657,352</u>	<u>2,657,352</u>	<u>2,657,352</u>
Fund balance, December 31, 2014	<u>\$ 1,657,352</u>	<u>\$ 7,352</u>	<u>\$ 4,011,492</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
E.D.A. Revolving Loans Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Miscellaneous revenues	\$ 25,000	\$ 25,000	\$ 16,620
Total revenues	25,000	25,000	16,620
Expenditures			
Office of the Mayor:			
Other	-	50,000	-
Total expenditures	-	50,000	-
Excess (deficiency) of revenues over expenditures	25,000	(25,000)	16,620
Fund balance, January 1, 2014	37,519	37,519	37,519
Fund balance, December 31, 2014	\$ 62,519	\$ 12,519	\$ 54,139

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Joint Economic Development Districts Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2014

	Budgeted Amounts		
	Original	Final	Actual Amounts
Revenues and other sources			
Revenues:			
JEDD revenues	\$ 15,121,870	\$ 15,121,870	\$ 12,210,831
Service revenues	537,630	537,630	953,736
Miscellaneous revenues	340,500	340,500	829,750
	<u>16,000,000</u>	<u>16,000,000</u>	<u>13,994,317</u>
Other sources:			
Previous year's encumbrances	86,874	86,874	86,874
Total revenues and other sources	16,086,874	16,086,874	14,081,191
Expenditures			
Department Wide:			
Wages/benefits	295,600	295,600	293,610
Other	12,813,974	15,313,974	13,746,838
Total expenditures	13,109,574	15,609,574	14,040,448
Excess of revenues and other sources over expenditures	2,977,300	477,300	40,743
Fund balance, January 1, 2014	198,680	198,680	198,680
Fund balance, December 31, 2014	<u>\$ 3,175,980</u>	<u>\$ 675,980</u>	<u>\$ 239,423</u>

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Akron Municipal Court Information System Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Service revenues	\$ 350,000	\$ 350,000	\$ 237,690
Other sources:			
Previous year's encumbrances	53,583	53,583	53,583
Total revenues and other sources	403,583	403,583	291,273
Expenditures			
Court Clerk:			
Other	163,845	163,845	89,411
Judges:			
Other	254,738	254,738	92,073
Total expenditures	418,583	418,583	181,484
Excess (deficiency) of revenues and other sources over expenditures	(15,000)	(15,000)	109,789
Fund balance, January 1, 2014	971,225	971,225	971,225
Fund balance, December 31, 2014	\$ 956,225	\$ 956,225	\$ 1,081,014

City of Akron, Ohio

Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Public Health Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Miscellaneous revenues	\$ 300,000	\$ -	\$ -
Total revenues	300,000	-	-
Expenditures			
Total expenditures	-	-	-
Excess of revenues over expenditures	300,000	-	-
Fund balance, January 1, 2014	-	-	-
Fund balance, December 31, 2014	\$ 300,000	\$ -	\$ -

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Police Grants Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Governmental revenues	\$ 1,004,350	\$ 1,004,350	\$ 1,459,582
Miscellaneous revenues	1,095,650	1,095,650	238,334
	<u>2,100,000</u>	<u>2,100,000</u>	<u>1,697,916</u>
Other sources:			
Previous year's encumbrances	93,565	93,565	93,565
Total revenues and other sources	2,193,565	2,193,565	1,791,481
Expenditures			
Police:			
Wages/benefits	1,239,120	1,652,120	1,577,910
Other	155,665	797,665	699,994
Total expenditures	1,394,785	2,449,785	2,277,904
Excess (deficiency) of revenues and other sources over expenditures	798,780	(256,220)	(486,423)
Fund balance, January 1, 2014	<u>652,237</u>	<u>652,237</u>	<u>652,237</u>
Fund balance, December 31, 2014	<u>\$ 1,451,017</u>	<u>\$ 396,017</u>	<u>\$ 165,814</u>

Note: Included in Miscellaneous revenues above is a transfer in of \$220,000.

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Safety Programs Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2014

	Budgeted Amounts		
	Original	Final	Actual Amounts
Revenues and other sources			
Revenues:			
Governmental revenues	\$ 4,508,310	\$ 8,434,360	\$ 7,156,987
Income taxes	-	-	2,487,762
Service revenues	960,470	1,796,880	1,865,242
Miscellaneous revenues	431,220	806,760	240,865
	5,900,000	11,038,000	11,750,856
Other sources:			
Previous year's encumbrances	329,247	329,247	329,247
Total revenues and other sources	6,229,247	11,367,247	12,080,103
Expenditures			
Public Safety:			
Wages/benefits	335,300	2,335,300	2,335,140
Other	980,117	980,117	9,029
Capital Outlay	-	650,000	505,407
	1,315,417	3,965,417	2,849,576
Public Service:			
Other	-	20,000	12,950
Fire:			
Wages/benefits	5,030,630	7,030,630	6,992,606
Other	242,391	1,227,391	1,066,972
Capital outlay	668,001	668,001	667,803
	5,941,022	8,926,022	8,727,381
Police:			
Wages/benefits	1,305,100	1,705,100	1,640,208
Other	547,324	797,324	673,963
Capital outlay	150,404	300,404	165,235
	2,002,828	2,802,828	2,479,406
Total expenditures	9,259,267	15,714,267	14,069,313
Deficiency of revenues and other sources over expenditures	(3,030,020)	(4,347,020)	(1,989,210)
Fund balance, January 1, 2014	3,082,588	3,082,588	3,082,588
Fund balance (deficit), December 31, 2014	\$ 52,568	\$ (1,264,432)	\$ 1,093,378

Note: Included in Miscellaneous revenues above are advances of \$41,500.

City of Akron, Ohio

Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Health Grants Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Miscellaneous revenues	\$ -	\$ 20,000	\$ -
Total revenues	-	20,000	-
Expenditures			
Public health:			
Other	-	300,000	280,739
Total expenditures	-	300,000	280,739
Deficiency of revenues over expenditures	-	(280,000)	(280,739)
Fund balance, January 1, 2014	280,739	280,739	280,739
Fund balance, December 31, 2014	\$ 280,739	\$ 739	\$ -

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 City Facilities Operating Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2014

	Budgeted Amounts		
	Original	Final	Actual Amounts
Revenues and other sources			
Revenues:			
Income taxes	\$ 55,770	\$ 69,640	\$ -
JEDD revenues	390,400	487,510	100,000
Taxes and assessments	306,740	383,050	259,855
Governmental revenues	172,890	215,900	-
Service revenues	-	-	2,990
Miscellaneous revenues	4,099,200	5,118,900	2,590,549
	<u>5,025,000</u>	<u>6,275,000</u>	<u>2,953,394</u>
Other sources:			
General fund subsidy	-	-	1,577,000
Previous year's encumbrances	88,884	88,884	88,884
	<u>88,884</u>	<u>88,884</u>	<u>1,665,884</u>
Total revenues and other sources	5,113,884	6,363,884	4,619,278
Expenditures			
Department Wide:			
Other	4,557,534	7,457,534	5,350,133
Total expenditures	4,557,534	7,457,534	5,350,133
Excess (deficiency) of revenues and other sources over expenditures	556,350	(1,093,650)	(730,855)
Fund balance, January 1, 2014	1,093,682	1,093,682	1,093,682
Fund balance, December 31, 2014	<u>\$ 1,650,032</u>	<u>\$ 32</u>	<u>\$ 362,827</u>

Note: Included in Miscellaneous revenues above is a transfer in of \$1,577,000.

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Various Purpose Funding Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2014

	Budgeted Amounts		
	Original	Final	Actual Amounts
Revenues and other sources			
Revenues:			
Income taxes	\$ 62,410	\$ 88,290	\$ 45,000
Governmental revenues	1,164,920	1,648,130	1,482,510
Service revenues	628,230	888,820	785,174
Miscellaneous revenues	374,440	529,760	275,986
	<u>2,230,000</u>	<u>3,155,000</u>	<u>2,588,670</u>
Other sources:			
Previous year's encumbrances	31,034	31,034	31,034
	<u>31,034</u>	<u>31,034</u>	<u>31,034</u>
Total revenues and other sources	2,261,034	3,186,034	2,619,704
Expenditures			
Department Wide:			
Wages/benefits	32,500	132,500	128,367
Other	1,676,034	2,276,034	1,876,709
	<u>1,708,534</u>	<u>2,408,534</u>	<u>2,005,076</u>
Total expenditures	1,708,534	2,408,534	2,005,076
Excess of revenues and other sources over expenditures	552,500	777,500	614,628
Fund balance, January 1, 2014	5,192,602	5,192,602	5,192,602
	<u>5,192,602</u>	<u>5,192,602</u>	<u>5,192,602</u>
Fund balance, December 31, 2014	<u>\$ 5,745,102</u>	<u>\$ 5,970,102</u>	<u>\$ 5,807,230</u>

Note: Included in Miscellaneous revenues above are advances of \$135,000.

City of Akron, Ohio

Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Deposits Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Miscellaneous revenues	\$ 750,000	\$ 750,000	\$ 349,512
Total revenues	750,000	750,000	349,512
Expenditures			
Finance:			
Other	886,950	886,950	395,701
Total expenditures	886,950	886,950	395,701
Deficiency of revenues over expenditures	(136,950)	(136,950)	(46,189)
Fund balance, January 1, 2014	928,998	928,998	928,998
Fund balance, December 31, 2014	\$ 792,048	\$ 792,048	\$ 882,809

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 General Bond Payment Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Property taxes	\$ 1,118,240	\$ 1,118,240	\$ 1,173,467
Miscellaneous revenues	-	5,000	3,416
	<u>1,118,240</u>	<u>1,123,240</u>	<u>1,176,883</u>
Other sources:			
Note/Bond proceeds	-	-	4,399
Previous year's encumbrances	19,694	19,694	19,694
	<u>19,694</u>	<u>19,694</u>	<u>24,093</u>
Total revenues and other sources	1,137,934	1,142,934	1,200,976
Expenditures			
Finance:			
Wages/benefits	443,420	468,420	462,895
Other	1,031,364	1,131,364	1,072,940
	<u>1,474,784</u>	<u>1,599,784</u>	<u>1,535,835</u>
Total expenditures	1,474,784	1,599,784	1,535,835
Deficiency of revenues and other sources over expenditures	(336,850)	(456,850)	(334,859)
Fund balance, January 1, 2014	<u>456,952</u>	<u>456,952</u>	<u>456,952</u>
Fund balance, December 31, 2014	<u>\$ 120,102</u>	<u>\$ 102</u>	<u>\$ 122,093</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Streets Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues and other sources			
Revenues:			
Income taxes	\$ 495,070	\$ 495,070	\$ 422,222
Taxes and assessments	306,470	306,470	324,501
Governmental revenues	1,466,340	1,466,340	1,197,514
Miscellaneous revenues	2,121,700	2,121,700	720,605
	<u>4,389,580</u>	<u>4,389,580</u>	<u>2,664,842</u>
Other sources:			
Note/Bond proceeds	6,360,420	6,360,420	3,752,588
Previous year's encumbrances	318,903	318,903	318,903
	<u>6,679,323</u>	<u>6,679,323</u>	<u>4,071,491</u>
Total revenues and other sources	11,068,903	11,068,903	6,736,333
Expenditures			
Public Service:			
Wages/benefits	163,260	213,260	193,849
Other	3,623,400	4,023,400	2,836,962
Capital outlay	7,838,903	7,838,903	6,557,531
	<u>11,625,563</u>	<u>12,075,563</u>	<u>9,588,342</u>
Total expenditures	11,625,563	12,075,563	9,588,342
Deficiency of revenues and other sources over expenditures	(556,660)	(1,006,660)	(2,852,009)
Fund balance, January 1, 2014	3,578,542	3,578,542	3,578,542
Fund balance, December 31, 2014	<u>\$ 3,021,882</u>	<u>\$ 2,571,882</u>	<u>\$ 726,533</u>

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Information Technology and Improvements Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2014

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues and other sources			
Revenues:			
Income taxes	\$ -	\$ -	\$ 46,629
Other sources:			
Previous year's encumbrances	85,000	85,000	-
Total revenues and other sources	85,000	85,000	46,629
Expenditures			
Public Service:			
Other	50,000	50,000	13,299
Total expenditures	50,000	50,000	13,299
Excess of revenues and other sources over expenditures	35,000	35,000	33,330
Fund balance, January 1, 2014	12,633	12,633	12,633
Fund balance, December 31, 2014	\$ 47,633	\$ 47,633	\$ 45,963

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Parks and Recreation Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Income taxes	\$ 35,000	\$ 35,000	\$ -
Governmental revenues	105,000	105,000	169,540
Miscellaneous revenues	21,000	21,000	-
	<u>161,000</u>	<u>161,000</u>	<u>169,540</u>
Other sources:			
Note/Bond proceeds	1,239,000	1,239,000	750,000
Previous year's encumbrances	150	150	150
	<u>1,239,150</u>	<u>1,239,150</u>	<u>750,150</u>
Total revenues and other sources	1,400,150	1,400,150	919,690
Expenditures			
Public Service:			
Other	470,150	470,150	379,562
Capital outlay	530,000	1,105,000	794,639
	<u>1,000,150</u>	<u>1,575,150</u>	<u>1,174,201</u>
Total expenditures	1,000,150	1,575,150	1,174,201
Excess (deficiency) of revenues and other sources over expenditures	400,000	(175,000)	(254,511)
Fund balance, January 1, 2014	<u>336,036</u>	<u>336,036</u>	<u>336,036</u>
Fund balance, December 31, 2014	<u>\$ 736,036</u>	<u>\$ 161,036</u>	<u>\$ 81,525</u>

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Public Facilities and Improvements Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Governmental revenues	\$ 286,880	\$ 382,500	\$ 86,295
Miscellaneous revenues	159,380	212,500	2,710,165
	<u>446,260</u>	<u>595,000</u>	<u>2,796,460</u>
Other sources:			
Note/Bond proceeds	2,103,740	2,805,000	2,500,000
Previous year's encumbrances	37,847	37,847	37,847
	<u>2,141,587</u>	<u>2,842,847</u>	<u>2,537,847</u>
Total revenues and other sources	2,587,847	3,437,847	5,334,307
Expenditures			
Public Service:			
Other	1,305,926	1,305,926	1,278,509
Capital outlay	731,921	2,106,921	2,048,685
	<u>2,037,847</u>	<u>3,412,847</u>	<u>3,327,194</u>
Total expenditures	2,037,847	3,412,847	3,327,194
Excess of revenues and other sources over expenditures	550,000	25,000	2,007,113
Fund balance, January 1, 2014	<u>2,714</u>	<u>2,714</u>	<u>2,714</u>
Fund balance, December 31, 2014	<u>\$ 552,714</u>	<u>\$ 27,714</u>	<u>\$ 2,009,827</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Public Parking Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues and other sources			
Revenues:			
Note/Bond proceeds	\$ 3,000,000	\$ 3,000,000	\$ 3,180
Total revenues and other sources	3,000,000	3,000,000	3,180
Expenditures			
Public Service:			
Other	660,000	660,000	88,715
Capital outlay	500,000	500,000	189,101
Total expenditures	1,160,000	1,160,000	277,816
Excess (deficiency) of revenues and other sources over expenditures	1,840,000	1,840,000	(274,636)
Fund balance, January 1, 2014	2,238,254	2,238,254	2,238,254
Fund balance, December 31, 2014	\$ 4,078,254	\$ 4,078,254	\$ 1,963,618

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Economic Development Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues and other sources			
Revenues:			
Income taxes	\$ 423,080	\$ 666,970	\$ -
Governmental revenues	2,192,310	3,456,110	3,469,185
Miscellaneous revenues	1,269,230	2,000,900	1,924,411
	<u>3,884,620</u>	<u>6,123,980</u>	<u>5,393,596</u>
Other sources:			
Note/Bond proceeds	4,615,380	7,276,020	7,009,021
Previous year's encumbrances	20,559	20,559	20,559
	<u>4,635,939</u>	<u>7,296,579</u>	<u>7,029,580</u>
Total revenues and other sources	8,520,559	13,420,559	12,423,176
Expenditures			
Department Wide:			
Other	6,682,241	13,582,241	11,284,213
Capital outlay	4,366,548	3,366,548	1,788,858
	<u>11,048,789</u>	<u>16,948,789</u>	<u>13,073,071</u>
Total expenditures	11,048,789	16,948,789	13,073,071
Deficiency of revenues and other sources over expenditures	(2,528,230)	(3,528,230)	(649,895)
Fund balance, January 1, 2014	<u>3,574,025</u>	<u>3,574,025</u>	<u>3,574,025</u>
Fund balance, December 31, 2014	<u>\$ 1,045,795</u>	<u>\$ 45,795</u>	<u>\$ 2,924,130</u>

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NON-MAJOR ENTERPRISE FUNDS

Enterprise 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 of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The non-major Enterprise Funds are as follows:

Oil and Gas
Golf Course
Airport

City of Akron, Ohio
Combining Statement of Net Position - Non-Major Enterprise Funds
December 31, 2014

C-1

	Oil and Gas	Golf Course	Airport	Total
Assets				
Pooled cash and investments	\$ 205,799	\$ 4,000	\$ 1,360	\$ 211,159
Receivables, net of allowances for uncollectibles	5,547	-	1,233	6,780
Due from other governments	-	-	181,815	181,815
Due from other funds	-	-	11,687	11,687
Inventories, at cost	-	46,735	-	46,735
Property, plant and equipment, net of accumulated depreciation	395,487	1,388,615	8,080,779	9,864,881
Total assets	<u>606,833</u>	<u>1,439,350</u>	<u>8,276,874</u>	<u>10,323,057</u>
Liabilities				
Accounts payable	241	14,263	54,320	68,824
Due to other governments	-	-	46,462	46,462
Due to other funds	13,011	1,909	421	15,341
Accrued liabilities	941	2,852	29,060	32,853
Accrued wages	3,360	8,996	-	12,356
Accrued vacation and leave	18,322	14,939	-	33,261
Obligations under capital lease	-	15,925	-	15,925
Noncurrent liabilities				
Obligations under capital lease	-	30,254	-	30,254
Due in more than one year	51,997	128,784	43,455	224,236
Total liabilities	<u>87,872</u>	<u>217,922</u>	<u>173,718</u>	<u>479,512</u>
Net Position				
Net investment in capital assets	395,487	1,342,436	8,080,779	9,818,702
Unrestricted (deficit)	123,474	(121,008)	22,377	24,843
Total net position	<u>\$ 518,961</u>	<u>\$ 1,221,428</u>	<u>\$ 8,103,156</u>	<u>\$ 9,843,545</u>

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

C-2

	Oil and Gas	Golf Course	Airport	Total
Operating revenues				
Charges for services	\$ 241,905	\$ 826,503	\$ 156,983	\$ 1,225,391
Other	-	35,216	64,408	99,624
	<u>241,905</u>	<u>861,719</u>	<u>221,391</u>	<u>1,325,015</u>
Operating expenses				
Personal services	145,286	696,752	23,455	865,493
Direct expenses	190,055	211,619	387,651	789,325
Rentals and lease	-	69,403	-	69,403
Utilities	873	85,011	886	86,770
Insurance	15,790	4,865	5,266	25,921
Depreciation, depletion and amortization	-	48,414	217,377	265,791
Other	1,354	459	98,042	99,855
	<u>353,358</u>	<u>1,116,523</u>	<u>732,677</u>	<u>2,202,558</u>
Operating income (loss)	<u>(111,453)</u>	<u>(254,804)</u>	<u>(511,286)</u>	<u>(877,543)</u>
Interest expense	-	(1,297)	-	(1,297)
	<u>-</u>	<u>(1,297)</u>	<u>-</u>	<u>(1,297)</u>
Income (loss) before transfers	(111,453)	(256,101)	(511,286)	(878,840)
Transfers-in	-	246,000	195,000	441,000
Capital contributions	-	-	194,865	194,865
	<u>-</u>	<u>246,000</u>	<u>389,865</u>	<u>635,865</u>
Change in net position	(111,453)	(10,101)	(121,421)	(242,975)
Net position, January 1, 2014	<u>630,414</u>	<u>1,231,529</u>	<u>8,224,577</u>	<u>10,086,520</u>
Net position, December 31, 2014	<u>\$ 518,961</u>	<u>\$ 1,221,428</u>	<u>\$ 8,103,156</u>	<u>\$ 9,843,545</u>

City of Akron, Ohio
Combining Statement of Cash Flows - Non-Major Enterprise Funds
For the Year Ended December 31, 2014

	Oil and Gas	Golf	Airport	Total Non-Major Enterprise Funds
Operating activities				
Cash received from customers	\$ 265,625	\$ 826,518	\$ 146,477	\$ 1,238,620
Cash payments to suppliers for goods and services	(209,338)	(415,309)	(378,713)	(1,003,360)
Cash paid for salaries and employee benefits	(138,952)	(675,306)	(58,041)	(872,299)
Other revenues	-	35,216	64,408	99,624
Other expenses	(1,354)	(459)	(98,042)	(99,855)
Net cash provided by (used for) operating activities	(84,019)	(229,340)	(323,911)	(637,270)
Non-capital financing activities				
Operating transfers from other funds	-	246,000	195,000	441,000
Net cash provided by (used for) non-capital financing activities	-	246,000	195,000	441,000
Capital and related financing activities				
Interest paid on bonds and loans	-	(1,297)	-	(1,297)
Acquisition and construction of capital assets	(2)	(15,600)	(181,815)	(197,417)
Capital Contributions	-	-	194,865	194,865
Net cash provided by (used for) capital and related financing activities	(2)	(16,897)	13,050	(3,849)
Net increase (decrease) in cash and cash equivalents	(84,021)	(237)	(115,861)	(200,119)
Cash and cash equivalents, January 1, 2014	289,820	4,237	117,221	411,278
Cash and cash equivalents, December 31, 2014	\$ 205,799	\$ 4,000	\$ 1,360	\$ 211,159

	Oil and Gas	Golf	Airport	Total Non-Major Enterprise Funds
Operating income (loss)	\$ (111,453)	\$ (254,804)	\$ (511,286)	\$ (877,543)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation, depletion and amortization	-	48,414	217,377	265,791
(Increase) decrease in operating assets:				
Receivables	23,720	15	1,181	24,916
Due from other funds	-	-	(11,687)	(11,687)
Inventories	-	(9,838)	-	(9,838)
Increase (decrease) in operating liabilities:				
Accounts payable	(15,088)	(34,474)	17,421	(32,141)
Due to other funds	12,468	(99)	228	12,597
Due to other governments	-	-	(2,559)	(2,559)
Accrued liabilities	1,089	9,099	(34,586)	(24,398)
Accrued wages	33	437	-	470
Accrued vacation and leave	5,212	11,910	-	17,122
Net cash provided by (used for) operating activities	<u>\$ (84,019)</u>	<u>\$ (229,340)</u>	<u>\$ (323,911)</u>	<u>\$ (637,270)</u>

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INTERNAL SERVICE FUNDS

Internal Service Funds – are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis. The title of the funds indicate the type of service provided. The Internal Service Funds are:

- Motor Equipment
- Medical Self-Insurance
- Workers' Compensation Reserve
- Self-Insurance Settlement
- Telephone System
- Engineering Bureau
- Information Technology

City of Akron, Ohio
Combining Statement of Net Position - Internal Service Funds
December 31, 2014

D-1

	Motor Equipment	Medical Self- Insurance	Workers' Compensation Reserve
Assets			
Pooled cash and investments	\$ 96	\$ 6,479,430	\$ 4,874,563
Receivables, net of allowances from uncollectibles	69,662	4,885	7,173
Due from other funds	616,429	-	-
Inventories, at cost	808,447	-	-
Property, plant and equipment, net of accumulated depreciation	1,665,667	-	-
Total assets	3,160,301	6,484,315	4,881,736
Liabilities			
Accounts payable	186,501	214,968	14,539
Advances from other funds	138,000	-	-
Due to other funds	4,625	52	-
Accrued liabilities	14,896	-	1,299,829
Accrued wages	52,214	-	-
Accrued vacation and leave	115,809	-	-
Liability for unpaid claims	-	2,701,065	957,964
Debt:			
Income tax revenue bonds	-	-	-
Noncurrent liabilities			
Due in more than one year	1,084,794	-	3,993,244
Bonds, notes, and loans	-	6,500,000	-
Total liabilities	1,596,839	9,416,085	6,265,576
Net Position			
Net investment in capital assets	1,665,667	-	-
Unrestricted (deficit)	(102,205)	(2,931,770)	(1,383,840)
Total net position	\$ 1,563,462	\$ (2,931,770)	\$ (1,383,840)

Self- Insurance Settlement	Telephone System	Engineering Bureau	Information Technology	Total
\$ 17,942	\$ 159,467	\$ 1,261,873	\$ 42,464	\$ 12,835,835
-	-	-	-	81,720
-	58,311	179,870	134,335	988,945
-	-	-	-	808,447
-	172,041	103,304	93,960	2,034,972
17,942	389,819	1,545,047	270,759	16,749,919
3,749	5,521	12,775	26,128	464,181
-	-	-	-	138,000
-	482	94,259	20,030	119,448
-	-	25,492	7,024	1,347,241
-	-	89,684	25,039	166,937
-	-	318,859	85,380	520,048
631,180	-	-	-	4,290,209
-	-	-	400,000	400,000
-	-	1,804,354	578,892	7,461,284
-	-	-	830,000	7,330,000
634,929	6,003	2,345,423	1,972,493	22,237,348
-	172,041	103,304	93,960	2,034,972
(616,987)	211,775	(903,680)	(1,795,694)	(7,522,401)
\$ (616,987)	\$ 383,816	\$ (800,376)	\$ (1,701,734)	\$ (5,487,429)

City of Akron, Ohio

D-2

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

	Motor Equipment	Medical Self- Insurance	Workers' Compensation Reserve
Operating revenues			
Charges for services	\$ 9,039,231	37,079,698	3,235,606
Other	227,999	878,887	26,093
	<u>9,267,230</u>	<u>37,958,585</u>	<u>3,261,699</u>
Operating expenses			
Personal services	2,251,317	-	-
Direct expenses	6,584,736	2,628,241	323,762
Claims	-	32,372,738	2,051,850
Rentals and lease	834	-	-
Utilities	87,234	-	-
Insurance	10,587	-	-
Depreciation, depletion and amortization	74,249	-	-
Other	7,090	-	-
	<u>9,016,047</u>	<u>35,000,979</u>	<u>2,375,612</u>
Operating income (loss)	<u>251,183</u>	<u>2,957,606</u>	<u>886,087</u>
Nonoperating revenues (expenses)			
Interest income	-	-	31
Interest expense	(23,732)	(101,250)	-
	<u>(23,732)</u>	<u>(101,250)</u>	<u>31</u>
Gain (loss) before transfers	<u>227,451</u>	<u>2,856,356</u>	<u>886,118</u>
Capital contributions	16,200	-	-
Changes in net position	243,651	2,856,356	886,118
Net position (deficit), January 1, 2013	1,319,811	(5,788,126)	(2,269,958)
Net position (deficit), December 31, 2013	<u>\$ 1,563,462</u>	<u>(2,931,770)</u>	<u>(1,383,840)</u>

Self- Insurance Settlement	Telephone System	Engineering Bureau	Information Technology	Total Internal Service Funds
-	697,973	5,445,558	2,398,124	57,896,190
-	620	29,035	7,094	1,169,728
-	698,593	5,474,593	2,405,218	59,065,918
-	6	4,070,854	1,143,517	7,465,694
111,091	522,550	1,239,081	1,223,032	12,632,493
324,566	-	-	-	34,749,154
-	-	83	6,643	7,560
-	44,248	19,909	7,653	159,044
-	-	17,478	1,800	29,865
-	34,589	5,237	9,156	123,231
-	-	306	-	7,396
435,657	601,393	5,352,948	2,391,801	55,174,437
(435,657)	97,200	121,645	13,417	3,891,481
-	-	-	-	31
-	-	-	-	(124,982)
-	-	-	-	(124,951)
(435,657)	97,200	121,645	13,417	3,766,530
-	-	-	385,000	401,200
(435,657)	97,200	121,645	398,417	4,167,730
(181,330)	286,616	(922,021)	(2,100,151)	(9,655,159)
(616,987)	383,816	(800,376)	(1,701,734)	(5,487,429)

City of Akron, Ohio
Combining Statement of Cash Flows - Internal Service Funds
For the Year Ended December 31, 2014

	Motor Equipment	Medical Self - Insurance	Workers' Compensation	Self - Insurance Settlement
Operating activities				
Cash received from customers	\$ 9,215,684	\$ 37,074,813	\$ 3,228,433	\$ -
Cash payments to suppliers for goods and services	(6,871,405)	(2,452,970)	(332,685)	(109,382)
Cash paid for salaries and employee benefits	(2,441,766)	(32,638,276)	(2,055,443)	109,382
Other revenues	227,999	878,887	26,093	-
Other expenses	(7,090)	-	-	-
Net cash provided by (used for) operating activities	123,422	2,862,454	866,398	-
Non-capital financing activities				
Transfers/advances in for negative cash balances	70,000	-	-	-
Proceeds from sale of notes	-	6,500,000	-	-
Principal paid on bonds, loans and notes	-	(9,000,000)	-	-
Interest paid on bonds, loans and notes	-	(101,250)	-	-
Net cash provided by (used for) non-capital financing activities	70,000	(2,601,250)	-	-
Capital and related financing activities				
Principal paid on bonds and loans	-	-	-	-
Interest paid on bonds and loans	(23,732)	-	-	-
Acquisition and construction of capital assets	(186,248)	-	-	-
Capital contributions	16,200	-	-	-
Net cash provided by (used for) capital and related financing activities	(193,780)	-	-	-
Investing activities				
Interest on investments	-	-	31	-
Net cash provided by investing activities	-	-	31	-
Net increase (decrease) in cash and cash equivalents	(358)	261,204	866,429	-
Cash and cash equivalents, January 1, 2014	454	6,218,226	4,008,134	17,942
Cash and cash equivalents, December 31, 2014	\$ 96	\$ 6,479,430	\$ 4,874,563	\$ 17,942

	Telephone System	Engineering Bureau	Information Technology	Total
\$	697,710	\$ 5,826,777	\$ 2,333,570	\$ 58,376,987
	(587,751)	(1,274,366)	(1,225,078)	(12,853,637)
	(6)	(4,063,279)	(1,137,421)	(42,226,809)
	620	29,035	7,094	1,169,728
	-	(306)	-	(7,396)
	110,573	517,861	(21,835)	4,458,873
	-	-	-	70,000
	-	-	-	6,500,000
	-	-	-	(9,000,000)
	-	-	-	(101,250)
	-	-	-	(2,531,250)
	-	-	(385,000)	(385,000)
	-	-	-	(23,732)
	-	-	-	(186,248)
	-	-	385,000	401,200
	-	-	-	(193,780)
	-	-	-	31
	-	-	-	31
	110,573	517,861	(21,835)	1,733,874
	48,894	744,012	64,299	11,101,961
\$	159,467	\$ 1,261,873	\$ 42,464	\$ 12,835,835

City of Akron, Ohio
Combining Statement of Cash Flows - Internal Service Funds
For the Year Ended December 31, 2014
(continued)

	Motor Equipment	Medical Self - Insurance	Workers' Compensation	Self - Insurance Settlement
Operating income (loss)	\$ 251,183	\$ 2,957,606	\$ 886,087	\$ (435,657)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation, depletion and amortization	74,249	-	-	-
(Increase) decrease in operating assets:				
Receivables	51,502	(4,885)	(7,173)	-
Due from other funds	124,951	-	-	-
Inventories	60,073	-	-	-
Increase (decrease) in operating liabilities:				
Accounts payable	(249,619)	177,225	(8,923)	1,709
Due to other funds	1,532	(1,954)	-	-
Accrued liabilities	88,883	-	-	-
Accrued wages	(24,639)	-	-	-
Accrued vacation and leave	(254,693)	-	-	-
Estimated liability for unpaid claims	-	(265,538)	(3,593)	433,948
Net cash provided by (used for) operating activities	<u>\$ 123,422</u>	<u>\$ 2,862,454</u>	<u>\$ 866,398</u>	<u>\$ -</u>

Telephone System	Engineering Bureau	Information Technology	Total
\$ 97,200	\$ 121,645	\$ 13,417	\$ 3,891,481
34,589	5,237	9,156	123,231
-	-	-	39,444
(263)	381,219	(64,554)	441,353
-	-	-	60,073
(21,435)	(29,794)	3,425	(127,412)
482	31,979	10,625	42,664
-	105,848	29,014	223,745
-	(10,671)	(1,885)	(37,195)
-	(87,602)	(21,033)	(363,328)
-	-	-	164,817
<u>\$ 110,573</u>	<u>\$ 517,861</u>	<u>\$ (21,835)</u>	<u>\$ 4,458,873</u>

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FIDUCIARY FUNDS

Private Purpose Trust Funds – are used to account for other trust arrangements which benefit individuals, private organizations, or other governments. The City has the following Private Purpose Trust Funds:

Claire Merrix Trust
Holocaust Memorial Trust
Police/Fire Beneficiary Trust

Municipal Court Agency Fund – is used to account for assets held by the Municipal Court Clerk for individuals, private organizations, and other governments.

Police Property Monetary Evidence Fund – is used to account for funds held by the Police Department that will be returned to the other agencies.

Unclaimed Monies Fund – is used to account for unclaimed funds.

City of Akron, Ohio
Combining Statement of Fiduciary Net Position - Private Purpose Trust Funds
December 31, 2014

	Claire Merrix Trust	Holocaust Memorial Trust	Police/Fire Beneficiary Trust	Total
Assets				
Cash and investments	\$ 810	\$ 10,199	\$ 5,560	\$ 16,569
Total assets	810	10,199	5,560	16,569
Due to others	-	-	-	-
Net Position	<u>\$ 810</u>	<u>\$ 10,199</u>	<u>\$ 5,560</u>	<u>\$ 16,569</u>

City of Akron, Ohio
Combining State of Fiduciary Net Position - Agency Funds
December 31, 2014

	Municipal Court	Police Property Monetary Evidence	Unclaimed Monies	Total
Assets				
Cash and investments	\$ 731,004	\$ 15,000	\$ 122,641	\$ 868,645
Total assets	731,004	15,000	122,641	868,645
Liabilities				
Due to others	731,004	15,000	122,641	868,645
Total liabilities	731,004	15,000	122,641	868,645
Net Position	\$ -	\$ -	\$ -	-

City of Akron, Ohio
Combining Statement of Changes in Fiduciary Net Position - Private Purpose Trust Funds
For the Year Ended December 31, 2014

	Claire Merrix Trust	Holocaust Memorial Trust	Police/Fire Beneficiary Trust	Total
Additions				
Contributions	\$ -	\$ 9,472	\$ 400	\$ 9,872
	-	9,472	400	9,872
Deductions				
Education and awareness	-	11,294	-	11,294
	-	11,294	-	11,294
Changes in net position	-	(1,822)	400	(1,422)
Net position, January 1, 2014	810	12,021	5,160	17,991
Net position, December 31, 2014	<u>\$ 810</u>	<u>\$ 10,199</u>	<u>\$ 5,560</u>	<u>\$ 16,569</u>

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

	<u>Balance January 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2014</u>
Municipal Court				
Assets				
Cash	\$ 736,434	\$ 10,948,186	\$ 10,953,616	\$ 731,004
Liabilities				
Due to others	\$ 736,434	\$ 10,948,186	\$ 10,953,616	\$ 731,004
Police Property Monetary Evidence				
Assets				
Cash	\$ 15,000	\$ -	\$ -	\$ 15,000
Liabilities				
Due to others	\$ 15,000	\$ -	\$ -	\$ 15,000
Unclaimed Monies				
Assets				
Cash	\$ 143,516	\$ 14,504	\$ 35,379	\$ 122,641
Liabilities				
Due to others	\$ 143,516	\$ 14,504	\$ 35,379	\$ 122,641
Total All Agency Funds				
Assets				
Cash	\$ 894,950	\$ 10,962,690	\$ 10,988,995	\$ 868,645
	<u>\$ 894,950</u>	<u>\$ 10,962,690</u>	<u>\$ 10,988,995</u>	<u>\$ 868,645</u>
Liabilities				
Due to others	\$ 894,950	\$ 10,962,690	\$ 10,988,995	\$ 868,645
	<u>\$ 894,950</u>	<u>\$ 10,962,690</u>	<u>\$ 10,988,995</u>	<u>\$ 868,645</u>

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Statistical Section

Statistical Section

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	183
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources which are income tax and property tax.	190
Debt Capacity 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.	196
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within the City.	204
Operating Information 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.	206

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

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City of Akron, Ohio
 Net Position by Component
 Last Ten Fiscal Years
(accrual basis of accounting)

Schedule 1

	2005	2006	2007	2008	2009
Governmental Activities					
Net Investment in Capital Assets	\$ 354,911,430	\$ 343,894,860	\$ 350,900,710	\$ 352,615,832	\$ 325,085,939
Restricted	305,806,875	154,998,029	136,131,553	67,956,219	46,034,221
Unrestricted	(342,622,082)	(162,608,235)	(122,216,128)	(59,811,038)	(32,116,320)
Total Governmental Activities Net Position	318,096,223	336,284,654	364,816,135	360,761,013	339,003,840
Business-Type Activities					
Net Investment in Capital Assets	312,958,242	319,708,498	331,088,686	361,078,967	364,052,481
Restricted	8,890,371	9,762,791	9,603,496	14,242,721	11,601,001
Unrestricted	13,956,855	13,310,341	8,684,965	(6,359,846)	(534,594)
Total Business-Type Activities Net Position	335,805,468	342,781,630	349,377,147	368,961,842	375,118,888
Primary Government					
Net Investment in Capital Assets	667,869,672	663,603,358	681,989,396	713,694,799	689,138,420
Restricted	314,697,246	164,760,820	145,735,049	82,198,940	57,635,222
Unrestricted	(328,665,227)	(149,297,894)	(113,531,163)	(66,170,884)	(32,650,914)
Total Primary Government Net Position	\$ 653,901,691	\$ 679,066,284	\$ 714,193,282	\$ 729,722,855	\$ 714,122,728
Governmental Activities					
Net Investment in Capital Assets	\$ 320,611,400	\$ 336,791,218	\$ 342,181,729	\$ 353,686,041	\$ 352,411,914
Restricted	76,133,681	64,060,427	45,769,529	46,822,028	43,314,132
Unrestricted	(63,841,247)	(39,096,078)	(28,089,325)	(25,922,004)	(13,531,515)
Total Governmental Activities Net Position	332,903,834	361,755,567	359,861,933	374,586,065	382,194,531
Business-Type Activities					
Net Investment in Capital Assets	368,334,039	382,353,490	381,737,149	385,492,533	400,523,178
Restricted	11,955,748	9,650,185	9,726,690	9,789,966	9,854,895
Unrestricted	5,913,913	(898,127)	8,473,245	19,221,970	16,815,329
Total Business-Type Activities Net Position	386,203,700	391,105,548	399,937,084	414,504,469	427,193,402
Primary Government					
Net Investment in Capital Assets	688,945,439	719,144,708	723,918,878	739,178,574	752,935,092
Restricted	88,089,429	73,710,612	55,496,219	56,611,994	53,169,027
Unrestricted	(57,927,334)	(39,994,205)	(19,616,080)	(6,700,034)	3,283,814
Total Primary Government Net Position	\$ 719,107,534	\$ 752,861,115	\$ 759,799,017	\$ 789,090,534	\$ 809,387,933

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Schedule 2

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Program Revenues										
Governmental Activities										
Charges for Services:										
General Government	\$ 8,768,534	\$ 10,203,648	\$ 11,187,070	\$ 10,125,125	\$ 9,480,148	\$ 13,878,801	\$ 9,674,230	\$ 10,218,969	\$ 14,473,321	\$ 9,553,457
Public Service	24,515,742	1,221,943	28,739,656	25,837,733	23,701,124	33,856,324	25,094,315	14,404,457	16,524,746	18,489,527
Public Safety	1,079,551	634,517	1,499,758	1,178,463	916,609	1,286,320	847,335	508,391	862,405	4,717,778
Community Environment	64,412	27,488,539	13,466	12,583	19,165	13,934	7,607	422,186	164,000	2,230,381
Public Health	583,033	27,244	674,598	559,903	575,124	623,919	37,132	3,512	2,257	-
Recreation and Parks	339,674	387,161	363,552	313,784	331,715	414,527	242,837	183,754	230,420	730,079
Operating Grants and Contributions	20,736,629	20,085,504	21,939,297	23,163,116	21,601,120	38,518,668	17,302,475	19,658,258	20,409,809	19,326,836
Capital Grants and Contributions	19,497,224	22,023,997	24,822,927	22,905,722	26,257,174	38,467,858	38,778,626	35,507,412	46,774,660	41,095,526
Total Governmental Activities Program Revenues	75,584,799	82,072,553	89,240,324	84,096,429	82,882,179	127,060,351	91,984,557	80,906,939	99,441,618	96,143,584
Business-Type Activities										
Charges for Services:										
Water	32,677,553	34,203,720	33,313,008	32,650,800	32,702,521	34,365,128	34,718,912	32,215,076	34,969,933	33,986,195
Sewer	36,365,900	35,658,036	36,113,694	35,355,134	35,817,311	44,879,526	49,610,750	56,208,333	63,097,046	70,951,430
Oil & Gas	-	1,136	18,544	-	269,720	371,137	373,269	226,172	300,119	241,905
Parking Facilities	4,921,793	4,921,561	4,982,704	4,995,719	4,684,648	4,798,580	4,710,310	4,577,496	4,773,882	4,570,975
Golf Course	878,878	903,859	891,709	864,188	885,577	926,633	807,693	938,725	893,815	826,503
Airport	193,369	162,557	143,520	188,253	149,172	65,186	76,912	197,878	154,692	156,983
Capital Grants and Contributions	6,356,588	4,537,330	5,918,599	14,089,131	6,601,474	5,838,213	4,416,302	7,786,418	4,045,528	4,871,914
Total Business-Type Activities Program Revenues	81,394,081	80,388,199	81,381,778	88,143,225	81,110,423	91,244,403	94,714,148	102,150,098	108,235,015	115,605,905
Total Primary Government Program Revenues	\$ 156,978,880	\$ 162,460,752	\$ 170,622,102	\$ 172,239,654	\$ 163,992,602	\$ 218,304,754	\$ 186,698,705	\$ 183,057,037	\$ 207,676,633	\$ 211,749,489
Expenses										
Governmental Activities										
General Government	\$ 53,063,391	\$ 38,206,653	\$ 40,750,017	\$ 38,873,128	\$ 43,879,396	\$ 57,324,570	\$ 48,717,920	\$ 44,074,083	\$ 35,134,302	\$ 38,547,406
Public Service	54,923,173	64,832,236	63,895,682	73,262,623	80,172,670	104,776,341	50,268,506	52,045,512	65,740,981	67,516,145
Public Safety	104,848,506	109,812,346	114,350,511	117,038,957	123,812,322	112,983,694	109,950,785	113,141,469	112,374,172	120,176,274
Community Environment	21,514,112	94,412,587	50,882,056	42,181,020	35,724,084	36,971,008	58,355,271	66,174,345	88,673,453	42,970,628
Public Health	15,832,640	17,204,170	17,568,811	16,288,130	16,833,245	16,584,773	3,517,378	3,982,604	3,921,672	4,832,375
Recreation and Parks	7,603,460	2,552,319	5,800,662	5,621,234	6,270,738	5,704,548	5,801,457	6,906,906	7,690,836	6,811,470
Interest	27,077,616	26,808,875	27,325,682	28,172,429	24,194,932	24,845,202	22,212,625	35,466,855	26,324,712	27,940,204
Unallocated Depreciation	11,389,516	12,069,428	12,818,481	13,654,482	14,158,196	14,740,666	15,358,939	15,559,132	15,468,193	16,091,850
Total Governmental Activities Expenses	296,252,414	365,898,614	333,391,902	335,092,003	345,045,583	373,930,802	314,182,881	337,350,906	355,328,321	324,886,352
Business-Type Activities										
Water	30,733,296	33,312,219	33,459,745	29,839,906	33,622,159	34,399,758	35,228,188	28,050,701	31,075,633	32,522,741
Sewer	37,224,648	33,322,391	35,287,533	35,843,446	34,847,213	39,299,082	46,730,809	58,124,815	54,959,359	71,709,972
Oil & Gas	284,733	179,995	204,153	933,312	123,292	479,640	250,643	279,689	202,341	350,060
Parking Facilities	5,966,776	5,702,299	1,317,386	4,431,405	6,797,185	7,248,743	7,355,958	7,780,158	6,929,930	7,189,194
Golf Course	1,381,619	1,353,376	1,347,435	1,347,435	1,327,158	1,270,474	1,193,071	1,243,395	1,243,395	1,106,275
Airport	764,876	679,883	5,974,113	985,551	695,864	686,012	1,005,792	653,852	683,251	720,934
Total Business-Type Activities Expenses	76,355,948	74,550,163	77,029,641	73,381,055	77,412,871	83,383,709	91,764,461	96,065,559	95,093,909	113,599,176
Total Primary Government Expenses	\$ 372,608,362	\$ 440,448,777	\$ 410,421,543	\$ 408,473,058	\$ 422,458,454	\$ 457,314,511	\$ 405,947,342	\$ 433,416,465	\$ 450,422,230	\$ 438,485,528

City of Akron, Ohio
 Changes in Net Position
 Last Ten Fiscal Years
(accrual basis of accounting)
 (continued)

Schedule 2

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net (Expense)/Revenue										
Governmental Activities	\$ (220,667,615)	\$ (283,826,061)	\$ (244,151,578)	\$ (250,995,574)	\$ (262,163,404)	\$ (246,870,451)	\$ (222,198,324)	\$ (256,443,967)	\$ (255,886,703)	\$ (228,742,768)
Business-Type Activities	5,038,133	5,838,036	4,352,137	14,762,170	3,697,552	7,860,694	2,949,687	6,084,539	13,141,106	2,006,729
Total Primary Government Net Expense	\$ (215,629,482)	\$ (277,988,025)	\$ (239,799,441)	\$ (236,233,404)	\$ (258,465,852)	\$ (239,009,757)	\$ (219,248,637)	\$ (250,359,428)	\$ (242,745,597)	\$ (226,736,039)
General Revenue and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Income Taxes	\$ 126,766,520	\$ 121,875,043	\$ 144,647,307	\$ 130,610,516	\$ 120,914,118	\$ 119,257,796	\$ 134,473,083	\$ 131,601,798	\$ 141,289,710	\$ 141,389,904
Property Taxes	27,850,829	37,242,477	30,154,104	33,326,060	28,160,321	29,013,731	25,831,020	24,003,912	19,627,342	23,342,160
JEDD Revenues	13,946,982	16,550,254	16,551,588	17,831,880	15,603,044	15,190,788	16,826,153	20,706,211	18,485,942	17,758,520
Investment Earnings	6,195,543	6,546,494	4,820,973	3,557,435	2,411,286	534,263	643,612	439,005	553,699	300,784
Unrestricted Shared Revenues	45,169,402	106,744,240	65,033,815	51,291,763	60,374,803	57,043,369	51,162,387	69,710,284	92,823,194	46,752,194
Miscellaneous	7,662,219	12,787,733	10,899,487	9,964,899	13,832,819	20,122,026	30,059,892	8,337,078	10,657,380	10,155,196
Gain (loss) on Sale of Capital Assets	1,659,116	-	223,635	-	-	1,539	95,999	60,045	31,307	14,239
Transfers	(998,460)	268,251	352,150	357,899	(890,160)	(393,067)	(529,996)	(308,000)	(338,360)	(466,000)
Total Governmental Activities	\$ 228,252,151	\$ 302,014,492	\$ 272,683,059	\$ 246,940,452	\$ 240,406,231	\$ 240,770,445	\$ 258,562,150	\$ 254,550,333	\$ 283,130,214	\$ 239,246,997
Business-Type Activities:										
Investment Earnings	\$ 280,566	\$ 460,615	\$ 504,738	\$ 204,914	\$ 11,377	\$ 6,945	\$ 626	\$ 785	\$ 854	\$ 727
Miscellaneous	2,833,804	945,762	2,090,792	4,975,510	1,557,957	2,824,106	1,350,658	2,438,212	1,087,065	3,760,632
Gain (loss) on Sale of Capital Assets	12,825	-	-	-	-	-	-	-	-	-
Transfers	998,460	(268,251)	(352,150)	(357,899)	890,160	393,067	529,996	308,000	338,360	466,000
Total Business-Type Activities	\$ 4,125,655	\$ 1,138,126	\$ 2,243,380	\$ 4,822,525	\$ 2,459,494	\$ 3,224,118	\$ 1,881,280	\$ 2,746,997	\$ 1,426,279	\$ 4,227,359
Total Primary Government	\$ 232,377,806	\$ 303,152,618	\$ 274,926,439	\$ 251,762,977	\$ 242,865,725	\$ 243,994,563	\$ 260,443,430	\$ 257,297,330	\$ 284,556,493	\$ 243,474,356
Change in Net Position										
Governmental Activities	\$ 7,584,536	\$ 18,188,431	\$ 28,531,481	\$ (4,055,122)	\$ (21,757,173)	\$ (6,100,006)	\$ 36,363,826	\$ (1,893,634)	\$ 27,243,511	\$ 10,504,229
Business-Type Activities	9,163,788	6,976,162	6,595,517	19,584,695	6,157,046	11,084,812	4,830,967	8,831,536	14,567,385	6,234,088
Total Primary Government Change in Net Position	\$ 16,748,324	\$ 25,164,593	\$ 35,126,998	\$ 15,529,573	\$ (15,600,127)	\$ 4,984,806	\$ 41,194,793	\$ 6,937,902	\$ 41,810,896	\$ 16,738,317

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

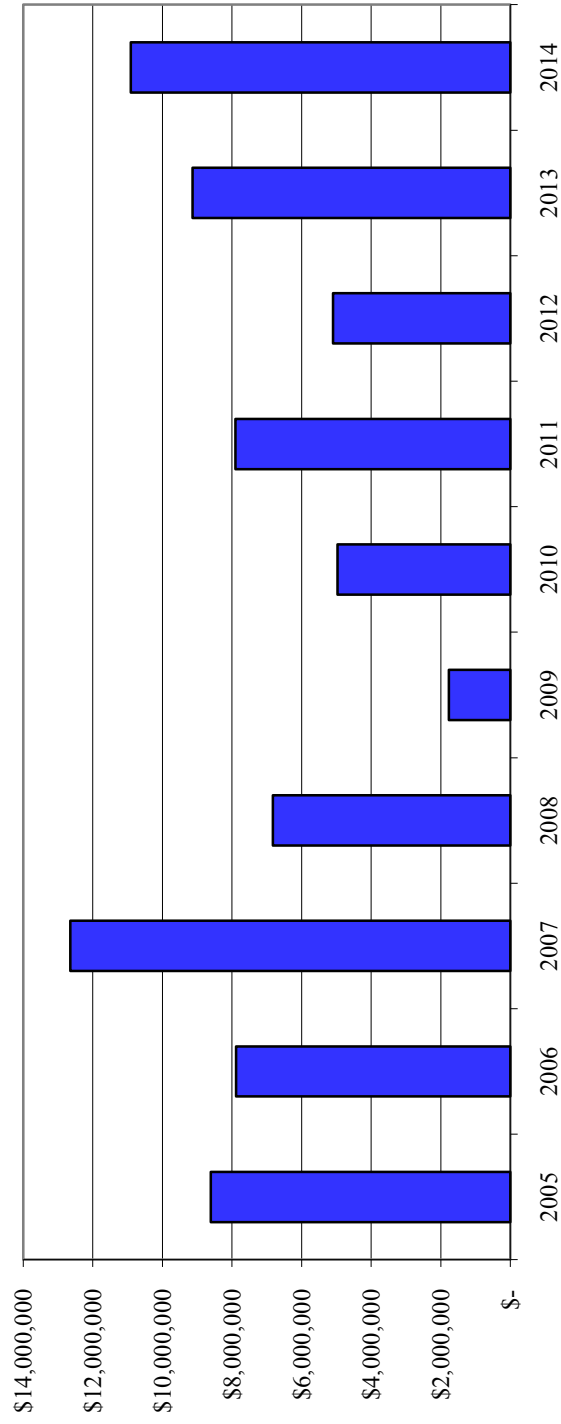
Schedule 3

	2005	2006	2007	2008	2009	2010
General Fund						
Reserved	\$ 2,403,155	\$ 2,014,480	\$ 963,366	\$ 2,386,705	\$ 2,177,149	\$ 1,122,215
Unreserved	8,608,934	7,885,122	12,649,039	6,827,641	1,768,399	4,967,367
Total General Fund	11,012,089	9,899,602	13,612,405	9,214,346	3,945,548	6,089,582
All Other Governmental Funds						
Reserved	35,336,754	32,654,441	34,820,649	36,305,482	41,808,901	42,689,767
Unreserved, Reported in:						
Special Revenue funds	155,814,840	105,278,827	98,975,199	92,806,560	86,496,275	79,439,815
Debt Service funds	84,744,936	128,340,399	107,977,695	81,470,862	21,195,871	42,601,924
Capital Projects funds	(35,950,447)	(38,860,992)	(30,530,366)	(58,810,627)	(62,640,775)	(30,112,902)
Total All Other Governmental Funds	239,946,083	227,412,675	211,243,177	151,772,277	86,860,272	134,618,604
Total Governmental Funds	\$ 250,958,172	\$ 237,312,277	\$ 224,855,582	\$ 160,986,623	\$ 90,805,820	\$ 140,708,186
General Fund						
Committed	\$ -	\$ 266,687	\$ 290,658	\$ 329,961		
Assigned	1,242,472	1,236,966	1,809,776	1,593,954		
Unassigned	7,901,719	5,102,134	9,132,562	10,911,360		
Total General Fund	9,144,191	6,605,787	11,232,996	12,835,275		
All Other Governmental Funds						
Nonspendable	3,085,645	3,085,645	3,325,815	4,786,232		
Restricted	142,850,022	117,789,306	109,458,792	144,630,245		
Committed	5,448,281	13,502,981	7,490,896	13,829,487		
Assigned	-	375,380	-	-		
Unassigned	(40,623,253)	(27,448,292)	(25,968,790)	(9,415,521)		
Total All Other Governmental Funds	110,760,695	107,305,020	94,306,713	153,830,443		
Total Governmental Funds	\$ 119,904,886	\$ 113,910,807	\$ 105,539,709	\$ 166,665,718		

Source: City of Akron, Ohio Finance Department

*Schedule 3 has been prepared in conformity of GASB Statement #54, Fund Balance Reporting and Governmental Fund Type Definitions beginning with 2011.

Unreserved/Unassigned General Fund Balance



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

Schedule 4

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Income Taxes	\$ 124,572,314	\$ 127,928,669	\$ 142,933,003	\$ 133,917,849	\$ 120,606,323	\$ 119,438,082	\$ 135,345,234	\$ 131,090,435	\$ 139,960,898	\$ 140,311,367
Property Taxes	27,896,871	32,427,784	29,786,617	34,008,937	27,917,658	28,070,162	24,111,972	24,573,729	20,471,016	23,518,118
JEDD Revenues	14,057,613	16,861,380	17,829,829	16,020,928	15,476,781	15,462,316	16,577,998	20,811,614	18,090,127	17,395,933
Special Assessments	13,236,631	12,754,375	13,778,724	14,412,033	15,567,437	14,675,422	6,312,847	14,965,865	28,524,445	31,952,817
Grants and Subsidies:										
Community Development	12,861,997	11,605,228	12,478,212	11,604,598	6,006,871	11,853,749	7,795,876	-	-	-
Other	13,843,621	17,604,596	20,183,088	19,177,807	21,556,728	45,241,004	45,841,289	43,315,295	34,746,020	30,266,381
Investment Earnings	7,267,257	7,389,680	5,234,435	2,383,263	2,709,994	821,213	772,109	517,882	584,383	338,698
Shared Revenues	46,266,621	105,766,818	65,507,619	52,410,270	60,312,501	56,132,211	52,491,818	68,768,384	94,579,755	47,351,951
Licenses, Fees and Fines	10,642,221	9,623,800	10,142,722	9,901,876	7,456,839	8,422,362	7,682,875	8,011,431	8,627,454	10,192,771
Charges for Services	24,283,315	28,670,461	28,800,007	27,410,285	29,564,397	24,678,776	24,002,116	17,759,520	24,247,409	23,500,665
Miscellaneous	10,681,121	12,655,993	12,752,168	11,104,742	15,331,816	20,073,582	28,533,349	8,662,590	10,228,894	12,805,149
Total Revenues	\$ 305,609,582	\$ 383,288,784	\$ 359,426,424	\$ 332,352,588	\$ 322,507,345	\$ 344,868,879	\$ 349,467,483	\$ 338,476,745	\$ 380,060,401	\$ 337,633,850
Expenditures										
Current:										
General Government	\$ 38,532,903	\$ 41,985,087	\$ 40,124,206	\$ 36,852,582	\$ 40,365,547	\$ 39,428,651	\$ 42,400,285	\$ 42,710,925	\$ 33,176,262	\$ 37,323,779
Public Service	87,267,701	106,364,245	103,565,149	116,321,398	103,175,779	112,534,126	71,513,740	59,446,860	78,804,139	85,268,655
Public Safety	104,460,027	108,252,675	110,120,643	117,083,540	110,995,872	110,080,622	110,814,070	109,643,467	109,458,512	122,016,445
Community Environment	23,995,474	112,504,139	81,741,762	66,515,907	70,119,083	69,931,132	77,037,268	91,645,889	103,125,618	53,399,049
Public Health	15,753,502	16,571,533	16,916,380	15,932,988	16,670,607	16,808,854	3,957,653	4,004,247	3,900,892	4,600,444
Recreation and Parks	7,580,781	2,420,510	5,567,820	5,615,714	6,281,860	5,448,715	5,480,847	6,946,793	7,792,669	6,747,832
Capital Outlay	192,958	3,022,789	220,829	1,433,944	192,751	34,536	-	-	-	-
Debt service:										
Principal Retirement	33,847,273	24,356,115	29,352,928	30,849,415	32,699,777	55,294,176	42,815,931	29,088,580	43,956,837	59,819,902
Interest	19,064,159	27,795,926	28,311,670	28,876,343	25,125,146	25,657,874	33,620,136	28,600,017	30,353,162	28,714,831
Bond Issuance Expenditures	2,215,424	413,476	1,096,121	-	306,768	2,331,621	1,458,659	2,304,239	679,072	1,811,645
Total Expenditures	\$ 332,910,202	\$ 443,686,495	\$ 417,017,508	\$ 419,481,831	\$ 405,933,190	\$ 437,550,307	\$ 389,098,589	\$ 374,391,017	\$ 411,247,163	\$ 399,702,582
Excess of Revenues Under Expenditures	\$ (27,300,620)	\$ (60,397,711)	\$ (57,591,084)	\$ (87,129,243)	\$ (83,425,845)	\$ (92,681,428)	\$ (39,631,106)	\$ (35,914,272)	\$ (31,186,762)	\$ (62,068,732)

Schedule 4

City of Akron, Ohio
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 (continued)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Other Financing Sources (Uses)										
Issuance of General Obligation Bonds	\$ 52,735,419	\$ 43,250,000	\$ 39,759,106	\$ 20,150,000	\$ 12,884,092	\$ 127,285,840	\$ 10,703,000	\$ 26,870,000	\$ 4,849,484	\$ 88,288,000
Issuance of General Obligation Notes	1,115,300	2,072,575	1,831,645	-	-	-	-	-	-	-
Issuance of Special Assessment Notes	-	-	-	2,752,385	-	-	-	-	-	-
Issuance of Loans	-	-	2,285,818	-	574,903	239,569	-	-	1,000,000	3,373,515
Issuance of COP's	-	-	1,470,894	-	-	13,200,000	-	-	2,365,000	-
Issuance of Refunding Obligations	-	-	-	-	-	-	-	-	14,910,000	88,085,000
Proceeds of Refunding Bonds Premium	-	-	-	-	-	-	4,360,193	24,186,215	-	-
Loan Proceeds	-	1,241,581	-	-	-	-	-	-	-	-
Premium on G.O. Debt	7,289,095	456,909	419,776	676,207	-	2,601,452	205,387	1,696,315	179,540	9,761,734
Proceeds of Refund Obligations	95,235,000	-	-	-	-	-	97,633,009	170,925,000	-	-
Payment for Refunding Obligations	(96,873,368)	-	-	-	-	-	(93,235,293)	(193,384,337)	-	-
Original Bond Issue Discount *	-	-	-	-	-	-	-	-	-	(431,029)
Issuance of Capital Lease	-	9,050,203	-	-	-	-	-	8,227,250	1,357,829	159,284
Payment for Refunding Agent	-	-	-	-	-	-	-	-	-	(62,680,000)
Lease - Financed Capital Assets	-	(9,050,203)	-	-	-	-	-	(8,227,250)	(1,357,829)	-
Transfers-in	16,040,091	3,231,801	5,329,997	3,580,999	31,868,200	43,172,287	12,145,484	7,041,704	8,100,091	2,727,000
Transfers-out	(19,418,551)	(3,501,050)	(5,962,847)	(3,223,100)	(32,758,360)	(43,915,354)	(12,706,505)	(7,414,704)	(8,588,451)	(3,193,000)
Total Other Financing Sources (Uses)	\$ 56,122,986	\$ 46,751,816	\$ 45,134,389	\$ 23,260,284	\$ 13,245,042	\$ 142,583,794	\$ 19,105,275	\$ 29,920,193	\$ 22,815,664	\$ 126,090,504
Net Change in Fund Balance	\$ 28,822,366	\$ (13,645,895)	\$ (12,456,695)	\$ (63,868,959)	\$ (70,180,803)	\$ 49,902,366	\$ (20,525,831)	\$ (5,994,079)	\$ (8,371,098)	\$ 64,021,772
Debt Service as a Percentage of Noncapital Expenditures	18.01%	14.43%	17.10%	17.74%	17.28%	22.30%	22.67%	17.49%	20.56%	24.57%

Source: City of Akron, Ohio Finance Department

* Prior to 2014, Original Bond Issue Discount was included in Bond Issuance Expenditures.

Schedule 5

City of Akron, Ohio
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years
 (in thousands of dollars)

Tax Collection Year	Real Property		Personal Property		Public Utilities		Total		Total Direct Rate	Percent of Total Assessed Value to Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2006	\$ 3,004,852	\$ 8,585,291	\$ 234,182	\$ 936,728	\$ 116,085	\$ 463,549	\$ 3,355,119	\$ 9,985,568	10.30	33.60 %
2007	3,006,951	8,591,289	160,595	642,380	112,615	450,190	3,280,161	9,683,859	10.30	33.87
2008	2,991,842	8,548,120	80,493	321,972	97,027	387,821	3,169,362	9,257,913	10.30	34.23
2009	2,921,073	8,345,923	-	-	96,579	386,009	3,017,652	8,731,932	10.30	34.56
2010	2,911,817	8,319,477	-	-	93,107	274,050	3,004,924	8,593,527	10.30	34.97
2011	2,928,343	8,366,694	-	-	88,008	251,451	3,016,351	8,618,145	10.30	35.00
2012	2,580,090	7,371,686	-	-	92,022	262,920	2,672,112	7,634,606	10.30	35.00
2013	2,550,584	7,287,383	-	-	111,892	319,691	2,662,476	7,607,074	10.30	35.00
2014	2,493,126	7,123,217	-	-	126,778	362,223	2,619,904	7,485,440	10.30	35.00
2015	2,437,486	6,964,246	-	-	145,400	415,429	2,582,886	7,379,675	10.30	35.00

Source: City of Akron, Ohio Finance Department

Note: For real property, the estimated actual value is derived by dividing the assessed value by 35%; for personal property, divide the assessed value by 25%. The assessed value estimated actual value for public utilities is the combination of two figures.

City of Akron, Ohio
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

Tax Collection Year	City Direct Rates					Overlapping Rates			
	Operating	Police Pension	Fire Pension	Debt Retirement	Total Direct Rate	Akron City School District	Summit County	Akron Metro Parks	
2006	9.28	0.30	0.30	0.42	10.30	63.76	14.26	0.85	
2007	9.28	0.30	0.30	0.42	10.30	71.66	15.14	1.46	
2008	9.28	0.30	0.30	0.42	10.30	71.66	14.87	1.46	
2009	9.28	0.30	0.30	0.42	10.30	71.66	14.78	1.46	
2010	9.28	0.30	0.30	0.42	10.30	71.66	14.80	1.46	
2011	9.28	0.30	0.30	0.42	10.30	71.66	14.80	1.46	
2012	9.28	0.30	0.30	0.42	10.30	71.66	14.80	1.46	
2013	9.28	0.30	0.30	0.42	10.30	79.56	14.84	1.46	
2014	9.28	0.30	0.30	0.42	10.30	79.56	14.81	1.46	
2015	9.28	0.30	0.30	0.42	10.30	79.56	14.80	1.46	

Source: City of Akron, Ohio Finance Department

Schedule 7

City of Akron, Ohio
Principal Property Tax Payers
12/31/2014 and 12/31/2005
(in thousands of dollars)

	December 31, 2014		December 31, 2005			
	Taxpayer	Taxable Assessed Value	Percentage of Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Percentage of Taxable Assessed Value
Ohio Edison		\$ 84,686	3.28 %	First Energy	\$ 60,861	1.81 %
American Transmission		28,985	1.12	SBC	27,193	0.81
East Ohio Gas		13,069	0.51	Goodyear Tire & Rubber Co.	26,329	0.78
Albrecht Incorporated		11,809	0.46	Bridgestone/Firestone	19,397	0.58
CHM Akron LLC		10,233	0.40	Time Warner Entertainment	13,825	0.41
Ohio Edison Tower Limited Liability		8,154	0.32	American Transmission	12,984	0.39
Busson, Berhard B		7,486	0.29	Dominion East Ohio	8,228	0.25
Hampton Knoll Apartments LLC		7,455	0.29	Noveon Inc.	7,174	0.21
Plaza Chapel Hill Ltd.		6,592	0.26	LMA Commerce	6,567	0.20
Akron Management Corporation		6,356	0.25	Children's Hospital Medical Center	5,932	0.18
		<u>\$ 184,825</u>	<u>7.18 %</u>		<u>\$ 188,490</u>	<u>5.62 %</u>

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ending 12/31	Tax Levied For The Fiscal Year	Collected within the		Delinquent Tax Collections	Total Collections to Date	
		Fiscal Year of the Levy	Percentage of Levy			Amount
2005	\$ 29,665,733	\$ 27,657,423	93.2 %	\$ 1,528,312	\$ 29,185,735	98.4 %
2006	32,145,893	29,413,676	91.5	1,829,441	31,243,117	97.2
2007	32,131,608	29,150,861	90.7	1,590,480	30,741,341	95.7
2008	31,706,811	29,288,188	92.4	1,930,460	31,218,648	98.5
2009	30,939,477	28,423,391	91.9	1,653,009	30,099,260	97.3
2010	30,874,452	28,383,628	91.9	1,701,324	30,084,952	97.4
2011	31,064,531	27,798,721	89.5	1,927,137	29,726,017	95.7
2012	27,518,858	24,477,858	88.9	1,838,523	26,316,381	95.6
2013	27,419,596	25,174,172	91.8	1,828,647	27,002,819	98.5
2014	26,984,750	25,022,030	92.7	1,697,650	26,719,680	99.0

Source: City of Akron, Ohio Finance Department

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City of Akron, Ohio
Income Tax Collections by Annual Collection Amount (Withholding and Direct Accounts)
Fiscal Years 2013 and 2014

Schedule 9

Fiscal Year 2013				
Collection Level	Number of Accounts	Percentage of Total	Total Income Tax Collections	Percentage of Total
\$1,000 and under	27,995	81.21 %	\$ 5,362,742	3.84 %
\$1,001 - \$2,500	2,943	8.54	4,690,712	3.36
\$2,501 - \$5,000	1,344	3.90	4,718,268	3.38
\$5,001 - \$10,000	881	2.56	6,184,492	4.43
\$10,001 - \$50,000	996	2.89	21,217,404	15.21
\$50,001 - \$100,000	148	0.43	10,404,333	7.46
\$100,001 - \$250,000	102	0.30	15,411,178	11.05
\$250,001 - \$1,000,000	46	0.13	20,976,745	15.03
Over \$1,000,001	14	0.04	50,564,449	36.24
	<u>34,469</u>	<u>100.00 %</u>	<u>\$ 139,530,323</u>	<u>100.00 %</u>
Fiscal Year 2014				
Collection Level	Number of Accounts	Percentage of Total	Total Income Tax Collections	Percentage of Total
\$1,000 and under	28,400	80.94 %	\$ 5,392,652	3.86 %
\$1,001 - \$2,500	3,022	8.61	4,770,244	3.41
\$2,501 - \$5,000	1,453	4.14	5,122,220	3.67
\$5,001 - \$10,000	891	2.54	6,245,534	4.47
\$10,001 - \$50,000	1,015	2.89	21,797,463	15.60
\$50,001 - \$100,000	151	0.43	10,191,972	7.29
\$100,001 - \$250,000	103	0.29	16,195,618	11.59
\$250,001 - \$1,000,000	42	0.12	20,131,976	14.41
Over \$1,000,001	13	0.04	49,900,250	35.70
	<u>35,090</u>	<u>100.00 %</u>	<u>\$ 139,747,929</u>	<u>100.00 %</u>

Source: City of Akron, Ohio Finance Department

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

City of Akron, Ohio
Ratios of Outstanding Debt and Capital Leases by Type
Last Ten Fiscal Years

Schedule 10

Fiscal Year	Governmental Activities										Internal Service General Obligation
	General Obligation	OPWC Loan	Development Services Agency Loan	Non-Tax Revenue	Income Tax Revenue	Special Revenue	Special Assessment	Capital Leases	SIB Loans		
2005	\$ 194,652,842	\$ 8,232,378	\$ 1,363,491	\$ 26,325,000	\$ 217,585,000	\$ 46,315,000	\$ 15,582,562	\$ 59,023,039	\$ 9,955,500	\$	\$ 233,610
2006	207,077,924	9,931,118	1,309,013	44,360,000	214,130,000	44,240,000	14,586,695	69,784,688	9,955,500		201,629
2007	215,894,886	10,361,148	1,252,877	42,330,000	210,160,000	42,090,000	13,506,503	84,418,159	9,358,258		168,214
2008	202,790,378	12,290,973	1,140,066	60,350,000	205,660,000	39,855,000	11,185,513	79,186,932	7,253,784		133,129
2009	202,648,923	11,654,067	995,219	58,145,000	200,655,000	37,535,000	8,780,422	75,051,348	6,756,297		123,488
2010	248,558,640	10,750,755	845,086	55,795,000	240,105,000	35,115,000	8,382,097	68,759,067	5,782,826		-
2011	240,483,180	10,706,454	5,689,471	50,835,000	234,095,000	27,165,000	11,240,502	62,314,778	4,475,878		-
2012	228,843,318	9,845,763	5,582,645	50,080,000	248,230,000	27,165,000	8,591,829	55,605,348	3,129,427		-
2013	215,139,753	9,241,963	5,482,636	48,475,000	244,487,135	27,165,000	6,220,758	75,510,213	1,742,279		-
2014	201,378,834	9,084,164	5,378,553	53,565,000	318,681,087	25,245,000	4,079,527	67,106,099	313,205		-

Fiscal Year	Government Activities				Internal Service General Health Notes Payable
	Internal Service Income Tax Revenue	Special Assessment Notes Payable	Capital Projects Notes Payable	Internal Service General Health Notes Payable	
2005	\$ -	\$ 2,781,100	\$ -	\$ -	-
2006	-	2,846,500	-	-	-
2007	-	2,778,900	-	-	-
2008	-	4,891,500	26,385,000	-	-
2009	-	13,232,200	54,665,000	-	-
2010	-	13,618,200	19,865,000	14,000,000	-
2011	-	10,618,700	39,650,000	13,000,000	-
2012	2,000,000	11,796,000	10,115,000	11,000,000	-
2013	1,615,000	13,000,000	24,730,000	9,000,000	-
2014	1,230,000	13,000,000	-	6,500,000	-

City of Akron, Ohio
Ratios of Outstanding Debt and Capital Leases by Type
Last Ten Fiscal Years
(continued)

Schedule 10

Fiscal Year	Business-Type Activities							Total Government	Per Capita ^a	Percentage Personal Income ^a
	General Obligation	Mortgage Revenue	Revenue	OWDA	OPWC	Capital Leases				
2005	\$ 1,339,672	\$ 49,205,000	\$ 42,485,000	\$ 56,302,243	\$ 3,141,885	\$ 309,151	\$ 734,832,473	\$ 3,385	19.24 %	
2006	922,222	57,565,000	39,665,000	50,996,798	2,852,601	180,539	770,605,227	3,550	20.17	
2007	800,792	51,845,000	37,380,000	46,142,221	2,651,087	515,964	771,654,009	3,555	20.20	
2008	673,927	45,845,000	34,425,000	40,586,608	2,449,574	330,456	775,432,840	3,572	20.30	
2009	638,680	47,375,000	30,910,000	34,769,136	2,348,817	426,430	786,710,027	3,624	20.60	
2010	632,925	43,925,000	27,260,000	34,216,816	2,147,303	515,999	830,274,714	4,170	21.21	
2011	637,827	40,365,000	23,470,000	28,255,744	1,945,789	453,909	805,402,232	4,045	20.57	
2012	634,450	37,175,000	19,515,000	51,142,305	1,744,275	387,152	782,582,512	3,930	19.99	
2013	631,556	33,835,000	15,385,000	73,495,595	1,542,762	321,250	807,020,900	4,053	20.61	
2014	616,599	30,360,000	11,075,000	95,300,583	1,341,248	240,130	844,495,029	4,241	21.57	

Source: City of Akron, Finance Department

^a See Schedule 16 for population and personal income data.

City of Akron, Ohio
 Legal Debt Margin Information
 Unvoted Debt Limit (5 1/2%)
 Last Ten Fiscal Years

Schedule 11

	2005	2006	2007	2008	2009
Debt limit	\$ 184,531,545	\$ 180,408,855	\$ 174,314,910	\$ 165,970,886	\$ 165,270,819
Total net debt applicable to limit	<u>134,204,723</u>	<u>149,035,885</u>	<u>157,065,630</u>	<u>153,258,194</u>	<u>145,155,121</u>
Legal debt margin	<u>\$ 50,326,822</u>	<u>\$ 31,372,970</u>	<u>\$ 17,249,280</u>	<u>\$ 12,712,692</u>	<u>\$ 20,115,698</u>
Total net debt applicable to limit as a percentage of debt limit	72.73%	82.61%	90.10%	92.34%	87.83%
Total unvoted net debt as a percentage of total assessed value of all property	3.90%	4.50%	4.95%	5.08%	4.83%
	2010	2011	2012	2013	2014
Debt limit	\$ 165,899,335	\$ 146,966,147	\$ 146,436,165	\$ 144,094,717	\$ 142,058,748
Total net debt applicable to limit	<u>122,132,898</u>	<u>156,428,662</u>	<u>125,904,916</u>	<u>115,903,682</u>	<u>137,009,121</u>
Legal debt margin	<u>\$ 43,766,437</u>	<u>\$ (9,462,515)</u>	<u>\$ 20,531,249</u>	<u>\$ 28,191,035</u>	<u>\$ 5,049,627</u>
Total net debt applicable to limit as a percentage of debt limit	73.62%	106.44%	85.98%	80.44%	96.45%
Total unvoted net debt as a percentage of total assessed value of all property	4.05%	5.85%	4.73%	4.42%	5.30%

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
 Legal Debt Margin Information
 Total Debt Limit (10 1/2%)
 Last Ten Fiscal Years

Schedule 12

	2005	2006	2007	2008	2009
Debt limit	\$ 352,287,495	\$ 344,416,905	\$ 332,783,010	\$ 316,853,509	\$ 315,517,018
Total net debt applicable to limit	<u>134,204,723</u>	<u>149,035,885</u>	<u>157,065,630</u>	<u>153,258,194</u>	<u>145,155,119</u>
Legal debt margin	<u>\$ 218,082,772</u>	<u>\$ 195,381,020</u>	<u>\$ 175,717,380</u>	<u>\$ 163,595,315</u>	<u>\$ 170,361,899</u>
Total net debt applicable to limit as a percentage of debt limit	38.10%	43.27%	47.20%	48.37%	46.01%
Total net debt as a percentage of total assessed value of all property	3.90%	4.50%	4.95%	5.08%	4.83%
	2010	2011	2012	2013	2014
Debt limit	\$ 316,716,912	\$ 280,571,736	\$ 279,559,951	\$ 275,089,915	\$ 271,203,065
Total net debt applicable to limit	<u>122,132,898</u>	<u>156,428,662</u>	<u>125,904,916</u>	<u>115,903,682</u>	<u>137,009,121</u>
Legal debt margin	<u>\$ 194,584,014</u>	<u>\$ 124,143,074</u>	<u>\$ 153,655,035</u>	<u>\$ 159,186,233</u>	<u>\$ 134,193,944</u>
Total net debt applicable to limit as a percentage of debt limit	38.56%	55.75%	45.04%	42.13%	50.52%
Total net debt as a percentage of total assessed value of all property	4.05%	5.85%	4.73%	4.42%	5.30%

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
 Computation of Direct and Overlapping Debt
 As of December 31, 2014

Political Subdivision	Amount of Debt	Percent Applicable to City	City's Share
Direct			
City of Akron	\$ 705,561,469	100.00 %	\$ 705,561,469
Total direct debt	<u>705,561,469</u>		<u>705,561,469</u>
Overlapping			
Summit County	37,505,000	22.92	8,596,146
Copley-Fairlawn City School District	300,000	5.67	17,010
Coventry Local School District	50,000,004	9.35	4,675,000
Revere Local School District	2,580,615	3.15	81,289
Springfield Local School District	31,920,000	7.78	2,483,376
Woodridge Local School District	6,250,000	29.96	1,872,500
Summit County Library District	27,695,000	33.96	9,405,222
Total overlapping debt	<u>156,250,619</u>		<u>27,130,543</u>
Total direct and overlapping debt	<u>\$ 861,812,088</u>		<u>\$ 732,692,012</u>

Sources: Debt outstanding for overlapping governments, taken from Ohio Municipal Advisory Council (OMAC) as of 1/1/2015 and City of Akron, Ohio Finance Department

Note: Percentages determined by dividing the amount of assessed valuation of the political subdivision located within the boundaries of the City by the total assessed valuation of the subdivisions.

City of Akron, Ohio
 Ratios of General Bonded Debt Outstanding
 Last Ten Fiscal Years
(in thousands of dollars, except per capita amount)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value ¹ of Property		Per Capita ²
				\$	%	
2005	\$ 211,768	\$ 2,552	\$ 209,216	2.10	%	\$ 964
2006	222,777	3,383	219,394	2.27		1,011
2007	230,369	2,526	227,843	2.48		1,050
2008	214,783	2,121	212,662	2.44		980
2009	212,192	2,790	209,402	2.44		965
2010	257,574	2,367	255,207	2.96		1,281
2011	252,362	2,823	249,539	3.27		1,253
2012	238,070	2,301	235,769	3.09		1,184
2013	221,992	955	221,037	2.95		1,110
2014	206,075	951	205,124	2.78		1,030

Source: City of Akron, Ohio Finance Department

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹ See Schedule 5, Assessed Value and Estimated Actual Value of Taxable Property, for property value data.

² See Schedule 16, Demographics and Economic Statistics, for population data.

City of Akron, Ohio
Pledged-Revenue Coverage
Last Ten Fiscal Years
(in thousands of dollars)

Schedule 15

Fiscal Year	Sewer Revenue Bonds, OPWC and OWDA Loans						JEDD Bonds				
	Sewer Gross Revenue	Less: Operating Expenses ¹	Net Available Revenue	Debt Service ²		Coverage	JEDD Gross Revenue		Debt Service		Coverage
				Principal	Interest		Principal	Interest			
2005	\$ 37,499	\$ 25,466	\$ 12,033	\$ 2,440	\$ 2,231	2.58	\$ 14,058	\$ 2,010	\$ 2,300	3.26	
2006	35,800	22,730	13,070	2,820	1,922	2.76	16,861	2,075	2,231	3.92	
2007	36,772	24,194	12,578	2,285	1,767	3.10	17,830	2,150	2,156	4.14	
2008	38,507	25,477	13,030	2,995	1,674	2.79	16,021	2,235	2,074	3.72	
2009	35,831	24,671	11,160	3,515	1,565	2.20	15,477	2,320	1,985	3.60	
2010	45,948	28,956	16,992	8,397	2,521	1.56	15,462	2,420	1,884	3.59	
2011	49,674	36,169	13,505	8,423	2,250	1.27	16,578	2,535	1,774	3.85	
2012	57,229	47,571	9,658	8,983	2,016	0.88	20,812	-	1,085	19.18	
2013	63,288	44,947	18,341	11,352	2,133	1.36	18,090	-	1,149	15.74	
2014	73,527	61,118	12,409	18,201	2,773	0.59	17,396	1,920	1,149	5.67	

Fiscal Year	Water Revenue Bonds, OPWC and OWDA Loans						Non-Tax Revenue Bonds				
	Water Gross Revenue	Less: Operating Expenses ¹	Net Available Revenue	Debt Service ³		Coverage	Non-Tax Collections		Debt Service ⁴		Coverage
				Principal	Interest		Principal	Interest			
2005	\$ 33,682	\$ 22,679	\$ 11,003	\$ 4,830	\$ 2,186	1.57	\$ 99,140	\$ 1,400	\$ 1,435	34.97	
2006	34,720	25,276	9,444	4,980	2,034	1.35	164,107	1,465	1,372	57.85	
2007	34,036	24,254	9,782	5,720	2,431	1.20	122,437	2,030	2,318	28.16	
2008	33,652	22,486	11,166	6,000	2,164	1.37	103,210	2,130	2,563	21.99	
2009	33,890	18,493	15,397	6,220	1,916	1.89	115,375	2,205	3,644	19.73	
2010	35,496	26,745	8,751	4,707	2,398	1.23	111,323	2,350	3,521	18.96	
2011	35,249	27,933	7,316	4,931	2,282	1.01	112,710	2,610	3,385	18.80	
2012	33,448	21,681	11,767	4,126	2,050	1.91	103,202	755	2,677	30.07	
2013	35,633	25,323	10,310	4,369	1,924	1.64	137,684	1,605	2,648	32.37	
2014	35,076	25,598	9,478	4,491	1,808	1.50	93,851	23,140	1,857	3.75	

City of Akron, Ohio
Pledged-Revenue Coverage
Last Ten Fiscal Years
(in thousands of dollars)
(continued)

Schedule 15

Fiscal Year	CLC Bonds				Income Tax Revenue Bonds				Coverage
	CLC Collections	Debt Service Principal	Debt Service Interest	Coverage	Income Tax Collections	Debt Service Principal	Debt Service Interest	Coverage	
2005	\$ 12,433	\$ 2,745	\$ 10,232	0.96	\$ 112,139	\$ 5,062	\$ 2,608	14.62	%
2006	13,671	3,150	10,067	1.03	114,258	4,573	2,356	16.49	
2007	13,074	3,650	9,878	0.97	129,859	4,933	2,541	17.37	
2008	14,915	4,165	9,801	1.07	119,003	5,054	2,604	15.54	
2009	12,425	4,660	9,697	0.87	108,181	4,954	2,508	14.50	
2010	12,806	5,190	10,401	0.82	106,632	4,930	2,865	13.68	
2011	16,822	5,750	11,845	0.96	118,523	2,939	5,988	13.28	
2012	18,064	5,225	6,057	1.60	113,026	-	155	729.20	
2013	14,880	5,570	10,568	0.92	125,081	1,407	1,274	46.65	
2014	12,937	7,455	11,390	0.69	127,375	1,914	1,296	39.68	

Source: City of Akron, Ohio Finance Department

¹Net of Depreciation

²The 2014 amounts for debt service include the final principal payment of \$1,533,358 and interest payment of \$38,632 for a loan that was retired during the year.

³The 2014 amounts for debt service include the final principal payment of \$2,560,000 and interest payment of \$44,800 for a bond that was retired during the year, and also the final principal payment of \$170,143 and interest payment of \$2,977 for a loan that was retired during the year.

⁴The 2014 amounts for debt service include the final principal payment of \$19,745,000 and interest payment of \$728,097 for a bond that was retired during the year.

City of Akron, Ohio
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population (1)	Personal Income (1)	Per Capita Personal Income (1)	Median Household Income (1)	Median Age (1)	Education - Bachelor's Degree or Higher (1)	School Enrollment (1)	Unemployment Rate (2)
2014	199,110	\$ 3,915,299,040	\$ 19,664	\$ 34,359	35.5	20 %	56,760	6.6 %
2013	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	7.6
2012	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	7.6
2011	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	9.4
2010	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	9.5
2009	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	11.4
2008	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	6.7
2007	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	5.9
2006	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	5.9
2005	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	6.6

Source: (1) U. S. Census Bureau
(2) Ohio Department of Job and Family Services

Schedule 17

City of Akron, Ohio
Principal Employers
12/31/2014 and 6/1/2005

December 31, 2014		June 1, 2005					
Employer	Full-Time Employees	Rank	Percentage of Total City Employment	Employer	Full-Time Employees	Rank	Percentage of Total City Employment
Summa Health System	8,100 *	1	8.90 %	Summa Health System	4,690	1	4.68 %
Akron General Health Systems	5,928	2	6.51	County of Summit	4,090	2	4.08
FirstMerit	4,392	3	4.83	Akron City School District	3,940	3	3.93
Akron Children's Hospital	3,697	4	4.06	Akron General Health System	3,485	4	3.48
Goodyear Tire & Rubber Company	3,000	5	3.30	Goodyear Tire & Rubber Company	3,000	5	2.99
County of Summit	2,969	6	3.26	The City of Akron	2,315	6	2.31
Sterling Jewelers Inc	2,856	7	3.14	The University of Akron	2,300	7	2.30
Akron Public Schools	2,645	8	2.91	Children's Hospital Medical Center	2,120	8	2.12
The University of Akron	2,622	9	2.88	FirstEnergy Corp	2,090	9	2.09
FirstEnergy Corp	2,500	10	2.75	Sterling, Inc. Headquarters	1,815	10	1.81
	<u>38,709</u>		<u>42.54 %</u>		<u>29,845</u>		<u>29.79 %</u>

Source: City of Akron, Ohio Finance Department

* Includes only Akron employees

City of Akron, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Schedule 18

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government:										
City Council	3	2	2	2	3	3	3	3	3	3
Courts	91	92	95	95	89	88	87	89	90	92
Mayor's Office - Administration	1	1	1	1	-	-	-	-	-	-
Elected and Appointed Officials	51	51	52	54	45	45	44	43	44	45
Economic Development	10	9	8	8	4	5	5	4	4	3
Labor Relations	2	2	1	1	-	-	-	-	-	-
Finance Department	94	105	102	98	80	78	75	101	100	99
Civil/Criminal	13	11	10	10	8	8	8	8	8	7
Personnel Department	19	14	15	13	11	10	8	9	9	8
Planning Department	-	1	1	1	-	-	-	-	-	-
Engineering Bureau	-	-	-	1	-	1	1	-	-	-
Public Safety:										
Elected and Appointed Officials	-	-	-	1	-	-	-	-	1	1
Finance Department	2	1	1	1	-	-	-	-	-	-
Health Department	2	2	2	2	1	1	-	-	-	-
Building Inspection	20	19	20	12	-	-	-	-	-	-
Communications	19	20	19	20	17	17	15	15	16	16
Weights & Measures	3	1	-	-	-	-	-	-	-	-
Safety Communications	64	63	64	61	55	54	57	58	57	55
Fire Department	401	389	379	408	331	363	348	345	381	368
Police Department	511	494	517	514	503	488	445	454	453	493
Traffic Engineering	32	30	30	29	23	22	20	18	21	19
Customer Service	-	2	-	-	-	-	-	-	-	-
Engineering Bureau	-	-	1	1	-	-	-	-	-	-
Public Health:										
Health Department	158	156	154	152	137	110	-	-	-	-

City of Akron, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Years
(continued)

Schedule 18

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Public Service:										
City Council	1	1	-	-	-	-	-	-	-	-
Elected and Appointed Officials	5	4	4	4	3	4	4	4	4	3
Building Inspection	-	-	1	-	-	-	-	-	-	-
Fire Department	-	-	-	-	11	10	-	-	-	-
Public Service Administration	4	4	4	4	2	2	2	1	3	5
Customer Service	12	10	8	7	8	19	10	12	12	11
Housing	-	-	-	-	-	-	9	9	12	12
Plans and Permits Center	4	4	3	3	2	2	2	1	2	2
Customer Service Response	12	12	13	11	9	9	7	8	8	8
Engineering Bureau	68	66	60	59	53	46	43	54	55	39
Airport	5	5	5	5	4	2	1	-	-	-
Building Maintenance	27	27	32	32	28	28	26	24	26	25
Motor Equipment	39	36	35	36	31	31	31	30	28	29
Golf Course	6	6	6	5	4	3	3	3	3	4
Public Utilities Administration	3	3	3	3	2	1	1	-	-	-
Utilities Services	62	58	56	54	52	50	48	56	61	59
Water Department	260	246	251	226	198	200	200	148	154	167
Public Works Administration	7	7	9	9	8	6	6	8	7	7
Highway Maintenance	68	64	70	67	62	59	55	50	56	60
Sanitation Services	65	63	45	43	38	38	38	39	42	41
Street Cleaning	37	34	37	39	37	37	35	32	37	41
Parks Maintenance	30	28	29	28	26	25	24	24	33	32
Engineering Services	7	6	6	5	6	6	4	-	-	-
Community Environment:										
Elected and Appointed Officials	2	2	2	-	1	1	1	-	1	2
Economic Development	-	1	1	1	-	-	-	-	-	-
Planning Department	70	67	66	65	54	58	53	52	52	49
Recreation Bureau	24	23	23	23	20	21	21	23	19	19
Totals:	2,314	2,242	2,243	2,214	1,966	1,951	1,740	1,725	1,802	1,824

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government										
*Building Department:										
Commercial & Right Away Plan Review	710	876	1,229	1,001	-	-	-	-	-	-
New House Permits	300	111	114	100	-	-	-	-	-	-
Zoning Complaint Investigation	350	377	576	435	-	-	-	-	-	-
Total Number of Permits Issued	2,202	2,165	6,031	2,406	1,130	1,100	1,073	522	1,156	1,237
City Council Ordinances Passed	664	621	649	557	549	414	395	414	385	382
Fire										
Emergency Responses	31,112	31,533	32,422	32,941	32,044	32,754	34,246	34,294	34,059	35,789
Fire/Rescue	7,884	7,280	7,930	7,500	6,912	6,346	6,812	7,283	7,236	7,833
Police										
Calls for Service	174,640	165,503	158,243	165,832	167,225	153,577	146,337	143,885	142,743	143,684
Civil Division Cases Filed	14,846	15,088	15,435	15,582	12,474	11,742	11,525	12,052	10,229	10,145
Criminal/Traffic Division Cases Filed	42,114	40,690	38,880	39,274	40,170	36,227	32,453	32,298	33,417	34,823
Parking Division Cases Filed	26,645	23,636	20,201	15,656	21,878	34,402	23,571	29,126	24,199	24,140
Parks and Recreation										
Good Park Golf Course Attendance	33,100	32,931	31,681	31,096	32,561	36,690	30,061	33,691	37,324	31,231
Mud Run Golf Course Attendance	9,350	10,913	10,661	10,742	11,282	12,332	10,806	13,494	12,884	10,660
Business Services										
Curb Service Accounts	-	-	-	-	62,556	61,692	61,411	61,270	61,039	60,931
Sewer										
Sewer Accounts	81,035	80,909	79,721	79,835	78,745	78,985	78,653	78,653	77,012	76,706
Sewer Amounts Billed (in thousands)	\$ 34,481	\$ 32,074	\$ 37,120	\$ 37,416	\$ 36,303	\$ 37,723	\$ 39,011	\$ 53,756	\$ 55,538	\$ 75,485
Water										
Water Accounts	82,448	82,944	84,037	83,765	82,516	84,348	83,794	83,550	83,643	82,621
Water Amounts Billed (in thousands)	\$ 30,060	\$ 29,022	\$ 28,316	\$ 28,751	\$ 27,077	\$ 31,579	\$ 30,033	\$ 33,125	\$ 31,951	\$ 31,312

* The City of Akron Building Department merged with the County of Summit at the beginning of 2009.

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police										
Number of Uniformed Police Officers	468	451	474	470	457	443	406	412	412	450
Number of Districts	12	12	12	12	12	12	12	12	12	12
Fire										
Number of Firefighters and Officers	375	359	353	382	317	350	329	325	360	349
Number of Stations	13	13	13	13	13	13	13	13	13	13
Parks and Recreation										
City Park System (in acres)	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100
City Owned/Operated Golf Courses	2	2	2	2	2	2	2	2	2	2
Water										
Miles of Pipe	1,215	1,213	1,213	1,221	1,223	1,223	1,225	1,225	1,226	1,226
Average Daily Pumpage (in millions of gallons)	37	35	38	37	34	34	35	35	34	34
Distribution-Storage Reservoirs	15	15	15	15	15	15	15	15	15	15
Sewer										
Sanitary Sewers (miles)	649	701	649	649	680	680	681	681	685	672
Storm Sewers (miles)	269	382	382	382	382	382	382	382	382	374
Storm and Combined Sewer Inlets (miles)	286	309	309	309	309	309	309	309	309	303
Pump Stations	33	33	33	33	33	33	33	33	33	33
Other Public Works										
Oil Wells	13	13	13	13	13	13	13	13	13	13
Parking Decks	10	10	10	10	10	10	10	10	10	10

Source: City of Akron, Ohio Finance Department



Dave Yost • Auditor of State

CITY OF AKRON

SUMMIT COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
NOVEMBER 10, 2015**