

**CITY OF CANTON
STARK COUNTY, OHIO**

SUPPLEMENTAL REPORTS

FOR THE YEAR ENDED
DECEMBER 31, 2014

RICHARD A. MALLONN II - CITY AUDITOR



Dave Yost • Auditor of State

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

We have reviewed the *Independent Auditor's Report* of the City of Canton, Stark County, prepared by Julian & Grube, Inc., for the audit period January 1, 2014 through December 31, 2014. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost
Auditor of State

October 28, 2015

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**CITY OF CANTON
STARK COUNTY, OHIO**

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CITY OF CANTON
STARK COUNTY
SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2014

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	CFDA NUMBER	PASS-THROUGH GRANT NUMBER	(A) CASH FEDERAL RECEIPTS	(A)(E) CASH FEDERAL DISBURSEMENTS
U.S. DEPARTMENT OF AGRICULTURE				
<i>Passed through Ohio Department of Health:</i>				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	76-2-0011-WA0310	\$ 1,178,070	\$ 1,215,250
Total U.S. Department of Agriculture			<u>1,178,070</u>	<u>1,215,250</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
<i>Passed Through N/A:</i>				
Community Development Block Grants/Entitlement Grants:				
(B),(C) Community Development Block Grants/Entitlement Grant	14.218	N/A	3,122,816	3,106,904
(B) Neighborhood Stabilization Program - NSP 1	14.218	N/A	339	7,865
(B) Neighborhood Stabilization Program - NSP 3	14.218	N/A	292,473	292,422
Total Community Development Block Grants/Entitlement Grants			<u>3,415,628</u>	<u>3,407,191</u>
(B) Emergency Solutions Grant Program	14.231	N/A	196,043	188,441
(B) Home Investment Partnerships Program	14.239	N/A	770,034	770,117
Fair Housing Assistance Program State and Local:				
(B) Fair Housing Assistance Program State and Local	14.401	N/A	-	71,438
(B) Fair Housing Assistance Program State and Local	14.401	N/A	87,375	44,782
Total Fair Housing Assistance Program State and Local			<u>87,375</u>	<u>116,220</u>
Total U.S. Department of Housing and Urban Development			<u>4,469,080</u>	<u>4,481,969</u>
U.S. DEPARTMENT OF JUSTICE				
<i>Passed Through N/A:</i>				
Violence Against Women Formula Grants	16.588	N/A	42,065	42,065
ARRA - Public Safety Partnership and Community Policing Grants	16.710	2012-UMWX0148	147,033	168,172
ARRA - Public Safety Partnership and Community Policing Grants	16.710	2013-UMWX0159	169,752	-
			<u>316,785</u>	<u>168,172</u>
Edward Byrne Memorial Justice Assistance Grant Program:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2011-DJ-BX-3276	20	26,103
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2010-DJ-BX-0229	14	355
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2013-DJ-BX-0097	41	16,831
Total Edward Byrne Memorial Justice Assistance Grant Program			<u>75</u>	<u>43,289</u>
Total U.S. Department of Justice			<u>358,925</u>	<u>253,526</u>
U.S. DEPARTMENT OF TRANSPORTATION				
<i>Passed Through Ohio Department of Transportation:</i>				
Highway Planning and Construction:				
Highway Planning and Construction	20.205	PID-85299	1,775,286	1,775,286
Highway Planning and Construction	20.205	PID-91594	152,931	152,931
Highway Planning and Construction	20.205	PID-90361	256,177	256,177
Highway Planning and Construction	20.205	PID-90465	62	62
Highway Planning and Construction	20.205	PID-86397	142,846	142,846
Highway Planning and Construction	20.205	PID-91592	205,843	205,843
Total Highway Planning and Construction			<u>2,533,145</u>	<u>2,533,145</u>
State and Community Highway Safety	20.600	2009-SC-N/I	29,391	29,391
Total U.S. Department of Transportation			<u>2,562,536</u>	<u>2,562,536</u>
U.S. ENVIRONMENTAL PROTECTION AGENCY				
<i>Passed Through the Ohio Environmental Protection Agency:</i>				
Air Pollution Control Program Support	66.001	AP-19-91-76-020007	264,703	264,703
Total U.S. Environmental Protection Agency			<u>264,703</u>	<u>264,703</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
<i>Passed Through Ohio Department of Health:</i>				
Public Health Emergency Preparedness	93.069	76-2-001-2-PH0110	268,345	228,963
Public Responsibility Education	93.092	76-2-001-2-PR0112	112,170	125,034
Immunization Grant	93.268	76-2-001-2-IM0310	132,209	129,886
(D) Medical Assistance Program	97.778	N/A	69,915	69,915
HIV Prevention Activities - Health Department Basec	93.940	76-2-0012-HP0310	252,439	252,439
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	76-2-0012-ST0311	30,000	41,631
Maternal and Child Health Services Block Grant to the States	93.994	76-2-001-1-DS0310	39,850	64,753
Total U.S. Department of Health and Human Services			<u>904,928</u>	<u>912,621</u>
Total Federal Financial Assistance			<u>\$ 9,738,242</u>	<u>\$ 9,690,605</u>

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CITY OF CANTON
 STARK COUNTY
 SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
 FOR THE YEAR ENDED DECEMBER 31, 2014

NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES:

- (A) This schedule was prepared on the cash basis of accounting.
- (B) The City passes certain federal awards received from U.S. Department of Housing and Urban Development to other governments or not-for-profit agencies (subrecipients). As Note A describes, the City reports expenditures of Federal awards to subrecipients when paid in cash.
- As a subrecipient, the City has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.
- (C) The City has a revolving loan program to provide low-interest loans to businesses to create jobs for low to moderate income persons and also to lend money to eligible persons to rehabilitate homes. The Federal Department of Housing and Urban Development (HUD) grants money for these loans to the City. This schedule reports loans made and administrative costs as disbursements. Subsequent loans are subject to the same compliance requirements imposed by HUD as the initial loans.

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

Activity in the Community Development Block Grant revolving loan fund during 2014 is as follows:

Beginning loans receivable balance as of January 1, 2014	\$ 1,462,476
Loans Disbursed	-
Loans Repaid	<u>273,012</u>
Ending loans receivable balance as of December 31, 2014	<u>\$ 1,189,464</u>

Cash balance on hand in the revolving loan fund as of December 31, 2014	\$ 42,654
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The table above reports gross loans receivable. Of the loans receivable as of December 31, 2014, the City is reporting \$709,359 as past due.

- (D) Pass-through grant numbers were unable to be obtained for these grants.
- (E) Certain federal programs require the City contribute non-federal funds (matching funds) to support the federally funded programs. The City has complied with the matching requirements. The expenditure of non-federal matching funds are not included on this schedule.

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Julian & Grube, Inc.

Serving Ohio Local Governments

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

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

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

To the Members of Council and Mayor:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Canton, Stark County, Ohio, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City of Canton's basic financial statements and have issued our report thereon dated August 28, 2015.

Internal Control Over Financial Reporting

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

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

Members of Council and Mayor
City of Canton

Compliance and Other Matters

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

City of Canton's Response to the Finding

The City of Canton's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. We did not audit the City of Canton'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 of Canton's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City of Canton's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Julian & Grube, Inc.
August 28, 2015



Julian & Grube, Inc.
Serving Ohio Local Governments

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

**Independent Auditor's Report on Compliance With Requirements Applicable
to Each Major Federal Program and on Internal Control Over Compliance
Required by OMB Circular A-133 and the Schedule of
Federal Awards Receipts and Expenditures**

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

To the Members of Council and Mayor:

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

The City of Canton'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 of Canton's compliance for each of the City of Canton's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and 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 of Canton's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

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

Members of Council and Mayor
City of Canton

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which OMB Circular A-133 requires us to report, described in the accompanying schedule of findings and responses as items 2014-002, 2014-003, and 2014-004. These findings did not require us to modify our compliance opinion on each major federal program.

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

Report on Internal Control over Compliance

The City of Canton's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City of Canton's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with 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 of Canton'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 other deficiencies we consider to be significant deficiencies.

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 and responses as item 2014-004 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 deficiencies in internal control over compliance described in the accompanying schedule of findings and responses as items 2014-002 and 2014-003 to be significant deficiencies.

The City of Canton's responses to our internal control over compliance findings are described in the accompanying schedule of findings and responses. We did not audit the City of Canton'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.

Members of Council and Mayor
City of Canton

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

We have also audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Canton as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City of Canton's basic financial statements. We issued our unmodified report dated August 28, 2015. We conducted our audit to opine on the City of Canton's basic financial statements. The accompanying Schedule of Federal Awards Receipts and Expenditures presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Julian & Grube, Inc.
August 28, 2015

**CITY OF CANTON
STARK COUNTY, OHIO**

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

1. SUMMARY OF AUDITORS' RESULTS		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	Yes
<i>(d)(1)(ii)</i>	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	Yes
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	Yes
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under §.510(a)?</i>	Yes
<i>(d)(1)(vii)</i>	<i>Major Programs (listed):</i>	Supplemental Nutrition Program for Women, Infants, and Children, CFDA #10.557; Community Development Block Grants/Entitlement Grants, CFDA #14.218; Home Investment Partnerships Program, CFDA #14.239
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$300,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee?</i>	No

**CITY OF CANTON
STARK COUNTY, OHIO**

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

2. FINDINGS RELATED TO THE FINANCIAL STATEMENT REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS	
Finding Number	2014-001

Material Weakness - Financial Reporting

A critical part of financial reporting is to maintain internal controls to help ensure the proper reporting of financial statement amounts.

We identified a misstatement in the financial statements for the year under audit that was not initially identified by the City's internal control.

The City had the following audit adjustment necessary to properly record activity in 2014.

Nonmajor Governmental Funds:

Park Department Fund

Increase property and other taxes receivable and increase deferred inflows of resources – property taxes levied for the next fiscal year in the amount of \$2,379,555. This adjustment is necessary to properly reflect property taxes in the Park Department Fund.

Proper recording of City receivables is a crucial part of the City's financial statements as potential users may rely on the statements to make decisions that could have an impact on the City.

We recommend that the City implement additional internal controls to help ensure receivables are properly recorded and reflected in the financial statements.

Client Response: The calculation of the City's estimated taxes receivable balances are partly based upon the information included on the Certificate of Estimated Resources provided by the County Budget Commission. The 2015 Certificate of Estimated Resources did not include the Park Operation & Special Revenue/Project Fund and therefore, was not included within this calculation. The Auditor's office will closely review/monitor the future Certificates of Estimated Resources prepared by the County Budget Commission to ensure all estimated resources have in fact been included within this document and are therefore properly used to prepare the calculations of these balances.

**CITY OF CANTON
STARK COUNTY, OHIO**

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

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	2014-002
CFDA Title and Number	Community Development Block Grants/Entitlement Grants, CFDA # 14.218
Federal Award Number/Year	2014
Federal Agency	U.S. Department of Housing and Urban Development
Pass-Through Agency	N/A

Noncompliance - Reporting/Significant Deficiency

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

The City of Canton did not complete the SF-425 Federal Financial Reports for the CDBG grant program during fiscal year 2014.

The City of Canton should ensure SF-425 Federal Financial Reports for the CDBG grant program are completed by the required dates.

Client Response: The City will ensure that all SF-425's are completed and filed within the timeframes established by HUD.

**CITY OF CANTON
STARK COUNTY, OHIO**

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

3. FINDINGS FOR FEDERAL AWARDS - (Continued)

Finding Number	2014-003
CFDA Title and Number	Home Investment Partnerships Program, CFDA # 14.239
Federal Award Number/Year	2014
Federal Agency	U.S. Department of Housing and Urban Development
Pass-Through Agency	N/A

Noncompliance - Reporting/Significant Deficiency

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

The City of Canton did not complete the SF-425 Federal Financial Reports for the Home Investment Partnership Program during fiscal year 2014.

The City of Canton should ensure SF-425 Federal Financial Reports for the Home grant program are completed by the required dates.

Client Response: The City will ensure that all SF-425's are completed and filed within the timeframes established by HUD.

**CITY OF CANTON
STARK COUNTY, OHIO**

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

3. FINDINGS FOR FEDERAL AWARDS - (Continued)

Finding Number	2014-004
CFDA Title and Number	Community Development Block Grants/Entitlement Grants, CFDA # 14.218
Federal Award Number/Year	2014
Federal Agency	U.S. Department of Housing and Urban Development
Pass-Through Agency	N/A

Noncompliance – Subrecipient Monitoring/Material Weakness

2 CFR section 200.331 requires that all pass-through entities monitor the activities of subrecipients of federal awards as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.

We noted that subawards for the CDBG grand program were not monitored during fiscal year 2014 for compliance with laws, regulations, and provisions of contracts and grant agreements. The CFDA number was not included on the subrecipient funding agreements, and CDBG subrecipients were not monitored pertaining to the requesting of audits.

Without proper monitoring of subrecipients, improper federal expenditures could occur.

We recommend the City work to implement proper monitoring procedures for all federal subawards.

Client Response: Going forward, the City will work to ensure all subrecipients of federal awards are monitored in accordance with federal regulations.

**CITY OF CANTON
STARK COUNTY, OHIO**

**STATUS OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 § .505
DECEMBER 31, 2014**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2013-001	<u>Noncompliance</u> - Ohio Revised Code Section 5705.41(D) requires that no subdivision or taxing unit shall make any contract or give any order involving the expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the obligation has been lawfully appropriated for such purpose and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances.	Yes	N/A
2013-002	<u>Noncompliance/Significant Deficiency/Questioned Cost - Period of Availability of Federal Funds</u> - Community Planning and Development Notice 12-004 Grant Close-Out Procedures provides that before a grantee can proceed to closeout, all CDBG-R funds must have been drawn down, activities must have met the national objective requirements and have been physically completed by the September 30, 2012 deadline. The City spent ARRA monies and obligations were incurred after this deadline.	Yes	N/A
2013-003	<u>Noncompliance/Significant Deficiency/Questioned Cost - Allowable Cost/Cost Principles</u> - 2 Code of Federal Regulations Part 225, Appendix B (8) (h) provides, in part, salaries and wages will be based on payrolls documented in accordance with generally accepted practice of the governmental unit and approved by a responsible official of the government unit. Time and effort documentation was not maintained for various payroll expenditures.	Yes	N/A
2013-004	<u>Noncompliance/Significant Deficiency - Reporting</u> - Office of Management and Budget No. 0348-0061 indicates recipients should submit interim Federal Financial Reports (FFRs) on a quarterly, semi-annual, or annual basis, as directed by the federal awarding agency.	No	Repeated as finding 2014-002 and 2014-003

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

Richard A. Mallonn II • Auditor, City of Canton



For The Year Ended December 31, 2014

CITY OF CANTON, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2014

RICHARD A MALLONN II
CITY AUDITOR

PREPARED BY THE CITY AUDITOR'S OFFICE

**CITY OF CANTON
STARK COUNTY, OHIO**
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2014

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CITY OF CANTON, OHIO



RICHARD A. MALLONN II

CANTON CITY AUDITOR

City Hall, Canton, Ohio 44702

Phone: (330) 489-3226

August 28, 2015

To Council Members and Citizens of the City of Canton:

The Comprehensive Annual Financial Report (CAFR) of the City of Canton as of December 31, 2014 is hereby submitted. This letter and the following report represent the City's continuing commitment to excellence in financial reporting. The purpose of this letter is to acquaint the reader with the CAFR. Responsibility for both the accuracy of the data, the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the City's financial position and results of operations. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The financial records, books of accounts and transactions of the City of Canton, Ohio, for the year ending December 31, 2014, have been audited by the certified public accounting firm of Julian & Grube, Inc. As stated in the auditor's report, the audit was conducted in accordance with Generally Accepted Government Auditing Standards and included a financial compliance evaluation, as well as a review of the internal accounting controls. The Auditor's opinion has been included in the report.

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

City Organization and Background

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

The City's 2014 population of 72,297 placed it as the largest city in the County and the eighth largest in the State.

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

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

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

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

City Services

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

Proprietary Operations: The City operates Water, Sewer and Refuse Departments. The revenue generated from Water and Sewer Departments were sufficient to meet all expenses in 2014.

Reporting Entity

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

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

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

Financial Information

Accounting Policies and Budgetary Control

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

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

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

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

Internal Accounting and Reporting Control

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

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

Local Economy

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

The City is home to a number of steel industrial manufacturers and suppliers. The City has benefited from the consistent financial success of the Timken Company. The City remains optimistic of continued positive impact from The Timken Company and TimkenSteel resulting from the split that occurred from the Timken Company in late 2014. The City continues to benefit from the diversity of its business base including: Nationwide Insurance, M K Morse Company, Fresh Mark Incorporated, Ironrock Capital Incorporated, Republic Engineered Products, is essential in order to create a climate for financial stability. Unfortunately, due to an announcement from Nationwide in early 2014, the City can expect significant reduction in employment for the insurance company over the course of the next 5 years as Nationwide consolidates its Ohio presence in Columbus, Ohio.

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

The City is served by two acute care hospitals located in the City: Aultman Hospital (808 beds) and Mercy Medical Center (476 beds), and two additional acute care hospitals located in the County: Alliance Community Hospital (204 beds) and Affinity Medical Center (156 beds). Massillon Psychiatric Center, a 157-bed public adult psychiatric hospital operated by the State, is also located in the County. In 2006, Aultman Hospital completed a three year \$80 million dollar expansion project, the largest in its history. The project included a new four-story 320,000 square foot addition that houses a new Aultman Heart Program, Emergency/Trauma Program, Women's Program (including Labor & Delivery) and the Neonatal Intensive Care Unit. In 2009, Mercy Medical Center unveiled its new state of the art 24-unit Mercy Intensive Care Unit. The \$20.5 million project was started in 2007 and also includes an expansion of the surgery center parking garage and relocation of the hospital's helipad to the roof of the new structure. Both Aultman Hospital and Mercy Medical Center continue to play a pivotal role in the financial stability of the City of Canton.

The Canton Park System maintains 61 parks and covers approximately 812 acres. In addition, the City constructed and owns the 5,700-seat Thurman Munson Memorial Stadium. In 2013, the citizens of Canton voted in a park levy that will begin generating approximately \$2.4 million dollars annually to assist with the maintenance and capital investment into the City's 61 parks which is up for renewal in 2015.

The City's cultural assets include the Canton Art Institute, the Symphony Orchestra Association, the Canton Civic Opera Association and the Players Guild, all of which are housed in the Cultural Center (Center) for the Arts and host a variety of exhibits, musical and dramatic performances and other cultural events each year. The Center, a gift of the Timken Foundation, is a building complex located on 8-1/2 acres in the center of the City, which cost \$13,000,000 to build in 1971. Adjacent to the center is the City-owned auditorium, an air-conditioned arena-type facility with a seating capacity of 6,000. The Cultural Center and the auditorium accommodate conventions. The City's greater metropolitan area has approximately 30 hotels and motels with over 2,716 rooms with plans and construction for three additional hotels convening in 2013 of which one is located within the City along the interstate 77 corridor.

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

Recently, the Palace completed a capital project totaling \$1.3 million including new plumbing, roof, windows, service doors, ADA compliant hearing system, live event sound system, Digital Cinema Projection and interior carpet. A vital multi-purpose entertainment facility, its marquee burns brightly sixty feet above Market Avenue, welcoming you to enter its grand foyer and become a part of Canton's nostalgic past. Hosting over 300 events a year, with an attendance of over 100,000 guests, the Palace also strives to be an important part of Canton's future.

The City's downtown is home to the National First Ladies Library housed in the former home of one time first lady Ida Saxton McKinley. The library presents a history of all the United States first ladies. In 2002, the Library added a \$5.5 million education and research center in the former National City Bank building located nearby the Saxton House. The renovations to the 110-year-old building were paid for through private donations and federal grants. The six story research center houses a 91-seat theater, meeting and exhibit rooms, research and reference materials and office space for the library personnel.

Also located in the City's downtown area is the main branch of the Stark County District Library. The library's main branch, 10 satellite branches, 2 bookmobiles and 2 kidmobiles serve 150,000 library cardholders from throughout the county. Holdings number more than 884,000 items and annual circulation for 2014 was 3.6 million items. The collection includes books, audio-visual materials and periodicals. In addition, the Library provides programs and classes for all ages, computer and Internet access, inter-library loans, reference and genealogy services, traveling collections and outreach services to shut-ins, nursing homes and housing units. It is one of the nine largest library systems in Ohio and serves 12 local school districts.

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

In 2015, the Canton City School District, the City of Canton and the Pro Football Hall of Fame began discussions on the improvement of the district campus which includes McKinley High School, the C.T. Branin Natatorium and Fawcett Stadium for the expansion and improvement of the stadium and surrounding areas. This project has evolved into a potential multi-phase construction and expansion of the Pro Football Hall of Fame campus at an estimated cumulative value of \$400 million. As of the submission of this report, the City of Canton pledged and financed a bond anticipation note of \$5 million and the state has committed \$10 million in their capital budget. The Hall of Fame has received and the City Schools has agreed to accept a \$10 million donation from Tom Benson for the renaming of the Fawcett Stadium. The 25 million cited above is expected to be a part of the phase 1, \$40 million renovation to the stadium which is set to break ground in October 2015. Fawcett stadium serves as the football facility for the District High School, area colleges, and the annual Pro Football Hall of Fame game held annually in accordance with the Hall of Fame which sits adjacent to the stadium.

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

The Stark Area Regional Transit Authority (SARTA), a separate political subdivision, provides daily public transportation in and around the City. The bus service initially was only a citywide service, but became a countywide system with the passage of a .25 percent county sales tax in 1997. The sales tax, renewed in 2002, 2006 and 2011, serves as the primary revenue source for SARTA. In addition to the sales tax, SARTA operations are supported, in part, from payments for contract services, State and Federal operating grants, and rider fares. In addition to its regular service within Stark County, SARTA runs one bus route, multiple times, between Canton and downtown Akron connecting to Akron's Metro RTA bus system and also serves the Akron-Canton Regional Airport from both cities and one route to Cleveland starting March 4, 2013.

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

The Akron-Canton Regional Airport (Airport), a cooperative effort of Stark County and Summit County (in and for which the City does not have any financial interest or legal obligations), has an operational area of 2,900 acres, most of which is located in Summit County, directly north of and adjacent to Stark County, on Interstate 77. The Airport has six airlines offering nonstop service and had 1,566,638 customers in 2014 a 9.2% decrease from the Airport's 2nd highest record year set in 2013. In late 2006, the Airport completed its 5-year \$60 million STAR Expansion Project which included extending runways, a new baggage claim area, a new food court, a new security screening area, enlarged gathering space, additional parking, and a terminal gate renovation that will allow the Airport to handle up to 1.6 million passengers annually. In 2007, the Airport invested \$10 million in a new deicing facility. In 2008, the Airport announced its new 10-year \$110 million capital improvement plan called CAK 2018. The plan includes a runway extension and border patrol facility to allow for international flights, expanded aircraft parking, expanded auto parking, a wider entrance road, expanded ticket wing, expanded security screening area, a new aircraft rescue and fire fighting maintenance facility, expand the concourse to allow for three more gates, and partner with the nearby City of Green for a new Industrial Park. The runway extension portion of the project was completed in 2010. The new aircraft rescue, border patrol facility, expanded parking lot, and expanded security-screening area were completed in 2011. In 2012, CAK completed the Firefighting Maintenance Facility (ARFF) and continued to add additional parking. Future improvements include expanding the new concourse \$3.65 million, an expanded ticket wing \$2.5 million, and widening of the entrance road \$5.0 million.

Long-Term Financial Planning

The City has experienced an increase in overall revenue, excluding other financing sources, for the general fund of \$3,461,733 on a non-GAAP budgetary basis. The City as a whole experienced an increase in GAAP-basis revenue (total of all program revenues and general revenues from the statement of activities) of \$13,763,672 from 2013. This provides the City with the third straight year of revenue growth. The City's income tax revenue grew by \$4,786,909 and property tax revenue grew by \$2,443,321. Charges for service (program revenue) increased by \$1,924,746. The City expects slight income tax collection declines in 2015. The City continues to feel the effects of federal reserves interest rate reductions in the fourth quarter of 2007 through 2012 have led to net decreases in general fund interest revenue of \$1,243,235 in 2008, \$595,900 in 2009, \$444,900 in 2010, \$141,433 in 2011, and an additional \$37,396 in 2012. General fund interest revenue increased \$1,446 in 2013 and \$120,885 in 2014 due to a more aggressive investment portfolio.

Despite continued recovery since 2010 and throughout 2014 the City remains pessimistic with respect to the potential for a rebound in interest revenue in the immediate future. As a result, the City anticipates receiving less than \$250,000 in interest revenue in 2015. This would represent a total of 21% of the interest received in 2008 before the economic downturn.

The immediate economic future is predicted to be relatively stable with slight declines expected in early 2015 with downward pressure from continued staff relocations to facilities outside of city limits from the likes of the Timken Company, U.S. Post Office, and Chesepeak Energy and Nationwide Insurance to name a few. The fact remains that these relocations continue to bode well for the regional economy and yet will provide downward pressure on City income tax collections. The City's unemployment rate changed from 6.3% at the end of 2013 to 4.9% at the end of 2014. The City commitment to increase certain departments to pre-2008 economic downturn levels will make it difficult to control costs. These personnel increases coupled with anticipated income tax revenue declines in 2015 will result in the City needing to freeze salaries, workforce reduction through attrition and health care costs sharing and the likely hood that the city will need to in 2016 as was used to deal with the 2008 economic downturn.

The City had \$1,328,702 in cash, of which \$463,798 remained uncommitted of the \$15,580,000 in general revenue bonds issued in 2006 for the building of a new fire station, a new sewer collection facility, a scaled down version of the water park, renovation of city buildings and reconstruction of existing recreational facilities. As of the release of this report the fire station is complete. A major expansion to Canton City Hall to expand operations for the Canton Municipal Court and City Council began in November of 2010. The City expansion was completed in early 2012. However, further evidence of the very difficult economic conditions of the City, is the decision at this point to scale back the size and scope of the projects outlined in the City's 2006 Recreational Bond Issuance. In January 2014, City Council entered into an agreement for the construction of the Water Park that has been postponed for the past seven years.

Relevant Financial Policies

During 2014, the City issued manuscript debt within the general fund to finance land reutilization projects and NIP acquisition and demolition; however, this balance is eliminated on a GAAP-basis (see Note 21.C). In 2014, the City's general fund cash reserves were adequate to meet the City's obligations.

During 2014, the City continued to make biweekly sick expense premium deposits into its compensated absences claim fund to help offset the cost of current and previous unfunded compensated absences. The City was not in a financial position to make additional lump sum contributions to the fund as had been done in some previous years. The City previously changed the premium calculation from 125% of the total cost of the sick leave accrued on biweekly payrolls to 105% for 2010. However, the premium returned to 125% January 1, 2011, remained 125% through 2014, and will continue throughout 2015. The City was unable to deposit additional contributions into the compensated absences claim fund in 2014.

Major Initiatives

In 2014, the City annexed approximately 2.3921 acres and continues to explore further annexation options.

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

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

In 2011, the City was awarded an additional \$1,233,756 in Neighborhood Stabilization (NSP3) funds. These funds have been used to target one hard hit area within the city. With this funding, \$987,000 will be invested in rehabilitating housing units for sale and rent. In addition, \$123,000 has been used to demolish blighted structures in the area. In 2014, the City used program income received from the sale of some of the houses to maintain the remaining properties until they are sold.

In 2013, the City established two HUD Neighborhood Revitalization Strategy Areas – the Eastside and Central Area NRSA's. During 2014, the City expended almost \$1.2 million Federal Community Development Block Grant (CDBG) Program funds on NRSA activities, including housing rehabilitation and demolition, sidewalk repair and replacement, neighborhood clean-up projects, Southeast Community Center improvements, youth programs and services, and commercial building façade renovation. Project locations included SW Canton, 7th Street NE/Sandal neighborhood, and Sherrick Road SE. Over 100 housing projects were completed in both the Eastside and Central target areas. Since the NRSA was established in 2013, the City has invested over \$2.6 million in the NRSA areas.

In 2014, the City applied for and received a \$4.2 million grant from the State of Ohio, known as the Neighborhood Initiative Program. This program is contracted through the Stark County Land Reutilization Corporation and is an acquisition for demolition program. The City intends to demolish a total of 240 homes through the program. In 2014, the City acquired 24 properties and expended \$159,850.36.

The City received a \$3 million CORF grant in 2007 for remediation at the former Hercules site. Work at this site resumed in 2012 after a delay due to the weak economy. The property will be transformed into a multi-use facility with a convention center, market rate housing, and a business and retail space. The project has also received a state tax credit worth \$10 million. The project experienced additional delays in 2014, but it is expected that by the third quarter of 2015 the project will be back on track with 140 market rate housing units being Phase I of the project.

The City is working now to prepare to apply for more CORF grants in the future.

The City Engineering Department oversees all stages of street and sewer improvement projects. During 2014, the City completed: \$1.86 million in projects (including 55th St NE Curb & Storm Sewer, and 32nd and Overbrook Storm Sewer) and \$2.80 million of road resurfacing throughout the City. Some of the larger engineering projects in various stages of planning, development, and construction include: 41st St. Reconstruction, Mahoning Rd. Corridor, 12th St. Corridor, 12th Street Bridge Replacement, Navarre Road Signal System, West Tuscarawas Corridor, 11th Street SE Realignment Project, 37th St. N.W. Rehab Project, and Walnut/Cherry Complete Streets Project.

During 2014, the City's Water Department completed various waterline extensions and improvements throughout the year adding an additional \$1.38 million of value to the overall system which includes the Lake-Hartville Waterline Phase I and II. Through December 2014, the City had expended \$1.69 million for the electronic water meter replacement project estimated at \$15 million funded through OWDA.

In 2014, the City's Water Reclamation Department continued its progress in the \$92.0 million replacement of its Water Reclamation Facilities and membrane. The membrane purchase, installation, and corresponding construction, is estimated to continue until through 2018. Through December 2014, the City had expended \$9.04 million of the \$92.0 million project.

Debt Administration

The gross indebtedness of the City at the end of 2013 was \$44,341,506. At the end of 2014, the gross indebtedness of the City was \$49,697,741. In 2014, the City continued drawing down from two pre-existing OWDA Loans and issued one new OWDA Loan in 2014. The 2014 loan issue and one of the previous OWDA loans relate to a long-term renovation project the City is undertaking at its Water Reclamation Facility. Proceeds from 2014 loan totaled \$1,474,722 and proceeds from the 2010 loan totaled \$7,400,364. The project will take almost eight years to complete and is estimated to cost \$92 million to complete. The remaining outstanding loan the City continued to draw from was for the water meter replacement project. The proceeds from the two loan totaled \$1,585,967. As of December 31, 2014, the City had \$1,113,459 and \$38,861,627 in outstanding OPWC and OWDA loans, respectively. The City also had \$1,908,230 in general obligation bonds outstanding in the enterprise funds and business-type activities and \$6,696,770 in general obligation bonds outstanding in the governmental activities. The City had \$587,289 in long-term SIB and Urban Redevelopment Loans outstanding as of December 31, 2014.

In 2014, Moody's Investor Services made no change to its stable outlook for the City. In 2010, Moody's downgraded the City's rating to A1 from Aa3 and gave the City a negative outlook on general obligation bond issue. Fitch Rating Service also downgraded the City from AA- to A+ but said its outlook is stable. Neither Moody's Investor Services nor Fitch Rating Services adjusted these ratings in 2014. The general obligation indebtedness of the City is subject to two statutory debt limitations referred to as the "direct debt limitation" (by Ohio Revised Code Section 133.05). The total principal amount of voted and unvoted nonexempt net indebtedness of the City may not exceed 10.5 percent of its assessed value of real and personal property, and in addition, the net principal amount of unvoted nonexempt debt may not exceed 5.5 percent of the same total assessed value. The City's overall legal debt margin was \$65,958,198 and an unvoted debt margin of \$29,750,231 as of December 31, 2014.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Canton for its Comprehensive Annual Financial Report as of December 31, 2013. The Certificate of Achievement is the highest form of recognition for excellence in state and local government.

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

Acknowledgements

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

Sincerely,



Richard A Mallonn II
City Auditor



Government Finance Officers Association

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

Presented to

**City of Canton
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO

**CITY OF CANTON
STARK COUNTY, OHIO**

CITY OFFICIALS
FOR THE YEAR ENDED DECEMBER 31, 2014

Mayor

William J. Healy II

Council Members

Allen Schulman, President

James Babcock
Richard Hart
Bill Smuckler
David Dougherty
Kevin Fisher
James E. Griffin

Gregory Hawk
Edmond Mack
John Mariol II
Frank Morris
Chris Smith
Thomas West

City Auditor

Richard A. Mallonn II

City Treasurer

Kim Perez

Law Director

Joseph Martuccio

Director of Income Tax

Cynthia Allensworth

Director of Public Service

William Bartos

Director of Public Safety

Andrea Perry

Fire Chief

Stephen J. Rich

Police Chief

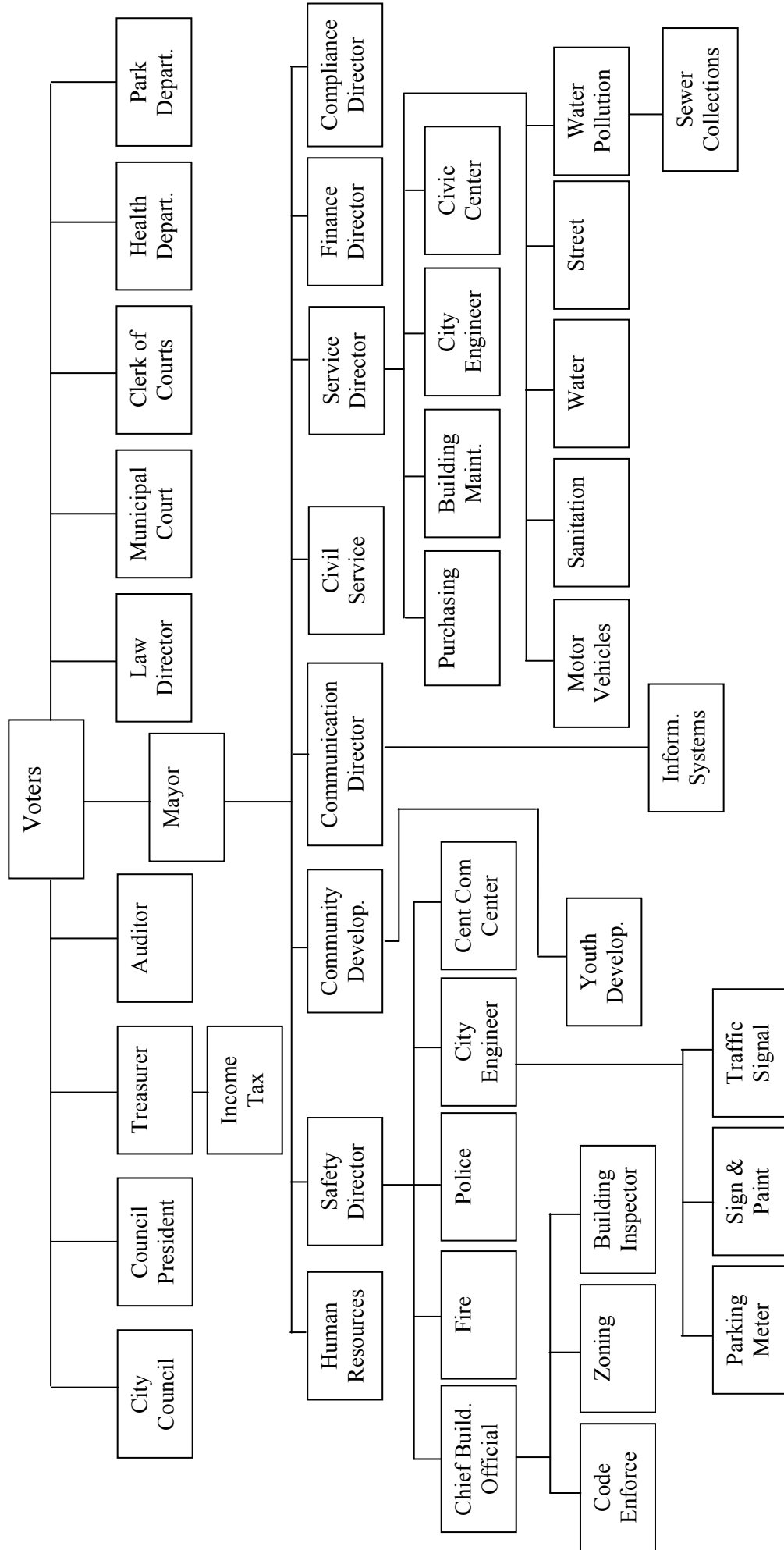
Bruce Lawver

City Engineer

Dan Moeglin

CITY OF CANTON
STARK COUNTY, OHIO

ORGANIZATIONAL CHART





CITY OF CANTON, OHIO

FINANCIAL
City of Canton, Ohio



Julian & Grube, Inc.
Serving Ohio Local Governments

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Independent Auditor's Report

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

To the Members of Council and Mayor:

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

City of Canton
Independent Auditor's Report

Opinion

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

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected 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 the 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.

City of Canton
Independent Auditor's Report

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 28, 2015, on our consideration of the City of Canton's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Canton's internal control over financial reporting and compliance.

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

Julian & Grube, Inc.
August 28, 2015

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CITY OF CANTON
STARK COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)

The management's discussion and analysis (MD&A) of the City of Canton's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2014. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, the basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

- The City's net position increased \$9.6 million as a result of this year's operations. Net position of the business-type activities increased by \$1.7 million, or 1.53 percent, and net position of governmental activities increased by \$7.9 million, or 6.17 percent.
- General revenues accounted for \$63.8 million, or 66.00 percent, of total governmental activities revenue. Program specific revenues accounted for \$32.8 million, or 34.00 percent, of total governmental activities revenue.
- The City had \$88.7 million in expenses related to governmental activities; \$32.8 million of these expenses was offset by program specific charges for services and sales, grants or contributions. The remaining expenses of the governmental activities of \$55.9 million were offset by general revenues (primarily property taxes, income taxes and unrestricted grants and entitlements) of \$63.8 million.
- The City's business-type activities consist of water, sewer and refuse operations. The City had \$34.5 million in expenses related to business-type activities. All of these expenses were offset by \$35.6 million of program specific charges for services and sales, grants or contributions. Program revenues were sufficient to cover expenses of the business-type activities in 2014. General revenues of the business-type activities were \$0.6 million for 2014. Overall, total revenues of the business-type activities exceeded expenses by \$1.7 million.
- The general fund had revenues of \$58.6 million in 2014. This represents an increase of \$3.9 million from 2013 revenues. The expenditures of the general fund, which totaled \$60.9 million in 2014, increased \$5.6 million from 2013. The net decrease in fund balance for the general fund was \$2.3 million, or 27.38 percent.
- The City received no rating change in 2014; Moody's maintains a stable outlook on the City's debt.
- The City posted reported an operating loss of \$0.1 million in its compensated absences claim internal service fund. The total liability for compensated absences increased \$0.2 million from \$7.3 million at December 31, 2013 to \$7.5 million at December 31, 2014. During 2014, the City continued to deposit premiums equal to 125% of earned benefits of employees into the fund. The compensated absences claim internal service fund had a deficit net position of \$5.9 million at December 31, 2014.

USING THIS ANNUAL FINANCIAL REPORT

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

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

CITY OF CANTON
STARK COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)

Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did the City perform financially during 2014?" The statement of net position and the statement of activities answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. The accrual basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

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

The City's statement of net position and statement of activities can be found on pages 19 through 21 of this report.

Reporting the City's Most Significant Funds

Fund Financial Statements

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

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds. Some funds are required to be established by State law. However, City Council establishes many other funds to help it control and manage money for particular purposes (Ex. parking deck fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (Ex. grants received from the U.S. Department of Housing and Urban Development). The analysis of the City's major governmental and proprietary funds begins on page 13.

CITY OF CANTON
STARK COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)

Governmental funds

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

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

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental funds are the general fund, the community and economic development fund, the capital projects fund and the motor vehicles purchase fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 22 through 31 of this report.

Proprietary funds

When the City charges customers for the full cost of the services it provides whether to outside customers or to other units of the City, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. In fact, the City's enterprise funds (a component of business type funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as a statement of cash flows. We use internal service funds, health insurance, worker's compensation insurance, and compensated absences claim funds, (the other component of proprietary funds) to report activities that provide a service to the City's other programs and activities. The basic proprietary fund financial statements can be found on pages 32 through 35 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Private-purpose trust and agency funds are the City's fiduciary fund types. The basic fiduciary fund financial statements can be found on pages 36 and 37 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 39 through 81 of this report.

CITY OF CANTON
STARK COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)

Government-Wide Financial Analysis

The table below (Table 1) provides a summary of the City's net position at December 31, 2014 and 2013.

Table 1
Net Position
(In Millions)

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
<u>Assets</u>						
Current and other assets	\$ 58.1	\$ 50.4	\$ 44.7	\$ 42.4	\$ 102.8	\$ 92.8
Capital assets, net	113.7	107.8	111.5	104.1	225.2	211.9
Total assets	<u>\$ 171.8</u>	<u>\$ 158.2</u>	<u>\$ 156.2</u>	<u>\$ 146.5</u>	<u>\$ 328.0</u>	<u>\$ 304.7</u>
<u>Liabilities and Deferred Inflows</u>						
Current and other liabilities	\$ 20.0	\$ 14.5	\$ 5.7	\$ 4.9	\$ 25.7	\$ 19.4
Long-term liabilities:						
Due in more than one year	11.6	13.9	37.6	30.4	49.2	44.3
Deferred inflows of resources	4.4	1.9	-	-	4.4	1.9
Total liabilities and deferred inflows of resources	<u>36.0</u>	<u>30.3</u>	<u>43.3</u>	<u>35.3</u>	<u>79.3</u>	<u>65.6</u>
<u>Net position</u>						
Net investment in capital assets	106.7	99.2	70.6	70.6	177.3	169.8
Restricted	19.0	20.7	-	-	19.0	20.7
Unrestricted	10.1	8.0	42.3	40.6	52.4	48.6
Total net position	<u>\$ 135.8</u>	<u>\$ 127.9</u>	<u>\$ 112.9</u>	<u>\$ 111.2</u>	<u>\$ 248.7</u>	<u>\$ 239.1</u>

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2014, the City's assets exceeded liabilities and deferred inflows of resources by \$248.7 million. At year-end, net position was \$135.8 million and \$112.9 million for the governmental activities and the business-type activities, respectively.

Capital assets reported on the government-wide statements represent the largest portion of the City's net position. At year-end, capital assets, net represented 68.66 percent of total assets. Capital assets include land, construction in progress, buildings and structures, vehicles, equipment and infrastructure. The net investment in capital assets at December 31, 2014, was \$106.7 million and \$70.6 million in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets are not used to liquidate these liabilities.

As of December 31, 2014, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. A portion of the City's net position, \$19.0 million represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position of \$52.4 million may be used to meet the government's ongoing obligations to citizens and creditors without constraints established by debt covenants, enabling legislation, or other legal requirements.

CITY OF CANTON
STARK COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)

The table below (Table 2) shows the changes in net position for fiscal year 2014 and 2013.

Table 2
Change in Net Position
(In Millions)

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
<u>Revenues</u>						
Program revenues:						
Charges for services and sales	\$ 14.9	\$ 13.2	\$ 34.9	\$ 34.6	\$ 49.8	\$ 47.8
Operating grants and contributions	12.2	9.4	0.1	0.1	12.3	9.5
Capital grants and contributions	5.7	4.0	0.6	1.9	6.3	5.9
Total program revenues	<u>32.8</u>	<u>26.6</u>	<u>35.6</u>	<u>36.6</u>	<u>68.4</u>	<u>63.2</u>
General revenues:						
City income taxes	50.7	45.8	-	-	50.7	45.8
Property taxes	4.9	2.5	-	-	4.9	2.5
Intergovernmental (grants and entitlements)	5.1	5.3	-	-	5.1	5.3
Interest and investment earnings	0.2	0.1	-	-	0.2	0.1
Other	2.9	2.0	0.6	0.1	3.5	2.1
Total general revenues	<u>63.8</u>	<u>55.7</u>	<u>0.6</u>	<u>0.1</u>	<u>64.4</u>	<u>55.8</u>
Total revenues	<u>96.6</u>	<u>82.3</u>	<u>36.2</u>	<u>36.7</u>	<u>132.8</u>	<u>119.0</u>
<u>Expenses</u>						
Program expenses:						
General government	19.6	16.6	-	-	19.6	16.6
Security of persons and property	38.8	37.2	-	-	38.8	37.2
Public health	6.2	5.9	-	-	6.2	5.9
Transportation	12.1	13.3	-	-	12.1	13.3
Community environment	8.1	6.0	-	-	8.1	6.0
Leisure time activities	3.5	3.3	-	-	3.5	3.3
Interest and fiscal charges	0.4	0.6	-	-	0.4	0.6
Water	-	-	15.4	13.1	15.4	13.1
Sewer	-	-	12.8	12.5	12.8	12.5
Refuse	-	-	6.3	5.9	6.3	5.9
Total program expenses	<u>88.7</u>	<u>82.9</u>	<u>34.5</u>	<u>31.5</u>	<u>123.2</u>	<u>114.4</u>
Increase (decrease) in net position	7.9	(0.6)	1.7	5.2	9.6	4.6
Net position at beginning of year	127.9	128.5	111.2	106.0	239.1	234.5
Net position at end of year	<u>\$ 135.8</u>	<u>\$ 127.9</u>	<u>\$ 112.9</u>	<u>\$ 111.2</u>	<u>\$ 248.7</u>	<u>\$ 239.1</u>

Governmental Activities

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

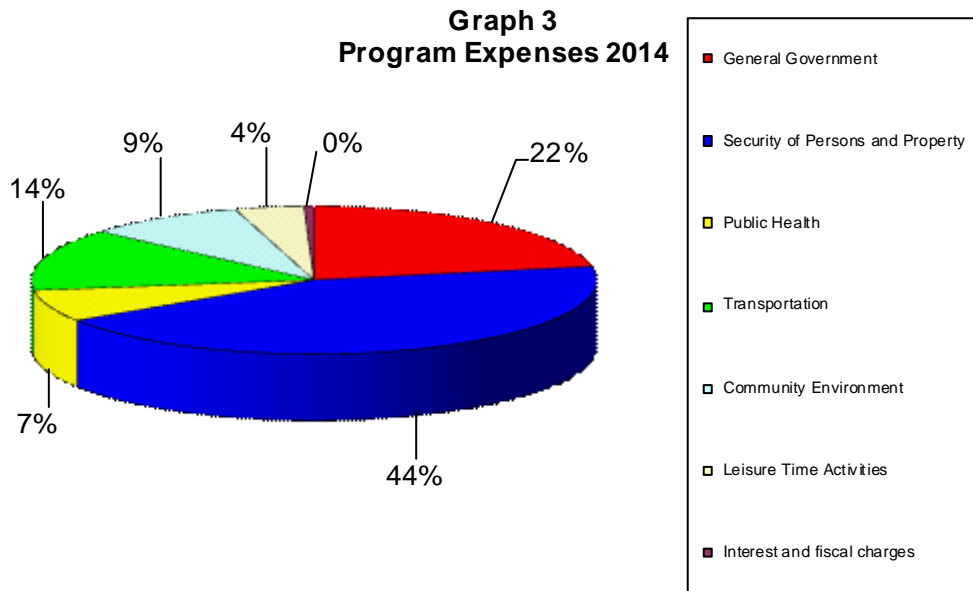
**CITY OF CANTON
STARK COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)**

When looking at sources of income to support governmental activities, it should be noted that charges for services are only 15.4 percent of governmental activities revenue. Revenues provided by sources other than city residents in the form of operating grants and contributions, capital grants and contributions and grants and entitlements not restricted to specific programs comprise another 18.5 percent. The remaining revenues are primarily generated locally through property taxes (5.1 percent) and income taxes (52.4 percent).

Overall, governmental activities revenues increased \$14.4 million primarily due to increases in income taxes (\$4.9 million), property taxes (\$2.4 million) and operating grants and contributions (\$2.8 million). Income taxes increased due to a decrease in the resident tax credit from 2.0 percent to 1.7 percent which became effective January 1, 2013, and more aggressive income collection tax practices implemented by the City. Property taxes increased due to the passage of the 4 mill tax levy in November 2013 supporting the City's Parks. Collections on the 4 mill tax levy began in 2014. Operating grants and contributions increased primarily due to increased grant activity supporting police operations and community environment projects.

Overall, governmental activities expenses increased \$5.9 million primarily due to increases in general government (\$3.0 million) and community environment (\$2.1 million). General government increased primarily due to increased expenses related to the equipping and operating the City's income tax administration coupled with increased expenses related to (1) motor vehicle service and repair, (2) courts/judges administration, and (3) law director administration.

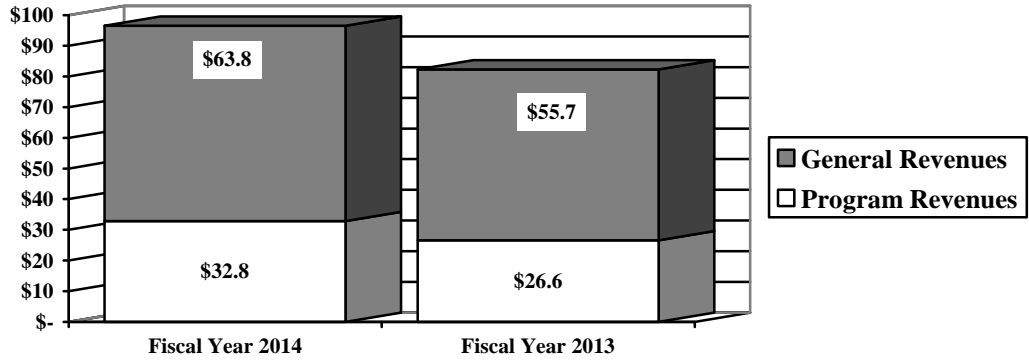
Graph 3 represents the cost of each of the City's governmental programs: security of persons and property, general government, transportation, public health, leisure time activities, community environment, and interest and fiscal charges. The net cost shows the financial burden that was placed on the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



**CITY OF CANTON
STARK COUNTY, OHIO**
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)

The graph below compares the City's general revenues (which includes property taxes, income taxes and unrestricted grants and entitlements) and program revenues for fiscal year 2014 and 2013.

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



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

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

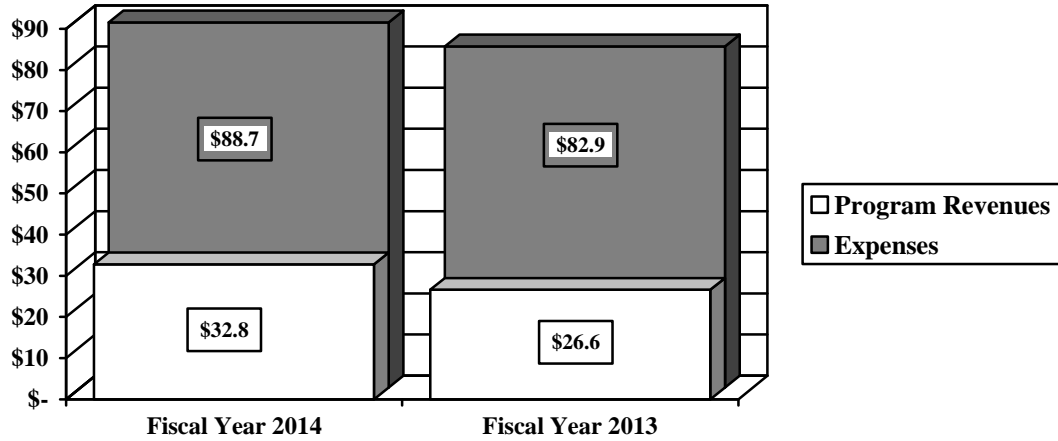
	Total Cost of Services 2014	Net Cost of Services 2014	Total Cost of Services 2013	Net Cost of Services 2013
Program expenses:				
General government	\$ 19.6	\$ 11.8	\$ 16.6	\$ 9.2
Security of persons and property	38.8	30.9	37.2	31.1
Public health	6.2	2.4	5.9	3.3
Transportation	12.1	4.8	13.3	7.6
Community environment	8.1	2.6	6.0	1.8
Leisure time activities	3.5	3.0	3.3	2.8
Interest and fiscal charges	0.4	0.4	0.6	0.5
Total	<u>\$ 88.7</u>	<u>\$ 55.9</u>	<u>\$ 82.9</u>	<u>\$ 56.3</u>

The dependence upon general revenues for governmental activities is apparent, with 63.0 percent of expenses supported through taxes and other general revenues.

**CITY OF CANTON
STARK COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)**

The graph below compares the City's governmental activities program revenues and total governmental activities expenses for fiscal year 2014 and 2013.

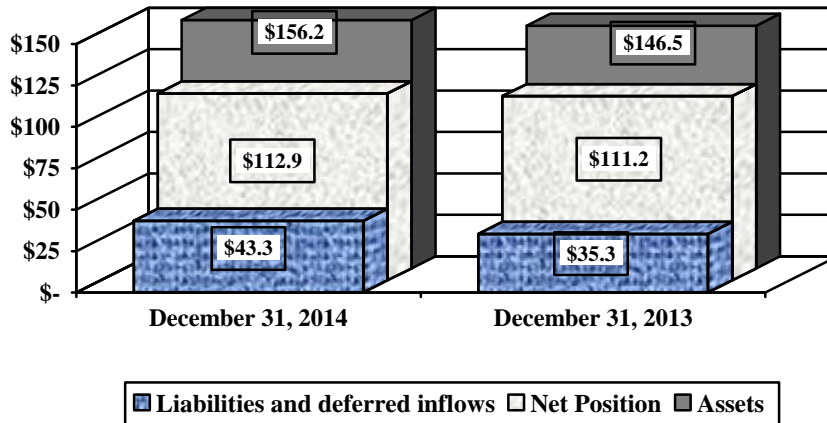
**Graph 6
Governmental Activities – Program Revenues vs. Total Expenses (In Millions)**



Business-Type Activities

The net position of the business-type activities, include the water, sewer and refuse enterprise funds. For a description of these funds, see the accompanying notes to the basic financial statements. These programs had program revenues of \$35.6 million and general revenues of \$0.6 million which were sufficient to support the total expenses of \$34.5 million. Total revenues exceeded total expenses by \$1.7 million in 2014. The graph below shows the business-type activities assets, liabilities and deferred inflows and net position at year-end.

**Graph 7
Net Position of Business - Type Activities (In Millions)**



The basic financial statements for the major funds are included in this report. Because the focus on business-type activities is a cost of service measurement or capital maintenance, we have included an assessment of the capital asset balances for the business-type activities in Graph 10 which is located on page 17.

CITY OF CANTON
STARK COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)

Financial Analysis of the Government's Funds

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

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Unassigned fund balance may serve as a useful measure of the City's net resources available for spending at year-end. The City's governmental funds (as presented on the balance sheet on pages 22 and 23) reported a combined fund balance of \$20.3 million which is \$3.4 lower than last year's total of \$23.7 million. The schedule below indicates the fund balances as of December 31, 2014 and 2013 for the governmental funds.

Table 8
Fund Balances (In Millions)

	12/31/14	12/31/13	Increase (Decrease)
Major funds:			
General	\$ 6.1	\$ 8.4	\$ (2.3)
Community and economic development	1.5	2.3	(0.8)
Capital projects	3.4	3.2	0.2
Motor vehicle purchase	0.6	1.5	(0.9)
Nonmajor governmental funds	8.7	8.3	0.4
Total	<u>\$ 20.3</u>	<u>\$ 23.7</u>	<u>\$ (3.4)</u>

General Fund

Fund balance of the general fund decreased \$2.3 million from 2013 primarily due to an increase of \$2.3 million in income tax revenue which was offset by increases in expenditures of approximately \$5.6 million primarily in the areas of general government operations and security of persons and property. Income tax revenue increased due primarily to a decrease in the resident tax credit from 2.0 percent to 1.7 percent which became effective January 1, 2013 coupled with more aggressive income tax collection practices implemented by the City. General government expenditures increased primarily in the area of income tax administration which reported expenditures of approximately \$2.8 million compared to \$1.3 million for 2013. This increase is due to remodeling in the income tax department, increase in personnel and software upgrades. Security of persons and property expenditures increased primarily due to increased costs related to police and fire operations. Police expenditures increased approximately \$0.5 million and fire expenditures increased approximately \$0.8 million primarily due to the hiring of 18 police officers and 18 firefighters in 2014.

Community and Economic Development Fund

Fund balance of the community and economic development fund decreased \$0.7 million from the prior year. Revenues decreased \$1.1 million from \$5.2 million in 2013 to \$4.1 million in 2014 primarily due to decreased operating grants. Expenditures decreased \$0.4 million from \$5.3 million in 2013 to \$4.9 million in 2014 due to decreased community environment projects funded by the decrease in operating grants. The community and economic development fund had \$1.2 million in economic development loans receivable at December 31, 2014.

CITY OF CANTON
STARK COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)

Capital Projects Fund

Fund balance of the capital projects fund increased \$0.2 million from \$3.2 million at December 31, 2013 to \$3.4 million at December 31, 2014. Revenues increased \$0.3 million from \$9.0 million in 2013 to \$9.3 million in 2014 primarily due to an increase in income tax collections. Expenditures decreased \$0.2 million from \$9.3 million in 2013 to \$9.1 million in 2014 primarily in the area of capital outlays.

Motor Vehicle Purchase Fund

Fund balance of the motor vehicle purchase fund decreased \$0.9 million from \$1.5 million at December 31, 2013 to \$0.6 million at December 31, 2014. Revenues remained consistent with 2013 levels at \$2.3 million. Expenditures increased \$2.1 million from \$1.8 million in 2013 to \$3.9 million in 2014 due to increased capital purchases made by the City in 2014. In addition, the City entered into capital lease agreements for the acquisition of equipment. Capital lease proceeds of \$0.6 million were reported in the motor vehicle purchase fund in 2014.

Nonmajor Governmental Funds

Fund balance of the nonmajor governmental funds increased \$0.4 million from \$8.3 million at December 31, 2013 to \$8.7 million at December 31, 2014. Revenues increased \$6.1 million from \$12.2 million in 2013 to \$18.3 million in 2014 due to increase in capital grants of approximately \$2.7 million. Expenditures increased \$5.5 million from \$12.4 million in 2013 to \$17.9 million in 2014 primarily in the areas of security of persons and property and capital outlays. In addition, the City entered into OPWC loan agreements in 2014. Loan proceeds in the amount of \$0.5 million were reported in the nonmajor governmental funds in 2014.

General Fund Budgeting Highlights

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

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

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

The City's general fund reported a \$0.7 million increase to original estimated revenues of \$57.1 million to arrive at the final estimated revenues of \$57.8 million. The primary increases were in the areas of income taxes (\$0.7) and other revenue (\$0.5) and the primary decreases were in the areas of operating grants (\$0.3) and intergovernmental (\$0.1). The actual revenue exceeded final budgeted revenue by \$1.2 million.

CITY OF CANTON
STARK COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)

The general fund variance from original budgeted expenditures to final budgeted expenditures was an increase of \$7.5 million. The primary areas of increase were \$4.4 million in community environment due to the \$2.0 million Historic Onesto Project not being reported in the original budgeted expenditures and due to increased appropriations for community development administration and in debt service which did not report the repayment as manuscript debt of \$2.0 million in the original budgeted expenditures. The final budgeted expenditures of \$70.7 million exceeded actual expenditures of \$68.8 million by \$1.9 million. The actual expenditures of \$68.8 million were approximately \$5.6 million higher than the original budgeted expenditures.

The original budgeted other financing sources were \$2.8 million and final budgeted other financing sources were \$7.7 million. The increase is due primarily to \$2.0 million in Historic Onesto note proceeds and \$2.8 million in manuscript debt proceeds not being reported in the original budget amounts but being included in the final budget amounts. The actual other financing sources approximated the final budgeted amounts.

Financial Analysis of the Proprietary Funds

Proprietary Funds

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

The water operating fund and the sewer operating fund had net position increases of \$0.7 million and \$1.3 million, respectively. The refuse operating fund had a decrease in net position of \$0.2 million. The water operating fund experienced an increase in operating revenue of 3.95 percent while the sewer operating fund experienced an increase in operating revenue of 0.28 percent, respectively, from the prior year. The water operating fund had an increase in operating expenses of 15.77 percent from the prior year while the sewer operating fund had an increase in operating expenses of 3.2 percent from the prior year. The Refuse Fund's operating revenue increased \$0.2 million from 2013 while expenses increased \$0.3 million. These two factors caused the refuse operating fund to report a decrease in net position of \$49,693 in 2013 versus a decrease in net position of \$0.2 million in 2014.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2014, the City had \$225.1 million invested in a variety of capital assets, including police and fire equipment, land, buildings, park facilities, roads, bridges, and water and sewer lines (see following graphs). This amount represents a net increase from prior year.

Major additions for the governmental activities include both projects completed in 2014 and removed from construction in progress as well as projects that remain construction in progress at December 31, 2014. These projects include ongoing major road and storm sewer projects, park equipment additions and renovations, and a major street lighting upgrade.

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

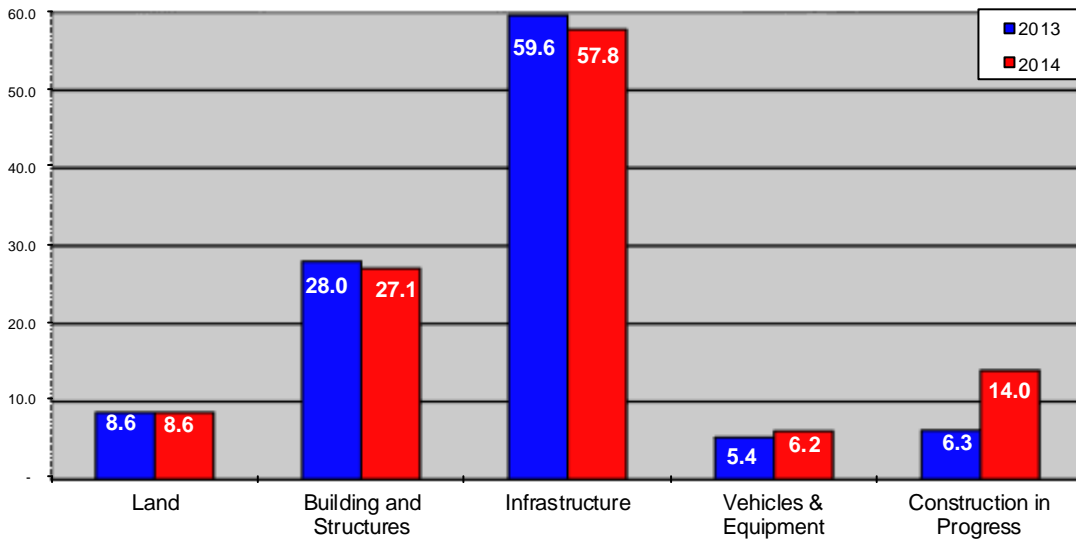
CITY OF CANTON
STARK COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)

The City's 2015 capital budget anticipates a spending level of \$10.3 million for capital projects. The City will continue to spend the balance remaining of the \$15,850,000 generated from the sale of general obligation bonds during 2006 to construct a scaled back version of a scaled back version of a community water park for the youth of the City. The water park plans have been greatly reduced since its inception in 2006. In fact, in 2009, 2010, and 2011 the City spent a portion of the unspent portion of the 2006 issuance, dedicated for both Mallonn Park and the water park, to retire the corresponding years principal and interest due on the aforementioned bonds. In early 2014, the City entered into contracts for a scaled down version of the water park. The prior portion of this issuance expended was use for constructing a fire station, additional building improvement and expansion to City Hall, improve infrastructure and city parks expansion and developments

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

The graph below reflects the City's governmental activities capital assets, net of accumulated depreciation, for December 31, 2014 and 2013:

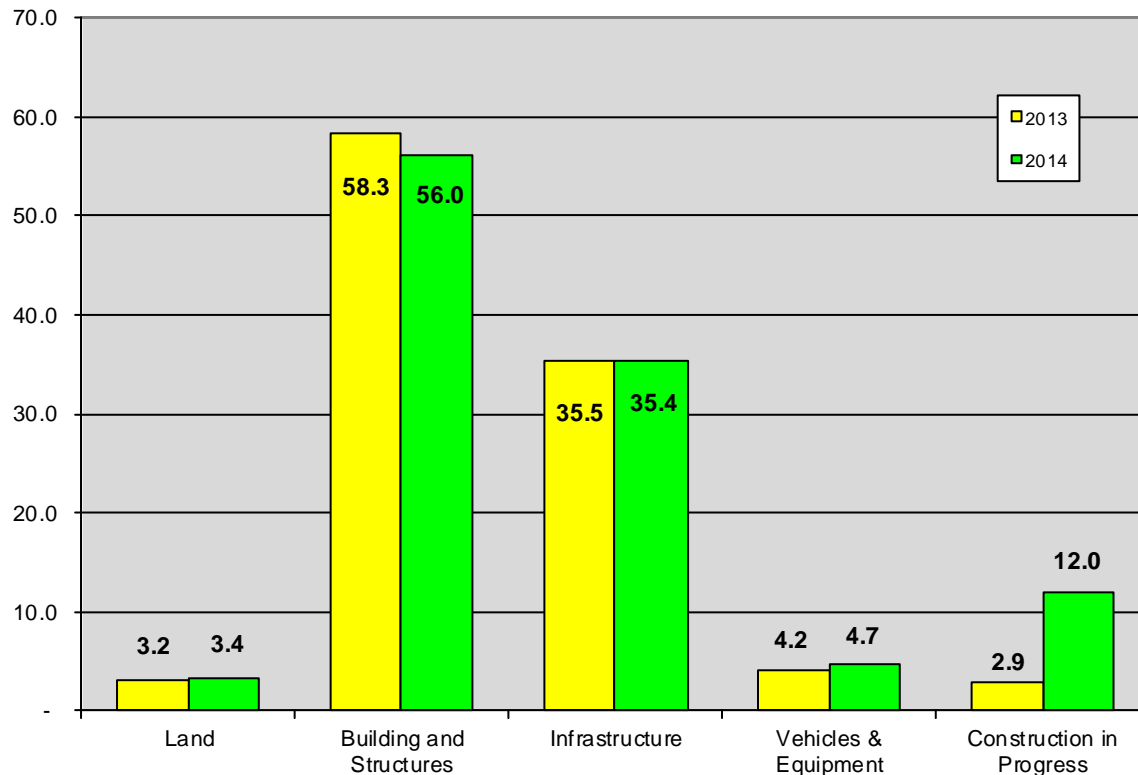
Graph 9
Governmental Capital Assets-Net of Depreciation
(Dollar Value in Millions)



**CITY OF CANTON
STARK COUNTY, OHIO**
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)

The graph below reflects the City's business-type activities capital assets, net of accumulated depreciation, for December 31, 2014 and 2013:

**Graph 10
Business-Type Capital Assets - Net of Depreciation
(Dollar Value in Millions)**



Debt

At December 31, 2014, the City had \$6.7 million in governmental activities general obligation bonds.

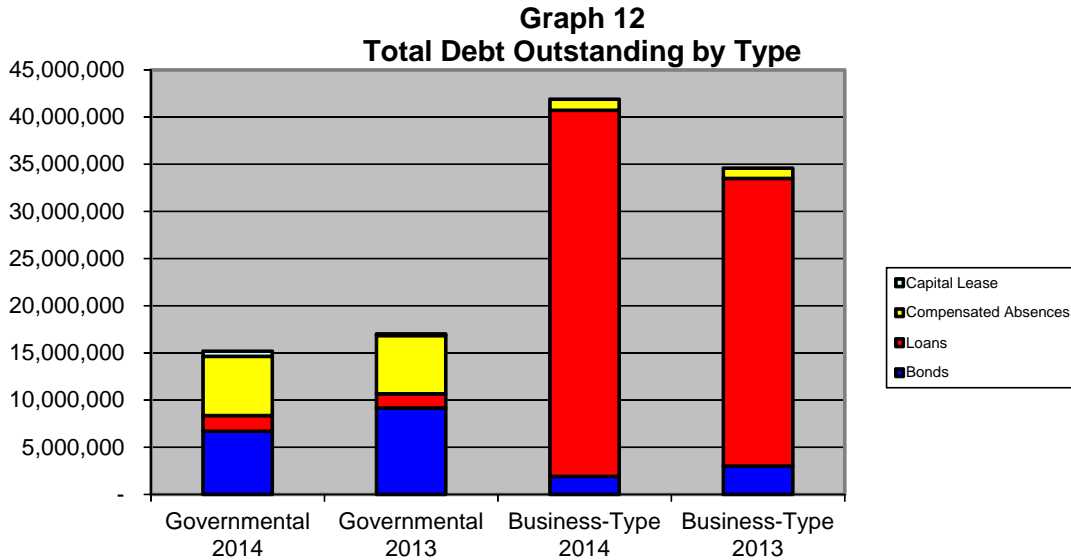
**Table 11
General Obligation Bond Debt Outstanding at Year End**

	Governmental Activities	
	2014	2013
Unvoted General Obligation Bonds:		
2009 Refunding Bonds	\$ 3,975,000	\$ 4,885,000
2006 Various Purpose	2,721,770	4,279,587
Total Unvoted General Obligation Bonds	\$ 6,696,770	\$ 9,164,587

**CITY OF CANTON
STARK COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)**

The City's overall legal debt margin was \$65.96 million as of December 31, 2014. The City's unvoted legal debt margin was \$29.75 million as of December 31, 2014.

At December 31, 2014, the City had outstanding long-term debt obligations in the amount of \$15.1 million down from \$17.0 million in 2013 for the governmental activities this represents an 11.18 percent decrease. The City's business-type activities debt obligation as of December 31, 2014 was \$42.0 million which is an increase from \$34.6 million in 2013 this represents an increase of 21.39 percent. The breakout on debt is presented in the graph below.



During 2014, the City issued \$3.4 million in notes payable and retired \$1.5 million in notes payable. The balance of the City's notes payable at December 31, 2015 is \$3.4 million. See Note 11 to the basic financial statements for more information on the City's note obligations.

In 2014, no adjustments were made to the City's credit rating; however, in 2012 Moody's Investor Services confirmed the City's rating of A1 and changed its negative outlook to stable. In 2010, Moody's downgraded the City's rating to A1 from Aa3 and gave the City negative outlook on a general obligation bond issue. Fitch Rating service did not evaluate the City in 2013; however, Fitch had previously downgraded the City from AA- to A+ but said its outlook is stable. Other obligations include accrued vacation pay and sick leave. More detailed information about the City's long-term liabilities is presented in Note 9 to the basic financial statements.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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

CITY OF CANTON
STARK COUNTY, OHIO
STATEMENT OF NET POSITION
DECEMBER 31, 2014

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	CCIC
Assets:				
Equity in pooled cash and cash equivalents	\$ 20,915,649	\$ 34,132,203	\$ 55,047,852	\$ 17,671
Cash with fiscal agent	3,019	-	3,019	-
Receivables:				
Accounts	3,814,289	8,277,511	12,091,800	-
Accrued interest	56,707	-	56,707	-
Income taxes	9,406,458	-	9,406,458	-
Property taxes	5,751,391	-	5,751,391	-
Due from other governments	14,427,130	16,858	14,443,988	-
Loans receivable	3,189,464	-	3,189,464	-
Materials and supplies inventory	438,601	2,430,173	2,868,774	-
Internal balance	95,571	(95,571)	-	-
Capital assets:				
Land and construction in progress	22,519,793	15,329,178	37,848,971	701,061
Depreciable capital assets, net	91,180,513	96,121,047	187,301,560	1,971,856
Total capital assets, net	113,700,306	111,450,225	225,150,531	2,672,917
Total assets	171,798,585	156,211,399	328,009,984	2,690,588
Liabilities:				
Accounts payable	4,608,879	1,459,916	6,068,795	-
Accrued wages and benefits payable	2,016,817	513,444	2,530,261	-
Due to other governments	568,130	95,743	663,873	-
Retainage payable	100,051	419,935	519,986	-
Accrued interest payable	39,171	6,361	45,532	-
Note payable	3,400,000	-	3,400,000	-
Claims payable	4,512,110	-	4,512,110	-
Long-term liabilities:				
Due within one year	4,750,615	3,235,007	7,985,622	-
Due in more than one year	11,593,580	37,580,116	49,173,696	-
Total liabilities	31,589,353	43,310,522	74,899,875	-
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	4,397,952	-	4,397,952	-
Total deferred inflows of resources	4,397,952	-	4,397,952	-
Net position:				
Net investment in capital assets	106,702,688	70,635,102	177,337,790	2,672,917
Restricted for:				
Community development programs	9,048,357	-	9,048,357	-
Street construction, maintenance, and repair	2,052,747	-	2,052,747	-
Public health service programs	2,558,247	-	2,558,247	-
Safety and security programs and supplies	1,262,206	-	1,262,206	-
Court programs	1,397,574	-	1,397,574	-
City-owned parking decks	23,941	-	23,941	-
Other purposes	470,715	-	470,715	-
Debt service	26,856	-	26,856	-
Capital projects	2,198,254	-	2,198,254	-
Unrestricted	10,069,695	42,265,775	52,335,470	17,671
Total net position	\$ 135,811,280	\$ 112,900,877	\$ 248,712,157	\$ 2,690,588

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF CANTON
STARK COUNTY, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government:				
<i>Governmental activities:</i>				
General government	\$ 19,609,570	\$ 7,559,719	\$ 222,814	\$ -
Security of persons and property	38,759,803	6,003,714	1,852,639	-
Public health	6,196,761	907,889	2,919,716	-
Transportation	12,065,377	32,067	1,706,066	5,542,459
Community environment	8,106,584	338,126	5,174,349	-
Leisure time activities	3,549,040	30,379	327,695	213,368
Interest and fiscal charges	442,388	165	-	-
Total governmental activities	<u>88,729,523</u>	<u>14,872,059</u>	<u>12,203,279</u>	<u>5,755,827</u>
<i>Business-type activities:</i>				
Water	15,387,377	15,545,481	-	537,050
Sewer	12,796,231	13,407,709	-	63,352
Refuse	6,257,256	5,962,885	69,919	-
Total business-type activities	<u>34,440,864</u>	<u>34,916,075</u>	<u>69,919</u>	<u>600,402</u>
Total primary government	<u>\$ 123,170,387</u>	<u>\$ 49,788,134</u>	<u>\$ 12,273,198</u>	<u>\$ 6,356,229</u>
Component Unit:				
CCIC	<u>\$ 227,343</u>	<u>\$ -</u>	<u>\$ 210,482</u>	<u>\$ -</u>

General revenues:

Municipal income taxes levied for:

General purposes	
Capital outlay	
Property and other taxes	
Payment in lieu of taxes	
Grants and entitlements not restricted to specific programs	
Interest and investment earnings	
Decrease in fair value of investments	
Gain on sale of capital assets	
Miscellaneous	

Total general revenues

Change in net position

Net position at beginning of year

Net position at end of year

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	CCIC
\$ (11,827,037)	\$ -	\$ (11,827,037)	\$ -
(30,903,450)	-	(30,903,450)	-
(2,369,156)	-	(2,369,156)	-
(4,784,785)	-	(4,784,785)	-
(2,594,109)	-	(2,594,109)	-
(2,977,598)	-	(2,977,598)	-
(442,223)	-	(442,223)	-
<u>(55,898,358)</u>	<u>-</u>	<u>(55,898,358)</u>	<u>-</u>
-	695,154	695,154	-
-	674,830	674,830	-
-	(224,452)	(224,452)	-
<u>-</u>	<u>1,145,532</u>	<u>1,145,532</u>	<u>-</u>
<u>(55,898,358)</u>	<u>1,145,532</u>	<u>(54,752,826)</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,861)</u>
38,672,597	-	38,672,597	-
12,027,117	-	12,027,117	-
4,916,636	-	4,916,636	-
25,948	-	25,948	-
5,040,384	-	5,040,384	-
206,592	-	206,592	-
(26,877)	-	(26,877)	-
-	35,942	35,942	-
<u>2,933,380</u>	<u>558,770</u>	<u>3,492,150</u>	<u>39,214</u>
<u>63,795,777</u>	<u>594,712</u>	<u>64,390,489</u>	<u>39,214</u>
7,897,419	1,740,244	9,637,663	22,353
<u>127,913,861</u>	<u>111,160,633</u>	<u>239,074,494</u>	<u>2,668,235</u>
<u>\$ 135,811,280</u>	<u>\$ 112,900,877</u>	<u>\$ 248,712,157</u>	<u>\$ 2,690,588</u>

CITY OF CANTON
STARK COUNTY, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2014

	<u>General</u>	<u>Community and Economic Development</u>	<u>Capital Projects</u>	<u>Motor Vehicle Purchase</u>
Assets:				
Equity in pooled cash and cash equivalents	\$ 3,945,916	\$ 266,880	\$ 2,486,677	\$ 429,329
Cash with fiscal agent.	-	-	-	-
Receivables:				
Accounts	2,686,020	985,754	-	-
Accrued interest	56,555	-	-	-
Municipal income taxes	7,054,843	-	1,881,292	470,323
Property and other taxes	3,371,836	-	-	-
Due from other funds.	204,078	-	-	-
Due from other governments.	3,437,774	6,976,466	2,053	-
Loans receivable	2,000,000	1,189,464	-	-
Materials and supplies inventory.	308,093	-	-	-
Total assets.	<u>\$ 23,065,115</u>	<u>\$ 9,418,564</u>	<u>\$ 4,370,022</u>	<u>\$ 899,652</u>
Liabilities:				
Accounts payable.	908,576	363,687	171,814	118,827
Accrued wages and benefits payable.	1,632,568	3,182	58,846	-
Due to other funds	146,219	189,561	4,657	-
Due to other governments	500,872	5,261	10,801	-
Retainage payable	-	-	-	-
Note payable	3,400,000	-	-	-
Accrued interest payable	7,781	-	-	-
Total liabilities	<u>6,596,016</u>	<u>561,691</u>	<u>246,118</u>	<u>118,827</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	2,018,397	-	-	-
Delinquent property tax revenue not available	1,341,233	-	-	-
Income tax revenue not available.	2,700,243	-	720,065	180,016
Intergovernmental revenue not available	1,887,462	6,323,586	-	-
Charges for services revenue not available	2,139,874	985,201	-	-
Accrued interest not available	27,437	-	-	-
Miscellaneous revenue not available	274,282	-	-	-
Total deferred inflows of resources.	<u>10,388,928</u>	<u>7,308,787</u>	<u>720,065</u>	<u>180,016</u>
Fund balances:				
Nonspendable.	400,706	-	-	-
Restricted	-	1,548,086	-	600,809
Committed	772,068	-	3,403,839	-
Assigned	3,471,995	-	-	-
Unassigned (deficit).	1,435,402	-	-	-
Total fund balances	<u>6,080,171</u>	<u>1,548,086</u>	<u>3,403,839</u>	<u>600,809</u>
Total liabilities, deferred inflows of resources, and fund balances.	<u>\$ 23,065,115</u>	<u>\$ 9,418,564</u>	<u>\$ 4,370,022</u>	<u>\$ 899,652</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Nonmajor Governmental Funds	Total Governmental Funds
\$ 8,462,373	\$ 15,591,175
3,019	3,019
32,767	3,704,541
152	56,707
-	9,406,458
2,379,555	5,751,391
-	204,078
4,010,837	14,427,130
-	3,189,464
130,508	438,601
\$ 15,019,211	\$ 52,772,564
2,886,022	\$ 4,448,926
196,899	1,891,495
23,593	364,030
31,834	548,768
100,051	100,051
-	3,400,000
-	7,781
3,238,399	10,761,051
2,379,555	4,397,952
-	1,341,233
-	3,600,324
711,596	8,922,644
5,599	3,130,674
-	27,437
6,273	280,555
3,103,023	21,700,819
130,508	531,214
8,004,949	10,153,844
640,286	4,816,193
-	3,471,995
(97,954)	1,337,448
8,677,789	20,310,694
\$ 15,019,211	\$ 52,772,564

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CITY OF CANTON
STARK COUNTY, OHIO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2014

Total governmental fund balances		\$	20,310,694
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			113,700,306
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.			
Property taxes receivable	\$	1,341,233	
Income taxes receivable		3,600,324	
Accounts receivable		3,411,229	
Intergovernmental receivable		8,922,644	
Accrued interest receivable		27,437	
Total		17,302,867	17,302,867
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund, including an internal balance of \$69,541, are included in governmental activities on the statement of net position.			(6,588,579)
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.			(31,390)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			
General obligation bonds		(6,696,770)	
Loans payable		(1,655,482)	
Capital lease obligations		(530,366)	
Total		(8,882,618)	(8,882,618)
Net position of governmental activities		\$	135,811,280

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

	<u>General</u>	<u>Community and Economic Development</u>	<u>Capital Projects</u>	<u>Motor Vehicle Purchase</u>
Revenues:				
Property and other taxes	\$ 1,865,322	\$ -	\$ -	\$ -
Municipal income taxes	37,050,346	-	9,189,093	2,297,273
Charges for services	9,780,169	44,855	-	-
Licenses, permits, and fees	1,311,288	-	4,304	-
Fines and forfeitures	201,119	-	-	-
Intergovernmental	5,583,343	-	-	-
Interest and investment income	172,081	25,808	-	-
Rental income	9,301	2,575	-	-
Contributions and donations	-	-	-	-
Operating grants	923,021	4,025,538	-	-
Capital grants	-	-	38,574	-
Payment in lieu of taxes	-	-	-	-
Decrease in fair value of investments	(26,877)	-	-	-
Other	1,726,622	43,879	7,777	4,650
Total revenues	<u>58,595,735</u>	<u>4,142,655</u>	<u>9,239,748</u>	<u>2,301,923</u>
Expenditures:				
Current:				
General government	17,668,989	-	-	-
Security of persons and property	35,046,247	-	-	-
Public health	2,602,197	-	-	-
Transportation	1,873,655	-	-	-
Community environment	2,777,314	4,858,866	-	-
Leisure time activities	374,270	-	-	-
Capital outlay	-	-	6,498,397	3,523,449
Debt service:				
Principal retirement	430,000	-	2,294,023	300,257
Interest and fiscal charges	127,706	-	292,636	29,586
Total expenditures	<u>60,900,378</u>	<u>4,858,866</u>	<u>9,085,056</u>	<u>3,853,292</u>
Excess of revenues over (under) expenditures	<u>(2,304,643)</u>	<u>(716,211)</u>	<u>154,692</u>	<u>(1,551,369)</u>
Other financing sources:				
Sale of capital assets	-	2,766	11,814	83,178
Capital lease transactions	-	-	-	570,104
Issuance of loans	-	-	-	-
Total other financing sources	<u>-</u>	<u>2,766</u>	<u>11,814</u>	<u>653,282</u>
Net change in fund balances	(2,304,643)	(713,445)	166,506	(898,087)
Fund balances at beginning of year	<u>8,384,814</u>	<u>2,261,531</u>	<u>3,237,333</u>	<u>1,498,896</u>
Fund balances at end of year	<u>\$ 6,080,171</u>	<u>\$ 1,548,086</u>	<u>\$ 3,403,839</u>	<u>\$ 600,809</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Nonmajor Governmental Funds	Total Governmental Funds
\$ 2,326,882	\$ 4,192,204
-	48,536,712
1,589,936	11,414,960
215,287	1,530,879
226,862	427,981
3,244,075	8,827,418
9,047	206,936
43,040	54,916
2,984	2,984
4,432,500	9,381,059
5,476,121	5,514,695
25,948	25,948
-	(26,877)
104,350	1,887,278
<u>17,697,032</u>	<u>91,977,093</u>
1,095,131	18,764,120
2,153,910	37,200,157
3,400,465	6,002,662
2,613,851	4,487,506
451,492	8,087,672
2,385,625	2,759,895
5,687,981	15,709,827
70,891	3,095,171
3,762	453,690
<u>17,863,108</u>	<u>96,560,700</u>
<u>(166,076)</u>	<u>(4,583,607)</u>
-	97,758
110,918	681,022
455,595	455,595
<u>566,513</u>	<u>1,234,375</u>
400,437	(3,349,232)
8,277,352	23,659,926
<u>\$ 8,677,789</u>	<u>\$ 20,310,694</u>

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

Net change in fund balances - total governmental funds \$ (3,349,232)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation expense in the current period.

Capital asset additions	\$ 13,702,114	
Current year depreciation	(7,804,647)	
Total	5,897,467	

Contributed capital assets are not reported in the governmental funds; however, these contributions increase assets on the statement of net position.		239,447
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The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net assets.		(238,639)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property and other taxes	724,432	
Municipal income taxes	2,163,002	
Intergovernmental revenue	(574,435)	
Operating grants	(419,459)	
Charges for services	1,443,323	
Interest	27,437	
Miscellaneous	203,207	
Total	3,567,507	

The issuance of loans and capital leases are reported as an other financing source in the governmental funds, however, in the statement of activities, they are not reported as revenues as they increase the liabilities on the statement of net position.		(1,136,617)
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Repayment of bond, loan, and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.

General obligation bond principal payments	2,467,817	
Loan principal payments	297,327	
Capital lease principal payments	330,027	
	3,095,171	

In the statement of activities, interest is accrued on outstanding bonds and loans, whereas in governmental funds, an interest expenditure is reported when due.		11,302
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Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The net revenue (expense) of the internal service funds, including an internal balance activity of \$51,227, is reported with the governmental activities on the government-wide statement of net position.		(188,987)
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Change in net position of governmental activities \$ 7,897,419

CITY OF CANTON
STARK COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Property and other taxes	\$ 1,710,000	\$ 1,847,400	\$ 1,865,322	\$ 17,922
Municipal income taxes	36,349,723	36,999,723	37,369,574	369,851
Charges for services	9,407,822	9,248,322	9,537,592	289,270
Licenses, permits, and fees	1,248,700	1,300,200	1,319,759	19,559
Fines and forfeitures.	157,000	157,000	197,507	40,507
Intergovernmental	5,825,300	5,665,300	5,753,264	87,964
Interest and investment income	50,000	83,000	133,714	50,714
Rental income	7,494	7,494	9,301	1,807
Operating grants	1,045,000	690,353	945,839	255,486
Other.	1,304,500	1,776,077	1,849,052	72,975
Total revenues	<u>57,105,539</u>	<u>57,774,869</u>	<u>58,980,924</u>	<u>1,206,055</u>
Expenditures:				
Current:				
General government:				
Service director support administration	938,679	963,679	951,943	11,736
Service director	131,055	138,055	121,769	16,286
Purchase administration	486,677	486,677	468,053	18,624
Annexation.	8,015	10,015	8,678	1,337
Building and maintenance	1,300,513	1,285,012	1,244,875	40,137
Income tax administration	2,856,151	2,851,151	2,812,085	39,066
Mayor administration	427,301	427,301	414,202	13,099
Human resources.	144,850	147,850	133,659	14,191
Council.	679,335	679,336	631,617	47,719
Judges	2,336,359	2,336,359	2,290,355	46,004
Clerk of Courts.	1,618,240	1,593,240	1,516,634	76,606
Law department	1,921,537	2,007,084	1,907,059	100,025
Auditor's office.	1,881,241	1,888,941	1,842,838	46,103
Treasurer's office.	432,056	707,056	689,403	17,653
Civil service	342,874	355,674	346,486	9,188
Zoning board.	8,648	8,648	8,563	85
Department of Motor Vehicles.	2,266,665	2,345,965	2,210,727	135,238
Management information systems	1,240,243	1,198,934	1,178,647	20,287
Total general government	<u>19,020,439</u>	<u>19,430,977</u>	<u>18,777,593</u>	<u>653,384</u>
Security of persons and property:				
Safety director	197,493	205,493	201,481	4,012
Code enforcement	998,658	982,658	958,498	24,160
Safety director school police administration	145,695	135,695	128,198	7,497
Central communication.	1,707,018	1,747,018	1,720,976	26,042
Police.	16,703,399	16,440,060	16,261,125	178,935
Fire	15,104,164	15,486,174	15,385,370	100,804
Traffic administration.	392,776	414,116	386,325	27,791
Traffic engineer/parking meters.	146,396	159,396	155,837	3,559
Total security of persons and property	<u>35,395,599</u>	<u>35,570,610</u>	<u>35,197,810</u>	<u>372,800</u>

(Continued)

CITY OF CANTON
STARK COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Public health:				
Administration	910,764	935,122	885,649	49,473
Nurses	908,129	855,931	846,727	9,204
Lab.	304,859	329,424	327,016	2,408
Air pollution.	40,000	40,000	40,000	-
Environmental health administration	475,655	588,930	583,304	5,626
Total public health	<u>2,639,407</u>	<u>2,749,407</u>	<u>2,682,696</u>	<u>66,711</u>
Transportation:				
Engineering - daily operations.	68,808	68,308	62,409	5,899
Street department	1,539,600	1,969,100	1,879,135	89,965
Total transportation	<u>1,608,408</u>	<u>2,037,408</u>	<u>1,941,544</u>	<u>95,864</u>
Community environment:				
Community development administration.	98,363	2,357,373	1,886,018	471,355
Community Improvement Corporation.	391,180	391,180	391,180	-
Land reutilization.	1,542,715	1,602,494	1,357,032	245,462
Historic Onesto Project	-	2,000,000	2,000,000	-
Total community environment	<u>2,032,258</u>	<u>6,351,047</u>	<u>5,634,230</u>	<u>716,817</u>
Leisure time activities:				
Park administration.	35,740	35,740	12,956	22,784
Baseball.	15,834	15,834	13,344	2,490
Civic Center administration	436,091	436,091	435,196	895
Total leisure time activities.	<u>487,665</u>	<u>487,665</u>	<u>461,496</u>	<u>26,169</u>
Debt service:				
Principal retirement	1,930,000	3,930,000	3,930,000	-
Interest and fiscal charges	103,300	123,300	119,925	3,375
Total debt service.	<u>2,033,300</u>	<u>4,053,300</u>	<u>4,049,925</u>	<u>3,375</u>
Total expenditures	<u>63,217,076</u>	<u>70,680,414</u>	<u>68,745,294</u>	<u>1,935,120</u>
Excess of revenues over (under) expenditures	<u>(6,111,537)</u>	<u>(12,905,545)</u>	<u>(9,764,370)</u>	<u>3,141,175</u>
Other financing sources (uses):				
Issuance of notes.	1,400,000	3,400,000	3,400,000	-
Issuance of manuscript debt.	-	2,800,000	2,800,000	-
Transfers in	462,500	462,500	442,158	(20,342)
Transfers (out).	(276,200)	(316,200)	(316,158)	42
Advances in	1,000,000	1,000,000	1,000,000	-
Advances (out).	(1,055,000)	(1,055,000)	(1,000,000)	55,000
Total other financing sources (uses).	<u>1,531,300</u>	<u>6,291,300</u>	<u>6,326,000</u>	<u>34,700</u>
Net change in fund balances.	(4,580,237)	(6,614,245)	(3,438,370)	3,175,875
Fund balances at beginning of year	5,782,928	5,782,928	5,782,928	-
Prior year encumbrances appropriated.	1,859,364	1,859,364	1,859,364	-
Fund balances at end of year	<u>\$ 3,062,055</u>	<u>\$ 1,028,047</u>	<u>\$ 4,203,922</u>	<u>\$ 3,175,875</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF CANTON
STARK COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY AND ECONOMIC DEVELOPMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Charges for services	\$ -	\$ -	\$ 44,855	\$ 44,855
Rental income.	-	-	2,575	2,575
Operating grants	7,382,947	10,902,385	4,236,305	(6,666,080)
Other	158,300	158,300	226,635	68,335
Total revenues	<u>7,541,247</u>	<u>11,060,685</u>	<u>4,510,370</u>	<u>(6,550,315)</u>
Expenditures:				
Current:				
Community environment:				
Youth development	420,911	310,106	118,241	191,865
Community development administration	5,768,715	8,505,542	5,965,365	2,540,177
Federal stimulus funding	59,653	59,153	13,723	45,430
Hamilton Avenue project	5,300	5,300	300	5,000
Community development demolition	478,166	1,753,166	600,006	1,153,160
Fair housing administration.	141,578	178,953	130,241	48,712
Economic development grants/loans	300,000	300,000	-	300,000
Total expenditures	<u>7,174,323</u>	<u>11,112,220</u>	<u>6,827,876</u>	<u>4,284,344</u>
Excess of revenues over (under) expenditures	<u>366,924</u>	<u>(51,535)</u>	<u>(2,317,506)</u>	<u>(2,265,971)</u>
Other financing sources:				
Sale of assets	-	-	2,766	2,766
Total other financing sources.	<u>-</u>	<u>-</u>	<u>2,766</u>	<u>2,766</u>
Net change in fund balances	366,924	(51,535)	(2,314,740)	(2,263,205)
Fund balances (deficit) at beginning of year.	(2,294,246)	(2,294,246)	(2,294,246)	-
Prior year encumbrances appropriated	2,606,999	2,606,999	2,606,999	-
Fund balances (deficit) at end of year	<u>\$ 679,677</u>	<u>\$ 261,218</u>	<u>\$ (2,001,987)</u>	<u>\$ (2,263,205)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF CANTON
STARK COUNTY, OHIO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2014

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Operating Fund	Sewer Operating Fund	Refuse Operating Fund	Total	
Assets:					
Current assets:					
Equity in pooled cash and cash equivalents	\$ 11,916,410	\$ 20,780,163	\$ 1,435,630	\$ 34,132,203	\$ 5,324,474
Receivables:					
Accounts	3,339,417	2,830,428	2,107,666	8,277,511	109,748
Due from other funds	-	5,375	5,375	10,750	185,982
Due from other governments	-	-	16,858	16,858	-
Materials and supplies inventory	1,389,499	1,040,674	-	2,430,173	-
Total current assets	<u>16,645,326</u>	<u>24,656,640</u>	<u>3,565,529</u>	<u>44,867,495</u>	<u>5,620,204</u>
Non-current assets:					
Capital assets:					
Land and construction in progress	3,976,595	11,208,583	144,000	15,329,178	-
Depreciable capital assets, net	56,693,852	37,268,075	2,159,120	96,121,047	-
Total capital assets, net	<u>60,670,447</u>	<u>48,476,658</u>	<u>2,303,120</u>	<u>111,450,225</u>	<u>-</u>
Total assets	<u>77,315,773</u>	<u>73,133,298</u>	<u>5,868,649</u>	<u>156,317,720</u>	<u>5,620,204</u>
Liabilities:					
Current liabilities:					
Accounts payable	521,250	830,610	108,056	1,459,916	159,953
Retainage payable	30,981	388,954	-	419,935	-
Accrued wages and benefits payable	223,355	178,682	111,407	513,444	125,322
Due to other funds	21,751	9,677	5,352	36,780	-
Due to other governments	48,229	30,302	17,212	95,743	19,362
Accrued interest payable	4,899	1,462	-	6,361	-
General obligation bonds payable	874,434	261,025	-	1,135,459	-
OWDA loans payable	1,223,759	864,084	-	2,087,843	-
OPWC loans payable	6,310	5,395	-	11,705	-
Compensated absences payable	-	-	-	-	1,750,338
Claims payable	-	-	-	-	3,305,015
Total current liabilities	<u>2,954,968</u>	<u>2,570,191</u>	<u>242,027</u>	<u>5,767,186</u>	<u>5,359,990</u>
Non-current liabilities:					
General obligation bonds payable	595,122	177,649	-	772,771	-
OWDA loans payable	22,407,849	14,320,715	-	36,728,564	-
OPWC loans payable	41,016	37,765	-	78,781	-
Compensated absences payable	-	-	-	-	5,711,239
Claims payable	-	-	-	-	1,207,095
Total non-current liabilities	<u>23,043,987</u>	<u>14,536,129</u>	<u>-</u>	<u>37,580,116</u>	<u>6,918,334</u>
Total liabilities	<u>25,998,955</u>	<u>17,106,320</u>	<u>242,027</u>	<u>43,347,302</u>	<u>12,278,324</u>
Net position:					
Net investment in capital assets	35,521,957	32,810,025	2,303,120	70,635,102	-
Unrestricted (deficit)	15,794,861	23,216,953	3,323,502	42,335,316	(6,658,120)
Total net position (deficit)	<u>\$ 51,316,818</u>	<u>\$ 56,026,978</u>	<u>\$ 5,626,622</u>	<u>112,970,418</u>	<u>\$ (6,658,120)</u>
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds				(69,541)	
Net position of business-type activities				<u>\$ 112,900,877</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Operating Fund	Sewer Operating Fund	Refuse Operating Fund	Total	
Operating revenues:					
Charges for services	\$ 15,469,316	\$ 13,407,209	\$ 5,962,885	\$ 34,839,410	\$ 15,151,071
Rental income	76,165	500	-	76,665	-
Other	13,123	545,076	571	558,770	842,895
Total operating revenues	<u>15,558,604</u>	<u>13,952,785</u>	<u>5,963,456</u>	<u>35,474,845</u>	<u>15,993,966</u>
Operating expenses:					
Personal services	6,466,803	5,145,885	3,722,726	15,335,414	528,763
Contract services	3,999,616	4,529,542	1,895,200	10,424,358	1,181,097
Materials and supplies	2,037,444	528,814	310,678	2,876,936	5,476
Benefit claim expenses	-	-	-	-	3,198,756
Insurance claims and expenses	8,611	11,646	644	20,901	11,320,088
Depreciation	2,020,065	2,209,920	299,893	4,529,878	-
Other	49,157	183,330	16,995	249,482	-
Total operating expenses	<u>14,581,696</u>	<u>12,609,137</u>	<u>6,246,136</u>	<u>33,436,969</u>	<u>16,234,180</u>
Operating income (loss)	<u>976,908</u>	<u>1,343,648</u>	<u>(282,680)</u>	<u>2,037,876</u>	<u>(240,214)</u>
Nonoperating revenues (expenses):					
Interest and fiscal charges	(783,391)	(169,277)	-	(952,668)	-
Gain on disposal of capital assets	8,317	21,055	6,570	35,942	-
Operating grants	-	-	69,919	69,919	-
Total nonoperating revenues (expenses)	<u>(775,074)</u>	<u>(148,222)</u>	<u>76,489</u>	<u>(846,807)</u>	<u>-</u>
Income (loss) before capital contributions	201,834	1,195,426	(206,191)	1,191,069	(240,214)
Capital contributions	537,050	63,352	-	600,402	-
Change in net position	738,884	1,258,778	(206,191)	1,791,471	(240,214)
Net position (deficit) at beginning of year	<u>50,577,934</u>	<u>54,768,200</u>	<u>5,832,813</u>		<u>(6,417,906)</u>
Net position (deficit) at end of year	<u>\$ 51,316,818</u>	<u>\$ 56,026,978</u>	<u>\$ 5,626,622</u>		<u>\$ (6,658,120)</u>
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds				(51,227)	
Change in net position of business-type activities				<u>\$ 1,740,244</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

	Business-type Activities - Enterprise Funds			Total	Governmental Activities - Internal Service Funds
	Water Operating Fund	Sewer Operating Fund	Refuse Operating Fund		
Cash flows from operating activities:					
Cash received from charges for services	\$ 15,744,150	\$ 13,673,792	\$ 5,965,668	\$ 35,383,610	\$ 15,151,071
Cash received from rents	76,165	500	-	76,665	-
Cash received from other operations	14,633	586,266	571	601,470	901,402
Cash payments for personal services	(6,455,263)	(5,122,991)	(3,711,582)	(15,289,836)	(550,716)
Cash payments for contractual services	(3,719,546)	(4,958,793)	(1,883,487)	(10,561,826)	(1,025,585)
Cash payments for materials and supplies	(1,974,839)	(725,708)	(322,285)	(3,022,832)	(5,476)
Cash payments for claims	(8,611)	(11,646)	(644)	(20,901)	-
Cash payments for insurance claims	-	-	-	-	(10,653,625)
Cash payments for benefits claims	-	-	-	-	(2,995,451)
Cash payments for other expenses	(47,162)	(180,063)	(17,619)	(244,844)	-
Net cash provided by operating activities	<u>3,629,527</u>	<u>3,261,357</u>	<u>30,622</u>	<u>6,921,506</u>	<u>821,620</u>
Cash flows from noncapital financing activities:					
Cash received from grants and subsidies	-	-	71,598	71,598	-
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>71,598</u>	<u>71,598</u>	<u>-</u>
Cash flows from capital and related financing activities:					
Acquisition of capital assets	(2,018,558)	(8,344,435)	(772,269)	(11,135,262)	-
Capital contributions	537,050	63,352	-	600,402	-
Proceeds from sale of capital assets	8,317	21,805	6,570	36,692	-
Proceeds of loans	1,585,967	8,875,086	-	10,461,053	-
Principal paid on bonds	(841,108)	(251,076)	-	(1,092,184)	-
Interest paid on bonds	(92,427)	(27,590)	-	(120,017)	-
Principal paid on OPWC loans	(6,311)	(5,395)	-	(11,706)	-
Principal paid on OWDA loans	(1,201,489)	(840,885)	-	(2,042,374)	-
Interest paid on OWDA loans	(693,767)	(142,524)	-	(836,291)	-
Net cash used in capital and related financing activities	<u>(2,722,326)</u>	<u>(651,662)</u>	<u>(765,699)</u>	<u>(4,139,687)</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents . .	907,201	2,609,695	(663,479)	2,853,417	821,620
Cash and cash equivalents at beginning of year . . .	11,009,209	18,170,468	2,099,109	31,278,786	4,502,854
Cash and cash equivalents at end of year	<u>\$ 11,916,410</u>	<u>\$ 20,780,163</u>	<u>\$ 1,435,630</u>	<u>\$ 34,132,203</u>	<u>\$ 5,324,474</u>

(Continued)

CITY OF CANTON
STARK COUNTY, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental Activities - Internal Service Funds</u>
	<u>Water Operating Fund</u>	<u>Sewer Operating Fund</u>	<u>Refuse Operating Fund</u>	<u>Total</u>	
Reconciliation of operating income (loss) to net cash provided by operating activities:					
Operating income (loss)	\$ 976,908	\$ 1,343,648	\$ (282,680)	\$ 2,037,876	\$ (240,214)
Adjustments:					
Depreciation	2,020,065	2,209,920	299,893	4,529,878	-
Changes in assets and liabilities:					
Decrease (increase) in accounts receivable.	265,594	(75,301)	23,068	213,361	52,351
(Increase) in due from other funds	-	(5,375)	(5,375)	(10,750)	(56,198)
(Increase) decrease in materials and supplies inventory	12,151	(171,369)	-	(159,218)	-
Decrease in due from other governments	-	388,449	-	388,449	6,156
Increase (decrease) in accounts payable	301,089	(843,158)	(518)	(542,587)	(281,493)
Increase in accrued wages and benefits	14,222	16,531	8,674	39,427	29,663
Increase (decrease) in due to other funds	5,870	3,808	(13,779)	(4,101)	-
Increase in retainage payable	30,981	388,954	-	419,935	-
Increase (decrease) in due to other governments	2,647	5,250	1,339	9,236	(761,169)
Increase in compensated absences payable.	-	-	-	-	203,305
Increase in claims payable	-	-	-	-	1,869,219
Net cash provided by operating activities.	<u>\$ 3,629,527</u>	<u>\$ 3,261,357</u>	<u>\$ 30,622</u>	<u>\$ 6,921,506</u>	<u>\$ 821,620</u>

Non-Cash Transactions:

As of December 31, 2014, the water operating fund, sewer operating fund, and refuse operating fund had purchased \$152,754, \$826,276, and \$1,442 in capital assets on account, respectively.

As of December 31, 2013, the water operating fund, sewer operating fund, and refuse operating fund had purchased \$104,934, \$86,843, and \$26,569 in capital assets on account, respectively.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF CANTON
STARK COUNTY, OHIO
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2014

	Private-Purpose Trust	
	Hartford Houtz	Agency
Assets:		
Equity in pooled cash and cash equivalents.	\$ -	\$ 2,066,876
Cash and cash equivalents in segregated accounts	32,695	101,752
Investments in segregated accounts	114,555	-
Receivables:		
Accounts	-	20,997
Total assets	\$ 147,250	\$ 2,189,625
Liabilities:		
Due to other governments.	\$ -	\$ 231,220
Undistributed assets	-	101,752
Deposits held and due to others	-	1,856,653
Total liabilities	-	\$ 2,189,625
Net position:		
Held in trust for individuals.	147,250	
Total net position	\$ 147,250	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF CANTON
STARK COUNTY, OHIO
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Private-Purpose Trust
	Hartford Houtz
Additions:	
Investment income.	\$ 3,736
Net increase in fair market value of investments	5,580
Total additions.	9,316
Deductions:	
Distributions	-
Total deductions.	-
Change in net position.	9,316
Net position at beginning of year.	137,934
Net position at end of year	\$ 147,250

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 1 - DESCRIPTION OF THE CITY AND REPORTING ENTITY

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

Reporting Entity

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

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

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

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

A. Basis of Presentation

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

Government-wide Financial Statements

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

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

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

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

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

B. Fund Accounting

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

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

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

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

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

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

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

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

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

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

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

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

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

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

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

C. Measurement Focus

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

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

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

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

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

D. Basis of Accounting

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

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

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

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

Deferred Inflows of Resources - Deferred inflows of resources arise when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2014, but which were levied to finance year 2015 operations, have been recorded as deferred inflows and resources. Property taxes, income taxes and special assessments due at December 31, 2014 but not received within the available period and grants and entitlements received before the eligibility requirements are met are also recorded as deferred inflows of resources on modified accrual only. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred inflows of resources.

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

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

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

E. Appropriations

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

F. Lapsing of Appropriations

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

G. Cash and Cash Equivalents

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

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

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

During 2014, investments were limited to Federal National Mortgage Association (FNMA) securities, Federal Farm Credit Bank (FFCB) securities, Federal Home Loan Mortgage Corporation (FHLMC) securities, Federal Home Loan Bank (FHLB) securities, Commercial Paper, U.S. Treasury Notes, Repurchase Agreement and U.S. Government Money Market Mutual Funds. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts, such as repurchase agreements, are reported at cost.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2014 amounted to \$172,081, which includes \$149,823, assigned from other City funds.

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

**CITY OF CANTON
STARK COUNTY, OHIO**
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

H. Inventory

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

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

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2014, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed. The City has no prepaid items.

J. Capital Assets

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

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

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

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

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

K. Interfund Balances

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

L. Compensated Absences

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

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

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

M. Accrued Liabilities and Long-Term Obligations

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

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

N. Fund Balance

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

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

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

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

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

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

Assigned Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by City Council.

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

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

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

O. Net Position

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

P. Operating Revenues and Expenses

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

Q. Contributions of Capital

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

During 2014, the City recognized capital contributions of \$537,050 in the water operating fund and \$63,352 in the sewer operating fund. These contributions consisted of capital grant revenue from the State of Ohio for the West Side Interceptor Sanitary Sewer.

Additionally, the governmental activities received donated capital assets consisting of \$157,803 in Munson Stadium which was donated to the City, \$26,079 in donated traffic signals and \$55,565 in equipment and facilities improvements to enhance City parks. These donated assets are reported as a component of capital grants and contributions on the statement of activities.

R. Interfund Activity

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in business-type activities. Interfund transfers are eliminated when reported in the entity wide financial statements for both the governmental and business-type activities. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund, and as a reduction of expenditures/expenses in the fund that is reimbursed.

**CITY OF CANTON
STARK COUNTY, OHIO**
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

S. Extraordinary and Special Items

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

T. Estimates

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

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For 2014, the City has implemented GASB Statement No. 69, "Government Combinations and Disposals of Government Operations" and GASB Statement No. 70, "Accounting and Financial Reporting for Nonexchange Financial Guarantees".

GASB Statement No. 69 establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The Statement improves the decision usefulness of financial reporting by requiring that disclosures be made by governments about combination arrangements in which they engage and for disposals of government operations. The implementation of GASB Statement No. 69 did not have an effect on the financial statements of the City.

GASB Statement No. 70 improves the recognition, measurement, and disclosures for state and local governments that have extended or received financial guarantees that are nonexchange transactions. The implementation of GASB Statement No. 70 did not have an effect on the financial statements of the City.

B. Deficit Fund Balances/Net Position

Fund balances/net position at December 31, 2014 included the following individual fund deficits:

	Deficit Balance
<u>Nonmajor Governmental Funds:</u>	
12th Street N. Corridor Project Fund	\$ 97,954
 <u>Internal Service Funds:</u>	
Health Insurance Fund	1,305,537
Compensated Absences Claim Fund	5,886,680

The deficits in these funds are the result of adjustments for accrued liabilities. The general fund is liable for any deficit in these funds and will provide transfers when cash is required, not when accruals occur.

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

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

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

Interim monies may be invested in the following securities:

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

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

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

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

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

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

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

Cash and Cash Equivalents in Segregated Accounts: At year end, the City had \$101,752 deposited with a financial institution for monies related to the municipal court agency fund. In addition, the City had \$32,695 of nonnegotiable certificates of deposit held in trust by financial institutions for the private-purpose trust fund. These accounts are maintained separate from the City's internal investment pool. The balances in these accounts are included in "deposits with financial institutions" below.

Investments in Segregated Accounts: At year end, the City had \$114,555 in municipal bond mutual funds held in trust for the private-purpose trust fund. The mutual funds are maintained separate from the City's internal investment pool. The balances of the mutual funds are included in "investments" below.

A. Deposits with Financial Institutions

At December 31, 2014, the carrying amount of all City deposits was \$8,907,731. Based on the criteria described in GASB Statement No. 40, "*Deposits and Investment Risk Disclosures*," as of December 31, 2014, \$8,627,847 of the City's bank balance of \$9,515,313 was exposed to custodial risk as discussed below, while \$887,466 was covered by the FDIC.

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Custodial credit risk is the risk that, in the event of bank failure, the City's deposits may not be returned. 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 the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the City. 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 had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

B. Investments

As of December 31, 2014, the City had the following investments and maturity:

Investment type	Balance at Fair Value	1 Year or Less	1 to 2 Years	2 to 3 Years	Greater Than 3 Years
FFCB	\$ 2,046,545	\$ -	\$ 548,675	\$ 1,497,870	\$ -
FHLB	7,103,702	-	998,460	5,115,152	990,090
FHLMC	6,214,150	-	-	3,267,051	2,947,099
FNMA	7,685,765	-	-	6,263,560	1,422,205
Commercial Paper	2,998,750	2,998,750			
U.S. Treasury Notes	3,999,450	1,000,080	2,999,370	-	-
Repurchase Agreement	18,265,000	18,265,000	-	-	-
U.S. Government Money Market Mutual Funds	144,665	144,665	-	-	-
Total	\$ 48,458,027	\$ 22,408,495	\$ 4,546,505	\$ 16,143,633	\$ 5,359,394

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

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

**CITY OF CANTON
STARK COUNTY, OHIO**
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Concentration of Credit Risk: The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities. The following table includes the percentage of each investment type held by the City at December 31, 2014:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
FFCB	\$ 2,046,545	4.22
FHLB	7,103,702	14.66
FHLMC	6,214,150	12.82
FNMA	7,685,765	15.86
Commercial Paper	2,998,750	6.19
U.S. Treasury notes	3,999,450	8.25
Repurchase Agreement	18,265,000	37.69
U.S. Government Money		
Market Mutual Fund	<u>144,655</u>	<u>0.31</u>
Total	<u>\$ 48,458,017</u>	<u>100.00</u>

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

The following is a reconciliation of cash and investments as reported in the footnote above to cash and investments as reported on the financial statements as of December 31, 2014:

Cash and investments per note:

Carrying amount of deposits	\$ 8,907,731
Investments	48,458,017
Cash on hand	<u>1,000</u>
Total	<u>\$ 57,366,748</u>

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

Governmental activities	\$ 20,918,667
Business-type activities	34,132,203
Fiduciary funds	<u>2,315,878</u>
Total	<u>\$ 57,366,748</u>

NOTE 5 - RECEIVABLES

Receivables at December 31, 2014, consisted of taxes, accounts (billings for user charged services), loans and intergovernmental receivables. All of these receivables, except loans receivable, are considered fully collectible.

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

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 5 - RECEIVABLES - (Continued)

Special assessments expected to be collected in more than one-year amount to \$1,006,327 in the general fund, \$985,201 in the community and economic development fund, and \$5,599 in the debt service fund (a nonmajor governmental fund). Special assessments are reported among accounts receivable on the statement of net position and the balance sheet and charges for services revenue on the statement of activities and the statement of revenues, expenditures, and changes in fund balance.

A. Property Taxes

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

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2014 public utility property taxes became a lien December 31, 2013, are levied after October 1, 2014, and are collected in 2015 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Auditor collects property taxes on behalf of all taxing districts in the County, including the City of Canton. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2014 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by a deferred inflow of resources since the current taxes were not levied to finance 2014 operations and the collection of delinquent taxes has been offset by a deferred inflow of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is reported as a deferred inflow of resources.

The tax rates per \$1,000 of assessed valuation for the year ended December 31, 2014, for all City operations applied to taxable property in the following taxing districts within the City limits was \$3.40 for District 2 - Canton City School District, \$2.00 for District 3 - Plain Local School District, \$2.60 for District 4 - Canton Local School District, and \$2.30 for District 90 - Osnaburg Local School District. The assessed values of real and public utility property upon which 2014 property tax receipts were based are as follows:

Real property	\$ 673,378,380
Real and personal public utility	<u>50,780,950</u>
Total assessed value	<u><u>\$ 724,159,330</u></u>

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 5 - RECEIVABLES - (Continued)

B. Income Taxes

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

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. By City ordinance, income tax proceeds, after income tax department expenditures, are credited to the following funds: 75 percent to the general fund, 20 percent to the capital projects fund and 5 percent to the motor vehicle purchase Fund. The allocation to the motor vehicle purchase fund is the only allocation that was actually voted upon and approved by the voters of the City. This requires the fund balance for the motor vehicle purchase fund to be reported as restricted as seen on page 80.

C. Due From Other Governments

A summary of intergovernmental receivables follows:

	Amounts
Governmental activities	
Local government and local government revenue assistance	\$ 1,884,462
Hotel tax	26,614
Charges for services	184,600
Fines and forfeitures	47,685
Casino revenue	1,096,704
Gasoline and excise tax	1,024,902
Motor vehicle tax	154,151
Grants	10,008,012
Total governmental activities	14,427,130
Business-type activities	
Grants	16,858
Total business-type activities	16,858
Grand total	\$ 14,443,988

**CITY OF CANTON
STARK COUNTY, OHIO**
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 5 - RECEIVABLES - (Continued)

D. Loans Receivable

The special revenue funds reflect community development loans receivable in the amount of \$1,189,464. The loans receivable represent the principal owed to the City for Community Development Block Grants. The loans bear interest at annual rates between 0% and 11%. The loans will be repaid over periods up to 20 years.

The general fund has reported a loan receivable in the amount of \$2,000,000. The loan receivable represents an economic development loan made to Historic Onesto, LLC for betterments and improvements to The Historic Onesto which is being converted from a hotel (closed in 1974) to luxury loft apartments and private event space. The loan bears an annual interest rate of 3% with a repayment period not to exceed 10 years.

NOTE 6 - RISK MANAGEMENT

A. Workers' Compensation

Since 1989, the City has participated in the Ohio Bureau of Workers' Compensation Retrospective Rating Plan. Under the retrospective rating plan, the City assumes a portion of the risk in return for a reduction in current premiums. Current limits for claims incurred in 2014 are \$200,000 per claim.

A minimum premium for fixed costs is charged by the Ohio Bureau of Workers' Compensation. A maximum premium, the employer's experience-rated premium multiplied by the maximum percentage selected by the employer, may be charged back to the City for a ten-year evaluation period per claim. For the policy year 2014, the City selected Tier 1 which calls for no claim limit and a 150 percent maximum premium limit.

The claims liability of \$2,584,321 reported in the workers compensation internal service fund at December 31, 2014, is estimated by the third-party administrators and is based on the requirements of GASB Statement No. 10, "*Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*", as amended by GASB Statement No. 30, "*Risk Financing Omnibus*", which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Claims amounts for 2013 have been restated to conform to 2014 presentation. Changes in claims activity for the past two years are as follows:

Year	Balance Beginning of Year	Claims Incurred	Claim Payments	Balance End of Year
2013	\$ 2,071,178	\$ 1,927,301	\$ 1,668,194	\$ 2,330,285
2014	2,330,285	1,614,125	1,360,089	2,584,321

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 6 - RISK MANAGEMENT - (Continued)

B. Property and Liability

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

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

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

C. Medical

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

The claims liability of \$1,927,789 reported in the Health Insurance Internal Service Fund at December 31, 2014, is estimated by the third-party administrators and is based on the requirements of GASB Statement No. 10, “*Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*”, as amended by GASB Statement No. 30, “*Risk Financing Omnibus*”, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not report claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Claims amounts for 2013 have been restated to conform to 2014 presentation. Changes in the fund’s claims liability amount for the last two years follow:

Year	Balance Beginning of Year	Claims Incurred	Claim Payments	Balance End of Year
2013	\$ 1,160,367	\$ 9,689,186	\$ 9,334,191	\$ 1,515,362
2014	1,515,362	9,705,963	9,293,536	1,927,789

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 7 - CAPITAL ASSETS

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

	Balance 12/31/13	Additions	Deductions	Balance 12/31/14
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 8,566,048	\$ -	\$ -	\$ 8,566,048
Construction in progress	6,276,260	9,934,929	(2,257,444)	13,953,745
Total capital assets, not being depreciated	<u>14,842,308</u>	<u>9,934,929</u>	<u>(2,257,444)</u>	<u>22,519,793</u>
Capital assets, being depreciated:				
Buildings and structures	51,566,164	536,421	(172,730)	51,929,855
Vehicles and equipment	30,560,840	2,167,242	(658,850)	32,069,232
Infrastructure	372,414,536	3,560,413	(203,998)	375,770,951
Total capital assets, being depreciated	<u>454,541,540</u>	<u>6,264,076</u>	<u>(1,035,578)</u>	<u>459,770,038</u>
Less accumulated depreciation:				
Buildings and structures	(23,611,734)	(1,292,482)	86,774	(24,817,442)
Vehicles and equipment	(25,117,028)	(1,292,101)	553,826	(25,855,303)
Infrastructure	(312,853,055)	(5,220,064)	156,339	(317,916,780)
Total accumulated depreciation	<u>(361,581,817)</u>	<u>(7,804,647)</u>	<u>796,939</u>	<u>(368,589,525)</u>
Total capital assets, being depreciated, net	<u>92,959,723</u>	<u>(1,540,571)</u>	<u>(238,639)</u>	<u>91,180,513</u>
Governmental activities capital assets, net	<u>\$ 107,802,031</u>	<u>\$ 8,394,358</u>	<u>\$ (2,496,083)</u>	<u>\$ 113,700,306</u>

(Continued)

Depreciation expense was charged to governmental functions as follows:

General government	\$ 532,953
Security of persons and property	990,164
Public health	117,791
Transportation	5,461,370
Community environment	17,118
Leisure time activities	685,251
Total depreciation expense	<u>\$ 7,804,647</u>

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 7 - CAPITAL ASSETS - (Continued)

	Balance 12/31/13	Additions	Deductions	Balance 12/31/14
Business-type activities				
Capital assets, not being depreciated:				
Land	\$ 3,206,114	\$ 160,000		\$ 3,366,114
Construction in progress	2,910,465	10,485,764	(1,433,165)	11,963,064
Total capital assets, not being depreciated	<u>6,116,579</u>	<u>10,645,764</u>	<u>(1,433,165)</u>	<u>15,329,178</u>
Capital assets, being depreciated:				
Buildings and structures	117,932,832	31,013	-	117,963,845
Vehicles and equipment	13,212,269	1,220,611	(715,281)	13,717,599
Infrastructure	159,096,383	1,433,165	-	160,529,548
Total capital assets, being depreciated	<u>290,241,484</u>	<u>2,684,789</u>	<u>(715,281)</u>	<u>292,210,992</u>
Less accumulated depreciation:				
Buildings and structures	(59,672,608)	(2,244,992)	714,531	(61,203,069)
Vehicles and equipment	(8,990,794)	(740,847)	-	(9,731,641)
Infrastructure	(123,611,196)	(1,544,039)	-	(125,155,235)
Total accumulated depreciation	<u>(192,274,598)</u>	<u>(4,529,878)</u>	<u>714,531</u>	<u>(196,089,945)</u>
Total capital assets, being depreciated, net	<u>97,966,886</u>	<u>(1,845,089)</u>	<u>(750)</u>	<u>96,121,047</u>
Business-type activities capital assets, net	<u>\$ 104,083,465</u>	<u>\$ 8,800,675</u>	<u>\$ (1,433,915)</u>	<u>\$ 111,450,225</u>

Depreciation expense was charged to the enterprise funds as follows:

Water operating	\$ 2,020,065
Sewer operating	2,209,920
Refuse operating	299,893
Total depreciation expense	<u>\$ 4,529,878</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 8 - COMPENSATED ABSENCES

The criteria for determining vacation and sick leave components are derived from negotiated agreements, City ordinances and State laws. Employees earn two to six weeks of vacation per year, depending upon length of service. Twelve days of vacation may be carried forward into the next year.

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

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

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

NOTE 9 - LONG-TERM OBLIGATIONS

General Obligation Bonds

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

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

<u>Purpose</u>	<u>Interest Rates</u>	<u>Original Amount</u>
Governmental activities, 2009 various purpose improvement refunding	3.0-4.0%	\$ 8,575,000
Governmental activities, 2006 various purpose	4.00%	13,650,000
Business-type activities, 2006 various purpose/refunding	4.00%	9,570,000
		<u>\$ 31,795,000</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

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

Year Ending December 31	General Obligation Bonds			
	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2015	\$ 2,554,541	\$ 267,871	\$ 1,135,459	\$ 76,329
2016	2,077,229	165,689	772,771	30,911
2017	1,015,000	82,600	-	-
2018	1,050,000	42,000	-	-
Total	\$ 6,696,770	\$ 558,160	\$ 1,908,230	\$ 107,240

The City has annual debt requirements for the following loans, all related to governmental activities. A State Infrastructure Bank (SIB) loan was entered into in 1998 for the Market Avenue Streetscape project. The interest rate for this loan was 4% for the period 1998 through 2008 and changed to is 3% effective in 2009. The original issue amount of the SIB loan was \$1,179,031. A additional SIB loan was entered into in 2014 for the 12th Street North Corridor Safety project. The interest rate for this loan is 3%. As of December 31, 2014, the City has drawn \$42,595 of the available borrowings of \$162,897. This SIB loan is not included in the schedule of annual debt service requirements to maturity below as the loan is not closed as of December 31, 2014 and a final amortization schedule is not available. Also, a State of Ohio Urban Redevelopment loan was issued in 2000, with an interest rate of 4% and an original issue amount of \$1,650,916 and was used to build the Millennium Parking Deck. Both loans were issued as part of the City's continuing effort to improve its downtown business district. The annual debt service requirements to maturity for the 1998 SIB loan and the Urban Redevelopment loan are as follows:

Year Ending December 31	1998 State Infrastructure Bank Loan		Urban Redevelopment Loan (Millenium Parking Deck)	
	Governmental Activities		Governmental Activities	
	Principal	Interest	Principal	Interest
2015	\$ 83,186	\$ 12,213	\$ 148,295	\$ 6,302
2016	85,913	9,487	-	-
2017	88,728	6,672	-	-
2018	91,635	3,765	-	-
2019	46,937	763	-	-
Total	\$ 396,399	\$ 32,900	\$ 148,295	\$ 6,302

Ohio Public Works Commission (OPWC) Loans

The City entered into various loan agreements with the OPWC for the purpose of improving the water pollution control system, improving storm sewer operations and installing water lines. These are interest free loans. The City has pledged future revenues, net of certain operating expenses, in the water operating fund and sewer operating fund to repay the loans used for the Harrisburg waterline (water) and the Harmont pump station (sewer). The debt is payable from net revenues and is payable through 2029. Annual principal payments on the debt issues are expected to require 0.2 percent of net revenues for water and 0.1 percent of net revenues for sewer. The total principal remaining to be paid on the debt is \$47,326 for water and \$43,160 for sewer. Principal paid for the current year and total net revenues were \$6,311 and \$2,996,973, respectively, for water and \$5,395 and \$3,553,568, respectively, for sewer.

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

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

<u>Purpose</u>	<u>Interest Rates</u>	<u>Original Amount</u>
Governmental activities, 35th St. N.E. storm sewer reconstruction	0.00%	\$ 380,812
Governmental activities, Market Ave North sewer replacement	0.00%	300,000
Governmental activities, 30th St. N.E. storm sewer improvement	0.00%	494,000
Governmental activities, 55th St. N.E. storm sewer improvement	0.00%	413,000
Business-type activities, Harrisburg waterline	0.00%	63,102
Business-type activities, Harmont Ave pump station	0.00%	107,900
		<u>\$ 1,758,814</u>

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

Ohio Public Works Commission Loans

Year Ending December 31	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2015	\$ 78,854	\$ -	\$ 11,705	\$ -
2016	78,854	-	11,705	-
2017	78,854	-	11,705	-
2018	66,160	-	11,705	-
2019	53,467	-	11,705	-
2020 - 2024	267,333	-	31,961	-
2025 - 2029	199,833	-	-	-
2030 - 2034	68,834	-	-	-
2035 - 2039	68,834	-	-	-
2040 - 2044	61,950	-	-	-
Total	<u>\$ 1,022,973</u>	<u>\$ -</u>	<u>\$ 90,486</u>	<u>\$ -</u>

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

Ohio Water Development Authority (OWDA) Loans

The City entered into various loan agreements with the OWDA for the purpose of improving and expanding both the water and the water pollution control operations. The City has pledged future revenues, net of certain operating expenses, to repay these loans in the water operating fund and sewer operating fund. The debt is payable from net revenues and is payable through 2031. Annual principal and interest payments on the debt issues are expected to require 63.2 percent of net revenues for water and 27.7 percent of net revenues for sewer. The total principal and interest remaining to be paid on the debt is \$27,390,910 for water and \$4,917,043 for sewer. Principal and interest paid for the current year and total net revenues were \$1,895,526 and \$2,996,973, respectively, for water and \$983,409 and \$3,553,568, respectively, for sewer.

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

The City has both closed and open OWDA loans at December 31, 2014. The closed loans are those that OWDA has made the final disbursements and the City has final amortization schedules for the future debt payments. The following is the City's closed OWDA loans:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Original Amount</u>
Governmental activities, Harmont Ave NE improvement	3.25%	\$ 60,100
Business-type activities, Plain Township water line extension (55th St)	4.74%	1,653,459
Business-type activities, Lake Local School water line	4.64%	1,980,974
Business-type activities, Lawrence Chester water main extension	5.01%	250,606
Business-type activities, Osnaburg water main extension	3.62%	1,402,001
Business-type activities, Sugarcreek water plant improvement	3.25%	3,365,682
Business-type activities, NW water plant improvement	3.52%	7,094,093
Business-type activities, NE water plant improvement	5.39%	14,903,080
Business-type activities, water pollution system	2.64%	14,230,181
Business-type activities, discharge line (J.L.)	3.81%	835,606
		<u>\$ 45,775,782</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

During 2014, the water meter planning and design project (water fund), the phosphorus/nitrogen removal project (sewer fund) and the WRF phosphorus project (sewer fund) received OWDA loan proceeds. As of the end of the audit period, the final amount borrowed for these three loans had not been determined and no final reconciliation has been completed by OWDA. Due to these issues, no payment schedules were available for either of these loans. Consequently, these loans were not included in the yearly schedule shown above nor were they used in calculating the amount due within one year in the schedule that follows. These loans are considered open since final disbursements have not been made. The total amount borrowed and the total permissible borrowing under the loan agreements are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount Borrowed as of 12/31/14</u>	<u>Total Permissible Borrowings</u>
Business-type activities, water meter planning and design	3.33%	\$ 1,675,330	\$ 10,513,168
Business-type activities, WRF phosphorus/nitrogen removal project	3.38%	9,144,453	52,668,275
Business-type activities, WRF phosphorus project MBR equipment	3.39%	1,474,722	30,269,803
		<u>\$ 12,294,505</u>	<u>\$ 93,451,246</u>

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

Ohio Water Development Authority Loans

Year Ending December 31	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2015	\$ 2,286	\$ 1,451	\$ 2,087,843	\$ 774,741
2016	2,360	1,376	2,150,969	711,615
2017	2,438	1,299	2,216,128	646,455
2018	2,518	1,219	2,283,390	579,193
2019	2,600	1,137	2,352,827	509,756
2020 - 2024	14,336	4,348	7,000,239	1,767,302
2025 - 2029	16,843	1,841	6,681,986	740,817
2030 - 2031	1,839	30	1,748,520	56,172
Total	<u>\$ 45,220</u>	<u>\$ 12,701</u>	<u>\$ 26,521,902</u>	<u>\$ 5,786,051</u>

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

Changes in long-term obligations of the City during the year ended December 31, 2014 were as follows:

	Outstanding 12/31/13	Additions	Reductions	Outstanding 12/31/14	Due Within One Year
<i>Business-type activities</i>					
OPWC loans:					
Water operations:					
2012 Harrisburg water line 0%	\$ 53,637	\$ -	\$ (6,311)	\$ 47,326	\$ 6,310
Sewer operations:					
2003 Harmont pump station 0%	48,555	-	(5,395)	43,160	5,395
Total OPWC loans	102,192	-	(11,706)	90,486	11,705
OWDA loans:					
Water operations:					
2001 Plain Township water line ext. (55th St) 4.74%	893,023	-	(87,564)	805,459	91,763
2002 Lake School water 4.64%	1,115,867	-	(102,481)	1,013,386	107,291
2003 Lawrence water main extension 5.01%	15,690	-	(15,690)	-	-
2007 Osnaburg water main extension 3.62%	1,054,525	-	(61,820)	992,705	64,078
2007 SC water plant improvements 3.25%	2,410,687	-	(132,537)	2,278,150	136,880
2008 NW water plant improvements 3.52%	4,686,844	-	(222,587)	4,464,257	230,491
2009 NE water plant improvements 5.39%	12,981,131	-	(578,810)	12,402,321	593,256
2013 water meter planning and design 3.99%	89,363	1,585,967	-	1,675,330	-
Sewer operations:					
1997 water pollution system 2.64%	5,086,969	-	(792,524)	4,294,445	813,863
1999 discharge line (J.L.) 3.81%	319,540	-	(48,361)	271,179	50,221
2010 WRF phosphorus/nitrogen removal project 3.20%	1,744,089	7,400,364	-	9,144,453	-
2014 WRF phosphorus project MBR equipment	-	1,474,722	-	1,474,722	-
Total OWDA loans	30,397,728	10,461,053	(2,042,374)	38,816,407	2,087,843
General obligation bonds:					
Water operations:					
2006 refunding bonds 4.0%	2,310,664	-	(841,108)	1,469,556	874,434
Sewer operations:					
2006 various purpose 4.0%	689,750	-	(251,076)	438,674	261,025
Total general obligation bonds	3,000,414	-	(1,092,184)	1,908,230	1,135,459
Compensated absences	1,083,178	284,395	(197,775)	1,169,798	302,256
Total business-type activities	\$ 34,583,512	\$ 10,745,448	\$ (3,344,039)	\$ 41,984,921	\$ 3,537,263

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

	Outstanding 12/31/13	Additions	Reductions	Outstanding 12/31/14	Due Within One Year
<i>Governmental activities</i>					
General obligation bonds:					
2009 pension refunding bonds 3.0%-4.0%	\$ 2,315,000	\$ -	\$ (430,000)	\$ 1,885,000	\$ 445,000
2009 refunding bonds 3.0%-4.0%	2,570,000	-	(480,000)	2,090,000	490,000
2006 various purpose 4.0%	4,279,587	-	(1,557,817)	2,721,770	1,619,541
Total general obligation bonds	<u>9,164,587</u>	<u>-</u>	<u>(2,467,817)</u>	<u>6,696,770</u>	<u>2,554,541</u>
1998 SIB loan 3.0%	476,948	-	(80,549)	396,399	83,186
2014 SIB loan 3.0%	-	42,595	-	42,595	-
2000 Millenium parking deck loan 4.0%	290,885	-	(142,590)	148,295	148,295
OWDA loan:					
2010 Harmont Ave sewer extension 3.25%	47,433	-	(2,213)	45,220	2,286
OPWC loans:					
2014 55th St NE storm sewer 0%	-	413,000	(6,883)	406,117	13,767
2003 35th St NE storm sewer 0%	114,248	-	(25,392)	88,856	25,387
2004 Market Ave sewer 0%	172,500	-	(15,000)	157,500	15,000
2009 30th St NE storm sewer 0%	395,200	-	(24,700)	370,500	24,700
Total OPWC loans	<u>681,948</u>	<u>413,000</u>	<u>(71,975)</u>	<u>1,022,973</u>	<u>78,854</u>
Compensated absences	6,175,094	1,133,411	(1,016,726)	6,291,779	1,448,082
Capital leases	179,371	681,022	(330,027)	530,366	133,115
<i>Total governmental activities</i>	<u>17,016,266</u>	<u>2,270,028</u>	<u>(4,111,897)</u>	<u>15,174,397</u>	<u>4,448,359</u>
Totals	<u>\$ 51,599,778</u>	<u>\$ 13,015,476</u>	<u>\$ (7,455,936)</u>	<u>\$ 57,159,318</u>	<u>\$ 7,985,622</u>

The above schedule of long-term obligations differs from liabilities reported on the government-wide statement of net position as a result of the compensated absences payable associated with the business-type activities being included with the long-term liabilities of the governmental activities. The compensated absences claim internal service fund is responsible for the payment of both the governmental and business-type compensated absences liabilities. Since governmental activities are the primary user of the internal service funds, GAAP requires that the long-term liabilities of the internal service fund be reported among the governmental activities. A reconciliation of the schedule of long-term obligations to the statement of net position at December 31, 2014 were as follows:

	Governmental Activities	Business-Type Activities	Total
Long-term obligations per schedule above	\$ 15,174,397	\$ 41,984,921	\$ 57,159,318
Consolidation of compensated absences claim internal service fund into governmental activities	<u>1,169,798</u>	<u>(1,169,798)</u>	<u>-</u>
Long-term liabilities on government-wide statement of net position	<u>\$ 16,344,195</u>	<u>\$ 40,815,123</u>	<u>\$ 57,159,318</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

Of the \$1,169,798 of business-type compensated absences to be paid from the compensated absences claim internal service fund (which is consolidated with the governmental activities on the statement of net position), \$302,256 is due within one year.

Legal Debt Margin

The City's overall legal debt margin was \$65,958,198 and an unvoted debt margin of \$29,750,231 at December 31, 2014.

NOTE 10 - CAPITAL LEASES

In 2014, the City entered into four new capital lease agreements for the acquisition of police sedans, a street sweeper, an ambulance and a salt truck. In addition, in a previous year, the City entered into capital lease agreement for the acquisition of a fire truck. These leases meet the criteria of a capital lease which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term. Capital assets acquired by the leases have been capitalized in the amount of \$1,602,932, which represents the present value of the future minimum lease payments at the time of acquisition. Accumulated depreciation as of December 31, 2014 was \$801,466, leaving a current book value of \$801,466.

A corresponding liability was recorded on the statement of net position. In 2014, principal payments of \$330,027 are reflected as debt service principal retirement in the motor vehicle purchase fund and the federal forfeiture fund (a nonmajor governmental fund). The principal payments are reported as a reduction to the long-term liabilities reported on the statement of net position.

The following is a schedule of the future minimum lease payments for all of the City's capital leases and the present value of the minimum lease payments as of December 31, 2014.

<u>Year Ending</u>	<u>Governmental Activities</u>
2015	\$ 150,656
2016	150,655
2017	150,656
2018	120,886
Total minimum lease payments	<u>572,853</u>
Less: amount representing interest	<u>(42,487)</u>
Present value of minimum lease payments	<u>\$ 530,366</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 11 - NOTES PAYABLE

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

	Balance 12/31/2013	Issued	Retired	Balance 12/31/2014
Notes Payable:				
Civil Suit Settlement	\$ 1,500,000	\$ 1,400,000	\$ (1,500,000)	\$ 1,400,000
Historic Onesto Project	-	2,000,000	-	2,000,000
	<u>\$ 1,500,000</u>	<u>\$ 3,400,000</u>	<u>\$ (1,500,000)</u>	<u>\$ 3,400,000</u>

The civil suit settlement note outstanding at year-end is backed by the full faith and credit of the City and will mature on June 24, 2015. The note was issued at a 1% interest rate resulting in a \$14,000 interest payment due upon maturity. The note was issued in anticipation of a long-term bond financing. The purpose of the issuance was to refinance a previously issued note used to pay for the settlement of a civil suit in which the City agreed to pay the plaintiff \$1,800,000.

The Historic Onesto project note was issued in 2014 and had an outstanding balance at of \$2,000,000 at December 31, 2014. The note was issued at an interest rate ranging from 1.5% to 4.0% and matures on December 22, 2015. The note was issued in anticipation of a long-term bond financing.

NOTE 12 - BUDGETARY BASIS OF ACCOUNTING

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

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

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

**CITY OF CANTON
STARK COUNTY, OHIO**
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 12 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

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

Net Change in Fund Balance

	General Fund	Community and Economic Development Fund
Budget basis	\$ (3,438,370)	\$ (2,314,740)
Net adjustment for revenue accruals	(385,189)	(367,715)
Net adjustment for expenditure accruals	5,412,107	(297,805)
Net adjustment for other financing sources (uses) accruals	(6,326,000)	-
Encumbrances	2,432,809	2,266,815
GAAP basis	<u>\$ (2,304,643)</u>	<u>\$ (713,445)</u>

NOTE 13 - PENSION PLANS

A. Ohio Public Employees Retirement System

Plan Description - The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan 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 Pension Plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For 2014, member and employer contribution rates were consistent across all three plans. The 2014 member contribution rates were 10.00% for members. The City's contribution rate for 2014 was 14.00% of covered payroll.

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 13 - PENSION PLANS - (Continued)

The City's contribution rate for pension benefits for members in the Traditional Plan and Combined Plan for 2014 was 12.00%. The City's required contributions to the Traditional Pension and Combined Plans for the years ended December 31, 2014, 2013, and 2012 were \$4,363,314, \$4,181,348, and \$4,421,799, respectively; 92.49% has been contributed for 2014 and 100% has been contributed for 2013 and 2012. The remaining 2014 pension liability has been reported as "due to other governments" in the payroll clearing agency fund.

B. Ohio Police and Fire Pension Fund

Plan Description - The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the OP&F, 140 East Town Street, Columbus, Ohio 43215-5164 or by visiting the website at www.op-f.org.

Funding Policy - From January 1, 2014 through July 1, 2014, plan members were required to contribute 10.75% of their annual covered salary. From July 2, 2014 through December 31, 2014, plan members were required to contribute 11.50% of their annual covered salary. Throughout 2014, the City was required to contribute 19.50% and 24.00% for police officers and firefighters, respectively. Contribution rates are established by State statute.

For 2014, the portion of the City's contributions to fund pension obligations was 19.00% for police officers and 23.50% for firefighters. The City's required contributions to OP&F for police officers and firefighters were \$1,941,954 and \$2,266,166 for the year ended December 31, 2014, \$1,781,676 and \$2,123,929 for the year ended December 31, 2013, and \$1,766,663 and \$2,188,878, for the year ended December 31, 2012. 100% has been contributed for 2013 and 2012. 92.55% has been contributed for police officers and firefighters for 2014. The remaining 2014 pension liability has been reported as "due to other governments" in the payroll clearing agency fund.

NOTE 14 - POSTRETIREMENT BENEFIT PLANS

A. Ohio Public Employees Retirement System

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

To qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have ten years or more of qualifying Ohio service credit. The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 14 - POSTRETIREMENT BENEFIT PLANS - (Continued)

Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

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

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2014, local government employers contributed 14.00% of covered payroll. Each year the OPERS' Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The portion of employer contributions allocated to fund post-employment healthcare for members in the Traditional Plan and Combined Plan for 2014 was 2.00%.

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

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2014, 2013, and 2012 were \$623,331, \$298,668, and \$1,263,370, respectively; 92.49% has been contributed for 2014 and 100% has been contributed for 2013 and 2012. The remaining 2014 post-employment health care benefits liability has been reported as "due to other governments" in the payroll clearing agency fund.

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

B. Ohio Police and Fire Pension Fund

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

OP&F provides access to post-employment health care coverage to any person who receives or is eligible to receive a monthly service, disability or survivor benefit check or is a spouse or eligible dependent child of such person.

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

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 14 - POSTRETIREMENT BENEFIT PLANS - (Continued)

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

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan into the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2014, the portion of employer contributions allocated to health care was 0.50% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that the pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2014, 2013, and 2012 were \$97,006, \$663,702, and \$1,226,340, respectively. The full amount has been contributed for 2013 and 2012. 92.55% has been contributed for police officers and firefighters for 2014. The remaining 2014 pension liability has been reported as "due to other governments" in the payroll clearing agency fund.

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 15 - JOINT VENTURES

Canton Tomorrow, Inc.

The City participates in Canton Tomorrow, Inc., formed under Chapter 1702 of the Ohio Revised Code. Of the 26 member board, the City appoints three members. The degree of control exercised by any participating government is limited to its representation on the board. Canton Tomorrow, Inc., was formed to serve as a catalyst to bring together the vision, initiative and action necessary for the continuing revitalization of the City. Continued existence of Canton Tomorrow, Inc. is dependent on the City's continued participation, despite its minimal contribution to the overall budget; however, the City does not have an equity interest in Canton Tomorrow, Inc. (Agency). The Agency is not accumulating significant financial resources or experiencing fiscal stress, which would cause additional financial benefit or burden to the City. Canton Tomorrow Inc.'s funding comes from a grant given by the City through the Canton Community Improvement Corporation to the Canton Regional Chamber of Commerce. In 2014, the grant was for \$175,000 paid in December 2014 and the Chamber of Commerce is responsible for dividing it up amongst its various agencies like Canton Tomorrow, Inc. Complete financial statements can be obtained from Canton Tomorrow, Inc.

Downtown Canton Special Improvement District

The City participates in the Downtown Canton Special Improvement District (District), formed under Chapter 1710 of the Ohio Revised Code. Of the 13 member board, the City appoints two members. The degree of control exercised by any participating government is limited to its representation on the board. The District was created for the purpose of developing and implementing plans for public improvements and public services. Continued existence of the District is dependent on the City's continued participation; however, the City does not have an equity interest in the District. In 2014, the City contributed \$181,278 to the District, which represents 100 percent of total contributions. Complete financial statements can be obtained from the Downtown Canton Special Improvement District.

NOTE 16 - RELATED ORGANIZATION

Joint Recreation District

The City appoints three of the five members of the Joint Recreation District (District) Board. The District manages recreational activities at sites within the City at facilities owned by either the City or Canton City Schools. The District hires and fires its own staff and does not rely on the City to finance deficits. The City is not financially accountable for the District nor is the District financially dependent on the City. The District serves as its own budgeting, taxing and debt issuance authority. The City did not make any contributions during 2014. Complete financial statements can be obtained from the Canton Recreation Department.

NOTE 17 - JOINTLY GOVERNED ORGANIZATIONS

Stark Area Regional Transit Authority

The City participates in the Stark Area Regional Transit Authority (Authority), which is a jointly governed organization between Stark County and the cities of Canton, Massillon and Alliance. A nine-member board of trustees oversees the operation of the Authority whose purpose is to provide a low cost mass transportation system for Stark County. The City appoints three of the nine members. Each member's control over the operation of the Authority is limited to its representation on the Board. The Board exercises total authority for the day-to-day operations of the Authority, which include budgeting, appropriating, contracting and designating management. The City has no financial responsibility for any of the Authority's liabilities. The City made no monetary contributions to assist in the operational expenses of the Authority during 2014. Complete financial statements may be obtained from the Stark Area Regional Transit Authority.

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 17 - JOINTLY GOVERNED ORGANIZATIONS - (Continued)

Stark Council of Governments

The Stark Council of Governments (SCOG) is a jointly governed organization. SCOG is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. Currently, SCOG's functions include the funding and operation of the Stark County Metropolitan Narcotics Unit and the Canton Crime Lab. SCOG is governed by the membership, including Stark County, and other cities and villages and townships. The membership elects a nine member executive committee. Based on recommendations of the executive committee, the membership approves its own budget, appoints personnel and performs accounting and finance related activities. Continued existence of the agency is dependent on the City's continued participation; however, the City does not have an equity interest in the agency. The agency is not accumulating significant financial resources or experiencing fiscal stress, which would cause additional financial benefit or burden to the City. The City contributed \$358,909 from the general fund for 2014 for the operation of SCOG. Complete financial statements may be obtained from the Stark Council of Governments.

Stark County Regional Planning Commission

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

The degree of control exercised by any participating government is limited to its representation on the board. The principal aim of the Commission is to provide comprehensive planning, both long and short-term range, dealing with the economic and physical environment of Stark County. The board exercises total authority for the day-to-day operations of the Commission. These include budgeting, appropriating, contracting, and designating management. The City has no financial responsibility for any of the Commission's liabilities. In 2014, the City contributed \$16,303 to the Commission. Complete financial statements can be obtained from the Stark County Regional Planning Commission, Stark County, Ohio.

NOTE 18 - DISCRETELY PRESENTED COMPONENT UNIT

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

Canton Community Improvement Corporation

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

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 18 - DISCRETELY PRESENTED COMPONENT UNIT - (Continued)

A. Summary of Significant Accounting Policies

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

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

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

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

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

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

In-Kind Contributions – City of Canton employees perform services for CCIC. This portion of salaries and related fringe benefits for these services are paid by the City of Canton. The estimated fair value of in-kind contribution is reported as revenue and an expense in the period in which the services are used. CCIC also benefited from the Board of Directors' time to attend board meetings. The estimated fair value of these members' contributions is not reflected in these statements since it is not susceptible to objective valuation. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. CCIC had no in-kind contributions in 2014.

Net Position - Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources on the statement of net position. CCIC's net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any debt used to acquire the capital assets. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, laws, or regulations. CCIC had no restricted net position as of December 31, 2014.

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

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 18 - DISCRETELY PRESENTED COMPONENT UNIT - (Continued)

B. Cash and Investments

At December 31, 2014, the carrying value and the bank balance of CCIC was \$17,671. The entire bank balance was covered by the Federal Deposit Insurance Corporation. CCIC has not experienced any losses on this account and management of CCIC believes it is not exposed to any significant credit risk.

At December 31, 2014, CCIC had no investments.

C. Capital Assets

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

	Balance 12/31/13	Additions	Deductions	Balance 12/31/14
Capital assets, not being depreciated:				
Land	\$ 41,700	\$ -	\$ -	\$ 41,700
Land improvements	172,400	-	-	172,400
Land held for future use	486,961	-	-	486,961
Total capital assets, not being depreciated	<u>701,061</u>	<u>-</u>	<u>-</u>	<u>701,061</u>
Capital assets, being depreciated				
Buildings	2,172,500	-	-	2,172,500
Building improvements	34,569	-	-	34,569
Total capital assets, being depreciated	<u>2,207,069</u>	<u>-</u>	<u>-</u>	<u>2,207,069</u>
Less accumulated depreciation				
Buildings	(179,185)	(54,300)	-	(233,485)
Building improvements	(864)	(864)	-	(1,728)
Total accumulated depreciation	<u>(180,049)</u>	<u>(55,164)</u>	<u>-</u>	<u>(235,213)</u>
Total capital assets, being depreciated, net	<u>2,027,020</u>	<u>(55,164)</u>	<u>-</u>	<u>1,971,856</u>
Governmental activities total capital assets, net	<u>\$ 2,728,081</u>	<u>\$ (55,164)</u>	<u>\$ -</u>	<u>\$ 2,672,917</u>

CITY OF CANTON
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 18 - DISCRETELY PRESENTED COMPONENT UNIT - (Continued)

D. Community Development Loans

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

E. Commitments

In 2014, there were no loans or grants committed to or approved by the Board of Directors

F. In-Kind Contributions, Donated Facilities and Services

The City of Canton provides CCIC with office space and various office services without charge. The value of the donated facilities is not recognized in the financial statements because no objective basis is available to measure the value of the donated facilities. No in-kind wages were received from the City of Canton in 2014.

NOTE 19 - CONTINGENCIES

A. Grants

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

B. Litigation

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

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 20 - COMMITMENTS

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the City's commitments for encumbrances in the governmental funds (net of amounts already recorded as payables on a GAAP-basis) were as follows:

	Encumbrances as of 12/31/14
Major Funds	
General Fund	\$ 1,821,582
Community and Economic Development Fund	1,910,762
Capital Project Fund	1,231,189
Motor Vehicle Purchase Fund	7,876
Nonmajor Governmental Funds	28,149,038
<i>Total</i>	\$ 33,120,447

As of December 31, 2014, the City had significant contractual commitments as follows:

Company	Project	Amount Remaining On Contract
Southeastern Equipment	Vacu-Sewer Cleaning Vehicle	\$ 330,242
Lockhart Construction	I-77 Faircrest Street	781,837
Lockhart Construction	41st St NW Storm Sewer Improvement	576,722
GDP	Mahoning Road Corridor Improvement Project	461,157
JR Coleman	Mahoning Road Corridor Improvement Project	107,250
Michael Baker, Jr.	Mahoning Road Corridor Improvement Project	655,626
Wenger	Mahoning Road Corridor Improvement Project	6,635,662
Brownfield Restoration	Ohio Casting Products Remediation Project	200,000
Cormony Development Corp	Remediation at Hercules Factory Project	1,626,585
CT Consultants	Water Reclamation Facility Phosphorus Project	1,135,897
Bennet and Williams Environmental	Water Protection Analysis Project	187,113
CIC	Grant/Administrative Contract	181,361
Burgess and Niple	Water Meter Replacement	255,645
PMI	Water Meter Replacement	4,499,728
Badger Meter	Water Meter Replacement	1,959,139
ACLARA	Water Meter Replacement	1,521,139
OVIO USA LLL	Water Reclamation Facility Membrane	27,355,327
Shook Construction	Water Reclamation Facility Membrane	40,002,620
Metro Regional Transit Authority	12th St N Corridor	475,000
ME Company	12Th St N.W. Corridor Project	657,325
Central Allied	12th St N Corridor	1,355,139
Omni Pro Services	12th St NW	324,405
CMAQ	12th St NW	2,819,950
AL Construction Corp Inc	Spray Park	327,040
Wenger	37th St NW	793,007
Total		\$ 95,224,916

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 21 - INTERFUND BALANCES

A. Interfund Balances

Due To Other Funds (Payable)	Due From Other Funds (Receivable)				Total
	General Fund	Sewer Operating Fund	Refuse Operating Fund	Internal Service Funds	
General fund	\$ -	\$ -	\$ -	\$ 146,219	\$ 146,219
Community and economic development fund	189,561	-	-	-	189,561
Capital projects fund	-	-	-	4,657	4,657
Water operating fund	-	5,375	5,375	11,001	21,751
Sewer operating fund	-	-	-	9,677	9,677
Refuse operating fund	-	-	-	5,352	5,352
Nonmajor governmental funds	14,517	-	-	9,076	23,593
Total	\$ 204,078	\$ 5,375	\$ 5,375	\$ 185,982	\$ 400,810

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

B. Manuscript Debt

During 2014, the general fund issued \$1,800,000 in manuscript notes which were purchased by the land reutilization and note fund. The manuscript notes bear an interest rate of 1.0 percent and mature on April 23, 2015. In addition, during 2014, the general fund issued \$1,000,000 in manuscript notes which were purchased by the NIP acquisition demo debt fund. The manuscript notes bear an interest rate of 1.0 percent and mature on July 9, 2015. On a GAAP basis, manuscript debt is reported as an interfund loan receivable in the issuing fund and an interfund loan payable in the purchasing fund. In accordance with GASB Statements No. 54, the land reutilization and note fund and the NIP acquisition demo debt fund are considered part of the City's general fund for financial reporting purposes. As such, the interfund balance is eliminated in the general fund for reporting on the balance sheet and for reporting in the governmental activities statement of net position.

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 22 - FUND BALANCES

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

Fund Balances	General Fund	Community and Economic Development	Capital Projects	Motor Vehicle Purchase	Nonmajor Governmental Funds	Total
<i>Nonspendable:</i>						
Materials & supplies	\$ 308,093	\$ -	\$ -	\$ -	\$ 130,508	\$ 438,601
Unclaimed monies	92,613	-	-	-	-	92,613
<i>Total nonspendable</i>	<u>400,706</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>130,508</u>	<u>531,214</u>
<i>Restricted for:</i>						
Road improvements	-	-	-	-	1,268,206	1,268,206
Community development grants & programs	-	1,548,086	-	-	54,982	1,603,068
Public health service grants & programs	-	-	-	-	2,558,247	2,558,247
Police department grants, donations & programs	-	-	-	-	1,188,699	1,188,699
Fire department grants, donations & programs	-	-	-	-	73,507	73,507
Judicial system grants & programs	-	-	-	-	1,356,163	1,356,163
Park donations	-	-	-	-	29,585	29,585
Cornerstone parking deck operations	-	-	-	-	23,941	23,941
Youth development donations & programs	-	-	-	-	5,332	5,332
Employee recognition program	-	-	-	-	143	143
Debt service payments	-	-	-	-	21,257	21,257
Infrastructure improvements	-	-	-	-	736,211	736,211
Recreational facility improvements	-	-	-	-	410,926	410,926
Construction projects	-	-	-	-	268,548	268,548
City hall renovations	-	-	-	-	1,744	1,744
Canton merchandising	-	-	-	-	7,458	7,458
Motor vehicle purchases	-	-	-	600,809	-	600,809
<i>Total restricted</i>	<u>\$ -</u>	<u>\$ 1,548,086</u>	<u>\$ -</u>	<u>\$ 600,809</u>	<u>\$ 8,004,949</u>	<u>\$ 10,153,844</u>

CITY OF CANTON
STARK COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 22 - FUND BALANCES - (Continued)

Fund Balances	General Fund	Community and Economic Development	Capital Projects	Motor Vehicle Purchase	Nonmajor Governmental Funds	Total
<i>Committed to:</i>						
Vehicle self-insurance	\$ 513,584	\$ -	\$ -	\$ -	\$ -	\$ 513,584
Motor vehicle maintenance	258,484	-	-	-	-	258,484
Park department operations	-	-	-	-	382,503	382,503
Community environment	-	-	-	-	167,249	167,249
Capital improvements	-	-	3,403,839	-	-	3,403,839
Other purposes	-	-	-	-	90,534	90,534
<i>Total committed</i>	<u>772,068</u>	<u>-</u>	<u>3,403,839</u>	<u>-</u>	<u>640,286</u>	<u>4,816,193</u>
<i>Assigned to:</i>						
General government operations	407,435	-	-	-	-	407,435
Security of persons and property programs	196,617	-	-	-	-	196,617
Public health programs	79,849	-	-	-	-	79,849
Transportation projects	69,553	-	-	-	-	69,553
Community environment projects	181,361	-	-	-	-	181,361
Leisure time activities	50,934	-	-	-	-	50,934
Sub. Year appropriations	2,314,898	-	-	-	-	2,314,898
Income tax department operations	171,348	-	-	-	-	171,348
<i>Total assigned</i>	<u>3,471,995</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,471,995</u>
Unassigned (deficit)	1,435,402	-	-	-	(97,954)	1,337,448
Total fund balances	<u><u>\$ 6,080,171</u></u>	<u><u>\$ 1,548,086</u></u>	<u><u>\$ 3,403,839</u></u>	<u><u>\$ 600,809</u></u>	<u><u>\$ 8,677,789</u></u>	<u><u>\$ 20,310,694</u></u>

**COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES**

**CITY OF CANTON
STARK COUNTY, OHIO**

FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

Major Governmental Funds

General Fund

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

Community and Economic Development Fund

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

Capital Projects Fund

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

Motor Vehicle Purchase Fund

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

Nonmajor Special Revenue Funds

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

Street Construction, Maintenance and Repair Fund

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

State Highway Fund

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

Municipal Road Fund

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

Cornerstone Parking Deck Fund

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

Vacant/Foreclosed Registry Fund

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

Mills Industrial Park TIF Fund

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

Gervasi 1700, LLC TIF Fund

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

Lesh Rd./30th St. TIF Fund

To account for tax incremental financing (TIF) revenues associated with the City's Lesh Rd./30th St. TIF agreement.

Health Services Fund

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

Crime Lab Fund

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

Court Computer Fund

To account for monies used to maintain court computer systems.

Court Funds

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

**CITY OF CANTON
STARK COUNTY, OHIO**

FUND DESCRIPTIONS - GOVERNMENTAL FUNDS (CONTINUED)

Law Department Dispute Resolution Fund

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

SARTA Area Improvement Fund

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

Park Department Fund

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

Youth Development Fund

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

Federal Forfeiture Fund

To account for the proceeds from seizures in federal cases.

Enforcement and Education Fund

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

Indigent Driver Alcohol Treatment Fund

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

Law Enforcement Trust Fund

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

Municipal Probation Services Fund

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

Misdemeanor Community Sanction Grant Fund

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

Prisoner Housing Fund

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

Local Law Enforcement Block Grant Fund

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

Supplementary Police Forces Funds

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

Police Funds

To account for the receipt and expenditure of various grants and donations received by the City's police department. These include the D.A.R.E. program fund, safe neighborhood heroes grant fund, police grants and donations fund, 2009 cops hiring recovery program fund, Byrne memorial recovery act fund, 2010 local solicitation Byrne grant fund, police EMS training and equipment grant fund, and the cops hiring program fund.

Fire Funds

To account for the receipts and expenditures of various grants and donations received by the City's fire department. These include the fire grants and donation fund, the EMS training and equipment grant fund, and the firefighter assistance grant fund.

Clean Ohio Revitalization Fund

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

Canton Merchandising Fund

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

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

FUND DESCRIPTIONS - GOVERNMENTAL FUNDS (CONTINUED)

Other

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

Nonmajor Debt Service Funds

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

General Obligation Bond Retirement Fund

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

Special Assessment Bond Retirement Fund

To account for the collection of special assessments levied against properties for the payment of special assessment bonds and related interest costs. No budgetary schedule is presented for this fund as no revenues or expenditures were budgeted in 2013.

Nonmajor Capital Projects Funds

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

2006 City Infrastructure Bond Fund

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

2006 Recreational Bond Fund

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

2006 Construction/Reconstruction Bond Fund

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

2006 Judges Facilities/City Hall Renovation Bond Fund

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

12th St. N Corridor Project Fund

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

55th St. NE Storm Sewer Project Fund

To account for capital grants, OPWC loan proceeds and all costs associated with infrastructure improvements related to the 55th St. North East storm sewer project.

Mahoning Rd. Corridor Project Fund

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

Walnut/Cherry Avenue Project Fund

To account for capital grants and all costs associated with the Walnut/Cherry Avenue project infrastructure improvements.

11th St. NW Improvement Project Fund

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

41st St. NW Roadway Reconstruction Project

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

Railroad Crossing/Traffic Signal Upgrade Fund

To account for capital grants and all costs associated with railroad crossing and traffic signal upgrades.

Harrisburg Rd. Resurfacing Project

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

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

FUND DESCRIPTIONS - GOVERNMENTAL FUNDS (CONTINUED)

37th St. NW Water Main Replacement Fund

To account for capital grants and all costs associated with the 37th Street Water Main replacement infrastructure project.

SIB Loan 12th St. N Corridor Project Fund

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

32nd St./OverBrook Ct. NW Storm Sewer Replacement Fund

To account for capital grants and all costs associated with the 32nd Street/OverBrook Court North West Storm Sewer replacement infrastructure project.

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property and other taxes	\$ 1,847,400	\$ 1,865,322	\$ 17,922
Municipal income taxes	36,999,723	37,369,574	369,851
Charges for services	9,248,322	9,537,592	289,270
Licenses, permits, and fees	1,300,200	1,319,759	19,559
Fines and forfeitures	157,000	197,507	40,507
Intergovernmental	5,665,300	5,753,264	87,964
Interest and investment income	83,000	133,714	50,714
Rental income	7,494	9,301	1,807
Operating grants	690,353	945,839	255,486
Other	1,776,077	1,849,052	72,975
Total revenues	57,774,869	58,980,924	1,206,055
Expenditures:			
Current:			
General government:			
<i>Service Director - Support Administration:</i>			
Materials and supplies	13,000	10,297	2,703
Contractual services	841,816	834,224	7,592
Other	108,863	107,422	1,441
<i>Total Service Director - Support Administration</i>	<i>963,679</i>	<i>951,943</i>	<i>11,736</i>
<i>Service Director - Service Director Administration:</i>			
Personal services	118,627	108,601	10,026
Materials and supplies	2,400	1,469	931
Contractual services	12,161	9,258	2,903
Other	4,867	2,441	2,426
<i>Total Service Director - Service Director Administration</i>	<i>138,055</i>	<i>121,769</i>	<i>16,286</i>
<i>Service Director - Purchase Administration:</i>			
Personal services	268,420	263,790	4,630
Materials and supplies	207,639	195,846	11,793
Contractual services	2,214	1,900	314
Capital outlay	1,019	1,019	-
Other	7,385	5,498	1,887
<i>Total Service Director - Purchase Administration</i>	<i>486,677</i>	<i>468,053</i>	<i>18,624</i>
<i>Service Director - Annexation:</i>			
Personal services	6,515	6,053	462
Contractual services	3,500	2,625	875
<i>Total Service Director - Annexation</i>	<i>10,015</i>	<i>8,678</i>	<i>1,337</i>
<i>Building and Maintenance - Other Building:</i>			
Personal services	753,735	722,825	30,910
Materials and supplies	56,992	54,892	2,100
Contractual services	458,068	451,163	6,905
Capital outlay	13,111	12,903	208
Other	3,106	3,092	14
<i>Total Building and Maintenance - Other Building</i>	<i>1,285,012</i>	<i>1,244,875</i>	<i>40,137</i>
<i>Income Tax - Income Tax Administration:</i>			
Personal services	941,785	928,230	13,555
Materials and supplies	124,258	117,963	6,295
Contractual services	135,499	127,092	8,407
Capital outlay	117,843	114,705	3,138
Other	1,531,766	1,524,095	7,671
<i>Total Income Tax - Income Tax Administration</i>	<i>2,851,151</i>	<i>2,812,085</i>	<i>39,066</i>

(Continued)

CITY OF CANTON
STARK COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<i>Mayor - Administration:</i>			
Personal services	371,372	368,548	2,824
Materials and supplies	8,332	6,179	2,153
Contractual services	30,044	24,308	5,736
Other	17,553	15,167	2,386
Total Mayor - Administration	427,301	414,202	13,099
<i>Mayor - Human Resources Administration:</i>			
Personal services	116,336	115,171	1,165
Materials and supplies	2,651	1,406	1,245
Contractual services	28,478	17,082	11,396
Other	385	-	385
Total Mayor - Human Resources Administration	147,850	133,659	14,191
<i>Council - Council Administration:</i>			
Personal services	624,327	580,842	43,485
Materials and supplies	505	205	300
Contractual services	54,454	50,570	3,884
Other	50	-	50
Total Council - Council Administration	679,336	631,617	47,719
<i>Courts/Judge - Judge Administration:</i>			
Personal services	2,205,708	2,197,228	8,480
Materials and supplies	49,488	40,406	9,082
Contractual services	79,663	51,721	27,942
Capital outlay	1,000	1,000	-
Other	500	-	500
Total Courts/Judge - Judge Administration	2,336,359	2,290,355	46,004
<i>Courts/Clerk - Clerk of Courts Administration:</i>			
Personal services	1,469,850	1,412,061	57,789
Materials and supplies	35,610	32,363	3,247
Contractual services	61,280	49,922	11,358
Capital outlay	22,800	22,171	629
Other	3,700	117	3,583
Total Courts/Clerk - Clerk of Courts Administration	1,593,240	1,516,634	76,606
<i>Law Director - Law Administration:</i>			
Personal services	1,543,220	1,495,653	47,567
Materials and supplies	19,436	17,992	1,444
Contractual services	172,383	125,276	47,107
Other	272,045	268,138	3,907
Total Law Director - Law Administration	2,007,084	1,907,059	100,025
<i>Auditor - Auditor Administrations:</i>			
Personal services	1,097,178	1,091,701	5,477
Materials and supplies	20,226	20,222	4
Contractual services	24,010	24,010	-
Other	173,027	132,406	40,621
Total Auditor - Auditor Administration	1,314,441	1,268,339	46,102
<i>Auditor - Legally Binding Expenses:</i>			
Materials and supplies	440,788	440,788	-
Contractual services	9,500	9,500	-
Other	124,212	124,211	1
Total Auditor - Legally Binding Expenses	574,500	574,499	1

(Continued)

**CITY OF CANTON
STARK COUNTY, OHIO**
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<i>Treasurer - Administration & Operations:</i>			
Personal services	236,815	235,449	1,366
Materials and supplies	1,023	1,020	3
Contractual services	39,218	34,623	4,595
Other	430,000	418,311	11,689
<i>Total Treasurer - Administration & Operations</i>	<u>707,056</u>	<u>689,403</u>	<u>17,653</u>
<i>Board of Commission - Civil Service:</i>			
Personal services	277,923	275,412	2,511
Materials and supplies	7,229	6,087	1,142
Contractual services	66,616	61,364	5,252
Capital outlay	3,011	2,941	70
Other	895	682	213
<i>Total Board of Commission - Civil Service</i>	<u>355,674</u>	<u>346,486</u>	<u>9,188</u>
<i>Board of Commission - Zoning Board:</i>			
Personal services	8,648	8,563	85
<i>Total Board of Commission - Zoning Board</i>	<u>8,648</u>	<u>8,563</u>	<u>85</u>
<i>Motor Vehicle - Administration:</i>			
Personal services	203,482	202,022	1,460
Materials and supplies	200	28	172
Contractual services	164,345	155,292	9,053
Other	100	22	78
<i>Total Motor Vehicle - Administration</i>	<u>368,127</u>	<u>357,364</u>	<u>10,763</u>
<i>Motor Vehicle - Service and Repair:</i>			
Personal services	870,314	861,468	8,846
Materials and supplies	977,753	899,222	78,531
Contractual services	114,593	80,940	33,653
Capital outlay	7,815	5,043	2,772
Other	7,363	6,690	673
<i>Total Motor Vehicle - Service and Repair</i>	<u>1,977,838</u>	<u>1,853,363</u>	<u>124,475</u>
<i>Management Information Systems:</i>			
Personal services	1,022,706	1,009,972	12,734
Materials and supplies	14,076	13,281	795
Contractual services	154,508	147,750	6,758
Capital outlay	6,024	6,024	-
Other	1,620	1,620	-
<i>Total Management Information Systems</i>	<u>1,198,934</u>	<u>1,178,647</u>	<u>20,287</u>
<i>Total general government</i>	<u>19,430,977</u>	<u>18,777,593</u>	<u>653,384</u>
<i>Security of persons and property:</i>			
<i>Safety Director - Safety Director Administration:</i>			
Personal services	168,801	167,666	1,135
Materials and supplies	1,433	1,186	247
Contractual services	32,472	31,344	1,128
Other	2,787	1,285	1,502
<i>Total Safety Director - Safety Director Administration</i>	<u>205,493</u>	<u>201,481</u>	<u>4,012</u>

(Continued)

CITY OF CANTON
STARK COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<i>Safety Director - Code Enforcement Administration:</i>			
Personal services	845,059	845,003	56
Materials and supplies	38,561	26,645	11,916
Contractual services	82,173	75,480	6,693
Other	16,865	11,370	5,495
<i>Total Safety Director - Code Enforcement Administration</i>	<u>982,658</u>	<u>958,498</u>	<u>24,160</u>
<i>Safety Director - School Police Administration:</i>			
Personal services	135,695	128,198	7,497
<i>Total Safety Director - School Police Administration</i>	<u>135,695</u>	<u>128,198</u>	<u>7,497</u>
<i>Safety Director - Central Communication Administration:</i>			
Personal services	1,666,794	1,652,980	13,814
Materials and supplies	5,414	3,800	1,614
Contractual services	70,137	62,991	7,146
Capital outlay	1,714	-	1,714
Other	2,959	1,205	1,754
<i>Total Safety Director - Central Communication Administration</i>	<u>1,747,018</u>	<u>1,720,976</u>	<u>26,042</u>
<i>Police Administration:</i>			
Personal services	15,321,743	15,180,945	140,798
Materials and supplies	384,291	365,450	18,841
Contractual services	696,282	677,123	19,159
Capital outlay	17,748	17,688	60
Other	19,996	19,919	77
<i>Total Police Administration</i>	<u>16,440,060</u>	<u>16,261,125</u>	<u>178,935</u>
<i>Fire Administration:</i>			
Personal services	14,340,688	14,275,468	65,220
Materials and supplies	536,776	531,055	5,721
Contractual services	538,856	513,520	25,336
Capital outlay	2,173	2,154	19
Other	67,681	63,173	4,508
<i>Total Fire Administration</i>	<u>15,486,174</u>	<u>15,385,370</u>	<u>100,804</u>
<i>Traffic Administration:</i>			
Personal services	414,116	386,325	27,791
<i>Total Traffic Administration</i>	<u>414,116</u>	<u>386,325</u>	<u>27,791</u>
<i>Traffic Divisions - Traffic Engineer/Parking Meter:</i>			
Personal services	138,594	136,961	1,633
Materials and supplies	19,163	17,337	1,826
Contractual services	1,539	1,539	-
Other	100	-	100
<i>Total Traffic Divisions - Traffic Engineer/Parking Meter</i>	<u>159,396</u>	<u>155,837</u>	<u>3,559</u>
<i>Total security of persons and property</i>	<u>35,570,610</u>	<u>35,197,810</u>	<u>372,800</u>
Public health:			
<i>Health - Administration:</i>			
Personal services	468,865	467,732	1,133
Materials and supplies	52,452	39,134	13,318
Contractual services	160,238	148,667	11,571
Capital outlay	10,615	2,892	7,723
Other	242,952	227,224	15,728
<i>Total Health - Administration</i>	<u>935,122</u>	<u>885,649</u>	<u>49,473</u>
<i>Health - Nurses:</i>			
Personal services	699,596	696,963	2,633
Materials and supplies	47,034	43,040	3,994
Contractual services	101,724	100,310	1,414
Capital outlay	1,458	1,415	43
Other	6,119	4,999	1,120
<i>Total Health - Nurses</i>	<u>855,931</u>	<u>846,727</u>	<u>9,204</u>

(Continued)

**CITY OF CANTON
STARK COUNTY, OHIO**
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<i>Health - Lab:</i>			
Personal services	261,866	261,074	792
Materials and supplies	42,345	41,633	712
Contractual services	25,209	24,309	900
Other	4	-	4
<i>Total Health - Lab</i>	<u>329,424</u>	<u>327,016</u>	<u>2,408</u>
<i>Health - Air Pollution:</i>			
Other	40,000	40,000	-
<i>Total Health - Air Pollution</i>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
<i>Health - Environmental Health Administration:</i>			
Personal services	572,777	569,210	3,567
Materials and supplies	5,136	4,486	650
Contractual services	9,139	7,994	1,145
Capital outlay	260	-	260
Other	1,618	1,614	4
<i>Total Health - Environmental Health Administration</i>	<u>588,930</u>	<u>583,304</u>	<u>5,626</u>
<i>Total public health</i>	<u>2,749,407</u>	<u>2,682,696</u>	<u>66,711</u>
<i>Transportation:</i>			
<i>Engineering - Daily Operations:</i>			
Personal services	63,323	59,617	3,706
Materials and supplies	2,382	2,095	287
Contractual services	2,603	697	1,906
<i>Total Engineering - Daily Operations</i>	<u>68,308</u>	<u>62,409</u>	<u>5,899</u>
<i>Street - Maintenance:</i>			
Personal services	464,064	424,013	40,051
Materials and supplies	199,772	196,728	3,044
Contractual services	1,287,964	1,241,282	46,682
Other	17,300	17,112	188
<i>Total Street - Maintenance</i>	<u>1,969,100</u>	<u>1,879,135</u>	<u>89,965</u>
<i>Total transportation</i>	<u>2,037,408</u>	<u>1,941,544</u>	<u>95,864</u>
<i>Community environment:</i>			
<i>Community Development - Community Development Administration:</i>			
Personal services	1,182,373	1,182,219	154
Contractual services	783,500	430,096	353,404
Capital outlay	216,500	98,703	117,797
Other	175,000	175,000	-
<i>Total Community Development - Community Development Administration</i>	<u>2,357,373</u>	<u>1,886,018</u>	<u>471,355</u>
<i>Community Improvement Corporation:</i>			
Other	391,180	391,180	-
<i>Total Community Improvement Corporation</i>	<u>391,180</u>	<u>391,180</u>	<u>-</u>
<i>Land Reutilization:</i>			
Contractual services	1,602,494	1,357,032	245,462
<i>Total Land Reutilization</i>	<u>1,602,494</u>	<u>1,357,032</u>	<u>245,462</u>
<i>Total community environment</i>	<u>4,351,047</u>	<u>3,634,230</u>	<u>716,817</u>
<i>Leisure time activities:</i>			
<i>Park Division - Park Administration:</i>			
Personal services	17,038	-	17,038
Materials and supplies	13,322	8,924	4,398
Contractual services	5,280	3,936	1,344
Other	100	96	4
<i>Total Park Division - Park Administration</i>	<u>35,740</u>	<u>12,956</u>	<u>22,784</u>

(Continued)

CITY OF CANTON
STARK COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<i>Mayor - Baseball:</i>			
Contractual services	15,834	13,344	2,490
Total Mayor - Baseball	15,834	13,344	2,490
<i>Civic Center - Civic Center Administration:</i>			
Materials and supplies	629	360	269
Contractual services	435,462	434,836	626
Total Civic Center - Civic Center Administration	436,091	435,196	895
Total leisure time activities	487,665	461,496	26,169
Debt service:			
<i>Principal retirement:</i>			
Various purpose loans	2,000,000	2,000,000	-
General obligation various improvement bonds	3,930,000	3,930,000	-
Total principal retirement	5,930,000	5,930,000	-
<i>Interest and fiscal charges:</i>			
General obligation various improvement bonds	123,300	119,925	3,375
Total interest and fiscal charges	123,300	119,925	3,375
Total debt service	6,053,300	6,049,925	3,375
Total expenditures	70,680,414	68,745,294	1,935,120
Excess of expenditures over revenues	(12,905,545)	(9,764,370)	3,141,175
Other financing sources (uses):			
Issuance of notes	6,200,000	6,200,000	-
Transfers in	462,500	442,158	(20,342)
Transfers (out)	(316,200)	(316,158)	42
Advances in	1,000,000	1,000,000	-
Advances (out)	(1,055,000)	(1,000,000)	55,000
Total other financing sources (uses)	6,291,300	6,326,000	34,700
Net change in fund balance	(6,614,245)	(3,438,370)	3,175,875
Fund balance at beginning of year	5,782,928	5,782,928	-
Prior year encumbrances appropriated	1,859,364	1,859,364	-
Fund balance at end of year	\$ 1,028,047	\$ 4,203,922	\$ 3,175,875

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY AND ECONOMIC DEVELOPMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for services	\$ -	\$ 44,855	\$ 44,855
Operating grants	10,902,385	4,236,305	(6,666,080)
Rental income	-	2,575	2,575
Other	158,300	226,635	68,335
Total revenues	11,060,685	4,510,370	(6,550,315)
Expenditures:			
Current:			
Community environment:			
<i>Youth Development Administration:</i>			
Personal services	6,033	3,404	2,629
Materials and supplies	335	335	-
Contractual services	87,753	66,304	21,449
Capital outlay	1,580	1,580	-
Other	214,405	46,618	167,787
Total Youth Development Administration	310,106	118,241	191,865
<i>Community Development Administration:</i>			
Personal services	41,191	24,207	16,984
Materials and supplies	20,308	9,545	10,763
Contractual services	401,951	279,276	122,675
Capital outlay	498,763	492,606	6,157
Other	7,543,329	5,159,731	2,383,598
Total Community Development Administration	8,505,542	5,965,365	2,540,177
<i>Federal Stimulus Funding:</i>			
Personal services	3,500	3,485	15
Materials and supplies	179	156	23
Other	55,474	10,082	45,392
Total Federal Stimulus Funding	59,153	13,723	45,430
<i>Hamilton Ave. Storm Sewer:</i>			
Personal services	5,300	300	5,000
Total Hamilton Ave. Storm Sewer	5,300	300	5,000
<i>Community Development Demolition:</i>			
Personal services	1,680,987	587,827	1,093,160
Contractual services	72,179	12,179	60,000
Total Community Development Demolition	1,753,166	600,006	1,153,160
<i>Fair Housing Administration:</i>			
Personal services	115,517	74,225	41,292
Materials and supplies	1,750	212	1,538
Contractual services	15,445	14,512	933
Capital outlay	2,375	2,374	1
Other	43,866	38,918	4,948
Total Fair Housing Administration	178,953	130,241	48,712

(Continued)

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY AND ECONOMIC DEVELOPMENT FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<i>Economic Development Grants/Loans:</i>			
Other	300,000	-	300,000
<i>Total Economic Development Grants/Loans</i>	<u>300,000</u>	<u>-</u>	<u>300,000</u>
Total expenditures	<u>11,112,220</u>	<u>6,827,876</u>	<u>4,284,344</u>
Excess of expenditures over revenues	(51,535)	(2,317,506)	(2,265,971)
Other financing sources:			
Sale of assets	<u>-</u>	<u>2,766</u>	<u>2,766</u>
Net change in fund balance.	(51,535)	(2,314,740)	(2,263,205)
Fund balance (deficit) at beginning of year	(2,294,246)	(2,294,246)	-
Prior year encumbrances appropriated	<u>2,606,999</u>	<u>2,606,999</u>	<u>-</u>
Fund balance (deficit) at end of year.	<u>\$ 261,218</u>	<u>\$ (2,001,987)</u>	<u>\$ (2,263,205)</u>

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Municipal income taxes	\$ 9,283,000	\$ 9,274,302	\$ (8,698)
Licenses, permits and fees	-	4,304	4,304
Capital grants	36,521	36,521	-
Other	5,088	7,777	2,689
Total revenues	9,324,609	9,322,904	(1,705)
Expenditures:			
Capital outlay:			
<i>Safety Director:</i>			
Police Department - Police Administration	45,713	18,263	27,450
Fire Department - Fire Administration	438,391	437,526	865
Total Safety Director	484,104	455,789	28,315
<i>Traffic Divisions:</i>			
Traffic Signal	54,672	54,639	33
<i>Service Director:</i>			
Service Director Administration	398,516	379,876	18,640
Engineering Administration	1,960,421	1,814,104	146,317
Engineering - 3rd St. SE Bridge Rehabilitation Project	81,793	81,793	-
Engineering - Harmont Ave. Sanitary Swer Ext.	3,737	3,737	-
Engineering - 11th St. Improvement Project	37,702	37,702	-
Engineering - East Side Park Trail & Bridge	10,768	10,768	-
Street Administration	116,087	85,492	30,595
Street Paving	3,191,370	2,780,271	411,099
Building Maintenance Administration	53,177	49,905	3,272
Collection System Department	320,281	271,984	48,297
Engineering - 41st St. NW Storm Sewer Project	73,000	73,000	-
Engineering - 55st St. NE Storm Sewer Project	450,801	450,801	-
Engineering - 12th St. N. Corridor Project	120,275	120,275	-
Engineering - Urban Forestry	23,249	17,461	5,788
Engineering - Mahoning Rd. Corridor Project	70,000	24,000	46,000
Total Service Director	6,911,177	6,201,169	710,008
<i>Water:</i>			
37th St. Water Sewer Str. Improvement Project	288,576	210,650	77,926
Navarre Rd. Bridge & Sanit SW Proj	135,000	118,334	16,666
Total Water	423,576	328,984	94,592
<i>Park Division:</i>			
Park Administration	49,291	46,898	2,393
<i>Management Information Systems:</i>			
Information Technology Manager	413,341	384,653	28,688
<i>Judges:</i>			
Judges Administration	100,000	100,000	-
<i>Council:</i>			
Council Administration	49,086	21,913	27,173
<i>Auditor:</i>			
Auditor Administration	153,679	152,340	1,339
Auditor Legally Binding Expenses	91,435	91,435	-
Total Auditor	245,114	243,775	1,339
<i>Motor Vehicle Maintenance:</i>			
Service & Repair	22,500	21,179	1,321

(continued)

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<i>Law:</i>			
Law - Administration	15,000	14,971	29
<i>Income Tax:</i>			
Income Tax - Administration	125,000	124,400	600
<i>Total capital outlay</i>	<u>8,892,861</u>	<u>7,998,370</u>	<u>894,491</u>
<i>Debt service:</i>			
<i>Principal retirement:</i>			
Various purpose loans	288,226	288,226	-
General obligation various improvement bonds	<u>2,003,579</u>	<u>2,003,579</u>	<u>-</u>
<i>Total principal retirement</i>	<u>2,291,805</u>	<u>2,291,805</u>	<u>-</u>
<i>Interest and fiscal charges:</i>			
Various purpose loans	27,215	27,215	-
General obligation various improvement bonds	<u>265,421</u>	<u>265,421</u>	<u>-</u>
<i>Interest and fiscal charges</i>	<u>292,636</u>	<u>292,636</u>	<u>-</u>
<i>Total debt service</i>	<u>2,584,441</u>	<u>2,584,441</u>	<u>-</u>
Total expenditures	<u>11,477,302</u>	<u>10,582,811</u>	<u>894,491</u>
Excess of expenditures over revenues	<u>(2,152,693)</u>	<u>(1,259,907)</u>	<u>892,786</u>
Other financing sources:			
Sale of assets	<u>10,271</u>	<u>11,814</u>	<u>1,543</u>
Net change in fund balance	(2,142,422)	(1,248,093)	894,329
Fund balance at beginning of year	788,530	788,530	-
Prior year encumbrances appropriated	<u>1,527,414</u>	<u>1,527,414</u>	<u>-</u>
Fund balance at end of year	<u>\$ 173,522</u>	<u>\$ 1,067,851</u>	<u>\$ 894,329</u>

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MOTOR VEHICLE PURCHASE FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Municipal income taxes	\$ 2,275,000	\$ 2,318,575	\$ 43,575
Capital grants	-	4,650	4,650
Total revenues	2,275,000	2,323,225	48,225
Expenditures:			
Capital outlay:			
<i>Safety Director:</i>			
Safety director administration	346	346	-
Code Enforcement Administration	50,557	42,554	8,003
Central Communication Administration	231,619	231,619	-
Police Department - Police Administration	493,353	492,924	429
Fire Department - Fire Administration	961,064	960,489	575
Total Safety Director	1,736,939	1,727,932	9,007
<i>Traffic Divisions:</i>			
Traffic Divisions - Engineer Administration	14,951	14,951	-
Traffic Divisions - Traffic Sign & Paint	28,482	27,289	1,193
Traffic Divisions - Traffic Signal	139,538	138,188	1,350
Total Traffic Divisions	182,971	180,428	2,543
<i>Service Director:</i>			
Service Director Administration	346	346	-
Engineer Administration	4,750	4,750	-
Street Administration	1,260,344	1,195,633	64,711
Street Paving	217,234	217,234	-
Building Maintenance Administration	1,205	1,205	-
Collection System Department	17,616	17,616	-
Total Service Director	1,501,495	1,436,784	64,711
<i>Health:</i>			
Health Administration	49,048	45,872	3,176
Total Health	49,048	45,872	3,176
<i>Mayor:</i>			
Mayor Administration	346	346	-
Total Mayor	346	346	-
<i>Management Information Systems:</i>			
Information Technology Manager	21,225	19,722	1,503
Total Management Information Systems	21,225	19,722	1,503
<i>Judges:</i>			
Judge Administration	5,048	5,048	-
Total Judges	5,048	5,048	-
Total capital outlay	3,497,072	3,416,132	80,940

(continued)

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MOTOR VEHICLE PURCHASE FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Debt service:			
<i>Principal retirement:</i>			
Capital lease	261,430	261,430	-
Total expenditures	<u>3,758,502</u>	<u>3,677,562</u>	<u>80,940</u>
Excess of expenditures over revenues	(1,483,502)	(1,354,337)	129,165
Other financing sources:			
Sale of assets.	-	83,178	83,178
Net change in fund balance	(1,483,502)	(1,271,159)	212,343
Fund balance at beginning of year.	374,276	374,276	-
Prior year encumbrances appropriated.	<u>1,193,088</u>	<u>1,193,088</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 83,862</u>	<u>\$ 296,205</u>	<u>\$ 212,343</u>

CITY OF CANTON
STARK COUNTY, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2014

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash and cash equivalents	\$ 7,039,959	\$ 18,238	\$ 1,404,176	\$ 8,462,373
Cash with fiscal agent	-	3,019	-	3,019
Receivables:				
Accounts	27,168	5,599	-	32,767
Accrued interest	18	-	134	152
Property and other taxes	2,379,555	-	-	2,379,555
Due from other governments	1,788,023	-	2,222,814	4,010,837
Materials and supplies inventory	130,508	-	-	130,508
Total assets	<u>\$ 11,365,231</u>	<u>\$ 26,856</u>	<u>\$ 3,627,124</u>	<u>\$ 15,019,211</u>
Liabilities:				
Accounts payable	\$ 678,424	\$ -	\$ 2,207,598	\$ 2,886,022
Accrued wages and benefits payable	196,899	-	-	196,899
Due to other funds	23,593	-	-	23,593
Due to other governments	31,834	-	-	31,834
Retainage payable	-	-	100,051	100,051
Total liabilities	<u>930,750</u>	<u>-</u>	<u>2,307,649</u>	<u>3,238,399</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	2,379,555	-	-	2,379,555
Intergovernmental revenue not available	711,596	-	-	711,596
Charges for services revenue not available	-	5,599	-	5,599
Miscellaneous revenue not available	6,273	-	-	6,273
Total deferred inflows of resources	<u>3,097,424</u>	<u>5,599</u>	<u>-</u>	<u>3,103,023</u>
Fund balances:				
Nonspendable	130,508	-	-	130,508
Restricted	6,566,263	21,257	1,417,429	8,004,949
Committed	640,286	-	-	640,286
Unassigned (deficit)	-	-	(97,954)	(97,954)
Total fund balances	<u>7,337,057</u>	<u>21,257</u>	<u>1,319,475</u>	<u>8,677,789</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 11,365,231</u>	<u>\$ 26,856</u>	<u>\$ 3,627,124</u>	<u>\$ 15,019,211</u>

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CITY OF CANTON
STARK COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Property and other local taxes	\$ 2,326,882	\$ -	\$ -	\$ 2,326,882
Charges for services	1,589,936	-	-	1,589,936
Licenses, permits, and fees	215,287	-	-	215,287
Fines and forfeitures	226,862	-	-	226,862
Intergovernmental	3,244,075	-	-	3,244,075
Interest and investment income	288	7,074	1,685	9,047
Rental income	43,040	-	-	43,040
Contributions and donations	2,984	-	-	2,984
Operating grants	4,432,500	-	-	4,432,500
Capital grants	630,193	-	4,845,928	5,476,121
Payment in lieu of taxes	25,948	-	-	25,948
Other	103,208	-	1,142	104,350
Total revenues	12,841,203	7,074	4,848,755	17,697,032
Expenditures:				
Current:				
General government	1,095,131	-	-	1,095,131
Security of persons and property	2,153,910	-	-	2,153,910
Public health	3,400,465	-	-	3,400,465
Transportation	2,613,851	-	-	2,613,851
Community environment	451,492	-	-	451,492
Leisure time activities	2,385,625	-	-	2,385,625
Capital outlay	110,918	-	5,577,063	5,687,981
Debt service:				
Principal retirement	70,891	-	-	70,891
Interest and fiscal charges	3,762	-	-	3,762
Total expenditures	12,286,045	-	5,577,063	17,863,108
Excess of revenues over (under) expenditures	555,158	7,074	(728,308)	(166,076)
Other financing sources:				
Capital lease transactions	110,918	-	-	110,918
Issuance of loans	-	-	455,595	455,595
Total other financing sources	110,918	-	455,595	566,513
Net change in fund balances	666,076	7,074	(272,713)	400,437
Fund balances at beginning of year	6,670,981	14,183	1,592,188	8,277,352
Fund balances at end of year	\$ 7,337,057	\$ 21,257	\$ 1,319,475	\$ 8,677,789

CITY OF CANTON
 STARK COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2014

	Street Construction, Maintenance, and Repair	State Highway	Municipal Road	Cornerstone Parking Dock	Vacant/ Foreclosed Registry
Assets:					
Equity in pooled cash and cash equivalents.	\$ 203,213	\$ 27,439	\$ 662,357	\$ 41,617	\$ 167,915
Accounts	40	-	-	-	-
Accrued interest.	-	-	-	-	-
Property and other taxes	-	-	-	-	-
Due from other governments	1,095,660	83,393	92,368	-	-
Materials and supplies inventory	115,595	-	-	-	-
Total assets	<u>\$ 1,414,508</u>	<u>\$ 110,832</u>	<u>\$ 754,725</u>	<u>\$ 41,617</u>	<u>\$ 167,915</u>
Liabilities:					
Accounts payable.	\$ 34,101	\$ 177	\$ 110,090	\$ 10,004	\$ 577
Accrued wages and benefits payable.	67,276	-	-	6,141	-
Due to other funds	5,279	-	-	-	-
Due to other governments	10,395	-	-	1,531	89
	<u>117,051</u>	<u>177</u>	<u>110,090</u>	<u>17,676</u>	<u>666</u>
Deferred inflows of resources:					
Property taxes levied for the next fiscal year.	-	-	-	-	-
Intergovernmental revenue not available	618,775	50,171	-	-	-
Miscellaneous revenue not available	-	-	-	-	-
Total deferred inflows of resources	<u>618,775</u>	<u>50,171</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:					
Nonspendable.	115,595	-	-	-	-
Restricted.	563,087	60,484	644,635	23,941	-
Committed	-	-	-	-	167,249
Total fund balances	<u>678,682</u>	<u>60,484</u>	<u>644,635</u>	<u>23,941</u>	<u>167,249</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,414,508</u>	<u>\$ 110,832</u>	<u>\$ 754,725</u>	<u>\$ 41,617</u>	<u>\$ 167,915</u>

<u>Mills Industrial Park TIF</u>	<u>Gervasi 1700, LLC TIF</u>	<u>Lesh Rd./30th St. TIF</u>	<u>Health Services</u>	<u>Crime Lab</u>	<u>Court Computer</u>	<u>Court</u>	<u>Law Department Dispute Resolution</u>
\$ 8,739	\$ -	\$ 26,478	\$ 2,726,297	\$ 90,455	\$ 384,798	\$ 502,074	\$ 1,039
-	-	-	-	-	-	19,475	-
-	-	-	-	-	-	-	-
-	-	-	23,118	2,096	16,894	29,805	-
-	-	-	-	-	-	-	-
<u>\$ 8,739</u>	<u>\$ -</u>	<u>\$ 26,478</u>	<u>\$ 2,749,415</u>	<u>\$ 92,551</u>	<u>\$ 401,692</u>	<u>\$ 551,354</u>	<u>\$ 1,039</u>
\$ -	\$ -	\$ -	\$ 108,772	\$ -	\$ 57,804	\$ 35,391	\$ -
-	-	-	70,855	-	4,978	1,021	-
-	-	-	-	-	-	-	-
-	-	-	11,541	-	769	158	-
-	-	-	191,168	-	63,551	36,570	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
8,739	-	26,478	2,558,247	92,551	338,141	514,784	1,039
-	-	-	-	-	-	-	-
<u>8,739</u>	<u>-</u>	<u>26,478</u>	<u>2,558,247</u>	<u>92,551</u>	<u>338,141</u>	<u>514,784</u>	<u>1,039</u>
<u>\$ 8,739</u>	<u>\$ -</u>	<u>\$ 26,478</u>	<u>\$ 2,749,415</u>	<u>\$ 92,551</u>	<u>\$ 401,692</u>	<u>\$ 551,354</u>	<u>\$ 1,039</u>

(Continued)

CITY OF CANTON
STARK COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 DECEMBER 31, 2014

	<u>SARTA Area Improvement</u>	<u>Park Department</u>	<u>Youth Development</u>	<u>Federal Forfeiture</u>	<u>Enforcement and Education</u>
Assets:					
Equity in pooled cash and cash equivalents.	\$ 10,000	\$ 646,936	\$ 4,470	\$ 595,534	\$ 8,688
Accounts	-	415	-	-	-
Accrued interest.	-	-	-	18	-
Property and other taxes	-	2,379,555	-	-	-
Due from other governments	-	-	-	9,962	522
Materials and supplies inventory	-	-	-	-	-
Total assets	<u>\$ 10,000</u>	<u>\$ 3,026,906</u>	<u>\$ 4,470</u>	<u>\$ 605,514</u>	<u>\$ 9,210</u>
Liabilities:					
Accounts payable.	\$ 9,358	\$ 189,951	\$ -	\$ 7,844	\$ -
Accrued wages and benefits payable.	-	35,832	-	-	-
Due to other funds	-	3,797	-	-	-
Due to other governments	-	5,683	-	-	-
	<u>9,358</u>	<u>235,263</u>	<u>-</u>	<u>7,844</u>	<u>-</u>
Deferred inflows of resources:					
Property taxes levied for the next fiscal year.	-	2,379,555	-	-	-
Intergovernmental revenue not available	-	-	-	-	-
Miscellaneous revenue not available	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>2,379,555</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:					
Nonspendable.	-	-	-	-	-
Restricted.	642	29,585	4,470	597,670	9,210
Committed	-	382,503	-	-	-
Total fund balances	<u>642</u>	<u>412,088</u>	<u>4,470</u>	<u>597,670</u>	<u>9,210</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 10,000</u>	<u>\$ 3,026,906</u>	<u>\$ 4,470</u>	<u>\$ 605,514</u>	<u>\$ 9,210</u>

<u>Indigent Driver Alcohol Treatment</u>	<u>Law Enforcement Trust</u>	<u>Municipal Probation Services</u>	<u>Misdemeanor Community Sanction Grant</u>	<u>Prisoner Housing</u>	<u>Local Law Enforcement Block Grant</u>	<u>Supplementary Police Forces</u>	<u>Police</u>
\$ 62,659	\$ 104,919	\$ 307,486	\$ 49,084	\$ 26,702	\$ 23,411	\$ 181	\$ 182,801
-	-	315	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,731	27,279	30,202	85,300	1,545	-	-	165,739
-	-	-	-	-	-	-	-
<u>\$ 65,390</u>	<u>\$ 132,198</u>	<u>\$ 338,003</u>	<u>\$ 134,384</u>	<u>\$ 28,247</u>	<u>\$ 23,411</u>	<u>\$ 181</u>	<u>\$ 348,540</u>
\$ -	\$ 545	\$ 8,361	\$ 350	\$ -	\$ -	\$ -	\$ -
-	-	4,588	6,208	-	-	-	-
-	-	-	-	-	14,517	-	-
-	-	709	959	-	-	-	-
-	545	13,658	7,517	-	14,517	-	-
-	-	-	-	-	-	-	-
-	-	-	42,650	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	42,650	-	-	-	-
-	-	-	-	-	-	-	-
65,390	131,653	324,345	84,217	28,247	8,894	181	348,540
-	-	-	-	-	-	-	-
<u>65,390</u>	<u>131,653</u>	<u>324,345</u>	<u>84,217</u>	<u>28,247</u>	<u>8,894</u>	<u>181</u>	<u>348,540</u>
<u>\$ 65,390</u>	<u>\$ 132,198</u>	<u>\$ 338,003</u>	<u>\$ 134,384</u>	<u>\$ 28,247</u>	<u>\$ 23,411</u>	<u>\$ 181</u>	<u>\$ 348,540</u>

(Continued)

CITY OF CANTON
STARK COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 DECEMBER 31, 2014

	<u>Fire</u>	<u>Clean Ohio Revitalization</u>	<u>Canton Merchandising</u>	<u>Other</u>	<u>Total Nonmajor Special Revenue Funds</u>
Assets:					
Equity in pooled cash and cash equivalents.	\$ 73,507	\$ 86	\$ 7,458	\$ 93,616	\$ 7,039,959
Accounts	-	-	-	6,923	27,168
Accrued interest.	-	-	-	-	18
Property and other taxes	-	-	-	-	2,379,555
Due from other governments	-	121,409	-	-	1,788,023
Materials and supplies inventory	-	-	14,913	-	130,508
Total assets	<u>\$ 73,507</u>	<u>\$ 121,495</u>	<u>\$ 22,371</u>	<u>\$ 100,539</u>	<u>\$ 11,365,231</u>
Liabilities:					
Accounts payable.	\$ -	\$ 102,372	\$ -	\$ 2,727	\$ 678,424
Accrued wages and benefits payable.	-	-	-	-	196,899
Due to other funds	-	-	-	-	23,593
Due to other governments	-	-	-	-	31,834
	-	102,372	-	2,727	930,750
Deferred inflows of resources:					
Property taxes levied for the next fiscal year.	-	-	-	-	2,379,555
Intergovernmental revenue not available	-	-	-	-	711,596
Miscellaneous revenue not available	-	-	-	6,273	6,273
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,273</u>	<u>3,097,424</u>
Fund balances:					
Nonspendable.	-	-	14,913	-	130,508
Restricted.	73,507	19,123	7,458	1,005	6,566,263
Committed	-	-	-	90,534	640,286
Total fund balances	<u>73,507</u>	<u>19,123</u>	<u>22,371</u>	<u>91,539</u>	<u>7,337,057</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 73,507</u>	<u>\$ 121,495</u>	<u>\$ 22,371</u>	<u>\$ 100,539</u>	<u>\$ 11,365,231</u>

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CITY OF CANTON
STARK COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Street Construction, Maintenance, and Repair	State Highway	Municipal Road	Cornerstone Parking Deck	Vacant/ Foreclosed Registry
Revenues:					
Property and other local taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	270,732	188,200
Licenses, permits, and fees	5,278	248	-	-	-
Fines and forfeitures	220	-	-	-	-
Intergovernmental	2,887,889	200,151	-	-	-
Interest and investment income	59	11	-	-	-
Rental income	-	-	-	13,008	-
Contributions and donations	-	-	-	-	-
Operating grants	-	-	-	-	-
Capital grants	-	-	630,193	-	-
Payment in lieu of taxes	-	-	-	-	-
Other	6,826	-	37,828	159	-
Total revenues	2,900,272	200,410	668,021	283,899	188,200
Expenditures:					
Current:					
General government	-	-	-	-	-
Security of persons and property	1,341,300	46,401	-	278,256	-
Public health	-	-	-	-	-
Transportation	1,586,092	179,212	823,746	-	-
Community environment	-	-	-	-	20,951
Leisure time activities	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	2,927,392	225,613	823,746	278,256	20,951
Excess of revenues over (under) expenditures	(27,120)	(25,203)	(155,725)	5,643	167,249
Other financing sources:					
Capital lease transactions	-	-	-	-	-
Total other financing sources	-	-	-	-	-
Net change in fund balance	(27,120)	(25,203)	(155,725)	5,643	167,249
Fund balances (deficit) at beginning of year	705,802	85,687	800,360	18,298	-
Fund balances at end of year	\$ 678,682	\$ 60,484	\$ 644,635	\$ 23,941	\$ 167,249

Mills Industrial Park TIF	Gervasi 1700, LLC TIF	Lesh Rd./30th St. TIF	Health Service	Crime Lab	Court Computer	Court	Law Department Dispute Resolution
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	107,495	19,812	234,252	417,938	360
-	-	-	209,761	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	3,068,462	-	-	-	-
-	-	-	-	-	-	-	-
6,368	14,948	4,632	-	-	-	-	-
-	-	-	404	-	243	470	-
<u>6,368</u>	<u>14,948</u>	<u>4,632</u>	<u>3,386,122</u>	<u>19,812</u>	<u>234,495</u>	<u>418,408</u>	<u>360</u>
-	-	-	-	-	351,518	232,975	360
-	-	-	-	-	-	-	-
-	-	-	3,400,465	-	-	-	-
-	-	-	-	-	-	-	-
-	13,612	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	6,883	-	-	-	-	34,238	-
-	-	-	-	-	-	3,762	-
-	<u>20,495</u>	-	<u>3,400,465</u>	-	<u>351,518</u>	<u>270,975</u>	<u>360</u>
<u>6,368</u>	<u>(5,547)</u>	<u>4,632</u>	<u>(14,343)</u>	<u>19,812</u>	<u>(117,023)</u>	<u>147,433</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
6,368	(5,547)	4,632	(14,343)	19,812	(117,023)	147,433	-
<u>2,371</u>	<u>5,547</u>	<u>21,846</u>	<u>2,572,590</u>	<u>72,739</u>	<u>455,164</u>	<u>367,351</u>	<u>1,039</u>
<u>\$ 8,739</u>	<u>\$ -</u>	<u>\$ 26,478</u>	<u>\$ 2,558,247</u>	<u>\$ 92,551</u>	<u>\$ 338,141</u>	<u>\$ 514,784</u>	<u>\$ 1,039</u>

CITY OF CANTON
STARK COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>SARTA Area Improvement</u>	<u>Park Department</u>	<u>Youth Development</u>	<u>Federal Forfeiture</u>	<u>Enforcement and Education</u>
Revenues:					
Property and other local taxes	\$ -	\$ 2,326,882	\$ -	\$ -	\$ -
Charges for services	-	347	-	-	-
Licenses, permits, and fees	-	-	-	-	-
Fines and forfeitures	-	-	-	9,962	6,455
Intergovernmental	-	156,035	-	-	-
Interest and investment income	-	-	-	191	-
Rental income	-	30,032	-	-	-
Contributions and donations	-	1,660	-	-	-
Operating grants	-	170,000	-	-	-
Capital grants	-	-	-	-	-
Payment in lieu of taxes	-	-	-	-	-
Other	-	2,163	2	20,950	21
Total revenues	-	2,687,119	2	31,103	6,476
Expenditures:					
Current:					
General government	9,358	-	-	-	-
Security of persons and property	-	-	-	196,908	791
Public health	-	-	-	-	-
Transportation	-	-	-	-	-
Community environment	40,000	-	-	-	-
Leisure time activities	-	2,385,625	-	-	-
Capital outlay	-	-	-	110,918	-
Debt service:					
Principal retirement	-	-	-	29,770	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	49,358	2,385,625	-	337,596	791
Excess (deficiency) of revenues over (under) expenditures	(49,358)	301,494	2	(306,493)	5,685
Other financing sources:					
Capital lease transactions	-	-	-	110,918	-
Total other financing sources	-	-	-	110,918	-
Net change in fund balance	(49,358)	301,494	2	(195,575)	5,685
Fund balances (deficit) at beginning of year	50,000	110,594	4,468	793,245	3,525
Fund balances at end of year	\$ 642	\$ 412,088	\$ 4,470	\$ 597,670	\$ 9,210

Indigent Driver Alcohol Treatment	Law Enforcement Trust	Municipal Probation Services	Misdemeanor Community Sanction Grant	Prisoner Housing	Local Law Enforcement Block Grant	Supplementary Police Forces	Police
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	1,176	349,624	-	-	-	-	-
-	-	-	-	-	-	-	-
95,840	98,881	-	-	15,504	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	27	-	-
-	-	-	-	-	-	675	-
-	-	-	170,601	-	-	-	457,794
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	2,477	398	-	-	-	375	-
<u>95,840</u>	<u>102,534</u>	<u>350,022</u>	<u>170,601</u>	<u>15,504</u>	<u>27</u>	<u>1,050</u>	<u>457,794</u>
53,750	-	249,370	189,362	-	-	-	-
-	50,895	-	-	-	57,807	1,064	180,488
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>53,750</u>	<u>50,895</u>	<u>249,370</u>	<u>189,362</u>	<u>-</u>	<u>57,807</u>	<u>1,064</u>	<u>180,488</u>
42,090	51,639	100,652	(18,761)	15,504	(57,780)	(14)	277,306
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
42,090	51,639	100,652	(18,761)	15,504	(57,780)	(14)	277,306
23,300	80,014	223,693	102,978	12,743	66,674	195	71,234
<u>\$ 65,390</u>	<u>\$ 131,653</u>	<u>\$ 324,345</u>	<u>\$ 84,217</u>	<u>\$ 28,247</u>	<u>\$ 8,894</u>	<u>\$ 181</u>	<u>\$ 348,540</u>

(Continued)

CITY OF CANTON
STARK COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Fire</u>	<u>Clean Ohio Revitalization</u>	<u>Canton Merchandising</u>	<u>Other</u>	<u>Total Nonmajor Special Revenue Funds</u>
Revenues:					
Property and other local taxes	\$ -	\$ -	\$ -	\$ -	\$ 2,326,882
Charges for services	-	-	-	-	1,589,936
Licenses, permits, and fees	-	-	-	-	215,287
Fines and forfeitures	-	-	-	-	226,862
Intergovernmental	-	-	-	-	3,244,075
Interest and investment income	-	-	-	-	288
Rental income	-	-	-	-	43,040
Contributions and donations	649	-	-	-	2,984
Operating grants	64,007	501,636	-	-	4,432,500
Capital grants	-	-	-	-	630,193
Payment in lieu of taxes	-	-	-	-	25,948
Other	-	-	1,742	29,150	103,208
Total revenues	64,656	501,636	1,742	29,150	12,841,203
Expenditures:					
Current:					
General government	-	-	5,711	2,727	1,095,131
Security of persons and property	-	-	-	-	2,153,910
Public health	-	-	-	-	3,400,465
Transportation	-	-	-	24,801	2,613,851
Community environment	-	376,929	-	-	451,492
Leisure time activities	-	-	-	-	2,385,625
Capital outlay	-	-	-	-	110,918
Debt service:					
Principal retirement	-	-	-	-	70,891
Interest and fiscal charges	-	-	-	-	3,762
Total expenditures	-	376,929	5,711	27,528	12,286,045
Excess (deficiency) of revenues over (under) expenditures	64,656	124,707	(3,969)	1,622	555,158
Other financing sources:					
Capital lease transactions	-	-	-	-	110,918
Total other financing sources	-	-	-	-	110,918
Net change in fund balance	64,656	124,707	(3,969)	1,622	666,076
Fund balances (deficit) at beginning of year	8,851	(105,584)	26,340	89,917	6,670,981
Fund balances at end of year	\$ 73,507	\$ 19,123	\$ 22,371	\$ 91,539	\$ 7,337,057

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET CONSTRUCTION, MAINTENANCE, AND REPAIR FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Licenses, permits and fees	\$ -	\$ 5,278	\$ 5,278
Fines and forfeitures	-	180	180
Intergovernmental	2,918,000	2,929,929	11,929
Interest and investment income	-	59	59
Other	-	6,826	6,826
Total revenues	2,918,000	2,942,272	24,272
Expenditures:			
Current:			
Security of persons and property:			
<i>Traffic Divisions - Traffic Engineer Administration:</i>			
Personal services	328,654	326,221	2,433
Materials and supplies	21,033	19,849	1,184
Contractual services	16,279	13,591	2,688
Capital outlay	636	636	-
Other	771	506	265
Total Traffic Divisions - Traffic Engineer Administration	367,373	360,803	6,570
<i>Traffic Divisions - Traffic Sign and Paint:</i>			
Personal services	290,743	287,599	3,144
Materials and supplies	52,049	51,069	980
Contractual services	55,643	52,412	3,231
Capital outlay	541	541	-
Other	1,810	1,773	37
Total Traffic Divisions - Traffic Sign and Paint	400,786	393,394	7,392
<i>Traffic Divisions - Traffic Signal:</i>			
Personal services	319,970	313,717	6,253
Materials and supplies	42,897	42,279	618
Contractual services	135,070	130,975	4,095
Capital outlay	177,802	177,802	-
Other	248	170	78
Total Traffic Divisions - Traffic Signal	675,987	664,943	11,044
Total security of persons and property	1,444,146	1,419,140	25,006
Transportation:			
<i>Engineering - Engineering Administration:</i>			
Personal services	15,247	11,336	3,911
Materials and supplies	431	269	162
Contractual services	35	35	-
Capital outlay	26,534	25,679	855
Total Engineering - Engineering Administration	42,247	37,319	4,928
<i>Street Maintenance:</i>			
Personal services	1,263,563	1,250,553	13,010
Materials and supplies	395,449	377,701	17,748
Contractual services	93,852	89,661	4,191
Capital outlay	14,000	11,921	2,079
Other	6,742	5,413	1,329
Total Street Maintenance	1,773,606	1,735,249	38,357
Total Transportation	1,815,853	1,772,568	43,285
Total expenditures	3,259,999	3,191,708	68,291
Net change in fund balance	(341,999)	(249,436)	92,563
Fund balance at beginning of year	117,802	117,802	-
Prior year encumbrances appropriated	225,290	225,290	-
Fund balance at end of year	\$ 1,093	\$ 93,656	\$ 92,563

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 STATE HIGHWAY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Licenses, permits and fees	\$ -	\$ 248	\$ 248
Intergovernmental	200,000	203,579	3,579
Interest and investment income	-	11	11
Total revenues	200,000	203,838	3,838
Expenditures:			
Current:			
Security of persons and property:			
<i>Traffic Divisions - Traffic Signal:</i>			
Contractual services	63,765	46,374	17,391
Transportation:			
<i>Street Maintenance:</i>			
Personal services	144,718	142,128	2,590
Materials and supplies	15,340	14,441	899
Contractual services	44,758	43,330	1,428
Other	500	-	500
<i>Total Street Maintenance</i>	<i>205,979</i>	<i>200,562</i>	<i>5,417</i>
Total expenditures	269,744	246,936	22,808
Net change in fund balance	(69,744)	(43,098)	26,646
Fund balance at beginning of year	43,663	43,663	-
Prior year encumbrances appropriated	26,081	26,081	-
Fund balance at end of year	\$ -	\$ 26,646	\$ 26,646

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 MUNICIPAL ROAD FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Capital grants	\$ 667,995	\$ 668,628	\$ 633
Other	-	37,828	37,828
Total revenues	667,995	706,456	38,461
Expenditures:			
Current:			
Transportation:			
<i>Engineering - Engineering Administration:</i>			
Contractual services	54,648	-	54,648
Capital outlay	1,085,559	1,078,603	6,956
<i>Total Engineering - Engineering Administration</i>	<i>1,140,207</i>	<i>1,078,603</i>	<i>61,604</i>
Net change in fund balance	(472,212)	(372,147)	100,065
Fund balance at beginning of year	307,659	307,659	-
Prior year encumbrances appropriated	361,898	361,898	-
Fund balance at end of year	\$ 197,345	\$ 297,410	\$ 100,065

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 CORNERSTONE PARKING DECK FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for services	\$ 331,000	\$ 270,951	\$ (60,049)
Rental income	6,000	13,008	7,008
Other	-	159	159
Total revenues	337,000	284,118	(52,882)
Expenditures:			
Current:			
Security of persons and property:			
<i>Traffic Division - Traffic Engineer Administration:</i>			
Personal services	184,888	184,331	557
Materials and supplies	32,216	30,683	1,533
Contractual services	183,584	169,963	13,621
Other	1,755	1,276	479
<i>Total Traffic Division - Traffic Engineer Administration</i>	<i>402,443</i>	<i>386,253</i>	<i>16,190</i>
Net change in fund balance	(65,443)	(102,135)	(36,692)
Fund balance at beginning of year	84,122	84,122	-
Prior year encumbrances appropriated	28,918	28,918	-
Fund balance at end of year	\$ 47,597	\$ 10,905	\$ (36,692)

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 MILLS INDUSTRIAL PARK TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Payment in lieu of taxes	\$ 6,368	\$ 6,368	\$ -
Net change in fund balance	6,368	6,368	-
Fund balance at beginning of year	<u>2,371</u>	<u>2,371</u>	<u>-</u>
Fund balance at end of year	<u>\$ 8,739</u>	<u>\$ 8,739</u>	<u>\$ -</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GERVASI 1700, LLC TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Payment in lieu of taxes	\$ 14,948	\$ 14,948	\$ -
Expenditures:			
Current:			
Transportation:			
<i>Engineering - Engineering Administration:</i>			
Capital outlay	13,612	13,612	-
Debt service:			
Principal retirement	6,883	6,883	-
Total expenditures	20,495	20,495	-
Net change in fund balance	(5,547)	(5,547)	-
Fund balance at beginning of year	<u>5,547</u>	<u>5,547</u>	<u>-</u>
Fund balance at end of year.	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 LESH RD./30TH ST. TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Payment in lieu of taxes	\$ 4,632	\$ 4,632	\$ -
Net change in fund balance	4,632	4,632	-
Fund balance at beginning of year	<u>21,846</u>	<u>21,846</u>	<u>-</u>
Fund balance at end of year	<u>\$ 26,478</u>	<u>\$ 26,478</u>	<u>\$ -</u>

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
HEALTH SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for services	\$ 65,500	\$ 107,495	\$ 41,995
Licenses, permits, and fees	213,100	209,601	(3,499)
Operating grants	2,449,476	3,122,794	673,318
Other	-	404	404
Total revenues	2,728,076	3,440,294	712,218
Expenditures:			
Current:			
Public health:			
<i>Health Administration:</i>			
Personal services	2,320,796	2,092,083	228,713
Materials and supplies	418,441	93,551	324,890
Contractual services	1,290,875	1,195,702	95,173
Capital outlay	119,769	102,945	16,824
Other	118,886	66,319	52,567
<i>Total Health Administration</i>	<i>4,268,767</i>	<i>3,550,600</i>	<i>718,167</i>
Excess of expenditures over revenues	(1,540,691)	(110,306)	1,430,385
Other financing sources:			
Transfers in	40,000	-	(40,000)
Net change in fund balance	(1,500,691)	(110,306)	1,390,385
Fund balance at beginning of year	2,521,394	2,521,394	-
Prior year encumbrances appropriated	169,459	169,459	-
Fund balance at end of year	\$ 1,190,162	\$ 2,580,547	\$ 1,390,385

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 CRIME LAB FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Charges for services	\$ 15,000	\$ 19,447	\$ 4,447
Net change in fund balance.	15,000	19,447	4,447
Fund balance at beginning of year	<u>70,577</u>	<u>70,577</u>	<u>-</u>
Fund balance at end of year	<u>\$ 85,577</u>	<u>\$ 90,024</u>	<u>\$ 4,447</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 COURT COMPUTER FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for services	\$ 225,000	\$ 235,053	\$ 10,053
Other	-	243	243
Total revenues	225,000	235,296	10,296
Expenditures:			
Current:			
General government:			
<i>Courts/Clerk - Clerk of Courts Administration:</i>			
Personal services	286,095	143,906	142,189
Materials and supplies	70,483	43,854	26,629
Contractual services	103,603	87,651	15,952
Capital outlay	94,360	86,660	7,700
Other	7,794	-	7,794
<i>Total Courts/Clerk - Clerk of Courts Administration</i>	<i>562,335</i>	<i>362,071</i>	<i>200,264</i>
Net change in fund balance	(337,335)	(126,775)	210,560
Fund balance at beginning of year	420,430	420,430	-
Prior year encumbrances appropriated	23,487	23,487	-
Fund balance at end of year	\$ 106,582	\$ 317,142	\$ 210,560

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COURT CAPITAL IMPROVEMENT SPECIAL PROJECT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for services	\$ 300,000	\$ 322,106	\$ 22,106
Other	-	470	470
Total revenues	<u>300,000</u>	<u>322,576</u>	<u>22,576</u>
Expenditures:			
Current:			
General government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services	37,959	37,959	-
Materials and supplies	28,788	23,100	5,688
Contractual services	73,495	48,773	24,722
Capital outlay	108,671	62,370	46,301
Other	25,125	17,430	7,695
<i>Total Courts/Judge - Judge Administration</i>	<u>274,038</u>	<u>189,632</u>	<u>84,406</u>
Debt service:			
Principal retirement	34,238	34,238	-
Interest and fiscal charges	3,762	3,762	-
<i>Total debt service</i>	<u>38,000</u>	<u>38,000</u>	<u>-</u>
Total expenditures	<u>312,038</u>	<u>227,632</u>	<u>84,406</u>
Net change in fund balance	(12,038)	94,944	106,982
Fund balance at beginning of year	24	24	-
Prior year encumbrances appropriated.	12,014	12,014	-
Fund balance at end of year.	<u>\$ -</u>	<u>\$ 106,982</u>	<u>\$ 106,982</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 LEGAL RESEARCH FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Charges for services	\$ 50	\$ 39	\$ (11)
Expenditures:			
Current:			
General Government			
<i>Courts/Judge- Judge Administration:</i>			
Materials and supplies	<u>600</u>	<u>-</u>	<u>600</u>
Net change in fund balance	(550)	39	589
Fund balance at beginning of year	<u>703</u>	<u>703</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 153</u></u>	<u><u>\$ 742</u></u>	<u><u>\$ 589</u></u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 COURT GPS COST FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Fund balance at beginning of year	\$ 11,384	\$ 11,384	\$ -
Fund balance at end of year.	\$ 11,384	\$ 11,384	\$ -

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
IGNITION INTERLOCK/ALCOHOL MONITORING FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Charges for services.	\$ 60,000	\$ 74,892	\$ 14,892
Expenditures:			
Current:			
General Government			
<i>Courts/Judge- Judge Administration:</i>			
Contractual services.	<u>276,250</u>	<u>5,000</u>	<u>271,250</u>
Excess of revenues over (under) expenditures.	(216,250)	69,892	286,142
Other financing (uses):			
Transfers out	<u>(43,750)</u>	<u>(43,750)</u>	<u>-</u>
Net change in fund balance	(260,000)	26,142	286,142
Fund balance at beginning of year	<u>323,212</u>	<u>323,212</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 63,212</u>	<u>\$ 349,354</u>	<u>\$ 286,142</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 LAW DEPARTMENT DISPUTE RESOLUTION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for services.	\$ 100	\$ 360	\$ 260
Expenditures:			
Current:			
General government:			
<i>Law Director - Administration:</i>			
Contractual services.	400	360	40
Net change in fund balance	(300)	-	300
Fund balance at beginning of year	1,039	1,039	-
Fund balance at end of year.	\$ 739	\$ 1,039	\$ 300

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 SARTA AREA IMPROVEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:			
Current:			
Transportation			
<i>Engineering - Engineering Administration:</i>			
Capital Outlay	\$ 50,000	\$ 50,000	\$ -
Net change in fund balance	(50,000)	(50,000)	-
Fund balance at beginning of year	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARK DEPARTMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property taxes	\$ 2,585,000	\$ 2,326,882	\$ (258,118)
Charges for services	-	347	347
Intergovernmental	-	156,035	156,035
Operating grants	128,045	170,000	41,955
Rental income	25,395	30,032	4,637
Contributions and donations	1,650	1,660	10
Other	-	1,835	1,835
	<u>2,740,090</u>	<u>2,686,791</u>	<u>(53,299)</u>
Total revenues			
Expenditures:			
Current:			
Leisure time activities:			
<i>Park Division - Special Parks Funds:</i>			
Personal services	1,302,901	1,234,834	68,067
Materials and supplies	223,764	174,687	49,077
Contractual services	863,620	667,007	196,613
Capital outlay	401,700	384,915	16,785
Other	53,482	40,806	12,676
<i>Total Park Division - Special Parks Funds</i>	<u>2,845,467</u>	<u>2,502,249</u>	<u>343,218</u>
Excess of revenues over (under) expenditures	(105,377)	184,542	289,919
Other financing sources (uses):			
Advances in	1,000,000	1,000,000	-
Advances (out)	(1,000,000)	(1,000,000)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(105,377)	184,542	289,919
Fund balance at beginning of year	133,130	133,130	-
Prior year encumbrances appropriated.	16,852	16,852	-
Fund balance at end of year.	<u>\$ 44,605</u>	<u>\$ 334,524</u>	<u>\$ 289,919</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 YOUTH DEVELOPMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Fund balance at beginning of year	\$ 4,470	\$ 4,470	\$ -
Fund balance at end of year	\$ 4,470	\$ 4,470	\$ -

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FEDERAL FORFEITURE FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Fines and forfeitures.	\$ -	\$ 16,251	\$ 16,251
Investment income.	-	175	175
Other	-	23,950	23,950
Total revenues	<u>-</u>	<u>40,376</u>	<u>40,376</u>
Expenditures:			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Personal services	30,010	2,033	27,977
Materials and supplies.	86,777	84,176	2,601
Contractual services.	89,362	86,686	2,676
Capital outlay	105,413	98,081	7,332
Other	46,850	40,570	6,280
<i>Total Police Administration</i>	<u>358,412</u>	<u>311,546</u>	<u>46,866</u>
Net change in fund balance	(358,412)	(271,170)	87,242
Fund balance at beginning of year	762,522	762,522	-
Prior year encumbrances appropriated.	58,412	58,412	-
Fund balance at end of year.	<u>\$ 462,522</u>	<u>\$ 549,764</u>	<u>\$ 87,242</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 ENFORCEMENT AND EDUCATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	\$ 5,500	\$ 6,255	\$ 755
Other	-	21	21
Total revenues	<u>5,500</u>	<u>6,276</u>	<u>776</u>
Expenditures:			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Other	1,949	1,141	808
Net change in fund balance	3,551	5,135	1,584
Fund balance at beginning of year	3,148	3,148	-
Prior year encumbrances appropriated	405	405	-
Fund balance at end of year	<u>\$ 7,104</u>	<u>\$ 8,688</u>	<u>\$ 1,584</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 INDIGENT DRIVER ALCOHOL TREATMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	\$ 41,600	\$ 64,219	\$ 22,619
Expenditures:			
Current:			
General government			
<i>Courts/Judge - Judge Administration:</i>			
Contractual services	93,125	73,000	20,125
Excess of expenditures over revenues	(51,525)	(8,781)	42,744
Other financing sources:			
Transfers in	43,750	43,750	-
Net change in fund balance	(7,775)	34,969	42,744
Fund balance at beginning of year	8,440	8,440	-
Prior year encumbrances appropriated.	3,125	3,125	-
Fund balance at end of year.	\$ 3,790	\$ 46,534	\$ 42,744

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 LAW ENFORCEMENT TRUST FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	\$ 76,000	\$ 83,018	\$ 7,018
Other	500	2,477	1,977
Total revenues	76,500	85,495	8,995
Expenditures:			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Materials and supplies	24,365	23,059	1,306
Contractual services.	19,581	15,422	4,159
Other	17,925	14,069	3,856
<i>Total Police Administration.</i>	<i>61,871</i>	<i>52,550</i>	<i>9,321</i>
Net change in fund balance	14,629	32,945	18,316
Fund balance at beginning of year	68,592	68,592	-
Prior year encumbrances appropriated.	6	6	-
Fund balance at end of year.	\$ 83,227	\$ 101,543	\$ 18,316

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MUNICIPAL PROBATION SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for services	\$ 252,400	\$ 339,255	\$ 86,855
Other	-	83	83
Total revenues	252,400	339,338	86,938
Expenditures:			
Current:			
General government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services	216,144	145,084	71,060
Materials and supplies	22,646	20,027	2,619
Contractual services	70,851	50,121	20,730
Capital outlay	87,725	50,000	37,725
Other	13,240	10,323	2,917
<i>Total Courts/Judge - Judge Administration.</i>	<u>410,606</u>	<u>275,555</u>	<u>135,051</u>
Net change in fund balance	(158,206)	63,783	221,989
Fund balance at beginning of year	<u>208,234</u>	<u>208,234</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 50,028</u>	<u>\$ 272,017</u>	<u>\$ 221,989</u>

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MISDEMEANOR COMMUNITY SANCTION GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Operating grants	\$ 170,601	\$ 170,601	\$ -
Expenditures:			
Current:			
General government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services	202,978	161,804	41,174
Materials and supplies	2,408	1,898	510
Contractual services	5,148	325	4,823
Capital outlay	1,901	1,901	-
Other	26,166	25,900	266
<i>Total Courts/Judge- Judge Administration.</i>	238,601	191,828	46,773
Net change in fund balance	(68,000)	(21,227)	46,773
Fund balance at beginning of year	69,961	69,961	-
Fund balance at end of year.	\$ 1,961	\$ 48,734	\$ 46,773

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 PRISONER HOUSING FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	\$ 10,000	\$ 14,875	\$ 4,875
Expenditures:			
Current:			
General government:			
<i>Courts/Judge - Judge Administration:</i>			
Contractual services	12,000	-	12,000
Net change in fund balance	(2,000)	14,875	16,875
Fund balance at beginning of year	11,827	11,827	-
Fund balance at end of year	\$ 9,827	\$ 26,702	\$ 16,875

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LOCAL LAW ENFORCEMENT BLOCK GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Capital grants	\$ 38,805	\$ -	\$ (38,805)
Investment income	14	75	61
Total revenues	38,819	75	(38,744)
Expenditures:			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Other	119,920	57,807	62,113
Net change in fund balance	(81,101)	(57,732)	23,369
Fund balance at beginning of year.	62,102	62,102	-
Prior year encumbrances appropriated	19,041	19,041	-
Fund balance at end of year	\$ 42	\$ 23,411	\$ 23,369

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 CANTON POLICE YOUTH CORP FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures:			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Materials and supplies	\$ 8	\$ -	\$ 8
Fund balance at beginning of year	8	8	-
Fund balance at end of year	\$ -	\$ 8	\$ 8

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 CANTON AUXILIARY POLICE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Contributions and donations	\$ 675	\$ 675	\$ -
Other	375	375	-
Total revenues	<u>1,050</u>	<u>1,050</u>	<u>-</u>
Expenditures:			
Current:			
Security of Persons and Property:			
<i>Police Administration:</i>			
Materials and supplies	186	75	111
Contractual services.	587	587	-
Other	413	404	9
<i>Total Police Administration.</i>	<u>1,186</u>	<u>1,066</u>	<u>120</u>
Net change in fund balance.	(136)	(16)	120
Fund balance at beginning of year	186	186	-
Fund balance at end of year	<u>\$ 50</u>	<u>\$ 170</u>	<u>\$ 120</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 D.A.R.E. PROGRAM FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Expenditures:			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Materials and supplies.	\$ 5,337	\$ 5,186	\$ 151
Other	329	329	-
<i>Total Police Administration</i>	<u>5,666</u>	<u>5,515</u>	<u>151</u>
Net change in fund balance	(5,666)	(5,515)	151
Fund balance at beginning of year	<u>5,666</u>	<u>5,666</u>	<u>-</u>
Fund balance at end of year.	<u>\$ -</u>	<u>\$ 151</u>	<u>\$ 151</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 SAFE NEIGHBORHOOD HEROES GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Materials and supplies.	\$ 1,000	\$ -	\$ 1,000
Net change in fund balance	(1,000)	-	1,000
Fund balance at beginning of year	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Fund balance at end of year.	<u><u>\$ -</u></u>	<u><u>\$ 1,000</u></u>	<u><u>\$ 1,000</u></u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 POLICE GRANTS AND DONATIONS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Materials and supplies	\$ 8,835	\$ 6,800	\$ 2,035
Contractual services	900	900	-
<i>Total Police Administration</i>	<u>9,735</u>	<u>7,700</u>	<u>2,035</u>
Fund balance at beginning of year	<u>9,735</u>	<u>9,735</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 2,035</u>	<u>\$ 2,035</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 BYRNE MEMORIAL RECOVERY ACT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Other.	\$ 3,721	\$ -	\$ 3,721
<i>Federal Stimulus Funding for Police:</i>			
Other.	3,721	-	3,721
<i>Total Security of persons and property</i>	<u>7,442</u>	<u>-</u>	<u>7,442</u>
Total expenditures	<u>7,442</u>	<u>-</u>	<u>7,442</u>
Net change in fund balance	(7,442)	-	7,442
Fund balance at beginning of year	7,442	7,442	-
Fund balance at end of year.	<u>\$ -</u>	<u>\$ 7,442</u>	<u>\$ 7,442</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 2010 LOCAL SOLICITATION BYRNE GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Fund balance at beginning of year	\$ 21	\$ 21	\$ -
Fund balance at end of year.	<u>\$ 21</u>	<u>\$ 21</u>	<u>\$ -</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 POLICE EMS TRAINING AND EQUIPMENT GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Fund balance at beginning of year.	\$ 1,500	\$ 1,500	\$ -
Fund balance at end of year	<u>\$ 1,500</u>	<u>\$ 1,500</u>	<u>\$ -</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 2013 COPS HIRING PROGRAM FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Operating grants	\$ 169,752	\$ 169,752	\$ -
Expenditures:			
Current:			
Security of persons and property			
<i>Police Administration:</i>			
Other	169,752	169,752	-
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year.	\$ -	\$ -	\$ -

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 2012 COPS HIRING PROGRAM FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Operating grants	\$ 147,033	\$ 147,033	\$ -
Expenditures:			
Current:			
Security of persons and property			
<i>Police Administration:</i>			
Other	168,172	168,172	-
Net change in fund balance	(21,139)	(21,139)	-
Fund balance at beginning of year	21,139	21,139	-
Fund balance at end of year.	\$ -	\$ -	\$ -

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FIRE GRANTS AND DONATIONS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures:			
Current:			
Security of persons and property:			
<i>Fire Administration:</i>			
Materials and supplies.	\$ 501	\$ -	\$ 501
Net change in fund balance	(501)	-	501
Fund balance at beginning of year	501	501	-
Fund balance at end of year.	\$ -	\$ 501	\$ 501

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EMS TRAINING AND EQUIPMENT GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Contributions and donations	\$ -	\$ 648	\$ 648
Expenditures:			
Current:			
Security of persons and property:			
<i>Fire Administration:</i>			
Materials and supplies	6,131	-	6,131
Other	1,090	-	1,090
<i>Total Fire Administration.</i>	7,221	-	7,221
Net change in fund balance	(7,221)	648	7,869
Fund balance at beginning of year.	7,131	7,131	-
Prior year encumbrances appropriated.	90	90	-
Fund balance at end of year.	\$ -	\$ 7,869	\$ 7,869

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FIREFIGHTER ASSISTANCE GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Operating grants	\$ 64,008	\$ 64,007	\$ (1)
Expenditures:			
Current:			
Security of persons and property:			
<i>Fire Administration:</i>			
Materials and supplies	65,137	-	65,137
Net change in fund balance	(1,129)	64,007	65,136
Fund balance at beginning of year	1,130	1,130	-
Fund balance at end of year	\$ 1	\$ 65,137	\$ 65,136

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
VACANT/FORECLOSED REGISTRY FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for services	\$ 177,450	\$ 188,200	\$ 10,750
Expenditures:			
Current:			
Community environment:			
<i>Community Development Administration:</i>			
Personal services	38,000	19,909	18,091
Materials and supplies	1,000	500	500
Capital outlay	562	562	-
Other	438	240	198
<i>Total Community Development Administration</i>	40,000	21,211	18,789
Net change in fund balance	137,450	166,989	29,539
Fund balance at beginning of year	-	-	-
Prior year encumbrances appropriated	-	-	-
Fund balance at end of year	\$ 137,450	\$ 166,989	\$ 29,539

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 CLEAN OHIO REVITALIZATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Operating grants	\$ 2,564,979	\$ 380,227	\$ (2,184,752)
Expenditures:			
Current:			
Community environment:			
<i>Community Development Administration:</i>			
Capital outlay	2,589,717	2,295,928	293,789
Net change in fund balance	(24,738)	(1,915,701)	(1,890,963)
Fund balance (deficit) at beginning of year	(1,877,075)	(1,877,075)	-
Prior year encumbrances appropriated	1,901,813	1,901,813	-
Fund balance (deficit) at end of year	<u>\$ -</u>	<u>\$ (1,890,963)</u>	<u>\$ (1,890,963)</u>

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CANTON MERCHANDISING FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Other	\$ 1,200	\$ 1,742	\$ 542
Expenditures:			
Current:			
General government:			
<i>Council Administration:</i>			
Materials and supplies	12,500	12,500	-
Contractual services	784	276	508
<i>Total Council Administration</i>	13,284	12,776	508
Net change in fund balance	(12,084)	(11,034)	1,050
Fund balance at beginning of year	14,429	14,429	-
Prior year encumbrances appropriated.	284	284	-
Fund balance at end of year.	\$ 2,629	\$ 3,679	\$ 1,050

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 EMPLOYEE RECOGNITION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:			
Current:			
General government			
<i>Mayor Administration:</i>			
Contractual services	\$ 143	\$ -	\$ 143
Net change in fund balance.	(143)	-	143
Fund balance at beginning of year	<u>143</u>	<u>143</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ 143</u></u>	<u><u>\$ 143</u></u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 CITY HALL PLAZA FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Fund balance at beginning of year	\$ 173	\$ 173	\$ -
Fund balance at end of year	\$ 173	\$ 173	\$ -

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 RECYCLE OHIO GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Fund balance at beginning of year	\$ 7,515	\$ 7,515	\$ -
Fund balance at end of year.	\$ 7,515	\$ 7,515	\$ -

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GUARDRAIL/ATTENUATOR REPLACEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Other	\$ 30,635	\$ 31,250	\$ 615
Expenditures:			
Current:			
Transportation			
<i>Street Maintenance:</i>			
Materials and supplies	5,775	5,756	19
Capital outlay	24,225	22,300	1,925
<i>Total Street Maintenance</i>	<u>30,000</u>	<u>28,056</u>	<u>1,944</u>
Net change in fund balance	635	3,194	2,559
Fund balance at beginning of year	<u>75,678</u>	<u>75,678</u>	<u>-</u>
Fund balance at end of year	<u>\$ 76,313</u>	<u>\$ 78,872</u>	<u>\$ 2,559</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 SOUTHEAST COMMUNITY CENTER FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Fund balance at beginning of year.	\$ 862	\$ 862	\$ -
Fund balance at end of year	\$ 862	\$ 862	\$ -

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 THURMAN MUNSON MEMORIAL STADIUM DONATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Fund balance at beginning of year.	\$ 1,566	\$ 1,566	\$ -
Fund balance at end of year	\$ 1,566	\$ 1,566	\$ -

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 CLERK OF COURTS ADMINISTRATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Fund balance at beginning of year	\$ 1,229	\$ 1,229	\$ -
Fund balance at end of year.	<u>\$ 1,229</u>	<u>\$ 1,229</u>	<u>\$ -</u>

CITY OF CANTON
STARK COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR DEBT SERVICE FUNDS
 DECEMBER 31, 2014

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
Assets:			
Equity in pooled cash and cash equivalents.	\$ 18,238	\$ -	\$ 18,238
Cash with fiscal agent.	3,019	-	3,019
Receivables:			
Accounts	-	5,599	5,599
Total assets.	<u>\$ 21,257</u>	<u>\$ 5,599</u>	<u>\$ 26,856</u>
Deferred inflows of resources:			
Charges for services revenue not available	\$ -	\$ 5,599	\$ 5,599
Total deferred inflows of resources.	-	5,599	5,599
Fund balances:			
Restricted	21,257	-	21,257
Total fund balances	21,257	-	21,257
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 21,257</u>	<u>\$ 5,599</u>	<u>\$ 26,856</u>

CITY OF CANTON
STARK COUNTY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR DEBT SERVICE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>General Obligation Bond Retirement</u>	<u>Special Assessment Bond Retirement</u>	<u>Total Non Major Debt Service</u>
Revenues:			
Interest and investment income	\$ 7,074	\$ -	\$ 7,074
Net change in fund balances	7,074	-	7,074
Fund balances at beginning of year.	<u>14,183</u>	<u>-</u>	<u>14,183</u>
Fund balances at end of year	<u>\$ 21,257</u>	<u>\$ -</u>	<u>\$ 21,257</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL OBLIGATION BOND RETIREMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Interest and investment income	\$ -	\$ 7,074	\$ 7,074
Net change in fund balance.	-	7,074	7,074
Fund balance at beginning of year	<u>11,164</u>	<u>11,164</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 11,164</u>	<u>\$ 18,238</u>	<u>\$ 7,074</u>

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CITY OF CANTON
STARK COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 DECEMBER 31, 2014

	2006 City Infrastructure Bond	2006 Recreational Bond	2006 Construction/ Reconstruction Bond	2006 Judges Facilities/ City Hall Renovation Bond
Assets:				
Equity in pooled cash and cash equivalents.	\$ 647,556	\$ 410,879	\$ 268,523	\$ 1,744
Receivables:				
Accrued interest	62	47	25	-
Due from other governments	-	-	-	-
Total assets	<u>\$ 647,618</u>	<u>\$ 410,926</u>	<u>\$ 268,548</u>	<u>\$ 1,744</u>
Liabilities:				
Accounts payable	\$ 25,589	\$ -	\$ -	\$ -
Retainage payable.	-	-	-	-
Total liabilities	<u>25,589</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Restricted	622,029	410,926	268,548	1,744
Unassigned (deficit).	-	-	-	-
Total fund balances (deficit)	<u>622,029</u>	<u>410,926</u>	<u>268,548</u>	<u>1,744</u>
Total liabilities, deferred inflows of resources, and fund balances.	<u>\$ 647,618</u>	<u>\$ 410,926</u>	<u>\$ 268,548</u>	<u>\$ 1,744</u>

12th St. N Corridor Project	55th St. NE Storm Sewer Project	Mahoning Rd. Corridor Project	Walnut/Cherry Avenue Project	11th St. NW Improvement Project	Railroad Crossing/ Traffic Signal Upgrade
\$ 1,941	\$ -	\$ 73,533	\$ -	\$ -	\$ -
-	-	-	-	-	-
1,491,185	-	156,293	368,549	62	149,133
<u>\$ 1,493,126</u>	<u>\$ -</u>	<u>\$ 229,826</u>	<u>\$ 368,549</u>	<u>\$ 62</u>	<u>\$ 149,133</u>
\$ 1,502,724	\$ -	\$ 153,466	\$ 368,549	\$ 62	\$ 99,616
88,356	-	11,695	-	-	-
1,591,080	-	165,161	368,549	62	99,616
-	-	64,665	-	-	49,517
(97,954)	-	-	-	-	-
(97,954)	-	64,665	-	-	49,517
<u>\$ 1,493,126</u>	<u>\$ -</u>	<u>\$ 229,826</u>	<u>\$ 368,549</u>	<u>\$ 62</u>	<u>\$ 149,133</u>

- - continued

CITY OF CANTON
STARK COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 DECEMBER 31, 2014

	<u>37th St. NW Water Main Replacement</u>	<u>SIB Loan 12th St. N Corridor Project</u>	<u>Totals Nonmajor Capital Projects Funds</u>
Assets:			
Equity in pooled cash and cash equivalents.	\$ -	\$ -	\$ 1,404,176
Receivables:			
Accrued interest	-	-	134
Due from other governments	<u>22,997</u>	<u>34,595</u>	<u>2,222,814</u>
Total assets	<u>\$ 22,997</u>	<u>\$ 34,595</u>	<u>\$ 3,627,124</u>
Liabilities:			
Accounts payable	\$ 22,997	\$ 34,595	\$ 2,207,598
Retainage payable.	<u>-</u>	<u>-</u>	<u>100,051</u>
Total liabilities	<u>22,997</u>	<u>34,595</u>	<u>2,307,649</u>
Fund balances:			
Restricted	-	-	1,417,429
Unassigned (deficit).	<u>-</u>	<u>-</u>	<u>(97,954)</u>
Total fund balances (deficit)	<u>-</u>	<u>-</u>	<u>1,319,475</u>
Total liabilities, deferred inflows of resources, and fund balances.	<u>\$ 22,997</u>	<u>\$ 34,595</u>	<u>\$ 3,627,124</u>

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CITY OF CANTON
STARK COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	2006 City Infrastructure Bond	2006 Recreational Bond	2006 Construction/ Reconstruction Bond	2006 Judges Facilities/ City Hall Renovation Bond
Revenues:				
Interest and investment income	\$ 800	\$ 564	\$ 321	\$ -
Capital grants	-	-	-	-
Other	-	-	-	-
Total revenues	<u>800</u>	<u>564</u>	<u>321</u>	<u>-</u>
Expenditures:				
Capital outlay	223,693	115,960	1	-
Total expenditures	<u>223,693</u>	<u>115,960</u>	<u>1</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(222,893)</u>	<u>(115,396)</u>	<u>320</u>	<u>-</u>
Other financing sources:				
Issuance of loans	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(222,893)	(115,396)	320	-
Fund balances at beginning of year	<u>844,922</u>	<u>526,322</u>	<u>268,228</u>	<u>1,744</u>
Fund balances (deficit) at end of year	<u>\$ 622,029</u>	<u>\$ 410,926</u>	<u>\$ 268,548</u>	<u>\$ 1,744</u>

12th St. N Corridor Project	55th St. NE Storm Sewer Project	Mahoning Rd. Corridor Project	Walnut/Cherry Avenue Project	11th St. NW Improvement Project	41st St. NW Roadway Reconstruction Project
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2,556,735	482,000	539,808	544,605	62	339,301
1,134	-	8	-	-	-
<u>2,557,869</u>	<u>482,000</u>	<u>539,816</u>	<u>544,605</u>	<u>62</u>	<u>339,301</u>
2,655,823	895,000	513,651	457,077	62	339,301
<u>2,655,823</u>	<u>895,000</u>	<u>513,651</u>	<u>457,077</u>	<u>62</u>	<u>339,301</u>
(97,954)	(413,000)	26,165	87,528	-	-
-	413,000	-	-	-	-
-	413,000	-	-	-	-
(97,954)	-	26,165	87,528	-	-
-	-	38,500	(87,528)	-	-
<u>\$ (97,954)</u>	<u>\$ -</u>	<u>\$ 64,665</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

- - continued

CITY OF CANTON
STARK COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDING DECEMBER 31, 2014

	<u>Railroad Crossing/ Traffic Signal Upgrade</u>	<u>Harrisburg Rd. Resurfacing Project</u>	<u>37th St. NW Water Main Replacement</u>	<u>SIB Loan 12th St. N Cooridor Project</u>
Revenues:				
Interest and investment income	\$ -	\$ -	\$ -	\$ -
Capital grants	149,133	113,451	51,297	-
Other	-	-	-	-
Total revenues	<u>149,133</u>	<u>113,451</u>	<u>51,297</u>	<u>-</u>
Expenditures:				
Capital outlay	<u>99,616</u>	<u>113,451</u>	<u>51,297</u>	<u>42,595</u>
Total expenditures	<u>99,616</u>	<u>113,451</u>	<u>51,297</u>	<u>42,595</u>
Excess of revenues over (under) expenditures	<u>49,517</u>	<u>-</u>	<u>-</u>	<u>(42,595)</u>
Other financing sources:				
Issuance of loans	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,595</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,595</u>
Net change in fund balances	49,517	-	-	-
Fund balances at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficit) at end of year	<u>\$ 49,517</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>32nd St./ Overbrook Ct. NW Storm Sewer Replacement</u>	<u>Total Major Capital Projects Funds</u>
\$ -	\$ 1,685
69,536	4,845,928
<u>-</u>	<u>1,142</u>
<u>69,536</u>	<u>4,848,755</u>
<u>69,536</u>	<u>5,577,063</u>
<u>69,536</u>	<u>5,577,063</u>
<u>-</u>	<u>(728,308)</u>
<u>-</u>	<u>455,595</u>
<u>-</u>	<u>455,595</u>
<u>-</u>	<u>(272,713)</u>
<u>-</u>	<u>1,592,188</u>
<u>\$ -</u>	<u>\$ 1,319,475</u>

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
2006 CITY INFRASTRUCTURE BOND FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Capital grants	\$ 396,258	\$ -	\$ (396,258)
Interest and investment income	100	800	700
Total revenues	396,358	800	(395,558)
Expenditures:			
Capital outlay:			
<i>Service Director:</i>			
Service Director Administration	13,200	-	13,200
Engineering Administration	928,211	538,371	389,840
Engineering - 41st St. NW Storm Sewer Project	9,656	9,656	-
Engineering - 55th St. NE Storm Sewer Project	38,736	38,736	-
Engineering - Ford Project	83,672	83,672	-
Engineering - Mahoning Rd. Corridor Project	177,625	177,625	-
<i>Total Service Director</i>	<i>1,251,100</i>	<i>848,060</i>	<i>403,040</i>
Net change in fund balance	(854,742)	(847,260)	7,482
Fund balance at beginning of year	54,277	54,277	-
Prior year encumbrances appropriated	800,465	800,465	-
Fund balance at end of year	\$ -	\$ 7,482	\$ 7,482

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 2006 RECREATIONAL BOND FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Interest and investment income	\$ 20	\$ 524	\$ 504
Expenditures:			
Capital outlay:			
<i>Community Development:</i>			
Community development - Administration.	400,000	327,040	72,960
Net change in fund balance.	(399,980)	(326,516)	73,464
Fund balance at beginning of year	526,315	526,315	-
Fund balance at end of year.	\$ 126,335	\$ 199,799	\$ 73,464

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 2006 CONSTRUCTION/RECONSTRUCTION BOND FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Interest and investment income	\$ 80	\$ 320	\$ 240
Expenditures:			
Capital outlay:			
<i>Service Director:</i>			
Service Director Administration	260,520	42,606	217,914
Net change in fund balance.	(260,440)	(42,286)	218,154
Fund balance at beginning of year	266,539	266,539	-
Prior year encumbrances appropriated	30,520	30,520	-
Fund balance at end of year.	\$ 36,619	\$ 254,773	\$ 218,154

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 2006 JUDGES FACILITIES/CITY HALL RENOVATION BOND FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Fund balance at beginning of year	\$ 1,744	\$ 1,744	\$ -
Fund balance at end of year.	\$ 1,744	\$ 1,744	\$ -

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
12TH ST. N CORRIDOR PROJECT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Capital grants	\$ 17,936,605	\$ 962,318	\$(16,974,287)
Other	-	1,134	1,134
Total revenues	17,936,605	963,452	(16,973,153)
Expenditures:			
Capital outlay:			
<i>Engineering:</i>			
Engineering - 12th St. N Corridor Project	17,936,605	16,476,481	1,460,124
Net change in fund balance	-	(15,513,029)	(15,513,029)
Fund balance (deficit) at beginning of year	(249,117)	(249,117)	-
Prior year encumbrances appropriated	249,117	249,117	-
Fund balance (deficit) at end of year	\$ -	\$(15,513,029)	\$(15,513,029)

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
55TH ST. NE STORM SEWER PROJECT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Capital grants	\$ 482,000	\$ 482,000	\$ -
Expenditures:			
Capital outlay:			
<i>Service Director:</i>			
Engineering - 55th St. NE Storm Sewer Project	895,000	895,000	-
Excess of expenditures over revenues	(413,000)	(413,000)	-
Other financing sources:			
Issuance of loans	413,000	413,000	-
Net change in fund balance	-	-	-
Fund balance (deficit) at beginning of year	(895,000)	(895,000)	-
Prior year encumbrances appropriated	895,000	895,000	-
Fund balance at end of year	\$ -	\$ -	\$ -

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 MAHONING RD. CORRIDOR PROJECT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Capital grants	\$ 9,179,732	\$ 461,048	\$ (8,718,684)
Other	-	8	8
Total revenues	9,179,732	461,056	(8,718,676)
Expenditures:			
Capital outlay:			
<i>Service Director:</i>			
Engineering - Mahoning Rd. Corridor Project	10,002,968	8,495,020	1,507,948
Excess of expenditures over revenues	(823,236)	(8,033,964)	(7,210,728)
Other financing sources:			
Issuance of loans	900,000	-	(900,000)
Net change in fund balance	76,764	(8,033,964)	(8,110,728)
Fund balance (deficit) at beginning of year.	(751,318)	(751,318)	-
Prior year encumbrances appropriated.	751,318	751,318	-
Fund balance (deficit) at end of year	\$ 76,764	\$ (8,033,964)	\$ (8,110,728)

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 WALNUT/CHERRY AVENUE PROJECT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Capital grants.	\$ 625,853	\$ 257,304	\$ (368,549)
Expenditures:			
Capital outlay:			
<i>Service Director:</i>			
Engineering - Walnut/Cherry Avenue Project.	625,853	625,853	-
Net change in fund balance	-	(368,549)	(368,549)
Fund balance (deficit) at beginning of year	(625,853)	(625,853)	-
Prior year encumbrances appropriated	625,853	625,853	-
Fund balance (deficit) at end of year	\$ -	\$ (368,549)	\$ (368,549)

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 11TH ST. NW IMPROVEMENT PROJECT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Capital grants	\$ 207,141	\$ 56,332	\$ (150,809)
Expenditures:			
Capital outlay:			
<i>Service Director:</i>			
Engineering - 11th St. Improvement Project	207,141	207,140	1
Net change in fund balance	-	(150,808)	(150,808)
Fund balance (deficit) at beginning of year	(207,141)	(207,141)	-
Prior year encumbrances appropriated	207,141	207,141	-
Fund balance (deficit) at end of year	\$ -	\$ (150,808)	\$ (150,808)

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 41ST ST. NW ROADWAY RECONSTRUCTION PROJECT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Capital grants	\$ 452,252	\$ 339,301	\$ (112,951)
Expenditures:			
Capital outlay:			
<i>Service Director:</i>			
Engineering - 41th St. NW Roadway Reconstruction Project	393,568	393,569	(1)
Net change in fund balance	58,684	(54,268)	(112,952)
Fund balance (deficit) at beginning of year	(393,568)	(393,568)	-
Prior year encumbrances appropriated	393,568	393,568	-
Fund balance (deficit) at end of year	\$ 58,684	\$ (54,268)	\$ (112,952)

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 RAILROAD CROSSING/TRAFFIC SIGNAL UPGRADE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Capital grants	\$ 200,000	\$ -	\$ (200,000)
Expenditures:			
Capital outlay:			
<i>Service Director:</i>			
Engineering - Railroad Crossing/Traffic Signal Upgrade	200,000	177,966	22,034
Net change in fund balance	-	(177,966)	(177,966)
Fund balance at beginning of year	-	-	-
Fund balance (deficit) at end of year	\$ -	\$ (177,966)	\$ (177,966)

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 HARRISBURG RD. RESURFACING PROJECT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Capital grants	\$ 150,000	\$ 113,451	\$ (36,549)
Expenditures:			
Capital outlay:			
<i>Service Director:</i>			
Engineering - Harrisburg Rd. Resurfacing Project	150,000	150,000	-
Net change in fund balance	-	(36,549)	(36,549)
Fund balance (deficit) at beginning of year	(150,000)	(150,000)	-
Prior year encumbrances appropriated	150,000	150,000	-
Fund balance (deficit) at end of year	<u>\$ -</u>	<u>\$ (36,549)</u>	<u>\$ (36,549)</u>

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
37TH ST. NW WATER MAIN REPLACEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Capital grants	\$ 255,000	\$ 28,300	\$ (226,700)
Expenditures:			
Capital outlay:			
<i>Water:</i>			
37th St. NW Water Main Replacement	510,000	384,565	125,435
Excess of expenditures over revenues	(255,000)	(356,265)	(101,265)
Other financing sources:			
Issuance of loans	255,000	-	(255,000)
Net change in fund balance	-	(356,265)	(356,265)
Fund balance at beginning of year	-	-	-
Fund balance (deficit) at end of year	\$ -	\$ (356,265)	\$ (356,265)

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 SIB LOAN 12TH ST. N CORRIDOR PROJECT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:			
Capital outlay:			
<i>Service Director:</i>			
Engineering - 12th St. N Corridor Project	\$ 2,308,000	\$ 1,871,733	\$ 436,267
Excess of expenditures over revenues	(2,308,000)	(1,871,733)	436,267
Other financing sources:			
Issuance of loans	2,308,000	-	(2,308,000)
Net change in fund balance	-	(1,871,733)	(1,871,733)
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ -</u>	<u>\$ (1,871,733)</u>	<u>\$ (1,871,733)</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 32ND ST./OVERBROOK CT. NW STORM SEWER REPLACEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Capital grants	\$ 69,536	\$ 69,536	\$ -
Expenditures:			
Capital outlay:			
<i>Service Director:</i>			
Engineering - 32nd St./Overbrook Ct. NW Storm Sewer Replacement	69,536	69,536	-
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -

**CITY OF CANTON
STARK COUNTY, OHIO**

Enterprise Funds

Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services.

Water Operating Fund

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

Sewer Operating Fund

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

Refuse Operating Fund

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

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WATER OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for services	\$ 15,074,620	\$ 15,736,960	\$ 662,340
Rental income	44,900	76,165	31,265
Capital grants	936,403	537,050	(399,353)
Other	700	14,633	13,933
Total revenues.	16,056,623	16,364,808	308,185
Expenses:			
Personal services	6,799,474	6,455,263	344,211
Materials and supplies	6,092,334	5,725,866	366,468
Contractual services	4,602,763	3,933,904	668,859
Capital outlay	8,558,186	7,745,289	812,897
Claims	45,000	8,611	36,389
Other	118,614	50,791	67,823
Debt service:			
Principal retirement	2,126,431	2,048,906	77,525
Interest and fiscal charges	897,779	786,196	111,583
Total expenses.	29,240,581	26,754,826	2,485,755
Excess of expenses over revenues	(13,183,958)	(10,390,018)	2,793,940
Nonoperating revenues (expenses):			
Sale of assets	-	8,317	8,317
Transfer in	257,894	248,961	(8,933)
Transfer (out)	(323,172)	(291,661)	31,511
Issuance of loans	13,849,389	1,568,012	(12,281,377)
Total nonoperating revenues (expenses)	13,784,111	1,533,629	(12,250,482)
Net change in fund balance	600,153	(8,856,389)	(9,456,542)
Fund balance at beginning of year	9,693,258	9,693,258	-
Prior year encumbrances appropriated.	1,271,976	1,271,976	-
Fund balance at end of year	\$ 11,565,387	\$ 2,108,845	\$ (9,456,542)

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 SEWER OPERATING FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for services	\$ 13,707,000	\$ 13,441,033	\$ (265,967)
Capital grants	76,667	63,352	(13,315)
Rental income	-	500	500
Other	433,299	556,226	122,927
Total revenues	14,216,966	14,061,111	(155,855)
Expenses:			
Personal services	5,645,179	5,122,991	522,188
Materials and supplies	1,280,637	883,088	397,549
Contractual services	7,260,556	6,501,021	759,535
Capital outlay	85,282,968	77,395,879	7,887,089
Claims	16,736	11,646	5,090
Other	274,336	186,659	87,677
Debt service:			
Principal retirement	1,171,156	1,097,356	73,800
Interest and fiscal charges	270,114	170,114	100,000
Total expenses	101,201,682	91,368,754	9,832,928
Excess of expenses over revenues	(86,984,716)	(77,307,643)	9,677,073
Nonoperating revenues (expenses):			
Sale of assets	-	21,805	21,805
Transfer in	660,936	1,660,936	1,000,000
Transfer (out)	(1,694,236)	(1,694,236)	-
Advance in	-	500,000	500,000
Advance (out)	(500,000)	(500,000)	-
Issuance of loans	79,116,351	8,811,951	(70,304,400)
Total nonoperating revenues (expenses)	77,583,051	8,800,456	(68,782,595)
Net change in fund balance	(9,401,665)	(68,507,187)	(59,105,522)
Fund balance (deficit) at beginning of year	(12,058,056)	(12,058,056)	-
Prior year encumbrances appropriated	30,100,218	30,100,218	-
Fund balance (deficit) at end of year	\$ 8,640,497	\$(50,465,025)	\$(59,105,522)

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
REFUSE OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for services	\$ 5,970,000	\$ 5,968,445	\$ (1,555)
Operating grants	-	71,598	71,598
Other	-	571	571
Total revenues	5,970,000	6,040,614	70,614
Expenses:			
Personal services	4,040,285	3,711,582	328,703
Materials and supplies	372,551	360,693	11,858
Contractual services	1,996,924	1,923,644	73,280
Capital outlay	864,696	838,956	25,740
Claims	6,175	644	5,531
Other	32,249	21,059	11,190
Total expenses	7,312,880	6,856,578	456,302
Excess of expenses over revenues	(1,342,880)	(815,964)	526,916
Nonoperating revenues (expenses):			
Sale of assets	-	6,570	6,570
Transfer (out)	(50,000)	(50,000)	-
Total nonoperating revenues (expenses)	(50,000)	(43,430)	6,570
Net change in fund balance	(1,392,880)	(859,394)	533,486
Fund balance at beginning of year	1,848,285	1,848,285	-
Prior year encumbrances appropriated	218,955	218,955	-
Fund balance at end of year	\$ 674,360	\$ 1,207,846	\$ 533,486

**CITY OF CANTON
STARK COUNTY, OHIO**

Internal Service Funds

Internal Service Funds are established to account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

Workers' Compensation Retrospective Fund

To account for the charges to the operating funds on a percentage of payroll basis and the payment of premiums and claims under the retrospective rating plan as provided by the Ohio Bureau of Workers' Compensation.

Health Insurance Fund

To account for charges to the operating funds on a per employee basis for the health and hospitalization self insurance, eye and dental insurance and for payments to AFSCME for the unions' administered employees' eye and dental premiums. This fund also pays the salaries and fringe benefits of the employees responsible for administering and processing claims.

Compensated Absences Claim Fund

To account for charges to the operating funds on a per employee basis for the claims associated with and mandated by local and state fringe benefit provisions including accumulated sick time, continuing disability, banked vacation, and termination pay.

CITY OF CANTON
STARK COUNTY, OHIO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2014

	<u>Workers'</u> <u>Compensation</u>	<u>Health</u> <u>Insurance</u>	<u>Compensated</u> <u>Absences</u> <u>Claim</u>	<u>Total</u> <u>Nonmajor</u> <u>Internal</u> <u>Service</u>
Assets:				
Current assets:				
Equity in pooled cash and cash equivalents.	\$ 3,125,645	\$ 671,868	\$ 1,526,961	\$ 5,324,474
Receivables:				
Accounts.	-	109,748	-	109,748
Due from other funds.	-	-	185,982	185,982
Total assets.	<u>3,125,645</u>	<u>781,616</u>	<u>1,712,943</u>	<u>5,620,204</u>
Liabilities:				
Current liabilities:				
Accounts payable.	4,010	155,943	-	159,953
Accrued wages and benefits payable	2,787	2,963	119,572	125,322
Due to other governments	430	458	18,474	19,362
Compensated absences payable	-	-	1,750,338	1,750,338
Claims payable.	1,377,226	1,927,789	-	3,305,015
Total current liabilities.	<u>1,384,453</u>	<u>2,087,153</u>	<u>1,888,384</u>	<u>5,359,990</u>
Non-current liabilities:				
Compensated absences payable	-	-	5,711,239	5,711,239
Claims payable	1,207,095	-	-	1,207,095
Total non-current liabilities	<u>1,207,095</u>	<u>-</u>	<u>5,711,239</u>	<u>6,918,334</u>
Total liabilities	<u>2,591,548</u>	<u>2,087,153</u>	<u>7,599,623</u>	<u>12,278,324</u>
Net position:				
Unrestricted (deficit)	<u>534,097</u>	<u>(1,305,537)</u>	<u>(5,886,680)</u>	<u>(6,658,120)</u>
Total net position (deficit).	<u>\$ 534,097</u>	<u>\$ (1,305,537)</u>	<u>\$ (5,886,680)</u>	<u>\$ (6,658,120)</u>

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

	Workers' Compensation	Health Insurance	Compensated Absences Claim	Total Nonmajor Internal Service
Operating revenues:				
Charges for services	\$ 1,405,243	\$ 10,306,148	\$ 3,439,680	\$ 15,151,071
Other	687,375	155,520	-	842,895
Total operating revenues.	<u>2,092,618</u>	<u>10,461,668</u>	<u>3,439,680</u>	<u>15,993,966</u>
Operating expenses:				
Personal services.	77,941	84,856	365,966	528,763
Contract services.	49,006	1,130,091	2,000	1,181,097
Materials and supplies	171	5,305	-	5,476
Benefit claims and expenses	-	-	3,198,756	3,198,756
Insurance claims and expenses.	1,614,125	9,705,963	-	11,320,088
Total operating expenses.	<u>1,741,243</u>	<u>10,926,215</u>	<u>3,566,722</u>	<u>16,234,180</u>
Operating income (loss) / change in net position	351,375	(464,547)	(127,042)	(240,214)
Net position (deficit) at beginning of year	<u>182,722</u>	<u>(840,990)</u>	<u>(5,759,638)</u>	<u>(6,417,906)</u>
Net position (deficit) at end of year	<u>\$ 534,097</u>	<u>\$ (1,305,537)</u>	<u>\$ (5,886,680)</u>	<u>\$ (6,658,120)</u>

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

	<u>Workers'</u> <u>Compensation</u>	<u>Health</u> <u>Insurance</u>	<u>Compensated</u> <u>Absences</u> <u>Claim</u>	<u>Total</u> <u>Nonmajor</u> <u>Internal</u> <u>Service</u>
Cash flows from operating activities:				
Cash received from charges for services.	\$ 1,405,243	\$ 10,306,148	\$ 3,439,680	\$ 15,151,071
Cash received from other operations.	693,531	207,871	-	901,402
Cash payments for personal services.	(77,467)	(84,305)	(388,944)	(550,716)
Cash payments for contractual services	(48,683)	(974,902)	(2,000)	(1,025,585)
Cash payments for materials and supplies	(171)	(5,305)	-	(5,476)
Cash payments for insurance claims	(1,360,089)	(9,293,536)	-	(10,653,625)
Cash payments for benefits claims	-	-	(2,995,451)	(2,995,451)
Net cash provided by operating activities and net increase in cash and cash equivalents.	612,364	155,971	53,285	821,620
Cash and cash equivalents at beginning of year. . . .	2,513,281	515,897	1,473,676	4,502,854
Cash and cash equivalents at end of year	<u>\$ 3,125,645</u>	<u>\$ 671,868</u>	<u>\$ 1,526,961</u>	<u>\$ 5,324,474</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ 351,375	\$ (464,547)	\$ (127,042)	\$ (240,214)
Changes in assets and liabilities:				
Decrease in accounts receivable	-	52,351	-	52,351
Increase in due from other funds	-	-	(56,198)	(56,198)
Decrease in due from other governments	6,156	-	-	6,156
(Decrease) in accounts payable	(44)	(281,449)	-	(281,493)
Increase in accrued wages and benefits payable	411	477	28,775	29,663
Increase (decrease) in due to other governments	(765,688)	74	4,445	(761,169)
Increase in compensated absences payable	-	-	203,305	203,305
Increase in claims payable	1,020,154	849,065	-	1,869,219
Net cash provided by operating activities	<u>\$ 612,364</u>	<u>\$ 155,971</u>	<u>\$ 53,285</u>	<u>\$ 821,620</u>

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WORKERS' COMPENSATION RETROSPECTIVE FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenues:			
Charges for services	\$ 1,340,000	\$ 1,405,243	\$ 65,243
Other	-	693,531	693,531
Total revenues	<u>1,340,000</u>	<u>2,098,774</u>	<u>758,774</u>
Expenses:			
Personal services	82,004	77,467	4,537
Materials and supplies	2,850	430	2,420
Contractual services	185,446	97,110	88,336
Insurance claims and expenses	1,900,000	1,360,089	539,911
Other	3,280	400	2,880
Total expenses	<u>2,173,580</u>	<u>1,535,496</u>	<u>638,084</u>
Net change in fund balance	(833,580)	563,278	1,396,858
Fund balance at beginning of year	2,483,705	2,483,705	-
Prior year encumbrances appropriated	29,576	29,576	-
Fund balance at end of year	<u>\$ 1,679,701</u>	<u>\$ 3,076,559</u>	<u>\$ 1,396,858</u>

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
HEALTH INSURANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenues:			
Charges for services	\$ 9,515,000	\$ 10,306,148	\$ 791,148
Other	500,000	207,871	(292,129)
Total revenues	10,015,000	10,514,019	499,019
Expenses:			
Personal services	87,084	84,305	2,779
Materials and supplies	6,012	5,395	617
Contractual services	1,022,091	979,715	42,376
Insurance claims and expenses	9,415,088	9,374,899	40,189
Other	500	-	500
Total expenses	10,530,775	10,444,314	86,461
Net change in fund balance	(515,775)	69,705	585,480
Fund balance at beginning of year	507,936	507,936	-
Prior year encumbrances appropriated	7,961	7,961	-
Fund balance at end of year	\$ 122	\$ 585,602	\$ 585,480

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 COMPENSATED ABSENCES CLAIM FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenues:			
Charges for services	\$ 3,345,000	\$ 3,439,680	\$ 94,680
Expenses:			
Personal services	3,287,105	2,995,451	291,654
Contractual services	8,000	8,000	-
Benefit claim expenses	417,895	388,944	28,951
Total expenses	<u>3,713,000</u>	<u>3,392,395</u>	<u>320,605</u>
Net change in fund balance.	(368,000)	47,285	415,285
Fund balance at beginning of year	<u>1,473,676</u>	<u>1,473,676</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,105,676</u>	<u>\$ 1,520,961</u>	<u>\$ 415,285</u>

**CITY OF CANTON
STARK COUNTY, OHIO**

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

Private-Purpose Trust Fund

Hartford Houtz Fund

To account for monies donated to be used to improve the health and education of children

Agency Funds

Agency funds are custodial in nature, and thus, do not recognize revenues or expenditures, only changes in assets and liabilities. These funds are used to record the collection and payment of refundable deposits, taxes collected for other governments, and municipal court.

Building Escrow Fund:

To account for receipts from insurance companies, under City and State statutes, necessary to ensure compliance with building codes after a structure fire. Disbursements are normally to property owners upon release from the code enforcement department.

Payroll Clearing Fund:

To account for payroll taxes and other related payroll deductions accumulated from the funds for distribution to other governmental units and private organizations.

Employee Buyout Incentive Fund:

To account for money being held and disbursed in conjunction with the City's 2002 Incentive Retirement Plan.

Auditor's Transfer Fund:

To account for and hold receipts from various entities until proper disbursement.

Municipal Court Fund:

To account for municipal court activities, including the civil division and trusteeship accounts not currently reflected on the City's records.

Building Department State Assessment Fund:

To account for assessments that are collected by the City on building projects on behalf of the state.

Downtown Special Improvement District Fund:

To keep track of property taxes collected by the City for a Special Improvement District. Once the City receives the money it is immediately reimbursed to the board of the district.

Jackson-Canton JEDD Clearing Fund:

To account for the receipt and disbursement of JEDD income taxes.

Vacant/Foreclosure Depository Fund:

This fund accounts for deposits held for vacant and foreclosed upon homes.

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

	<u>Balance 12/31/13</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/14</u>
<i>Building Escrow:</i>				
Assets:				
Equity in pooled cash and cash equivalents.	\$ 98,832	\$ 134,381	\$ 123,111	\$ 110,102
Total assets	<u>\$ 98,832</u>	<u>\$ 134,381</u>	<u>\$ 123,111</u>	<u>\$ 110,102</u>
Liabilities:				
Deposits held and due to others.	\$ 98,832	\$ 134,381	\$ 123,111	\$ 110,102
Total liabilities	<u>\$ 98,832</u>	<u>\$ 134,381</u>	<u>\$ 123,111</u>	<u>\$ 110,102</u>
<i>Payroll Clearing:</i>				
Assets:				
Equity in pooled cash and cash equivalents.	\$ 114,272	\$ 13,924,401	\$ 13,807,453	\$ 231,220
Total assets	<u>\$ 114,272</u>	<u>\$ 13,924,401</u>	<u>\$ 13,807,453</u>	<u>\$ 231,220</u>
Liabilities:				
Due to other governments	\$ 114,272	\$ 13,924,401	\$ 13,807,453	\$ 231,220
Total liabilities	<u>\$ 114,272</u>	<u>\$ 13,924,401</u>	<u>\$ 13,807,453</u>	<u>\$ 231,220</u>
<i>Employee Buyout Incentive:</i>				
Assets:				
Equity in pooled cash and cash equivalents.	\$ 3,893	\$ 91,435	\$ 95,328	\$ -
Total assets	<u>\$ 3,893</u>	<u>\$ 91,435</u>	<u>\$ 95,328</u>	<u>\$ -</u>
Liabilities:				
Deposits held and due to others.	\$ 3,893	\$ 91,435	\$ 95,328	\$ -
Total liabilities	<u>\$ 3,893</u>	<u>\$ 91,435</u>	<u>\$ 95,328</u>	<u>\$ -</u>
<i>Auditor's Transfer:</i>				
Assets:				
Equity in pooled cash and cash equivalents.	\$ 67,445	\$ 146,221	\$ 155,355	\$ 58,311
Total assets	<u>\$ 67,445</u>	<u>\$ 146,221</u>	<u>\$ 155,355</u>	<u>\$ 58,311</u>
Liabilities:				
Deposits held and due to others	\$ 67,445	\$ 146,221	\$ 155,355	\$ 58,311
Total liabilities.	<u>\$ 67,445</u>	<u>\$ 146,221</u>	<u>\$ 155,355</u>	<u>\$ 58,311</u>
<i>Municipal Court:</i>				
Assets:				
Cash and cash equivalents in segregated accounts	\$ 129,467	\$ 8,144,308	\$ 8,172,023	\$ 101,752
Total assets	<u>\$ 129,467</u>	<u>\$ 8,144,308</u>	<u>\$ 8,172,023</u>	<u>\$ 101,752</u>
Liabilities:				
Undistributed assets.	\$ 129,467	\$ 8,144,308	\$ 8,172,023	\$ 101,752
Total liabilities	<u>\$ 129,467</u>	<u>\$ 8,144,308</u>	<u>\$ 8,172,023</u>	<u>\$ 101,752</u>

(Continued)

CITY OF CANTON
STARK COUNTY, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Balance 12/31/13</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/14</u>
<i>Building Department State Assessment:</i>				
Assets:				
Equity in pooled cash and cash equivalents	\$ 458	\$ 9,482	\$ 9,453	\$ 487
Total assets	<u>\$ 458</u>	<u>\$ 9,482</u>	<u>\$ 9,453</u>	<u>\$ 487</u>
Liabilities:				
Deposits held and due to others	\$ 458	\$ 9,482	\$ 9,453	\$ 487
Total liabilities	<u>\$ 458</u>	<u>\$ 9,482</u>	<u>\$ 9,453</u>	<u>\$ 487</u>
<i>Downtown Special Improvement District:</i>				
Assets:				
Equity in pooled cash and cash equivalents	\$ -	\$ 181,278	\$ 181,278	\$ -
Receivables:				
Accounts	26,960	20,997	26,960	20,997
Total assets	<u>\$ 26,960</u>	<u>\$ 202,275</u>	<u>\$ 208,238</u>	<u>\$ 20,997</u>
Liabilities:				
Deposits held and due to others	\$ 26,960	\$ 202,275	\$ 208,238	\$ 20,997
Total liabilities	<u>\$ 26,960</u>	<u>\$ 202,275</u>	<u>\$ 208,238</u>	<u>\$ 20,997</u>
<i>Jackson-Canton JEDD Clearing Fund:</i>				
Assets:				
Equity in pooled cash and cash equivalents	\$ -	\$ 6,237	\$ 6,237	\$ -
Total assets	<u>\$ -</u>	<u>\$ 6,237</u>	<u>\$ 6,237</u>	<u>\$ -</u>
Liabilities:				
Deposits held and due to others	\$ -	\$ 6,237	\$ 6,237	\$ -
Total liabilities	<u>\$ -</u>	<u>\$ 6,237</u>	<u>\$ 6,237</u>	<u>\$ -</u>
<i>Vacant/Foreclosure Depository Fund:</i>				
Assets:				
Equity in pooled cash and cash equivalents	\$ 980,000	\$ 1,500,000	\$ 813,244	\$ 1,666,756
Total assets	<u>\$ 980,000</u>	<u>\$ 1,500,000</u>	<u>\$ 813,244</u>	<u>\$ 1,666,756</u>
Liabilities:				
Deposits held and due to others	\$ 980,000	\$ 1,500,000	\$ 813,244	\$ 1,666,756
Total liabilities	<u>\$ 980,000</u>	<u>\$ 1,500,000</u>	<u>\$ 813,244</u>	<u>\$ 1,666,756</u>
<i>Total Agency Funds</i>				
Assets:				
Equity in pooled cash and cash equivalents	\$ 1,264,900	\$ 15,993,435	\$ 15,191,459	\$ 2,066,876
Cash and cash equivalents in segregated accounts . .	129,467	8,144,308	8,172,023	101,752
Receivables:				
Accounts	26,960	20,997	26,960	20,997
Total assets	<u>\$ 1,421,327</u>	<u>\$ 24,158,740</u>	<u>\$ 23,390,442</u>	<u>\$ 2,189,625</u>
Liabilities:				
Due to other governments	\$ 114,272	\$ 13,924,401	\$ 13,807,453	\$ 231,220
Undistributed assets	129,467	8,144,308	8,172,023	101,752
Deposits held and due to others	1,177,588	2,090,031	1,410,966	1,856,653
Total liabilities	<u>\$ 1,421,327</u>	<u>\$ 24,158,740</u>	<u>\$ 23,390,442</u>	<u>\$ 2,189,625</u>



CITY OF CANTON, OHIO

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

This part of the City of Canton Ohio's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	S1 - S10
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	S11 - S12
These schedules contain information to help the reader assess the City's most significant local revenue sources, municipal income taxes.	
Debt Capacity	S13 - S21
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.	
Demographic and Economic Information	S22 - S23
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	S25 - S30
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

CITY OF CANTON
STARK COUNTY, OHIO
NET POSITION BY COMPONENT
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2014	2013	2012	2011
Governmental Activities				
Net investment in capital assets	\$ 106,702,688	\$ 99,188,330	\$ 96,544,493	\$ 97,348,306
Restricted	19,038,897	20,669,995	25,988,085	30,727,668
Unrestricted	10,069,695	8,055,536	5,978,878	807,948
Total Governmental Activities Net Position	<u>\$ 135,811,280</u>	<u>\$ 127,913,861</u>	<u>\$ 128,511,456</u>	<u>\$ 128,883,922</u>
Business-Type Activities				
Net investment in capital assets	\$ 70,635,102	\$ 70,583,131	\$ 68,382,938	\$ 64,432,996
Unrestricted	42,265,775	40,577,502	37,550,898	35,129,231
Total Business-Type Activities Net Position	<u>\$ 112,900,877</u>	<u>\$ 111,160,633</u>	<u>\$ 105,933,836</u>	<u>\$ 99,562,227</u>
Primary Government				
Net investment in capital assets	\$ 177,337,790	\$ 169,771,461	\$ 164,927,431	\$ 161,781,302
Restricted	19,038,897	20,669,995	25,988,085	30,727,668
Unrestricted	52,335,470	48,633,038	43,529,776	35,937,179
Total Primary Government Net Position	<u>\$ 248,712,157</u>	<u>\$ 239,074,494</u>	<u>\$ 234,445,292</u>	<u>\$ 228,446,149</u>

Note: The City has implemented GASB Statements No. 63 & 65 in fiscal year 2012

	2010	2009	2008	2007	2006	2005
\$	96,658,405	\$ 93,997,414	\$ 94,910,241	\$ 93,469,817	\$ 75,027,928	\$ 82,872,262
	34,583,408	38,133,687	32,898,704	34,630,751	20,993,547	25,406,034
	(4,901,157)	(3,439,285)	1,897,801	2,288,255	23,324,075	1,934,685
\$	126,340,656	\$ 128,691,816	\$ 129,706,746	\$ 130,388,823	\$ 119,345,550	\$ 110,212,981
\$	65,466,731	\$ 65,271,828	\$ 63,926,597	\$ 61,597,239	\$ 56,337,077	\$ 58,415,826
	31,989,581	24,386,522	22,651,308	21,120,626	24,712,950	23,029,865
\$	97,456,312	\$ 89,658,350	\$ 86,577,905	\$ 82,717,865	\$ 81,050,027	\$ 81,445,691
\$	162,125,136	\$ 159,269,242	\$ 158,836,838	\$ 155,067,056	\$ 131,365,005	\$ 141,288,088
	34,583,408	38,133,687	32,898,704	34,630,751	20,993,547	25,406,034
	27,088,424	20,947,237	24,549,109	23,408,881	48,037,025	24,964,550
\$	223,796,968	\$ 218,350,166	\$ 216,284,651	\$ 213,106,688	\$ 200,395,577	\$ 191,658,672

CITY OF CANTON
STARK COUNTY, OHIO
 CHANGES IN NET POSITION
 LAST TEN YEARS
 (ACCRUAL BASIS OF ACCOUNTING)

	2014	2013	2012	2011
Expenses				
<i>Governmental activities:</i>				
General government	\$ 19,609,570	\$ 16,648,538	\$ 18,204,815	\$ 18,507,298
Security of persons and property	38,759,803	37,209,092	37,355,205	39,761,690
Public health	6,196,761	5,948,698	5,867,708	6,371,348
Transportation	12,065,377	13,253,789	12,752,256	12,218,799
Community environment	8,106,584	6,012,767	5,080,295	8,563,514
Leisure time activities	3,549,040	3,329,290	2,101,343	2,361,904
Interest and fiscal charges	442,388	542,745	573,423	791,471
<i>Total governmental activities expenses</i>	<u>88,729,523</u>	<u>82,944,919</u>	<u>81,935,045</u>	<u>88,576,024</u>
<i>Business-type activities:</i>				
Water	15,387,377	13,029,402	12,706,700	12,478,010
Sewer	12,796,231	12,516,730	12,705,127	13,239,984
Refuse	6,257,256	5,924,125	5,342,650	5,532,632
<i>Total business-type activities expenses</i>	<u>34,440,864</u>	<u>31,470,257</u>	<u>30,754,477</u>	<u>31,250,626</u>
Total Primary Government Expenses	<u>\$ 123,170,387</u>	<u>\$ 114,415,176</u>	<u>\$ 112,689,522</u>	<u>\$ 119,826,650</u>
Program Revenues				
<i>Governmental activities:</i>				
Charges for services:				
EMS charges	\$ 2,963,877	\$ 1,790,137	\$ 1,989,838	\$ 1,538,870
Leisure time activities	30,379	29,550	10,890	230,691
Licenses, permits, and fees	1,512,407	1,510,822	2,014,416	1,496,552
Municipal court revenue	2,867,661	3,401,332	3,458,555	3,561,424
Other activities	7,497,735	6,496,325	8,477,516	7,020,751
Operating grants and contributions	12,203,279	9,361,804	6,951,732	11,296,786
Capital grants and contributions	5,755,827	3,956,443	759,525	5,146,994
<i>Total governmental activities program revenues</i>	<u>32,831,165</u>	<u>26,546,413</u>	<u>23,662,472</u>	<u>30,292,068</u>
<i>Business-type activities:</i>				
Charges for services:				
Water	15,545,481	14,919,158	14,564,110	13,688,619
Sewer	13,407,709	13,914,466	14,487,135	13,232,669
Refuse	5,962,885	5,801,598	6,002,093	6,030,792
Operating grants and contributions	69,919	67,026	140,855	189,868
Capital grants and contributions	600,402	1,943,958	1,869,089	12,655
<i>Total business-type activities program revenues</i>	<u>35,586,396</u>	<u>36,646,206</u>	<u>37,063,282</u>	<u>33,154,603</u>
Total Primary Government Program Revenues	<u>\$ 68,417,561</u>	<u>\$ 63,192,619</u>	<u>\$ 60,725,754</u>	<u>\$ 63,446,671</u>

	2010	2009	2008	2007	2006	2005
\$	17,916,837	\$ 21,447,525	\$ 20,109,980	\$ 20,429,740	\$ 19,042,092	\$ 18,585,104
	38,021,732	39,741,822	39,952,807	37,157,956	33,635,452	33,732,631
	6,789,047	6,503,089	6,232,337	6,117,315	5,368,723	5,407,095
	12,594,651	14,551,954	11,010,239	11,773,016	10,159,315	14,339,105
	9,206,391	5,393,621	6,011,649	6,612,257	6,554,058	7,898,906
	2,919,500	2,943,691	2,986,053	3,041,931	2,873,234	2,880,704
	815,188	925,828	1,154,014	1,259,708	852,785	923,542
	<u>88,263,346</u>	<u>91,507,530</u>	<u>87,457,079</u>	<u>86,391,923</u>	<u>78,485,659</u>	<u>83,767,087</u>
	10,975,361	11,789,359	10,644,920	10,434,121	11,243,727	9,377,995
	11,135,229	11,586,485	10,344,713	11,688,039	10,560,129	9,934,130
	4,948,513	5,359,103	5,057,233	4,516,698	4,792,409	4,481,498
	<u>27,059,103</u>	<u>28,734,947</u>	<u>26,046,866</u>	<u>26,638,858</u>	<u>26,596,265</u>	<u>23,793,623</u>
\$	<u>115,322,449</u>	<u>120,242,477</u>	<u>113,503,945</u>	<u>113,030,781</u>	<u>105,081,924</u>	<u>107,560,710</u>
\$	990,133	\$ 370,403	\$ 2,474,214	\$ 1,985,989	\$ 1,784,536	\$ 2,371,411
	593,174	323,320	646,817	798,451	773,910	813,852
	1,540,878	1,544,394	1,548,478	905,168	1,019,509	1,141,214
	4,091,161	3,458,692	3,350,496	3,098,405	3,008,935	2,851,322
	6,949,537	7,094,576	6,922,471	8,568,936	5,832,267	3,818,855
	11,304,031	15,211,394	7,017,103	7,976,893	8,754,801	7,142,814
	6,681,818	4,334,246	3,743,113	5,061,069	761,444	1,424,710
	<u>32,150,732</u>	<u>32,337,025</u>	<u>25,702,692</u>	<u>28,394,911</u>	<u>21,935,402</u>	<u>19,564,178</u>
	14,679,276	11,602,884	12,452,723	12,210,478	11,829,857	11,494,324
	13,061,066	10,696,780	10,570,525	9,877,966	9,954,669	10,037,212
	6,511,534	5,360,417	4,778,453	4,316,457	4,287,009	4,141,408
	87,506	119,426	108,822	56,133	127,712	38,115
	207,969	2,942,090	1,939,593	1,308,396	895,234	1,083,890
	<u>34,547,351</u>	<u>30,721,597</u>	<u>29,850,116</u>	<u>27,769,430</u>	<u>27,094,481</u>	<u>26,794,949</u>
\$	<u>66,698,083</u>	<u>63,058,622</u>	<u>55,552,808</u>	<u>56,164,341</u>	<u>49,029,883</u>	<u>46,359,127</u>

CITY OF CANTON
STARK COUNTY, OHIO
 CHANGES IN NET POSITION (CONTINUED)
 LAST TEN YEARS
 (ACCRUAL BASIS OF ACCOUNTING)

	2014	2013	2012	2011
Net (Expenses)/Revenues				
Governmental Activities	\$ (55,898,358)	\$ (56,398,506)	\$ (58,272,573)	\$ (58,283,956)
Business-Type Activities	1,145,532	5,175,949	6,308,805	1,903,977
Total Primary Government Net Expense	<u>\$ (54,752,826)</u>	<u>\$ (51,222,557)</u>	<u>\$ (51,963,768)</u>	<u>\$ (56,379,979)</u>
General Revenues and Other Changes in Net Position				
<i>Governmental activities:</i>				
Taxes:				
Municipal income taxes	\$ 50,699,714	\$ 45,912,805	\$ 44,311,327	\$ 42,597,239
Property and other taxes	4,916,636	2,473,315	3,769,181	2,691,214
Grants and entitlements not restricted to specific programs	5,040,384	5,356,271	8,245,851	9,021,156
Payment in lieu of taxes	25,948	35,312	-	-
Grants and contributions	-	-	-	-
Interest and investment earnings	206,592	58,749	56,735	88,038
Other	2,906,503	1,964,459	1,503,350	6,412,177
Proceeds on sale of capital assets	-	-	13,663	17,398
<i>Total governmental activities</i>	<u>63,795,777</u>	<u>55,800,911</u>	<u>57,900,107</u>	<u>60,827,222</u>
<i>Business-type activities:</i>				
Intergovernmental	-	-	-	-
Grants and contributions	-	-	-	-
Interest and investment earnings	-	1	3	15
Other	558,770	50,847	22,840	169,404
Gain on sale of capital assets	35,942	-	39,961	32,519
<i>Total business-type activities</i>	<u>594,712</u>	<u>50,848</u>	<u>62,804</u>	<u>201,938</u>
Total Primary Government	<u>\$ 64,390,489</u>	<u>\$ 55,851,759</u>	<u>\$ 57,962,911</u>	<u>\$ 61,029,160</u>
Change in Net Position				
Governmental activities	\$ 7,897,419	\$ (597,595)	\$ (372,466)	\$ 2,543,266
Business-type activities	1,740,244	5,226,797	6,371,609	2,105,915
<i>Total Primary Government</i>	<u>\$ 9,637,663</u>	<u>\$ 4,629,202</u>	<u>\$ 5,999,143</u>	<u>\$ 4,649,181</u>

	2010	2009	2008	2007	2006	2005
\$	(56,112,614)	\$ (59,170,505)	\$ (61,754,387)	\$ (57,997,012)	\$ (56,550,257)	\$ (64,202,909)
	7,488,248	1,986,650	3,803,250	1,130,572	498,216	3,001,326
<u>\$</u>	<u>(48,624,366)</u>	<u>\$ (57,183,855)</u>	<u>\$ (57,951,137)</u>	<u>\$ (56,866,440)</u>	<u>\$ (56,052,041)</u>	<u>\$ (61,201,583)</u>
\$	38,633,612	\$ 40,915,298	\$ 43,086,906	\$ 47,092,829	\$ 43,149,683	\$ 41,779,236
	3,711,729	3,619,130	4,475,101	4,097,125	3,602,511	3,711,731
	8,796,360	8,936,287	8,938,333	10,576,712	10,005,403	9,992,527
	-	-	-	-	-	-
	-	-	-	145,890	425,686	401,785
	235,190	662,192	1,592,671	3,187,667	2,048,038	1,289,382
	2,384,563	3,911,451	2,979,299	3,940,062	4,631,537	3,814,401
	-	111,217	-	-	148,468	-
	<u>53,761,454</u>	<u>58,155,575</u>	<u>61,072,310</u>	<u>69,040,285</u>	<u>64,011,326</u>	<u>60,989,062</u>
	-	-	-	-	33,167	33,167
	-	-	-	-	137,190	95,627
	55	196	40,203	144,713	17,416	10,792
	306,861	989,811	220,621	373,715	141,585	2,188,058
	2,798	8,731	6,786	18,838	24,254	-
	<u>309,714</u>	<u>998,738</u>	<u>267,610</u>	<u>537,266</u>	<u>353,612</u>	<u>2,327,644</u>
<u>\$</u>	<u>54,071,168</u>	<u>\$ 59,154,313</u>	<u>\$ 61,339,920</u>	<u>\$ 69,577,551</u>	<u>\$ 64,364,938</u>	<u>\$ 63,316,706</u>
\$	(2,351,160)	\$ (1,014,930)	\$ (682,077)	\$ 11,043,273	\$ 7,461,069	\$ (3,213,847)
	7,797,962	2,985,388	4,070,860	1,667,838	851,828	5,328,970
<u>\$</u>	<u>5,446,802</u>	<u>\$ 1,970,458</u>	<u>\$ 3,388,783</u>	<u>\$ 12,711,111</u>	<u>\$ 8,312,897</u>	<u>\$ 2,115,123</u>

CITY OF CANTON
STARK COUNTY, OHIO
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2014	2013	2012	2011
General Fund				
Nonspendable	\$ 400,706	\$ 382,303	\$ 289,197	\$ 281,811
Restricted	-	-	89,191	62,514
Committed	772,068	950,255	1,081,844	711,295
Assigned	3,471,995	550,226	-	-
Unassigned	1,435,402	6,502,030	7,602,998	5,235,907
Reserved	-	-	-	-
Unreserved	-	-	-	-
Total General Fund	<u>\$ 6,080,171</u>	<u>\$ 8,384,814</u>	<u>\$ 9,063,230</u>	<u>\$ 6,291,527</u>
All Other				
Governmental Funds				
Nonspendable	\$ 130,508	\$ 41,347	\$ 1,649,712	\$ 1,726,284
Restricted	10,153,844	12,031,197	9,947,224	11,534,643
Committed	4,044,125	3,395,680	3,670,094	3,693,165
Assigned	-	-	-	-
Unassigned (deficit)	(97,954)	(193,112)	(5,810)	(215,388)
Reserved	-	-	-	-
Unreserved, reported in:				
Special Revenue				
Funds	-	-	-	-
Capital Projects				
Funds	-	-	-	-
Debt Service Funds	-	-	-	-
Total All Other				
Governmental Funds	<u>\$ 14,230,523</u>	<u>\$ 15,275,112</u>	<u>\$ 15,261,220</u>	<u>\$ 16,738,704</u>

Note: Fund balance classifications beginning in 2009 reflect the City's implementation of GASB Statement No. 54.

2010	2009	2008	2007	2006	2005
\$ 262,064	\$ 176,964	\$ -	\$ -	\$ -	\$ -
50,320	281,200	-	-	-	-
620,913	808,009	-	-	-	-
-	-	-	-	-	-
3,797,436	3,406,438	-	-	-	-
-	-	748,509	838,116	1,044,522	1,009,423
-	-	6,947,380	8,358,711	8,067,957	9,662,068
<u>\$ 4,730,733</u>	<u>\$ 4,672,611</u>	<u>\$ 7,695,889</u>	<u>\$ 9,196,827</u>	<u>\$ 9,112,479</u>	<u>\$ 10,671,491</u>

\$ 1,864,369	\$ 1,783,687	\$ -	\$ -	\$ -	\$ -
16,648,605	19,478,655	-	-	-	-
2,744,056	3,433,796	-	-	-	-
-	-	-	-	-	-
-	(3,648)	-	-	-	-
-	-	10,955,266	13,060,640	10,532,025	8,967,059
-	-	3,806,492	4,742,049	1,633,424	2,111,575
-	-	10,284,524	8,878,112	15,670,214	2,714,187
-	-	6,239	6,239	141,751	3,019
<u>\$ 21,257,030</u>	<u>\$ 24,692,490</u>	<u>\$ 25,052,521</u>	<u>\$ 26,687,040</u>	<u>\$ 27,977,414</u>	<u>\$ 13,795,840</u>

CITY OF CANTON
STARK COUNTY, OHIO
 CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2014	2013	2012	2011
Revenues:				
Property and other taxes	\$ 4,192,204	\$ 2,574,747	\$ 3,392,212	\$ 2,679,060
Municipal income taxes	48,536,712	45,921,847	44,401,532	42,268,045
Charges for services	11,414,960	10,974,528	12,025,673	11,672,616
Licenses, permits, and fees	1,530,879	1,510,822	1,558,750	1,496,552
Fines and forfeitures	427,981	1,110,272	484,718	387,942
Intergovernmental	8,827,418	8,321,048	8,442,716	9,022,823
Interest	206,936	58,749	56,735	88,038
Rental income	54,916	51,364	78,507	230,131
Contributions and donations	2,984	50,525	-	-
Operating grants	9,381,059	8,849,719	8,636,489	11,768,162
Capital grants	5,514,695	2,937,038	796,834	4,731,620
Payment in lieu of taxes	25,948	35,312	-	-
Other	1,860,401	902,642	3,101,659	4,704,783
Total revenues	91,977,093	83,298,613	82,975,825	89,049,772
Expenditures:				
General government	18,764,120	15,873,077	17,778,987	17,472,868
Security of persons and property	37,200,157	35,303,024	35,807,944	37,583,710
Public health	6,002,662	5,756,640	5,850,491	6,201,749
Transportation	4,487,506	3,726,545	3,309,625	3,762,830
Community environment	8,087,672	5,998,243	5,160,101	8,534,770
Leisure time activities	2,759,895	2,629,571	1,436,169	1,688,857
Capital outlay	15,709,827	11,532,622	9,010,943	12,357,459
Debt service				
Principal	3,095,171	2,681,335	2,775,078	3,659,941
Interest and fiscal charges	453,690	500,053	592,355	791,471
Total expenditures	96,560,700	84,001,110	81,721,693	92,053,655
Excess (deficiency) of revenues over (under) expenditures	(4,583,607)	(702,497)	1,254,132	(3,003,883)
Other financing sources (uses):				
Sale of assets	97,758	37,973	40,087	46,351
Issuance of refunding bonds	-	-	-	-
Refunded bonds redeemed	-	-	-	-
Bond issuance costs	-	-	-	-
Bond premiums	-	-	-	-
Issuance of debt/capital leases	1,136,617	-	-	-
Transfers in	-	40,000	65,000	44,000
Transfers out	-	(40,000)	(65,000)	(44,000)
Total other financing sources (uses)	1,234,375	37,973	40,087	46,351
Net change in fund balances	\$ (3,349,232)	\$ (664,524)	\$ 1,294,219	\$ (2,957,532)
<i>Debt service as a percentage of noncapital expenditures</i>	4.28%	4.21%	4.38%	5.36%

2010	2009	2008	2007	2006	2005
\$ 3,692,536	\$ 3,710,390	\$ 4,385,206	\$ 4,010,683	\$ 3,610,790	\$ 3,277,108
39,995,514	41,105,833	44,532,380	44,556,112	43,084,333	41,602,373
12,277,821	11,428,095	10,613,296	10,878,541	10,325,731	9,575,642
1,540,878	1,544,393	1,548,479	1,161,430	1,274,175	1,390,410
548,171	443,673	1,001,384	1,582,608	412,659	447,482
9,246,604	9,521,398	10,378,440	11,375,148	10,414,121	10,276,283
235,190	662,192	1,592,671	3,187,667	2,048,038	1,242,630
414,189	450,788	413,470	452,450	425,220	395,741
-	-	-	-	-	-
11,635,287	9,664,268	6,054,006	8,091,451	9,108,680	8,873,767
6,639,897	4,447,416	3,635,597	5,065,148	1,517,020	2,004,520
-	-	-	-	-	-
2,200,776	1,874,355	1,293,285	2,692,726	3,033,021	1,575,116
88,426,863	84,852,801	85,448,214	93,053,964	85,253,788	80,661,072
16,961,740	18,597,391	18,576,448	20,015,769	20,031,972	17,522,987
35,892,847	35,973,764	37,208,163	36,419,061	34,117,057	31,771,722
6,631,976	6,136,493	6,005,406	6,052,678	5,513,038	5,233,094
3,730,733	3,826,361	4,170,057	4,447,301	3,467,363	3,388,270
9,176,385	5,289,321	4,862,896	6,613,047	6,623,411	7,858,937
2,243,340	2,204,394	2,290,022	2,531,251	2,383,428	2,414,290
13,286,944	13,859,942	11,554,194	13,986,290	10,616,931	9,765,750
3,159,790	3,039,749	3,166,213	3,672,211	2,731,941	2,978,916
815,188	925,828	1,154,014	1,259,708	852,785	923,542
91,898,943	89,853,243	88,987,413	94,997,316	86,337,926	81,857,508
(3,472,080)	(5,000,442)	(3,539,199)	(1,943,352)	(1,084,138)	(1,196,436)
40,101	223,066	54,166	54,020	652,505	34,849
-	8,575,000	-	-	-	-
-	(8,560,000)	-	-	-	-
-	(433,203)	-	-	(236,199)	-
-	418,203	-	-	236,199	-
54,641	1,415,910	360,534	643,788	13,350,000	245,611
40,000	40,000	40,000	62,776	55,000	100,783
(40,000)	(40,000)	(40,000)	(62,776)	(55,000)	(100,783)
94,742	1,638,976	414,700	697,808	14,002,505	280,460
\$ (3,377,338)	\$ (3,361,466)	\$ (3,124,499)	\$ (1,245,544)	\$ 12,918,367	\$ (915,976)
4.82%	4.89%	5.43%	5.87%	4.61%	5.27%

CITY OF CANTON
STARK COUNTY, OHIO
INCOME TAX REVENUE BASE AND COLLECTIONS
LAST TEN YEARS
(CASH BASIS OF ACCOUNTING)

Tax Year	Tax Rate (1)	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes from Corporations	Percentage of Taxes from Corporations	Taxes from Individuals	Percentage of Taxes from Individuals	Taxes From Delinquent Accounts	Percentage of Taxes from Delinquent Accounts
2014	2.00%	\$ 49,024,719	\$ 38,010,089	77.53%	\$ 6,653,764	13.57%	\$ 2,641,532	5.39%	\$ 1,719,334	3.51%
2013	2.00%	47,631,995	38,100,594	79.99%	4,732,915	9.94%	2,402,215	5.04%	2,396,271	5.03%
2012	2.00%	45,526,540	38,425,049	84.40%	2,937,793	6.45%	2,270,644	4.99%	1,893,054	4.16%
2011	2.00%	43,473,316	36,650,553	84.31%	2,742,054	6.31%	2,248,487	5.17%	1,832,222	4.21%
2010	2.00%	40,464,283	34,373,674	84.95%	2,434,182	6.02%	2,315,207	5.72%	1,341,220	3.31%
2009	2.00%	42,313,527	35,240,263	83.28%	3,341,617	7.90%	2,530,425	5.98%	1,201,222	2.84%
2008	2.00%	45,535,181	37,560,808	82.49%	4,027,322	8.84%	2,534,879	5.57%	1,412,172	3.10%
2007	2.00%	45,750,000	36,943,041	80.75%	4,946,090	10.81%	2,503,996	5.47%	1,356,873	2.97%
2006	2.00%	43,790,171	36,222,083	82.72%	3,798,488	8.67%	2,401,463	5.48%	1,368,137	3.12%
2005	2.00%	42,124,201	34,617,380	82.18%	3,152,772	7.48%	2,649,296	6.29%	1,704,753	4.05%

(1) Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

CITY OF CANTON
STARK COUNTY, OHIO
INCOME TAX FILERS BY INCOME LEVEL
TAX YEARS 2014 AND 2005

Tax Year 2014

Income Range	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
Over \$100,000	699	2.74%	\$ 99,693,884	16.99%
\$75,001-\$100,000	938	3.68%	80,184,095	13.67%
\$50,001-\$75,000	2,181	8.55%	133,398,003	22.74%
\$25,001-\$50,000	4,782	18.75%	170,451,391	29.05%
Under \$25,000	16,901	66.28%	103,009,772	17.55%
Total	<u>25,501</u>	<u>100.00%</u>	<u>\$ 586,737,145</u>	<u>100.00%</u>

Tax Year 2005

Income Range	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
Over \$100,000	535	1.57%	\$ 85,899,917	11.72%
\$75,001-\$100,000	899	2.64%	76,580,768	10.44%
\$50,001-\$75,000	2,718	7.97%	163,685,982	22.32%
\$25,000-\$50,000	6,961	20.41%	246,263,541	33.59%
Under \$25,000	22,985	67.41%	160,782,749	21.93%
Total	<u>34,098</u>	<u>100.00%</u>	<u>\$ 733,212,957</u>	<u>100.00%</u>

Source: City of Canton Income Tax Department

CITY OF CANTON
STARK COUNTY, OHIO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

	Governmental Activities				Business-Type Activities		
	General Obligation Bonds	Loans	Notes Payable	Capital Lease	General Obligation Bonds	Loans	Capital Lease
2014	\$ 6,696,770	\$ 1,655,482	\$ 3,400,000	\$ 530,366	\$ 1,908,230	\$ 38,906,893	\$ -
2013	9,164,587	1,497,214	1,500,000	179,371	3,000,414	30,499,920	-
2012	11,540,165	1,784,735	1,600,000	197,607	4,049,322	32,620,563	-
2011	13,835,411	2,056,306	1,700,000	424,800	5,059,076	32,617,686	-
2010	16,714,810	2,323,489	1,800,000	938,159	6,029,677	23,630,645	13,124
2009	19,483,363	2,527,704	-	1,070,540	6,961,124	21,736,915	24,227
2008	21,656,948	2,568,042	-	465,455	7,857,538	17,569,394	36,339
2007	23,865,120	3,115,974	-	515,030	10,294,366	16,982,328	48,450
2006	26,865,000	3,659,547	-	-	12,735,000	16,131,342	-
2005	15,710,000	4,196,488	-	-	12,335,000	17,663,967	-

(1) Source: US Census Bureau.

	Total Primary Government	Total Personal Income	Percent of Personal Income	Population (1)	Per Capita
\$	53,097,741	\$ 2,032,581,050	2.61%	72,297	\$ 734
	45,841,506	2,025,140,466	2.26%	72,683	631
	51,792,392	2,034,784,650	2.55%	73,007	709
	55,693,279	1,834,444,050	3.04%	73,007	763
	51,449,904	1,834,444,050	2.80%	73,007	705
	51,803,873	2,004,784,350	2.58%	78,362	661
	50,153,716	2,004,784,350	2.50%	78,319	640
	54,821,268	1,972,351,850	2.78%	78,924	695
	59,390,889	1,931,177,300	3.08%	79,478	747
	49,905,455	1,863,333,800	2.68%	79,478	628

CITY OF CANTON
STARK COUNTY, OHIO
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS

	General Bonded Debt Outstanding			Estimated True Value of Taxable Property (1)	Ratio of Net Bonded Debt to Estimated True Value of Taxable Property	Net Bonded Debt per Capita
	Governmental Obligation	Business-Type Obligation	Total			
2014	\$ 6,696,770	\$ 1,908,230	\$ 8,605,000	\$ 2,069,026,657	0.42%	\$ 119.02
2013	9,164,587	3,000,414	12,165,001	2,122,120,589	0.57%	167.37
2012	11,540,165	4,049,322	15,589,487	2,538,698,983	0.61%	213.53
2011	13,835,411	5,059,076	18,894,487	2,526,352,211	0.75%	258.80
2010	16,714,810	6,029,677	22,744,487	2,570,000,309	0.88%	311.54
2009	19,483,363	6,961,124	26,444,487	2,754,356,786	0.96%	337.65
2008	21,656,948	7,857,538	29,514,486	3,519,099,073	0.84%	376.85
2007	23,865,120	10,294,366	34,159,486	3,584,977,264	0.95%	432.81
2006	26,865,000	12,735,000	39,600,000	3,276,005,877	1.21%	498.25
2005	15,710,000	12,335,000	28,045,000	3,253,043,207	0.86%	352.86

(1) Stark County Auditor's Office.

CITY OF CANTON
STARK COUNTY, OHIO
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2014

	<u>General Obligation Debt Outstanding (1)</u>	<u>Percentage Applicable to City (2)</u>	<u>Amount Applicable to City of Canton</u>
Direct			
City of Canton	\$ 12,282,618	100.00%	\$ 12,282,618
Overlapping Debt			
Stark County	-	11.03%	-
Canton City Schools	28,764,000	91.25%	26,247,150
Plain Local Schools	44,960,000	22.24%	9,999,104
Canton Local Schools	36,153,195	7.16%	2,588,569
Osnaburg Local Schools	7,430,317	6.97%	517,893
Total Overlapping Debt	<u>117,307,512</u>		<u>39,352,716</u>
Total	<u>\$ 129,590,130</u>		<u>\$ 51,635,334</u>

Source: Stark County, Ohio; County Auditor

- (1) Includes general obligation debt except for those payable from enterprise funds
- (2) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the City by the assessed valuation of the political subdivision.

CITY OF CANTON
STARK COUNTY, OHIO
LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS

	2014	2013	2012	2011
Overall Debt Limitation (10.5% of Assessed Valuation)	\$ 76,036,730	\$ 75,406,074	\$ 77,280,680	\$ 90,978,118
Net Debt Within 10.5% Limitations	<u>10,078,532</u>	<u>10,653,423</u>	<u>12,329,784</u>	<u>15,583,224</u>
Overall Legal Debt Margin Within 10.5% Limitations	<u>\$ 65,958,198</u>	<u>\$ 64,752,651</u>	<u>\$ 64,950,896</u>	<u>\$ 75,394,894</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	13.25%	14.13%	15.95%	17.13%
Unvoted Debt Limitation (5.5% of Assessed Valuation)	\$ 39,828,763	\$ 39,498,420	\$ 40,480,356	\$ 47,655,205
Net Debt Within 5.5% Limitations	<u>10,078,532</u>	<u>10,653,423</u>	<u>12,329,784</u>	<u>15,583,224</u>
Unvoted Legal Debt Margin Within 5.5% Limitations	<u>\$ 29,750,231</u>	<u>\$ 28,844,997</u>	<u>\$ 28,150,572</u>	<u>\$ 32,071,981</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	25.30%	26.97%	30.46%	32.70%

Note: Under State of Ohio finance law, the City of Canton's outstanding general obligation debt should not exceed 10.5% of total assessed property value. In addition, the outstanding general obligation debt net voted debt should not exceed 5.5% of total assessed property value. By law, the general obligation debt subject to the limitation is offset by amounts set aside for repaying general obligation bonds.

2010	2009	2008	2007	2006	2005
\$ 91,928,124	\$ 98,857,297	\$ 104,291,997	\$ 110,800,481	\$ 106,126,404	\$ 109,151,590
<u>18,567,954</u>	<u>19,483,363</u>	<u>17,573,728</u>	<u>19,461,900</u>	<u>21,976,356</u>	<u>10,710,000</u>
<u>\$ 73,360,170</u>	<u>\$ 79,373,934</u>	<u>\$ 86,718,269</u>	<u>\$ 91,338,581</u>	<u>\$ 84,150,048</u>	<u>\$ 98,441,590</u>
20.20%	19.71%	16.85%	17.56%	20.71%	9.81%
\$ 48,152,827	\$ 51,782,394	\$ 54,629,141	\$ 58,038,347	\$ 55,590,021	\$ 57,174,642
<u>18,567,954</u>	<u>19,483,363</u>	<u>17,573,728</u>	<u>19,461,900</u>	<u>21,976,356</u>	<u>10,710,000</u>
<u>\$ 29,584,873</u>	<u>\$ 32,299,031</u>	<u>\$ 37,055,413</u>	<u>\$ 38,576,447</u>	<u>\$ 33,613,665</u>	<u>\$ 46,464,642</u>
38.56%	37.63%	32.17%	33.53%	39.53%	18.73%

CITY OF CANTON
STARK COUNTY, OHIO
PLEDGED REVENUE COVERAGE - WATER
LAST TEN YEARS

Year	Water Operating Revenues	Water Operating Expenses (1)	Net Available Revenues	Debt Service (2)		Coverage
				Principal	Interest	
2014	\$ 15,558,604	\$ 12,561,631	\$ 2,996,973	\$ 1,207,800	\$ 693,767	1.58
2013	14,966,698	10,773,779	4,192,919	1,226,158	292,830	2.76
2012	14,585,591	10,128,499	4,457,092	1,352,707	872,374	2.00
2011	13,842,633	10,139,601	3,703,032	872,673	518,539	2.66
2010	14,722,587	8,710,422	6,012,165	877,648	554,061	4.20
2009	12,012,071	9,739,900	2,272,171	639,403	423,296	2.14
2008	12,803,465	8,718,793	4,084,672	536,889	303,144	4.86
2007	12,636,294	8,523,683	4,112,611	454,831	260,446	5.75
2006	11,949,721	9,098,828	2,850,893	400,767	244,735	4.42
2005	11,638,498	7,212,194	4,426,304	381,700	263,803	6.86

(1) Direct operating expenses do not include depreciation expense.

(2) Debt service only includes OWDA and OPWC loans payable solely from net revenues in the water enterprise fund.

CITY OF CANTON
STARK COUNTY, OHIO
PLEDGED REVENUE COVERAGE - SEWER
LAST TEN YEARS

Year	Sewer Operating Revenues	Sewer Operating Expenses (1)	Net Available Revenues	Debt Service (2)		Coverage
				Principal	Interest	
2014	\$ 13,952,785	\$ 10,399,217	\$ 3,553,568	\$ 846,280	\$ 142,524	3.59
2013	13,914,466	9,639,001	4,275,465	1,370,935	234,030	2.66
2012	14,490,594	9,797,750	4,692,844	1,324,728	273,002	2.94
2011	13,371,229	10,313,864	3,057,365	780,387	208,417	3.09
2010	13,314,535	8,234,557	5,079,978	759,602	229,202	5.14
2009	11,713,312	8,767,929	2,945,383	762,748	249,423	2.91
2008	11,087,091	7,551,028	3,536,063	766,440	269,098	3.41
2007	10,603,629	8,768,381	1,835,248	1,162,952	298,256	1.26
2006	10,682,423	7,768,104	2,914,319	1,131,858	329,885	1.99
2005	10,913,729	7,091,988	3,821,741	1,457,126	372,734	2.09

(1) Direct operating expenses do not include depreciation expense.

(2) Debt service only includes OWDA and OPWC loans payable solely from net revenues in the sewer enterprise fund.

CITY OF CANTON
STARK COUNTY, OHIO
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN YEARS

	<u>Population (1)</u>	<u>Total Personal Income</u>	<u>Per Capita Income</u>	<u>Unemployment Rate (2)</u>
2014	72,297	\$ 2,032,581,050	\$ 28,114	4.7%
2013	72,683	2,025,140,450	27,863	6.9%
2012	73,007	2,034,784,650	27,871	6.9%
2011	73,007	1,834,444,050	25,127	9.3%
2010	73,007	1,834,444,050	25,127	11.2%
2009	78,362	1,888,534,400	24,100	11.4%
2008	78,319	2,004,784,350	25,598	6.9%
2007	78,924	1,972,351,850	24,991	5.9%
2006	79,478	1,931,177,300	24,298	5.6%
2005	79,478	1,863,333,800	23,445	6.4%

(1) Source: US Census Bureau.

(2) Source: U.S. Dept. of Labor

CITY OF CANTON
STARK COUNTY, OHIO
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO (1)

2014

Employer	Nature of Activity	Employees	Percentage of Total City Employment
Aultman Hospital	Health Service	3,828	12.21%
Mercy Medical Center	Health Service	2,624	8.37%
Canton City Schools	Education	2,427	7.74%
Stark County Government	Government	1,973	6.29%
Timken Steel	Steel	1,580	5.04%
Fresh Mark Inc.	Meat Processing	1,460	4.66%
City of Canton	Municipal Government	1,276	4.07%
Timken Company	Tapered roller bearings and steel	1,027	3.28%
Republic Engineered Products	Hot-rolled and cold finisher steel bars and specialty steels	878	2.80%
Nationwide Insurance	Insurance Provider	715	2.28%
Total		17,788	56.74%
Estimated Total Employment within the City		31,349	

2006 (1)

Employer	Nature of Activity	Employees	Percentage of Total City Employment
Aultman Hospital	Health Service	4,982	16.34%
Timken Company	Tapered roller bearings and steel	2,469	8.10%
Mercy Medical Center	Health Service	2,395	7.86%
Canton City Schools	Education	1,983	6.50%
Stark County Government	Government	1,843	6.05%
City of Canton	Municipal Government	990	3.25%
Nationwide Insurance	Insurance Provider	755	2.48%
Fresh Mark Inc.	Meat Processing	700	2.30%
United States Postal Service	Federal Government	638	2.09%
Republic Engineered Products	Hot-rolled and cold finisher steel steel bars	519	1.70%
Total		17,274	56.66%
Estimated Total Employment within the City		30,487	

Source: Survey of Employers performed by City Community Development Department
and City Income Tax Department

(1) Information for 2005 was unavailable. The City has presented 2006 information.

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CITY OF CANTON
STARK COUNTY, OHIO
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN YEARS

Function/Program	2014	2013	2012	2011	2010	2009
Governmental Employees						
General government	188	183	175	181	183	181
Security of persons and property	379	361	367	375	396	409
Public health	53	52	49	47	51	50
Transportation	50	46	44	46	45	50
Community development	16	15	14	19	23	23
Leisure time activities	21	14	14	16	21	21
Total Governmental Employees	707	671	663	684	719	734
Business-Type Employees						
Water	85	85	84	88	87	91
Sewer	73	76	75	71	73	80
Refuse	63	61	56	57	54	58
Total Business-Type Employees	221	222	215	216	214	229
Total Employees	928	893	878	900	933	963

Method: Part-time and seasonal employees are not included

Source: City of Canton Auditor's Office

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
193	194	196	187
434	428	423	400
53	52	51	53
49	50	44	42
22	17	18	20
27	27	26	28
<u>778</u>	<u>768</u>	<u>758</u>	<u>730</u>
96	101	97	97
79	79	76	76
58	58	59	58
<u>233</u>	<u>238</u>	<u>232</u>	<u>231</u>
<u><u>1,011</u></u>	<u><u>1,006</u></u>	<u><u>990</u></u>	<u><u>961</u></u>

CITY OF CANTON
STARK COUNTY, OHIO
 CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
 LAST TEN YEARS

Function/Program	2014	2013	2012	2011	2010	2009	2008
General Government							
Departmental vehicles	38	38	22	22	22	22	23
Security of Persons and Property							
Police stations	5	5	5	5	5	5	5
Police department vehicles	124	122	123	123	124	129	110
Fire stations	7	8	8	8	8	8	8
Fire department vehicles	46	44	39	39	40	40	37
Intersections with traffic lights	203	236	213	213	224	226	227
Traffic department vehicles	15	16	17	17	17	19	20
Public Health							
Departmental vehicles	21	19	12	12	12	14	14
Transportation							
Area (in square miles)	25.70	25.70	25.70	25.70	25.70	25.50	25.40
Miles of streets	413.44	414.11	414.11	414.11	414.30	414.40	413.83
Bridges	24	24	23	23	23	23	23
Miles of storm sewers	218.96	217.48	217.48	217.48	217.40	214.56	214.33
Departmental vehicles	99	102	110	110	112	114	110
Leisure Time Activities							
Number of parks	61	61	61	61	61	61	61
Park acreage	812	812	812	812	812	812	800
Number of shelters	25	24	23	23	23	22	22
Number of baseball fields	43	43	43	43	43	43	43
Walking tracks	4	4	4	4	4	4	4
Walking bridges	17	17	16	16	16	14	14
Play equipment sets	41	39	39	39	37	37	36
Restrooms	20	19	19	19	19	19	19
Number of tennis courts	8	8	8	8	8	8	8
Swimming pools	-	-	-	-	-	-	-
Community centers	1	1	1	1	1	1	1
Departmental vehicles	46	45	45	45	46	47	44
Water							
Miles of water mains	661.24	668.32	660.03	660.03	658.80	658.69	658.68
Water treatment plants	3	3	3	3	3	3	3
Maximum daily capacity in gallons (in millions)	40,500	40,500	40,500	40,500	40,500	40,500	39,000
Number of fire hydrants	3,274	3,258	3,258	3,258	3,252	3,252	3,243
Departmental vehicles	81	81	71	71	68	62	59
Sewer							
Miles of sanitary sewers	363.00	360.00	360.00	360.00	363.00	362.83	360.10
Sewer treatment plants	1	1	1	1	1	1	1
Maximum daily capacity in gallons (in millions)							
Wet weather	67,000	67,000	67,000	67,000	67,000	67,000	67,000
Dry weather	39,000	39,000	39,000	39,000	39,000	39,000	39,000
Departmental vehicles	67	68	63	63	63	52	59
Refuse							
Departmental vehicles	29	28	20	20	23	25	28

Source: Various City of Canton Departments

2007	2006	2005
24	21	18
5	5	5
124	124	85
8	8	8
39	36	32
228	230	232
29	23	21
23	24	22
25.40	25.30	23.94
413.87	411.39	412.19
23	23	23
214.09	211.92	211.70
124	116	114
61	61	60
710	710	700
22	21	21
43	42	43
4	4	4
14	13	13
36	35	35
19	19	19
8	8	8
-	1	1
1	1	1
46	47	46
655.89	651.36	649.58
3	3	3
39,000	39,000	39,000
3,212	3,163	3,141
60	56	60
359.70	357.51	357.26
1	1	1
67,000	67,000	67,000
39,000	39,000	39,000
59	47	40
37	35	32

CITY OF CANTON
STARK COUNTY, OHIO
 OPERATING INDICATORS BY FUNCTION/PROGRAM
 LAST TEN YEARS

Function/Program	2014	2013	2012	2011
General Government				
Auditor				
Purchase orders issued	7,143	6,924	6,608	6,666
Checks issued	16,953	15,946	16,156	16,542
Payroll checks issued	28,402	27,335	26,963	28,285
Civil service				
Tests administered	34	30	28	15
Courts				
Cases heard	26,761	25,745	27,027	30,649
Trials held	198	180	180	215
Probation cases	465	442	427	418
Community service				
Cases	2,171	1,971	2,021	2,080
House arrest cases	109	107	216	164
Income tax				
Refunds issued	2,564	2,718	2,934	2,935
Tax notifications mailed	30,604	31,650	40,471	34,908
Law department				
Claims	487	180	139	245
Trials conducted	299	119	83	84
Pretrials conducted	6,489	7,218	6,572	6,829
Prosecutor hearings	67	76	103	55
Criminal intakes	1,872	1,919	1,952	1,966
Security of Persons and Property				
Code enforcement				
Building permits issued	638	685	706	1,071
Building permits estimated value (in millions)	\$47,834	\$75,616	\$42,528	\$68,127
Police				
Physical arrests	2,390	2,013	2,613	3,471
Traffic violations	3,086	2,074	3,726	8,850
Parking violations	9,145	10,100	10,104	8,556
Fire				
Calls answered	13,835	14,276	13,789	13,429
Public Health				
Birth certificates issued	9,553	9,619	3,950	10,263
Death certificates issued	6,678	6,798	1,822	8,144
Nursing				
Home visits	322	307	350	395
Air pollution complaints				
Investigated	276	249	220	282
Food service inspections	2,278	2,539	878	946
Transportation				
Road salt expense	\$270,154	\$500,693	\$465,348	\$817,201
Leisure Time Activities				
Shelter/building permits issued	708	450	529	473
Water				
Number of service connections				
	44,367	44,360	44,292	44,184
Daily average consumption in gallons (in millions)				
	20.089	17.897	19.150	19,106
Sewer				
Number of active sewer accounts				
	26,514	27,763	26,815	26,804
Daily average treatment in gallons (in millions)				
	30.14	27.18	27.82	34,030

Source: Various City of Canton Departments

2010	2009	2008	2007	2006	2005
7,228	6,988	6,811	7,141	6,787	6,551
16,431	16,817	17,513	18,195	18,545	19,735
29,027	30,031	31,847	30,540	29,844	30,401
12	12	21	13	18	17
39,557	32,403	32,201	36,014	34,457	30,730
290	217	208	218	270	256
395	423	513	388	413	354
2,681	2,578	2,416	2,494	2,197	2,488
120	183	694	155	164	292
2,870	3,182	3,332	3,145	3,378	3,965
32,693	35,484	34,258	36,347	35,091	34,884
176	127	216	180	131	276
22	44	116	121	143	112
7,735	7,428	7,719	8,102	7,401	6,515
121	109	151	307	297	278
2,107	2,241	2,188	1,987	2,086	2,468
819	4,097	2,449	1,364	4,715	5,506
\$42,510	\$73,781	\$59,247	\$90,644	\$103,290	\$174,606
4,201	4,466	5,228	5,218	4,620	4,964
15,328	6,162	6,189	6,429	8,638	5,971
10,422	10,789	9,966	10,188	8,000	14,949
20,687	12,602	12,952	15,904	10,475	5,639
12,413	14,859	16,136	20,653	18,442	16,673
7,875	9,715	10,040	9,321	9,572	10,180
408	425	350	267	49	62
63	167	222	486	1,999	222
971	1,240	926	1,429	966	1,319
\$516,835	\$681,366	\$630,012	\$353,321	\$456,317	\$366,801
453	520	371	481	470	534
44,171	44,179	44,200	44,152	43,961	43,777
19,970	19,983	23,660	22,475	21,763	22,468
27,000	27,178	27,274	28,354	27,624	28,066
30,326	27,800	29,230	28,330	30,120	30,760

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COMPREHENSIVE ANNUAL FINANCIAL REPORT



CANTON, OHIO

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Dave Yost • Auditor of State

CITY OF CANTON

STARK COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
NOVEMBER 10, 2015**