City of Tipp City, Ohio

Comprehensive Annual Financial Report

Year Ended December 31, 2013

Tipp City

City of Tipp City, Ohio

Miami County

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2013

Prepared by the Finance Department

John Green, Director

Tipp City

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MIAMI COUNTY, OHIO

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Tipp City

Introductory Section

Tipp City

Letter of Transmittal
For the Year Ended December 31, 2013

Council-Manager
Government

June 26, 2014

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

The Comprehensive Annual Financial Report (CAFR) of the City of Tipp City, (the City) for the fiscal year ended December 31, 2013 is hereby submitted for your review.

Ohio law requires that cities file their annual financial reports with the Auditor of State's office within 150 days of the close of each fiscal year. Additionally, the Ohio Administrative Code requires that those reports be prepared pursuant to generally accepted accounting principles. The preparation of this CAFR represents the commitment of Tipp City to adhere to nationally recognized standards of excellence in financial reporting.

I believe this report presents financial and operating information about the City's activities during the year which should be useful to its elected officials, citizens, taxpayers, and investors. Responsibility for the accuracy of the data and the completeness and fairness of the presentation including all disclosures rests with the City. To the best of my knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Clark, Schaefer, Hackett and Co., Certified Public Accountants, audited the basic financial statements that are included in this report. They have issued an unmodified ("clean") opinion on the City of Tipp City's financial statements for the year ended December 31, 2013. The Independent Auditors' report is located at the front of the financial section of this report.

As a part of the City's independent audit, tests are made to determine the adequacy of the internal control structure, as well as to determine that the City has complied with applicable laws and regulations. The results of the City's independent audit for the year ended December 31, 2013 can be found in a separately issued report available from the City's Finance Department.

This transmittal letter is designed to provide historical information about the City, as well as complement the required Management's Discussion and Analysis (MD&A). Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements. The City's MD&A, which focuses on the government wide statements, can be found immediately following the Independent Auditors' Report.

PROFILE OF THE CITY

The City of Tipp City is a progressive, growing community located fourteen miles north of Dayton on Interstate 75. The City was incorporated as a village in 1850, and became a City in 1960. Its seven and a half square mile area serves a residential population of 9,689 (2010 Census). The City is served by diversified transportation facilities. Immediate access is to four State Highways and to Interstate Highways 70 and 75. The main line of the CSX Railroad (CSX), between Cincinnati and Toledo, passes through the City. Passenger and freight air service is provided by the Dayton International Airport located approximately 10 miles from the City. Easy access to both Interstates 70 and 75 places Tipp City within approximately a one-hour drive of Columbus, Cincinnati, and Indianapolis.

The City of Tipp City is a home rule municipal corporation operating under its own charter, first adopted by the voters in 1968 and which has been and may be amended by the voters from time to time. The City is also subject to some general laws applicable to all cities. Under the Ohio Constitution the City may exercise all powers of local self-government, and police powers to the extent not in conflict with applicable general laws. The Charter provides for a Council-Manager form of government.

The legislative body of Tipp City consists of a seven-member Council, all of whom are elected at-large for overlapping four-year terms. The City Council appoints a City Manager, and a Council Clerk. The City Manager is the City's chief executive and administrative officer. He appoints all department heads and employees of the City.

The City has reviewed its reporting entity definition in order to insure compliance and conformance with the Governmental Accounting Standards Board Statement Number 14, "The Financial Reporting Entity," as amended by GASB Statement No. 61 "*The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34*." For financial reporting definition purposes, City management considered all agencies, departments, and organizations comprising the City of Tipp City, the primary government, and its potential component units. Areas of consideration include financial accountability, ability to impose its will, financial benefit, and financial burden.

The primary government consists of all funds and departments which provide various services including police and fire protection, emergency medical response, parks and recreation, planning, zoning, street maintenance, and other governmental services. In addition, the City owns and operates a water distribution system, a wastewater collection system, an electric distribution system, and contracts with a private hauler for refuse collection services, each of which is reported as an enterprise fund. Council and the City Manager have direct responsibility for these activities.

The City has representation on the board of two entities for the treatment of wastewater and production of potable water. The City is associated with the Tri-Cities North Regional Wastewater Authority (Tri-Cities), and the Northern Area Water Authority (NAWA), which are both defined as joint ventures. A joint venture is a legal entity or other organization that results from a contractual arrangement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility. These organizations are presented in Note 19.

The City also participates in the Miami Valley Risk Management Association, Inc. (MVRMA), a risk sharing insurance pool, which provides liability insurance coverage to the City. The pool consists of twenty municipalities who pool risk for property, crime, liability, machinery, flood, earthquake, and public official liability. This separate entity does not meet the established criteria for inclusion in the reporting entity and, accordingly is not included in the City's financial report.

Tipp City Council adopts an operating budget on or about the first business day of the fiscal year. This annual budget serves as the foundation for the City of Tipp City's financial planning and control. The budget is prepared on a cash-encumbrance basis wherein transactions are recorded when cash is received or disbursed, or when a commitment has been recorded as an encumbrance against an applicable appropriation. Budgetary control is maintained by the encumbrance of purchase amounts prior to the release of purchase orders to vendors. Purchase orders are not issued when insufficient appropriations preclude the encumbrance of the amount of the purchase.

ECONOMIC CONDITIONS AND OUTLOOK

Since Tipp City's beginning in 1850, location has played a prime role in its economic well being. What began as a canal town has burgeoned into an extremely attractive place for business and industry due to the city's location just north of the crossroads of America, Interstates I-70 and I-75. Interstate I-75 bisects the city from North to South and is a major factor in the continued success of the City's economic development. Over 50 industries call Tipp City home.

The 2010 census sets the population of Tipp City at 9,689 compared to 9,221 at the 2000 census. This represents a population increase of 468 residents, or 5.08% for the period of 2000 to 2010. The number of residential units increased from 3,851 units in 2000 to 4,194 units in 2010, or an 8.91% increase. There were 333 unoccupied residential units in Tipp City when the 2010 Census count was taken.

Tipp City and the Chamber of Commerce continued their joint participation in the BusinessFirst! Business Retention and Expansion (BR&E) program. This regional BR&E is used in six counties by fifty different jurisdictions. Twenty meetings were held with Tipp City area businesses and industries utilizing the BusinessFirst protocols. Keeping in touch with our existing local businesses and industries is vital, since studies have shown that 80-85% of job creation is done by existing small businesses. Our Assistant City Manager serves as the City's representative and attends the regional monthly meetings.

Commercial and industrial growth in 2013 invested $2,152,000 in the community, with five projects undertaken this year as compared to eleven projects in 2012. The Abbott Liquid Nutrition Manufacturing Facility has been completed with product shipment anticipated for the first half of 2014. Infinity Fitness opened a 7,200 square foot CrossFit facility, and the City expanded the Westside Fire/EMS Station by adding new vehicle bays, sleeping quarters, offices, and training rooms.

The Dayton metropolitan region's unemployment rate averaged 7.69% in 2013, starting the year at 8.9% then dipping to a low of 6.8% by year end. Miami County's unemployment rate fell from a high of 8.8% in January, 2013 to a low of 6.5% by year-end. These numbers are comparable to the Dayton region's 2012 average rate of 7.72%, but are still a far cry from the low of 3.3% in 2000. We feel confident that our area will see an increase in jobs over the next few years.

During 2013, Tipp City had 14 new residential unit starts. This was down from the 22 new units in 2012 and 11 new units in 2011. There are currently five active subdivisions being developed: Sycamore Woods, Curry Branch, Bowman Woods, Hunter's Ridge, and Rosewood Creek. The following table outlines the residential growth for the last several years:

Year	Base Units	New Units	Demolished Units	Net% Growth
2006	4110	34	3	.754%
2007	4141	31	3	.676%
2008	4169	21	0	.504%
2009	4190	10	0	.239%
2010	4200	7	1	.143%
2011	4206	11	0	.261%
2012	4217	22	0	.522%
2013	4239	14	2	.283%

Over 500 acres of vacant prime industrial land remains available for development within the community. Established industrial parks offer attractive sites for building as well. With its abundant natural resources, low cost utilities and facility of transportation, Tipp City is well situated for further expansion as the economy continues to recover.

MAJOR INITIATIVES

For the Year

Tipp City's primary focus in 2013 continued to be maintenance, repair, and upgrade of capital facilities and infrastructure. In late fall of 2010, City Council established a citizens committee for the purpose of reviewing a ten-year capital improvement plan and recommending a funding option to meet the City's future capital improvement needs in the governmental funds. The committee's recommendation was to place before the City electorate a 0.25% increase in the City's income tax rate (from 1.25% to 1.5%) to be effective July 1, 2011 and a 0.25% increase in the City's income tax rate to be effective January 1, 2013. This second increase replaced an expiring tax levy of the same amount leaving the overall rate at 1.5%. The City's electorate approved the measure on May 3, 2011. These income tax levies will each be collected for a period of 10 years from the enacted dates and are expected to generate approximately $13 million in additional revenues. The additional revenues are restricted for use for capital improvements to include replacing a 35 year-old aerial ladder truck in the Fire Department, expansion and renovation of the existing Fire/EMS station, street reconstruction and resurfacing (ongoing), and replacement of vehicles and equipment as necessary.

During 2013, the City completed work on the expansion/renovation of the Westside Fire Station ($1.8 million), finished the Downtown Utility/Streetscape Project ($3.8 million) which included a complete rebuild of approximately five blocks of Main Street including water, sewer, storm water, and street lighting infrastructure, completed the Abbott Park Way Construction Project ($1.15 million), reconstructed a portion of South Third Street ($725,000 project), and reconstructed a portion of Dow Street ($750,000 project).

The City continued to work on capital improvement projects in the enterprise funds as well. The City purchased property/building to construct a new Electric Department Service Center (2014 project) and worked on multiple water line replacement and sewer line rehabilitation projects throughout the City.

The City continues to focus on building upon its solid financial position through a five-year operational and capital budgeting program, and an aggressive debt repayment schedule.

The City is well known for the Tipp City Mum Festival. The Festival, which takes place the fourth weekend of September, celebrates the long lasting fall flower, the chrysanthemum, and its connection to Tipp City's Springhill Nursery. The chrysanthemum was the inspiration for the City's logo which is presented on the front of this document. Hometown activities featured at the Mum Festival include a street dance, car show, 5K road race, parade and live entertainment.

For The Future

The City of Tipp City faces a bright future. Economic development coupled with the commitment of the residents to fund necessary capital improvements over the next decade, will help ensure the sound financial position of the City. In 2014-2015, the City will continue to focus on capital improvements with its street resurfacing program (approx. $1.5 million) and reconstruction of a portion of County Road 25A south of Main Street ($3.5 million). These projects will be financed primarily with federal and state grant funding. The City will reconstruct several blocks of Dow Street along with replacement of associated utility lines ($325,000); replace multiple 4-inch residential water lines throughout the community; and will complete several sanitary sewer slip-lining projects. Tipp City has an aggressive capital improvement program planned for the next few years.

FINANCIAL INFORMATION

Internal Control, Budgetary Control and the Accounting System

Development of the City's accounting system included substantial consideration of the adequacy of the internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute assurance of the following:

1. The City's assets are protected against loss and unauthorized use or disposition.

2. Reliable financial reports for preparing financial statements and providing accountability for assets are maintained.

The concept of reasonable assurance states that internal controls should be evaluated applying the following criteria:

1. The expense associated with providing the internal controls should not exceed the benefits likely to be derived from their implementation.

2. The evaluation of the offsetting costs and benefits involves estimates and judgment by the City administration and the Finance Department.

All internal control evaluations occur within this framework. It is the belief of the administrative and financial management personnel that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions.

Budgetary control is maintained at the personal services and other expenditures level for each department within each fund via legislation approved by City Council. Lower levels are accounted for and reported internally. Such lower levels are referred to as line items of expenditure. Estimated amounts must be encumbered prior to final approval of purchase orders or other contracts to vendors. Encumbrances in excess of the available object level appropriations are not approved unless additional appropriations are authorized. Unencumbered appropriations return (lapse) to the unappropriated balances in the individual funds at the end of each fiscal year, which coincides with the calendar year.

CERTIFICATE OF ACHIEVEMENT

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 Tipp City, Ohio for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2012. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government finance reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements respective to the reporting entity.

A Certificate of Achievement is valid for a period of one year only. The City of Tipp City has received a Certificate of Achievement for the last twelve years (2000-2012). We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA.

Letter of Transmittal
For the Year Ended December 31, 2013

ACKNOWLEDGMENTS

The preparation of this report requires the combined efforts and assistance of many employees of the City of Tipp City. My sincere appreciation is extended to all City employees whose efforts made this report possible.

I would also like to express appreciation to Roy Porter, CPA, and the rest of the staff of Donald J. Schonhardt and Associates, for their guidance and assistance in preparing this report.

A special thanks is extended to City Council, the City Manager, Assistant City Manager, and the Department Directors of the City. Their contributions to the financial condition of the City cannot be overemphasized. Their guidance and support represent invaluable factors necessary for the City to continue to manage the financial affairs and reporting requirements of municipal government within the Tipp City community.

Respectfully submitted,

John W. Green
Director of Finance

List of Principal Officials
For the Year Ended December 31, 2013

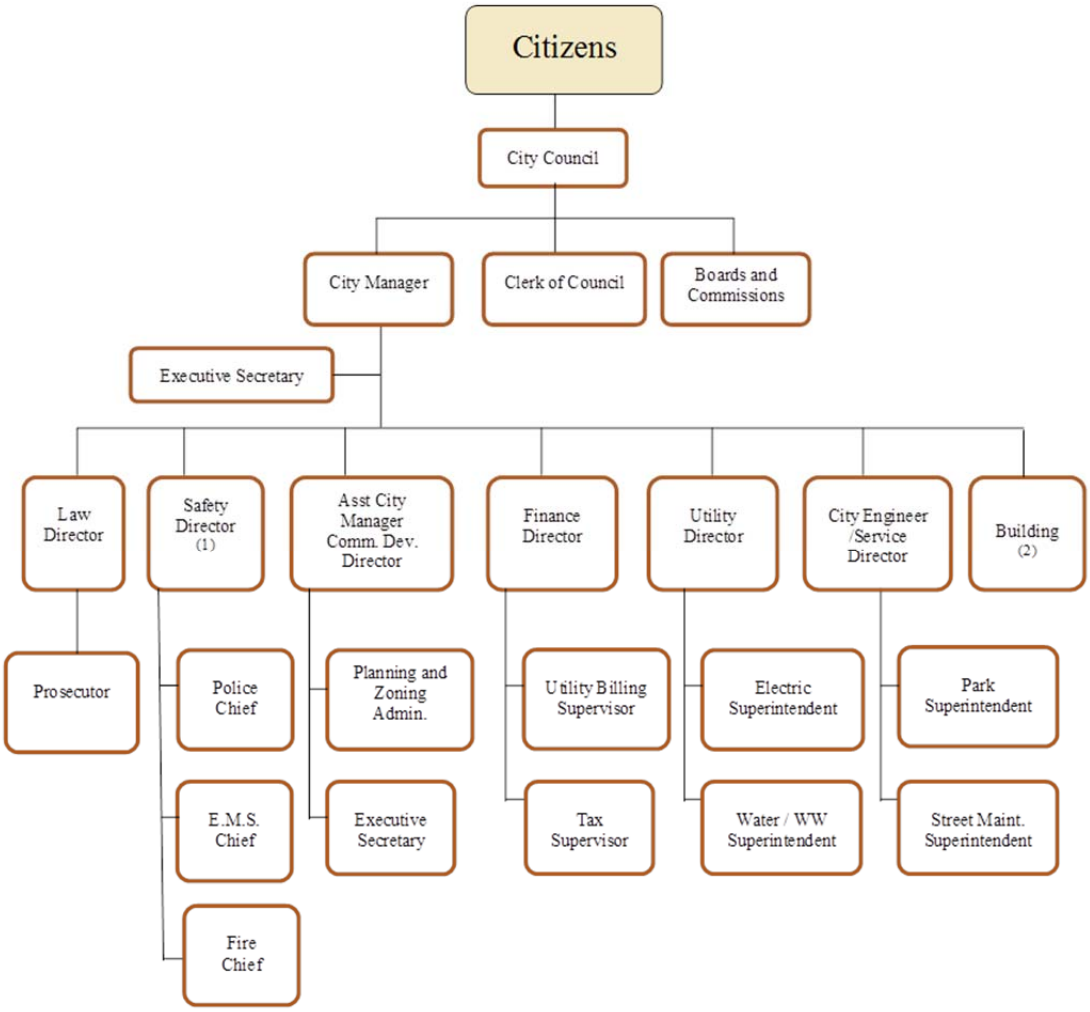
ELECTED OFFICIALS

Mayor	Dolores Gillis
President Of Council	John Kessler
Council Members	Pat Hale Michael McDermott Joseph Gibson Bryan Budding Katelyn Berbach

APPOINTED OFFICIALS

City Manager	Jon Crusey
Assistant City Manager / Community Development Director	Bradley Vath
Clerk Of Council	Janice Bates
Finance Director	John Green
Law Director	David Caldwell
Chief of Police	Eric Burress
City Engineer/Service Director	Scott Vagedes
EMS Chief	Mark Senseman
Fire Chief	Steve Kessler
Utility Director	Christy Butera

City Organizational Chart
For the Year Ended December 31, 2013



(1) The functions of the Safety Director are fulfilled by the City Manager

(2) Building Inspection Services are provided through a contract with Miami County

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

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Tipp City
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO

Tipp City

Financial Section

Tipp City

INDEPENDENT AUDITORS' REPORT

City Council
City of Tipp City, Ohio

Report on the Financial Statements
We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Tipp City, Ohio (the City) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Tipp City, Ohio, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 13 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining statements, individual fund schedules, introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining statements and individual fund schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and individual fund schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2014 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
June 26, 2014

The discussion and analysis of the City of Tipp City's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2013. 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, notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2013 are as follows:

- In total, net position increased $2,984,084. Net position of governmental activities increased $2,314,315, which represents a 5.3% increase from 2012. Net position of business-type activities increased $669,769 or 1.7% from 2012.
- General revenues accounted for $7.5 million in revenue or 25.6% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for 74.4% of total revenues of $29.2 million.
- Total net position of governmental activities increased by $2,314,315. Net capital assets increased by $4.8 million while current assets (primarily cash) decreased by $2.5 million. This is a reflection of the City's capital improvement program following the 2011 increase in the City's income tax rate (restricted to capital improvements). The City invested approximately $1.8 million in expansion/renovation of the Westside Fire Station, approximately $1.9 million in street/storm water reconstruction associated with the Downtown Utility/Streetscape Project, and approximately $1.6 million in the Abbott Park Way, South Third Street, and Dow Street construction/reconstruction projects.
- The City had $8.1 million in expenses related to governmental activities; $3 million of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of $7.5 million were adequate to provide for these programs.
- Among major funds, the general fund had $6 million in revenues and $5.6 million in expenditures and other financing uses. The general fund's fund balance increased $428,004 to $5.4 million.
- Net position for enterprise funds increased by $669,769. The Electric Fund increased its net position by $450,823, the Water Fund decreased its net position by $233,845, and the Sewer Fund increased its net position by $443,585.
    - The Electric Fund increase is a reflection of operating income generated by the utility. Service charges for the Electric Fund were established based upon planned expense levels which included the completion of several large capital improvement projects. These projects have been delayed to future periods. Until they are completed, the Electric Fund will be adding cash to its fund balance which will then be used to decrease debt required to finance these projects.
    - The Water Fund decrease is a reflection of higher costs of service compared to reduced revenues. The Water Fund generally sees an increase in revenues in the summer months with increased consumption from lawn watering. The summer of 2013 was cool and damp which lowered water consumption related to lawn watering.

- The Sewer Fund increase is due to Tipp City's increased participation in the Tri-Cities North Regional Wastewater Authority (Note 19). Each participant's share of plant equity is based on its respective percentage of flows into and treated by the plant. As Tipp City's wastewater flows increased with commercial/industrial development, from 19% to 20.75%, the City's equity interest in the plant increased accordingly.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.

2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

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

Government-wide Statements

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

The two government-wide statements report the City's net position and how it has changed. Net-position (the difference between the City's assets, liabilities and deferred inflows of resources) is one way to measure the City's financial health or position.

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

- To assess the overall health of the City you need to consider additional nonfinancial factors such as the City's tax base, current property tax laws, conditions of the City's streets and continued growth within the City.

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

- *Governmental Activities* – Most of the City's program's and services are reported here including security of persons and property, leisure time activities, community environment, basic utility services, transportation and general government.

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

Fund Financial Statements

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

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

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

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. All of the City's fiduciary activities are reported in separate Statements of Fiduciary Net Position.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The following table focuses on the net position of the City's governmental and business- type activities for both 2013 and 2012.

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	$10,420,411	$12,905,483	$25,047,814	$23,437,809	$35,468,225	$36,343,292
Capital assets, Net	43,524,123	38,762,161	26,997,970	23,814,444	70,522,093	62,576,605
Total assets	53,944,534	51,667,644	52,045,784	47,252,253	105,990,318	98,919,897
Noncurrent liabilities	4,582,452	2,588,730	7,363,044	1,976,683	11,945,496	4,565,413
Other liabilities	3,257,161	5,288,294	3,787,793	5,037,892	7,044,954	10,326,186
Total liabilities	7,839,613	7,877,024	11,150,837	7,014,575	18,990,450	14,891,599
Deferred Inflows of Resources	326,963	326,977	248,000	260,500	574,963	587,477
Net position						
Net investment in capital assets	36,793,037	31,966,661	19,488,875	19,920,919	56,281,912	51,887,580
Restricted	3,497,916	1,858,164	0	0	3,497,916	1,858,164
Unrestricted	5,487,005	9,638,818	21,158,072	20,056,259	26,645,077	29,695,077
Total net position	$45,777,958	$43,463,643	$40,646,947	$39,977,178	$86,424,905	$83,440,821

The amount by which the city's assets exceed its liabilities and deferred inflows of resources is called net position. At year-end, the City's net position was $86.4 million compared to $83.4 million in 2012. Of that amount, in 2013 approximately $56.3 million (65.1%) was invested in capital assets, net of debt related to those assets. At year-end 2012, that amount was approximately $51.9 million (62.2%). For 2013 another $3.5 million (4%) was subject to external restrictions upon its use. The remaining $26.6 million (30.9%) in 2013 was unrestricted and available for future use. For 2012, this amount was $29.7 million (35.6%).

Changes in Net position – The following table shows the changes in net position for the fiscal year 2013 compared with 2012:

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues						
Program revenues:						
Charges for Services and Sales	$1,061,780	$1,413,573	$18,030,125	$16,576,424	$19,091,905	$17,989,997
Operating Grants and Contributions	639,270	688,116	0	0	639,270	688,116
Capital Grants and Contributions	1,264,689	913,862	767,684	0	2,032,373	913,862
Total Program Revenues	2,965,739	3,015,551	18,797,809	16,576,424	21,763,548	19,591,975
General revenues:						
Income Taxes	5,400,724	4,958,434	0	0	5,400,724	4,958,434
Property Taxes	330,957	327,145	0	0	330,957	327,145
Other Local Taxes	76,559	73,682	0	0	76,559	73,682
Unrestricted Shared Revenues	381,894	1,002,069	0	0	381,894	1,002,069
Investment Earnings	44,249	80,537	0	0	44,249	80,537
Miscellaneous	1,248,844	907,555	0	0	1,248,844	907,555
Total General Revenues	7,483,227	7,349,422	0	0	7,483,227	7,349,422
Total Revenues	10,448,966	10,364,973	18,797,809	16,576,424	29,246,775	26,941,397
Program Expenses						
Security of Persons and Property	3,530,729	3,807,107	0	0	3,530,729	3,807,107
Leisure Time Activities	1,184,929	1,258,269	0	0	1,184,929	1,258,269
Community Environment	318,126	266,399	0	0	318,126	266,399
Basic Utility Services	224,611	219,845	0	0	224,611	219,845
Transportation	1,282,473	1,748,615	0	0	1,282,473	1,748,615
General Government	1,461,944	1,546,497	0	0	1,461,944	1,546,497
Interest and Fiscal Charges	131,839	128,914	0	0	131,839	128,914
Electric	0	0	13,022,380	10,947,908	13,022,380	10,947,908
Water	0	0	2,750,504	2,450,611	2,750,504	2,450,611
Sewer	0	0	1,524,521	1,277,737	1,524,521	1,277,737
Refuse Collection	0	0	830,635	803,896	830,635	803,896
Total expenses	8,134,651	8,975,646	18,128,040	15,480,152	26,262,691	24,455,798
Total Change in Net Position	2,314,315	1,389,327	669,769	1,096,272	2,984,084	2,485,599
Beginning Net Position	43,463,643	42,074,316	39,977,178	38,880,906	83,440,821	80,955,222
Ending Net Position	$45,777,958	$43,463,643	$40,646,947	$39,977,178	$86,424,905	$83,440,821

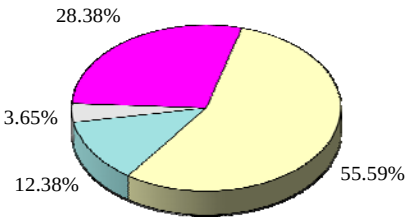
Governmental Activities

Net position of the City's governmental activities increased by $2,314,315 or 5.3%. Net investment in capital assets increased $4,826,376 or 15.1%. Restricted net position increased by $1,639,752 or 88.2% while unrestricted net position decreased by $4,151,813 or 43.1%.

The City receives an income tax, which was increased by a vote of the City electorate from 1.25% to 1.50% effective July, 2011. This income tax is assessed on all salaries, wages, commissions and other compensation earned from residents living within the City and from nonresidents for work done or services performed or rendered in the City. Income tax is the largest source of revenue for the City. 46.7% of the City's income tax received is designated for capital outlay. Income tax revenue was $5,400,724 compared to $4,958,434 in 2012, an increase of 8.9%. This follows an increase of 23.8% in 2012 which was the first full year of income tax collection at the increased rate. These are positive signs that indicate the City is recovering from the sharp revenue decline (14%) noted in 2009 at the heart of the recession. The most significant increase came from payroll withholding tax receipts which is reflective of the positive decline in the regions unemployment rate.

Property taxes and income taxes made up 3.2% and 51.7% respectively of revenues for governmental activities for the City in fiscal year 2013. The City's reliance upon tax revenues is demonstrated by the following graph indicating 55.59% of total revenues comes from general tax revenues:

Revenue Sources	2013	Percent of Total
Unrestricted Shared Revenues	$381,894	3.65%
Program Revenues	2,965,739	28.38%
General Tax Revenues	5,808,240	55.59%
General Other	1,293,093	12.38%
Total Revenue	$10,448,966	100.00%



Business-Type Activities

Net position of the business-type activities increased $669,769. This increase was primarily attributed to operating income in the Electric utility ($458,722) and capital contributions from the City's participation in the Tri-Cities Wastewater Authority joint venture ($549,526). The Electric utility records positive operating income annually as service charges were established based upon planned expense levels which included the completion of several large capital improvement projects. These projects have been delayed to future periods. Until they are completed, the Electric Fund will be adding cash to its fund balance which will then be used to decrease debt required to finance these projects. The increase in capital contributions from the City's joint venture with Tri-Cities North Regional Wastewater Authority is a reflection of Tipp City's increased equity share in the joint venture which is based upon percentage of wastewater flows to Tri-Cities and is recalculated annually. Additional information on the City's participation with its joint ventures can be found in Note 19.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of $4,863,953, which is an increase from last year's balance of $4,608,640. The schedule below indicates the fund balance and the total change in fund balance by fund type as of December 31, 2013 and 2012:

	Fund Balance December 31, 2013	Fund Balance December 31, 2012	Increase (Decrease)
General	$5,381,341	$4,953,337	$428,004
Capital Improvement Reserve	(1,493,269)	65,976	(1,559,245)
Other Governmental	975,881	(410,673)	1,386,554
Total	$4,863,953	$4,608,640	$255,313

General Fund – The City's General Fund balance had an increase of $428,004 in 2013. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2013 Revenues	2012 Revenues	Increase (Decrease)
Taxes	$3,256,592	$2,931,362	$325,230
Intergovernmental Revenue	978,435	1,099,054	(120,619)
Charges for Services	1,439,174	1,459,768	(20,594)
Licenses, Permits and Fees	19,080	63,444	(44,364)
Investment Earnings	47,076	110,478	(63,402)
Special Assessments	458	360	98
Fines and Forfeitures	14,754	14,627	127
All Other Revenue	269,456	250,369	19,087
Total	$6,025,025	$5,929,462	$95,563

The increase in taxes is due to economic recovery and helped to offset the decrease to virtually all other revenue categories in 2013. The decrease in intergovernmental revenue is due to the State of Ohio's repeal of the State-shared Estate Tax revenues which was effective January 1, 2013.

	2013 Expenditures	2012 Expenditures	Increase (Decrease)
Security of Persons and Property	$3,213,509	$3,142,198	$71,311
Leisure Time Activities	421,188	387,146	34,042
Community Environment	315,751	263,439	52,312
Basic Utility Services	226,353	217,147	9,206
General Government	1,313,890	1,437,545	(123,655)
Capital Outlay	21,566	50,742	(29,176)
Total	$5,512,257	$5,498,217	$14,040

General Fund expenditures increased slightly due to negotiated wage increases and increased health care costs. These increases were offset by a reduction in general government expenditure from a 2012 payment for claims liability arising from a zoning compliance court case. The City approved a 2% wage increase in 2013 for members of management and non-union personnel. Employees represented by bargaining unions received similar increases for 2013.

Capital Improvement Reserve Fund – This fund is the main fund for general capital improvements taking place throughout the City. The balance will fluctuate yearly according to the capital improvement activity taking place in any given year.

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. During the course of fiscal year 2013 the City amended its general fund budget several times during the fiscal year. The general fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

Final general fund budgeted revenues did not change from original budgeted figures. Actual revenues collected were $6,240,433, an increase of 9.8% over the final budget. The City's original budgeted appropriations were increased during the year by $289,350 to arrive at a final figure of $6,490,715. $150,000 of this amount was due to a short-term advance from the General Fund to the Capital Improvement Reserve Fund to facilitate completion of the Dow Street reconstruction project. There was a significant variance between actual expenditures and final budgeted expenditures. Total actual expenditures were $6,096,195. This is a decrease of $394,520 from the final budget. City Council and staff continue to monitor expenditures closely. Several cost cutting measures, including staff position consolidations, put in place in 2009 at the height of the local recession continued in operation through 2013.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal 2013 the City had $70,522,093 net of accumulated depreciation invested in land, construction in progress, buildings, improvements other than buildings, machinery and equipment and infrastructure. Of this total, $43,524,123 was related to governmental activities and $26,997,970 to the business-type activities. The following table shows fiscal year 2013 and 2012 balances:

	Governmental Activities		Increase (Decrease)
	2013	2012	
Land	$13,549,726	$13,549,726	$0
Construction in Progress	0	15,085	(15,085)
Total Non-Depreciable Capital Assets	13,549,726	13,564,811	(15,085)
Buildings	8,292,920	6,430,813	1,862,107
Improvements Other Than Buildings	6,393,339	6,393,339	0
Machinery and Equipment	7,862,326	7,471,002	391,324
Infrastructure	30,117,235	26,378,407	3,738,828
Less: Accumulated Depreciation	(22,691,423)	(21,476,211)	(1,215,212)
Total Depreciable Capital Assets	29,974,397	25,197,350	4,777,047
Totals	$43,524,123	$38,762,161	$4,761,962

	Business-Type Activities		Increase (Decrease)
	2013	2012	
Land	$2,234,492	$1,988,824	$245,668
Construction in Progress	1,100,335	2,377,414	(1,277,079)
Total Non-Depreciable Capital Assets	3,334,827	4,366,238	(1,031,411)
Buildings	2,203,610	1,856,110	347,500
Improvements Other Than Buildings	36,545,952	31,447,113	5,098,839
Machinery and Equipment	2,980,324	3,007,466	(27,142)
Less: Accumulated Depreciation	(18,066,743)	(16,862,483)	(1,204,260)
Total Non-Depreciable Capital Assets	23,663,143	19,448,206	4,214,937
Totals	$26,997,970	$23,814,444	$3,183,526

Capital assets, net of depreciation, in governmental activities increased $4,761,962 (12.3%) in 2013. This was in large part due to the increase in the local income tax rate which was restricted for capital improvements. In 2013, the City was able to complete several projects including a Downtown Utility/Streetscape Project ($1.9 million governmental activities, $1.9 million business-type activities) which included the replacement of street, storm sewer, water line, sanitary sewer, and street light infrastructure; renovation and expansion of the Westside Fire Station ($1.8 million), construction of a new street – Abbott Park Way ($630,000 governmental activities, $500,000 business-type activities); reconstruction of a portion of S. Third St. ($480,000 governmental activities, $250,000 business-type activities); reconstruction of a portion of Dow Street ($520,000 governmental activities, $230,000 business-type activities), and completion of a comprehensive street resurfacing project ($430,000). Capital assets, net of depreciation, for the business- type activities had an increase of $3,183,526 (13.4%). The largest increase in business-type activities was related to the completion of the capital improvement projects noted above, purchase of property for construction of an Electric Utility Service Center ($600,000); and completion of water tower #3 ($2.4 million).

As of December 31, 2013, the City has contractual commitments of $636,762 for various improvements. Additional information on the City's capital assets can be found in Note 10.

Debt

At December 31, 2013, the City had $1.6 million in bonds outstanding, $335,000 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2013 and 2012:

	2013	2012
Governmental Activities:		
General Obligation Bonds	$785,000	$1,400,000
Special Assessment Bonds	595,000	635,000
OPWC Loan	894,586	0
General Obligation Notes	1,753,900	0
Compensated Absences	553,966	553,730
Total Governmental Activities	4,582,452	2,588,730
Business-Type Activities:		
General Obligation Bonds	$220,000	$320,000
State Loan	397,680	397,680
OPWC Loans	1,366,915	988,225
General Obligation Notes	5,094,100	0
Compensated Absences	284,349	270,778
Total Business-Type Activities	7,363,044	1,976,683
Totals	$11,945,496	$4,565,413

During 2013, the City reissued several different general obligation notes for various capital improvement projects that remain on-going throughout the City. There was a total of $3,046,500 in "new money" notes issued for new projects undertaken in 2013. Detail on the 2013 general obligation note(s) activity can be found in Note 14.

State statutes limit the amount of unvoted general obligation debt the City may issue. The aggregate amount of the City's unvoted debt is also subject to overlapping debt restrictions with other political subdivisions. The actual aggregate amount of the City's unvoted debt, when added to that of other political subdivisions within the respective counties in which Tipp City lies, is limited to ten mills. At December 31, 2013, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 17.

ECONOMIC FACTORS

Tipp City's future remains bright. Income tax receipts, the largest single source of general operating revenues, increased significantly again in 2013 reflecting improvements in the local economy and reduced unemployment numbers. The City has retained its existing businesses while attracting business expansion with Abbott, a Fortune 100 company locating their new Liquid Nutrition Manufacturing Facility in Tipp City. The residents committed in 2011 to increase funding necessary for capital improvement projects over the next ten years. This has, and will continue to, enable the City to complete much needed infrastructure improvement projects. The 2014 operating budget reflects the optimism present in the City. Total 2014 general fund operating revenues are projected at $6.1 million which is slightly less than actual revenues received in 2013. While the City expects continued increases in income tax revenues as unemployment declines and local business continues to recover, the budget reflects decreases in estate tax revenues due to the State of Ohio's repeal of the estate tax and slight declines in anticipated interest earnings as the City's fund balances are invested with longer duration.

The 2014 appropriation budget for the general fund totals $6.18 million which is essentially the same as the original 2013 appropriations and a reduction of $300,000 from final 2013 appropriations. The City's unencumbered general fund balance has increased for ten consecutive years and remains strong at $4.68 million (cash basis). The City will continue to monitor its receipts and expenditure activity very closely.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact the Finance Department by calling (937) 667-8424 or writing to City of Tipp City Finance Department, 260 South Garber Drive, Tipp City, Ohio 45371. This report is also available on the City's web site at www.tippcityohio.gov.

Tipp City

Statement of Net Position
December 31, 2013

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and Cash Equivalents	$ 6,339,216	$ 11,945,542	$ 18,284,758
Investments	629,602	1,470,977	2,100,579
Receivables:			
Taxes	1,497,882	0	1,497,882
Accounts	254,637	1,898,990	2,153,627
Intergovernmental	498,847	21,905	520,752
Interest	4,244	0	4,244
Special Assessments	949,843	605,478	1,555,321
Lease	0	1,048,000	1,048,000
Internal Balances	68,600	(68,600)	0
Inventory of Supplies at Cost	155,861	1,359,721	1,515,582
Prepaid Items	21,679	6,483	28,162
Investment in Joint Venture	0	6,570,862	6,570,862
Restricted Assets:			
Cash and Cash Equivalents	0	188,456	188,456
Non-Depreciable Capital Assets	13,549,726	3,334,827	16,884,553
Depreciable Capital Assets, Net	29,974,397	23,663,143	53,637,540
Total Assets	53,944,534	52,045,784	105,990,318
Liabilities:			
Accounts Payable	147,294	953,398	1,100,692
Accrued Wages and Benefits Payable	276,901	111,492	388,393
Intergovernmental Payable	7,345	139,717	147,062
Claims Payable	0	1,115,575	1,115,575
Retainage Payable	96,430	0	96,430
Refundable Deposits	0	188,456	188,456
Accrued Interest Payable	26,591	48,755	75,346
General Obligation Notes Payable	2,702,600	1,230,400	3,933,000
Noncurrent liabilities:			
Due within one year	418,534	587,564	1,006,098
Due in more than one year	4,163,918	6,775,480	10,939,398
Total Liabilities	7,839,613	11,150,837	18,990,450

	Governmental Activities	Business-Type Activities	Total
Deferred Inflows of Resources:			
Unavailable Amounts	0	248,000	248,000
Property Tax Levy for Next Fiscal Year	326,963	0	326,963
Total Deferred Inflows of Resources	326,963	248,000	574,963
Net Position:			
Net Investment in Capital Assets	36,793,037	19,488,875	56,281,912
Restricted For:			
Capital Projects	1,346,666	0	1,346,666
Debt Service	1,155,496	0	1,155,496
Transportation	963,204	0	963,204
Other Purposes	32,550	0	32,550
Unrestricted	5,487,005	21,158,072	26,645,077
Total Net Position	$ 45,777,958	$ 40,646,947	$ 86,424,905

See accompanying notes to the basic financial statements

Statement of Activities
For the Year Ended December 31, 2013

		Program Revenues		
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Security of Persons and Property	$ 3,530,729	$ 467,951	$ 0	$ 0
Leisure Time Activities	1,184,929	285,683	0	0
Community Environment	318,126	19,545	0	0
Basic Utility Services	224,611	222,244	0	0
Transportation	1,282,473	66,357	639,270	1,264,689
General Government	1,461,944	0	0	0
Interest and Fiscal Charges	131,839	0	0	0
Total Governmental Activities	8,134,651	1,061,780	639,270	1,264,689
Business-Type Activities:				
Electric	13,022,380	13,473,203	0	0
Water	2,750,504	2,354,501	0	162,158
Sewer	1,524,521	1,362,580	0	605,526
Refuse Collection	830,635	839,841	0	0
Total Business-Type Activities	18,128,040	18,030,125	0	767,684
Totals	$ 26,262,691	$ 19,091,905	$ 639,270	$ 2,032,373

General Revenues:

Income Taxes

Property Taxes

Other Local Taxes

Unrestricted Shared Revenues

Investment Earnings

Miscellaneous

Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
$ (3,062,778)	$ 0	$ (3,062,778)
(899,246)	0	(899,246)
(298,581)	0	(298,581)
(2,367)	0	(2,367)
687,843	0	687,843
(1,461,944)	0	(1,461,944)
(131,839)	0	(131,839)
(5,168,912)	0	(5,168,912)
0	450,823	450,823
0	(233,845)	(233,845)
0	443,585	443,585
0	9,206	9,206
0	669,769	669,769
(5,168,912)	669,769	(4,499,143)
5,400,724	0	5,400,724
330,957	0	330,957
76,559	0	76,559
381,894	0	381,894
44,249	0	44,249
1,248,844	0	1,248,844
7,483,227	0	7,483,227
2,314,315	669,769	2,984,084
43,463,643	39,977,178	83,440,821
$ 45,777,958	$ 40,646,947	$ 86,424,905

Balance Sheet
Governmental Funds
December 31, 2013

	General	Capital Improvement Reserve	Other Governmental Funds	Total Governmental Funds
Assets:				
Cash and Cash Equivalents	$ 4,259,377	$ 903,106	$ 1,176,733	$ 6,339,216
Investments	629,602	0	0	629,602
Receivables:				
Taxes	958,323	539,559	0	1,497,882
Accounts	254,637	0	0	254,637
Intergovernmental	184,588	0	314,259	498,847
Interest	4,244	0	0	4,244
Special Assessments	0	139,646	810,197	949,843
Due from Other Funds	78,172	0	0	78,172
Interfund Loans Receivable	150,000	0	0	150,000
Inventory of Supplies, at Cost	67,277	0	88,584	155,861
Prepaid Items	20,132	0	1,547	21,679
Total Assets	$ 6,606,352	$ 1,582,311	$ 2,391,320	$ 10,579,983
Liabilities:				
Accounts Payable	$ 56,574	$ 82,729	$ 7,991	$ 147,294
Accrued Wages and Benefits Payable	256,763	0	20,138	276,901
Intergovernmental Payable	7,300	0	45	7,345
Retainage Payable	0	96,430	0	96,430
Due to Other Funds	9,010	0	562	9,572
Interfund Loans Payable	0	150,000	0	150,000
Accrued Interest Payable	0	2,008	0	2,008
General Obligation Notes Payable	0	2,335,600	367,000	2,702,600
Total Liabilities	329,647	2,666,767	395,736	3,392,150
Deferred Inflows of Resources:				
Unavailable Amounts	568,401	408,813	1,019,703	1,996,917
Property Tax Levy for Next Fiscal Year	326,963	0	0	326,963
Total Deferred Inflows of Resources	895,364	408,813	1,019,703	2,323,880
Fund Balances:				
Nonspendable	87,409	0	90,131	177,540
Restricted	0	0	1,183,624	1,183,624
Committed	0	0	8,934	8,934
Assigned	166,514	0	0	166,514
Unassigned	5,127,418	(1,493,269)	(306,808)	3,327,341
Total Fund Balances	5,381,341	(1,493,269)	975,881	4,863,953
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 6,606,352	$ 1,582,311	$ 2,391,320	$ 10,579,983

See accompanying notes to the basic financial statements

Reconciliation Of Total Governmental Fund Balances To Net position Of Governmental Activities December 31, 2013

Total Governmental Fund Balances	$	4,863,953
Amounts reported for governmental activities in the statement of net position are different because		
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.		43,524,123
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as deferred inflows in the funds.		1,996,917
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		(4,607,035)
Net Position of Governmental Funds	$	45,777,958

See accompanying notes to the basic financial statements

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2013

	General	Capital Improvement Reserve	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	$ 3,256,592	$ 2,397,256	$ 87,436	$ 5,741,284
Intergovernmental Revenues	978,435	276,000	1,296,613	2,551,048
Charges for Services	1,439,174	0	288,975	1,728,149
Licenses, Permits and Fees	19,080	0	0	19,080
Investment Earnings	47,076	0	0	47,076
Special Assessments	458	44,286	73,653	118,397
Fines and Forfeitures	14,754	0	225	14,979
All Other Revenue	269,456	259,949	52,646	582,051
Total Revenue	6,025,025	2,977,491	1,799,548	10,802,064
Expenditures:				
Current:				
Security of Persons and Property	3,213,509	0	756	3,214,265
Leisure Time Activities	421,188	0	374,609	795,797
Community Environment	315,751	0	0	315,751
Basic Utility Services	226,353	0	0	226,353
Transportation	0	0	568,730	568,730
General Government	1,313,890	27,269	3,507	1,344,666
Capital Outlay	21,566	5,757,120	189,743	5,968,429
Debt Service:				
Principal Retirement	0	0	655,000	655,000
Interest and Fiscal Charges	0	7,995	106,393	114,388
Total Expenditures	5,512,257	5,792,384	1,898,738	13,203,379
Excess (Deficiency) of Revenues Over Expenditures	512,768	(2,814,893)	(99,190)	(2,401,315)
Other Financing Sources (Uses):				
General Obligation Notes Issued	0	809,900	944,000	1,753,900
OPWC Loan	0	894,586	0	894,586
Transfers In	0	0	1,114,647	1,114,647
Transfers Out	(75,000)	(448,838)	(590,809)	(1,114,647)
Total Other Financing Sources (Uses)	(75,000)	1,255,648	1,467,838	2,648,486
Net Change in Fund Balances	437,768	(1,559,245)	1,368,648	247,171
Fund Balances at Beginning of Year	4,953,337	65,976	(410,673)	4,608,640
Change in Inventory	(9,764)	0	17,906	8,142
Fund Balances End of Year	$ 5,381,341	$ (1,493,269)	$ 975,881	$ 4,863,953

See accompanying notes to the basic financial statements

Reconciliation Of The Statement Of Revenues, Expenditures And Changes In Fund Balances Of Governmental Funds To The Statement Of Activities For The Fiscal Year Ended December 31, 2013

Net Change in Fund Balances - Total Governmental Funds	$	247,171
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 exceeded depreciation.		4,775,730
The net effect of various miscellaneous transactions involving capital assets (i.e. disposals) is to decrease net position.		(13,768)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(691,787)
The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net position.		(2,648,486)
The repayment of principal of long-term debt consumes current financial resources of governmental funds, however, it does not effect net position.		655,000
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(17,451)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		7,906
Change in Net Position of Governmental Activities	$	2,314,315

See accompanying notes to the basic financial statements

Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) General Fund For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	$ 3,016,873	$ 3,016,873	$ 3,306,578	$ 289,705
Intergovernmental Revenue	943,566	943,566	1,035,064	91,498
Charges for Services	1,426,943	1,426,943	1,469,850	42,907
Licenses and Permits	18,850	18,850	19,080	230
Investment Earnings	60,000	60,000	103,602	43,602
Special Assessments	500	500	458	(42)
Fines and Forfeitures	13,500	13,500	15,012	1,512
All Other Revenues	203,000	203,000	290,789	87,789
Total Revenues	5,683,232	5,683,232	6,240,433	557,201
Expenditures:				
Current:				
Security of Persons and Property	3,455,794	3,509,044	3,368,051	140,993
Leisure Time Activities	454,377	466,977	427,767	39,210
Community Environment	319,639	323,889	312,141	11,748
Basic Utility Services	240,535	240,385	229,858	10,527
General Government	1,646,793	1,665,643	1,477,949	187,694
Capital Outlay	59,227	59,777	55,429	4,348
Total Expenditures	6,176,365	6,265,715	5,871,195	394,520
Excess (Deficiency) of Revenues Over (Under) Expenditures	(493,133)	(582,483)	369,238	951,721
Other Financing Sources (Uses):				
Proceeds from the Sale of Capital Assets	1,000	1,000	2,866	1,866
Transfers Out	(25,000)	(75,000)	(75,000)	0
Advances In	0	0	600,000	600,000
Advances Out	0	(150,000)	(150,000)	0
Total Other Financing Sources (Uses):	(24,000)	(224,000)	377,866	601,866
Net Change in Fund Balance	(517,133)	(806,483)	747,104	1,553,587
Fund Balance at Beginning of Year	3,785,276	3,785,276	3,785,276	0
Prior Year Encumbrances	148,051	148,051	148,051	0
Fund Balance at End of Year	$ 3,416,194	$ 3,126,844	$ 4,680,431	$ 1,553,587

See accompanying notes to the basic financial statements

Statement of Fund Net Position
Proprietary Funds
December 31, 2013

	Business-Type Activities Enterprise Funds		
	Electric	Water	Sewer
Assets:			
Current assets:			
Cash and Cash Equivalents	$ 6,524,647	$ 3,247,493	$ 2,040,192
Investments	991,388	479,589	0
Receivables:			
Accounts	1,563,235	187,598	148,157
Intergovernmental	0	21,905	0
Special Assessments	22,677	31,108	551,693
Lease - Current	58,000	0	0
Due from Other Funds	16,574	2,844	2,134
Inventory of Supplies at Cost	1,206,775	136,761	16,185
Prepaid Items	3,810	2,512	161
Restricted Assets:			
Cash and Cash Equivalents	188,456	0	0
Total current assets	10,575,562	4,109,810	2,758,522
Noncurrent assets:			
Lease Receivable	990,000	0	0
Investment in Joint Venture	0	182,232	6,388,630
Capital assets:			
Non-Depreciable Capital Assets	522,585	2,045,377	766,865
Depreciable Capital Assets, net	8,874,473	9,444,400	5,344,270
Total capital assets	9,397,058	11,489,777	6,111,135
Total noncurrent assets	10,387,058	11,672,009	12,499,765
Total assets	20,962,620	15,781,819	15,258,287
Liabilities:			
Current liabilities:			
Accounts Payable	878,728	9,300	1,052
Accrued Wages and Benefits Payable	59,217	35,320	16,955
Intergovernmental Payable	12,284	79,211	48,222
Claims Payable	1,115,575	0	0
Refundable Deposits	188,456	0	0
Due to Other Funds	76,395	7,294	2,972
Accrued Interest Payable	14,005	20,575	14,175
General Obligation Notes Payable - Current	111,790	640,010	478,600
General Obligation Bonds Payable - Current	50,000	0	25,000
OPWC Loans Payable - Current	0	51,250	0
State Loan Payable - Current	0	0	397,680
Compensated Absences Payable - Current	33,881	21,266	8,487
Total Current Liabilities	2,540,331	864,226	993,143

Refuse Collection	Total
$ 133,210	$ 11,945,542
0	1,470,977
0	1,898,990
0	21,905
0	605,478
0	58,000
0	21,552
0	1,359,721
0	6,483
0	188,456
133,210	17,577,104
0	990,000
0	6,570,862
0	3,334,827
0	23,663,143
0	26,997,970
0	34,558,832
133,210	52,135,936
64,318	953,398
0	111,492
0	139,717
0	1,115,575
0	188,456
3,491	90,152
0	48,755
0	1,230,400
0	75,000
0	51,250
0	397,680
0	63,634
67,809	4,465,509

(Continued)

Statement of Fund Net Position
Proprietary Funds
December 31, 2013

	Business-Type Activities Enterprise Funds		
	Electric	Water	Sewer
Noncurrent Liabilities:			
General Obligation Notes Payable	1,449,670	2,155,030	1,489,400
General Obligation Bonds Payable	95,000	0	50,000
OPWC Loans Payable	0	1,134,155	181,510
Compensated Absences Payable	174,869	32,417	13,429
Total noncurrent liabilities	1,719,539	3,321,602	1,734,339
Total Liabilities	4,259,870	4,185,828	2,727,482
Deferred Inflows of Resources:			
Unavailable Amounts	248,000	0	0
Net Position:			
Net Investment in Capital Assets	8,490,598	7,509,332	3,488,945
Unrestricted	7,964,152	4,086,659	9,041,860
Total Net Position	$ 16,454,750	$ 11,595,991	$ 12,530,805

See accompanying notes to the basic financial statements

Refuse Collection	Total
0	5,094,100
0	145,000
0	1,315,665
0	220,715
0	6,775,480
67,809	11,240,989
0	248,000
0	19,488,875
65,401	21,158,072
$ 65,401	$ 40,646,947

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2013

	Business-type activities - Enterprise Funds		
	Electric	Water	Sewer
Operating Revenues:			
Charges for Services	$ 13,337,939	$ 2,247,646	$ 1,408,428
Other Operating Revenues	126,548	48,592	7,702
Total Operating Revenues	13,464,487	2,296,238	1,416,130
Operating Expenses:			
Personal Services	1,124,207	590,855	283,566
Contractual Services	11,050,098	1,612,228	927,251
Materials and Supplies	245,511	44,082	22,092
Utilities	12,332	27,448	15,146
Depreciation	566,700	452,378	258,072
Other Operating Expenses	6,917	3,454	1,202
Total Operating Expenses	13,005,765	2,730,445	1,507,329
Operating Income (Loss)	458,722	(434,207)	(91,199)
Non-Operating Revenue (Expenses):			
Income (Loss) from Joint Venture	0	59,067	(53,550)
Interest and Fiscal Charges	(16,615)	(20,059)	(17,192)
Investment Earnings	8,716	(804)	0
Total Non-Operating Revenues (Expenses)	(7,899)	38,204	(70,742)
Income (Loss) Before Contributions	450,823	(396,003)	(161,941)
Capital Contributions from Joint Venture	0	0	549,526
Capital Contributions	0	162,158	56,000
Change in Net Position	450,823	(233,845)	443,585
Net Position Beginning of Year	16,003,927	11,829,836	12,087,220
Net Position End of Year	$ 16,454,750	$ 11,595,991	$ 12,530,805

See accompanying notes to the basic financial statements

Refuse Collection	Total Enterprise Funds
$ 839,841	$ 17,833,854
0	182,842
839,841	18,016,696
0	1,998,628
830,635	14,420,212
0	311,685
0	54,926
0	1,277,150
0	11,573
830,635	18,074,174
9,206	(57,478)
0	5,517
0	(53,866)
0	7,912
0	(40,437)
9,206	(97,915)
0	549,526
0	218,158
9,206	669,769
56,195	39,977,178
$ 65,401	$ 40,646,947

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2013

	Business-type activities - Enterprise Funds		
	Electric	Water	Sewer
Cash Flows from Operating Activities:			
Cash Received from Customers	$13,104,579	$2,313,708	$1,399,238
Cash Payments for Goods and Services	(10,318,596)	(1,606,219)	(972,304)
Cash Payments to Employees	(1,101,166)	(605,992)	(272,497)
Other Operating Revenues	156,777	51,584	15,717
Net Cash Provided by Operating Activities	1,841,594	153,081	170,154
Cash Flows from Noncapital Financing Activities:			
Interest Paid on General Obligation Notes	(20,744)	0	0
Principal Paid on General Obligation Notes	(850,000)	0	0
Premium on Sale of General Obligation Notes	5,152	0	0
Proceeds from the Sale of General Obligation Notes	800,000	0	0
Net Cash Used for Noncapital Financing Activities	(65,592)	0	0
Cash Flows from Capital and Related Financing Activities:			
Acquisition and Construction of Assets	(2,074,693)	(1,062,451)	(1,354,193)
Receipt of Lease Payments	57,358	0	0
Receipt of OPWC Loan	0	227,180	181,510
Sale of General Obligation Notes	761,460	2,795,040	1,968,000
Premium on Sale of General Obligation Notes	6,537	16,306	12,622
Principal Paid on General Obligation Notes	(822,880)	(1,873,620)	(314,000)
Principal Paid on General Obligation Bonds	(50,000)	0	(50,000)
Principal Paid on OPWC Loan	0	(30,000)	0
Receipt of Intergovernmental Grants	0	140,253	56,000
Interest Paid on Capital Debt	(9,072)	(35,199)	(16,466)
Net Cash Provided (Used) for Capital and Related Financing Activities	(2,131,290)	177,509	483,473
Cash Flows from Investing Activities:			
Sale of Investments	1,757,639	678,885	0
Net Cash Provided for Investing Activities	1,757,639	678,885	0
Net Increase in Cash and Cash Equivalents	1,402,351	1,009,475	653,627
Cash and Cash Equivalents at Beginning of Year	5,310,752	2,238,018	1,386,565
Cash and Cash Equivalents at End of Year	$6,713,103	$3,247,493	$2,040,192
Reconciliation of Cash and Cash Equivalents per the Balance Sheet:			
Cash and Cash Equivalents	$6,524,647	$3,247,493	$2,040,192
Restricted Cash and Cash Equivalents	188,456	0	0
Cash and Cash Equivalents at End of Year	$6,713,103	$3,247,493	$2,040,192

Refuse Collection	Total
$839,841	$17,657,366
(828,734)	(13,725,853)
0	(1,979,655)
0	224,078
11,107	2,175,936
0	(20,744)
0	(850,000)
0	5,152
0	800,000
0	(65,592)
0	(4,491,337)
0	57,358
0	408,690
0	5,524,500
0	35,465
0	(3,010,500)
0	(100,000)
0	(30,000)
0	196,253
0	(60,737)
0	(1,470,308)
0	2,436,524
0	2,436,524
11,107	3,076,560
122,103	9,057,438
$133,210	$12,133,998
$133,210	$11,945,542
0	188,456
$133,210	$12,133,998

(Continued)

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2013

	Business-type activities - Enterprise Funds		
	Electric	Water	Sewer
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Operating Income (Loss)	$458,722	($434,207)	($91,199)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation Expense	566,700	452,378	258,072
Adjustments to Assets and Liabilities:			
Increase in Accounts Receivable	(220,365)	(11,275)	(7,380)
Decrease in Intergovernmental Receivable	0	79,668	0
Decrease in Special Assessments Receivable	2,061	2,992	8,015
Increase in Inventory	(306,191)	(7,345)	(1,829)
(Increase) Decrease in Prepaid Items	1,599	(298)	1,064
Increase in Due from Other Funds	(12,995)	(2,331)	(1,810)
Increase (Decrease) in Accounts Payable	188,457	4,871	(9,648)
Increase (Decrease) in Accrued Wages and Benefits	(2,015)	(5,265)	6,289
Increase in Due to Other Funds	9,884	6,163	2,043
Increase in Intergovernmental Payable	10,637	77,703	1,827
Increase in Claims Payable	1,115,575	0	0
Increase in Customer Deposits Payable	10,691	0	0
Increase (Decrease) in Compensated Absences	18,834	(9,973)	4,710
Total Adjustments	1,382,872	587,288	261,353
Net Cash Provided by Operating Activities	$1,841,594	$153,081	$170,154

Schedule of Noncash Investing, Capital and Financing Activities:

At December 31, 2013 the Electric Fund had an outstanding liability for capital assets of $3,811. During 2013 the fair value of investments decreased by $1,909 and $804 in the Electric and Water Funds, respectively.

See accompanying notes to the basic financial statements

Refuse Collection	Total
$9,206	($57,478)
0	1,277,150
0	(239,020)
0	79,668
0	13,068
0	(315,365)
0	2,365
0	(17,136)
1,805	185,485
0	(991)
96	18,186
0	90,167
0	1,115,575
0	10,691
0	13,571
1,901	2,233,414
$11,107	$2,175,936

Statement of Assets and Liabilities
Agency Funds
December 31, 2013

	Agency Funds
Assets:	
Cash and Cash Equivalents	$ 37,546
Restricted Assets:	
Cash and Cash Equivalents	60,707
Total Assets	98,253
Liabilities:	
Due to Others	98,253
Total Liabilities	$ 98,253

See accompanying notes to the basic financial statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Tipp City, Ohio (the "City") is a home-rule municipal corporation created under the laws of the State of Ohio. The City was incorporated as a village in 1850 and became a city in 1960. The City operates under its own Charter. The current Charter, which provides for a Council-Manager form of government, was adopted in 1968 and has been amended four times (in 1977, 1984, 1992 and 2000).

The financial statements are presented as of December 31, 2013 and for the year then ended and have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

A. Reporting Entity

The accompanying basic financial statements comply with the provisions of GASB Statement No. 14, *"The Financial Reporting Entity,"* as amended by GASB Statement No. 61 *"The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34,"* in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, agencies, boards and commissions that are part of the primary government, which include the following services: police and fire protection, emergency medical services, parks and recreation, planning, zoning, street maintenance and other governmental services. In addition, the City owns and operates a water treatment and distribution system, a wastewater treatment and collection system and an electric distribution system, each of which is reported as an enterprise fund.

The City is a participant in a joint insurance pool, Miami Valley Risk Management Association, Inc. (MVRMA) with other local cities. This organization is a jointly governed organization. The City has no explicit and measurable equity interest in MVRMA and no ongoing financial responsibility for MVRMA. See Note 18 for further information.

1. Joint Venture with Equity Interest

Tri-Cities North Regional Wastewater Authority - The City is a participant with the cities of Huber Heights and Vandalia in a joint venture to provide reliable, reasonably priced and environmentally sound wastewater utility collection and treatment service for their respective communities. See Note 19 for further information.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

1. Joint Venture with Equity Interest (Continued)

Northern Area Water Authority (NAWA) – The City is a participant with the City of Vandalia in a joint venture to provide efficient water treatment services to meet the needs of both communities. See Note 19 for further information.

B. Basis of Presentation - Fund Accounting

The accounting system is organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflows of resources, fund equity, revenues and expenditures/(expenses). The various funds are summarized by type in the basic financial statements. The following fund types are used by the City:

Governmental Funds
The governmental funds are those funds through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the City's major governmental funds:

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

Capital Improvement Reserve Fund – This fund is used to account for financial resources used for the major capital projects undertaken by the City.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City's major enterprise funds are:

Electric Fund – This fund is used to account for the operation of the City's electric service.

Water Fund – This fund is used to account for the operation of the City's water service.

Sewer Fund – This fund is used to account for the operation of the City's sanitary sewer service.

Refuse Collection Fund - This fund is used to account for the operation of the City's refuse collection service.

Fiduciary Funds

Agency Funds - These funds are used to account for assets held by a government unit as an agent for individuals, private organizations, other governmental units, and/or other funds. The City's agency funds account for contractor fees, employee health insurance withholdings and employee medical reimbursement accounts. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements

Government-wide Financial Statements – The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

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

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

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

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, 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 net total position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

D. Basis of Accounting

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses in the accounts and reported in the financial statements, and relates to the timing of the measurements made. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

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

Special assessment installments including related interest, which are measurable but not available at December 31, are recorded as deferred inflows of resources – unavailable amount. Property taxes measurable as of December 31, 2013 but which are not intended to finance 2013 operations and delinquent property taxes, whose availability is indeterminate, are recorded as deferred inflows of resources – property tax levy for next fiscal year as further described in Note 6.

The accrual basis of accounting is utilized for reporting purposes by the government-wide statements, the enterprise funds and the agency funds. Revenues are recognized when they are earned and expenses are recognized when incurred.

E. Budgetary Process

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

All funds, other than agency funds, are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The legal level of budgetary control is at the personal services and other expenditures level within each department within each fund. Budgetary modifications may only be made by ordinance of the City Council.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

1. Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or if actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2013.

2. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the personal services and other expenditures level within each department within each fund, and may be modified during the year by ordinance of the City Council. Total fund appropriations may not exceed the current estimated resources as certified by the County Budget Commission. Expenditures may not legally exceed budgeted appropriations at the personal services and other expenditures level within each department within each fund. The allocation of appropriations within a fund may be modified with the approval of the City Council. During 2013, several supplemental appropriations measures were necessary to budget the use of contingency funds and capital improvement projects. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) for the General Fund is presented on the budgetary basis to provide a comparison of actual results to the final budget, including all amendments and modifications.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

3. Lapsing of Appropriations

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

4. Budgetary Basis of Accounting

The City's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund:

Net Change in Fund Balance	General Fund
GAAP Basis (as reported)	$437,768
Increase (Decrease):	
Accrued Revenues at December 31, 2013 received during 2014	(735,179)
Accrued Revenues at December 31, 2012 received during 2013	1,330,796
Accrued Expenditures at December 31, 2013 paid during 2014	329,647
Accrued Expenditures at December 31, 2012 paid during 2013	(412,975)
2013 Prepaids for 2014	(20,132)
2012 Prepaids for 2013	24,848
Outstanding Encumbrances	(207,669)
Budget Basis	$747,104

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Cash Equivalents

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

The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash represents the balance on hand as if each fund maintains its own cash and investments account. For purposes of the statement of cash flows, the proprietary funds' share of equity in investments with original maturities of three months or less are considered to be cash and cash equivalents. See Note 5, "Cash, Cash Equivalents and Investments."

G. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution, the Ohio Revised Code, and the City's Investment Policies. In accordance with GASB Statement No. 31, *"Accounting and Financial Reporting for Certain Investments and for External Investment Pools"*, the City records all its investments at fair value except for nonparticipating investment contracts (certificates of deposit) which are reported at cost. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements. Fair value is determined by quoted market prices. See Note 5, "Cash, Cash Equivalents and Investments."

The City has invested funds in the STAR Ohio during 2013. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2013.

H. Restricted Assets

Restricted assets in the enterprise funds represent cash and cash equivalents held as customer deposits.

I. Inventory

Inventory is stated at cost (first-in, first-out) in the governmental funds and at the lower of cost or market (first-in, first-out) in the proprietary funds. The costs of inventory items are recorded as expenditures in the governmental funds when purchased. Inventories of enterprise funds are expensed when used.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2013, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

K. Capital Assets and Depreciation

Capital assets are defined by the City as assets with an initial, individual cost of more than $750 and an estimated useful life threshold of three or more years.

1. Property, Plant and Equipment - Governmental Activities

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

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

2. Property, Plant and Equipment – Business Type Activities

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Capital Assets and Depreciation (Continued)

3. Depreciation

All capital assets are depreciated, excluding land and construction in progress. Depreciation on newly acquired/constructed streets begins in the year following acquisition. Depreciation has been provided using the straight-line method over the following estimated useful lives:

Description	Governmental and Business-Type Activities Estimated Lives (in Years)
Buildings	50
Improvements Other Than Buildings	10 - 45
Machinery, Equipment, Furniture and Fixtures	3 - 35
Infrastructure	50 - 65

L. Long-Term Obligations

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

Obligation	Fund
General Obligation Bonds	General Bond Retirement Fund Water Fund Sewer Fund Electric Fund
General Obligation Notes	Capital Improvement Reserve Fund Abbott Drive Construction Fund 25-A Construction Fund Electric Fund Water Fund Sewer Fund
Special Assessment Bond	Special Assessment Bond Retirement Fund
Compensated Absences	General Fund Street Construction, Maintenance and Repair Fund Municipal Road Fund Electric Fund Water Fund Sewer Fund
State Loan	Sewer Fund
OPWC Loans	Capital Improvement Reserve Fund Water Fund Sewer Fund

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Compensated Absences

In accordance with GASB Statement No. 16, *"Accounting for Compensated Absences,"* vacation and compensatory time are accrued as liabilities when an employee's right to receive compensation is attributable to services already rendered and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met the minimum service time requirement, is accrued to the extent that it is considered to be probable that the conditions for compensation will be met in the future.

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

For governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not recorded. For proprietary funds, the entire compensated absences amount is reported as a fund liability.

N. Net Position

Net position represents the difference between assets and liabilities and deferred inflows of resources. Net investement in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for Other Purposes include federal grants for security of persons and property and mandatory fines for various court programs.

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

O. Pensions

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Interfund Activity

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

Q. Interfund Assets/Liabilities

Receivables and payables resulting from transactions between funds for services provided or goods received are classified as "due from other funds" or "due to other funds" on the balance sheet. Long-term interfund loans are classified as "interfund loans receivable/payable to other funds."

R. Fund Balance

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

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Fund Balance (Continued)

Assigned – Assigned fund balance consists of amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The City Charter authorizes the Finance Director to assign fund balance.

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

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

S. Estimates

The preparation of 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.

T. Operating Revenues and Expenses

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

U. Deferred Inflows of Resources

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

NOTE 2 – FUND BALANCE CLASSIFICATION

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

Fund Balances	General Fund	Capital Improvement Reserve Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:				
Prepaid Items	$20,132	$0	$1,547	$21,679
Supplies Inventory	67,277	0	88,584	155,861
Total Nonspendable	87,409	0	90,131	177,540
Restricted:				
Transportation Projects	0	0	745,862	745,862
Law Enforcement	0	0	32,550	32,550
Debt Retirement	0	0	369,882	369,882
Capital Improvements	0	0	35,330	35,330
Total Restricted	0	0	1,183,624	1,183,624
Committed:				
Parks and Recreation	0	0	7,423	7,423
Law Enforcement	0	0	1,511	1,511
Total Committed	0	0	8,934	8,934
Assigned:				
Encumbrances	166,514	0	0	166,514
Unassigned:	5,127,418	(1,493,269)	(306,808)	3,327,341
Total Fund Balances	$5,381,341	($1,493,269)	$975,881	$4,863,953

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NOTE 3 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

Other long-term assets not available to pay for current-period expenditures:	
Deferred/Delinquent Income Tax Revenue	$576,787
Delinquent Property Tax Revenue	3,045
Shared Revenues	330,853
Special Assessment Revenue	949,843
Deferred Charges for Services	136,389
	$1,996,917
Long-Term liabilities not reported in the funds:	
General Obligation Bonds Payable	($785,000)
General Obligation Notes Payable	(1,753,900)
Special Assessment Bond Payable	(595,000)
Accrued Interest on Long-Term Debt	(24,583)
OPWC Loan Payable	(894,586)
Compensated Absences Payable	(553,966)
	($4,607,035)

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NOTE 3 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

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

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

Amount by which depreciation exceeded capital outlay in the current period:	
Capital Outlay	$6,307,118
Depreciation Expense	(1,531,388)
	$4,775,730
Governmental revenues not reported in the funds:	
Increase in Deferred/Delinquent Tax Revenue	$66,956
Decrease in Shared Revenue	(603,884)
Decrease in Special Assessment Revenue	(96,998)
Decrease in Interest Revenue	(2,827)
Decrease in Deferred Charges for Services	(55,034)
	($691,787)
Issuance of long-term debt:	
General Obligation Notes Issued	($1,753,900)
OPWC Loan Issued	(894,586)
	($2,648,486)
Amount of bond principal payments:	
General Obligation Bond Principal Payment	$615,000
Special Assessment Bond Principal Payment	40,000
	$655,000
Expenses not requiring the use of current financial resources:	
Increase in Compensated Absences Payable	($236)
Increase in supplies inventory	8,142
	$7,906

NOTE 4 – COMPLIANCE AND ACCOUNTABILITY

A. Fund Deficit

The fund deficits at December 31, 2013 of $1,493,269 and $306,808 in the Capital Improvement Reserve and Abbott Drive Construction Funds, respectively (capital projects funds), are the result of recording notes payable and accruals in the individual fund balance sheets. The General Fund provides transfers, upon City Council's approval when cash is required not when accruals occur.

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash resources of a majority of individual funds are combined to form a pool of cash and investments. Each fund type's portion of this pool is displayed on the combined balance sheet as "Cash and Cash Equivalents." Ohio law requires the classification of funds held by the City into three categories.

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

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

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

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

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

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

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

* Interim deposits in eligible institutions applying for interim funds;

* Bonds and other obligations of the State of Ohio;

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

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

A. Deposits

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

At year end the carrying amount of the City's deposits was $9,063,597 and the bank balance was $9,183,416. Federal depository insurance covered $750,000 of the bank balance. Of the remaining uninsured bank balance, the City was exposed to custodial risk as follows:

	Balance
Uninsured and collateralized with securities held by the pledging institution's trust department not in the City's name	$8,433,416
Total Balance	$8,433,416

NOTE 5- CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

B. Investments

The City's investments at December 31, 2013 were as follows:

	Fair Value	Credit Rating	Investment Maturities (in Years) less than 1	1-3
STAR Ohio	$10,607,870	AAAm [1]	$10,607,870	$0
FFCB	500,000	AA +	0	500,000
FHLMC	500,579	AA +	0	500,579
Total Investments	$11,608,449		$10,607,870	$1,000,579

[1] Standard & Poor's

Interest Rate Risk – The City's investment policy generally limits security purchases to those that mature within three years of settlement date.

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

Concentration of Credit Risk – The City places no limit on the amount the City may invest in one issuer. Of the City's total investments, 4.3% are FFCB, 4.3% are FHLMC and 91.4% is invested in STAR Ohio.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The City's investment policy states that it will diversify its investments to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions but the policy does not specifically address custodial credit risk. All of the City's investments are collateralized by underlying securities pledged by the investment's counterparty, not in the name of the City.

C. Reconciliation of Cash, Cash Equivalents and Investments

The classification of cash, cash equivalents and investments on the basic financial statements is based on criteria set forth in GASB Statement No. 9. STAR Ohio and certificates of deposit with an original maturity of three months or less are treated as cash equivalents. The classification of cash and cash equivalents (deposits) for purposes of this note are based on criteria set forth in GASB Statement No. 3.

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

C. Reconciliation of Cash, Cash Equivalents and Investments (Continued)

A reconciliation between classifications of cash and investments on the financial statements and the classifications per items A and B of this note are as follows:

	Cash and Cash Equivalents	Investments
Per GASB Statement No. 9	$18,571,467	$2,100,579
Certificates of Deposit (with maturities of more than 3 months)	1,100,000	(1,100,000)
Investments:		
STAR Ohio	(10,607,870)	10,607,870
Per GASB Statement No. 3	$9,063,597	$11,608,449

NOTE 6 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real estate and public utility property used in business and located in the City. Real property taxes (other than public utility) collected during 2013 were levied after October 1, 2012 on assessed values as of January 1, 2012, the lien date. Assessed values were established by the County Auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments made in the third year following reappraisal. The last reappraisal was completed in 2007. Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by June 20.

Public utility taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 88 percent of its true value. Public utility property taxes are payable on the same dates as the real property taxes described previously.

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

The full tax rate for all City operations for the year ended December 31, 2013 was $1.40 per $1,000 of assessed value. The assessed value upon which the 2013 levy was based was $248,551,810. This amount constitutes $242,211,330 in real property assessed value and $6,340,480 in public utility assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .140% (1.40 mills) of assessed value.

NOTE 6 – TAXES (Continued)

B. Income Tax

The City levies a tax of 1.5% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 100% of the tax paid to another municipality to a maximum of the total amount assessed.

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.

Municipal income tax revenue for 2013 was $5,400,724. This represents a 8.9% increase over 2012 income tax revenue of $4,958,434.

NOTE 7 - RECEIVABLES

Receivables at December 31, 2013 consisted of taxes, special assessments, interfund receivables, interest, lease receivable, accounts receivable and intergovernmental receivables arising from shared revenues. All receivables other than those offset by deferred inflows of resources are considered collectable in full.

NOTE 8 - TRANSFERS

Following is a summary of transfers in and out for all funds for 2013:

Fund	Transfer In	Transfer Out
General Fund	$0	$75,000
Capital Improvement Reserve Fund	0	448,838
Other Governmental Funds	1,114,647	590,809
Totals	$1,114,647	$1,114,647

Transfers are used to move revenues from the funds that statute or budget requires to collect them to the funds that statute or budget requires to expend them; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed.

NOTE 9 - INTERFUND RECEIVABLES AND PAYABLES

Following is a summary of due from other funds and due to other funds for all funds for 2013:

Fund	Due From	Due To
General Fund	$78,172	$9,010
Other Governmental Funds	0	562
Total Governmental Funds	78,172	9,572
Electric Fund	16,574	76,395
Water Fund	2,844	7,294
Sewer Fund	2,134	2,972
Refuse Collection Fund	0	3,491
Total Proprietary Funds	21,552	90,152
Totals	$99,724	$99,724

The due to / due from balances account for amounts due between funds for utility balances. The interfund loan receivable / payable for $150,000 between the General Fund and the Capital Improvement Reserve Fund represents a short term loan in anticipation of reimbursement grant proceeds.

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NOTE 10 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at December 31, 2013:

Historical Cost:

Class	December 31, 2012	Additions	Deletions	December 31, 2013
Non-depreciable Capital assets:				
Land	$13,549,726	$0	$0	$13,549,726
Construction in Progress	15,085	0	(15,085)	0
Total Non-depreciable Capital assets	13,564,811	0	(15,085)	13,549,726
Capital assets being depreciated:				
Buildings	6,430,813	1,865,247	(3,140)	8,292,920
Improvements Other Than Buildings	6,393,339	0	0	6,393,339
Machinery and Equipment	7,471,002	443,947	(52,623)	7,862,326
Infrastructure	26,378,407	4,013,009	(274,181)	30,117,235
Total Depreciable Capital assets	46,673,561	6,322,203	(329,944)	52,665,820
Total Cost	$60,238,372	$6,322,203	($345,029)	$66,215,546

Accumulated Depreciation:

Class	December 31, 2012	Additions	Deletions	December 31, 2013
Buildings	($2,033,018)	($159,565)	$3,140	($2,189,443)
Improvements Other Than Buildings	(2,093,856)	(232,839)	0	(2,326,695)
Machinery and Equipment	(5,427,134)	(471,196)	52,623	(5,845,707)
Infrastructure	(11,922,203)	(667,788)	260,413	(12,329,578)
Total Depreciation	($21,476,211)	($1,531,388) *	$316,176	($22,691,423)
Net Value:	$38,762,161			$43,524,123

* Depreciation expenses were charged to governmental functions as follows:

Security of Persons and Property	($303,933)
Leisure Time Activities	(392,069)
Transportation	(730,924)
General Government	(104,462)
Total Depreciation Expense	($1,531,388)

NOTE 10 - CAPITAL ASSETS (Continued)

B. Business-Type Activities Capital Assets

Summary by Category at December 31, 2013:

Historical Cost:

Class	December 31, 2012	Additions	Deletions	December 31, 2013
Non-depreciable Capital assets:				
Land	$1,988,824	$245,668	$0	$2,234,492
Construction in Progress	2,377,414	1,037,114	(2,314,193)	1,100,335
Total Non-depreciable Capital Assets	4,366,238	1,282,782	(2,314,193)	3,334,827
Capital assets being depreciated:				
Buildings	1,856,110	347,500	0	2,203,610
Improvements Other Than Buildings	31,447,113	5,098,839	0	36,545,952
Machinery and Equipment	3,007,466	45,748	(72,890)	2,980,324
Total Depreciable Capital assets	36,310,689	5,492,087	(72,890)	41,729,886
Total Cost	$40,676,927	$6,774,869	($2,387,083)	$45,064,713

Accumulated Depreciation:

Class	December 31, 2012	Additions	Deletions	December 31, 2013
Buildings	($807,062)	($41,423)	$0	($848,485)
Improvements Other Than Buildings	(14,255,665)	(1,056,323)	0	(15,311,988)
Machinery and Equipment	(1,799,756)	(179,404)	72,890	(1,906,270)
Total Depreciation	($16,862,483)	($1,277,150)	$72,890	($18,066,743)
Net Value:	$23,814,444			$26,997,970

NOTE 11 – DEFINED BENEFIT PENSION PLANS

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

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

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

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

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

The ORC provides statutory authority for employee and employer contributions. For 2013, employee and employer contribution rates were consistent across all three plans (TP, MD and CO). The employee contribution rate is 10.0%. The 2013 employer contribution rate for local government employer units was 14.00% of covered payroll, which is the maximum contribution rate set by State statutes. Employer contribution rates are actuarially determined. A portion of the City's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. The portion of employer contributions allocated to pension obligations for members in the Traditional and Combined Plans was 13.0% for calendar year 2013. The contribution requirements of plan members and the City are established and may be amended by the OPERS Board. The City's contributions for pension obligations to OPERS for the years ending December 31, 2013, 2012, and 2011 were $463,371, $345,307 and $363,339, respectively, which were equal to the required contributions for each year.

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

From January 1, 2013 through July 1, 2013, plan members were required to contribute 10.0% of their annual covered salary. From July 2, 2013 through December 31, 2013, plan members were required to contribute 10.75% of their annual covered salary. Throughout 2013, employers were required to contribute 19.5% for police officers. A portion of the City's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. The portion of employer contributions used to fund pension obligations from January 1, 2013 through May 31, 2013 was 14.81% for police officers. The portion of employer contributions used to fund pension obligations from June 1, 2013 through December 31, 2013 was 16.65% for police officers. The City's contributions for pension obligations to the OP&F Fund for the years ending December 31, 2013, 2012, and 2011 were $208,247, $156,637 and $176,400 for police officers, which were equal to the required contributions for each year.

NOTE 12 - POSTEMPLOYMENT BENEFITS

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

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

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

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit.

NOTE 12 - POSTEMPLOYMENT BENEFITS (Continued)

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

Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

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

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

Funding Policy – The ORC provides the statutory authority requiring public employers to fund post-retirement health care coverage through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care benefits. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2013, local government employers contributed at a rate of 14.00% of covered payroll. The ORC currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for local government employers. Active members do not make contributions to the OPEB plan.

The OPERS Postemployment Health Care plan was established under, and is administered in accordance with Internal Revenue Code 401(h). Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of postemployment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional and Combined Plans was 1.0% for calendar year 2013. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions for health care to the OPERS for the years ending December 31, 2013, 2012, and 2011 were $35,643, $138,123 and $145,336, respectively, which were equal to the required contributions for each year.

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

NOTE 12 - POSTEMPLOYMENT BENEFITS (Continued)

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

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

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

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

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

Funding Policy – The ORC provides for contribution requirements of the participating employers and of plan members to the OP&F. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5% of covered payroll for police employers. The ORC states that the employer contribution may not exceed 19.5% of covered payroll for police employer units. Active members do not make contributions to the OPEB Plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2013, the portion of employer contributions allocated to health care was 4.69% of covered payroll from January 1, 2013 through May 31, 2013 and 2.85% of covered payroll from June 1, 2013 through December 31, 2013 police officers. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h). The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

NOTE 12 - POSTEMPLOYMENT BENEFITS (Continued)

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

The City's contributions for health care to the OP&F for the years ending December 31, 2013, 2012, and 2011 were $46,710, $82,926 and $93,325 for police, which were equal to the required contributions for each year.

NOTE 13 - COMPENSATED ABSENCES

All full-time City employees earn vacation at a rate of between 80 to 200 hours per year of active service based on the employee's years of service. Employees are allowed to carry over up to 120 hours, 160 hours or 360 hours to the following year dependent on their employment contract. Upon separation from the City, the employee (or his estate) receives 100% of all vacation and from 25% (up to a maximum of 30 days) to 75% (up to a maximum of 180 days) of the employee's sick leave balance based on years of service and dependent upon the employment contract.

At December 31, 2013, the City's accumulated, unpaid compensated absences amounted to $838,315, of which $553,966 is recorded as a liability of the Governmental Activities and $284,349 is recorded as a liability of the Business-Type Activities. The amounts are recorded in "Due within One Year" and "Due in More Than One Year" on the Entity Wide Statement of Net position based upon estimated usage.

NOTE 14 - NOTES PAYABLE

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

Bond anticipation notes may be retired at maturity from the proceeds of the sale of renewal notes or of the bonds anticipated by the notes, or from available funds of the City or a combination of these sources. The City is retiring its notes payable by the issuance of one-year renewal notes with a portion of the principal being retired in accordance with the above provisions.

NOTE 14 - NOTES PAYABLE (Continued)

The City had the following bond anticipation note activity during 2013:

	Maturity Date	Balance December 31, 2012	Issued	(Retired)	Balance December 31, 2013
Capital Projects Notes Payable:					
1.00% 25A Reconstruction	2/18/2014	$473,000	$27,000	($473,000)	$27,000
1.00% Kinna Drive Construction	2/18/2014	285,000	20,000	(285,000)	20,000
1.00% Abbott Drive Construction	2/18/2014	675,000	320,000	(675,000)	320,000
1.00% Fire Truck	2/18/2014	650,000	82,500	(650,000)	82,500
1.00% Main Street Streetscape Improvement	2/18/2014	0	62,100	0	62,100
1.00% Main Street Utility Improvement	11/28/2013	241,500	0	(241,500)	0
1.00% Fire Station Improvement	11/26/2014	1,900,000	1,710,000	(1,900,000)	1,710,000
1.00% South Third Street Reconstruction	11/26/2014	536,000	481,000	(536,000)	481,000
Total Capital Projects Notes Payable		4,760,500	2,702,600	(4,760,500)	2,702,600
Enterprise Notes Payable:					
1.00% Electric Notes	2/18/2014	1,672,880	111,790	(1,672,880)	111,790
1.00% Water Notes	2/18/2014	1,549,120	186,010	(1,549,120)	186,010
1.00% Sewer Notes	2/18/2014	0	87,600	0	87,600
1.00% Main Street Utility Improvement - Water	11/26/2014	59,500	189,000	(59,500)	189,000
1.00% Main Street Utility Improvement - Sewer	11/26/2014	49,000	126,000	(49,000)	126,000
1.00% Roselyn Water Improvement	11/26/2014	265,000	265,000	(265,000)	265,000
1.00% Roselyn Sewer Improvement	11/26/2014	265,000	265,000	(265,000)	265,000
Total Enterprise Notes Payable		3,860,500	1,230,400	(3,860,500)	1,230,400
Total Notes Payable		$8,621,000	$3,933,000	($8,621,000)	$3,933,000

Multiple note issues were rolled over in February 2014 thereby extending their due dates beyond twelve months from the end of 2013. The balances above are expected to be paid for with "current financial resources" within twelve months of fiscal year end. The amounts refinanced in February of 2014 are recorded as long-term debt obligations in Note 17.

NOTE 15 – CONSTRUCTION COMMITMENTS

At December 31, 2013 the City had the following contractual commitments outstanding:

Project	Remaining Contractual Commitment	Estimated Date of Completion
Main Street Sanitary Sewer Lift Station	$359,635	6/30/2014
County Road 25A Widening	133,455	12/31/2014
Fire Station Renovation	79,268	3/31/2014
Water Tower #2 Renovation - Design	64,404	12/31/2014
Total Construction Commitments	$636,762	

NOTE 16 - CAPITAL LEASE RECEIVABLE

The City and the Northern Area Water Authority (NAWA) have entered into a capital lease agreement where the City will finance the lease-purchase of a backup electric generator on behalf of NAWA. The value of the equipment leased under the lease agreement is $1,245,755. The receivable is recorded within the Electric Fund and is recorded on the Statement of Net Position as lease receivable – current and lease receivable. The following is a schedule of future minimum lease payments, to be received, under the capital lease together with the present value of the net minimum lease payments as of December 31, 2013:

Year Ending December 31,	Business-Type Activities
2014	58,000
2015	80,000
2016	78,000
2017	76,000
2018	74,000
2019-2023	340,000
2024-2028	290,000
2029	52,000
Minimum Lease Payments	1,048,000
Less amount representing unearned revenue	(248,000)
Present value of minimum lease payments	$800,000

The capital lease agreement was amended in 2011 due to the favorable interest rate environment and the City's intent to reissue the debt as short-term notes through 2014 rather than issuing long-term bonds. Savings on projected interest expense will be passed through to NAWA in the form of lower annual payment on the lease.

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NOTE 17 - LONG-TERM OBLIGATIONS

Long-term debt and other long-term obligations of the City at December 31, 2013 were as follows:

	Original Issue Amount	Maturity Year	Balance December 31, 2012	Issued	(Retired)	Balance December 31, 2013	Amount Due Within One Year
Business Type-Activities:							
General Obligation Bonds:							
4.6-4.625% Electric Improvement Bonds	$995,000	2015	$195,000	$0	($50,000)	$145,000	$50,000
2.0-3.5% Woodlawn Sewer Bonds	250,000	2013	25,000	0	(25,000)	0	0
2.0-3.85% Rosewood Sewer Bonds	300,000	2016	100,000	0	(25,000)	75,000	25,000
Total General Obligation Bonds			320,000	0	(100,000)	220,000	75,000
General Obligation Notes:							
1.00% Electric Notes	1,449,670	2015	0	1,449,670	0	1,449,670	0
1.00% Water Notes	2,155,030	2015	0	2,155,030	0	2,155,030	0
1.00% Sewer Notes	1,489,400	2015	0	1,489,400	0	1,489,400	0
Total General Obligation Notes			0	5,094,100	0	5,094,100	0
Ohio Public Works Commission Loans:							
0.00% OPWC Loan - AMR/AMI Project	600,000	2032	570,000	0	(30,000)	540,000	30,000
0.00% OPWC Loan - Water Tower Project	425,000	2033	418,225	6,775	0	425,000	21,250
0.00% OPWC Loan - Downtown Utilities Project	401,915	TBD	0	401,915	0	401,915	0
Total Ohio Public Works Commission Loans			988,225	408,690	(30,000)	1,366,915	51,250
0.00% State Loan - NE Sewer Interceptor	597,260	2014	397,680	0	0	397,680	397,680
Compensated Absences			270,778	284,349	(270,778)	284,349	63,634
Total Business-Type Activity Long-Term Liabilities			$1,976,683	$5,787,139	($400,778)	$7,363,044	$587,564
Governmental Activities:							
Unvoted General Obligation Bonds:							
4.6-4.625% Service Center Improvement	$940,000	2015	$140,000	$0	($50,000)	$90,000	$50,000
4.0-4.800% Capital Facilities Bond	2,325,000	2019	700,000	0	(100,000)	600,000	100,000
2.0-3.5% Recreation Facility Bond	5,200,000	2013	400,000	0	(400,000)	0	0
2.0-3.65% 25A Reconstruction Bond	250,000	2014	50,000	0	(25,000)	25,000	25,000
2.0-3.65% Fire Truck Equipment Bond	275,000	2014	60,000	0	(30,000)	30,000	30,000
2.0-4.15% Donn Davis Construction - City Share	250,000	2017	50,000	0	(10,000)	40,000	10,000
Total General Obligation Bonds			1,400,000	0	(615,000)	785,000	215,000
General Obligation Notes:							
1.00% Capital Projects Notes	1,753,900	2015	0	1,753,900	0	1,753,900	0
Special Assessment Bonds (with governmental commitment):							
2.0-4.5% Donn Davis Construction Bond	930,000	2024	635,000	0	(40,000)	595,000	45,000
Ohio Public Works Commission Loan:							
0.00% OPWC Loan - Main Street Streetscape	894,586	TBD	0	894,586	0	894,586	0
Compensated Absences			553,730	553,966	(553,730)	553,966	158,534
Total Governmental Activity Long-Term Liabilities			$2,588,730	$3,202,452	($1,208,730)	$4,582,452	$418,534

NOTE 17 - LONG-TERM OBLIGATIONS (Continued)

The principal amount of the City's special assessment bonds outstanding at December 31, 2013, $595,000, is general obligation debt (backed by the full faith and credit of the City) that is being retired with the proceeds from special assessments levied against benefited property owners. The City is obligated to repay the debt irrespective of the amount of special assessments collected from property owners.

A. Future Long-Term Financing Requirements

The City's future long-term obligation funding requirements, including principal and interest payments as of December 31, 2013, follow:

	General Obligation Bonds		Special Assessment Bonds		Loans Payable	
Years	Principal	Interest	Principal	Interest	Principal	Interest
2014	$290,000	$45,164	$45,000	$25,265	$448,930	$0
2015	270,000	32,753	45,000	23,623	51,250	0
2016	135,000	20,663	45,000	21,890	51,250	0
2017	110,000	14,716	50,000	20,158	51,250	0
2018	100,000	9,600	50,000	18,083	51,250	0
2019-2023	100,000	4,800	295,000	55,383	256,250	0
2024-2028	0	0	65,000	2,925	256,250	0
2029-2033	0	0	0	0	196,250	0
Totals	$1,005,000	$127,696	$595,000	$167,327	$1,362,680	$0

The table above does not include amortization of the OPWC Loans for the Downtown Utilities Project nor for the Main Street Streetscape Project. These projects are still in progress and the final loan amounts and debt amortization will be set at the completion of the projects.

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NOTE 18 - RISK MANAGEMENT

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. In 1996 the City entered into a joint insurance pool, Miami Valley Risk Management Association, Inc. (MVRMA, Inc.) with other local cities. As of December 31, 2013, the pool has twenty one members. The pool has been operational since December of 1988 and was formed in accordance with Section 2744 of the Ohio Revised Code. This jointly governed organization provides real and personal property, crime, surety, general liability, boiler and machinery, employment practices liability, police professional and public official liability coverage up to the limits stated below. Membership in MVRMA is intended to provide broad based coverage up to the limits stated below, with increased emphasis on safety and loss prevention and to create an opportunity for other local governments to participate. MVRMA is a non-profit corporation governed by a twenty one member board of trustees, consisting of a representative appointed by each of the member cities. The board of trustees elects the officers of the corporation, with each trustee having a single vote.

Management is provided by an Executive Director, who is assisted by a Claims Manager, a full-time Loss Control Manager and office staff. The board is responsible for its own financial matters and the corporation maintains its own books of account. Budgeting and financing of MVRMA is subject to the approval of the board, and the organization is covered by policies, procedures, and formally adopted bylaws.

The twenty one participating entities and their respective pool contribution factors for the loss year ended December 31, 2013 are:

Entity	Percentage	Entity	Percentage
Beavercreek	5.80 %	Montgomery	3.08 %
Bellbrook	1.21 %	NAWA	0.30 %
Blue Ash	6.84 %	Piqua	6.11 %
Centerville	4.50 %	Sidney	6.71 %
Englewood	3.41 %	Springdale	3.95 %
Indian Hill	3.35 %	Tipp City	2.79 %
Kettering	11.80 %	Troy	7.09 %
Madeira	1.89 %	Vandalia	4.67 %
Mason	6.64 %	West Carollton	3.21 %
Miamisburg	8.22 %	Wilmington	5.68 %
Subtotal	53.66 %	Wyoming	2.75 %
		Subtotal	46.34 %
		Total	100.00 %

The individual MVRMA, Inc. members are not considered "participants having equity interest" as defined by GASB Statement No. 14 since members have no rights to any assets of MVRMA, Inc. other than possible residual claims upon dissolution. The risk of loss is transferred from the City to the pool. Therefore, MVRMA, Inc. is a multi-jurisdictional arrangement that has the characteristics of a joint venture but has additional features that distinguish it, for financial reporting purposes, from the traditional joint venture defined in GASB Statement No. 14.

NOTE 18 - RISK MANAGEMENT (Continued)

The following is a summary of insurance coverages at year end:

General/Automobile Liability	$10,000,000	per occurrence
Public Officials Liability	10,000,000	per occurrence
Property	1,000,000,000	per occurrence
Boiler and Machinery	100,000,000	per occurrence
Flood (Property in Zone A &B)	25,000,000	aggregate
Earthquake (Property)	25,000,000	aggregate

The member deductible per occurrence for most types of claims is $2,500. The pool's self insured retention (SIR) for property claims is $250,000 per occurrence except Boiler and Machinery which is $10,000 - $350,000 per occurrence. The pool's SIR for liability claims is $500,000 per occurrence. Excess insurance coverage, provided by commercial companies and an excess insurance pool is $9,500,000 to the limits stated above. The City pays an annual premium to MVRMA which is intended to cover administrative expenses and any claims covered by the pool. The MVRMA Board of Trustees has the ability to require the member cities to make supplemental payments in the event reserves are not adequate to cover claims in a particular loss year. The City was not required to make any supplemental payments as of December 31, 2012, because an actuarial opinion issued as of that date (the latest information available) reported actual MVRMA loss reserves of $3,609,448, which is a reasonable provision for all repaid losses and loss adjustment expenses as delivered by the actuarial

MVRMA issues a stand-alone financial report that includes financial statements and required supplementary information for MVRMA, Inc. Interested parties may obtain a copy by making a written request to 4625 Presidential Way, Kettering, Ohio 45429-5706.

Workers' compensation claims are covered through the City's participation in the State of Ohio's program. The City pays the State Workers' Compensation System a premium based upon a rate per $100 of payroll. The rate is determined based on accident history and administrative costs.

The City pays unemployment claims to the State of Ohio as incurred.

In August 1994, the City joined the Ohio Benefits Co-operative, Inc., a health co-op comprised of twelve political subdivisions. The co-op was formed to explore the benefits of insurance pooling and collective purchasing strategies for its members. The co-op currently has a contract with Anthem Blue Cross and Blue Shield to handle their health insurance needs. The City pays a premium to Anthem, which handles all claims and benefit processing and assumes all risks.

There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three years.

NOTE 19 - JOINT VENTURES

A. Tri-Cities North Regional Wastewater Authority

Prior to June of 1996 the Miami Conservancy District provided the cities of Tipp City, Vandalia and Huber Heights with wastewater treatment services. The Miami Conservancy District expressed the intent to no longer provide these services to the cities and gave them the option to acquire and operate the facility themselves. In order to do so, the three cities established the Tri-Cities North Regional Wastewater Authority.

Tri-Cities North Regional Wastewater Authority (Tri-Cities) is a joint venture among the cities of Tipp City, Vandalia and Huber Heights. Tri-Cities is governed by a management board consisting of the city managers of the three participating cities. The Board has complete authority over all the aspects of the Plant's operation. Tri-Cities supplies all participating residents of the member cities with sewer services. Each city owns the sewage lines located in its city and bills its residents for usage. Continued existence of Tri-Cities is dependent on the City's continued participation, and the City does have an equity interest. The percentage of equity interest for each city is based on annual usage and is adjusted each year accordingly. The City's equity interest is $6,388,630 which represents 20.75% of the total equity in Tri-Cities. This reflects an increase of 1.77% over the City's equity interest of 18.98% in 2012. Tri-Cities is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefits to or burden on the City. During 2013, the City paid $675,092 to Tri-Cities for services provided. Complete financial statements can be obtained from Tri-Cities North Regional Wastewater Authority, 3777 Old Needmore Road, Dayton, Ohio 45424.

B. Northern Area Water Authority

On March 8, 2002, City officials from Tipp City and Vandalia created a joint venture to plan, finance, construct, and operate a water treatment plant to service the needs of both communities.

The Northern Area Water Authority (NAWA) is a joint venture among the cities of Tipp City and Vandalia. NAWA is governed by a five member management board who have complete authority over all aspects of the operation. NAWA supplies all participating residents of the member cities with water services. Each city owns the water lines located in its city and bills its residents for usage. Operations started in 2007. Continued existence of NAWA is dependent on the City's continued participation and the City does have an equity interest. The percentage of equity interest for each city is based on annual usage and is adjusted each year accordingly. The City's equity interest is $182,231 which represents 50% of the total equity of NAWA on December 31, 2013. NAWA is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefits to or burden on the City. During 2013, the City paid $1,225,797 to NAWA for services provided. NAWA did file a GAAP basis financial statement in accordance with Ohio Revised Code and copies of this report are available from Northern Area Water Authority, 333 J. E. Bohanan Drive, Vandalia, Ohio 45377.

NOTE 20 – AMP GS PROJECT

The City is a member of American Municipal Power (AMP) and has participated in the AMP Generating Station (AMPGS) Project. This project intended to develop a pulverized coal power plant in Meigs County, Ohio. The City's share was 12,000 kilowatts of a total 771,281 kilowatts, giving the City a 1.56 percent share. The AMPGS Project required participants to sign "take or pay" contracts with AMP. As such, the participants are obligated to pay any costs incurred for the project. In November 2009, the participants voted to terminate the AMPGS Project due to projected escalating costs. These costs were therefore deemed *impaired* and participants were obligated to pay costs already incurred. In prior years, the payment of these costs was not considered probable due to AMP's pursuit of legal action to void them. As a result of a March 31, 2014 legal ruling, the AMP Board of Trustees on April 15, 2014 and the AMPGS participants on April 16, 2014 approved the collection of the impaired costs and provided the participants with an estimate of their liability. The City's estimated share at March 31, 2014 of the impaired costs is $2,085,435. The City received a credit of $427,162 related to their participation in the AMP Fremont Energy Center (AFEC) Project, and another credit of $542,698 related to the AMPGS costs deemed to have future benefit for the project participants, leaving a net impaired cost estimate of $1,115,575. Because payment is now probable and reasonably estimable, the City is reporting a payable to AMP in its business-type activities and in its electric enterprise fund for these impaired costs. AMP financed these costs on its revolving line of credit. Any additional costs (including line-of-credit interest and legal fees) or amounts received related to the project will impact the City's liability. These amounts will be recorded as they become estimable.

The impaired costs have been included in the business-type activities and the electric enterprise fund as a 2013 Claims Payable expense. The City elected to finance this amount through AMP's revolving line of credit with payment of one-half of the liability planned for the fourth quarter of 2014 and payment of the remaining balance in the first half of 2015.

NOTE 21 - CONTINGENCIES

The City is a party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects. The City's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

NOTE 22 – SUBSEQUENT EVENTS

On February 3, 2014, the City authorized a contract with John Poe, Architects, for design work on a new Electric Utility Service Center in the amount of $166,500.

On February 3, 2014, the City authorized a contract with Tumbusch Construction for the reconstruction of Dow Street between Hyatt Street and Rohrer Drive in the amount of $327,624.

On February 3, 2014, the City authorized a contract with Burgess Ambulance for the purchase of two Road Rescue, Type III ambulance vehicles at a cost not to exceed $308,736.

On February 18, 2014, the City issued general obligation bond anticipation notes, in the amount of $7,243,000 to retire notes previously issued, for the purposes of improving County Road 25A and Kinna Drive, the purchase and installation of an electric generator at the water treatment plant, construction of a one million gallon elevated water storage tank, purchase and installation of an AMR/AMI water metering infrastructure, purchase of an aerial ladder truck for the fire department, Main Street Sanitary Sewer lift station improvements, Water Tower #2 rehabilitation and painting, and the Main Street Utility/Streetscape Improvements. The notes have an interest rate of 1.0 percent and mature on February 17, 2015.

On February 18, 2014, the City authorized a contract with Underground Utilities, Inc. for the replacement of water, sewer, and storm sewer lines on North Westedge Drive in the amount of $930,954. This project will be funded in part by a $300,000 grant from the Ohio Public Works Commission.

On February 18, 2014, the City authorized a contract with O.R. Colan Associates to perform right-of-way acquisition services in conjunction with the County Road 25A reconstruction project (south of Main Street) in the amount of $155,050.

On March 12, 2014, the City's Manager, Jon Crusey, announced his intention to resign from the City of Tipp City to accept the City Manager's position with the City of Vandalia, Ohio. Mr. Crusey's resignation was effective May 3, 2014. City Council took action to appoint Bradley Vath, the City's Assistant City Manager/Economic Development Director, as the Acting City Manager effective May 19, 2014. Council has hired the firm Slavin Management Consultants to perform a search for the City's next City Manager.

On May 5, 2014, the City authorized a contract with Best Equipment through the State of Ohio Cooperative Purchasing Plan for the purchase of a hydro-excavator vehicle at a cost not to exceed $335,707.

On May 5, 2014, the City authorized a contract with Sturm Excavating for replacement of water lines on Warner, Bowman, and West Plum Streets in the amount of $231,596.

On May 19, 2014, the City authorized a contract with John R. Jurgensen Paving for resurfacing work on County Road 25A (north of Commerce Drive) and Kessler-Cowlesville Road in the amount of $799,112. Approximately 85% of the costs of this project will be paid with federal and/or state grant funds.

On May 19, 2014, the City authorized a contract with Choice One Engineering for engineering design work in conjunction with phase II of the (south) County Road 25A reconstruction project in the amount of $173,488.

NOTE 23 – SIGNIFICANT ENCUMBRANCES

At December 31, 2013 the City had the following significant encumbrances outstanding:

Fund	Total Encumbrances	Significant Encumbrances	Explanation
Major Funds:			
Capital Improvement Reserve	$ 540,334	$ 145,904	Fire Station Expansion
		150,000	Ambulance Vehicle Purchase
		95,000	Comprehensive Master Plan Update
		90,100	Government Center Roof Replacement
Electric	3,587,498	2,201,273	Downtown Streetscape Improvements
		480,000	Downtown Traffic Signal Replacement
		467,160	69 KV Loop
		210,000	Right-of-Way Purchase County Rd 25-A
Water	971,221	710,000	Water Tower #2 Renovation
		288,050	W. Walnut Water Line
		247,000	Roselyn Waterline
		171,121	Miscellaneous Waterline Improvements
Sewer	677,482	359,635	Main Street Lift Station Expansion
		247,000	Roselyn Sewerline
		230,000	Miscellaneous Sewerline Improvements

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

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

Nonmajor Governmental Funds

Special Revenue Funds

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

Swimming Pool Fund
To account for revenues and expenditures related to the operations of the Tipp City Municipal Pool.

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

State Highway Improvement Fund
To account for the portion of the state gasoline tax and motor vehicle license fees designated for construction, maintenance and repair of state highways within the City.

Municipal Road Fund
To account for that portion of motor vehicle license fees designated for routine street maintenance and repairs.

Law Enforcement Fund
To account for all monies and expenditures related to property or goods obtained by seizure or forfeiture.

Enforcement and Education Fund
To account for financial resources used to educate the public regarding laws governing the operation of motor vehicles while under the influence of alcohol.

Drug Law Enforcement Fund
To account for monies obtained through fines distributed to the City from drug related offenses or the sale and/or seizure of contraband, and are used to subsidize the City's law enforcement efforts.

FEMA Grant Fund
To account for financial resources obtained from the Federal Emergency Management Agency (FEMA).

Police Donation Trust Fund
To account for revenue from contributions of gifts and donations to the police department.

(Continued)

Debt Service Funds

Debt Service Funds are used to account for retirement of the City's general obligation and special assessment bonds

General Bond Retirement Fund

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

Special Assement Bond Retirement Fund

To account for special assessments levied and for the payment of special assessment bonded debt with governmental commitment.

Capital Projects Funds

The 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 proprietary or trust funds.

Parks Capital Improvement Fund

To account for various capital improvement projects for our city parks system. Revenues consist of a .25% city income tax levy approved by the voters to fund city park improvements.

Abbott Drive Construction Fund

To account for street improvements to Abbott Drive financed by note proceeds.

25-A Construction Fund

To account for improvements to 25A County Road financed by note proceeds.

Ohio Public Works Commission (OPWC) Grant Fund

To account for street construction projects, partially funded by state grants from the Ohio Public Works Commission.

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2013

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Cash and Cash Equivalents	$ 711,329	$ 369,882	$ 95,522	$ 1,176,733
Receivables:				
Intergovernmental	314,259	0	0	314,259
Special Assessments	0	810,197	0	810,197
Inventory of Supplies, at Cost	88,584	0	0	88,584
Prepaid Items	1,547	0	0	1,547
Total Assets	$ 1,115,719	$ 1,180,079	$ 95,522	$ 2,391,320
Liabilities:				
Accounts Payable	$ 7,991	$ 0	$ 0	$ 7,991
Accrued Wages and Benefits Payable	20,138	0	0	20,138
Intergovernmental Payable	45	0	0	45
Due to Other Funds	562	0	0	562
General Obligation Notes Payable	0	0	367,000	367,000
Total Liabilities	28,736	0	367,000	395,736
Deferred Inflows of Resources:				
Unavailable Amounts	209,506	810,197	0	1,019,703
Fund Balances:				
Nonspendable	90,131	0	0	90,131
Restricted	778,412	369,882	35,330	1,183,624
Committed	8,934	0	0	8,934
Unassigned	0	0	(306,808)	(306,808)
Total Fund Balances	877,477	369,882	(271,478)	975,881
Total Liabilities, Deferred Inflow of Resources and Fund Balances	$ 1,115,719	$ 1,180,079	$ 95,522	$ 2,391,320

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2013

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Taxes	$ 0	$ 0	$ 87,436	$ 87,436
Intergovernmental Revenues	644,562	0	652,051	1,296,613
Charges for Services	288,975	0	0	288,975
Special Assessments	0	73,653	0	73,653
Fines and Forfeitures	225	0	0	225
All Other Revenue	52,646	0	0	52,646
Total Revenue	986,408	73,653	739,487	1,799,548
Expenditures:				
Current:				
Security of Persons and Property	756	0	0	756
Leisure Time Activities	374,609	0	0	374,609
Transportation	568,730	0	0	568,730
General Government	0	3,507	0	3,507
Capital Outlay	5,698	0	184,045	189,743
Debt Service:				
Principal Retirement	0	655,000	0	655,000
Interest and Fiscal Charges	0	106,393	0	106,393
Total Expenditures	949,793	764,900	184,045	1,898,738
Excess (Deficiency) of Revenues Over Expenditures	36,615	(691,247)	555,442	(99,190)
Other Financing Sources (Uses):				
General Obligation Notes Issued	0	0	944,000	944,000
Transfers In	75,000	1,009,607	30,040	1,114,647
Transfers Out	(71,600)	0	(519,209)	(590,809)
Total Other Financing Sources (Uses)	3,400	1,009,607	454,831	1,467,838
Net Change in Fund Balances	40,015	318,360	1,010,273	1,368,648
Fund Balances at Beginning of Year	819,556	51,522	(1,281,751)	(410,673)
Change in Inventory	17,906	0	0	17,906
Fund Balances End of Year	$ 877,477	$ 369,882	$ (271,478)	$ 975,881

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2013

	Swimming Pool	Street Construction, Maintenance and Repair	State Highway Improvement	Municipal Road
Assets:				
Cash and Cash Equivalents	$ 7,423	$ 306,235	$ 108,852	$ 254,758
Receivables:				
Intergovernmental	0	197,533	16,016	100,710
Inventory of Supplies, at Cost	0	88,584	0	0
Prepaid Items	1,378	169	0	0
Total Assets	$ 8,801	$ 592,521	$ 124,868	$ 355,468
Liabilities:				
Accounts Payable	$ 0	$ 3,771	$ 0	$ 4,220
Accrued Wages and Benefits Payable	0	15,882	0	4,256
Intergovernmental Payable	0	45	0	0
Due to Other Funds	0	562	0	0
Total Liabilities	0	20,260	0	8,476
Deferred Inflows of Resources:				
Unavailable Amounts	0	131,689	10,677	67,140
Fund Balances:				
Nonspendable	1,378	88,753	0	0
Restricted	0	351,819	114,191	279,852
Committed	7,423	0	0	0
Total Fund Balances	8,801	440,572	114,191	279,852
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 8,801	$ 592,521	$ 124,868	$ 355,468

Law Enforcement	Enforcement and Education	Drug Law Enforcement	Police Donation Trust	Total Nonmajor Special Revenue Funds
$ 21,605	$ 4,054	$ 6,891	$ 1,511	$ 711,329
0	0	0	0	314,259
0	0	0	0	88,584
0	0	0	0	1,547
$ 21,605	$ 4,054	$ 6,891	$ 1,511	$ 1,115,719
$ 0	$ 0	$ 0	$ 0	$ 7,991
0	0	0	0	20,138
0	0	0	0	45
0	0	0	0	562
0	0	0	0	28,736
0	0	0	0	209,506
0	0	0	0	90,131
21,605	4,054	6,891	0	778,412
0	0	0	1,511	8,934
21,605	4,054	6,891	1,511	877,477
$ 21,605	$ 4,054	$ 6,891	$ 1,511	$ 1,115,719

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2013

	Swimming Pool	Street Construction, Maintenance and Repair	State Highway Improvement	Municipal Road
Revenues:				
Intergovernmental Revenues	$ 0	$ 406,918	$ 32,509	$ 205,135
Charges for Services	260,138	28,837	0	0
Fines and Forfeitures	0	0	0	0
All Other Revenue	25,545	15,924	0	655
Total Revenue	285,683	451,679	32,509	205,790
Expenditures:				
Current:				
Security of Persons and Property	0	0	0	0
Leisure Time Activities	374,609	0	0	0
Transportation	0	361,854	28,569	159,109
Capital Outlay	0	1,098	0	0
Total Expenditures	374,609	362,952	28,569	159,109
Excess (Deficiency) of Revenues Over Expenditures	(88,926)	88,727	3,940	46,681
Other Financing Sources (Uses):				
Transfers In	75,000	0	0	0
Transfers Out	0	(59,700)	0	(11,900)
Total Other Financing Sources (Uses)	75,000	(59,700)	0	(11,900)
Net Change in Fund Balances	(13,926)	29,027	3,940	34,781
Fund Balances at Beginning of Year	22,727	393,639	110,251	245,071
Change in Inventory	0	17,906	0	0
Fund Balances End of Year	$ 8,801	$ 440,572	$ 114,191	$ 279,852

Law Enforcement	Enforcement and Education	Drug Law Enforcement	FEMA Grant	Police Donation Trust	Total Nonmajor Special Revenue Funds
$ 0	$ 0	$ 0	$ 0	$ 0	$ 644,562
0	0	0	0	0	288,975
0	225	0	0	0	225
10,522	0	0	0	0	52,646
10,522	225	0	0	0	986,408
756	0	0	0	0	756
0	0	0	0	0	374,609
0	0	0	19,198	0	568,730
4,600	0	0	0	0	5,698
5,356	0	0	19,198	0	949,793
5,166	225	0	(19,198)	0	36,615
0	0	0	0	0	75,000
0	0	0	0	0	(71,600)
0	0	0	0	0	3,400
5,166	225	0	(19,198)	0	40,015
16,439	3,829	6,891	19,198	1,511	819,556
0	0	0	0	0	17,906
$ 21,605	$ 4,054	$ 6,891	$ 0	$ 1,511	$ 877,477

Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2013

	General Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
Assets:			
Cash and Cash Equivalents	$ 355,431	$ 14,451	$ 369,882
Receivables:			
Special Assessments	0	810,197	810,197
Total Assets	$ 355,431	$ 824,648	$ 1,180,079
Deferred Inflows of Resources:			
Unavailable Amounts	0	810,197	810,197
Total Deferred Inflows of Resources	0	810,197	810,197
Fund Balances:			
Restricted	355,431	14,451	369,882
Total Fund Balances	355,431	14,451	369,882
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 355,431	$ 824,648	$ 1,180,079

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Debt Service Funds
For the Year Ended December 31, 2013

	General Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
Revenues:			
Special Assessments	$ 0	$ 73,653	$ 73,653
Total Revenue	0	73,653	73,653
Expenditures:			
Current:			
General Government	0	3,507	3,507
Debt Service:			
Principal Retirement	615,000	40,000	655,000
Interest and Fiscal Charges	79,728	26,665	106,393
Total Expenditures	694,728	70,172	764,900
Excess (Deficiency) of Revenues Over Expenditures	(694,728)	3,481	(691,247)
Other Financing Sources (Uses):			
Transfers In	1,009,607	0	1,009,607
Total Other Financing Sources (Uses)	1,009,607	0	1,009,607
Net Change in Fund Balances	314,879	3,481	318,360
Fund Balances at Beginning of Year	40,552	10,970	51,522
Fund Balances End of Year	$ 355,431	$ 14,451	$ 369,882

Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2013

	Parks Capital Improvement	Abbott Drive Construction	25-A Construction	Total Nonmajor Capital Projects Funds
Assets:				
Cash and Cash Equivalents	$ 12,330	$ 33,192	$ 50,000	$ 95,522
Total Assets	$ 12,330	$ 33,192	$ 50,000	$ 95,522
Liabilities:				
General Obligation Notes Payable	$ 0	$ 340,000	$ 27,000	$ 367,000
Total Liabilities	0	340,000	27,000	367,000
Fund Balances:				
Restricted	12,330	0	23,000	35,330
Unassigned	0	(306,808)	0	(306,808)
Total Fund Balances	12,330	(306,808)	23,000	(271,478)
Total Liabilities and Fund Balances	$ 12,330	$ 33,192	$ 50,000	$ 95,522

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2013

	Parks Capital Improvement	Abbott Drive Construction	25-A Construction	OPWC Grant	Total Nonmajor Capital Project Funds
Revenues:					
Taxes	$ 87,436	$ 0	$ 0	$ 0	$ 87,436
Intergovernmental Revenues	0	600,000	52,051	0	652,051
Total Revenue	87,436	600,000	52,051	0	739,487
Expenditures:					
Capital Outlay	0	179,219	0	4,826	184,045
Total Expenditures	0	179,219	0	4,826	184,045
Excess (Deficiency) of Revenues Over Expenditures	87,436	420,781	52,051	(4,826)	555,442
Other Financing Sources (Uses):					
General Obligation Notes Issued	0	525,000	419,000	0	944,000
Transfers In	0	0	30,040	0	30,040
Transfers Out	(322,416)	(196,793)	0	0	(519,209)
Total Other Financing Sources (Uses)	(322,416)	328,207	449,040	0	454,831
Net Change in Fund Balances	(234,980)	748,988	501,091	(4,826)	1,010,273
Fund Balances at Beginning of Year	247,310	(1,055,796)	(478,091)	4,826	(1,281,751)
Fund Balances End of Year	$ 12,330	$ (306,808)	$ 23,000	$ 0	$ (271,478)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Major Funds – General Fund For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	$ 3,016,873	$ 3,016,873	$ 3,306,578	$ 289,705
Intergovernmental Revenues	943,566	943,566	1,035,064	91,498
Charges for Services	1,426,943	1,426,943	1,469,850	42,907
Licenses and Permits	18,850	18,850	19,080	230
Investment Earnings	60,000	60,000	103,602	43,602
Special Assessments	500	500	458	(42)
Fines and Forfeitures	13,500	13,500	15,012	1,512
All Other Revenues	203,000	203,000	290,789	87,789
Total Revenues	5,683,232	5,683,232	6,240,433	557,201
Expenditures:				
Security of Persons and Property:				
Police:				
Personal Services	2,254,389	2,295,889	2,198,794	97,095
Travel and Training	22,900	11,400	9,644	1,756
Materials and Supplies	76,382	79,232	69,529	9,703
Contractual Services	142,513	144,663	123,872	20,791
Total Police	2,496,184	2,531,184	2,401,839	129,345
Fire:				
Personal Services	78,397	78,397	72,946	5,451
Travel and Training	2,932	2,932	2,932	0
Materials and Supplies	7,372	6,697	6,405	292
Contractual Services	56,319	56,994	58,287	(1,293)
Total Fire	145,020	145,020	140,570	4,450
Emergency Medical Services:				
Personal Services	689,865	706,115	711,859	(5,744)
Travel and Training	9,711	8,781	6,721	2,060
Materials and Supplies	37,955	39,955	35,603	4,352
Contractual Services	77,059	77,989	71,459	6,530
Total Emergency Medical Services	814,590	832,840	825,642	7,198
Total Security of Persons and Property	3,455,794	3,509,044	3,368,051	140,993

(Continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Major Funds – General Fund For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Leisure Time Activities:				
Parks:				
Personal Services	285,523	285,523	283,475	2,048
Travel and Training	500	500	439	61
Materials and Supplies	55,277	59,027	53,211	5,816
Contractual Services	94,377	94,377	64,092	30,285
Total Parks	435,677	439,427	401,217	38,210
Recreation:				
Contractual Services	18,700	27,550	26,550	1,000
Total Recreation	18,700	27,550	26,550	1,000
Total Leisure Time Activities	454,377	466,977	427,767	39,210
Community Environment:				
Planning:				
Personal Services	255,835	260,085	259,027	1,058
Travel and Training	4,002	4,002	1,944	2,058
Materials and Supplies	3,689	3,689	2,923	766
Contractual Services	56,113	56,113	48,247	7,866
Total Community Environment	319,639	323,889	312,141	11,748
Basic Utility Services:				
Utility Billing:				
Personal Services	176,763	176,763	174,224	2,539
Travel and Training	1,430	1,430	356	1,074
Materials and Supplies	35,226	35,076	30,124	4,952
Contractual Services	27,116	27,116	25,154	1,962
Total Basic Utility Services	240,535	240,385	229,858	10,527
General Government:				
City Council:				
Personal Services	52,452	57,452	56,754	698
Travel and Training	4,300	4,300	4,140	160
Materials and Supplies	3,742	3,742	553	3,189
Contractual Services	13,271	13,271	7,556	5,715
Total City Council	73,765	78,765	69,003	9,762

(Continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Major Funds – General Fund For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Commissions:				
Personal Services	19,294	19,294	19,245	49
Travel and Training	2,500	2,500	822	1,678
Materials and Supplies	3,260	3,260	1,221	2,039
Contractual Services	32,943	32,943	28,295	4,648
Total Commissions	57,997	57,997	49,583	8,414
Administration:				
Personal Services	219,961	222,461	222,346	115
Travel and Training	3,540	3,540	1,667	1,873
Materials and Supplies	878	878	709	169
Contractual Services	5,765	5,765	5,344	421
Total Administration	230,144	232,644	230,066	2,578
Buildings and Grounds:				
Personal Services	118,357	118,357	105,371	12,986
Travel and Training	750	750	52	698
Materials and Supplies	10,294	14,394	8,374	6,020
Contractual Services	111,229	106,729	99,550	7,179
Total Buildings and Grounds	240,630	240,230	213,347	26,883
Finance - Accounting:				
Personal Services	201,904	201,904	193,591	8,313
Travel and Training	2,297	2,297	1,226	1,071
Materials and Supplies	1,926	1,926	1,915	11
Contractual Services	19,248	19,248	16,901	2,347
Total Finance - Accounting	225,375	225,375	213,633	11,742
Finance - Income Tax:				
Personal Services	149,473	149,473	140,854	8,619
Travel and Training	3,265	3,265	1,635	1,630
Materials and Supplies	8,234	8,234	7,389	845
Contractual Services	39,290	39,290	32,590	6,700
Income Tax Refunds	85,000	85,000	72,657	12,343
Total Finance - Income Tax	285,262	285,262	255,125	30,137

(Continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Major Funds – General Fund For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Legal:				
Personal Services	57,266	57,266	55,100	2,166
Travel and Training	400	400	220	180
Materials and Supplies	300	300	0	300
Contractual Services	26,423	26,423	11,894	14,529
Total Legal	84,389	84,389	67,214	17,175
Engineering:				
Personal Services	159,436	171,186	170,407	779
Travel and Training	500	805	801	4
Materials and Supplies	3,650	3,670	3,591	79
Contractual Services	17,663	17,338	9,875	7,463
Total Engineering	181,249	192,999	184,674	8,325
General Administrative:				
Personal Services	1,000	1,000	0	1,000
Materials and Supplies	6,890	6,890	2,463	4,427
Contractual Services	228,467	228,467	192,841	35,626
Other Expenditures	31,625	31,625	0	31,625
Total General Administrative	267,982	267,982	195,304	72,678
Total General Government	1,646,793	1,665,643	1,477,949	187,694
Capital Outlay:				
Fire	38,350	38,350	38,301	49
Emergency Medical Services	8,000	8,000	8,000	0
Parks	4,800	4,800	3,927	873
Utility Billing	500	650	646	4
City Council	1,000	1,000	819	181
Buildings and Grounds	500	900	900	0
Finance - Accounting	327	327	36	291
Finance - Income Tax	5,000	5,000	2,536	2,464
Engineering	750	750	264	486
Total Capital Outlay	59,227	59,777	55,429	4,348
Total Expenditures	6,176,365	6,265,715	5,871,195	394,520
Excess (Deficiency) of Revenues Over (Under) Expenditures	(493,133)	(582,483)	369,238	951,721

(Continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Major Funds – General Fund For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses):				
Proceeds from the Sale of Capital Assets	1,000	1,000	2,866	1,866
Transfers Out	(25,000)	(75,000)	(75,000)	0
Advances In	0	0	600,000	600,000
Advances Out	0	(150,000)	(150,000)	0
Total Other Financing Sources (Uses)	(24,000)	(224,000)	377,866	601,866
Net Change in Fund Balance	(517,133)	(806,483)	747,104	1,553,587
Fund Balance at Beginning of Year	3,785,276	3,785,276	3,785,276	0
Prior Year Encumbrances	148,051	148,051	148,051	0
Fund Balance at End of Year	$ 3,416,194	$ 3,126,844	$ 4,680,431	$ 1,553,587

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Major Funds – Capital Projects Funds For the Year Ended December 31, 2013

CAPITAL IMPROVEMENT RESERVE FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	$ 2,369,743	$ 2,335,603	$ (34,140)
Intergovernmental Revenues	276,000	276,000	0
Charges for Services	37,500	0	(37,500)
Special Assessments	45,000	44,286	(714)
All Other Revenues	0	1,129	1,129
Total Revenues	2,728,243	2,657,018	(71,225)
Expenditures:			
General Government:			
Contractual Services	3,070	2,067	1,003
Other Expenditures	58,271	40,872	17,399
Total General Government	61,341	42,939	18,402
Capital Outlay	6,446,470	6,202,395	244,075
Debt Service:			
Interest and Fiscal Charges	2,600	2,582	18
Total Expenditures	6,510,411	6,247,916	262,495
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,782,168)	(3,590,898)	191,270
Other Financing Sources (Uses):			
Sale of Capital Assets	0	14,905	14,905
General Obligation Notes Issued	379,500	379,500	0
Premium on General Obligation Notes Issued	0	2,444	2,444
OPWC Loan	894,586	894,586	0
Transfers Out	(784,794)	(784,584)	210
Advances In	150,000	150,000	0
Total Other Financing Sources (Uses)	639,292	656,851	17,559
Net Change in Fund Balance	(3,142,876)	(2,934,047)	208,829
Fund Balance at Beginning of Year	517,843	517,843	0
Prior Year Encumbrances	2,725,856	2,725,856	0
Fund Balance at End of Year	$ 100,823	$ 309,652	$ 208,829

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Fund For the Year Ended December 31, 2013

SWIMMING POOL FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	$ 379,670	$ 260,138	$ (119,532)
All Other Revenues	1,000	25,545	24,545
Total Revenues	380,670	285,683	(94,987)
Expenditures:			
Leisure Time Activities:			
Swimming Pool:			
Materials and Supplies	42,480	29,502	12,978
Contractual Services	361,913	345,763	16,150
Other Expenditures	20	20	0
Total Leisure Time Activities	404,413	375,285	29,128
Capital Outlay	2,200	2,197	3
Total Expenditures	406,613	377,482	29,131
Excess (Deficiency) of Revenues Over (Under) Expenditures	(25,943)	(91,799)	(65,856)
Other Financing Sources (Uses):			
Transfers In	25,000	75,000	50,000
Total Other Financing Sources (Uses)	25,000	75,000	50,000
Net Change in Fund Balance	(943)	(16,799)	(15,856)
Fund Balance at Beginning of Year	23,655	23,655	0
Prior Year Encumbrances	443	443	0
Fund Balance at End of Year	$ 23,155	$ 7,299	$ (15,856)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Fund For the Year Ended December 31, 2013

STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	$ 428,841	$ 408,969	$ (19,872)
Charges for Services	30,800	31,195	395
All Other Revenues	1,000	15,924	14,924
Total Revenues	460,641	456,088	(4,553)
Expenditures:			
Transportation:			
Street:			
Personal Services	305,861	303,361	2,500
Travel and Training	485	226	259
Materials and Supplies	24,441	16,490	7,951
Contractual Services	74,514	67,385	7,129
Total Transportation	405,301	387,462	17,839
Capital Outlay	1,550	1,098	452
Total Expenditures	406,851	388,560	18,291
Excess (Deficiency) of Revenues Over (Under) Expenditures	53,790	67,528	13,738
Other Financing Sources (Uses):			
Transfers Out	(59,708)	(59,700)	8
Total Other Financing Sources (Uses)	(59,708)	(59,700)	8
Net Change in Fund Balance	(5,918)	7,828	13,746
Fund Balance at Beginning of Year	269,317	269,317	0
Prior Year Encumbrances	8,649	8,649	0
Fund Balance at End of Year	$ 272,048	$ 285,794	$ 13,746

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Fund For the Year Ended December 31, 2013

STATE HIGHWAY IMPROVEMENT FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	$ 33,908	$ 32,675	$ (1,233)
Total Revenues	33,908	32,675	(1,233)
Expenditures:			
Transportation:			
Street:			
Materials and Supplies	19,994	18,503	1,491
Contractual Services	19,672	15,080	4,592
Total Expenditures	39,666	33,583	6,083
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,758)	(908)	4,850
Fund Balance at Beginning of Year	100,580	100,580	0
Prior Year Encumbrances	4,166	4,166	0
Fund Balance at End of Year	$ 98,988	$ 103,838	$ 4,850

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Fund For the Year Ended December 31, 2013

MUNICIPAL ROAD FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	$ 200,000	$ 205,564	$ 5,564
All Other Revenues	0	655	655
Total Revenues	200,000	206,219	6,219
Expenditures:			
Transportation:			
Street:			
Personal Services	74,793	74,379	414
Materials and Supplies	81,900	65,102	16,798
Contractual Services	32,266	30,348	1,918
Total Transportation	188,959	169,829	19,130
Capital Outlay	6,120	1,196	4,924
Total Expenditures	195,079	171,025	24,054
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,921	35,194	30,273
Other Financing Sources (Uses):			
Transfers Out	(11,900)	(11,900)	0
Total Other Financing Sources (Uses)	(11,900)	(11,900)	0
Net Change in Fund Balance	(6,979)	23,294	30,273
Fund Balance at Beginning of Year	211,392	211,392	0
Prior Year Encumbrances	8,536	8,536	0
Fund Balance at End of Year	$ 212,949	$ 243,222	$ 30,273

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Fund For the Year Ended December 31, 2013

LAW ENFORCEMENT FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
All Other Revenues	$ 2,500	$ 10,522	$ 8,022
Total Revenues	2,500	10,522	8,022
Expenditures:			
Security of Persons and Property:			
State Grant:			
Contractual Services	800	756	44
Total Security of Persons and Property	800	756	44
Capital Outlay	4,600	4,600	0
Total Expenditures	5,400	5,356	44
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,900)	5,166	8,066
Fund Balance at Beginning of Year	16,439	16,439	0
Fund Balance at End of Year	$ 13,539	$ 21,605	$ 8,066

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Fund For the Year Ended December 31, 2013

ENFORCEMENT AND EDUCATION FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	$ 250	$ 275	$ 25
Total Revenues	250	275	25
Expenditures:			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	250	275	25
Fund Balance at Beginning of Year	3,779	3,779	0
Fund Balance at End of Year	$ 4,029	$ 4,054	$ 25

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Fund For the Year Ended December 31, 2013

DRUG LAW ENFORCEMENT FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	$ 100	$ 0	$ (100)
Total Revenues	100	0	(100)
Expenditures:			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	100	0	(100)
Fund Balance at Beginning of Year	6,891	6,891	0
Fund Balance at End of Year	$ 6,991	$ 6,891	$ (100)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Fund For the Year Ended December 31, 2013

FEMA GRANT FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	$ 2,743	$ 2,743	$ 0
Total Revenues	2,743	2,743	0
Expenditures:			
Transportation:			
Grants:			
Other Expenditures	19,198	19,198	0
Total Expenditures	19,198	19,198	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,455)	(16,455)	0
Fund Balance at Beginning of Year	16,455	16,455	0
Fund Balance at End of Year	$ 0	$ 0	$ 0

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Special Revenue Fund For the Year Ended December 31, 2013

POLICE DONATION TRUST FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
All Other Revenues	$ 200	$ 0	$ (200)
Total Revenues	200	0	(200)
Expenditures:			
Security of Persons and Property:			
Police:			
Materials and Supplies	500	0	500
Total Expenditures	500	0	500
Excess (Deficiency) of Revenues Over (Under) Expenditures	(300)	0	300
Fund Balance at Beginning of Year	1,511	1,511	0
Fund Balance at End of Year	$ 1,211	$ 1,511	$ 300

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Debt Service Fund For the Year Ended December 31, 2013

GENERAL BOND RETIREMENT FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	$ 0	$ 0	$ 0
Expenditures:			
Debt Service:			
Principal Retirement	5,134,000	5,134,000	0
Interest and Fiscal Charges	133,072	129,710	3,362
Total Expenditures	5,267,072	5,263,710	3,362
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,267,072)	(5,263,710)	3,362
Other Financing Sources (Uses):			
General Obligation Notes Issued	4,077,000	4,077,000	0
Premium on General Obligation Notes	5,000	24,881	19,881
Transfers In	1,157,493	1,476,708	319,215
Total Other Financing Sources (Uses)	5,239,493	5,578,589	339,096
Net Change in Fund Balance	(27,579)	314,879	342,458
Fund Balance at Beginning of Year	40,552	40,552	0
Fund Balance at End of Year	$ 12,973	$ 355,431	$ 342,458

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Debt Service Fund For the Year Ended December 31, 2013

SPECIAL ASSESSMENT BOND RETIREMENT FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Special Assessments	$ 73,653	$ 73,653	$ 0
Total Revenues	73,653	73,653	0
Expenditures:			
General Government:			
Contractual Services	3,800	3,507	293
Debt Service:			
Principal Retirement	40,000	40,000	0
Interest and Fiscal Charges	26,665	26,665	0
Total Expenditures	70,465	70,172	293
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,188	3,481	293
Fund Balance at Beginning of Year	10,970	10,970	0
Fund Balance at End of Year	$ 14,158	$ 14,451	$ 293

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Capital Projects Fund For the Year Ended December 31, 2013

PARKS CAPITAL IMPROVEMENT FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	$ 197,000	$ 203,406	$ 6,406
Total Revenues	197,000	203,406	6,406
Expenditures:			
Leisure Time Activities:			
Other Expenditures	18,500	22,711	(4,211)
Total Expenditures	18,500	22,711	(4,211)
Excess (Deficiency) of Revenues Over (Under) Expenditures	178,500	180,695	2,195
Other Financing Sources (Uses):			
Transfers Out	(322,416)	(322,416)	0
Total Other Financing Sources (Uses)	(322,416)	(322,416)	0
Net Change in Fund Balance	(143,916)	(141,721)	2,195
Fund Balance at Beginning of Year	154,051	154,051	0
Fund Balance at End of Year	$ 10,135	$ 12,330	$ 2,195

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Capital Projects Fund For the Year Ended December 31, 2013

ABBOTT DRIVE CONSTRUCTION FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	$ 600,000	$ 600,000	$ 0
Total Revenues	600,000	600,000	0
Expenditures:			
Capital Outlay	209,718	182,665	27,053
Total Expenditures	209,718	182,665	27,053
Excess (Deficiency) of Revenues Over (Under) Expenditures	390,282	417,335	27,053
Other Financing Sources (Uses):			
Transfers Out	(298,108)	(298,108)	0
Advances Out	(600,000)	(600,000)	0
Total Other Financing Sources (Uses)	(898,108)	(898,108)	0
Net Change in Fund Balance	(507,826)	(480,773)	27,053
Fund Balance at Beginning of Year	304,247	304,247	0
Prior Year Encumbrances	209,718	209,718	0
Fund Balance at End of Year	$ 6,139	$ 33,192	$ 27,053

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Capital Projects Fund For the Year Ended December 31, 2013

25-A CONSTRUCTION FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	$ 0	$ 50,000	$ 50,000
Total Revenues	0	50,000	50,000
Expenditures:			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	50,000	50,000
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	$ 0	$ 50,000	$ 50,000

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Capital Projects Fund For the Year Ended December 31, 2013

OPWC GRANT FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	$ 38,581	$ 38,581	$ 0
Total Revenues	38,581	38,581	0
Expenditures:			
Streets:			
Capital Outlay	38,581	38,581	0
Total Expenditures	38,581	38,581	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	$ 0	$ 0	$ 0

Fiduciary Funds

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

Agency Funds

Contractor Maintenance Deposit Fund
To account for monies received from contractors while they are building structures in the City. Money is returned when the structures are completed.

Health Insurance Fund
To account for monies withheld from employees wages for health insurance premiums.

Medical Reimbursement Fund
To account for monies withheld from employees wages designated for employees' medical reimbursement accounts established under Internal Revenue Code Section 125 Cafeteria Plan.

Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2013

	Balance December 31, 2012	Additions	Deductions	Balance December 31, 2013
Contractor Maintenance Deposit Fund				
Assets:				
Restricted Cash and Cash Equivalents	$66,962	$36,105	($42,360)	$60,707
Total Assets	$66,962	$36,105	($42,360)	$60,707
Liabilities:				
Due to Others	$66,962	$36,105	($42,360)	$60,707
Total Liabilities	$66,962	$36,105	($42,360)	$60,707
Health Insurance Fund				
Assets:				
Cash and Cash Equivalents	$43,180	$109,333	($120,348)	$32,165
Total Assets	$43,180	$109,333	($120,348)	$32,165
Liabilities:				
Due to Others	$43,180	$109,333	($120,348)	$32,165
Total Liabilities	$43,180	$109,333	($120,348)	$32,165
Medical Reimbursement Fund				
Assets:				
Cash and Cash Equivalents	$5,703	$15,735	($16,057)	$5,381
Total Assets	$5,703	$15,735	($16,057)	$5,381
Liabilities:				
Due to Others	$5,703	$15,735	($16,057)	$5,381
Total Liabilities	$5,703	$15,735	($16,057)	$5,381
Total Agency Funds				
Assets:				
Cash and Cash Equivalents	$48,883	$125,068	($136,405)	$37,546
Restricted Cash and Cash Equivalents	66,962	36,105	(42,360)	60,707
Total Assets	$115,845	$161,173	($178,765)	$98,253
Liabilities:				
Due to Others	$115,845	$161,173	($178,765)	$98,253
Total Liabilities	$115,845	$161,173	($178,765)	$98,253

Tipp City

Statistical Section

Tipp City

STATISTICAL TABLES

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

Contents

Financial Trends S 2 – S 13

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

Revenue Capacity S 14 – S 17

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

Debt Capacity S 18 – S 27

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

Economic and Demographic Information S 28 – S 33

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

Operating Information S 34 – S 37

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

Sources Note:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The city implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

City of Tipp City

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

	2004	2005	2006	2007
Governmental Activities:				
Net Investment in Capital Assets	$22,091,073	$28,985,972	$30,829,948	$31,427,283
Restricted	2,645,126	3,283,949	3,074,745	2,443,299
Unrestricted	2,531,296	3,292,184	3,479,712	4,176,006
Total Governmental Activities Net Position	$27,267,495	$35,562,105	$37,384,405	$38,046,588
Business-type Activities:				
Net Investment in Capital Assets	$15,751,376	$18,012,991	$19,874,577	$19,295,981
Unrestricted	13,390,643	12,435,714	11,519,382	12,679,089
Total Business-type Activities Net Position	$29,142,019	$30,448,705	$31,393,959	$31,975,070
Primary Government:				
Net Investment in Capital Assets	$37,842,449	$46,998,963	$50,704,525	$50,723,264
Restricted	2,645,126	3,283,949	3,074,745	2,443,299
Unrestricted	15,921,939	15,727,898	14,999,094	16,855,095
Total Primary Government Net Position	$56,409,514	$66,010,810	$68,778,364	$70,021,658

Source: Finance Director's Office

2008	2009	2010	2011	2012	2013
$32,242,094	$32,842,386	$33,597,957	$34,228,303	$31,966,661	$36,793,037
2,243,415	1,947,201	1,885,841	2,367,676	1,858,164	3,497,916
5,455,035	5,431,361	5,015,791	5,478,337	9,638,818	5,487,005
$39,940,544	$40,220,948	$40,499,589	$42,074,316	$43,463,643	$45,777,958
$19,681,449	$20,158,896	$18,683,126	$20,521,369	$19,920,919	$19,488,875
13,807,232	14,835,988	18,126,140	18,359,537	20,056,259	21,158,072
$33,488,681	$34,994,884	$36,809,266	$38,880,906	$39,977,178	$40,646,947
$51,923,543	$53,001,282	$52,281,083	$54,749,672	$51,887,580	$56,281,912
2,243,415	1,947,201	1,885,841	2,367,676	1,858,164	3,497,916
19,262,267	20,267,349	23,141,931	23,837,874	29,695,077	26,645,077
$73,429,225	$75,215,832	$77,308,855	$80,955,222	$83,440,821	$86,424,905

City of Tipp City

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

	2004	2005	2006	2007
Expenses				
Governmental Activities:				
Security of Persons and Property	$2,625,552	$2,801,884	$3,059,221	$3,195,571
Leisure Time Activities	615,012	1,047,316	1,223,444	1,407,319
Community Environment	196,737	223,831	244,199	231,885
Basic Utility Services	205,980	187,154	208,175	229,516
Transportation	1,073,494	1,282,315	1,415,279	1,465,686
General Government	1,362,120	1,487,548	1,570,900	1,763,783
Interest and Fiscal Charges	269,576	325,851	311,856	286,399
Total Governmental Activities Expenses	6,348,471	7,355,899	8,033,074	8,580,159
Business-type Activities:				
Electric	8,287,261	9,042,072	8,279,720	8,330,307
Water	748,600	899,618	870,940	1,907,331
Sewer	986,537	1,085,803	1,153,467	1,145,064
Refuse Collection	236,867	501,255	560,964	661,807
Total Business-type Activities Expenses	10,259,265	11,528,748	10,865,091	12,044,509
Total Primary Government Expenses	$16,607,736	$18,884,647	$18,898,165	$20,624,668
Program Revenues				
Governmental Activities:				
Charges for Services				
Security of Persons and Property	$395,559	$533,723	$600,915	$597,064
Leisure Time Activities	39,183	360,939	382,974	391,090
Community Environment	266,545	130,100	191,900	176,493
Basic Utility Services	0	0	0	0
Transportation	210,443	17,891	4,080	1,339
Operating Grants and Contributions	515,541	631,689	587,476	593,159
Capital Grants and Contributions	2,392,215	5,394,254	1,129,308	799,014
Total Governmental Activities Program Revenues	3,819,486	7,068,596	2,896,653	2,558,159

2008	2009	2010	2011	2012	2013
$3,319,976	$3,286,305	$3,191,455	$3,295,937	$3,807,107	$3,530,729
1,285,709	1,320,200	1,115,986	1,206,554	1,258,269	1,184,929
251,345	260,189	240,229	263,018	266,399	318,126
247,636	238,584	209,396	207,591	219,845	224,611
1,595,113	1,858,692	1,520,827	1,496,946	1,748,615	1,282,473
1,645,898	1,601,373	1,552,036	1,724,894	1,546,497	1,461,944
264,771	243,087	195,839	159,465	128,914	131,839
8,610,448	8,808,430	8,025,768	8,354,405	8,975,646	8,134,651
9,488,473	10,043,278	10,934,711	10,162,311	10,947,908	13,022,380
2,183,762	2,492,331	2,687,174	2,339,234	2,450,611	2,750,504
1,296,882	1,236,664	1,293,025	1,332,069	1,277,737	1,524,521
716,728	741,101	762,941	777,573	803,896	830,635
13,685,845	14,513,374	15,677,851	14,611,187	15,480,152	18,128,040
$22,296,293	$23,321,804	$23,703,619	$22,965,592	$24,455,798	$26,262,691
$539,207	$613,231	$526,499	$674,013	$677,146	$467,951
381,063	332,688	387,874	394,409	362,673	285,683
131,771	89,325	20,431	68,382	65,012	19,545
238,266	116,993	232,627	207,662	222,600	222,244
3,366	33,388	32,162	31,468	86,142	66,357
656,539	693,882	651,175	649,294	688,116	639,270
1,927,765	1,168,819	211,035	926,961	913,862	1,264,689
3,877,977	3,048,326	2,061,803	2,952,189	3,015,551	2,965,739

(continued)

City of Tipp City

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

	2004	2005	2006	2007
Business-type Activities:				
Charges for Services				
Electric	10,375,880	9,801,970	8,591,803	9,351,973
Water	1,085,022	1,045,330	1,257,977	1,818,669
Sewer	818,155	1,163,874	967,542	1,218,038
Refuse Collection	258,110	532,205	595,003	675,937
Capital Grants and Contributions	591,242	2,424,866	1,091,585	290,512
Total Business-type Activities Program Revenues	13,128,409	14,968,245	12,503,910	13,355,129
Total Primary Government Program Revenues	16,947,895	22,036,841	15,400,563	15,913,288
Net (Expense)/Revenue				
Governmental Activities	(2,528,985)	(287,303)	(5,136,421)	(6,022,000)
Business-type Activities	2,869,144	3,439,497	1,638,819	1,310,620
Total Primary Government Net (Expense)/Revenue	$340,159	$3,152,194	($3,497,602)	($4,711,380)
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Income Taxes	$3,393,013	$4,189,850	$3,801,640	$3,460,790
Property Taxes	320,862	337,213	321,525	321,337
Other Local Taxes	27,586	32,993	32,640	35,265
Unrestricted Shared Revenues	1,205,612	1,354,519	1,302,928	1,311,289
Investment Earnings	212,326	377,781	610,310	610,371
Miscellaneous	201,834	156,746	196,113	215,622
Transfers	345,786	659,747	693,565	729,509
Total Governmental Activities	5,707,019	7,108,849	6,958,721	6,684,183
Business-type Activities:				
Transfers	(345,786)	(659,747)	(693,565)	(729,509)
Total Business-type Activities	(345,786)	(659,747)	(693,565)	(729,509)
Total Primary Government	$5,361,233	$6,449,102	$6,265,156	$5,954,674
Change in Net Position				
Governmental Activities	$3,178,034	$6,821,546	$1,822,300	$662,183
Business-type Activities	2,523,358	2,779,750	945,254	581,111
Total Primary Government Change in Net Position	$5,701,392	$9,601,296	$2,767,554	$1,243,294

Source: Finance Director's Office

2008	2009	2010	2011	2012	2013
10,077,906	10,957,613	11,895,134	12,127,149	12,114,762	13,473,203
2,276,912	2,331,227	2,516,700	2,151,483	2,523,591	2,354,501
1,318,119	1,259,362	2,117,802	1,129,188	1,121,499	1,362,580
713,082	738,911	763,387	786,630	816,572	839,841
835,244	751,569	241,153	504,377	0	767,684
15,221,263	16,038,682	17,534,176	16,698,827	16,576,424	18,797,809
19,099,240	19,087,008	19,595,979	19,651,016	19,591,975	21,763,548
(4,732,471)	(5,760,104)	(5,963,965)	(5,402,216)	(5,960,095)	(5,168,912)
1,535,418	1,525,308	1,856,325	2,087,640	1,096,272	669,769
($3,197,053)	($4,234,796)	($4,107,640)	($3,314,576)	($4,863,823)	($4,499,143)
$3,644,832	$3,133,216	$3,449,915	$4,006,199	$4,958,434	$5,400,724
327,431	326,079	323,521	323,887	327,145	330,957
21,407	28,052	46,875	58,523	73,682	76,559
1,474,216	1,302,247	1,327,627	1,286,470	1,002,069	381,894
441,016	195,035	121,044	91,692	80,537	44,249
695,718	1,036,774	931,681	1,194,172	907,555	1,248,844
21,807	19,105	41,943	16,000	0	0
6,626,427	6,040,508	6,242,606	6,976,943	7,349,422	7,483,227
(21,807)	(19,105)	(41,943)	(16,000)	0	0
(21,807)	(19,105)	(41,943)	(16,000)	0	0
$6,604,620	$6,021,403	$6,200,663	$6,960,943	$7,349,422	$7,483,227
$1,893,956	$280,404	$278,641	$1,574,727	$1,389,327	$2,314,315
1,513,611	1,506,203	1,814,382	2,071,640	1,096,272	669,769
$3,407,567	$1,786,607	$2,093,023	$3,646,367	$2,485,599	$2,984,084

City of Tipp City

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

	2004	2005	2006	2007	2008
General Fund					
Nonspendable	$0	$0	$0	$0	$0
Assigned	0	0	0	0	0
Unassigned	0	0	0	0	0
Reserved	227,633	225,007	204,586	204,706	228,586
Unreserved	2,738,720	3,286,365	3,435,396	3,401,815	3,682,473
Total General Fund	2,966,353	3,511,372	3,639,982	3,606,521	3,911,059
All Other Governmental Funds					
Nonspendable	0	0	0	0	0
Restricted	0	0	0	0	0
Committed	0	0	0	0	0
Unassigned	0	0	0	0	0
Reserved	4,382,752	1,880,597	736,407	482,190	1,652,697
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	362,068	361,808	420,362	369,856	505,158
Capital Projects Funds	156,311	(519,717)	141,300	(157,446)	(1,628,054)
Total All Other Governmental Funds	4,901,131	1,722,688	1,298,069	694,600	529,801
Total Governmental Funds	$7,867,484	$5,234,060	$4,938,051	$4,301,121	$4,440,860

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

2009	2010	2011	2012	2013
$0	$0	$101,503	$101,889	$87,409
0	0	182,888	127,985	166,514
0	0	4,235,878	4,723,463	5,127,418
147,861	221,064	0	0	0
3,856,093	3,830,666	0	0	0
4,003,954	4,051,730	4,520,269	4,953,337	5,381,341
0	0	89,710	73,713	90,131
0	0	1,626,209	1,092,849	1,183,624
0	0	73,056	22,628	8,934
0	0	(815,365)	(1,533,887)	(1,800,077)
477,377	431,853	0	0	0
514,834	599,921	0	0	0
(644,828)	(677,780)	0	0	0
347,383	353,994	973,610	(344,697)	(517,388)
$4,351,337	$4,405,724	$5,493,879	$4,608,640	$4,863,953

City of Tipp City

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

	2004	2005	2006	2007
Revenues:				
Taxes	$3,724,771	$4,163,119	$4,102,979	$3,713,187
Intergovernmental Revenues	2,970,947	4,227,822	3,031,924	2,523,552
Charges for Services	431,831	875,342	962,883	956,560
Licenses, Permits and Fees	140,400	100,348	51,671	88,217
Investment Earnings	216,971	368,738	568,508	634,068
Special Assessments	290,594	138,087	176,517	146,551
Fines and Forfeitures	12,050	17,374	18,698	20,630
All Other Revenue	195,286	176,457	202,602	320,344
Total Revenue	7,982,850	10,067,287	9,115,782	8,403,109
Expenditures:				
Current:				
Security of Persons and Property	2,407,475	2,581,894	2,857,394	2,980,614
Leisure Time Activities	518,553	803,645	836,527	866,924
Community Environment	193,591	221,349	229,968	238,806
Basic Utility Services	187,468	198,912	207,205	223,769
Transportation	467,201	649,449	555,612	549,832
General Government	1,207,697	1,322,241	1,398,609	1,457,073
Capital Outlay	4,737,669	6,386,882	2,806,629	2,263,569
Debt Service:				
Principal Retirement	305,000	945,660	901,632	897,062
Interest and Fiscal Charges	253,627	327,982	313,856	288,508
Total Expenditures	10,278,281	13,438,014	10,107,432	9,766,157
Excess (Deficiency) of Revenues Over Expenditures	(2,295,431)	(3,370,727)	(991,650)	(1,363,048)

2008	2009	2010	2011	2012	2013
$4,030,913	$3,571,583	$3,823,618	$4,480,781	$5,250,226	$5,741,284
2,756,171	3,201,047	2,220,692	2,833,417	2,093,184	2,551,048
1,654,251	1,738,276	1,770,228	1,892,452	1,842,891	1,728,149
35,547	12,858	14,113	13,092	63,444	19,080
452,408	205,677	123,206	73,890	110,478	47,076
160,172	134,197	114,526	132,872	113,237	118,397
18,286	15,962	20,429	15,326	15,002	14,979
184,486	378,679	222,130	571,643	328,305	582,051
9,292,234	9,258,279	8,308,942	10,013,473	9,816,767	10,802,064
3,080,822	2,968,982	3,048,578	3,175,914	3,142,368	3,214,265
884,455	851,403	766,504	778,807	800,267	795,797
248,376	246,653	252,874	260,105	263,439	315,751
235,440	234,230	229,294	208,818	217,147	226,353
767,377	646,218	564,410	531,100	576,373	568,730
1,464,240	1,433,994	1,427,326	1,568,282	1,447,729	1,344,666
1,336,673	1,928,432	895,032	1,346,198	3,179,877	5,968,429
882,509	857,972	911,665	930,000	930,000	655,000
267,055	245,371	198,280	162,268	131,753	114,388
9,166,947	9,413,255	8,293,963	8,961,492	10,688,953	13,203,379
125,287	(154,976)	14,979	1,051,981	(872,186)	(2,401,315)

(Continued)

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

	2004	2005	2006	2007
Other Financing Sources (Uses):				
Other Financing Sources - Capital Leases	0	61,500	0	0
Special Assessment Bonds Issued	930,000	0	0	0
General Obligation Bonds Issued	5,975,000	0	0	0
General Obligation Notes Issued	0	0	0	0
OPWC Loan Issued	0	0	0	0
Transfers In	1,274,901	2,346,269	2,458,945	2,453,724
Transfers Out	(929,115)	(1,686,522)	(1,765,380)	(1,724,215)
Total Other Financing Sources (Uses)	7,250,786	721,247	693,565	729,509
Net Change in Fund Balance	$4,955,355	($2,649,480)	($298,085)	($633,539)
Debt Service as a Percentage of Noncapital Expenditures	10.08%	18.06%	16.23%	15.19%

Source: Finance Director's Office

2008	2009	2010	2011	2012	2013
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	1,753,900
0	0	0	0	0	894,586
1,282,021	1,150,447	1,334,975	1,088,573	1,040,152	1,114,647
(1,260,214)	(1,131,342)	(1,293,032)	(1,072,573)	(1,040,152)	(1,114,647)
21,807	19,105	41,943	16,000	0	2,648,486
$147,094	($135,871)	$56,922	$1,067,981	($872,186)	$247,171
17.43%	13.57%	14.68%	13.83%	12.61%	11.16%

City of Tipp City

Income Tax Revenues by Source, Governmental Funds
(Cash Basis of Accounting)
Last Ten Years

Tax year	2004	2005	2006	2007	2008
Income Tax Rate	1.25%	1.25%	1.25%	1.25%	1.25%
Estimated Personal Income (in thousands)	$280,420	$282,578	$293,855	$306,036	$319,766
Total Tax Collected	$3,461,382	$3,702,867	$3,867,731	$3,679,252	$3,748,800
Income Tax Receipts					
Withholding	2,497,599	2,615,737	2,684,253	2,769,744	2,747,671
Percentage	72.16%	70.64%	69.40%	75.28%	73.29%
Corporate	543,935	636,113	696,447	414,080	508,418
Percentage	15.71%	17.18%	18.01%	11.25%	13.56%
Individuals	419,848	451,017	487,031	495,428	492,711
Percentage	12.13%	12.18%	12.59%	13.47%	13.15%

Source: City Income Tax Department

Note:
In 2011 the City's income tax rate was increased by voter approval from 1.25% to 1.50%.
The City levies a 1.50% income tax on substantially all income earned within the City. Additional increases in the income tax require voter approval. City residents pay City income tax on income earned outside the City, however; a credit is allowed for income paid to other municipalities. Employers within the City withhold income tax on employee compensation and remit at least quarterly.

2009	2010	2011	2012	2013
1.25%	1.25%	1.50%	1.50%	1.50%
$318,078	$344,618	$369,122	$379,625	$379,625
$3,471,660	$3,597,653	$4,042,351	$4,960,000	$5,440,357
2,626,888	2,648,385	3,086,202	3,594,951	3,834,176
75.67%	73.61%	76.35%	72.48%	70.48%
296,977	469,352	411,038	764,934	901,630
8.55%	13.05%	10.17%	15.42%	16.57%
547,795	479,916	545,111	600,115	704,551
15.79%	13.35%	13.48%	12.10%	12.95%

City of Tipp City

Top Ten Income Tax Withholders
(Cash Basis of Accounting)
Current Year and Nine Years Ago

Name of Taxpayer	Nature of Business	2013 Rank
Meijer, Inc.	Warehouse Distribution	1
Regal Beloit America (formerly A.O. Smith Corp.)	Manufacturing	2
Tipp City Exempted Village School District	Education	3
Federal Government	Government	4
Creative Extruded Products	Manufacturing	5
Arbogast Buick Pontiac GMC	Automotive Retail	6
Rostam Direct (formerly Gardens Alive- Springhill)	Agricultural-Nursery	7
Precision Strip Inc.	Metal Processing	8
Abbott Laboratories	Manufacturing	9
City of Tipp City	Government	10

Name of Taxpayer	Nature of Business	2004 Rank
A. O . Smith Corporation	Manufacturing	1
Meijer, Inc.	Warehouse Distribution	2
Tipp City Exempted Village School District	Education	3
Gardens Alive- Springhill	Agricultural-Nursery	4
Creative Extruded Products	Manufacturing	5
Arbogast	Auto Dealer	6
Tipp Machine and Tool	Manufacturing	7
Federal Government	Government	8
DAP Products, Inc.	Manufacturing	9
City of Tipp City	Government	10

Source: City Income Tax Department

Note:
Due to legal restrictions and confidentiality requirements, the City cannot disclose the amount of withholdings by taxpayer. The City chose not to disclose percentages and number of filers by income level because the City does not require all taxpayers to file a return, therefore it does not have, nor can it obtain, this type of information.

City of Tipp City

Ratios of Outstanding Debt By Type
Last Ten Years

	2004	2005	2006	2007
Governmental Activities (1)				
General Obligation Bonds Payable	$8,300,000	$7,395,000	$6,540,000	$5,690,000
General Obligation Notes Payable	0	0	0	0
Special Assessment Bonds Payable	930,000	895,000	860,000	825,000
OPWC Loan Payable	0	0	0	0
Capital Leases	0	55,840	44,208	32,146
Business-type Activities (1)				
General Obligation Bonds Payable	$1,605,000	$1,370,000	$1,135,000	$950,000
General Obligation Notes Payable	0	0	0	0
Long-Term Loans Payable	432,095	408,510	408,510	408,510
Total Primary Government	$11,267,095	$10,124,350	$8,987,718	$7,905,656
Population (2)				
City of Tipp City	9,221	9,221	9,221	9,221
Outstanding Debt Per Capita	$1,222	$1,098	$975	$857
Income (3)				
Personal (in thousands)	280,420	282,578	293,855	306,036
Percentage of Personal Income	4.02%	3.58%	3.06%	2.58%

Sources:

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

2008	2009	2010	2011	2012	2013
$4,855,000	$4,045,000	$3,180,000	$2,290,000	$1,400,000	$785,000
0	0	0	0	0	1,753,900
790,000	755,000	715,000	675,000	635,000	595,000
0	0	0	0	0	894,586
19,637	6,665	0	0	0	0
$795,000	$670,000	$545,000	$420,000	$320,000	$220,000
0	0	0	0	0	5,094,100
408,510	397,680	397,680	1,103,335	1,385,905	1,764,595
$6,868,147	$5,874,345	$4,837,680	$4,488,335	$3,740,905	$11,107,181
9,221	9,221	9,689	9,689	9,689	9,689
$745	$637	$499	$463	$386	$1,146
319,766	318,078	344,618	369,122	379,625	379,625
2.15%	1.85%	1.40%	1.22%	0.99%	2.93%

City of Tipp City

Ratios of General Bonded Debt Outstanding
Last Ten Years

Year	2004	2005	2006	2007
Population (1)	9,221	9,221	9,221	9,221
Assessed Value (2)	$260,699,910	$266,979,780	$259,775,650	$275,784,680
General Bonded Debt (3)				
General Obligation Bonds	$9,905,000	$8,765,000	$7,675,000	$6,640,000
Resources Available to Pay Principal (4)	$8,589	$0	$0	$954
Net General Bonded Debt	$9,896,411	$8,765,000	$7,675,000	$6,639,046
Ratio of Net Bonded Debt to Estimated Assessed Value	3.80%	3.28%	2.95%	2.41%
Net Bonded Debt per Capita	$1,073.25	$950.55	$832.34	$719.99

Source:
(1) U.S. Bureau of Census of Population
(2) Miami County Auditor
(3) Includes all general obligation bonded debt.
(4) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

2008	2009	2010	2011	2012	2013
9,221	9,221	9,689	9,689	9,689	9,689
$267,820,410	$261,124,460	$258,177,010	$261,212,250	$262,558,910	$248,551,810
$5,650,000	$4,715,000	$3,725,000	$2,710,000	$1,720,000	$1,005,000
$4,164	$3,754	$32,640	$36,941	$40,552	$355,431
$5,645,836	$4,711,246	$3,692,360	$2,673,059	$1,679,448	$649,569
2.11%	1.80%	1.43%	1.02%	0.64%	0.26%
$612.28	$510.93	$381.09	$275.89	$173.34	$67.04

City of Tipp City

Computation of Direct and Overlapping
General Obligation Debt
December 31, 2013

Jurisdiction	Net Debt Outstanding	Percentage Applicable to the City of Tipp City	Amount Applicable to the City of Tipp City
Direct:			
City of Tipp City	$4,028,486	100.00%	$4,028,486
Overlapping:			
Tipp City Exempted Village School District	16,380,761	67.92%	11,125,813
Miami County	22,085,890	12.19%	2,692,270
Miami Valley Career Center JVSD	6,615,000	3.79%	250,709
		Subtotal	14,068,792
		Total	$18,097,278

Source: Miami County Auditor and Fiscal Officers of Subdivisions.

Note:

Direct debt includes all long-term debt instruments payable by Governmental Activities, including notes payable.

Percentages determined by dividing each overlapping jurisdictions' assessed valuation within the City by the jurisdictions' total assessed valuation.

City of Tipp City

Debt Limitations
Last Ten Years

Collection Year	2004	2005	2006	2007
Total Debt				
Net Assessed Valuation	$260,699,910	$266,979,780	$259,775,650	$275,784,680
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation ($) (1)	27,373,491	28,032,877	27,276,443	28,957,391
City Debt Outstanding (2)	0	0	0	0
Less: Applicable Debt Service Fund Amounts	0	0	0	0
Net Indebtedness Subject to Limitation	0	0	0	0
Overall Legal Debt Margin	$27,373,491	$28,032,877	$27,276,443	$28,957,391
Unvoted Debt				
Net Assessed Valuation	$260,699,910	$266,979,780	$259,775,650	$275,784,680
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation ($) (1)	14,338,495	14,683,888	14,287,661	15,168,157
City Debt Outstanding (2)	0	0	0	0
Less: Applicable Debt Service Fund Amounts	0	0	0	0
Net Indebtedness Subject to Limitation	0	0	0	0
Overall Legal Debt Margin	$14,338,495	$14,683,888	$14,287,661	$15,168,157

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

(2) City debt outstanding does not include general obligation debt that is supported by enterprise funds, income tax receipts, and special assessments.

Source: Finance Director's Office

2008	2009	2010	2011	2012	2013
$267,820,410	$261,124,460	$258,177,010	$261,212,250	$262,558,910	$248,551,810
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
28,121,143	27,418,068	27,108,586	27,427,286	27,568,686	26,097,940
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
$28,121,143	$27,418,068	$27,108,586	$27,427,286	$27,568,686	$26,097,940
$267,820,410	$261,124,460	$258,177,010	$261,212,250	$262,558,910	$248,551,810
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
14,730,123	14,361,845	14,199,736	14,366,674	14,440,740	13,670,350
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
$14,730,123	$14,361,845	$14,199,736	$14,366,674	$14,440,740	$13,670,350

City of Tipp City

Pledged Revenue Coverage
Last Ten Years

	2004	2005	2006	2007	2008
Special Assessment Bonds (1)					
Special Assessment Collections	$0	$73,653	$73,653	$73,653	$73,653
Debt Service					
Principal	0	35,000	35,000	35,000	35,000
Interest	20,338	34,865	34,165	33,465	32,678
Coverage	0.00	1.05	1.06	1.08	1.09

(1) The Street Special Assessment Bonds were issued in 2004, in the amount of $930,000.

Source: Finance Director's Office

2009	2010	2011	2012	2013
$73,653	$73,653	$73,653	$73,653	$73,653
35,000	40,000	40,000	40,000	40,000
31,715	30,664	29,465	28,065	26,665
1.10	1.04	1.06	1.08	1.10

City of Tipp City

Demographic and Economic Statistics
Last Ten Years

Calendar Year	2004	2005	2006	2007
Population (1)				
City of Tipp City	9,221	9,221	9,221	9,221
Miami County	98,868	98,868	98,868	98,868
Income (2) (a)				
Total Personal (in thousands)	280,420	282,578	293,855	306,036
Per Capita	30,411	30,645	31,868	33,189
Unemployment Rate (3)				
Federal	6.0%	5.1%	4.6%	4.6%
State	6.1%	5.9%	5.5%	5.6%
Miami County	5.6%	5.6%	5.5%	5.4%
Civilian Work Force Estimates (3)				
State	5,875,300	5,900,400	5,934,000	5,976,500
Miami County	54,300	54,100	55,100	55,400
Total Assessed Property Value (4)	260,699,910	266,979,780	259,775,650	275,784,680
Estimated Actual Property Value (4)	806,202,806	822,422,149	786,707,789	854,886,147

Sources:

(1) US Bureau of Census of Population
(2) US Department of Commerce, Bureau of Economic Analysis information is only available through 2012 for the presentation of 2013 statistics, the City is using the latest information available.
  (a) Total Personal Income is a calculation based on the County's Per Capita Income, which is the only information available.
(3) State Department of Labor Statistics
(4) Miami County Auditor

2008	2009	2010	2011	2012	2013
9,221	9,221	9,689	9,689	9,689	9,689
98,868	98,868	102,506	102,506	102,506	102,506
319,766	318,078	344,618	369,122	379,625	379,625
34,678	34,495	35,568	38,097	39,181	39,181
5.8%	9.3%	9.6%	8.5%	8.1%	7.4%
6.6%	10.2%	10.1%	7.9%	7.2%	7.4%
6.4%	11.7%	10.5%	7.6%	7.0%	7.2%
5,986,400	5,970,200	5,897,600	5,791,000	5,747,900	5,765,700
55,400	55,400	54,200	53,100	52,400	52,100
267,820,410	261,124,460	258,177,010	261,212,250	262,558,910	248,551,810
803,462,520	747,736,243	737,338,171	746,320,714	750,168,314	710,148,029

City of Tipp City

Principal Employers
Current Year and Nine Years Ago

Employer	Nature of Business	2013 Number of Employees	Rank
Meijer, Inc.	Warehouse Distribution	1,460	1
Rostam Direct (formerly Gardens Alive-Springhill)	Agricultural-Nursery	467	2
Tipp City Exempted Village School District	Education	455	3
CBS Personnel Services	Temporary Employment Services	320	4
Associate Staffing	Temporary Employment Services	302	5
Menards	Retail	285	6
Regal Beloit (formerly AO Smith Corporation)	Manufacturing	272	7
Adcare Health Systems (formerly Springmeade)	Health Care	271	8
Arbogast	Automotive Retail	247	9
FHI LLC	Warehouse Distribution	238	10
Total		4,317	

Employer	Nature of Business	2004 Number of Employees	Rank
Meijer, Inc.	Warehouse Distribution	800	1
A. O . Smith Corporation	Manufacturing	450	2
Tipp City Exempted Village School District	Education	283	3
Creative Extruded Products	Manufacturing	250	4
DAP Products, Inc.	Manufacturing	150	5
Springmeade Health Center	Health Care	147	6
Arbogast	Auto Dealer	135	7
Tipp Machine & Tool	Manufacturing	102	8
Allen Foods	Food Processing	100	9
Gardens Alive- Springhill	Agricultural and Nursery	76	10
Total		2,493	

Sources: Tipp City Income Tax Department and Tipp City Chamber of Commerce

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

City of Tipp City

Full Time Equivalent Employees by Function
Last Ten Years

	2004	2005	2006	2007
Governmental Activities				
General Government				
Legislative	4.00	4.00	4.00	4.00
City Manager	2.00	2.00	2.00	2.00
Building and Facility Services	1.50	1.50	2.00	2.00
Finance	7.50	7.50	7.50	8.00
Legal	0.50	0.50	0.50	0.50
Engineering	2.50	3.00	3.00	3.00
Security of Persons and Property				
Police	22.00	22.00	22.50	22.50
Fire and EMS	15.50	15.50	15.50	15.50
Transportation				
Street	6.00	6.00	6.00	6.00
Leisure Time Activities				
Parks	6.00	6.00	6.00	6.00
Community Environment				
Community and Economic Development	2.50	2.50	2.50	2.50
Business-Type Activities				
Utilities				
Electric	14.50	14.50	15.50	15.50
Water	5.00	5.25	5.50	8.50
Sewer	3.00	5.25	3.50	3.50
Total Employees	92.50	95.50	96.00	99.50

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

Source: Finance Director's Office

2008	2009	2010	2011	2012	2013
4.00	3.50	3.50	3.50	3.50	3.50
2.00	2.00	2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00	1.50	2.00
8.00	8.00	7.50	7.50	7.00	7.00
0.50	0.50	0.50	0.50	0.50	0.50
3.00	3.00	3.00	3.00	3.00	3.00
22.50	22.50	22.50	22.50	22.50	22.50
15.50	15.50	15.50	15.50	15.50	15.50
6.00	5.50	5.00	5.00	5.00	5.00
6.00	5.25	4.75	4.75	4.75	4.75
2.50	2.50	2.50	2.50	2.50	2.50
15.50	15.50	14.50	14.00	14.00	14.00
8.50	8.50	8.50	8.30	8.30	5.75
3.50	3.50	3.50	3.20	3.20	5.75
99.50	97.75	95.25	94.25	93.25	93.75

City of Tipp City

Operating Indicators by Function
Last Ten Years

	2004	2005	2006	2007
Governmental Activities				
General Government				
Accounts Payable Checks processed	3,500	3,343	3,542	3,576
Purchase Orders issued	2,599	2,502	2,813	2,780
Court				
Number of Criminal Cases	334	408	368	412
Number of Traffic Cases	584	688	747	742
Licenses and Permits				
Number of Residential Building Permits	79	82	34	31
Number of Commercial Building Permits	9	8	8	9
Security of Persons and Property				
Police				
Criminal Arrests	675	805	676	770
Calls for Service	16,580	17,345	16,391	15,420
Number of Accidents	382	385	416	390
Fire and EMS				
Number of Fire Calls	392	414	404	408
Number of EMS Runs	1,272	1,343	1,415	1,353
Transportation				
Street				
Tons of Salt Used	610	665	621	1,121
Leisure Time Activities				
Swimming Pool Receipts	12,240	247,737	268,227	268,574
Business-Type Activities				
Electric				
Number of Service Connections	4,634	4,711	4,761	4,804
Peak Demand (megawatts)	28.5	31.4	31.4	33.0
Energy Purchased (MWh)	153,050	157,954	160,677	154,852
Water				
Number of Service Connections	3,849	3,927	3,984	4,026
Daily Average Consumption (mgd)	1.2	1.4	1.3	1.3
Peak Daily Consumption (mgd)	3.2	2.6	2.8	2.5
Sewer				
Sewer Treatment Charges	580,709	589,276	612,634	621,828
Daily Average Sewage Treatment (mgd)	1.7	1.7	1.8	1.6
Refuse Collection				
Number of Customers Billed	3,737	3,793	3,837	3,852

Source: Finance Director's Office
Note: n/a = Information is not available. Refuse billing started in 2004.

2008	2009	2010	2011	2012	2013
3,495	3,068	2,819	2,766	3,549	2,911
2,631	2,312	1,430	2,280	2,429	2,018
341	332	317	269	373	280
781	684	886	734	887	825
21	10	7	12	21	14
5	3	6	4	11	5
679	596	575	414	480	532
15,595	17,570	20,745	15,972	10,010	14,909
335	188	218	208	207	208
437	348	368	313	327	304
1,347	1,256	1,272	1,345	1,390	1,421
844	476	800	304	637	861
266,423	244,334	284,522	281,817	254,257	285,683
4,807	4,833	4,872	4,859	4,946	4,954
30.1	29.3	30.2	31.3	31.2	33.4
149,116	140,826	143,846	143,172	142,617	150,263
4,043	4,050	4,086	4,091	4,272	4,153
1.2	1.2	1.3	1.1	1.2	1.2
2.5	2.1	2.5	2.6	2.5	2.3
650,130	643,307	657,465	688,675	653,840	642,679
1.7	1.5	1.6	2.1	1.4	1.6
3,835	3,911	3,926	3,943	3,964	4,037

City of Tipp City

Capital Asset Statistics by Function
Last Ten Years

	2004	2005	2006	2007
Governmental Activities				
General Government				
Area (square miles)	7.1	7.2	7.2	7.5
Security of Persons and Property				
Police				
Stations	1	1	1	1
Fire				
Stations	2	2	2	2
Transportation				
Street				
Miles of Street	58	60	60	61
Street Lights	1,276	1,302	1,328	1,400
Miles of Storm Sewers	56	58	58	59
Leisure Time Activities				
Park Area (acres)	394	434	434	434
Number of Parks	12	17	17	17
Number of Tennis Courts	2	2	2	2
Number of Ball Fields	12	20	20	20
Business-Type Activities				
Utilities				
Electric				
Substations	3	3	3	3
Water				
Waterlines (Miles)	52	54	54	55
Number of Fire hydrants	639	658	658	658
Sewer				
Sewerlines (Miles)	52	54	54	55

Source: Finance Director's Office

2008	2009	2010	2011	2012	2013
7.5	7.5	7.5	7.5	7.5	7.5
1	1	1	1	1	1
2	2	2	2	2	2
61	61	61	61	61	61
1,409	1,419	1,419	1,419	1,419	1,419
60	60	60	60	60	60
436	436	436	436	436	436
17	17	17	17	17	17
2	2	2	2	2	2
20	17	17	17	17	17
3	3	3	3	3	3
56	57	57	57	57	57
665	675	675	675	675	675
56	57	57	57	57	57

Tipp City

City of Tipp City
Government Center
260 South Garber Drive
Tipp City, Ohio 45371