The City of Monroe, Ohio

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the year ended December 31, 2014

THE CITY OF MONROE, OHIO

MONROE

ESTABLISHED 1817

INTRODUCTORY SECTION

THE CITY OF MONROE, OHIO

MONROE

ESTABLISHED 1817

The City of Monroe, Ohio

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Year
Ended December 31, 2014

Prepared by:
Ms. Kacey Waggaman, Finance Director

City of Monroe, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2014

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Robert E. Routson
Mayor

City of Monroe

Monroe (513) 539-7374
Fax (513) 539-6460

William J. Brock
City Manager

June 30, 2014

Citizens of Monroe
Mayor and Members of City Council

We are pleased to submit the City of Monroe's Comprehensive Annual Financial Report for the fiscal year ended December 31, 2014. This report contains basic financial statements and other financial and statistical information – providing complete and full disclosure of all financial aspects of the City for 2014.

Management's discussion and analysis (MD&A) immediately follows the report of independent auditor and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

This report is a culmination of the efforts of many people. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material aspects, that it is presented in a manner designed to set forth fairly the financial position of the City's operations, and that all disclosures necessary to enable the reader to gain maximum understanding of the City's financial affairs have been included.

THE CITY OF MONROE

Monroe was settled in the early 1800s and named for President James Monroe who was in office at the time. The City is situated about 20 miles north of Cincinnati and 30 miles south of Dayton. It overlaps two counties—the northeast corner of Butler County and the western section of Warren County. In the early years, Monroe was mainly a farming community and a major stagecoach stop on the Miami Turnpike.

The City has experienced substantial changes during the past century. In ten years, from 1990-2000, the population grew from 4,372 to 7,133. It was in 1995 when Monroe's population first surpassed the 5,000 mark, enabling it to achieve City status. The City opted for a Council/Manager form of government with Council Members and the Mayor elected on a non-partisan basis.

Data from the 2010 Census indicates that the City continues to grow rapidly. The City's 2010 population is 12,442, indicating that the City grew by 74% from 2000-2010. The U.S. Census Bureau estimates that the City's 2014 population is 13,279.

Although once strictly a farming community, the City of Monroe now has a strong industrial base. Zoning code and related map changes implemented in 2013 included the creation of a "business park" designation to complement the existing industrial areas. Currently, the total percentage of land area in Monroe is significantly weighted towards light and heavy industrial acreage. The income tax generated $7,497,530 (budgetary basis), an increase of $817,208 from 2013. The City offers excellent access to the flourishing Interstate 75 corridor and holds over 1500 acres of prime green field industrial parcels ready for development.

CITY ORGANIZATION AND REPORTING ENTITY

The reporting entity includes the primary government and component units and is organized to ensure the financial statements of the City are not misleading. The primary government is composed of departments and funds that are not legally separate from the City. The government includes departments in the following areas: police and fire fighting, street repair and maintenance, planning and zoning, parks and recreation, water and sewer and community development. The Council and City Manager have direct responsibilities for these departments and supervise the staff essential to maintaining these functions.

Component units are also part of the reporting entity. These are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization or (2) the City is entitled to or can otherwise access the organization's resources. In this case, the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to; the organization or the City is obligated for the debt of the organization. Component units may also include organizations in which City approves the budget, the issuance of debt or the levying of taxes. The City has no component units.

The City is associated with the following jointly governed organizations: The Center for Local Government and the Ohio-Kentucky-Indiana Regional Council of Governments, which are presented in Note 15 to the basic financial statements.

ECONOMIC CONDITION AND MAJOR INITIATIVES

Using the most recent decennial census, the City of Monroe is the 5th fastest growing community in the region. According to the 2010 Census, Monroe's population s currently 12,442 people (74.4% above the 7,133 residents from the 2000 census) and its land area comprises approximately 15.5 square miles of territory. Approximately 51% of Monroe's total land area is zoned for industrial and commercial uses. Monroe is located midway between downtown Cincinnati and Dayton. Monroe is served by a full Single-Point-Urban-Interchange at Interstate 75 as well as two 4-lane state highways, SR 4 and SR 63. Monroe is also served by two major rail lines providing rail-served industrial sites.

In 2014, the City of Monroe was selected as the site for UGN's new automotive parts manufacturing facility. This facility will make the interior carpet lining and fiber underbody components for a variety of cars, including Honda/Acura and Toyota. The 232,000 SF building was designed to allow for multiple future expansions and easily accommodate many more staff members that the initially-anticipated 148 employees. The company's investment in Monroe was recognized by the region as a 2015 Growth Award recipient.

Also in 2014, IDI-Gazeley completed construction on a 650,000 SF speculative building that was started in 2013. Throughout the end of 2014, staff worked with REDI Cincinnati, our regional economic development partner, and the developer's team to secure a commitment from Serta Simmons Bedding to occupy two-thirds of the building. The Serta-Simmons project was announced in 2015 and will be noted on subsequent transmittal letters as they ramp up production at the Monroe facility.

Two additional economic development projects in 2014 included Cornerstone Brands expanding their footprint in Monroe to include another 300,000 SF of e-commerce space, AIM Surplus bringing their e-commerce facility to Monroe, and the start of construction on an 11,000 SF "flex" building in one of the City's commercial areas.

While 2014 was a strong year for economic development purposes, new residential construction was slightly lower in 2014 compared to 2013 with 21 fewer homes constructed. A total of 50 new homes were constructed in 2014 and , it should be noted that the number of new single family dwellings was s in line with anticipated projections.

For more information on the local economy please refer to the economic factors discussed in the MD&A.

MAJOR INITIATIVES

The City of Monroe has several large infrastructure capital improvement projects in varying stages of development. The goal of Monroe's proactive infrastructure development plan is to ensure that our roadway and utility infrastructure can maintain its high level of service amidst the heavy demand caused by our rapid commercial and industrial growth.

FINANCIAL INFORMATION

Accounting System and Budgetary Control

In developing and evaluating the City's accounting system, consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable assurance regarding:

1. The safeguarding of assets against loss from unauthorized use or disposition.

2. The reliability of financial records for preparing financial statements and maintaining accountability of assets.

The concept of reasonable assurance is based on the assumption that the cost of the internal accounting controls should not exceed the benefits expected to be derived from their implementation.

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. Each department head is furnished a monthly budget report showing the status of the budget accounts for which he or she is responsible. The budget report details monthly transactions and summarizes the balances available to be spent from the allocated appropriations.

To further define the City's budgetary process, the City implemented a detailed purchasing policy and procedures document. The document was adopted in 2007 by City Council as an official policy that is monitored and executed by the Finance Director.

FINANCIAL CONDITION

The City finance department implemented new financial software, MUNIS, in 2008 and began live operation of the system January 1, 2009. MUNIS is a customizable solution that will provide for better functionality and reporting capabilities, will give departments real-time access to their budget information and also allows for decentralized requisitions and online approval routing for purchasing. The City's account structure was also overhauled into more detailed account codes to make the coding of purchases easier and allow for better reporting and budget projections. The City decentralized purchasing and payroll entry to the departments in 2012.

The City's bond rating was increased by Moody's Investors Services ("Moody's) from an A3 rating to A2 on April 16, 2009. The City's moderately sized tax base, solid operating reserves with stabilized financial operations and moderate debt burden were noted as factors behind the upgrade. This was the second rating increase the City has earned since coming out of fiscal emergency on August 9, 2007.

The City's bond rating was recalibrated by Moody's to their global scale on April 26, 2010 to Aa3. The City remained at this rating for their most recent debt issuance on December 17, 2014.

FINANCIAL POLICIES

The City has a solid policy related to development within the City by promoting economic development through the various TIF and RID programs in the City. The City has a solid working relationship with the School District and has committed to using that additional revenue to benefit the residents and businesses of the City.

OTHER INFORMATION

Independent Audit

This report includes an unmodified audit report regarding the City's financial statements. Clark, Schaefer, Hackett & Company conducted this year's audit. The Independent Auditor's Report on the basic financial statements and required supplementary information is included in the financial section of this report. The auditor's conclusions related specifically to internal controls and compliance with applicable laws and regulations are presented in a separate report, which may be obtained from the City of Monroe.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Monroe for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2013. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. This is the twelfth consecutive year the City has received the award.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitted it to the GFOA.

Acknowledgements

A note of sincere appreciation is extended to many hardworking and committed people who have contributed their time and effort to prepare this report. The staff would like to thank our current Council Members for supporting our work this year. A special thank you is also extended to Hurst, Kelly and Company for their assistance, efforts, and guidance in the preparation of this CAFR.

Respectfully submitted,

City Finance Director

City Manager

The City of Monroe, Ohio

List of Principal Officials

December 31, 2014

OFFICE HELD	NAME OF OFFICIAL
City Manager	William Brock
Finance Director	Kacey Waggaman
Law Director	K. Philip Callahan
Mayor	Robert Routson
Vice Mayor	Suzi Rubin
Mayor's Court Clerk	Rebecca Rosenbalm
Police Chief	Robert Buchanan
Fire Chief	John Centers
Tax Commissioner	Deborah Armitage
Public Works Director	Daniel Arthur
Director of Development	Kevin Chesar

CITY COUNCIL MEMBERS

Anna Hale

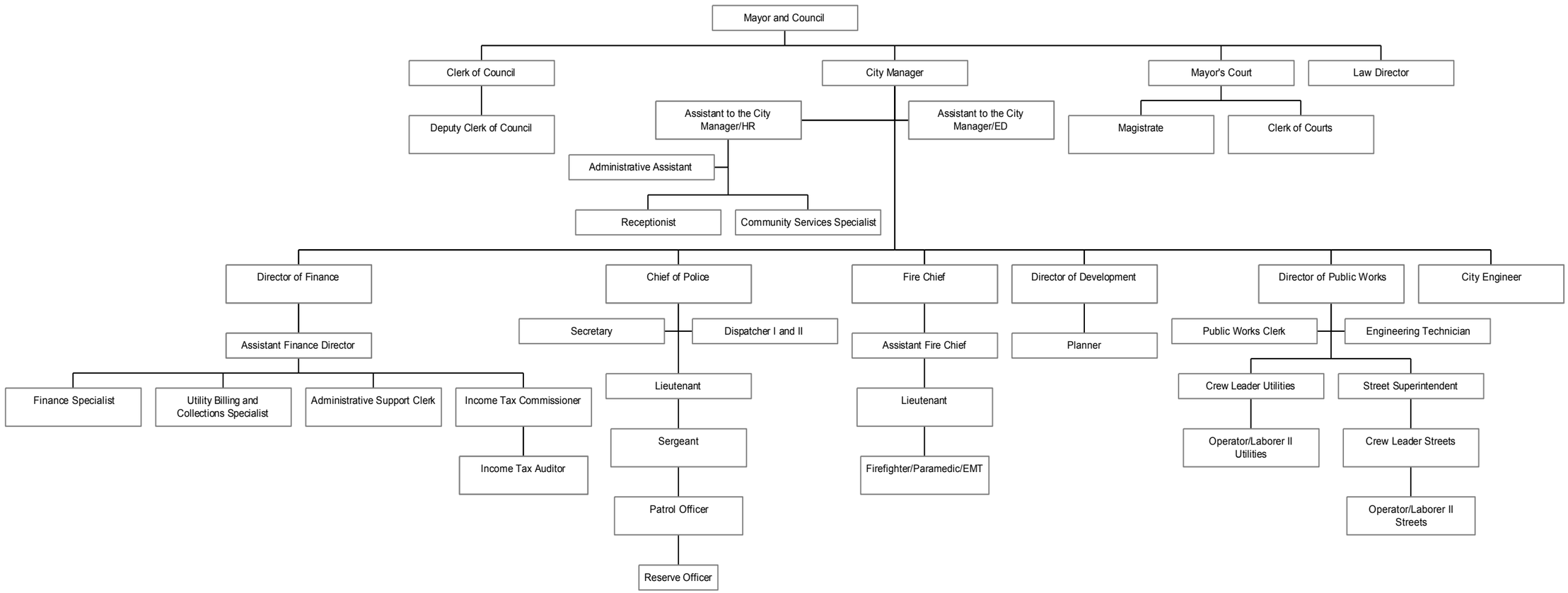
Steve Black

Dan Clark

Lora Stillman

Todd Hickman

City of Monroe



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Monroe
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO

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FINANCIAL SECTION

THE CITY OF MONROE, OHIO

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INDEPENDENT AUDITORS' REPORT

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

Management's Responsibility for the Financial Statements

Management is responsible for 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 auditors' 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.

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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 Monroe, Ohio, as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required budgetary comparison schedules listed in the table of contents 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 combining and individual nonmajor fund financial statements and 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 and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2015 on our consideration of the City of Monroe'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 of Monroe's internal control over financial reporting and compliance.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
June 29, 2015

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

Financial Highlights

Key highlights for 2014 are as follows:

- The assets of the City exceeded its deferred inflows and liabilities at the close of the year ended December 31, 2014, by $67,760,986 (net position). Of this amount, $1,867,562 is classified as unrestricted in the business-type activities.

- The City's governmental net position increased by $2,156,290 which represents an 4% increase from 2013.

- At the end of the current fiscal year, the City's governmental funds reported a combined ending fund balance of $16,159,119. Of this amount $5,797,444 represents unassigned fund balance that is available for spending.

- At the end of the current fiscal year, unassigned fund balance for the general fund was $5,861,516 or approximately 201% of total 2014 General Fund expenditures.

- The other major governmental funds: Fire 1989 Levy, Police Law Enforcement, 2004 TIFs, 2004 RIDs, Capital Improvement and Bond Retirement funds had ending fund balances (deficits) of ($46,723); $20,461; $427,169; $2,254,666; $3,080,903 and $232,543 respectively. The deficit in the Fire 1989 Levy Fund is due to outstanding liabilities at year end.

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the City of Monroe as a complete operating entity.

The Statement of Net Position and Statement of Activities present both an aggregate view of the City's finances with a longer-term view. Fund financial statements provide the next level of detail. For governmental activities, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

Reporting City of Monroe as a Whole

Statement of Net Position and the Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2014?" The Statement of Net Position and the Statement of Activities answers this question. These statements include all assets, deferred inflows of resources and liabilities using the accrual basis of accounting similar to the accounting used by private sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the City's net position and the change in net position. This change in net position is important because it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished. However, in evaluating the overall position of the City, nonfinancial information such as changes in the City's tax base and the condition of City capital assets will also need to be evaluated.

In the Statement of Net Position and the Statement of Activities, the City is divided into two kinds of activities:

- Government Activities – Most of the City's services are reported here including police, social services programs, administration, and all departments with the exception of our Water, Sewer, Garbage, Stormwater Management and Cemetery funds.

- Business-Type Activities – These services have a charge based upon the amount of usage. The City charges fees to recoup the cost of the entire operation of our Water, Sewer, Garbage, Stormwater Management and Cemetery functions as well as all capital expenses associated with these facilities.

- Component units are legally separate entities that the City has voting control over or fiscal responsibility for the entity. The City has no component units.

Reporting City of Monroe's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objects. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Fund financial reports provide detailed information about the City's major funds. Based on restrictions on the use of monies, the City has established many funds which account for the multitude of services provided to our residents.

However, these fund financial statements focus on the City's most significant funds. In the case of Monroe, our major funds are the General, Fire 1989 Levy, Police Law Enforcement, 2004 TIFs, 2004 RIDs, Capital Improvement, Bond Retirement, Water and Sewer funds.

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

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

The City maintains a multitude of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds: The City maintains only one type of proprietary fund which is the enterprise type of fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Water, Sewer, Garbage, Stormwater Management and Cemetery operations.

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. The City maintains one agency fund which has no measurement focus and uses the accrual basis of accounting.

Notes to the Basic Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the governmental-wide and fund financial statements.

Required Supplementary Information: The City is required to report the budgetary schedules for the General Fund and major special revenue funds along with the applicable accounting policies to develop those schedules.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's overall financial condition. In the case of the City, assets exceeded deferred inflows of resources and liabilities by $67,760,986 ($62,050,310 in governmental activities and $5,710,676 in business type activities) as of December 31, 2014. By far, the largest portion of the City's net position (71%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment and streets), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated to retire such liabilities.

The following table provides a summary of the City's statement of net position for 2014 compared to 2013.

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and Other Assets	$ 39,203,730	$ 36,413,604	$ 2,953,618	$ 4,093,485	$ 42,157,348	$ 40,507,089
Capital Assets	56,454,413	55,427,040	8,454,320	7,272,845	64,908,733	62,699,885
Total Assets	95,658,143	91,840,644	11,407,938	11,366,330	107,066,081	103,206,974
Current Liabilities	15,590,686	16,257,045	372,758	318,274	15,963,444	16,575,319
Long-term Liabilities	13,390,147	11,603,579	5,324,504	5,582,921	18,714,651	17,186,500
Total Liabilities	28,980,833	27,860,624	5,697,262	5,901,195	34,678,095	33,761,819
Deferred Inflows of Resources	4,627,000	4,086,000	-	-	4,627,000	4,086,000
Nets Position:						
Net Investment in Capital Assets	44,555,054	43,977,066	3,843,114	3,969,466	48,398,168	47,946,532
Restricted	6,537,503	5,084,300	-	-	6,537,503	5,084,300
Unrestricted	10,957,753	10,832,654	1,867,562	1,495,669	12,825,315	12,328,323
Total Net Position	$ 62,050,310	$ 59,894,020	$ 5,710,676	$ 5,465,135	$ 67,760,986	$ 65,359,155

An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used. In the current fiscal year, this represented $6,537,503 or 11% of governmental net position. The City's remaining unrestricted governmental net position was $10,957,753 which increased by 1% from 2013. Overall, 2014 ending net position for governmental activities increased over 2013 while net position for business-type activities was nearly the same as 2013 ending net position.

During 2014, the City increased its total assets and total liabilities by issuing general obligation bonds for the purposes of financing long-term energy-efficient improvements to the City's buildings and infrastructure as well as purchasing and accepting long-term capital assets such as public roadways.

A Summary of the statement of activities is as follows:

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues						
Program Revenues:						
Charges for Services	$ 1,704,590	$ 1,783,172	$4,635,633	$4,284,338	$ 6,340,223	$ 6,067,510
Operating Grants	359,110	114,329	-	-	359,110	114,329
Capital Grants	2,260,224	2,174,710	-	-	2,260,224	2,174,710
General Revenues:						
Income Tax	7,701,539	7,260,322	-	-	7,701,539	7,260,322
Property Tax	1,740,469	2,408,877	-	-	1,740,469	2,408,877
Other Taxes	1,257,498	1,419,366	-	-	1,257,498	1,419,366
Payments in Lieu of Taxes	8,209,931	5,145,954	-	-	8,209,931	5,145,954
Unrestricted Grants and Contributions	348,307	960,152	71,637	71,096	419,944	1,031,248
Investment earnings	102,004	131,034	1,216	840	103,220	131,874
Total Revenues	23,683,672	21,397,916	4,708,486	4,356,274	28,392,158	25,754,190
Program Expenses						
Security of Persons and Property	7,195,344	7,327,943	-	-	7,195,344	7,327,943
Leisure Time Activities	207,885	209,725	-	-	207,885	209,725
Transportation	3,839,052	3,444,945	-	-	3,839,052	3,444,945
General Government	9,878,101	5,391,205	-	-	9,878,101	5,391,205
Interest and Fiscal Charges	407,000	529,177	-	-	407,000	529,177
Water	-	-	2,254,150	2,412,228	2,254,150	2,412,228
Sewer	-	-	1,151,676	964,491	1,151,676	964,491
Stormwater Management	-	-	352,172	259,865	352,172	259,865
Garbage	-	-	640,666	708,575	640,666	708,575
Cemetery	-	-	64,281	71,155	64,281	71,155
Total Expenses	21,527,382	16,902,995	4,462,945	4,416,314	25,990,327	21,319,309
Change in Net Position	2,156,290	4,494,921	245,541	(60,040)	2,401,831	4,434,881
Beginning Net Position	59,894,020	55,399,099	5,465,135	5,525,175	65,359,155	60,924,274
Ending Net Position	$62,050,310	$59,894,020	$5,710,676	$5,465,135	$67,760,986	$65,359,155

Governmental Activities

The primary focus of governmental activities is in the area of security of persons and property, which represents the police, fire and EMS services of the City. For 2014, security of persons and property expenses were approximately $7.2 million, representing 33% of governmental activity spending.

Program revenues of approximately $1 million reduced the amount of general revenues needed to cover the balance of such security of persons and property program expenses. As such, for 2014, $6.2 million of general revenues were used to cover the balance of security of persons and property program expenses.

In 2014, the City received capital grants to improve and upgrade roadway infrastructure and operating grants and contributions to maintain roadway infrastructure. Overall, the level of capital grants and contributions for 2014 were similar to 2013 with City's acceptance of a significant amount of donated street infrastructure that took place in both 2014 and 2013.

Income tax revenue for 2014 increased $.4 million compared to 2013. The increase is the result of the continued economic rebound occurring in the City and in southwest Ohio.

Property tax revenues decreased for 2014 compared to 2013 since 2013 collections included significant one-time positive adjustments to certain properties located in the City.

Overall, in 2014 the City saw total program expenses increase by approximately 27% compared to 2013. This increase was primarily related to general government expense – which increased significantly in 2014 with recognition of significant one-time payments that were made to school districts in conjunction with the City's tax increment and residential improvement district agreements.

Business-Type Activities

The City's business-type activities include the Water, Sewer, Stormwater Management, Garbage and Cemetery functions. The business-type activities as a whole reported a net increase of $245,541 for 2014, which is essentially flat compared to 2013.

Financial Analysis of the City's Funds

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

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

As of the end of 2014, the City's governmental funds reported a combined ending fund balance of $16.2 million. Approximately $5.8 million of this balance is unassigned, which is available for spending for citizens. The remainder of the balance is classified as nonspendable, restricted, committed or assigned to indicate that a portion of the fund balance "has been spoken for already" and is not available except for the particular purpose for which the balance was classified.

The General Fund is the chief operating fund of the City. As of December 31, 2014, the unassigned General Fund balance was $5.9 million with a total fund balance of $9.3 million. As a measure of liquidity, it is often useful to compare these numbers to total General Fund expenditures.

During 2014, the City's General Fund increased by $417,997. This is primarily due to the City's continuing efforts to reduce expenses and improve efficiencies while keeping actual expense in-line with actual revenues.

The City's other major funds had ending funds balances or net position of:

Fund	Ending Fund Balance/Net Position	Dollar Change from Prior Year	Percentage Change from Prior Year
Fire 1989 Levy	$ (46,723)	$ 56,107	54.56%
Police Law Enforcement	20,461	153,893	115.33%
2004 TIFs	427,169	311,237	268.47%
2004 Rids	2,254,666	1,192,780	112.33%
Capital Improvement	3,080,903	1,866,031	153.60%
Bond Retirement	232,543	(121,936)	-34.40%
Water	4,227,034	266,272	6.72%
Sewer	353,508	(64,292)	-15.39%

The Fire 1989 Levy and Police Law Enforcement Funds saw their ending fund balances (deficit) remain near 2013 levels. The General Fund provides operating transfers to these funds as cash-basis expenditures exceed receipts. In 2014, the General Fund transferred $2,065,739 to the Fire 1989 Levy Fund and $2,460,000 to the Police Law Enforcement Fund.

The 2004 TIFs and 2004 RIDs Funds saw their ending balances increase as additional amounts were collected from properties that were recently designated as belonging in the tax increment financing and residential improvement districts.

The Capital Improvement Fund saw its ending fund balance increase by $1,866,031 as new general obligation debt was issued (and was not fully spent by year-end) for energy improvements.

The Bond Retirement Fund saw its ending fund balance decrease in 2014 as debt service and intergovernmental payments exceeded special assessments and transfers in.

The City's two major enterprise funds work hand in hand with each other. The water and sewer funds both generate the vast majority of their revenue from customers whether those are monthly users or new tenants taping into the City's system. The Water Fund experienced a positive change in net position of $266,272 driven by increased water rates and a decrease in maintenance costs. The Sewer Fund produced a negative change in net position of $64,292 which was the result of increased maintenance performed in 2014.

General Fund Budgetary Highlights

The City's budget is prepared according to Ohio law and the Charter of the City. The Budget 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 2014, the City amended its total and General Fund budgets several times. All recommendations for the budget came from the City Manager after consultation with individual directors and the Finance Department before submission to City Council. The City Council also approves small interdepartmental budget changes that modify line items within departments within the same fund. With the General Fund mainly supporting many of the activities of the City, the General Fund is monitored closely.

The City had various revisions as detailed in the table below:

Description	Original Budget	Final Budget	Change
Revenues:			
Property and Other Taxes	$ 729,298	$ 729,298	$ -
Income Taxes	5,880,732	6,880,732	1,000,000
Intergovernmental Revenue	295,716	295,716	-
Fees, Licenses and Permits	647,659	647,659	-
Other Revenues	388,940	388,940	-
Total Revenues	7,942,345	8,942,345	1,000,000
Expenditures:			
Security of Persons/Property	479,000	400,412	(78,588)
General Government	2,975,372	2,533,961	(441,411)
Other Expenditures	396,400	435,337	38,937
Total Expenditures	$ 3,850,772	$ 3,369,710	$ (481,062)

The City was able to keep its expenditure line items under the budgeted amounts as cost savings were realized across multiple functions of government, including general government and security of persons and property. The following table summarizes the major variations in revenues and expenditures from final budget to the actual results for 2014:

Description	Final Budget	Actual	Variance
Revenues:			
Property and Other Taxes	$ 729,298	$ 568,655	$ (160,643)
Income Taxes	6,880,732	7,497,539	616,807
Intergovernmental Revenue	295,716	703,227	407,511
Fees, Licenses and Permits	647,659	475,102	(172,557)
Other Revenues	388,940	537,714	148,774
Total Revenues	8,942,345	9,782,237	839,892
Expenditures:			
Security of Persons/Property	400,412	350,248	50,164
General Government	2,533,961	2,421,153	112,808
Other Expenditures	435,337	409,333	26,004
Total Expenditures	$ 3,369,710	$ 3,180,734	$ 188,976

The City saw the actual revenue results finish $.8 million more than the final certificate amount for estimated revenues. The City's final expenditures were $.2 million less than the final budgeted figures.

Actual receipts exceeded budgeted receipts most significantly in the area of income taxes – where management has been conservative in estimating receipts and the City has seen continued employment growth. Budgeted expenditures exceeded actual expenditures in all functions of government as management continued to closely monitor how resources are used and looked for ways to reduce or eliminate nonessential outlays.

Capital Assets and Debt Administration

Capital Assets: The City's investment in capital assets for its governmental and business-type activities as of December 31, 2014, amounts to $48.4 million (net of accumulated depreciation and related debt). This investment in capital assets includes land, buildings and systems, improvements, equipment and machinery, and street infrastructure.

The City continued to allocate funding for capital asset acquisition and construction during the current year. For more information on the governmental and business-type capital assets see Note 8 in the notes to the financial statements.

Long-term Debt: At the end of 2014, the City had general obligation bonds outstanding of $11.695 million in governmental activities. For more information on the City's debt, please see Note 13 in the notes to the basic financial statements.

Economic Factors affecting the City

The City of Monroe has become one of the fastest growing communities in southwest Ohio. Monroe's population is currently 12,442 in the 2010 census (above the 7,133 from the 2000 census) and its land area comprises approximately 16.1 square miles of territory. Monroe is located midway between downtown Cincinnati and Dayton. Monroe is served by a full interchange at Interstate 75 as well as two 4-lane state highways, SR 4 and SR 63. Monroe is also served by two major rail lines providing rail served industrial sites.

Monroe aggressively attracts and retains business using several different development financing mechanisms. All industrially zoned property within the City has the Rural Enterprise Zone tax incentive program. Key large parcels are also eligible for real property tax abatements through the Community Reinvestment Area program. The City also utilizes Tax Increment Financing and special assessment financing to facilitate eligible industrial development.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, creditors, investors and elected officials with a general overview of the City's finances and to show accountability for the money it receives. If you have any questions about this report or need additional information, contact the City of Monroe Finance Director, 233 Main Street, Monroe, Ohio 45050, (513) 539-7374 or visit the City website at www.monroeohio.org.

THE CITY OF MONROE
STATEMENT OF NET POSITION
DECEMBER 31, 2014

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in Pooled Cash, Cash Equivalents and Investments	$ 15,128,780	$ 2,515,643	$ 17,644,423
Receivables (net of allowance for doubtful accounts):			
Taxes-Real & Personal Property	2,951,505	-	2,951,505
Taxes-Municipal Income	2,100,000	-	2,100,000
Accounts	173,235	407,300	580,535
Special Assessments	15,328,844	-	15,328,844
Payment in Lieu of Taxes	2,197,000	-	2,197,000
Internal Balances	490,000	(490,000)	-
Due from Other Governments	834,366	-	834,366
Restricted Cash and Cash Equivalents	-	520,675	520,675
Nondepreciable Capital Assets	1,962,081	3,144,947	5,107,028
Depreciable Capital Assets	54,492,332	5,309,373	59,801,705
Total Assets	95,658,143	11,407,938	107,066,081
Liabilities:			
Accounts Payable	258,919	214,478	473,397
Accrued Wages and Benefits	201,779	7,062	208,841
Due to Other Governments	15,094,747	102,024	15,196,771
Accrued Interest Payable	35,241	23,269	58,510
Deposits Payable	-	25,925	25,925
Long-Term Liabilities due within 1 year	1,251,500	259,571	1,511,071
Long-Term Liabilities due over 1 year	12,138,647	5,064,933	17,203,580
Total Liabilities	28,980,833	5,697,262	34,678,095
Deferred Inflows of Resources:			
Revenues Levied for the Next Year	4,627,000	-	4,627,000
Total Deferred Inflows of Resources:	4,627,000	-	4,627,000
Net Position:			
Net Investment in Capital Assets	44,555,054	3,843,114	48,398,168
Restricted:			
Transportation	810,841	-	810,841
Security of Persons and Property	694,277	-	694,277
Capital Improvements	1,894,605	-	1,894,605
Purposes Permitted by TIF/RID Agreements	2,913,983	-	2,913,983
Other	223,797	-	223,797
Unrestricted	10,957,753	1,867,562	12,825,315
Total Net Position	$ 62,050,310	$ 5,710,676	$ 67,760,986

See accompanying notes to the basic financial statements

THE CITY OF MONROE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
					Primary Government		
Function/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Security of Persons and Property	$ (7,195,344)	$ 964,086	$ 64,546	$ -	$ (6,166,712)	$ -	$ (6,166,712)
Leisure Time Activities	(207,885)	37,320	7,226	-	(163,339)	-	(163,339)
Transportation	(3,839,052)	173,980	283,438	2,260,224	(1,121,410)	-	(1,121,410)
General Government	(9,878,101)	529,204	3,900	-	(9,344,997)	-	(9,344,997)
Interest and Fiscal Charges	(407,000)	-	-	-	(407,000)	-	(407,000)
Total Governmental Activities	(21,527,382)	1,704,590	359,110	2,260,224	(17,203,458)	-	(17,203,458)
Business-Type Activities:							
Water	(2,254,150)	2,448,785	-	-	-	194,635	194,635
Sewer	(1,151,676)	1,087,384	-	-	-	(64,292)	(64,292)
Stormwater Management	(352,172)	297,938	-	-	-	(54,234)	(54,234)
Garbage	(640,666)	732,046	-	-	-	91,380	91,380
Cemetery	(64,281)	69,480	-	-	-	5,199	5,199
Total Business-Type Activities	(4,462,945)	4,635,633	-	-	-	172,688	172,688
Total	$ (25,990,327)	$ 6,340,223	$ 359,110	$ 2,260,224	$ (17,203,458)	$ 172,688	$ (17,030,770)
General Revenues:							
Income Taxes					$ 7,701,539	$ -	$ 7,701,539
Property Taxes Levied For:							
General Purposes					468,980	-	468,980
Security of Persons and Property					1,271,489	-	1,271,489
Payment in Lieu of Taxes					8,209,931	-	8,209,931
Other Taxes					1,257,498	-	1,257,498
Grants and Contributions Not Restricted to Specific Programs					348,307	71,637	419,944
Unrestricted Investment Earnings					102,004	1,216	103,220
Total General Revenues and Transfers					19,359,748	72,853	19,432,601
Changes in Net Position					2,156,290	245,541	2,401,831
Net Position, Beginning of Year					59,894,020	5,465,135	65,359,155
Net Position, End of Year					$ 62,050,310	$ 5,710,676	$ 67,760,986

See accompanying notes to the basic financial statements

THE CITY OF MONROE
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2014

	General	Fire 1989 Levy	Police Law Enforcement	2004 TIFS	2004 RIDS	Capital Improvement	Bond Retirement	Other Governmental Funds	Total Governmental Funds
Assets:									
Equity in Pooled Cash, Cash Equivalents and Investments	$ 6,827,128	$ 41,287	$ 171,067	$ 427,169	$ 2,254,666	$ 4,292,462	$ 231,260	$ 883,741	$ 15,128,780
Receivables (Net of Allowance for Doubtful Accounts):									
Taxes-Real & Personal Property	854,305	662,985	687,985	-	-	-	-	746,230	2,951,505
Taxes-Municipal Income	2,100,000	-	-	-	-	-	-	-	2,100,000
Accounts	50,149	83,000	21,678	-	-	15,134	2,085	1,189	173,235
Special Assessments	-	-	-	-	-	12,000	15,198,844	118,000	15,328,844
Payment in Lieu of Taxes	-	-	-	938,000	1,088,000	-	-	171,000	2,197,000
Due from Other Funds	1,625,000	-	-	-	-	-	-	-	1,625,000
Due from Other Governments	142,530	18,000	30,680	207,259	-	-	1,283	434,614	834,366
Total Assets	$ 11,599,112	$ 805,272	$ 911,410	$ 1,572,428	$ 3,342,666	$ 4,319,596	$ 15,433,472	$ 2,354,774	$ 40,338,730
Liabilities:									
Accounts Payable	$ 64,901	$ 14,371	$ 26,920	$ -	$ -	$ 119,365	$ -	$ 33,362	$ 258,919
Accrued Wages and Benefits	40,441	68,363	68,973	-	-	-	-	24,002	201,779
Due to Other Funds	-	-	-	-	-	1,100,000	-	35,000	1,135,000
Due to Other Governments	162,713	72,372	55,393	-	-	-	14,787,373	16,896	15,094,747
Total Liabilities	268,055	155,106	151,286	-	-	1,219,365	14,787,373	109,260	16,690,445
Deferred Inflows of Resources:									
Revenues Levied for the Next Year and Unavailable Revenue	2,070,216	696,889	739,663	1,145,259	1,088,000	19,328	413,556	1,316,255	7,489,166
Total Deferred Inflows of Resources	2,070,216	696,889	739,663	1,145,259	1,088,000	19,328	413,556	1,316,255	7,489,166
Fund Balances:									
Nonspendable	1,625,000	-	-	-	-	-	-	-	1,625,000
Restricted	-	-	20,461	427,169	2,254,666	3,080,903	232,543	788,004	6,803,746
Committed	-	-	-	-	-	-	-	158,604	158,604
Assigned	1,774,325	-	-	-	-	-	-	-	1,774,325
Unassigned	5,861,516	(46,723)	-	-	-	-	-	(17,349)	5,797,444
Total Fund Balances (Deficit)	9,260,841	(46,723)	20,461	427,169	2,254,666	3,080,903	232,543	929,259	16,159,119
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 11,599,112	$ 805,272	$ 911,410	$ 1,572,428	$ 3,342,666	$ 4,319,596	$ 15,433,472	$ 2,354,774	$ 40,338,730

See accompanying notes to the basic financial statements

THE CITY OF MONROE
RECONCILIATION OF TOTAL GOVERNMENTAL FUND
BALANCES TO NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2014

Total governmental fund balances	$ 16,159,119
Amounts reported for governmental activities in the statement of net position are different due to the following:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	56,454,413
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as deferred inflows of resources in the funds:	
Income taxes receivable	1,101,000
Delinquent property taxes receivable	521,505
Special assessments receivable	541,471
Intergovernmental and other receivables	698,190
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
General obligation bonds	(11,695,000)
Revenue bonds	(955,000)
Special assessment bonds	(343,600)
Compensated absences	(157,565)
Accrued interest on long-term debt	(35,241)
Premium on bonds	(238,982)
Net position of governmental activities	$ 62,050,310

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

	General	Fire 1989 Levy	Police Law Enforcement	2004 TIFS	2004 RIDS	Capital Improvement	Bond Retirement	Other Governmental Funds	Total Governmental Funds
Revenues:									
Income Taxes	$ 7,600,866	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 7,600,866
Property and Other Taxes	567,695	420,373	420,373	-	-	-	-	502,110	1,910,551
Payment in Lieu of Taxes	-	-	-	2,240,205	6,985,298	-	-	207,772	9,433,275
Intergovernmental	588,596	39,377	73,528	-	-	74,094	14,276	822,564	1,612,435
Charges for Services	63,426	572,312	110,174	-	-	-	-	173,875	919,787
Licenses and Permits	474,015	-	-	-	-	-	-	29,180	503,195
Investment Earnings	94,359	-	-	-	-	-	-	7,645	102,004
Fines and Forfeitures	221,783	-	-	-	-	-	-	29,188	250,971
Special Assessments	-	-	-	-	-	6,722	741,686	93,486	841,894
Miscellaneous	43,680	10,932	43,650	-	-	21,357	-	21,355	140,974
Total Revenues	9,654,420	1,042,994	647,725	2,240,205	6,985,298	102,173	755,962	1,887,175	23,315,952
Expenditures:									
Current:									
Security of Persons and Property	304,802	3,058,712	2,953,832	-	-	-	-	509,419	6,826,765
Leisure Time Activities	161,006	-	-	-	-	-	-	388	161,394
Payment to Schools	-	-	-	1,166,103	4,901,944	-	-	-	6,068,047
Transportation	216,105	-	-	-	-	-	-	1,667,227	1,883,332
General Government	2,235,028	-	-	-	-	-	-	12,602	2,247,630
Miscellaneous	-	-	-	24,704	33,337	-	2,284	59	60,384
Intergovernmental	-	-	-	732,326	-	-	663,251	-	1,395,577
Capital Outlay	-	-	-	5,835	495,877	1,561,142	-	-	2,062,854
Debt Service:									
Principal Retirement	-	-	-	-	-	-	905,900	205,000	1,110,900
Interest and Fiscal Charges	-	-	-	-	-	-	409,163	2,763	411,926
Total Expenditures	2,916,941	3,058,712	2,953,832	1,928,968	5,431,158	1,561,142	1,980,598	2,397,458	22,228,809
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,737,479	(2,015,718)	(2,306,107)	311,237	1,554,140	(1,458,969)	(1,224,636)	(510,283)	1,087,143
Other Financing Sources (Uses):									
Transfers - In	-	2,071,825	2,460,000	-	-	550,000	975,103	630,000	6,686,928
Transfers - Out	(6,319,482)	-	-	-	(361,360)	-	-	(6,086)	(6,686,928)
Premium on Bonds	-	-	-	-	-	-	127,597	-	127,597
Issuance of Bonds	-	-	-	-	-	2,775,000	-	-	2,775,000
Total Other Financing Sources (Uses)	(6,319,482)	2,071,825	2,460,000	-	(361,360)	3,325,000	1,102,700	623,914	2,902,597
Net Change in Fund Balances	417,997	56,107	153,893	311,237	1,192,780	1,866,031	(121,936)	113,631	3,989,740
Fund Balances (Deficit) at Beginning of Year	8,842,844	(102,830)	(133,432)	115,932	1,061,886	1,214,872	354,479	815,628	12,169,379
Fund Balances (Deficit) at End of Year	$ 9,260,841	$ (46,723)	$ 20,461	$ 427,169	$ 2,254,666	$ 3,080,903	$ 232,543	$ 929,259	$ 16,159,119

See accompanying notes to the basic financial statements

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

Net change in fund balances - total governmental funds	$	3,989,740
Amounts reported for governmental activities in the statement of activities are different due to the following:		
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 expenses:		
Capital asset acquisitions		2,943,561
Depreciation expense		(1,916,188)
Revenues in the statement of activities that do not provide current financial resources are reported as deferred inflows of resources in the funds:		
Income taxes receivable		100,673
Special assessments receivable		(44,917)
Intergovernmental and other receivables		(1,125,848)
Governmental Funds report premiums as other financing sources, whereas these amounts are deferred and amortized in the statement of activities:		
Premiums on bonds issued		(127,597)
Amortization of bond premiums		9,089
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds:		
Bond principal retirement		1,110,900
Bonds issued		(2,775,000)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(4,163)
Some expenses reported in the statement of activities, such as compensated absences do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:		
Compensated absences		(3,960)
Change in net position of governmental activities	$	2,156,290

THE CITY OF MONROE
BALANCE SHEET
ENTERPRISE FUNDS
DECEMBER 31, 2014

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			
	Water	Sewer	Nonmajor Enterprise Funds	Totals
Assets:				
Current Assets:				
Equity in Pooled Cash and Cash Equivalents	$ 1,708,127	$ 86,302	$ 721,214	$ 2,515,643
Accounts Receivable (Net of Allowance for Doubtful Accounts)	243,700	138,600	25,000	407,300
Total Current Assets	1,951,827	224,902	746,214	2,922,943
Noncurrent Assets:				
Restricted Assets:				
Cash and Cash Equivalents	520,675	-	-	520,675
Capital Assets:				
Nondepreciable Assets	3,140,327	-	4,620	3,144,947
Depreciable Assets	4,600,293	225,659	483,421	5,309,373
Total Capital Assets (Net of Accumulated Deprecation)	7,740,620	225,659	488,041	8,454,320
Total Noncurrent Assets	8,261,295	225,659	488,041	8,974,995
Total Assets	$ 10,213,122	$ 450,561	$ 1,234,255	$ 11,897,938
Liabilities:				
Current Liabilities:				
Accounts Payable	$ 150,357	$ -	$ 64,121	$ 214,478
Accrued Wages and Benefits	7,062	-	-	7,062
Due to Other Governments	4,971	97,053	-	102,024
Due to Other Funds	450,000	-	40,000	490,000
Accrued Interest Payable	23,269	-	-	23,269
Deposits Payable	25,925	-	-	25,925
Revenue Bonds Payable - Current	220,000	-	-	220,000
Loan Payable - Current	39,571	-	-	39,571
Total Current Liabilities	921,155	97,053	104,121	1,122,329
Noncurrent Liabilities:				
Compensated Absences Payable	5,748	-	-	5,748
Revenue Bonds Payable	4,804,784	-	-	4,804,784
Loans Payable	254,401	-	-	254,401
Total Noncurrent Liabilities	5,064,933	-	-	5,064,933
Total Liabilities	5,986,088	97,053	104,121	6,187,262
Net Position:				
Net Investment in Capital Assets	3,129,414	225,659	488,041	3,843,114
Unrestricted	1,097,620	127,849	642,093	1,867,562
Total Net Position	4,227,034	353,508	1,130,134	5,710,676
Total Net Position and Liabilities	$ 10,213,122	$ 450,561	$ 1,234,255	$ 11,897,938

See accompanying notes to the basic financial statements

THE CITY OF MONROE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			
	Water	Sewer	Nonmajor Enterprise Funds	Totals
Operating Revenues:				
Charges for Services	$ 2,439,479	$ 1,087,384	$ 1,099,464	$ 4,626,327
Special Assessments	9,306	-	-	9,306
Total Operating Revenues	2,448,785	1,087,384	1,099,464	4,635,633
Operating Expenses:				
Personal Services	370,035	108,623	304,663	783,321
Materials and Supplies	1,115,617	-	29,439	1,145,056
Contractual Services	37,116	1,030,458	681,072	1,748,646
Depreciation	448,326	12,595	41,945	502,866
Total Operating Expenses	1,971,094	1,151,676	1,057,119	4,179,889
Operating Income (Loss)	477,691	(64,292)	42,345	455,744
Non-Operating Income (Expense):				
Investment Earnings	-	-	1,216	1,216
Interest and Fiscal Charges	(283,056)	-	-	(283,056)
Other Intergovernmental Revenues	71,637	-	-	71,637
Total Non-Operating Income (Expense)	(211,419)	-	1,216	(210,203)
Change in Net Position	266,272	(64,292)	43,561	245,541
Total Net Position - Beginning of Year	3,960,762	417,800	1,086,573	5,465,135
Total Net Position - End of Year	$ 4,227,034	$ 353,508	$ 1,130,134	$ 5,710,676

See accompanying notes to the basic financial statements

THE CITY OF MONROE
STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			
	Water	Sewer	Nonmajor Enterprise Funds	Totals
Cash Flows from Operating Activities:				
Cash Received from Customers	$ 2,450,285	$ 1,066,484	$ 1,109,764	$ 4,626,533
Cash Paid for Employee Services and Benefits	(386,313)	(110,397)	(309,706)	(806,416)
Cash Paid to Suppliers for Goods and Services	(1,106,319)	(1,016,765)	(694,620)	(2,817,704)
Net Cash Provided (Used) by Operating Activities	957,653	(60,678)	105,438	1,002,413
Cash Flows from Noncapital Financing Activities:				
Other Intergovernmental Receipts	71,637	-	-	71,637
Advances In From Other Funds	-	-	20,000	20,000
Net Cash Provided by Noncapital Financing Activities	71,637	-	20,000	91,637
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Capital Assets	(1,679,721)	-	(4,620)	(1,684,341)
Principal Paid on Bonds	(215,000)	-	-	(215,000)
Principal Paid on Loans	(37,657)	-	-	(37,657)
Interest and Fiscal Charges	(285,435)	-	-	(285,435)
Net Cash Used by Capital and Related Financing Activities	(2,217,813)	-	(4,620)	(2,222,433)
Cash Flows from Investing Activities				
Interest	-	-	1,216	1,216
Net Cash Provided by Investing Activities	-	-	1,216	1,216
Net Increase (Decrease) in Cash and Cash Equivalents	(1,188,523)	(60,678)	122,034	(1,127,167)
Cash and Cash Equivalents at Beginning of Year	3,417,325	146,980	599,180	4,163,485
Cash and Cash Equivalents at End of Year	$ 2,228,802	$ 86,302	$ 721,214	$ 3,036,318

THE CITY OF MONROE
STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			
	Water	Sewer	Nonmajor Enterprise Funds	Totals
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Operating Income (Loss)	$ 477,691	$ (64,292)	$ 42,345	$ 455,744
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation Expense	448,326	12,595	41,945	502,866
Change in Assets and Liabilities:				
Accounts Receivable	3,300	(20,900)	10,300	(7,300)
Accounts Payables	46,414	-	15,891	62,305
Deposits Payable	(1,800)	-	-	(1,800)
Accrued Wages and Benefits	(5,895)	-	-	(5,895)
Compensated Absences Payable	(3,899)	-	-	(3,899)
Due to Other Governments	(6,484)	11,919	(5,043)	392
Total Adjustments	479,962	3,614	63,093	546,669
Net Cash Provided by Operating Activities	$ 957,653	$ (60,678)	$ 105,438	$ 1,002,413

See accompanying notes to the basic financial statements

THE CITY OF MONROE
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUND
DECEMBER 31, 2014

	Agency
Assets:	
Cash and Cash Equivalents in Segregated Accounts	$ 16,801
Total Assets	$ 16,801
Liabilities:	
Due to Other Governments	$ 16,801
Total Liabilities	$ 16,801

See accompanying notes to the basic financial statements

Note 1 - Reporting Entity and Basis of Presentation

The City of Monroe is a home rule municipal corporation organized under the laws of the State of Ohio. The City operates under its own charter. The current charter, which provides for a Council/Manager form of government, was adopted in 1984. The seven-member Council is elected to four-year terms. Annually, the Council selects one of its members to serve as Mayor. The Council appoints the City Manager, Finance Director and Law Director.

The Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds and departments that are not legally separate from the City. Services provided by the City include police and fire protection, emergency medical services, street maintenance and repair, community development, planning and zoning, parks and recreation, water, storm water, sewer and garbage removal. The City's staff provides essential support (i.e., payroll processing, accounts payable, revenue collection) to deliver these services. The Council and the City Manager have direct responsibility for these services.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the organization's budget, the issuance of its debt or the levying of its taxes. The City had no reported component units at December 31, 2014.

The Monroe Mayor's Court has been included in the City's financial statements as an agency fund. The clerk of court has a fiduciary responsibility for the collection and distribution of the court fees and fines.

The City is also associated with two jointly governed organizations, The Center for Local Governments and the Ohio-Kentucky-Indiana Regional Council of Government, which are presented in Note 15 to the Basic financial statements.

Basis of Presentation – Fund Accounting

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. The effect of inter-fund activity has been removed from these statements except interfund services provided and used in the normal course of business. Taxes and intergovernmental revenues normally support governmental activities. *Business-type activities* are supported by charges for services.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues.*

Note 2 - Summary of Significant Accounting Policies

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City's most significant accounting policies are described below.

Measurement Focus Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the enterprise fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is expected to be liquidated with expendable, available resources. However, debt service expenditures, as well as compensated absences, are recorded only when payment is due.

Fund Accounting

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

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. The governmental funds reporting focus is on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets, deferred inflows of resources and liabilities is reported as fund balance.

The current financial resource approach of the governmental funds differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the statements for governmental funds.

Enterprise Funds

Enterprise funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The principal operating revenues of the City 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 non-operating revenues and expenses.

The City reports the following major governmental funds:

General Fund
The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Fire 1989 Levy Fund
The Fire 1989 Levy Fund accounts for property tax levied in 1989 for payment of a portion of general operating expenditures of the department and capital costs.

Police Law Enforcement
The Police Law Enforcement Fund accounts for property taxes, charges for services, and other revenues received to maintain the operational and capital needs of the City's police department.

2004 TIFs
The 2004 TIFs Fund accounts for payments in lieu of taxes received from commercial properties located in the City's TIF Districts.

2004 RIDs
The 2004 RIDs Fund accounts for payments in lieu of taxes received from residential incentive districts located within the City.

Capital Improvement
The Capital Improvement Fund accounts for significant capital projects undertaken by the City.

Bond Retirement Fund
The Bond Retirement Fund is used to account for the revenues, expenditures and other financing sources and uses related to the retirement of specific long-term obligations of the City.

The City reports the following major enterprise funds:

Water Fund
To account for activities of the City's water system.

Sewer Fund
To account for activities of the City's wastewater system.

Fiduciary Funds

The fiduciary fund category is split into four classifications: private purpose trust funds, pension trust funds, investment trust funds and agency funds. The City maintains a Mayor's Court agency fund, which accounts for funds that flow through the municipal court office. The City's agency fund is custodial in nature (assets equal liabilities) and does not involve the measurement of results of operations.

Cash and Cash Equivalents

To improve cash management, all cash received by the City is pooled. Monies for all funds, including enterprise funds, except cash held by a trustee or fiscal agent and specific fund investments, are maintained in this pool. Each fund's interest in the pool is presented as "Equity in pooled cash and cash equivalents" on the fund balance sheet and statement of net position. Individual fund integrity is maintained through the City's records. The City maintains the remaining bond proceeds in trust accounts that can only be used for purposes described in the bond documents. These monies are reported as "Restricted Cash and Cash Equivalents" on the statement of net position. The City's Mayor's Court has its own checking accounts for collection and distribution of court fines and forfeitures that are presented on the statement of fiduciary net position as "Cash and cash equivalents in segregated accounts."

For purposes of the statement of cash flows and for presentation on the fund balance sheet and statement of net position, investments with original maturities of three months or less and funds within the cash management pool are considered to be cash equivalents. Except for non-participating investment contracts, investments are reported at fair value, which is based on quoted market prices. Non-participating investment contracts, such as certificates of deposit, are reported at cost. During fiscal year 2014, investments were limited to U.S Governmental agency notes, STAR Ohio, and money market mutual funds.

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

Capital Assets and Depreciation

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost (or estimated historical cost if purchased or constructed). Donated capital assets are recorded at estimated fair market value on the date of donation. Intangible assets, such as easements, are reported at estimated cost and not depreciated.

Depreciation has been provided using the straight-line method over the following estimated useful lives:

	Estimated Lives (Years)
Buildings and Building Improvements	40
Infrastructure – Streets	50
Infrastructure – Water Lines	20
Machinery, Equipment and Vehicles	5 – 20

Interfund Transactions

During the course of normal operations, the City has numerous transactions between funds. Interfund transactions are generally classified as follows:

> Transfers are reported as "Other Financing Sources and Uses" in the governmental funds, as "Transfers In" by the recipient fund and "Transfers Out" by the disbursing fund on the fund financial statements. These transfers are consolidated within the governmental activities columns.

Transactions that would be treated as revenues and expenditures if the transactions involved organizations external to the City are similarly treated when involving other funds of the City.

Pensions

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

Compensated Absences

The City follows the provisions of Governmental Accounting Standards Board Statement No. 16, "Accounting for Compensated Absences." Vacation and compensatory time benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. Sick leave benefits are accrued as a liability using the vesting method. The City records a liability for sick leave for employees with ten years of service. The employees are eligible to receive payment for one-quarter of the vested balance up to a maximum of 240 hours.

Matured leave payable in the fund financial statements represents the entire current portion. These amounts are reported in governmental funds only if they have matured, for example, as a result of employee resignations, retirements or contractual obligation. The City has no matured leave payable at December 31, 2014. The entire liability is reported on the government-wide statement of net position. For enterprise funds, the entire liability is reflected in the fund statement of net position.

Accrued Liabilities and Long-Term Obligations

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. Bonds and capital leases are reported as a liability of the governmental activities on the statement of net position.

Long-term debt and other obligations financed by enterprise funds are reported as liabilities in the appropriate enterprise funds and on the statement of net position.

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

Obligation	Fund
Compensated Absences	Will be paid by the General Fund or Water Fund.
General Obligation Bonds	Will be paid from the debt service fund.
Loans Payable	Will be paid from the water fund, which is utilizing the water tower associated with the loan.
Capital Leases Payable	Will be paid from the general, fire 1989 levy special revenue and stormwater management enterprise funds.
Special Assessment Bonds	Will be paid from the debt service fund.
Revenue Obligation Bonds	Will be paid through payments in lieu of taxes from the I-75 Corridor fund. Water revenue bonds will be repaid through the operated revenues of the Water Fund.

Classification of Fund Balance

In accordance with GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions," the City's fund balance is divided into five classifications based primarily on the extent to which the City must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable - The City classifies assets as nonspendable when not in spendable form and when legally or contractually required to maintain the amounts intact.

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

Committed - The City's Council can commit amounts via formal action (resolution). The City must adhere to these commitments unless the City's Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned - Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as restricted or committed. Assigned fund balances at December 31, 2014 represent resources set aside for purchase commitments and subsequent year budgets by the City's Council.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

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

Net Position

Net position represents the difference between assets and deferred inflows of resources and liabilities in the statement of net position. Net investment in capital assets is calculated, net of accumulated depreciation and reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its 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. Unrestricted net position is the remaining assets less remaining liabilities that do not meet the definition of net investment in capital assets or restricted net position.

Deferred Inflows of Resources

The City reports deferred inflows of resources on its governmental funds balance sheet and entity wide statement of net position. Deferred inflows arise when a potential item of revenue does not meet both the "measurable" and "available" criteria for recognition in the current period on the modified accrual basis. Certain intergovernmental receivables, uncollected assessments, miscellaneous receivables, property taxes, payments in lieu of taxes and income taxes not meeting the availability criteria have been deferred and will be realized in a subsequent period on the modified accrual basis of accounting on the Balance Sheet. On the full accrual basis, property taxes receivable and payments in lieu of taxes receivable that have been levied to finance operations in the next year have been reported as deferred inflows on the Statement of Net Position.

Exchange/Non-Exchange Transactions

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

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

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.

Note 3 - Compliance and Accountability

Fund Deficits

The following funds had fund balance deficits at December 31, 2014:

	Fund Deficit
Major Funds:	
Governmental Funds:	
Fire 1989 Levy	$ 46,723
Total Major Governmental Funds	46,723
Nonmajor Funds:	
Governmental Funds:	
Street Lighting	17,349
Total Nonmajor Governmental Funds	17,349
Total All Funds	$ 64,072

The deficits were created by the application of generally accepted accounting principles. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

Note 4 - Deposits and Investments

Policies and Procedures

The investment and deposit of City monies are governed by the Ohio Revised Code. State statutes classify monies held by the City into three categories.

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

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

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

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

State statute permits interim monies to be deposited in the following securities:

1. United States Treasury notes, bills, bonds, or any other obligations or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;

2. Bond, notes, debentures, or any other obligations or securities issued by the federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase 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;

4. Bonds and other obligations of the State of Ohio;

5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this section are made only through eligible institutions; and

6. The State Treasurer's investment pool (STAR Ohio); and

7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time.

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

1. Bonds of the State of Ohio;

2. Bonds of any municipal corporation, village, city, township, or other political subdivision of this State, as to which there is no default of principal, interest or coupons; and

3. Obligations of the City.

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

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

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3 "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements" and GASB Statement No. 40, "Deposits and Investment Risk Disclosures."

Deposits

At year-end, the carrying amount of the City's deposits was $15,625,527 and the bank balance was $15,743,013. $11,779,255 of the City's deposits were insured by federal depository insurance. As of December 31, 2014, $3,963,758 of the City's bank balance of $15,743,013 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the City or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

Investments

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

	Fair Value and Maturity		
Categorized Investments	Under One Year	One to Five Years	Credit Rating
U.S. Government Notes	$ -	$ 1,998,477	S&P - AA+
Star Ohio	7,667	-	S&P - AAAm
Money Market Mutual Funds	550,228	-	S&P - AAAm
Total	$ 557,895	$ 1,998,477	

Interest Rate Risk - The City has no investment policy that addresses interest rate risk. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the City, and that an investment must be purchased with the expectation that it will be held to maturity.

Credit Risk - The City is not subject to any credit risk as there are no investments subject to credit risk. The City has no investment policy that would further limit its investment choices.

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 investments or collateral securities that are in the possession of an outside party. The City has no investment policy dealing with investment custodial risk beyond the requirement in state statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk - The City places no limit on the amount it may invest in any one issuer. The City has 78% of its investments in U.S. Government Notes.

Note 5 - Property Taxes

Property taxes include amounts levied against all real estate and public utility property located in the City. Real property taxes (other than public utility) collected during 2014 were levied after October 1, 2013, on assessed values as of January 1, 2013, the lien date. Assessed values were established by the County Auditor at 35% of appraised market value. All property is required to be revalued every six years. The last revaluation was completed for tax year 2009. Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 31; if paid semi-annually, the first payment is due by February and the remainder payable in July. Under certain circumstances, state statute permits later payment dates to be established.

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

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

Category	Assessed Value
Real Property Valuation	$ 253,392,610
Public Utility Tangible Personal Property	60,612,770
Total	$ 314,005,380

Note 6 - Income Tax

The City levies a municipal income tax of one and one-half percent on substantially all income earned within the City. In addition, the residents of the City are required to pay income tax on income earned outside of the City; however, the City allows a credit for income taxes paid to another municipality up to 100 percent of the City's current tax rate.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

Income tax proceeds are to be used to pay the cost of administering the tax, general fund operations, capital improvements, debt service and other governmental functions when needed, as determined by Council.

Note 7 - Receivables

Receivables at December 31, 2014 consisted of property and other taxes, income taxes, utility accounts (shown net of an allowance for uncollectible accounts), special assessments, and intergovernmental receivables and shared revenues arising from entitlements.

Note 8 - Capital Assets

A summary of the changes in capital assets during the year ended December 31, 2014, follows:

	12/31/2013	Increases	Decreases	12/31/2014
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land and Easements	$ 1,436,276	$ -	$ -	$ 1,436,276
Construction in Progress	433,404	502,439	(410,038)	525,805
Total Capital Assets, Not Being Depreciated	1,869,680	502,439	(410,038)	1,962,081
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	8,609,101	497,495	-	9,106,596
Machinery, Equipment and Vehicles	6,947,993	-	-	6,947,993
Infrastructure – Streets	66,981,627	2,353,665	-	69,335,292
Total Capital Assets, Being Depreciated	82,538,721	2,851,160	-	85,389,881
Accumulated Depreciation				
Buildings and Building Improvements	(2,950,445)	(233,671)	-	(3,184,116)
Machinery, Equipment and Vehicles	(4,494,729)	(420,574)	-	(4,915,303)
Infrastructure – Streets	(21,536,187)	(1,261,943)	-	(22,798,130)
Less Accumulated Depreciation	(28,981,361)	(1,916,188)	-	(30,897,549)
Total Capital Assets, Being Depreciated, Net	53,557,360	934,972	-	54,492,332
Governmental Activities Capital Assets, Net	$ 55,427,040	$ 1,437,411	$ (410,038)	$ 56,454,413
Business-Type Activities				
Capital Assets, Not Being Depreciated				
Land	$ 563,741	$ -	$ -	$ 563,741
Construction in Progress	947,841	1,633,365	-	2,581,206
Total Capital Assets, Not Being Depreciated	1,511,582	1,633,365	-	3,144,947
Capital Assets, Being Depreciated				
Buildings and Building Improvements	1,464,986	-	-	1,464,986
Machinery and Equipment	1,605,760	50,976	-	1,656,736
Infrastructure – Water Lines/Storm Sewers	7,839,433	-	-	7,839,433
Total Capital Assets, Being Depreciated	10,910,179	50,976	-	10,961,155
Accumulated Depreciation				
Buildings and Building Improvements	(873,344)	(32,667)	-	(906,011)
Machinery and Equipment	(709,451)	(96,461)	-	(805,912)
Infrastructure – Water Lines	(3,566,121)	(373,738)	-	(3,939,859)
Less Accumulated Depreciation	(5,148,916)	(502,866)	-	(5,651,782)
Total Capital Assets, Being Depreciated, Net	5,761,263	(451,890)	-	5,309,373
Business-Type Activities Capital Assets, Net	$ 7,272,845	$ 1,181,475	$ -	$ 8,454,320

Governmental Activities:		
Security of Persons and Property	$	363,537
Transportation, Including Depreciation of General Infrastructure Assets		1,399,834
Leisure Time Activities		46,491
General Government		106,326
Total Depreciation Expense - Governmental Activities	$	1,916,188

Business-Type Activities:		
Water	$	448,326
Sewer		12,595
Stormwater Management		37,445
Cemetery		4,500
Total Depreciation Expense – Business-Type Activities	$	502,866

Note 9 - Defined Benefit Pension Plans

Public Employees Retirement System

The City contributes to the Public Employees Retirement System of Ohio (OPERS), a cost-sharing multiple-employer public employee retirement system administered by the Public Employees Retirement Board. OPERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 1-800-222- PERS (7377).

OPERS administers three separate pension plans as described below:

- The Traditional Pension Plan (TP) – a cost-sharing multiple-employer defined benefit pension plan

- The Member-Directed Plan (MD) – a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon.

- The Combined Plan (CO) – a cost-sharing multiple-employer defined benefit pension plan. Under the Combined Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the Traditional Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations. Contributions are authorized by State statute. The employer pension contribution rate for the City is 14% of covered payroll. The contribution rates are determined actuarially. The City's required contributions to OPERS for the years ended December 31, 2014, 2013, and 2012, were $312,873, $304,222, and $296,058, respectively. All required contributions have been made for 2014, 2013 and 2012.

Ohio Police and Fire Pension Fund

The City contributes to the Ohio Police and Fire Pension Fund (Fund), a cost-sharing multiple-employer defined benefit pension plan. The Fund provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and by Chapter 742 of the Ohio Revised Code. The Fund issues a publicly available financial report that includes financial statements and required supplementary information for the Fund. That report may be obtained by writing to the Police and Firemen's Disability and Pension Fund of Ohio, 140 East Town Street, Columbus, Ohio 43215-5164.

From January 1, 2014 thru July 1, 2014, plan members were required to contribute 10.75 percent of their annual covered salary. From July 2, 2014 thru December 31, 2014, plan members were required to contribute 11.50 percent of their annual covered salary. Throughout 2014, the City was required to contribute 19.5 and 24 percent, respectively, for police officers and firefighters. Contributions are authorized by State statute. The City's required contributions to the Fund for the years ended December 31, 2014, 2013, and 2012, were $878,485, $863,448, and $800,800, respectively. The full amount has been contributed for 2014, 2013 and 2012.

Note 10 - Post Employment Benefits

Public Employees Retirement System (OPERS)

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

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

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

The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2014, state and local employers contributed at a rate 14.00% of covered payroll. The Ohio Revised Code currently limits the employer contribution rate to a rate not to exceed 14.00% of the covered payroll for state and local employer units. Active members do not make contributions to the OPEB plan.

OPERS's Post Employment Health Care Plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. For 2014, the employer contribution allocated to the health care plan for members in both the traditional plan and the combined plan was 2%. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care coverage by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's actual contributions that were used to fund post-employment benefits for 2014, 2013 and 2012 were $44,678, $21,730 and $84,588, respectively. The full amount has been contributed for 2014, 2013 and 2012.

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.

OPERS issues a stand-alone financial report that may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 1-800-222- PERS (7377).

Ohio Police and Fire Pension Fund

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored health care program, a cost-sharing multiple-employer defined benefit postemployment health care plan administered by OP&F. OP&F provides healthcare benefits including coverage for medical, prescription drug, 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 meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contribution 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 the year ended December 31, 2014, the employer contribution allocated to the health care plan was .5% of covered payroll from January 1, 2014 thru December 31, 2014. The amount of the 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 provision of Section 115 and 401(h).

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

The City's contributions for the years ended December 31, 2014, 2013 and 2012 were $20,644, $145,167, and $246,264, respectively. The full amount has been contributed for 2014, 2013 and 2012.

The Ohio Police and Fire Pension Fund issues a publicly available financial report that includes financial statements and required supplementary information for the Fund. That report may be obtained by writing to the Police and Firemen's Disability and Pension Fund of Ohio, 140 East Town Street, Columbus, Ohio 43215-5164.

Note 11 - Other Employee Benefits

Compensated Absences

Accumulated Unpaid Sick Leave

All non-contract employees earn ten hours of sick leave for each full month worked. City employees can receive payment of twenty-five percent of accrued sick leave up to 240 hours (maximum sixty hours) after ten years with the City.

Accumulated Unpaid Vacation

Non-union employees earn vacation leave at varying rates based on length of service. On January 1 following the date of hire, employees receive two weeks of vacation leave prorated by the portion of the previous calendar year worked. Employees earn two weeks up to the completion of five years of service, three weeks after five years, four weeks after ten years and five weeks after twenty years of service. All vacation time must be used within the calendar year earned or is forfeited unless the employee has received special permission from the City Manager. Upon departure from City employment, an employee (or his or her estate) will be paid for unused vacation leave. Union employees earn, use and accumulate vacation leave per the terms of their particular contract.

Health Care Benefits

The City provides life insurance and accidental death and dismemberment insurance to most employees through various life insurance companies. The City has elected to provide employee medical/surgical benefits through Anthem. Non-union employees pay 16 percent of the premium. The City Manager and Law Director pay twenty percent of the health and dental insurance premiums. For union employees, the health and dental premium contribution varies depending on the terms of the applicable union contract. The City also provides a portion of the deductible: $1,000 for employees on the single plan and $2,000 for employees on the family plan. The City provides vision insurance to all employees through VSP and dental insurance is provided through Dental Care Plus.

Note 12 - Risk Management

The City is exposed to various risks of property and casualty losses, and injuries to employees.

The City insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

Beginning in 2014, the City belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. American Risk Pooling Consultants, Inc. (ARPCO), a division of York Insurance Services Group, Inc. (York), functions as the administrator of PEP and provides underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP), which is also administered by ARPCO. Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2014, PEP retained $350,000 for casualty claims and $100,000 for property claims.

The aforementioned casualty and property reinsurance agreement does not discharge PEP's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Financial Position

PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2014 and 2013:

	2014	2013
Assets	$ 35,402,177	$ 34,411,883
Liabilities	(12,363,257)	(12,760,194)
Net Position	$ 23,038,920	$ 21,651,689

At December 31, 2014 and 2013, respectively, the liabilities above include approximately $11.1 million and $11.6 million of estimated incurred claims payable. The assets above also include approximately $10.8 million and $11.1 million of unpaid claims to be billed to approximately 488 and 475 member governments in the future as of December 31, 2014 and 2013, respectively. These amounts will be included in future contributions from members when the related claims are due for payment.

As of December 31, 2014, the City's share of unpaid claims collectible in future years is approximately $67,000.

Based on discussions with PEP, the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership. The City's contributions to PEP for 2014 were $95,546.

After one year of membership, a member may withdraw on the anniversary of the date of joining PEP, if the member notifies PEP in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to PEP. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

Settled claims have not exceeded insurance coverage in any of the past three years. There was no significant decline in the level of coverage from the prior year.

Note 13 –Long-Term Obligations

A summary of the changes in long-term obligations during the year ended December 31, 2014 follows:

	12/31/2013	Increase	Decrease	12/31/2014	Due Within One Year
Governmental Activities					
Special Assessment Bonds					
6.61% 1998 Waterline Extension II	$ 34,500	$ -	$ (10,900)	$ 23,600	$ 11,500
4.45% - 5.70% 2002 Limited Edition	365,000	-	(45,000)	320,000	45,000
Total - Special Assessment Bonds	399,500	-	(55,900)	343,600	56,500
Revenue Obligation Bonds					
1999 Adjustable Rate Tax Incremental	1,160,000	-	(205,000)	955,000	215,000
General Obligation Bonds (Unvoted)					
1.50% - 3.50% 2013 VP Bonds	3,730,000	-	(575,000)	3,155,000	520,000
Premium	42,992	-	(3,999)	38,993	-
6.15% 2010 Building America Bonds	715,000	-	-	715,000	-
2 - 4.25% 2010 VP Bonds	5,325,000	-	(275,000)	5,050,000	285,000
Premium	77,482	-	(4,558)	72,924	-
2% - 4% 2014 VP Bonds	-	2,775,000	-	2,775,000	175,000
Premium	-	127,597	(532)	127,065	-
Total - General Obligation Bonds	9,890,474	2,902,597	(859,089)	11,933,982	980,000
Compensated Absences	153,605	3,960	-	157,565	-
Total - Governmental Activities	11,603,579	2,906,557	(1,119,989)	13,390,147	1,251,500
Business-Type Activities					
5.9-6.35% 2010 Series A Bonds	3,590,000	-	-	3,590,000	-
2-3.75% 2010 Series B Bonds	1,620,000	-	(215,000)	1,405,000	220,000
Premium	31,645	-	(1,861)	29,784	-
5.02% 2001 Loan Payable	331,629	-	(37,657)	293,972	39,571
Compensated Absences	9,647	-	(3,899)	5,748	-
Total - Business-Type Activities	5,582,921	-	(258,417)	5,324,504	259,571
Total - All Activities	$17,186,500	$ 2,906,557	$(1,378,406)	$18,714,651	$ 1,511,071

The Water Line Extension II special assessment bond was issued at an interest rate of 6.61 percent on January 1, 1998. The debt was issued for the purpose of constructing a water line extension down three roads in the City.

The Limited Edition special assessment bond was issued at varying interest rates from 4.45 to 5.70 percent. The debt was issued on September 15, 2002 for the purpose of making improvements around the Mount Pleasant Retirement home area.

The special assessment bond issues are backed by the full faith and credit of the City. In the event that an assessed property owner fails to make payments, the City will be required to pay the related debt. The special assessment bonds will be paid from the debt service fund.

The adjustable rate tax incremental bonds were issued on March 1, 1999 at a 3.35 percent stated interest rate. The bonds were issued to finance the Interstate 75 Corridor project. The bonds will be repaid from service payments recorded in the Corridor 75 capital projects fund with a final maturity of December 1, 2018. The City has pledged 100 percent of all future revenues from the 75 Park Corridor tax increment financing district to repay the principal and interest obligations of the 1999 Adjustable Rate Revenue Bond set to mature on December 1, 2018. The original principal amount was $2,000,000 and the City does not expect the future interest obligations to exceed $650,000.

The 2013 Various Purpose bonds were issued in 2013 to currently refund the outstanding balance of certain legacy debt. The bonds bear interest at rates varying from 1.50% to 3.50% and have a final maturity of December 1, 2024.

During 2014, the City issued General Obligation Bonds of $2,775,000 to finance certain energy improvements to the City's buildings and infrastructure. The bonds bear interest at rates varying from 2% to 4% and have a final maturity of December 1, 2034.

In 2010, the City issued $6,845,000 of various purpose bonds, including $715,000 in Build America Bonds that carry an interest subsidy of thirty-five percent. The bonds were issued for several purposes including State Route 63 right of way, interchange improvements and work on State Route 63 and Toddhunter Road. The bonds also financed the acquisition of a fire truck and improvements to Gallaher Road. The bonds have a final maturity of December 1, 2030.

The unvoted general obligation bond issues will be paid from property taxes out of the special revenue funds and the capital projects funds.

The compensated absences will be paid from the fund from which the employees' salaries are paid, mainly the General and Water funds.

During 2010, the City issued $5,825,000 in waterworks system improvements and refunding revenue bonds. The bonds were issued as two series. The 2010A series was for $3,590,000 as Build America Bonds that carry a thirty-five percent interest subsidy. The 2010B series was for $2,235,000. The bonds have a final maturity of December 1, 2030 and will be repaid from water operating revenues. Additionally, covenants related to these revenue bonds include, among other things, requiring the City to charge minimum rates and/or restrict operating and maintenance expenses of the system such that there is net income available for debt service of at least 110% of the succeeding year debt service (principal and interest).

The Loan payable was issued at an interest of 5.02 percent in December 2001 for the purpose of the paying the City's portion of a water tower used with the City of Middletown. The loans will be paid from the water fund charges for services. The loan matures on June 1, 2021.

As of December 31, 2014, the City's legal debt margin was approximately $33.0 million for total debt and $17.3 million for unvoted debt.

Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2014 are:

Governmental Activities

	General Obligation Bonds		
Year	Principal	Interest	Total
2015	$ 980,000	$ 369,943	$ 1,349,943
2016	985,000	355,111	1,340,111
2017	1,015,000	336,635	1,351,635
2018	1,025,000	315,436	1,340,436
2019	1,050,000	291,885	1,341,885
2020-2024	3,135,000	1,124,163	4,259,163
2025-2029	2,750,000	569,367	3,319,367
2030-2034	755,000	57,879	812,879
Totals	$11,695,000	$ 3,420,419	$15,115,419

Governmental Activities

	Special Assessment Bonds			Revenue Bonds		
Year	Principal	Interest	Total	Principal	Interest	Total
2015	$ 56,500	$ 19,060	$ 75,560	$ 215,000	$ 33,903	$ 248,903
2016	62,100	16,026	78,126	230,000	26,270	256,270
2017	50,000	12,665	62,665	245,000	18,105	263,105
2018	55,000	9,890	64,890	265,000	9,408	274,408
2019	60,000	6,810	66,810	-	-	-
2020-2024	60,000	3,420	63,420	-	-	-
Totals	$ 343,600	$ 67,871	$ 411,471	$ 955,000	$ 87,686	$ 1,042,686

Business-Type Activities

	Loans Payable			2010 Revenue Improvement Bonds		
Year	Principal	Interest	Total	Principal	Interest	Total
2015	$ 39,571	$ 14,371	$ 53,942	$ 220,000	$ 264,850	$ 484,850
2016	41,583	12,359	53,942	225,000	259,350	484,350
2017	43,697	10,245	53,942	230,000	253,162	483,162
2018	45,918	8,024	53,942	235,000	246,263	481,263
2019	48,252	5,690	-	245,000	238,625	483,625
2020-2024	74,951	1,835	-	1,520,000	1,003,895	2,523,895
2025-2029	-	-	-	1,895,000	504,202	2,399,202
2030	-	-	-	425,000	26,987	451,987
Totals	$ 293,972	$ 52,524	$ 215,768	$ 4,995,000	$ 2,797,334	$ 7,792,334

Note 14 - Interfund Transactions

Interfund transfers during 2014 were as follows:

	Transfers In	Transfers Out
Major Funds:		
Governmental Funds:		
General Fund	$ -	$ 6,319,482
2004 TIFs	-	361,360
Fire 1989 Levy	2,071,825	-
Police Law Enforcement	2,460,000	-
Capital Improvement	550,000	-
Bond Retirement	975,103	-
Total Major Governmental Funds	6,056,928	6,680,842
Nonmajor Funds:		
Governmental Funds:		
FEMA	-	6,086
Street	630,000	-
Total Nonmajor Governmental Funds	630,000	6,086
Total All Funds	$ 6,686,928	$ 6,686,928

The transfers out of the General Fund were to supplement the operations of other funds. Transfers out of the 2004 TIFs were to the Bond Retirement Fund for required debt service. Transfers out of the FEMA fund were to reimburse the Fire 1989 Levy Fund for an expense made in a prior period.

At December 31, 2014 interfund loans totaled $1,625,000 – owed to the General Fund from the Street Lighting Fund, Capital Improvement Fund, Water Fund and Cemetery Fund in the amounts of $35,000, $1,100,000, $450,000 and $40,000, respectively. The interfund loans were made to assist the borrower-funds with short-term cash flow needs.

Note 15 - Jointly Governed Organizations

The Center for Local Government, a jointly governed organization, was established to improve public service delivery by the cities, townships and villages in the Greater Cincinnati metropolitan area, especially among its member jurisdictions, through improved information exchange, cost reductions, shared resources, interjurisdictional collaboration, and new approaches to capital equipment and skills acquisition. The Board of Trustees consists of eight members made up of elected representatives from the participating governments. The City does not have any financial interest in or responsibility for the Center. The City made no financial contribution during 2014. Information can be obtained from the Center by writing to Director of the Center for Local Government, 10979 Reed Hartman Highway, Suite 239, Cincinnati, Ohio 45242.

The Ohio-Kentucky-Indiana Regional Council of Governments (OKI), a jointly governed organization, was established to provide coordinated planning services to the appropriate federal, state and local governments, their political subdivisions, agencies, departments, instrumentalities, and special districts, in connection with the preparation and development of comprehensive and continuing regional transportation and development plans within the OKI Region. OKI members include Butler, Clermont and Warren Counties in Ohio, Boone, Campbell and Kenton Counties in Kentucky and Dearborn and Ohio Counties in Indiana. OKI also serves as an area wide review agency in conjunction with comprehensive planning within the OKI Region.

OKI contracts periodically for local funds and other support with the governing board of each of the governments who are members of OKI or with such other persons as may be appropriate to provide such funds and support. The support is based on the population of the area represented. A Board of Trustees was created for conducting the activities of the OKI. This Board consists of one elected official of each City and municipal corporation, one individual selected by each City planning agency or commission and one person selected by each planning agency or commission of each municipal corporation located in each member City. This Board of Trustees then selects not more than ten residents of the OKI Region. The total membership of the Board of Trustees shall not exceed 100. Any member of OKI may withdraw its membership upon written notice to OKI to be effective two years after receipt of the notice by OKI. The City made no financial contribution during 2014. To obtain financial information, write to Director of Finance and Administration of the Ohio-Kentucky-Indiana Regional Council of Governments at 920 Pete Rose Way Suite 420, Cincinnati, Ohio, 45202.

Note 16 - Contingent Liabilities

Litigation

From time to time, the City may be subject to various lawsuits and/or claims over which litigation has not yet commenced. Although the outcomes of any such matters are not presently determinable, in the opinion of management, the resolution of these matters will not have a materially adverse effect on the financial condition of the City.

Federal and State Grants

The City receives federal and state grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

Note 17 – Contractual Commitments

The City's major outstanding contracts for services, as of December 31, 2014, were as follows:

Contractor	Project	Amount
Adleta Construction	Mason Avenue	$ 26,794
Brandstetter Carroll, Inc.	Park Master Plan	28,580
Megen Construction Company, Inc.	Urban Center Exterior Repairs	50,933
Perfection Group, Inc.	Energy Efficiency Upgrades	18,042
Caldwell Tanks, Inc.	Elevated Tank	322,691
Jones Warner Consultants	Carson/Britton Designs	50,400

The City had the following in outstanding encumbrances by fund as of December 31, 2014:

Fund	Outstanding Encumbrances
Governmental	
General	$ 281,466
Fire 1989 Levy	36,408
Police Law Enforcement	130,865
2004 TIFs	7,635
2004 RIDs	89,455
Capital Improvement	1,446,299
Bond Retirement	3,500
Nonmajor Governmental Funds	173,487
Enterprise	
Water	432,253
Nonmajor Enterprise Funds	52,186
	$ 2,653,554

Note 18 – Fund Balance

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

	General	Fire 1989 Levy	Police Law Enforcement	2004 TIFs	2004 RIDs	Capital Improvement	Bond Retirement	Non-major Governmental Funds	Total Governmental Funds
Nonspendable:									
Interfund Loans	$1,625,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,625,000
Total Nonspendable	1,625,000	-	-	-	-	-	-	-	1,625,000
Restricted for:									
Public safety	-	-	20,461	-	-	-	-	243,757	264,218
Public Works	-	-	-	-	-	-	-	454,165	454,165
Capital Improvements	-	-	-	-	-	3,080,903	-	-	3,080,903
Debt Service	-	-	-	-	-	-	232,543	-	232,543
Purposes Permitted by TIF/RID Agreements	-	-	-	427,169	2,254,666	-	-	24,889	2,706,724
Public Health	-	-	-	-	-	-	-	63,009	63,009
Other Purposes	-	-	-	-	-	-	-	2,184	2,184
Total Restricted	-	-	20,461	427,169	2,254,666	3,080,903	232,543	788,004	6,803,746
Committed for:									
Parks and Recreation	-	-	-	-	-	-	-	158,604	158,604
Total Committed	-	-	-	-	-	-	-	158,604	158,604
Assigned:									
Purchase Commitments	216,565	-	-	-	-	-	-	-	216,565
2015 Budgeted Use of Carryover Balance	1,557,760	-	-	-	-	-	-	-	1,557,760
Total Assigned	1,774,325	-	-	-	-	-	-	-	1,774,325
Unassigned (Deficit)	5,861,516	(46,723)	-	-	-	-	-	(17,349)	5,797,444
Total Fund Balances	$9,260,841	$ (46,723)	$ 20,461	$427,169	$2,254,666	$3,080,903	$232,543	$ 929,259	$16,159,119

Note 19 – Intergovernmental Agreements, Special Assessment Receivable and Intergovernmental Payable

The City has entered into intergovernmental agreements with the Warren County Port Authority for the purpose of furthering commercial and industrial development that is mutually economically beneficial to both the City and Warren County. There are currently two such intergovernmental agreements covering two projects and their related TIF Districts – the VH Monroe Project and the Cincinnati Premium Outlets Project.

The general terms of these two intergovernmental agreements directed the Warren County Port Authority to issue debt for the purpose of constructing infrastructure that would entice commercial and industrial development to be located within certain designated sections (TIF Districts) of the City. These agreements further directed the City to pledge service payments (payments in lieu of taxes) to the Warren County Port Authority to cover the principal and interest payments on the related debt issued by the Port Authority as well as amounts required to cover the administrative costs of the Port Authority related to these projects. Additionally, property owners in these two Districts are subject to a special assessment in the event that in any year the service payments collected are not sufficient to cover the debt service and administrative costs of the Warren County Port Authority.

At December 31, 2014, the City estimated that the future service payments were sufficient to cover the debt service payments and administrative charges of the Cincinnati Premium Outlets Project, but not sufficient to cover the debt service payments and the administrative charges of the VH Monroe Project.

Since the future service payments of the VH Monroe Project are estimated to be less than the amount of debt service and administrative charges required by the intergovernmental agreement with the Warren County Port Authority, the City has reported a special assessment receivable from property owners in the VH Monroe Project TIF District and an intergovernmental payable to the Warren County Port Authority for estimated future value of the deficiency of service payments under debt service payments and administrative expenses as of December 31, 2014, that is estimated based on the assumptions in the table below.

VH Monroe Project - Estimated Special Assessment Receivable and Estimated Intergovernmental Payable Calculation

Cash Inflows:	
Estimated Service Payments, 2015 to 2034	$ 4,901,941
Estimated Interest Income on Debt Reserve Balance, 2015 to 2034	1,599,744
Total, Future Value of Cash Inflows	6,501,685
Cash Outflows:	
Public Improvement Bonds, Principal due from 2015 to 2034	10,000,000
Public Improvement Bonds, Interest due from 2015 to 2034	9,969,200
Estimated Administrative Expenses, due from 2015 to 2034	1,319,858
Total, Future Value of Cash Outflows	21,289,058
Special Assessment Receivable/Intergovernmental Payable	$ (14,787,373)

Note 20 – Subsequent Event – Joint Economic Development District

Effective January 1, 2015, the City of Monroe began participating in a Joint Economic Development District (JEDD) with Turtle Creek Township. The JEDD is located entirely within Turtle Creek Township, Butler County, Ohio along State Route 63 on the East Side of Interstate 75. The purpose of the JEDD is to facilitate the development of jobs and employment opportunities along with improving the welfare of people in the District. The JEDD is governed by a Board of Directors which consists of a municipal member, a township member, a member who represents the owners of the businesses within the JEDD, a member who represents the persons working within the JEDD, and one member who is selected by the above members who serves as chairperson.

The proceeds of the JEDD are used to pay a portion of the costs associated with the District, the provision of public services such as police and fire protection, and to provide for improvements in connector roads that benefit the JEDD.

Under the terms of the agreement with the JEDD, City of Monroe and Turtle Creek Township:

- The JEDD will receive 4% of income tax revenues collected.
- Turtle Creek Township receives 50% of the net income tax revenues collected.
- The City of Monroe receives 50% of the net income tax revenues collected and $80,000 for interchange maintenance.

The City of Monroe administers and collects income tax for the JEDD and reports quarterly to the JEDD. The City of Monroe receives an additional fee for the collection of the gross income tax collected and absorbs all reasonable costs associated with the collection of these income taxes.

REQUIRED SUPPLEMENTARY INFORMATION

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Major Governmental Fund
For the Year Ended December 31, 2014

	GENERAL FUND			
	Budget			Variance Positive
	Original	Final	Actual	(Negative)
Revenues:				
Property and Other Taxes	$ 729,298	$ 729,298	$ 568,655	$ (160,643)
Income Taxes	5,880,732	6,880,732	7,497,539	616,807
Charges for Services	60,322	60,322	63,426	3,104
Fees, Licenses, and Permits	647,659	647,659	475,102	(172,557)
Fines and Forfeitures	158,112	158,112	220,378	62,266
Intergovernmental	295,716	295,716	703,227	407,511
Interest	145,000	145,000	94,359	(50,641)
Other	25,506	25,506	159,551	134,045
Total Revenues	7,942,345	8,942,345	9,782,237	839,892
Expenditures:				
Current:				
General Government				
Council				
Personal Services	75,000	80,000	74,230	5,770
Other	116,703	96,739	91,116	5,623
Total Council	191,703	176,739	165,346	11,393
Mayor's Court				
Personal Services	91,791	91,791	78,439	13,352
Other	30,000	23,029	18,174	4,855
Total Mayor's Court	121,791	114,820	96,613	18,207
Human Resources				
Personal Services	150,000	151,000	150,574	426
Other	231,600	181,600	175,524	6,076
Total Human Resources	381,600	332,600	326,098	6,502
Development				
Personal Services	250,000	221,060	209,569	11,491
Other	835,483	522,900	506,043	16,857
Total Development	1,085,483	743,960	715,612	28,348
Finance				
Personal Services	225,000	227,100	210,353	16,747
Other	649,795	550,581	541,966	8,615
Total Finance	874,795	777,681	752,319	25,362
City Manager's Office				
Personal Services	65,000	99,030	98,550	480
Other	255,000	289,131	266,615	22,516
Total City Manager's Office	320,000	388,161	365,165	22,996
Total General Government	2,975,372	2,533,961	2,421,153	112,808

(continued)

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Major Governmental Fund
For the Year Ended December 31, 2014

	GENERAL FUND			
	Budget			Variance Positive
	Original	Final	Actual	(Negative)
Security of Persons and Property				
Police Law Enforcement				
Personal Services	315,000	315,000	273,369	41,631
Other	164,000	85,412	76,879	8,533
Total Security of Persons and Property	479,000	400,412	350,248	50,164
Public Works				
Service Buildings and Grounds				
Other	275,000	249,706	241,786	7,920
Total Public Works	275,000	249,706	241,786	7,920
Leisure Time Activities				
Parks				
Personal Services	54,400	114,400	102,689	11,711
Other	67,000	71,231	64,858	6,373
Total Leisure Time Activities	121,400	185,631	167,547	18,084
Total Expenditures	3,850,772	3,369,710	3,180,734	188,976
Excess of Revenues Over Expenditures	4,091,573	5,572,635	6,601,503	1,028,868
Other Financing Sources (Uses):				
Transfers - Out	(6,812,360)	(6,319,482)	(6,319,482)	-
Advances - Out	-	(1,120,000)	(1,120,000)	-
Total Other Financing Sources (Uses)	(6,812,360)	(7,439,482)	(7,439,482)	-
Net Change in Fund Balance	(2,720,787)	(1,866,847)	(837,979)	1,028,868
Fund Balance at Beginning of Year	7,091,863	7,091,863	7,091,863	-
Prior Year Encumbrances Appropriated	291,778	291,778	291,778	-
Fund Balance at End of Year	$ 4,662,854	$ 5,516,794	$ 6,545,662	$ 1,028,868

See accompanying notes to the required supplementary information

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Major Governmental Fund
For the Year Ended December 31, 2014

	FIRE 1989 LEVY FUND			
	Budget			Variance Positive
	Original	Final	Actual	(Negative)
Revenues:				
Property and Other Taxes	$ 490,000	$ 490,000	$ 420,373	$ (69,627)
Charges for Services	549,040	549,040	570,484	21,444
Intergovernmental	38,000	38,000	39,377	1,377
Other	263,733	780	94,251	93,471
Total Revenues	1,340,773	1,077,820	1,124,485	46,665
Expenditures:				
Current:				
Security of Persons and Property				
Personal Services	3,279,700	2,854,700	2,854,560	140
Other	594,978	493,959	434,388	59,571
Total Security of Persons and Property	3,874,678	3,348,659	3,288,948	59,711
Deficiency of Revenues Under Expenditures	(2,533,905)	(2,270,839)	(2,164,463)	106,376
Other Financing Sources:				
Transfers In	2,607,697	2,175,650	2,071,825	(103,825)
Total Other Financing Sources	2,607,697	2,175,650	2,071,825	(103,825)
Net Change in Fund Balance	73,792	(95,189)	(92,638)	2,551
Fund Balance at Beginning of Year	2,839	2,839	2,839	-
Prior Year Encumbrances Appropriated	94,678	94,678	94,678	-
Fund Balance at End of Year	$ 171,309	$ 2,328	$ 4,879	$ 2,551

See accompanying notes to the required supplementary information

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Major Governmental Fund
For the Year Ended December 31, 2014

	POLICE LAW ENFORCEMENT FUND			
	Budget			Variance Positive
	Original	Final	Actual	(Negative)
Revenues:				
Property and Other Taxes	$ 490,000	$ 490,000	$ 420,373	$ (69,627)
Charges for Services	88,547	102,547	111,174	8,627
Intergovernmental	49,500	49,500	72,848	23,348
Other	-	-	74,995	74,995
Total Revenues	628,047	642,047	679,390	37,343
Expenditures:				
Current:				
Security of Persons and Property				
Personal Services	2,649,900	2,672,315	2,669,466	2,849
Other	685,070	682,655	448,915	233,740
Total Security of Persons and Property	3,334,970	3,354,970	3,118,381	236,589
Capital Outlay	139,850	99,850	97,852	1,998
Total Expenditures	3,474,820	3,454,820	3,216,233	238,587
Deficiency of Revenues Under Expenditures	(2,846,773)	(2,812,773)	(2,536,843)	275,930
Other Financing Sources:				
Transfers - In	2,742,281	2,742,281	2,460,000	(282,281)
Total Other Financing Sources	2,742,281	2,742,281	2,460,000	(282,281)
Net Change in Fund Balance	(104,492)	(70,492)	(76,843)	(6,351)
Fund Balance at Beginning of Year	26,666	26,666	26,666	-
Prior Year Encumbrances Appropriated	90,379	90,379	90,379	-
Fund Balance at End of Year	$ 12,553	$ 46,553	$ 40,202	$ (6,351)

See accompanying notes to the required supplementary information

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Major Governmental Fund
For the Year Ended December 31, 2014

	2004 TIFs			
	Budget			Variance Positive (Negative)
	Original	Final	Actual	
Revenues:				
Payment in Lieu of Taxes	$ 1,900,000	$ 1,900,000	$ 2,240,205	$ 340,205
Total Revenues	1,900,000	1,900,000	2,240,205	340,205
Expenditures:				
Capital Outlay	293,040	108,040	38,283	69,757
Intergovernmental	1,530,000	1,900,000	1,898,429	1,571
Total Expenditures	1,823,040	2,008,040	1,936,712	71,328
Net Change in Fund Balance	76,960	(108,040)	303,493	411,533
Fund Balance at Beginning of Year	103,001	103,001	103,001	-
Prior Year Encumbrances Appropriated	13,040	13,040	13,040	-
Fund Balance at End of Year	$ 193,001	$ 8,001	$ 419,534	$ 411,533

See accompanying notes to the required supplementary information

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Major Governmental Funds
For the Year Ended December 31, 2014

	2004 RIDs			
	Budget			Variance Positive
	Original	Final	Actual	(Negative)
Revenues:				
Payment in Lieu of Taxes	$ 1,645,000	$ 5,120,000	$ 6,985,298	$ 1,865,298
Total Revenues	1,645,000	5,120,000	6,985,298	1,865,298
Expenditures:				
Current:				
Payments to Schools	1,740,000	4,940,000	4,901,944	38,056
Other	55,332	740,332	618,669	121,663
Total Expenditures	1,795,332	5,680,332	5,520,613	159,719
Excess (Deficiency) of Revenues Over (Under) Expenditures	(150,332)	(560,332)	1,464,685	2,025,017
Other Financing Uses:				
Transfers - Out	-	(361,360)	(361,360)	-
Total Other Financing Uses	-	(361,360)	(361,360)	-
Net Change in Fund Balance	(150,332)	(921,692)	1,103,325	2,025,017
Fund Balance at Beginning of Year	1,061,554	1,061,554	1,061,554	-
Prior Year Encumbrances Appropriated	332	332	332	-
Fund Balance at End of Year	$ 911,554	$ 140,194	$ 2,165,211	$ 2,025,017

Note 1 - 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 tax budget, the certificate of estimated resources, and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than the Fire Escrow Deposit special revenue fund and agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control is at the object level (personal services and other expenditures) within each department. Budgetary modifications may only be made by ordinance of the City Council.

Tax Budget

A tax budget of estimated revenues and expenditures for all funds is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

Estimated Resources

The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the City by October 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation ordinance. On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31 of the preceding year. The certificate may be further amended during the year if the fiscal officer and the Budget Commission agree that the estimate needs to be increased or decreased. The amounts reported on the budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 2014, while the original budget column reflects amounts in the original official certificate of estimated resources.

Appropriations

A temporary appropriation measure to control expenditures may be passed on or about January 1 of each year for the period from January 1 to March 31. The annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance fixes spending authority at the fund, department and object level. The appropriation ordinance may be amended during the year, as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The allocation of appropriations among departments and objects within a fund may be modified during the year by ordinance of City Council. During the year several supplemental appropriation measures were passed; however, none of them were significant. The budget figures that appear in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – General Fund and major Special Revenue Funds are provided on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications. Budget figures appearing in the statement of budgetary comparisons are based upon the following:

> Initial Budget is the legally adopted amount of appropriation originally passed by City Council through the original appropriation ordinance.
>
> Final Budget represents the final appropriation amounts, including all amendments and modifications.

Encumbrances

As part of the formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures (budget basis) in order to reserve that portion of the applicable appropriation. However, on the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities for governmental funds in the basic financial statements.

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 re-appropriated.

Note 2 - Budget to GAAP Reconciliation

Budgetary Basis of Accounting

While reporting financial position, results of operations, and changes in fund balance on the basis of GAAP, the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Schedules of Revenues, Expenditures, and Changes in Fund Balances — Budget and Actual (Budget Basis) — Major Funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and the GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).

2. The retirement of short-term debt is recorded when paid in cash (budget basis) as opposed to reducing the liability (GAAP basis).

3. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when a liability is incurred (GAAP basis).

4. Outstanding year-end encumbrances are treated as expenditures on the budget basis.

The adjustments necessary to convert the results of operations for the year ended December 31, 2014, on the GAAP basis to the budget basis for the General Fund and Major Special Revenue Funds are as follows:

	General	Fire 1989 Levy	Police Law Enforcement	2004 TIFs	2004 RIDs
GAAP Basis	$ 417,997	$ 56,107	$ 153,893	$ 311,237	$1,192,780
Adjustments:					
Revenue Accruals	127,817	81,491	31,665	(109)	-
Expenditure Accruals	17,673	(193,828)	(131,536)	-	-
Advances	(1,120,000)	-	-	-	-
Encumbrances	(281,466)	(36,408)	(130,865)	(7,635)	(89,455)
Budget Basis	$ (837,979)	$(92,638)	$ (76,843)	$ 303,493	$1,103,325

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GOVERNMENTAL FUNDS

Special Revenue Funds

Street
To account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance and repair of streets within the City.

State Highway
To account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance and repair of state highways within the City.

Motor Vehicle License
To account for additional motor vehicle license taxes levied for routine street maintenance and repairs.

DARE Grant
To account for grant money related to the cost associated with administrating the DARE officer and other resources.

Enforcement and Education
To account for a portion of fines collected in DUI cases used to enforce DUI laws and teach the public about the dangers of driving under the influence.

2005 Fire Levy
To account for the property tax levied in 2005 for operating purposes.

Street Lighting
To account for an assessment received by the City to pay for street lighting.

Cemetery Trust Fund
To account for monies that were donated for the purposes of maintenance and cemetery improvements.

Longstreet Trust Fund
To account for monies that were donated for purposes of using the donation to repair and maintain the Long Street area.

Law Enforcement
To account for monies received from the sale of forfeited goods and property that is spent on law enforcement.

Fire Escrow Deposit
To account for monies that are recovered from insurance proceeds related to City fire damage and controlled disbursements to applicable residents.

Fire Historical Preservation Fund
To account for monies that are recovered from insurance proceeds related to City fire damage and controlled disbursements to applicable residents. The City did not adopt a budget for this fund for 2014, and accordingly, a budgetary comparison schedule is not included.

FEMA Fund
To account for monies received from the Federal Emergency Management Agency.

Debt Service Funds

Corridor I-75
To account for monies received primarily from a special taxing district in the City's attempt to create a business district along the Interstate 75 corridor of State Route 63 and used strictly for the retirement of special obligations bonds.

Capital Project Funds

Park Improvement
To account for user fees related to use of the City's various parks. Expenditures relate to the upkeep and maintenance of the parks.

Court Technology Improvement
To account for collection of certain fines that will enable the City to update certain technology within the court system.

CPO TIF
To account for monies received from tax incremental financing in the Cincinnati Premium Outlets development that will be used to fund infrastructure improvements in and around the development. The City did not adopt a budget for this fund for 2014, and accordingly, a budgetary comparison schedule is not included.

Enterprise Funds

Storm Water Management
To account for the collection of user charges and maintain the City's storm water system.

Garbage
To account for the provision of trash collection services to the residents and commercial users in the City.

Cemetery
To account for the provision of cemetery plats and burials to the residents in the City.

THE CITY OF MONROE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2014

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	$ 639,147	$ 9	$ 244,585	$ 883,741
Receivables (Net of Allowance for Doubtful Accounts):				
Taxes-Real & Personal Property	746,230	-	-	746,230
Accounts	-	-	1,189	1,189
Special Assessments	118,000	-	-	118,000
Payments in Lieu of Taxes	-	171,000	-	171,000
Due from Other Governments	434,614	-	-	434,614
Total Assets	$ 1,937,991	$ 171,009	$ 245,774	$ 2,354,774
Liabilities:				
Accounts Payable	$ 33,362	$ -	$ -	$ 33,362
Accrued Wages and Benefits	24,002	-	-	24,002
Due to Other Funds	35,000	-	-	35,000
Due to Other Governments	16,896	-	-	16,896
Total Liabilities	109,260	-	-	109,260
Deferred Inflows of Resources:				
Revenues Levied for the Next Year and Unavailable Revenue	1,145,255	171,000	-	1,316,255
Total Deferred Inflows of Resources	1,145,255	171,000	-	1,316,255
Fund Balances:				
Restricted	700,825	9	87,170	788,004
Committed	-	-	158,604	158,604
Unassigned	(17,349)	-	-	(17,349)
Total Fund Balances	683,476	9	245,774	929,259
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 1,937,991	$ 171,009	$ 245,774	$ 2,354,774

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Property and Other Taxes	$ 502,110	$ -	$ -	$ 502,110
Payment in Lieu of Taxes	-	207,772	-	207,772
Intergovernmental	822,564	-	-	822,564
Charges for Services	173,875	-	-	173,875
Licenses and Permits	-	-	29,180	29,180
Investment Earnings	7,645	-	-	7,645
Fines and Forfeitures	10,564	-	18,624	29,188
Special Assessments	93,486	-	-	93,486
Miscellaneous	21,355	-	-	21,355
Total Revenues	1,631,599	207,772	47,804	1,887,175
Expenditures:				
Current:				
Security of Persons and Property	509,419	-	-	509,419
Leisure Time Activities	-	-	388	388
Transportation	1,667,227	-	-	1,667,227
General Government	-	-	12,602	12,602
Miscellaneous	59	-	-	59
Debt Service:				
Principal Retirement	-	205,000	-	205,000
Interest and Fiscal Charges	-	2,763	-	2,763
Total Expenditures	2,176,705	207,763	12,990	2,397,458
Excess (Deficiency) of Revenues Over (Under) Expenditures	(545,106)	9	34,814	(510,283)
Other Financing Sources (Uses):				
Transfers - In	630,000	-	-	630,000
Transfers - Out	(6,086)	-	-	(6,086)
Total Other Financing Sources (Uses)	623,914	-	-	623,914
Net Change in Fund Balances	78,808	9	34,814	113,631
Fund Balances at Beginning of Year	604,668	-	210,960	815,628
Fund Balances at End of Year	$ 683,476	$ 9	$ 245,774	$ 929,259

THE CITY OF MONROE
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2014

	Street	State Highway	Motor Vehicle License	Dare Grant	Enforcement and Education	2005 Fire Levy
Assets:						
Equity in Pooled Cash and Investments	$ 124,218	$ 119,608	$ 144,141	$ 28,417	$ 2,267	$ 5,676
Receivables (Net of Allowance for Doubtful Accounts):						
Taxes-Real & Personal Property	-	-	-	-	-	746,230
Special Assessments	-	-	-	-	-	-
Due from Other Governments	308,643	25,024	52,943	-	-	25,000
Total Assets	$ 432,861	$ 144,632	$ 197,084	$ 28,417	$ 2,267	$ 776,906
Liabilities:						
Accounts Payable	$ 21,460	$ 1,677	$ 352	$ 106	$ -	$ -
Accrued Wages and Benefits	24,002	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-
Due to Other Governments	16,896	-	-	-	-	-
Total Liabilities	62,358	1,677	352	106	-	-
Deferred Inflows of Resources:						
Revenues Levied for the Next Year and Unavailable Revenue	204,607	16,588	34,830	-	-	771,230
Total Deferred Inflows of Resources	204,607	16,588	34,830	-	-	771,230
Fund Balances:						
Restricted	165,896	126,367	161,902	28,311	2,267	5,676
Unassigned	-	-	-	-	-	-
Total Fund Balances	165,896	126,367	161,902	28,311	2,267	5,676
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 432,861	$ 144,632	$ 197,084	$ 28,417	$ 2,267	$ 776,906

THE CITY OF MONROE
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2014

Street Lighting	Cemetery Trust	Longstreet Trust	Law Enforcement	Fire Escrow Deposit	Fire Historical Preservation	FEMA	Total
$ 27,099	$ 63,009	$ 2,184	$ 61,386	$ 21,371	$ 14,211	$ 25,560	$ 639,147
-	-	-	-	-	-	-	746,230
118,000	-	-	-	-	-	-	118,000
-	-	-	-	-	-	23,004	434,614
$ 145,099	$ 63,009	$ 2,184	$ 61,386	$ 21,371	$ 14,211	$ 48,564	$ 1,937,991
$ 9,448	$ -	$ -	$ 319	$ -	$ -	$ -	$ 33,362
-	-	-	-	-	-	-	24,002
35,000	-	-	-	-	-	-	35,000
-	-	-	-	-	-	-	16,896
44,448	-	-	319	-	-	-	109,260
118,000	-	-	-	-	-	-	1,145,255
118,000	-	-	-	-	-	-	1,145,255
-	63,009	2,184	61,067	21,371	14,211	48,564	700,825
(17,349)	-	-	-	-	-	-	(17,349)
(17,349)	63,009	2,184	61,067	21,371	14,211	48,564	683,476
$ 145,099	$ 63,009	$ 2,184	$ 61,386	$ 21,371	$ 14,211	$ 48,564	$ 1,937,991

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

	Street	State Highway	Motor Vehicle License	DARE Grant	Enforcement and Education	2005 Fire Levy
Revenues:						
Property and Other Taxes	$ -	$ -	$ 71,367	$ -	$ -	$ 430,743
Intergovernmental	625,207	50,692	34,790	13,690	-	49,621
Charges for Services	173,875	-	-	-	-	-
Investment Earnings	2,176	2,278	2,765	-	-	-
Fines and Forfeitures	-	-	-	-	269	-
Special Assessments	1,677	-	-	-	-	-
Miscellaneous	19,208	-	-	-	-	1,947
Total Revenues	822,143	52,970	108,922	13,690	269	482,311
Expenditures:						
Current:						
Security of Persons and Property	-	-	-	10,426	3,561	485,000
Transportation	1,395,070	40,555	116,967	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Expenditures	1,395,070	40,555	116,967	10,426	3,561	485,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(572,927)	12,415	(8,045)	3,264	(3,292)	(2,689)
Other Financing Sources (Uses):						
Transfers - In	630,000	-	-	-	-	-
Transfers - Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	630,000	-	-	-	-	-
Net Change in Fund Balances	57,073	12,415	(8,045)	3,264	(3,292)	(2,689)
Fund Balances at Beginning of Year	108,823	113,952	169,947	25,047	5,559	8,365
Fund Balances at End of Year	$ 165,896	$ 126,367	$ 161,902	$ 28,311	$ 2,267	$ 5,676

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

Street Lighting	Cemetery Trust	Longstreet Trust	Law Enforcement	Fire Escrow Deposit	Fire Historical Preservation	FEMA	Total
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 502,110
-	-	-	-	-	-	48,564	822,564
-	-	-	-	-	-	-	173,875
-	384	42	-	-	-	-	7,645
-	-	-	10,295	-	-	-	10,564
91,809	-	-	-	-	-	-	93,486
-	200	-	-	-	-	-	21,355
91,809	584	42	10,295	-	-	48,564	1,631,599
-	-	-	10,432	-	-	-	509,419
114,635	-	-	-	-	-	-	1,667,227
-	-	59	-	-	-	-	59
114,635	-	59	10,432	-	-	-	2,176,705
(22,826)	584	(17)	(137)	-	-	48,564	(545,106)
-	-	-	-	-	-	-	630,000
-	-	-	-	-	-	(6,086)	(6,086)
-	-	-	-	-	-	(6,086)	623,914
(22,826)	584	(17)	(137)	-	-	42,478	78,808
5,477	62,425	2,201	61,204	21,371	14,211	6,086	604,668
$ (17,349)	$ 63,009	$ 2,184	$ 61,067	$ 21,371	$ 14,211	$ 48,564	$ 683,476

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	STREET FUND			
	Budget			Variance Positive
	Original	Final	Actual	(Negative)
Revenues:				
Intergovernmental	$ 600,000	$ 600,000	$ 644,108	$ 44,108
Interest	-	-	2,176	2,176
Special Assessment	-	-	1,677	1,677
Charges for Services	118,403	158,403	174,745	16,342
Other	-	-	4,210	4,210
Total Revenues	718,403	758,403	826,916	68,513
Expenditures:				
Current:				
Transportation				
Street Maintenance and Repair				
Personal Services	1,020,000	960,000	844,343	115,657
Other	523,193	703,943	657,944	45,999
Total Transportation	1,543,193	1,663,943	1,502,287	161,656
Capital Outlay	195,000	59,250	11,005	48,245
Total Expenditures	1,738,193	1,723,193	1,513,292	209,901
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,019,790)	(964,790)	(686,376)	278,414
Other Financing Sources:				
Transfers - In	882,597	882,597	630,000	(252,597)
Total Other Financing Sources	882,597	882,597	630,000	(252,597)
Net Change in Fund Balance	(137,193)	(82,193)	(56,376)	25,817
Fund Balance at Beginning of Year	18,979	18,979	18,979	-
Prior Year Encumbrances Appropriated	72,193	72,193	72,193	-
Fund Balance at End of Year	$ (46,021)	$ 8,979	$ 34,796	$ 25,817

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	STATE HIGHWAY FUND			
	Budget			Variance Positive
	Original	Final	Actual	(Negative)
Revenues:				
Intergovernmental	$ 43,800	$ 43,800	$ 52,225	$ 8,425
Interest	1,200	1,200	2,278	1,078
Total Revenues	45,000	45,000	54,503	9,503
Expenditures:				
Current:				
Transportation				
State Highway Maintenance				
Other	46,905	46,905	39,273	7,632
Total State Highway Maintenance	46,905	46,905	39,273	7,632
Net Change in Fund Balance	(1,905)	(1,905)	15,230	17,135
Fund Balance at Beginning of Year	97,423	97,423	97,423	-
Prior Year Encumbrances Appropriated	6,905	6,905	6,905	-
Fund Balance at End of Year	$ 102,423	$ 102,423	$ 119,558	$ 17,135

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	MOTOR VEHICLE LICENSE FUND			
	Budget			Variance Positive
	Original	Final	Actual	(Negative)
Revenues:				
Other Taxes	$ 61,500	$ 61,500	$ 71,367	$ 9,867
Intergovernmental	34,300	34,300	35,684	1,384
Interest	4,200	4,200	2,765	(1,435)
Total Revenues	100,000	100,000	109,816	9,816
Expenditures:				
Current:				
Transportation				
State Highway Maintenance				
Other	144,451	144,451	125,998	18,453
Total State Highway Maintenance	144,451	144,451	125,998	18,453
Net Change in Fund Balance	(44,451)	(44,451)	(16,182)	28,269
Fund Balance at Beginning of Year	119,062	119,062	119,062	-
Prior Year Encumbrances Appropriated	39,451	39,451	39,451	-
Fund Balance at End of Year	$ 114,062	$ 114,062	$ 142,331	$ 28,269

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	DARE GRANT FUND			
	Budget			Variance Positive
	Original	Final	Actual	(Negative)
Revenues:				
Intergovernmental	$ 18,000	$ 6,630	$ 13,690	$ 7,060
Other	-	-	2,855	2,855
Total Revenues	18,000	6,630	16,545	9,915
Expenditures:				
Current:				
Security of Persons and Property				
Personal Services	10,809	10,468	8,520	1,948
Other	1,500	7,841	4,655	3,186
Total Expenditures	12,309	18,309	13,175	5,134
Net Change in Fund Balance	5,691	(11,679)	3,370	15,049
Fund Balance at Beginning of Year	24,738	24,738	24,738	-
Prior Year Encumbrances Appropriated	309	309	309	-
Fund Balance at End of Year	$ 30,429	$ 13,059	$ 28,417	$ 15,049

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	ENFORCEMENT AND EDUCATION FUND			
	Budget			Variance Positive
	Original	Final	Actual	(Negative)
Revenues:				
Fines and Forfeitures	$ 200	$ 200	$ 269	$ 69
Total Revenues	200	200	269	69
Expenditures:				
Current:				
Security of Persons and Property				
Other	7,657	7,657	5,518	2,139
Total Expenditures	7,657	7,657	5,518	2,139
Net Change in Fund Balance	(7,457)	(7,457)	(5,249)	2,208
Fund Balance at Beginning of Year	5,559	5,559	5,559	
Prior Year Encumbrances Appropriated	1,957	1,957	1,957	-
Fund Balance at End of Year	$ 59	$ 59	$ 2,267	$ 2,208

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	2005 FIRE LEVY FUND			
	Budget			Variance Positive
	Original	Final	Actual	(Negative)
Revenues:				
Property and Other Taxes	$ 576,690	$ 437,290	$ 430,743	$ (6,547)
Intergovernmental	45,000	45,000	49,621	4,621
Miscellaneous	-	-	1,947	1,947
Total Revenues	621,690	482,290	482,311	21
Expenditures:				
Current:				
Security of Persons and Property				
Other	10,000	485,000	485,000	-
Total Expenditures	10,000	485,000	485,000	-
Net Change in Fund Balance	611,690	(2,710)	(2,689)	21
Fund Balance at Beginning of Year	8,365	8,365	8,365	-
Fund Balance at End of Year	$ 620,055	$ 5,655	$ 5,676	$ 21

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	STREET LIGHTING FUND			
	Budget			Variance Variance Positive
	Original	Final	Actual	(Negative)
Revenues:				
Special Assessments	$ 120,000	$ 99,800	$ 91,809	$ (7,991)
Total Revenues	120,000	99,800	91,809	(7,991)
Expenditures:				
Current:				
Security of Persons and Property				
Other	111,000	136,000	119,345	16,655
Total Expenditures	111,000	136,000	119,345	16,655
Net Change in Fund Balance	9,000	(36,200)	(27,536)	8,664
Fund Balance at Beginning of Year	49,615	49,615	49,615	-
Fund Balance at End of Year	$ 58,615	$ 13,415	$ 22,079	$ 8,664

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	CEMETERY TRUST FUND			
	Budget			Variance Positive
	Original	Final	Actual	(Negative)
Revenues:				
Interest	$ -	$ -	$ 384	$ 384
Miscellaneous	-	-	200	200
Total Revenues	-	-	584	584
Expenditures:				
Public Health and Welfare				
Cemetery				
Other	30,000	30,000	-	30,000
Total Expenditures	30,000	30,000	-	30,000
Net Change in Fund Balance	(30,000)	(30,000)	584	30,584
Fund Balance at Beginning of Year	62,425	62,425	62,425	-
Fund Balance at End of Year	$ 32,425	$ 32,425	$ 63,009	$ 30,584

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	LONGSTREET TRUST FUND			
	Budget			Variance Positive
	Original	Final	Actual	(Negative)
Revenues:				
Interest	$ -	$ -	$ 42	$ 42
Total Revenues	-	-	42	42
Expenditures:				
Public Health and Welfare				
Cemetery				
Other	250	250	59	191
Net Change in Fund Balance	(250)	(250)	(17)	233
Fund Balance at Beginning of Year	2,201	2,201	2,201	-
Fund Balance at End of Year	$ 1,951	$ 1,951	$ 2,184	$ 233

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	LAW ENFORCEMENT FUND			
	Budget			Variance Positive
	Original	Final	Actual	(Negative)
Revenues:				
Fines, licenses, and permits	$ -	$ -	$ 10,295	$ 10,295
Total Revenues	-	-	10,295	10,295
Expenditures:				
Current:				
Security of Persons and Property				
Other	30,050	50,050	10,163	39,887
Total Security of Persons and Property	30,050	50,050	10,163	39,887
Total Expenditures	30,050	50,050	10,163	39,887
Net Change in Fund Balance	(30,050)	(50,050)	132	50,182
Fund Balance at Beginning of Year	61,204	61,204	61,204	-
Prior Year Encumbrances Appropriated	50	50	50	-
Fund Balance at End of Year	$ 31,204	$ 11,204	$ 61,386	$ -

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	FIRE ESCROW DEPOSIT FUND			
	Budget			Variance Positive
	Original	Final	Actual	(Negative)
Total Revenues	$ -	$ -	$ -	$ -
Expenditures:				
Current:				
Security of Persons and Property				
Other	21,371	21,371	-	21,371
Total Security of Persons and Property	21,371	21,371	-	21,371
Total Expenditures	21,371	21,371	-	21,371
Net Change in Fund Balance	(21,371)	(21,371)	-	21,371
Fund Balance at Beginning of Year	21,371	21,371	21,371	-
Fund Balance at End of Year	$ -	$ -	$ 21,371	$ -

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	FEMA FUND			
	Budget			Variance Positive
	Original	Final	Actual	(Negative)
Revenues:				
Intergovernmental	$ 4,000	$ 25,560	$ 25,560	$ -
Total Revenues	4,000	25,560	25,560	-
Expenditures:				
Current:				
Security of Persons and Property				
Other	-	25,560	25,560	-
Total Expenditures	-	25,560	25,560	-
Excess of Revenues Over Expenditures	4,000	-	-	-
Other Financing (Uses:)				
Transfers - Out	-	(6,086)	(6,086)	-
Total Other Financing (Uses)	-	(6,086)	(6,086)	-
Net Change in Fund Balance	4,000	(6,086)	(6,086)	-
Fund Balance at Beginning of Year	6,086	6,086	6,086	-
Fund Balance at End of Year	$ 10,086	$ -	$ -	$ -

THE CITY OF MONROE
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUND
DECEMBER 31, 2014

	Corridor I - 75	Total
Assets:		
Equity in Pooled Cash and Investments	$ 9	$ 9
Receivables (net of allowance for doubtful accounts):		
Payments in Lieu of Taxes	171,000	171,000
Total Assets	$ 171,009	$ 171,009
Deferred Inflows of Resources:		
Revenues Levied for the Next Year and Unavailable Revenue	$ 171,000	$ 171,000
Total Deferred Inflows of Resources	171,000	171,000
Fund Balances:		
Restricted	9	9
Total Fund Balances	9	9
Total Deferred Inflows of Resources and Fund Balances	$ 171,009	$ 171,009

THE CITY OF MONROE
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Corridor I - 75	Total
Revenues:		
Payment in Lieu of Taxes	$ 207,772	$ 207,772
Total Revenues	207,772	207,772
Expenditures:		
Principal Retirement	205,000	205,000
Interest and Fiscal Charges	2,763	2,763
Total Expenditures	207,763	207,763
Net Change in Fund Balance	9	9
Fund Balances at Beginning of Year	-	-
Fund Balances at End of Year	$ 9	$ 9

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Major Governmental Fund
For the Year Ended December 31, 2014

	BOND RETIREMENT FUND			
	Budget			Variance Positive
	Original	Final	Actual	(Negative)
Revenues:				
Special Assessments	$ 742,610	$ 742,610	$ 741,686	$ (924)
Intergovernmental	7,025	7,025	14,463	7,438
Total Revenues	749,635	749,635	756,149	6,514
Expenditures:				
Current				
Intergovernmental	658,193	663,253	663,251	2
Debt Service:				
Principal Retirement	905,000	905,900	905,900	-
Interest and Fiscal Charges	322,000	418,100	415,134	2,966
Total Expenditures	1,885,193	1,987,253	1,984,285	2,968
Deficiency of Revenues Under Expenditures	(1,135,558)	(1,237,618)	(1,228,136)	9,482
Other Financing Sources:				
Premium on Sale of Bonds	-	-	127,597	127,597
Transfers - In	1,169,503	975,103	975,103	-
Total Other Financing Sources	1,169,503	975,103	1,102,700	127,597
Net Change in Fund Balance	33,945	(262,515)	(125,436)	137,079
Fund Balances at Beginning of Year	353,196	353,196	353,196	-
Fund Balances at End of Year	$ 387,141	$ 90,681	$ 227,760	$ 137,079

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	CORRIDOR I-75 FUND			
	Budget Original	Final	Actual	Variance Positive (Negative)
Revenues:				
Payment in Lieu of Taxes	$ 206,500	$ 207,770	$ 207,772	$ 2
Total Revenues	206,500	207,770	207,772	2
Expenditures:				
Debt Service:				
Principal Retirement	205,000	201,645	205,000	(3,355)
Interest and Fiscal Charges	5,500	6,125	2,763	3,362
Total Expenditures	210,500	207,770	207,763	7
Net Change in Fund Balance	(4,000)	-	9	9
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	$ (4,000)	$ -	$ 9	$ 9

THE CITY OF MONROE
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2014

	Park Improvement	Court Technology Improvement	CPO TIF	Total
Assets:				
Equity in Pooled Cash and Investments	$ 158,604	$ 61,101	$ 24,880	$ 244,585
Accounts Receivable (Net of Allowance for Doubtful Accounts)	-	1,189	-	1,189
Total Assets	$ 158,604	$ 62,290	$ 24,880	$ 245,774
Liabilities:				
Total Liabilities	$ -	$ -	$ -	$ -
Fund Balances:				
Restricted	-	62,290	24,880	87,170
Committed	158,604	-	-	158,604
Total Fund Balances	158,604	62,290	24,880	245,774
Total Liabilities and Fund Balances	$ 158,604	$ 62,290	$ 24,880	$ 245,774

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

	Park Improvement	Court Technology Improvement	CPO TIF	Total
Revenues:				
Licenses and Permits	$ 29,180	$ -	$ -	$ 29,180
Fines and Forfeitures	-	18,624	-	18,624
Total Revenues	29,180	18,624	-	47,804
Expenditures:				
Current:				
Leisure Time Activities	388	-	-	388
General Government	-	12,602	-	12,602
Total Expenditures	388	12,602	-	12,990
Change in Fund Balance	28,792	6,022	-	34,814
Fund Balances at Beginning of Year	129,812	56,268	24,880	210,960
Fund Balances at End of Year	$ 158,604	$ 62,290	$ 24,880	$ 245,774

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	PARK IMPROVEMENT FUND			
	Budget			Variance Positive
	Original	Final	Actual	(Negative)
Revenues:				
Fees, Licenses, and Permits	$ 75,000	$ 27,900	$ 29,180	$ 1,280
Total Revenues	75,000	27,900	29,180	1,280
Expenditures:				
Current:				
Leisure Time Activities				
Other	35,000	85,000	50,388	34,612
Total Expenditures	35,000	85,000	50,388	34,612
Net Change in Fund Balance	40,000	(57,100)	(21,208)	35,892
Fund Balance at Beginning of Year	129,812	129,812	129,812	-
Fund Balance at End of Year	$ 169,812	$ 72,712	$ 108,604	$ -

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	COURT TECHNOLOGY IMPROVEMENT FUND			
	Budget			Variance Positive
	Original	Final	Actual	(Negative)
Revenues:				
Fines and Forfeitures	$ 25,000	$ 19,000	$ 19,016	$ 16
Total Revenues	25,000	19,000	19,016	16
Expenditures:				
Current:				
General Government				
Other	15,330	16,330	14,497	1,833
Total Expenditures	15,330	16,330	14,497	1,833
Net Change in Fund Balance	9,670	2,670	4,519	1,849
Fund Balance at Beginning of Year	52,627	52,627	52,627	-
Prior Year Encumbrances Appropriated	2,330	2,330	2,330	-
Fund Balance at End of Year	$ 64,627	$ 57,627	$ 59,476	$ 1,849

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Major Governmental Funds
For the Year Ended December 31, 2014

	CAPITAL IMPROVEMENT FUND			
	Budget			Variance Positive
	Original	Final	Actual	(Negative)
Revenues:				
Special Assessments	$ -	$ -	$ 8,916	$ 8,916
Miscellaneous	$ -	$ 10,000	$ 95,451	$ 85,451
Total Revenues	-	10,000	104,367	94,367
Expenditures:				
Capital Outlay	1,161,029	4,408,027	2,888,076	1,519,951
Total Expenditures	1,161,029	4,408,027	2,888,076	1,519,951
Deficiency of Revenues Under Expenditures	(1,161,029)	(4,398,027)	(2,783,709)	1,614,318
Other Financing Sources:				
Transfers - In	500,000	389,403	1,650,000	1,260,597
Proceeds from Sale of Bonds	-	2,902,597	2,775,000	(127,597)
Total Other Financing Sources	500,000	3,292,000	4,425,000	1,133,000
Net Change in Fund Balance	(661,029)	(1,106,027)	1,641,291	2,747,318
Fund Balance at Beginning of Year	1,167,028	1,167,028	1,167,028	-
Prior Year Encumbrances Appropriated	37,844	37,844	37,844	-
Fund Balance at End of Year	$ 543,843	$ 98,845	$ 2,846,163	$ 2,747,318

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THE CITY OF MONROE
BALANCE SHEET
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2014

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	Stormwater Management	Garbage	Cemetery	Totals
Assets:				
Current Assets:				
Equity in Pooled Cash and Cash Equivalents	$ 150,721	$ 517,024	$ 53,469	$ 721,214
Accounts Receivable (Net of Allowance for Doubtful Accounts)	6,200	18,800	-	25,000
Total Current Assets	156,921	535,824	53,469	746,214
Noncurrent Assets:				
Capital Assets:				
Nondepreciable Assets	4,620	-	-	4,620
Depreciable Assets	444,421	-	39,000	483,421
Total Noncurrent Assets	449,041	-	39,000	488,041
Total Assets	$ 605,962	$ 535,824	$ 92,469	$ 1,234,255
Liabilities				
Current Liabilities:				
Accounts Payable	$ 14,024	$ 49,671	$ 426	$ 64,121
Due to Other Funds	-	-	40,000	40,000
Total Current Liabilities	14,024	49,671	40,426	104,121
Total Liabilities	14,024	49,671	40,426	104,121
Net Position				
Net Investment in Capital Assets	449,041	-	39,000	488,041
Unrestricted	142,897	486,153	13,043	642,093
Total Net Position	591,938	486,153	52,043	1,130,134
Total Net Position and Liabilities	$ 605,962	$ 535,824	$ 92,469	$ 1,234,255

THE CITY OF MONROE
COMBINING STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	Stormwater Management	Garbage	Cemetery	Totals
Operating Revenues:				
Charges for Services	$ 297,938	$ 732,046	$ 69,480	$ 1,099,464
Total Operating Revenues	297,938	732,046	69,480	1,099,464
Operating Expenses:				
Personal Services	203,756	72,130	28,777	304,663
Materials and Supplies	27,448	-	1,991	29,439
Contractual Services	83,523	568,536	29,013	681,072
Depreciation	37,445	-	4,500	41,945
Total Operating Expenses	352,172	640,666	64,281	1,057,119
Operating Income (Loss)	(54,234)	91,380	5,199	42,345
Non-Operating Income (Expense):				
Investment Earnings	-	-	1,216	1,216
Total Non-Operating Income (Expense)	-	-	1,216	1,216
Change in Net Position	(54,234)	91,380	6,415	43,561
Total Net Position - Beginning of Year	646,172	394,773	45,628	1,086,573
Total Net Position - End of Year	$ 591,938	$ 486,153	$ 52,043	$ 1,130,134

THE CITY OF MONROE
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	Stormwater Management	Garbage	Cemetery	Totals
Cash Flows from Operating Activities:				
Cash Received from Customers	$ 300,438	$ 739,846	$ 69,480	$ 1,109,764
Cash Paid for Employee Services and Benefits	(207,150)	(73,088)	(29,468)	(309,706)
Cash Paid to Suppliers for Goods and Services	(97,031)	(567,011)	(30,578)	(694,620)
Net Cash Provided (Used) by Operating Activities	(3,743)	99,747	9,434	105,438
Cash Flows from Noncapital Financing Activities:				
Advances In From Other Funds	-	-	20,000	20,000
Net Cash Provided by Noncapital Financing Activities	-	-	20,000	20,000
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Capital Assets	(4,620)	-	-	(4,620)
Net Cash Used by Capital and Related Financing Activities	(4,620)	-	-	(4,620)
Cash Flows from Investing Activities				
Interest	-	-	1,216	1,216
Net Cash Provided by Investing Activities	-	-	1,216	1,216
Net Increase (Decrease) in Cash and Cash Equivalents	(8,363)	99,747	30,650	122,034
Cash and Cash Equivalents at Beginning of Year	159,084	417,277	22,819	599,180
Cash and Cash Equivalents at End of Year	$ 150,721	$ 517,024	$ 53,469	$ 721,214
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating Income (Loss)	$ (54,234)	$ 91,380	$ 5,199	$ 42,345
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation Expense	37,445	-	4,500	41,945
Change in Assets and Liabilities:				
Accounts Receivable	2,500	7,800	-	10,300
Accounts Payables	13,940	1,525	426	15,891
Due to Other Governments	(3,394)	(958)	(691)	(5,043)
Total Adjustments	50,491	8,367	4,235	63,093
Net Cash Provided by Operating Activities	$ (3,743)	$ 99,747	$ 9,434	$ 105,438

THE CITY OF MONROE
STATEMENT OF CHANGES IN FIDUCIARY
ASSETS AND LIABILITIES
AGENCY FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Balance December 31, 2013	Additions	Deletions	Balance December 31, 2014
Assets:				
Cash and Cash Equivalents in Segregated Accounts	$ 21,250	$ 243,998	$ 248,447	$ 16,801
Total Assets	$ 21,250	$ 243,998	$ 248,447	$ 16,801
Liabilities:				
Due to Other Governments	$ 21,250	$ 243,998	$ 248,447	$ 16,801
Total Liabilities	$ 21,250	$ 243,998	$ 248,447	$ 16,801

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STATISTICAL SECTION

THE CITY OF MONROE, OHIO

MONROE

ESTABLISHED 1817

The City of Monroe, Ohio
Statistical Section Descriptions
December 31, 2014

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

Contents **Pages**

Financial Trends
These schedules contain trend information to help the reader assess how the City's financial performance and situation have changed over time. 98-103

Revenue Capacity
Theses schedules contain information to help the reader assess the City's most significant local revenue source, the property tax and income tax. 104-108

Debt Capacity
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. 109-111

Demographic and Economic Information
These schedules offer demographic and economic indicators to help the reader understand the environment within in which the City's financial activities takes place. 112-113

Operating Information
These schedules contain operational 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. 114-116

CITY OF MONROE, OHIO
Net Position by Component
Last Ten Years
(accrual basis of accounting)

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Governmental Activities										
Net Investment in Capital Assets	$ 44,555,054	$ 43,977,066	$ 43,102,006	$ 43,525,991	$ 43,867,043	$ 43,279,636	$ 39,910,704	$ 35,459,009	$ 34,500,283	$ 36,129,538
Restricted	6,537,503	5,084,300	2,363,223	2,204,984	1,871,712	1,285,278	1,146,508	2,123,343	3,042,662	2,691,443
Unrestricted (Deficit)	10,957,753	10,832,654	10,155,111	8,890,692	8,306,173	10,245,581	9,779,599	9,111,985	6,824,463	(1,013,088)
Total Governmental Activities Net Position	62,050,310	59,894,020	55,620,340	54,621,667	54,044,928	54,810,495	50,836,811	46,694,337	44,367,408	37,807,893
Business-Type Activities										
Net Investment in Capital Assets	3,843,114	3,969,466	3,843,682	2,705,389	2,873,285	2,670,120	2,499,198	1,479,725	314,256	(587,825)
Unrestricted	1,867,562	1,495,669	1,802,610	2,472,518	2,337,944	2,667,307	2,459,723	4,143,064	5,009,927	5,122,206
Total Business-Type Activities Net Position	5,710,676	5,465,135	5,646,292	5,177,907	5,211,229	5,337,427	4,958,921	5,622,789	5,324,183	4,534,381
Primary government										
Net Investment in Capital Assets	48,398,168	47,946,532	46,945,688	46,231,380	46,740,328	45,949,756	42,409,902	36,938,734	34,814,539	35,100,684
Restricted	6,537,503	5,084,300	2,363,223	2,204,984	1,871,712	1,285,278	1,146,508	2,123,343	3,042,662	2,691,443
Unrestricted	12,825,315	12,328,323	11,957,721	11,363,210	10,644,117	12,912,888	12,239,322	13,255,049	11,834,390	1,469,125
Total Primary Government Net Position	$ 67,760,986	$ 65,359,155	$ 61,266,632	$ 59,799,574	$ 59,256,157	$ 60,147,922	$ 55,795,732	$ 52,317,126	$ 49,691,591	$ 39,261,252

Source: City financial records

CITY OF MONROE, OHIO
Changes in Net Position
Last Ten Years
(accrual basis of accounting)

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Program Revenues										
Governmental Activities:										
Charges for Services:										
Security of Persons and Property	$ 964,086	$ 963,080	$ 1,017,588	$ 1,039,918	$ 1,133,396	$ 1,156,739	$ 1,060,474	$ 931,465	$ 868,901	$ 639,503
Leisure Time Activities	37,320	48,828	51,967	41,609	90,189	56,783	71,332	63,956	151,261	180,810
Transportation	173,980	175,745	199,415	197,629	282,924	231,488	182,140	100,000	-	-
General Government	529,204	595,519	478,259	523,925	422,062	685,142	628,566	402,862	744,910	726,831
Interest and Fiscal Charges	-	-	-	-	131,208	187,301	162,073	-	-	-
Operating Grants and Contributions	359,110	114,329	72,147	27,160	419,319	684,139	483,329	752,164	869,476	564,110
Capital Grants and Contributions	2,260,224	2,174,710	788,738	687,994	665,571	3,725,000	4,392,382	805,223	2,802,248	7,069,000
Total Governmental Activities Program Revenues	4,323,924	4,072,211	2,608,114	2,518,235	3,144,669	6,726,592	6,980,296	3,055,670	5,436,796	9,180,254
Business-Type Activities:										
Charges for Services:										
Water	2,448,785	2,198,251	2,248,759	2,371,513	2,168,447	2,719,318	2,044,718	2,214,942	2,379,490	2,478,159
Sewer	1,087,384	966,261	1,087,309	1,173,338	1,112,527	1,087,705	1,166,762	1,218,250	1,153,178	1,162,147
Stormwater Management	297,938	291,829	274,874	244,383	253,350	263,985	240,753	255,560	236,089	151,470
Garbage	732,046	763,010	705,901	668,327	622,427	679,783	618,244	665,607	626,929	415,125
Cemetery	69,480	64,987	46,370	59,027	50,025	66,343	50,740	58,269	28,572	44,682
Operating Grants and Contributions	-	-	-	-	19,100	2,995	-	16	3,331	115,056
Capital Grants and Contributions	-	-	563,099	-	-	-	-	-	-	-
Total Business-Type Activities Program Revenues	4,635,633	4,284,338	4,926,312	4,516,588	4,225,876	4,820,129	4,121,217	4,412,644	4,427,589	4,366,639
Total Primary Government Program Revenues	8,959,557	8,356,549	7,534,426	7,034,823	7,370,545	11,546,721	11,101,513	7,468,314	9,864,385	13,546,893
Expenses										
Governmental Activities:										
Security of Persons and Property	7,195,344	7,327,943	7,081,355	7,437,553	7,317,214	6,657,452	7,126,129	5,969,482	4,398,101	4,540,694
Public Health Services	-	-	-	-	237,599	57,690	104,640	157,668	165,722	108,616
Leisure Time Activities	207,885	209,725	230,553	265,705	289,661	243,408	36,273	6,766	607	7,560
Transportation	3,839,052	3,444,945	3,093,607	2,839,671	3,221,985	2,120,330	2,650,250	2,208,735	1,854,390	1,759,235
General Government	9,878,101	5,391,205	4,794,068	4,936,519	4,258,487	3,594,174	3,327,306	1,904,304	1,616,468	1,806,973
Interest and Fiscal Charges	407,000	529,177	505,726	548,108	521,416	710,498	556,550	1,003,232	479,432	375,973
Total Governmental Activities Expenses	$ 21,527,382	$ 16,902,995	$ 15,705,309	$ 16,027,556	$ 15,846,362	$ 13,383,552	$ 13,801,148	$ 11,250,187	$ 8,514,720	$ 8,599,051

CITY OF MONROE, OHIO
Changes in Net Position
Last Ten Years
(accrual basis of accounting)

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Business-Type Activities:										
Water	$ 2,254,150	$ 2,412,228	$ 2,509,165	$ 2,625,712	$ 2,492,173	$ 2,693,114	$ 2,726,916	$ 2,231,916	$ 2,020,068	$ 1,674,742
Sewer	1,151,676	964,491	1,167,855	1,083,566	1,082,084	1,090,190	1,098,769	1,168,884	1,112,972	1,073,010
Stormwater Management	352,172	259,865	241,197	212,662	129,556	109,953	303,105	142,651	139,484	46,082
Garbage	640,666	708,575	558,719	769,260	621,710	646,917	618,169	530,864	565,819	398,179
Cemetery	64,281	71,155	59,463	70,790	48,435	57,453	20,603	17,223	12,931	31,255
Total Business-Type Activities Expenses	4,462,945	4,416,314	4,536,399	4,761,990	4,373,958	4,597,627	4,767,562	4,091,538	3,851,274	3,223,268
Total Primary Government Expenses	25,990,327	21,319,309	20,241,708	20,789,546	20,220,320	17,981,179	18,568,710	15,341,725	12,365,994	11,822,319
Net (Expense)/Revenue										
Governmental Activities	(17,203,458)	(12,830,784)	(13,097,195)	(13,509,321)	(12,701,693)	(6,656,960)	(6,820,852)	(8,194,517)	(3,077,924)	581,203
Business-Type Activities	172,688	(131,976)	389,913	(245,402)	(148,082)	222,502	(646,345)	321,106	576,315	1,143,371
Total Primary Government Net Expense	(17,030,770)	(12,962,760)	(12,707,282)	(13,754,723)	(12,849,775)	(6,434,458)	(7,467,197)	(7,873,411)	(2,501,609)	1,724,574
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Income Taxes	7,701,539	7,260,322	6,181,870	6,576,423	5,575,320	5,809,473	5,427,919	5,602,563	3,892,969	3,345,238
Property Taxes	1,740,469	2,408,877	2,215,688	2,522,822	1,863,360	1,146,468	2,036,484	2,185,091	2,544,831	2,361,985
Payment in Lieu of Taxes	8,209,931	5,145,954	2,961,845	2,910,801	2,415,620	2,005,204	844,205	416,537	70,878	65,573
Other Taxes	1,257,498	1,419,366	1,185,004	1,049,360	960,077	442,340	683,268	690,187	542,064	507,560
Grants and Entitlements not Restricted to Specific Programs	348,307	960,152	339,710	900,864	947,508	956,818	1,462,682	829,847	820,158	536,684
Investment Earnings	102,004	131,034	52,263	260,634	137,047	209,864	365,994	674,503	396,848	180,184
Miscellaneous	-	-	1,159,488	-	37,194	60,477	120,274	100,218	128,832	216,968
Transfers	-	-	-	(134,844)	-	-	22,500	22,500	22,500	(468,532)
Total Governmental Activities	$ 19,359,748	$ 17,325,705	$ 14,095,868	$ 14,086,060	$ 11,936,126	$ 10,630,644	$ 10,963,326	$ 10,521,446	$ 8,419,080	$ 6,745,660

CITY OF MONROE, OHIO
Changes in Net Position
Last Ten Years
(accrual basis of accounting)

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Business-Type Activities:										
Investment Earnings	$ 1,216	$ 840	$ 1,236	$ -	$ 21,884	$ -	$ 4,977	$ -	$ 987	$ 950
Grants and Entitlements not Restricted to Specific Programs	71,637	71,096	77,236	77,236	-	-	-	-	-	-
Transfers	-	-	-	134,844	-	-	(22,500)	(22,500)	(22,500)	468,532
Total Business-Type Activities	72,853	71,936	78,472	212,080	21,884	-	(17,523)	(22,500)	(21,513)	469,482
Total Primary Government	19,432,601	17,397,641	14,174,340	14,298,140	11,958,010	10,630,644	10,945,803	10,498,946	8,397,567	7,215,142
Change in Net Position										
Governmental Activities	2,156,290	4,494,921	998,673	576,739	(765,567)	3,973,684	4,142,474	2,326,929	5,341,156	7,326,863
Business-Type Activities	245,541	(60,040)	468,385	(33,322)	(126,198)	222,502	(663,868)	298,606	554,802	1,612,853
Total Primary Government Change in Net Position	$ 2,401,831	$ 4,434,881	$ 1,467,058	$ 543,417	$ (891,765)	$ 4,196,186	$ 3,478,606	$ 2,625,535	$ 5,895,958	$ 8,939,716

Source: City financial records

CITY OF MONROE, OHIO

Fund Balances, Governmental Funds

Last Ten Years

(modified accrual basis of accounting)

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Fund										
Reserved	$ -	$ -	$ -	$ -	$ 482,044	$ 501,908	$ 545,390	$ 264,594	$ 51,762	$ 4,800
Unreserved	-	-	-	-	5,600,911	5,658,337	5,128,686	4,021,327	1,930,344	1,146,500
Nonspendable	1,625,000	505,000	35,000	35,000	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	1,774,325	1,550,876	865,127	348,919	-	-	-	-	-	-
Unassigned	5,861,516	6,786,968	7,797,187	6,646,925	-	-	-	-	-	-
Total General Fund	9,260,841	8,842,844	8,697,314	7,030,844	6,082,955	6,160,245	5,674,076	4,285,921	1,982,106	1,151,300
All Other Governmental Funds										
Reserved	-	-	-	-	1,479,927	882,226	297,624	716,157	762,925	1,961
Undesignated, Reported in:										
Special Revenue funds	-	-	-	-	495,407	(321,103)	275,254	1,095,589	1,336,376	1,582,971
Debt Service funds	-	-	-	-	34,720	15,789	232,959	146,072	7,563	(1,375,241)
Capital Projects funds	-	-	-	-	1,031,157	(4,117,594)	(2,993,639)	(2,632,732)	(823,597)	629,222
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	6,803,746	3,432,985	1,885,100	1,865,562	-	-	-	-	-	-
Committed	158,604	129,812	87,541	47,823	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	(64,072)	(236,262)	(304,786)	(365,575)	-	-	-	-	-	-
Total All Other Governmental Funds	6,898,278	3,326,535	1,667,855	1,547,810	3,041,211	(3,540,682)	(2,187,802)	(674,914)	1,283,267	838,913
Total Governmental Funds	$ 16,159,119	$ 12,169,379	$ 10,365,169	$ 8,578,654	$ 9,124,166	$ 2,619,563	$ 3,486,274	$ 3,611,007	$ 3,265,373	$ 1,990,213

The City implemented the reporting requirments of GASB Statement No. 54 in 2011.

Source: City financial records

CITY OF MONROE, OHIO

Changes in Fund Balances, Governmental Funds

Last Ten Years

(modified accrual basis of accounting)

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Revenues										
Income Taxes	$ 7,600,866	$ 6,918,373	$ 6,287,100	$ 6,600,141	$ 5,951,344	$ 5,784,713	$ 5,352,927	$ 5,238,256	$ 3,909,004	$ 3,345,238
Property and Other Taxes	1,910,551	2,315,935	2,462,243	2,400,487	1,885,387	2,041,637	1,971,017	2,131,720	2,197,086	2,425,332
Payment in Lieu of Taxes	9,433,275	3,922,610	2,961,845	2,910,801	2,415,620	2,005,203	844,205	416,537	70,878	-
Intergovernmental	1,612,435	1,931,013	1,459,844	1,757,320	2,797,302	5,716,065	2,813,759	1,885,762	1,702,514	1,139,297
Charges for Services	919,787	900,660	1,032,001	1,059,176	1,165,741	1,251,564	1,084,965	1,184,918	1,081,891	706,307
Licenses and Permits	503,195	582,054	453,761	581,733	446,880	585,034	1,062,746	347,224	718,573	798,943
Investment Earnings	102,004	131,034	52,263	260,634	137,047	208,864	365,994	674,503	396,848	180,184
Fines and Forfeitures	250,971	276,936	206,413	200,206	258,349	221,530	220,440	139,590	112,789	71,580
Special Assessments	841,894	869,640	930,613	863,556	327,428	301,213	302,789	72,463	210,722	197,673
Miscellaneous	140,974	441,481	1,224,481	33,581	199,582	226,261	166,658	439,270	125,345	241,688
Total Revenues	23,315,952	18,289,736	17,070,564	16,667,635	15,584,680	18,342,084	14,185,500	12,530,243	10,525,650	9,106,242
Expenditures										
Current:										
Security of Persons and Property	6,826,765	7,054,230	6,800,480	7,120,069	6,881,493	6,506,911	5,896,151	5,708,624	4,366,684	4,415,942
Public Health and Welfare			-	-	237,599	83,191	104,640	148,323	165,722	108,616
Transportation	1,883,332	1,571,217	1,313,344	1,462,501	1,525,763	1,722,489	1,196,834	1,047,776	608,078	597,737
General Government	2,247,630	1,636,046	1,821,488	2,250,755	1,964,892	2,229,646	2,342,991	1,511,020	1,503,590	1,614,230
Leisure Time Activities	161,394	163,234	190,326	224,689	261,285	236,052	27,074	2,005	607	-
Payments to Schools	6,068,047	2,227,489	1,588,445	1,358,998	-	-	-	-	-	-
Basic Utility Services			-	-	-	-	-	-	-	-
Miscellaneous	60,384	32,498	34,457	31,603	-	-	-	-	-	-
Intergovernmental	1,395,577	1,387,840	1,259,569	1,182,660	1,835,317	1,256,721	539,714	228,317	22,721	17,876
Capital Outlay	2,062,854	864,042	697,870	1,830,107	1,928,489	5,716,840	3,069,094	1,977,412	1,945,597	273,949
Debt service:										
Principal Retirement	1,110,900	4,791,677	1,076,564	1,084,867	786,979	756,775	613,681	593,242	518,412	485,148
Interest and Fiscal Charges	411,926	571,245	501,506	532,054	598,974	700,170	546,635	990,390	483,450	371,295
Total Expenditures	22,228,809	20,299,518	15,284,049	17,078,303	16,020,791	19,208,795	14,336,814	12,207,109	9,614,861	7,884,793
Excess of Revenues Over (Under) Expenditures	1,087,143	(2,009,782)	1,786,515	(410,668)	(436,111)	(866,711)	(151,314)	323,134	910,789	1,221,449
Other Financing Sources (Uses)										
Sale of Capital Assets	-	-	-	-	-	-	2,143	-	17,584	-
Proceeds from Lease Purchase Agreement/Inception of Capital Lease	-	-	-	-	-	-	1,938	-	559,287	76,620
Face Value from the Sale of Bonds	2,775,000	3,770,000	-	-	6,845,000	-	-	-	-	-
Premium from the Sale of Bonds	127,597	43,992	-	-	95,714	-	-	-	-	-
Transfers In	6,686,928	7,325,800	5,885,613	6,168,852	6,595,376	5,468,000	5,409,771	4,659,641	4,719,513	2,772,370
Transfers Out	(6,686,928)	(7,325,800)	(5,885,613)	(6,303,696)	(6,595,376)	(5,468,000)	(5,387,271)	(4,637,141)	(4,697,013)	(3,240,902)
Total Other Financing Sources (Uses)	2,902,597	3,813,992	-	(134,844)	6,940,714	-	26,581	22,500	599,371	(391,912)
Net Change in Fund Balances	$ 3,989,740	$ 1,804,210	$ 1,786,515	$ (545,512)	$ 6,504,603	$ (866,711)	$ (124,733)	$ 345,634	$ 1,510,160	$ 829,537
Debt Service as a Percentage of Noncapital Expenditures	7.9%	27.0%	10.6%	10.7%	10.0%	11.9%	12.9%	15.2%	12.9%	11.3%

Source: City financial records

CITY OF MONROE, OHIO

Assessed Value and Actual Value of Taxable Property

Last Ten Years

	REAL PROPERTY		PERSONAL PROPERTY		PUBLIC UTILITY PERSONAL		TOTAL			
YEAR	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	TOTAL DIRECT RATE APPLIED	PERCENTAGE OF ASSESSED VALUE TO ESTIMATED ACTUAL VALUE
2005	205,833,010	588,094,314	34,843,584	139,374,336	16,172,430	18,377,761	256,849,024	745,846,411	$ 11.17	34.44%
2006	232,771,170	665,060,486	37,698,431	150,793,724	16,295,740	18,517,886	286,765,341	834,372,096	$ 11.17	34.37%
2007	267,694,640	764,841,829	38,248,035	152,992,140	17,060,460	19,386,886	323,003,135	937,220,855	$ 9.32	34.46%
2008	275,519,850	787,199,571	23,163,041	37,060,866	17,441,240	19,819,591	316,124,131	844,080,028	$ 9.32	37.45%
2009	302,282,910	863,665,457	16,039,580	160,395,800	16,946,160	19,257,000	335,268,650	1,043,318,257	$ 9.32	32.13%
2010	289,085,520	825,958,629	194,860	3,897,200	17,502,820	19,889,568	306,783,200	849,745,397	$ 9.32	36.10%
2011	282,027,380	805,792,514	-	-	79,977,540	90,883,568	362,004,920	896,676,082	$ 9.32	40.37%
2012	256,873,460	733,924,171	-	-	46,622,670	52,980,307	303,496,130	786,904,478	$ 9.32	38.57%
2013	252,538,190	721,537,686	-	-	60,073,130	68,264,920	312,611,320	789,802,606	$ 9.32	39.58%
2014	253,392,610	723,978,886	-	-	60,612,770	68,878,148	314,005,380	792,857,033	$ 9.32	39.60%

SOURCE: Butler County Auditor's Office

Note: Includes Butler and Warren County Information

CITY OF MONROE, OHIO

Direct and Overlapping Property Tax Rates

Last Ten Years

COLLECTION YEAR	CITY OF MONROE	BUTLER COUNTY	SCHOOL DISTRICT	OTHER (1)
	OPERATING	OPERATING	OPERATING	OPERATING
2005	11.17	8.74	40.68	1.93
2006	11.17	9.44	40.32	2.53
2007	9.32	10.95	44.87	2.53
2008	9.32	10.45	44.28	2.53
2009	9.32	9.745	41.038	2.53
2010	9.32	9.745	41.038	2.53
2011	9.32	9.72	41.54	3.78
2012	9.32	9.72	45.50	3.78
2013	9.32	9.72	47.20	3.78
2014	9.32	9.72	46.19	3.78

SOURCE: City of Monroe's Operating Budget

SOURCE: Butler County Auditor's Office

(1) Other includes Butler County Technology and Career Development School (JVS) and Township

CITY OF MONROE, OHIO

Top Ten Principal Taxpayers

Real and Personal Property

Current Year and Nine Years Ago

	2014			
Name of Taxpayer		Assessed Valuation	Rank	% of Total Assessed Valuation
Duke Energy Ohio	$	20,792,650	1	6.62%
Rockies Express		14,855,750	2	4.73%
Ohio Presbyterian		4,600,170	3	1.46%
Worthington Steel		4,137,960	4	1.32%
KP Properties of Ohio		3,251,770	5	1.04%
EPHS Investments		2,543,800	6	0.81%
Summit Properties		2,193,370	7	0.70%
ECP Monroe		1,535,460	8	0.49%
Crystal Properties		1,515,030	9	0.48%
Baker Monroe Properties		1,371,810	10	0.44%
Total	$	56,797,770		18.09%
Total Assessed Valuation	$	314,005,380		

	2005			
Name of Taxpayer		Assessed Valuation	Rank	% of Total Assessed Valuation
Cincinnati Gas and Electric Company	$	14,514,060	1	5.65%
Ohio Presbyterian		7,575,870	2	2.95%
Worthington Steel		3,104,770	3	1.21%
EPHS Investments LLC		2,782,620	4	1.08%
Duke Realty Ohio		2,492,590	5	0.97%
Dayton Technologies		2,307,840	6	0.90%
Kohl's Department Stores Inc.		1,846,220	7	0.72%
Baker Monroe Properties LLC		1,665,180	8	0.65%
Crystal Partners LLC		1,588,320	9	0.62%
Precision Packaging and Services		1,586,430	10	0.62%
Total	$	39,463,900		15.36%
Total Assessed Valuation	$	256,849,024		

Source: Butler County Auditor's Office

CITY OF MONROE, OHIO

Property Tax Levies and Collections

Last Ten Years

COLLECTION YEAR	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	DELINQUENT TAX COLLECTIONS	TOTAL TAX COLLECTIONS	PERCENTAGE OF TOTAL TAX COLLECTIONS TO TAX LEVY	ACCUMULATED OUTSTANDING DELINQUENT TAXES	PERCENTAGE OF ACCUMULATED DELINQUENT TAXES TO TOTAL TAX LEVY
2005	2,183,502	2,075,690	143,904	2,014,012	92.24%	468,939	21.48%
2006	2,424,899	2,236,846	138,056	2,374,902	97.94%	518,936	21.40%
2007	2,162,034	1,844,390	39,791	1,884,181	87.15%	796,789	36.85%
2008	2,264,322	2,024,667	139,646	2,164,313	95.58%	896,798	39.61%
2009	2,769,439	2,291,505	61,167	2,352,672	84.95%	582,617	21.04%
2010	2,198,324	1,829,927	18,960	1,848,887	84.10%	463,420	21.08%
2011	2,181,406	2,001,723	76,618	2,078,341	95.28%	268,300	12.30%
2012	2,154,716	1,986,756	82,634	2,069,390	96.04%	236,325	10.97%
2013	2,108,775	1,885,586	51,200	1,936,786	91.84%	531,835	25.22%
2014	1,954,831	1,911,409	40,243	1,951,652	99.84%	531,835	27.21%

SOURCE: Butler County Auditor's Office

Note: Includes only Butler County Information

CITY OF MONROE, OHIO

Income Tax Statistics - Last Seven Available Calendar Years

	2013		2012		2011		2010		2009		2008		2007	
	Individuals	**Net Profit**	**Individuals**	**Net Profit**	**Individuals**	**Net Profit**	**Individuals**	**Net Profit**	**Individuals**	**Net Profit**	**Individuals**	**Net Profit**	**Individuals**	**Net Profit**
Total number of final returns filed	5,417	1,142	6,078	1,150	5,442	1,171	5,425	2,514	5,885	1,313	5,484	1,594	5,031	1,232
Total number of returns not filed	1,628	240	839	234	981	244	840	129	253	124	359	151	284	112
Total tax dollars paid prior to filing	$ 599,401	$ 1,003,559	$ 514,040	$ 531,663	$ 514,853	$ 610,076	$ 1,189,177	$ 484,630	$ 1,180,560	$ 720,123	$ 1,228,814	$ 861,157	$ 1,379,277	$ 1,343,569
Total tax dollars paid with filing	$ 147,023	$ 91,122	$ 230,689	$ 177,085	$ 281,892	$ 26,551	$ 179,408	$ 59,946	$ 101,680	$ 29,575	$ 49,338	$ 963	$ 297,296	$ 83,148
Total tax dollars paid after filing	$ 268,395	$ 73,208	$ 223,598	$ 39,322	$ 126,741	$ 10,031	$ 132,037	$ 7,920	$ 127,762	$ 18,303	$ 163,139	$ 85,972	$ 140,123	$ 46,725
Total penalty and interest paid	$ 26,319	$ 4,432	$ 28,077	$ 2,945	$ 28,758	$ 1,322	$ 28,675	$ 3,748	$ 29,375	$ 2,381	$ 24,259	$ 3,137	$ 23,254	$ 5,417

	Withholding	**Withholding**	**Withholding**	**Withholding**	**Withholding**	**Withholding**	**Withholding**
Total number of reconciliations filed	1,100	1,264	1,166	969	1,090	951	889
Total number of reconciliations not filed	84	31	33	47	15	32	28
Total tax dollars paid with reconciliations	$ 4,673,173	$ 4,452,793	$ 4,423,848	$ 4,278,592	$ 4,010,045	$ 3,927,695	$ 3,714,769

Source: City financial records

* The City converted tax software during 2007. Information prior to the conversion is not reported since it cannot be retrieved. 2007 is the latest information available. The City's records for calendar year 2014 are not finalized.

CITY OF MONROE, OHIO

Ratios of General Bonded Debt Outstanding and Legal Debt Margin

Last Ten Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Bonded Debt Outstanding:										
General Obligation Notes/Bonds	$11,933,982	$9,890,474	$10,445,000	$11,190,000	$11,920,000	$11,515,000	$9,440,000	$9,855,000	$6,765,000	$7,170,000
Special Assessment Bonds	343,600	399,500	460,900	521,800	626,200	724,200	816,800	928,900	1,029,600	1,130,000
Enterprise Loans/Notes/Bonds Payable	5,318,756	5,573,274	5,787,465	6,026,567	6,259,020	3,264,903	3,496,356	3,702,259	3,928,543	4,891,323
Capital Leases Payable	-	-	95,277	185,941	299,496	420,238	534,914	643,855	755,876	75,472
Revenue Obligation Bonds	955,000	1,160,000	1,350,000	1,530,000	1,695,000	1,850,000	2,000,000	2,000,000	2,000,000	2,000,000
Total	18,551,338	17,023,248	18,138,642	19,454,308	20,799,716	17,774,341	16,288,070	17,130,014	14,479,019	15,266,795
Percentage of Estimated Actual Property Value	2.34%	2.16%	2.31%	2.17%	2.45%	1.70%	1.93%	1.83%	1.74%	2.05%
Assessed Property Value	314,005,380	312,611,320	303,496,130	362,004,920	306,783,200	335,268,650	316,124,131	323,003,135	286,765,341	256,849,024
Actual Property Value	792,857,033	789,802,606	786,904,478	896,676,082	849,745,397	1,043,318,257	844,080,028	937,220,855	834,372,096	745,846,411
Total Debt Per Capita	1,491	1,368	1,458	1,564	1,672	2,492	2,283	2,402	2,030	2,140
Total Debt as a Percentage of Personal Income	Not Available	5.78%	6.16%	6.78%	7.29%	7.77%	6.22%	8.77%	6.59%	7.54%
Population	12,442	12,442	12,442	12,442	12,442	7,133	7,133	7,133	7,133	7,133
Less:										
Special Assessment Bonds	(343,600)	(399,500)	(460,900)	(521,800)	(626,200)	(724,200)	(816,800)	(928,900)	(1,029,600)	(1,130,000)
Enterprise Loans/Notes/Bonds Payable	(5,318,756)	(5,573,274)	(5,787,465)	(6,026,567)	(6,259,020)	(3,264,903)	(3,496,356)	(3,702,259)	(3,928,543)	(4,891,323)
Capital Leases Payable	-	-	(95,277)	(185,941)	(299,496)	(420,238)	(534,914)	(643,855)	(755,876)	(75,472)
Revenue Obligation Bonds	(955,000)	(1,160,000)	(1,350,000)	(1,530,000)	(1,695,000)	(1,850,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Total Net Debt Applicable to Debt Limit	11,933,982	9,890,474	10,445,000	11,190,000	11,920,000	11,515,000	9,440,000	9,855,000	6,765,000	7,170,000
Overall Legal Debt Limit										
10 1/2% of Assessed Valuation	32,970,565	32,824,189	31,867,094	38,010,517	32,212,236	35,203,208	33,193,034	33,915,329	30,110,361	26,969,148
Legal Debt Margin Within 10 1/2% Limitations	$21,036,583	$22,933,715	$21,422,094	$26,820,517	$20,292,236	$23,688,208	$23,753,034	$24,060,329	$23,345,361	$19,799,148
Legal Debt Margin as a Percentage of the Debt Limit	63.80%	69.87%	67.22%	70.56%	63.00%	67.29%	71.56%	70.94%	77.53%	73.41%
Unvoted Debt Limitation										
5 1/2% of Assessed Valuation	$17,270,296	$17,193,623	$16,692,287	$19,910,271	$16,873,076	$18,439,776	$17,386,827	$17,765,172	$15,772,094	$14,126,696
Total Debt Approved by Council	18,551,338	17,023,248	18,138,642	19,454,308	20,799,716	17,774,341	16,288,070	17,130,014	14,479,019	15,266,795
Less:										
Special Assessment Bonds	(343,600)	(399,500)	(460,900)	(521,800)	(626,200)	(724,200)	(816,800)	(928,900)	(1,029,600)	(1,130,000)
Enterprise Loans/Notes/Bonds Payable	(5,318,756)	(5,573,274)	(5,787,465)	(6,026,567)	(6,259,020)	(3,264,903)	(3,496,356)	(3,702,259)	(3,928,543)	(4,891,323)
Revenue Obligation Bonds	(955,000)	(1,160,000)	(1,350,000)	(1,530,000)	(1,695,000)	(1,850,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Net Debt Within 5 1/2% Limitations	11,933,982	9,890,474	10,540,277	11,375,941	12,219,496	11,935,238	9,974,914	10,498,855	7,520,876	7,245,472
Unvoted Legal Debt Margin Within 5 1/2% Limitations	$5,336,314	$7,303,149	$6,152,010	$8,534,330	$4,653,580	$6,504,538	$7,411,913	$7,266,317	$8,251,218	$6,881,224
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	30.90%	42.48%	36.86%	42.86%	27.58%	35.27%	42.63%	40.90%	52.32%	48.71%

Source: City Financial Records

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

CITY OF MONROE, OHIO

Computation of Direct and Overlapping Debt

December 31, 2014

JURISDICTION	NET DEBT OUTSTANDING (1)	PERCENTAGE APPLICABLE TO CITY OF MONROE (2)	AMOUNT APPLICABLE TO CITY OF MONROE
City of Monroe	$ 13,232,582	100.00%	$ 13,232,582
Butler County (3)	66,310,820	3.42%	2,267,830
	$ 79,543,402		$ 15,500,412

The percentage of gross indebtedness of the City's overlapping political subdivisions was determined by dividing each overlapping subdivision's assessed valuation within the City by the subdivision's total assessed valuation.

(1) Includes only general obligation bonded debt payable from property taxes less Debt Service balance.

(2) The City is 16.1 square miles of Butler County's 470.20 square miles reported in the 2000 census.

(3) Net Debt Oustanding for Butler County is an estimate.

SOURCE: Butler County Auditor's Office
United States Census Bureau

CITY OF MONROE, OHIO

Ratio of Net General Obligation Debt
to Assessed Valuation and Net Bonded Debt per Capita
Last Ten Years

YEAR	POPULATION	ASSESSED VALUE	PERSONAL INCOME (1)	GROSS BONDED DEBT (2)	DEBT SERVICE BALANCE	DEBT PAYABLE FROM ENTERPRISE REVENUES	NET BONDED DEBT	RATIO OF NET BONDED DEBT TO ASSESSED VALUATION	NET BONDED DEBT PER CAPITA
2005	7,133	256,849,024	202,404,969	7,170,000	N/A	575,157	7,745,157	3.02%	1,086
2006	7,133	286,765,341	219,634,615	6,765,000	7,563	548,543	7,313,543	2.55%	1,025
2007	7,133	323,003,135	195,371,841	6,355,000	146,072	522,259	6,877,259	2.13%	964
2008	7,133	316,124,131	261,846,333	5,940,000	232,959	508,449	6,448,449	2.04%	904
2009	7,133	335,268,650	228,749,977	5,515,000	15,789	464,903	5,979,903	1.78%	838
2010	12,442	306,783,200	285,239,467	5,075,000	30,454	434,020	5,509,020	1.80%	443
2011	12,442	362,004,920	286,876,405	4,610,000	18,379	401,567	5,011,567	1.38%	403
2012	12,442	303,496,130	294,294,842	4,130,000	109,320	367,465	4,497,465	1.48%	361
2013	12,442	312,611,320	308,478,171	3,772,992	354,479	331,629	4,104,621	1.31%	330
2014	12,442	314,005,380	Not available	3,193,993	232,543	293,972	3,487,965	1.11%	280

SOURCE: Population figures are taken from the 2000/2010 Census.

(1) From the City's tax department for taxable income.
Information for 2008 is estimated using the total withholdings and applying a 1.5% tax rate to that figure.
Certain Information was not available at the time of report issuance.

(2) Includes only General Obligation Bonds payable from Property Taxes

N/A means not applicable as the City had no bonded debt or a negative debt service balance.

CITY OF MONROE, OHIO

Principal Employers
Current Year and Nine Years Ago

2014

Employer	Employees	Percentage of Total City Employment
Kohl's Department Stores	4,299	22.65%
CBS Personnel Services	753	3.97%
Home Depot	510	2.69%
Deceuninck North America	422	2.22%
Ohio Presbyterian Retirement	414	2.18%
Monroe Local School District	285	1.50%
Kroger Limit Partnership	239	1.26%
Worthington Steel Company	213	1.12%
Baker Concrete Construction	177	0.93%
Hawthorn Glen Nursing Center	167	0.88%
Total	7,479	39.40%
Total City Employers	18,981	

2005

Employer	Employees	Percentage of Total City Employment
Kohl's Department Stores	549	3.35%
Deceuninck North America	409	2.50%
Ohio Presbyterian Retirement	356	2.17%
Monroe Local School District	327	1.99%
Precision Packaging	254	1.55%
Krispy Kreme Doughnut	237	1.45%
Innatech LLC	234	1.43%
Worthington Industries	223	1.36%
Hawthorn Glen Nursing Center	189	1.15%
Clark Cincinnati	172	1.05%
Total	2,950	18.00%
Total City Employers	16,391	

Source: Department of Income Tax

CITY OF MONROE, OHIO

Demographic Statistics

Last Ten Years

YEAR	POPULATION (1)	SCHOOL ENROLLMENT (2)	UNEMPLOYMENT RATE BUTLER COUNTY (3)	PER CAPITA PERSONAL INCOME
2005	7,133	1,685	5.0	28,375.85
2006	7,133	1,855	4.8	30,791.34
2007	7,133	2,022	4.9	27,389.86
2008	7,133	2,332	6.2	36,709.15
2009	7,133	2,307	9.9	32,069.25
2010	12,442	2,314	9.2	22,925.53
2011	12,442	2,473	8.6	23,057.10
2012	12,442	2,523	6.1	23,653.34
2013	12,442	2,513	4.7	24,793.29
2014	12,442	2,641	5.4	Not Available

(1) SOURCE: U.S. Census, Census of population - 2000/2010 Federal Census

(2) SOURCE: Monroe Board of Education

(3) SOURCE: Ohio Bureau Employment Services - research and statistics
Note: Certain information was not available at time of report issuance.

CITY OF MONROE, OHIO

Capital Asset Statistics by Function

Last Ten Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
CAPITAL ASSETS DEPRECIATION										
Governmental Activities:										
Security of Persons and Property	$ 363,537	$ 361,756	$ 369,351	$ 381,803	$ 682,438	$ 331,752	$ 263,393	$ 130,550	$ 139,050	$ 134,523
Leisure Time Activities	46,491	46,491	46,627	41,016	28,376	9,199	9,199	7,560	-	7,560
Transportation	1,399,834	1,359,674	1,338,806	1,352,020	1,695,270	105,101	87,731	90,951	57,439	64,629
General Government	106,326	104,768	111,025	114,818	457,631	106,317	107,272	108,952	105,866	125,361
Total Governmental Activities	1,916,188	1,872,689	1,865,809	1,889,657	2,863,715	552,369	467,595	338,013	302,355	332,073
Business-Type Activities:										
Water	448,326	450,922	408,544	410,692	365,948	463,316	429,801	226,799	241,086	229,797
Sewer	12,595	12,595	1,049	-	-	-	-	-	-	-
Stormwater Management	37,445	35,646	27,266	23,700	50,435	18,070	13,413	13,413	-	-
Cemetery	4,500	1,500	-	-	-	-	-	-	-	-
Total Business-Type Activities	502,866	500,663	436,859	434,392	416,383	481,386	443,214	240,212	241,086	229,797
Total	$ 2,419,054	$ 2,373,352	$ 2,302,668	$ 2,324,049	$ 3,280,098	$ 1,033,755	$ 910,809	$ 578,225	$ 543,441	$ 561,870

Source: City of Monroe, Finance Department

CITY OF MONROE, OHIO

Operating Indicators by Function/Program

Last Seven Fiscal Years

Function/program	2014	2013	2012	2011	2010	2009	2008
General Government							
Construction Permits Issued	311	266	275	295	377	582	345
Estimated Value of Construction	$28,699,068	$39,053,554	$20,166,599	$24,155,582	$21,554,765	$31,432,126	$126,439,882
Zoning Certificates Approved	10	31	28	37	35	112	30
Property Maintenance Complaints	65	70	111	180	136	162	120
Utility Bills mailed	59,770	58,791	57,336	57,018	59,748	59,018	57,954
Purchase Orders Issued	185	277	304	344	636	846	Not Available
Police							
Total Incidents	23,929	21,155	20,068	20,143	24,310	19,000	18,010
Number of Citations issued	2,268	4,814	3,901	3,264	5,356	4,941	4,005
Misdemeanor & Felony Arrests	878	1,777	1,655	1,632	2,236	1,794	1,477
DUI Arrests	51	91	132	101	145	179	150
Alcohol Compliance Checks	5	2	2	2	2	2	1
Detective Investigated Cases	130	287	377	367	294	249	113
Calls for Service	23,929	12,096	9,917	10,332	10,715	10,150	9,307
Fire							
Emergency responses	2,283	536	682	574	595	594	635
Fire hydrant inspections	1,000	1,000	823	800	999	823	754
Training Hours	7,200	7,230	7,330	6,002	5,473	4,063	5,248
Number of times dispatched	2,327	2,274	2,565	2,376	2,492	2,470	2,448
Community Training Programs (number of attendees)	250	1,612	1,560	1,300	1,109	938	528
Public Service							
Snow removal (man hours)	2,091	1,287	599	676	2,475	1,430	1,275
Leaf pick-up (man hours)	773	644	731	643	800	850	800
Curbs replaced (linear feet)	766	110	0	0	0	0	2,000
Drive aprons replaced (square yards)	229	81	0	0	0	0	600
Truckloads of leaves picked-up	78	88	91	81	102	164	180
Tons of snow melting salt used	2,166	1,734	857	1,087	2,133	1,300	1,800
Number of snow events	17	13	8	9	15	13	14
Cemetery burials	43	32	34	37	34	$34	42
Water meter installations	188	125	3,301	230	161	160	154

Source: City department year-end reports.

Note: Information prior to 2008 is not available.

CITY OF MONROE, OHIO

Full-Time Equivalent City Government Employees by Function/Program

Last Ten Years

Function/program	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Government:										
Council	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Mayor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Finance	3.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Law	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Purchasing/Adm. Services	9.5	7.5	7.7	9.2	9.2	9.2	8.2	7.5	6.5	5.0
Planning	2.0	3.0	3.0	4.0	4.0	4.0	4.0	2.0	2.0	2.0
Police	32.0	31.5	32.5	36.0	37.0	36.0	30.5	30.0	29.0	29.0
Fire	35.0	35.0	33.0	34.0	36.0	36.0	33.0	32.0	30.0	32.5
Engineering	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Utilities:										
Administration	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Service	4.0	3.0	4.5	4.5	4.0	5.0	5.0	4.0	4.0	4.0
Service:										
Administration	4.0	4.0	4.5	4.5	3.5	3.5	3.0	3.0	2.0	0.0
Street Maintenance	10.0	9.0	10.5	10.0	10.0	9.0	9.0	9.0	9.0	8.0
Cemetery	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Clerk of Courts	1.0	1.0	0.8	0.8	0.8	0.8	0.8	0.5	0.5	0.5
Totals:	110.5	107.0	108.5	115.0	116.5	115.5	105.5	100.0	95.0	93.0

Source: City of Monroe, Finance Department

Method: Using 1.0 for each full-time employee, and 0.50 for each part-time and seasonal employee