

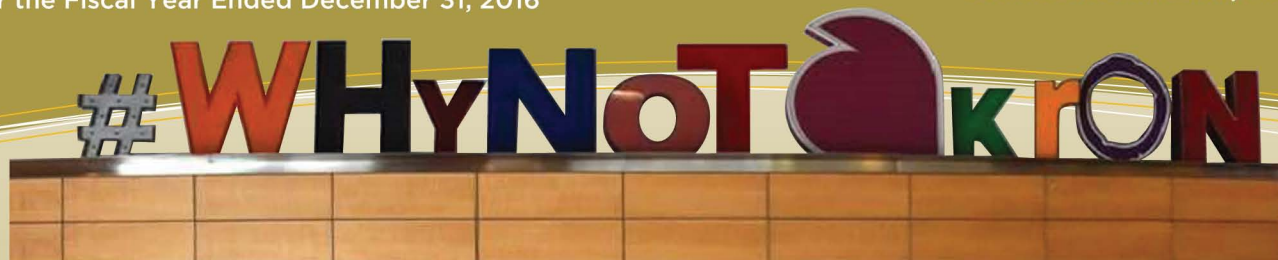
# Comprehensive Annual Financial Report

City of Akron, Ohio

For the Fiscal Year Ended December 31, 2016



DANIEL HARRIGAN, MAYOR



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City of Akron, Ohio

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**



For the Fiscal Year Ended December 31, 2016

Issued by the Department of Finance

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# **Introductory Section**



## **ELECTED AND APPOINTED OFFICIALS**

As of June, 2017

**Daniel Horrigan, Mayor**

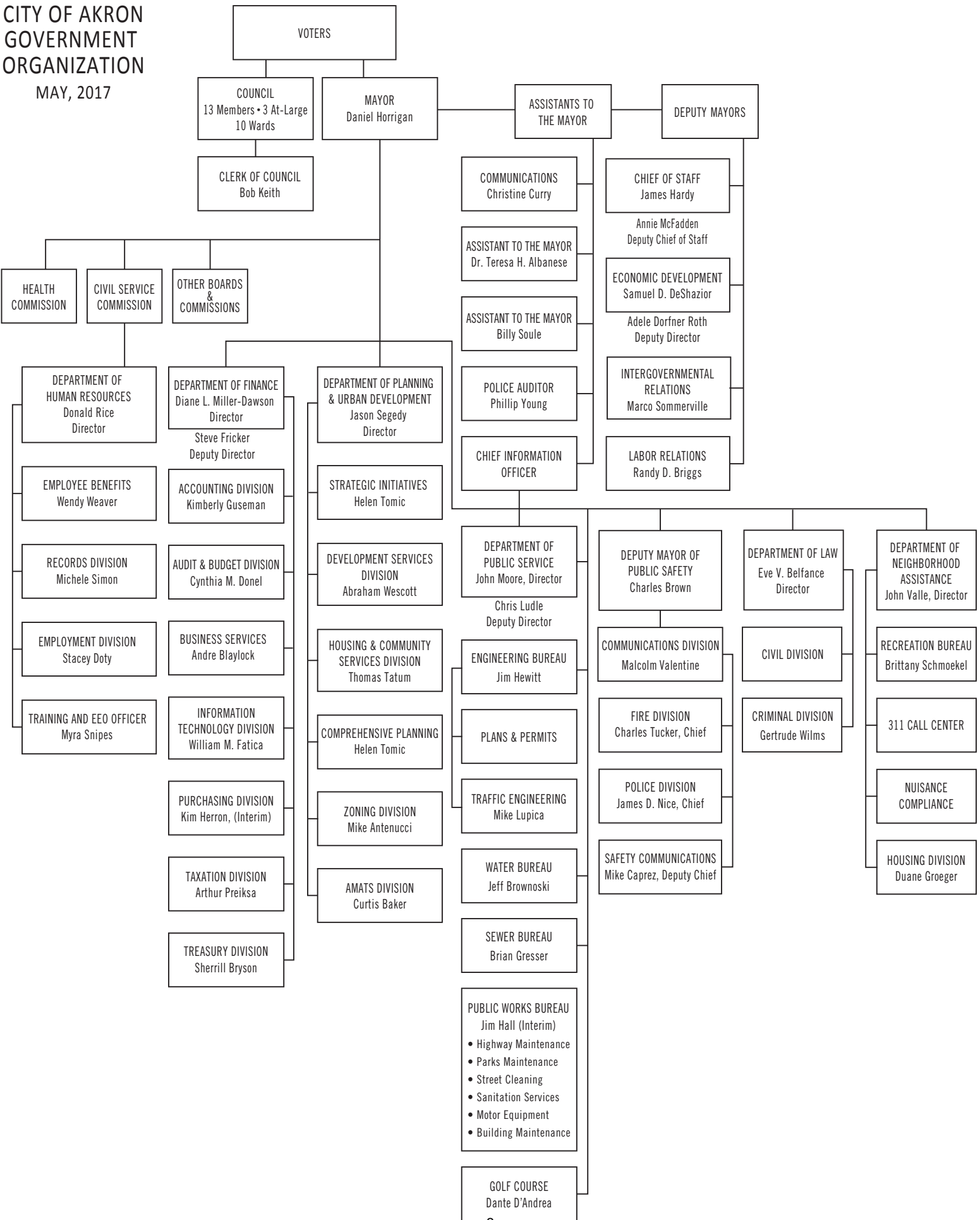
### **COUNCIL MEMBERS**

Rich Swirsky	1st Ward
Bruce Kilby	2nd Ward
Margo M. Sommerville	3rd Ward
Russel C. Neal, Jr.	4th Ward
Tara Mosley-Samples	5th Ward
Robert E. Hoch	6th Ward
Donnie J. Kammer	7th Ward
Marilyn L. Keith, Council President	8th Ward
Michael N. Freeman	9th Ward
Zack Milkovich	10th Ward
Jeff Fusco	Councilman-at-Large
Linda F. R. Omobien	Councilman-at-Large
Veronica Sims	Councilman-at-Large

### **CABINET OF THE MAYOR**

Diane L. Miller-Dawson	Director of Finance
John O. Moore	Director of Public Service
John W. Valle	Director of Neighborhood Assistance
Eve. V. Belfance	Director of Law
Randy D. Briggs	Deputy Mayor for Labor Relations
Samuel D. DeShazor	Deputy Mayor for Economic Development
Jason Segedy	Director of Planning and Urban Development
Donald Rice	Director of Human Resources
Adele Dorfner Roth	Deputy Director of Planning and Urban Development
Steve Fricker	Deputy Director of Finance
Christopher D. Ludle	Deputy Director of Public Service
James Hardy	Chief of Staff
Christine R. Curry	Director of Communications
Dr. Teresa H. Albanese	Assistant to the Mayor for Education, Health and Families
Charles A. Brown	Deputy Mayor for Public Safety
Annie McFadden	Deputy Chief of Staff
Marco S. Sommerville	Deputy Mayor Intergovernmental Affairs and Senior Advisor

CITY OF AKRON  
GOVERNMENT  
ORGANIZATION  
MAY, 2017





**CITY OF AKRON, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
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Deputy Director of Finance  
SFricker@akronohio.gov



**TINA VICK**  
Executive Assistant

**DANIEL HORRIGAN, MAYOR**

**DEPARTMENT OF FINANCE**

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

July 31, 2017

The Honorable Daniel Horrigan  
and Members of City Council  
The City of Akron, Ohio

Dear Mayor Horrigan and Council Members:

I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Akron for the year ended December 31, 2016. This report presents financial and operating information about the City's activities during 2016 that should be useful to citizens and taxpayers. The report, prepared by the Department of Finance, contains a comprehensive analysis of the City's financial position and activities for the year.

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

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

Generally accepted accounting principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to

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

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

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

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

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

### Economic Conditions and Outlook

Major revenue sources for the City continue to be the City's income tax, property taxes, local fees, charges for services, and state-shared local government revenue. The City's cash income tax collections increased by approximately 4.06% in 2016. On a cash basis for 2016, property taxes in the general fund decreased by 1% and the state's local government revenue to the City decreased by approximately 7.05%. Income tax receipts from the 12 largest economic sectors in the City have increased by 2.3% since 2012 and, combined, account for over 71% of total tax collections. Receipts from the 12 fastest growing economic sectors have increased by 23%. No one sector makes up more than 18% of the total collected.

Despite economic concerns in 2016, the City of Akron remains in a stable financial state. Efforts to reduce expenses and operate more efficiently have allowed the City to function at a continuously high service level at lower costs. These efforts ensure the City will be in strong position for growth as the economy continues to rebound. The revenue collected from the four Joint Economic Development Districts (JEDDs) is an additional funding source to encourage and promote economic development and to secure a solid tax base.

## Long-term Financial Policies

Unassigned fund balance in the general fund is 9.5% of the general fund expenditures. The general fund of the City does not have a specified unassigned fund balance target. The recommended level of unassigned fund balance will be determined as needed and as recommended by officials and approved by Council when necessary.

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

## Relevant Financial Policies

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

## Major Initiatives

The major initiatives for the City of Akron can be summarized as follows: creating and retaining jobs; energizing our neighborhoods; quality education, income, and health opportunities for the community; and security and alliance with other governmental entities.

During the October 31, 2016 groundbreaking ceremony, work officially began on Stark State College's Akron campus construction. The new workforce and education training center will be the City's first state-supported independent community college and is a \$12 million investment in Akron. Stark State will provide low cost options for residents who wish to bridge the gap between their current skill levels and the jobs that pay a living wage by providing affordable, quality educational opportunities. It will also strengthen existing partnerships with industry, the Akron Public Schools, Akron Children's Hospital, and the City of Akron by connecting employers to the training and certifications their workforce requires to expand.

The City continues to pursue innovation through collaboration with the University of Akron and its newest project - Bits & Atoms. Bits & Atoms is an innovation center located in downtown Akron. The project will construct a maker space on Main Street to bring together professional, student, and citizen entrepreneurs. The space will provide the forum and resources needed for innovators to meet, create, and flourish. In 2016, Bits & Atoms was awarded over \$3 million in State and Federal grants.

The City also hosted various events throughout the year to help connect citizens with their community. The Better Block event took place in Akron for a second consecutive year in 2016 and is designed to showcase neighborhood pride and give a physical form to the best visions and hopes for the area. After leading the Cleveland Cavaliers to its first national NBA title, and the city of Cleveland's first national title in 52 years, the City of Akron hosted an event at Lock 3 in honor of LeBron James, with over 30,000 in attendance. During this event the Mayor unveiled "King James Way", a portion of South Main Street dedicated in honor of the achievement.

Throughout 2016, the administration was highly focused on strengthening the connection with the community as a key resource in guiding the direction of the City. In addition to the various community festivities, the City held 6 town hall meetings throughout the year, each in a different area of the City. The Mayor also hosted a Youth Town Hall, as part of a Youth Leadership Forum which brings together students to ask questions, share concerns and areas of interest. In July, the Mayor re-established the Senior Citizens Commission. The Commission is involved in the planning of services to the mature adult population in the City and provides a voice in the community.

In 2016, the City turned its attention towards strengthening health and safety initiatives. In November, the City hosted the Inaugural Health Equity Summit. The goal of the Summit is to engage healthcare leaders and workers, employers, benefits managers, social service agencies, government leaders, faith-based leaders, grass roots groups, and citizen advocates in developing a plan for intervention that can be implemented City-wide. With the philanthropic support of local healthcare organizations, the City hired a health equity ambassador to assist in achieving measurable results. In 2016 the City began training officers to administer Narcan, and supplying all patrol cars with the life-saving Narcan kits. The City has also launched a Quick Response Team (QRT) outreach program. The QRT is comprised of a medic, a police officer, and a treatment counselor who outreach as a resource to overdose victims and their families.

Throughout 2016 the City has made substantial progress coordinating with the Environmental Protection Agency (EPA) and federal courts to reduce the costs and community impact of the sewer project. The Akron Waterways Renewed! Initiative is the City's plan to remediate combined sewer overflows that occur in times of heavy water weather events. In September, the initiative's consent decree was amended to allow the City to utilize innovative environment-based solutions. By working with the EPA the City has managed to reduce the total projected costs by over \$30 million. Through the refinancing of long-term debt, the City was also able to save an additional \$18 million, bringing total project savings in 2016 to \$50 million dollars. Project construction is on schedule and in 2016 four storage basins were completed. Blasting was also started for the Ohio Canal Interceptor Tunnel, the largest component of the sewer project. The City has made an environmental commitment to replace every tree removed during the project with two new trees. By the end of the sewer projects, 1.6 billion gallons of untreated sewage will be diverted from river systems, per year.

Akron continues to pursue new development within the City. In December 2016, City Council authorized the sale of several buildings along Main Street, including the historic Landmark Building, for redevelopment by the Bowery Development Group. The Bowery Group will restore the buildings and remake them into shops, restaurants and storefronts. Plans include using the upper space of the buildings as apartment lofts overlooking the canal, to add more attractive housing options in the heart of downtown. Additionally, Akron has secured two nationally competitive grants to rejuvenate public spaces downtown - the "Reimagining the Civic Commons" grant and The U.S. Department of Transportation TIGER grant – which together provide over \$10 million to boost the urban core.

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

## Reporting Standards

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

### Governmental funds:

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

**Special Revenue Funds** – The Special Revenue Funds are used to account for revenues derived from specific taxes, grants, or other restricted revenue sources. City ordinances or federal or state statutes specify the uses and limitations of each Special Revenue Fund. During 2016, the City had 22 Special Revenue Funds.

**Debt Service Funds** – The Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. During 2016, the City had ten Debt Service Funds.

**Capital Projects Funds** – The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital facilities other than those financed by proprietary funds. During 2016, the City had six Capital Projects Funds.

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

### Proprietary funds:

**Enterprise Funds** – The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, in that the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City has six Enterprise Funds.

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



## Fiduciary funds:

Private Purpose Trust Funds – The Private Purpose Trust Funds are used to account for other trust arrangements which benefit individuals, private organizations, or other governments. During 2016, the City had three Private Purpose Trust Funds.

Agency Funds – The Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. During 2016, the City had seven Agency Funds.

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

## Basis of Accounting:

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

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

The City’s basis of accounting for budgetary purposes differs from GAAP in that revenues are recognized when received rather than when susceptible to accrual (measurable and available), and encumbrances are included as expenditures rather than as an allocation of fund balances.

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

## Cash Management

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

continues to be conservative with the highest priority given to safeguarding assets. For 2016, investment interest income averaged a yield of 0.42% compared to a yield of 0.30% in 2015. The interest earnings are maximized by investing to projected payment dates on a competitive bid basis and by investing bank balances daily.

### Risk Management

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

### Pension

The City contributes to two state-administered retirement plans covering various groups of City employees. Uniform police and fire employees participate in the statewide Ohio Police and Fire Pension Fund. Substantially, all other City employees participate in the statewide Ohio Public Employees Retirement System (OPERS). The City's total contributions to these plans were equal to 100% of the required employer contributions for the year. In accordance with GASB Statement No. 68, the City's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's *change* in net pension liability not accounted for as deferred inflows/outflows.

### Independent Annual Audit

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

### Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Akron, Ohio, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2015. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such a CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City of Akron, Ohio, has received Certificates of Achievement for the last 32 consecutive years (1984 through 2015). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

### Acknowledgments

The 2016 Comprehensive Annual Financial Report could not have been accomplished without the dedication of the professionals in the Audit and Budget Division of the Department of Finance. Special acknowledgment must go to the Audit and Budget staff for the many hours of quality service they have provided to the City in the formulation of this report. I further wish to thank you, Mayor, for continuing to provide to the department the necessary support and leadership required to enhance the City's overall fiscal position and its financial reporting practices. We trust that this timely, complete, and fully readable Comprehensive Annual Financial Report satisfies your needs and those of City Council for responsible financial planning and reporting.

Respectfully,



Diane L. Miller-Dawson  
Director of Finance

DLMD/tv



Government Finance Officers Association

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

Presented to

**City of Akron  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2015**

Executive Director/CEO

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## Financial Section



# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

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

To the City Council:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Akron, Summit County, Ohio (the City), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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



### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Akron, Summit County, Ohio, as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

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

#### ***Supplementary and Other Information***

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

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

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

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated July 31, 2017, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to read "Dave Yost", with a stylized, flowing script.

**Dave Yost**  
Auditor of State  
Columbus, Ohio

July 31, 2017

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## **CITY OF AKRON, OHIO MANAGEMENT'S DISCUSSION AND ANALYSIS**

Management's discussion and analysis of the City of Akron, Ohio financial performance provides an overview of Akron's financial activities for the fiscal year ended December 31, 2016. Please read it in conjunction with the transmittal letter on page 7 and the City's financial statements, which begin on page 38.

### **FINANCIAL OVERVIEW**

- The assets and deferred outflows of the City of Akron, Ohio exceeded its liabilities and deferred inflows at December 31, 2016 by \$664,912,987 (net position). Of this amount, \$24,143,438 is restricted for debt service.
- The City's total net position increased by \$4,244,938 during the current year. Governmental activities total net position decreased by \$5,253,601 and the business-type activities, total net position increased by \$9,498,539.
- As of the close of the current fiscal year, the City of Akron's governmental funds reported combined ending fund balances of \$157,960,238, an increase from the prior year which is attributed to the issuance of bonds. The proceeds are being used to fund the payment of expenditures as reflected in several categories including: public safety, public service, and community environment expenditures for project specific costs.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$15,022,169 or 9.5% of total general fund expenditures.
- The City of Akron's total debt outstanding increased by \$123,928,282 (14.8%) during the current year. During 2016, the City issued \$14,655,000 in Income Tax Revenue Bonds for various purpose improvements. There were OWDA loans issued for the cost of improving the Waterworks System (\$3,035,359) and the Sanitary Sewer System (\$138,918,450).

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

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

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

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

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

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

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

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

The City of Akron maintains 39 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Community Learning Centers (CLC) Fund, the Income Tax Capital Improvement Fund and the Special Assessment Fund which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

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

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

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

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

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

As of the end of the current fiscal year, the City's total governmental funds reported an ending fund balance of \$157,960,238, an increase of \$26,147,910 in comparison with the prior year. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 9.5% of total General Fund expenditures, while total fund balance represents 11.0% of that same amount.

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

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

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

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

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City of Akron's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 49-125 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information (RSI) concerning the City of Akron's General Fund, Community Learning Centers Fund, Income Tax Capital Improvement Fund, and Special Assessment Fund budgetary comparison. The RSI also includes the OPERS and OP&F Schedules of Net Pension Liability and Related Ratios, and the related contribution schedules. Required Supplementary Information (RSI) can be found on pages 127-139 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds, enterprise funds, internal service funds, and fiduciary funds are presented immediately following the Required Supplementary Information (RSI) and can be found on pages 142-208 of this report.



## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Akron, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$664,912,987 at the close of the most recent fiscal year.

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

An additional portion of the City of Akron's net position (3.6%) is restricted for the payment of debt service. The City's overall net position increased by \$4,244,938 during the current year; the net position of the governmental activities decreased by \$5,253,601 and business-type activities increased by \$9,498,539.

Summary Statement of Net Position  
as of December 31, 2015 and 2016  
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2015	2016	2015	2016	2015	2016
Assets:						
Current and other assets	\$ 342,317	\$ 354,242	\$ 72,257	\$ 96,104	\$ 414,574	\$ 450,346
Capital assets	1,016,066	1,031,332	594,320	708,765	1,610,386	1,740,097
Total assets	\$ 1,358,383	\$ 1,385,574	\$ 666,577	\$ 804,869	\$ 2,024,960	\$ 2,190,443
Deferred outflows	26,136	62,928	2,585	6,679	28,721	69,607
Total assets and deferred outflows	\$ 1,384,519	\$ 1,448,502	\$ 669,162	\$ 811,548	\$ 2,053,681	\$ 2,260,050
Liabilities:						
Long-term liabilities	888,177	987,004	201,320	325,565	1,089,497	1,312,569
Other liabilities	97,510	107,910	29,915	37,929	127,425	145,839
Total liabilities	\$ 985,687	\$ 1,094,914	\$ 231,235	\$ 363,494	\$ 1,216,922	\$ 1,458,408
Deferred inflows	175,652	134,726	1,454	2,002	177,106	136,728
Total liabilities and deferred inflows	\$ 1,161,339	\$ 1,229,640	\$ 232,689	\$ 365,496	\$ 1,394,028	\$ 1,595,136
Net position:						
Net investment in capital assets	373,606	361,614	396,984	389,215	770,590	750,829
Restricted	36,462	26,685	9,499	9,389	45,961	36,074
Unrestricted (deficit), as restated	(184,719)	(169,438)	29,989	47,447	(154,730)	(121,991)
Total net position	\$ 225,349	\$ 218,861	\$ 436,472	\$ 446,051	\$ 661,821	\$ 664,912

During 2015, the City adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement No. 27*, which significantly revised accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City’s actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB Statement No. 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan’s *net pension liability*. GASB Statement No. 68 takes an earnings approach to pension accounting; however, the nature of Ohio’s statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements. Under the standards required by GASB Statement No. 68, the net pension liability equals the City’s proportionate share of each plan’s collective present value of estimated future pension benefits attributable to active and inactive employees’ past service minus plan assets available to pay these benefits.

GASB notes that pension obligations, whether funded or unfunded, are part of the “employment exchange” – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of this liability.

In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer’s promise is limited not by contract, but by law. The employer enters the exchange also knowing that there is a legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e., sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension

liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with the required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

In accordance with GASB Statement No. 68, the City's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's *change* in net pension liability not accounted for as deferred inflows/outflows. As a result of implementing GASB Statement No. 68, the City is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting.

**Governmental Activities.** Changes in net position before transfers was a decrease in the amount of \$4,642,601.

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

The following table shows total revenues for 2016 were \$401,463,000 which reflects an increase from the prior year. Unrestricted shared revenues increased by \$52,100,000 which is directly attributed to the Community Learning Centers. JEDD revenues show a decrease due to a change in accounting practice (See Note 26) and only reporting the JEDD revenue disbursed to the City. Income taxes increased by \$9,625,000 which is attributed to the stabilization of the local job market. Expenses for 2016 were also higher than 2015 by approximately \$73,405,000. A significant increase was in the expenses for community environment in the Community Learning Centers. Additionally, expenses increased in both general government and public safety relating to employee costs. Key events contributing to the changes are as follows:

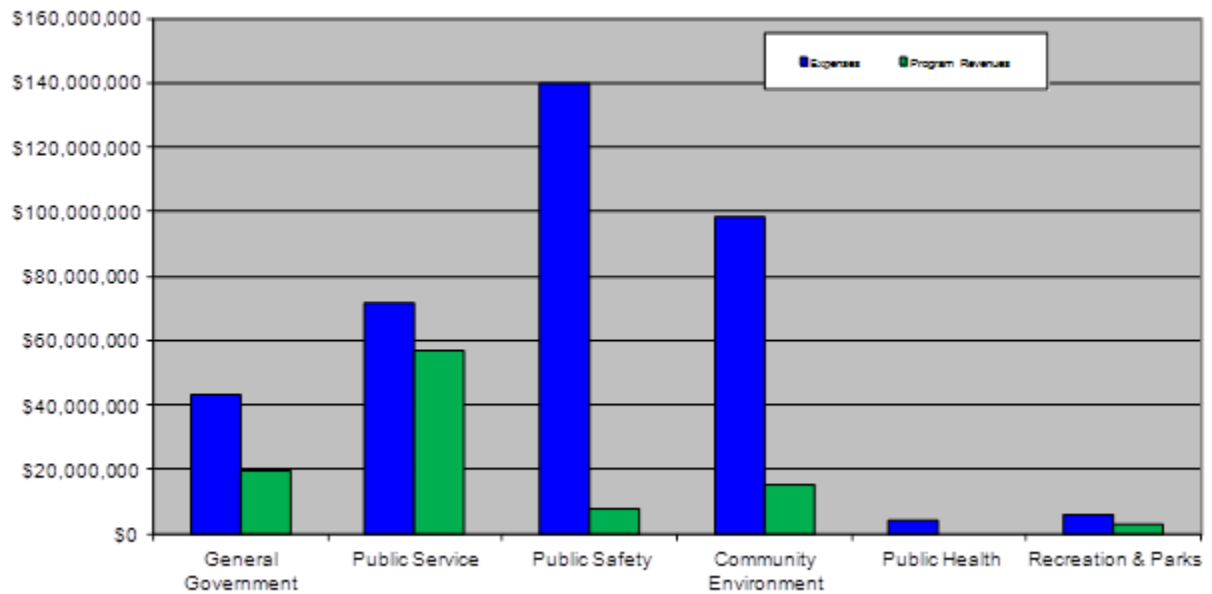
- The notable increase in both Unrestricted shared revenue and community environment expense relate to recording the City's share of the Community Learning Centers.
- Unemployment shows a slight change from 5.7% to 5.8%, reflecting stabilization in the workforce environment.
- JEDD revenues previously recorded gross JEDD receipts along with JEDD district expenses. This activity is reported in the applicable agency fund. Only JEDD revenue disbursed to the City is now reflected in the financial statements.
- Significant efforts are still in place to keep expenses in line with revenue as is shown on the following page, "Change in net position before transfers".
- The increase in income taxes is attributed to the stabilization of the local job market.
- The increase in public safety expenses relates to the increase in the accrued leave balance.
- General government increase is attributed to the increase in employee wages and benefits along with other employment benefits.

Changes in Net Position  
For Fiscal Year Ended December 31, 2015 and 2016  
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2015	2016	2015	2016	2015	2016
Revenues:						
Program revenues:						
Charges for services	\$ 32,754	\$ 42,323	\$ 130,068	\$ 130,259	\$ 162,822	\$ 172,582
Operating grants and contributions	12,725	13,345	-	-	12,725	13,345
Capital grants and contributions	42,181	46,354	4,916	5,481	47,097	51,835
General revenues:						
Income taxes	143,231	152,856	-	-	143,231	152,856
Property taxes	23,681	23,341	-	-	23,681	23,341
JEDD revenues	19,272	12,342	-	-	19,272	12,342
Investment earnings	849	1,170	108	108	957	1,278
Unrestricted shared revenues	46,387	98,487	-	-	46,387	98,487
Miscellaneous	7,853	11,211	2,166	1,355	10,019	12,566
Gain on sale of capital assets	3	34	-	-	3	34
Total revenues	<u>\$ 328,936</u>	<u>\$ 401,463</u>	<u>\$ 137,258</u>	<u>\$ 137,203</u>	<u>\$ 466,194</u>	<u>\$ 538,666</u>
Expenses:						
General government	\$ 31,955	\$ 42,941	\$ -	\$ -	\$ 31,955	\$ 42,941
Public service	74,134	71,811	-	-	74,134	71,811
Public safety	124,944	140,165	-	-	124,944	140,165
Community environment	44,393	98,362	-	-	44,393	98,362
Public health	4,453	4,355	-	-	4,453	4,355
Recreation and parks	5,567	5,718	-	-	5,567	5,718
Interest on debt	30,189	23,923	-	-	30,189	23,923
Unallocated depreciation	17,066	18,831	-	-	17,066	18,831
Water	-	-	37,964	34,914	37,964	34,914
Sewer	-	-	70,908	83,933	70,908	83,933
Oil & gas	-	-	322	50	322	50
Golf course	-	-	1,276	1,408	1,276	1,408
Airport	-	-	921	741	921	741
Off-street parking	-	-	7,063	7,270	7,063	7,270
Total expenses	<u>\$ 332,701</u>	<u>\$ 406,106</u>	<u>\$ 118,454</u>	<u>\$ 128,316</u>	<u>\$ 451,155</u>	<u>\$ 534,422</u>
Changes in net position before transfers	(3,765)	(4,643)	18,804	8,887	15,039	4,244
Transfers	<u>(887)</u>	<u>(611)</u>	<u>887</u>	<u>611</u>	<u>-</u>	<u>-</u>
Changes in net position	\$ (4,652)	\$ (5,254)	\$ 19,691	\$ 9,498	\$ 15,039	\$ 4,244
Net position - beginning, as restated *	<u>227,832</u>	<u>224,115</u>	<u>416,781</u>	<u>436,553</u>	<u>644,613</u>	<u>660,668</u>
Net position - ending	<u>\$ 223,180</u>	<u>\$ 218,861</u>	<u>\$ 436,472</u>	<u>\$ 446,051</u>	<u>\$ 659,652</u>	<u>\$ 664,912</u>

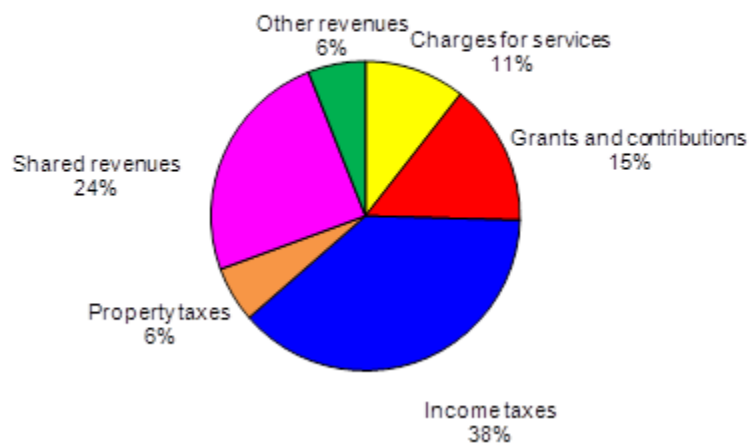
\* restated beginning 2016 balance

**Expenses and Program Revenues - Governmental Activities**



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

**Revenues By Sources Governmental Activities**



## FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

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

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

As of the end of the current fiscal year, the City of Akron's governmental funds reported a combined ending fund balance of \$157,960,238, an increase in comparison to the prior year. The unassigned fund balance at the end of the current year is \$2,839,442. The remainder of fund balance is distributed to indicate that it is not available for new spending because it has already been dedicated. The City's major governmental funds are the General Fund, the Community Learning Centers (CLC) Fund, the Income Tax Capital Improvement Fund, and the Special Assessment Fund.

The General Fund is the chief operating fund of the City of Akron. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$15,022,169, while the total fund balance is \$17,323,746. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 9.5% of total General Fund expenditures, while total fund balance represents 11.0% of that same amount.

The fund balance of the City of Akron's General Fund increased by \$3,913,910 during the current fiscal year. Key factors in this change are as follows:

- The City's commitment to monitor revenues and approve expenditures in conformity with available resources.
- Akron's Income tax collection, our largest source of revenue in the General Fund, has improved and is attributed to the stabilization of the local job market.
- JEDD revenues increase is directly attributed to utilization of the resources for activities within the General Fund.
- General government expenditures increase during 2016 is attributed to the increase in employee wages and benefits along with other employment benefits.
- The increase in public safety expenditures is also attributed to the increase in employee wages and benefits along with other employment benefits.
- The practice of transferring monies from the General Fund, \$3,827,961 to provide the local match for grants and subsidize various operations is a method used annually by the City to provide resources to these funds.

The Community Learning Centers Fund has a total fund balance of \$98,328,849. The net increase in fund balance the Community Learning Centers Fund from the prior year was \$8,951,566 which is attributed to the increase in shared revenues. The revenue is being used to fund the payment of expenditures as reflected in the community environment expenditures for project specific costs.

The Income Tax Capital Improvement Fund has a total fund balance of \$8,005,386. Revenues exceeded expenditures by \$2,784,442 in 2016 yielding a slight increase in the fund balance. The Fund is responsible for debt service payments and relies heavily on the collection of income taxes.

The Special Assessment Fund has a total fund deficit balance of \$9,643,792. The Fund is utilized for the accumulation of resources for, and the payment of, special assessment notes and related costs including street lighting and street cleaning activities.

Other Governmental Funds have a combined fund balance of \$43,946,049. The increase in the combined fund balance was \$11,608,414. The majority of the change is attributed to projects within the special revenue funds. The City has been diligent in addressing special revenue funds as reflected in change in fund balance in the Tax Equivalency Fund and the Downtown District Heating COPs Fund.

## **GENERAL FUND BUDGETARY OVERVIEW**

During the year, actual revenues and other sources were under final budgetary estimates by \$9,637,796 (5.6%). Income tax revenue, the major revenue source, was less than the budgeted amount by \$107,692. The other significant decreases in revenues during 2016 were service revenues by \$4,423,718 and miscellaneous revenue by \$10,939,322. The revenue stream was closely monitored during the year and anticipated expenditures were analyzed and prioritize.

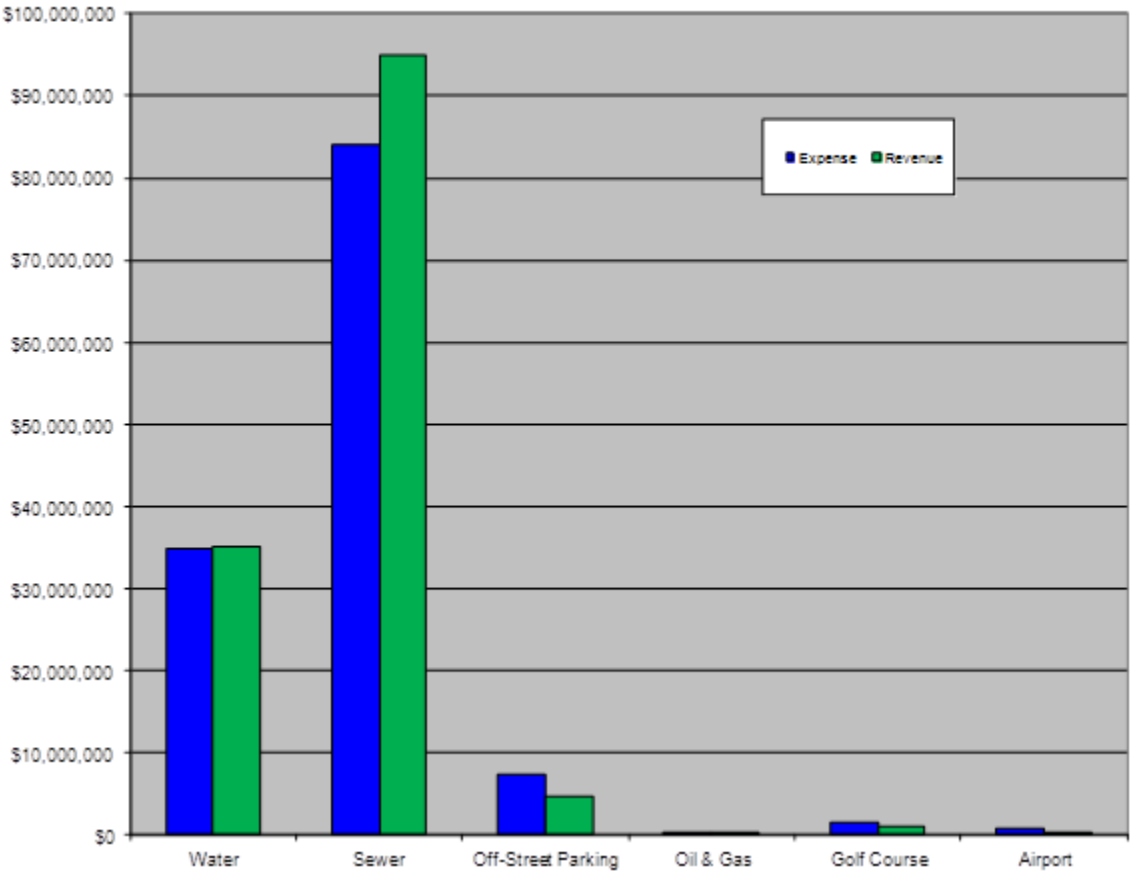
Through restraint on spending, the General Fund unencumbered balance increased by \$347,847. The actual expenditures were under the final budget by \$13,102,019.

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

- The Finance Department's budget was increased by approximately \$1,590,000, the Public Service Department's budget was increased by \$1,950,000, and the Police Department was increased by \$3,250,000, but the revenue did not materialize to allow for the full budgeted expenditures.
- The Department of Public Service's actual expenditures were under the budgeted amount by \$3,829,454 which is attributed to the restraint on spending.
- The Fire Department's expenditures included the remaining payment on a settlement that will be disbursed during 2017.
- The Police Department's actual expenditures were under the budgeted amounts by \$3,355,667, which a large line item is attributed to timing of the City's share of a grant match.

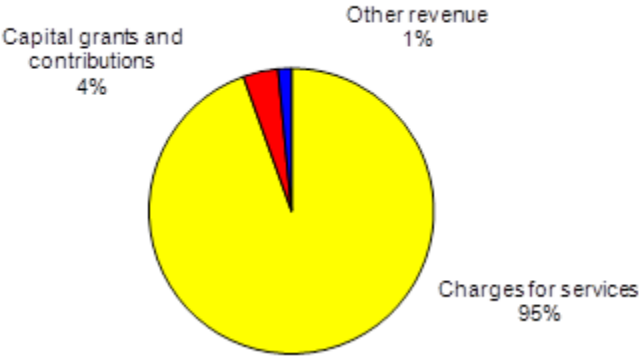


**Expenses and Program Revenues - Business-type Activities**



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

**Revenues By Sources Business-type Activities**



## FINANCIAL ANALYSIS OF THE PROPRIETARY FUNDS

**Business-Type Activities.** Business-type activities increased the City of Akron's net position by \$9,498,539 compared to an increase of \$19,690,861 in the prior year. Total program revenues increased by \$756,000 along with an increase in expenses of \$9,862,000 which beginning net position allowed.

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

Unrestricted net deficit of the Water Fund at the end of the year was \$1,633,339; for the Sewer Fund was unrestricted net position of \$51,763,561 and for the Off-Street Parking Fund was a deficit of \$521,281. The increase reported in net position for the Water and Sewer Funds were \$3,557,645 and \$10,175,369, respectively. The decrease reported in net position for Off-Street Parking was \$2,375,340.

The Water Department services the City and 12 surrounding communities which account for 80,806 customer accounts and 1,230 miles of water mains. All bonds of the Water Fund are paid from water enterprise revenues. A ten-year comparison of certain water enterprise data is shown in Schedule 15 of the Statistical Section. Water rates remained stable and results of operations yielded an increase in net position due to cost containment.

The Sewer Department services the City and 13 surrounding communities which account for 75,507 customer accounts and 1,349 miles of sewer lines. All bonds of the Sewer Fund are paid from sewer enterprise revenues. A ten-year comparison of certain sewer enterprise data is shown in Schedule 15 of the Statistical Section. Sewer rates remained virtually unchanged with only slight increases to a small population of non-resident customers and results of operations yielded an increase in net position due again to cost containment.

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

## CAPITAL ASSETS AND DEBT ADMINISTRATION

**Capital Assets.** The City of Akron's investment in capital assets for its government and business-type activities as of December 31, 2016, amounts to \$1,740,097,349 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements (other than buildings), equipment, and infrastructure. The total increase in the City of Akron's investment in capital assets for the current fiscal year was \$129,710,965 (a 1.5% increase for governmental activities and a 19.3% increase for business-type activities).

### Capital Assets

	(net of accumulated depreciation) (in thousands)					
	Governmental Activities		Business-type Activities		Total	
	2015	2016	2015	2016	2015	2016
Land	\$ 158,882	\$ 158,465	\$ 36,958	\$ 37,213	\$ 195,840	\$ 195,678
Construction in progress	103,923	80,887	135,369	258,690	239,292	339,577
Buildings	300,242	332,576	103,875	100,755	404,117	433,331
Improvements	101,469	99,984	160,349	152,907	261,818	252,891
Equipment	17,427	26,034	4,278	4,709	21,705	30,743
Infrastructure	334,124	333,386	153,490	154,491	487,614	487,877
	<u>\$ 1,016,067</u>	<u>\$ 1,031,332</u>	<u>\$ 594,319</u>	<u>\$ 708,765</u>	<u>\$ 1,610,386</u>	<u>\$ 1,740,097</u>

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

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

- Ohio Interceptor Tunnel - \$51,902,575
- Community Learning Centers Construction-In-Progress - \$19,056,096
- CSO Rack 14 Storage Basin - \$6,644,185
- Sanitary Sewer Reconstruction - \$5,340,833
- Mud Run Pump Station Improvements - \$5,072,927
- East Market Street Redevelopment - \$3,638,609
- Wilbeth Road Improvements - \$1,978,263

**Long-Term Debt.** At the end of the current fiscal year, the City of Akron had total debt outstanding of \$961,224,155. All general obligation bonds are backed by the full faith and credit of the City. Special assessment bonds and notes are covered by special assessment collections and are backed by the full faith and credit of the City. The remainder of the City of Akron's debt represents bonds secured solely by specified revenue sources.

City of Akron

	Outstanding Debt (in thousands)					
	Governmental Activities		Business-type Activities		Total	
	2015	2016	2015	2016	2015	2016
General Obligation Bonds	\$ 186,841	\$ 174,601	\$ 544	\$ 469	\$ 187,385	\$ 175,070
General Obligation Notes	4,500	3,500	-	-	4,500	3,500
OPWC Loan	7,641	7,006	1,140	938	8,781	7,944
Ohio Development Services Agency	5,270	5,156	-	-	5,270	5,156
Non-Tax Revenue Bonds	48,035	43,745	-	-	48,035	43,745
Income Tax Revenue Bonds and Notes	349,941	374,135	-	-	349,941	374,135
Special Revenue Bonds	22,030	18,705	-	-	22,030	18,705
Special Assessment Bonds and Notes	15,860	14,898	-	-	15,860	14,898
Mortgage Revenue Bonds	-	-	26,970	23,100	26,970	23,100
Revenue Bonds	-	-	6,550	1,800	6,550	1,800
OWDA Loan	-	-	161,974	293,171	161,974	293,171
	<u>\$ 640,118</u>	<u>\$ 641,746</u>	<u>\$ 197,178</u>	<u>\$ 319,478</u>	<u>\$ 837,296</u>	<u>\$ 961,224</u>

The City of Akron's total debt outstanding increased by \$123,928,282 (14.8%) during the current fiscal year.

During the current fiscal year the City issued \$14,655,000 in Income Tax Revenue Bonds for various purpose improvements. There were OWDA loans issued for the cost of improving the Waterworks System (\$3,035,359) and the Sanitary Sewer System (\$138,918,450).

The Ohio Revised Code provides that the outstanding general obligation bonds less self-supporting debt (e.g., income tax-backed projects) of the municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the assessed value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of total assessed value of property. The City of Akron's total debt limit (10.5%) is \$276,777,990 and the total unvoted net debt limit (5.5%) is \$144,978,947.

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

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

### **Economic Factors and Next Year's Budgets and Rates**

- Unemployment shows a slight change from 5.7% to 5.8%, which reflects stability in the workforce environment.
- The City of Akron budgeted income tax collections to increase by 2%, Local Government to increase by 10%, and Property Tax to remain flat.
- No increase in Water or Sewer rates for 2017.
- The City will examine its current structure of fees, licenses, fines and service charges and make adjustments where appropriate.

In the 2017 budget, the General Fund unencumbered fund balance is projecting a slight increase of \$157,410.

### **Request for Information**

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

# **BASIC FINANCIAL STATEMENTS**

City of Akron, Ohio  
Statement of Net Position  
December 31, 2016

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Current assets:			
Pooled cash and investments	\$ 60,185,607	\$ 64,259,172	\$ 124,444,779
Restricted cash and investments	43,301,506	9,389,310	52,690,816
Receivables, net	101,316,042	21,659,693	122,975,735
Loans receivable	2,472,601	-	2,472,601
Due from other governments	629,808	407,817	1,037,625
Internal balances	2,696,327	(2,696,327)	-
Inventories, at cost	629,514	3,049,336	3,678,850
Total current assets	211,231,405	96,069,001	307,300,406
Noncurrent assets:			
Receivables, net	79,990,875	-	79,990,875
Loans receivable	13,732,437	-	13,732,437
Deposits	41,447,960	-	41,447,960
Assets held for resale	7,720,162	-	7,720,162
Net pension asset	119,361	34,971	154,332
Capital assets:			
Land and construction in progress	239,352,214	295,903,640	535,255,854
Other capital assets, net	791,979,817	412,861,678	1,204,841,495
Total noncurrent assets	1,174,342,826	708,800,289	1,883,143,115
Total assets	1,385,574,231	804,869,290	2,190,443,521
<b>Deferred Outflows of Resources</b>			
	62,927,798	6,678,503	69,606,301
Total assets and deferred outflows of resources	1,448,502,029	811,547,793	2,260,049,822
<b>Liabilities</b>			
Current liabilities:			
Accounts payable and other accrued liabilities	16,327,338	9,789,283	26,116,621
Deposits	541,885	734,849	1,276,734
Due to other governments	3,821,029	352,355	4,173,384
Accrued interest payable	2,300,982	2,739,869	5,040,851
Accrued wages	3,855,758	533,007	4,388,765
Accrued vacation and leave	10,374,335	1,253,725	11,628,060
COPs and obligations under capital lease	5,058,579	72,820	5,131,399
Liability for unpaid claims	4,763,237	-	4,763,237
Bonds, notes and loans payable	57,807,340	22,368,722	80,176,062
Unamortized bond premium and discount	3,059,780	85,216	3,144,996
Total current liabilities	107,910,263	37,929,846	145,840,109
Noncurrent liabilities:			
COPs and obligations under lease	42,585,395	-	42,585,395
Liabilities due in more than one year	99,645,110	10,500,530	110,145,640
Bonds, notes and loans payable	580,401,503	297,108,593	877,510,096
Unamortized bond premium and discount	36,831,095	782,343	37,613,438
Net pension liability	227,541,460	17,173,165	244,714,625
Total noncurrent liabilities	987,004,563	325,564,631	1,312,569,194
Total liabilities	1,094,914,826	363,494,477	1,458,409,303
<b>Deferred Inflows of Resources</b>			
	134,725,618	2,001,914	136,727,532
Total liabilities and deferred inflows of resources	1,229,640,444	365,496,391	1,595,136,835
<b>Net position</b>			
Net investment in capital assets	361,614,290	389,215,183	750,829,473
Restricted for debt service	14,754,128	9,389,310	24,143,438
Restricted for capital projects	11,931,352	-	11,931,352
Unrestricted (deficit)	(169,438,185)	47,446,909	(121,991,276)
Total net position	\$ 218,861,585	\$ 446,051,402	\$ 664,912,987

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

City of Akron, Ohio  
Statement of Activities  
For the Year Ended December 31, 2016

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General government	\$ 42,940,494	\$ 15,271,721	\$ 23,615	\$ 4,073,357	\$ (23,571,801)	\$ -	\$ (23,571,801)
Public service	71,811,167	18,353,558	-	38,446,443	(15,011,166)	-	(15,011,166)
Public safety	140,165,348	4,176,521	3,437,948	277,766	(132,273,113)	-	(132,273,113)
Community environment	98,362,358	3,467,416	8,846,086	2,754,794	(83,294,062)	-	(83,294,062)
Public health	4,354,820	-	-	-	(4,354,820)	-	(4,354,820)
Recreation and parks	5,717,798	1,053,610	1,037,713	801,304	(2,825,171)	-	(2,825,171)
Interest	23,923,218	-	-	-	(23,923,218)	-	(23,923,218)
Unallocated depreciation*	18,830,770	-	-	-	(18,830,770)	-	(18,830,770)
Total governmental activities	406,105,973	42,322,826	13,345,362	46,353,664	(304,084,121)	-	(304,084,121)
Business-type Activities:							
Water	34,913,805	34,910,383	-	242,428	-	239,006	239,006
Sewer	83,933,150	89,740,017	-	5,162,656	-	10,969,523	10,969,523
Oil and gas	49,571	61	-	-	-	(49,510)	(49,510)
Golf course	1,408,269	931,126	-	-	-	(477,143)	(477,143)
Airport	741,052	169,577	-	-	-	(571,475)	(571,475)
Parking facilities	7,269,596	4,507,555	-	76,065	-	(2,685,976)	(2,685,976)
Total business-type activities	128,315,443	130,258,719	-	5,481,149	-	7,424,425	7,424,425
Total Government	\$ 534,421,416	\$ 172,581,545	\$ 13,345,362	\$ 51,834,813	\$ (304,084,121)	\$ 7,424,425	\$ (296,659,696)
General revenues:							
Taxes:							
Income taxes					\$ 152,856,443	\$ -	\$ 152,856,443
Property taxes					23,341,356	-	23,341,356
JEDD Revenues					12,341,811	-	12,341,811
Investment earnings					1,170,199	107,655	1,277,854
Unrestricted shared revenues					98,487,030	-	98,487,030
Miscellaneous					11,211,091	1,355,459	12,566,550
Gain on sale of capital assets					33,590	-	33,590
Transfers					(611,000)	611,000	-
Total general revenues and transfers					298,830,520	2,074,114	300,904,634
Change in net position					(5,253,601)	9,498,539	4,244,938
Net position - beginning, as restated					224,115,186	436,552,863	660,668,049
Net position - ending					\$ 218,861,585	\$ 446,051,402	\$ 664,912,987

\*Excludes depreciation included in program expenses.

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



City of Akron, Ohio  
Balance Sheet - Governmental Funds  
December 31, 2016

	General	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Pooled cash and investments	\$ 6,305,529	\$ 24,308,293	\$ 834,371	\$ 2,421,280	\$ 24,378,004	\$ 58,247,477
Restricted cash and investments	-	29,882,735	-	-	13,418,771	43,301,506
Receivables, net of allowances for uncollectibles	52,241,567	53,426,685	8,547,049	34,703,944	16,668,324	165,587,569
Loans receivable	-	-	-	-	16,205,038	16,205,038
Due from other governments	7,869	-	-	-	3,075,792	3,083,661
Due from other funds	2,370,119	1,226,404	1,976,000	-	361,553	5,934,076
Due from others	-	-	-	-	67,253	67,253
Deposits	-	41,447,960	-	-	-	41,447,960
Advances to other funds	577,000	-	85,500	-	-	662,500
Assets held for resale	-	-	-	-	7,720,162	7,720,162
Total assets	<u>\$ 61,502,084</u>	<u>\$ 150,292,077</u>	<u>\$ 11,442,920</u>	<u>\$ 37,125,224</u>	<u>\$ 81,894,897</u>	<u>\$ 342,257,202</u>
<b>Liabilities</b>						
Accounts payable	\$ 1,817,204	\$ 1,638	\$ 308,858	\$ 541,539	\$ 4,201,664	\$ 6,870,903
Deposits	80,549	-	-	-	461,336	541,885
Advances from other funds	-	-	-	-	362,500	362,500
Due to other governments	3,092,447	-	11,574	-	4,677,170	7,781,191
Due to other funds	520,210	-	148,431	108,477	3,571,271	4,348,389
Due to others	646,282	-	-	-	2,814,077	3,460,359
Accrued liabilities	2,343,642	-	7,925	117,148	1,196,842	3,665,557
Accrued wages	2,632,688	-	12,594	179,785	824,816	3,649,883
Accrued vacation and leave	176,815	-	-	2,845	40,696	220,356
Special assessment notes	-	-	-	13,000,000	-	13,000,000
Total liabilities	11,309,837	1,638	489,382	13,949,794	18,150,372	43,901,023
<b>Deferred Inflows of Resources</b>	32,868,501	51,961,590	2,948,152	32,819,222	19,798,476	140,395,941
<b>Fund balances</b>						
Restricted	-	98,328,849	8,005,386	-	31,673,381	138,007,616
Committed	397,517	-	-	-	14,811,603	15,209,120
Assigned	1,904,060	-	-	-	-	1,904,060
Unassigned	15,022,169	-	-	(9,643,792)	(2,538,935)	2,839,442
Total fund balances	17,323,746	98,328,849	8,005,386	(9,643,792)	43,946,049	157,960,238
Total liabilities, deferred inflows and fund balances	<u>\$ 61,502,084</u>	<u>\$ 150,292,077</u>	<u>\$ 11,442,920</u>	<u>\$ 37,125,224</u>	<u>\$ 81,894,897</u>	<u>\$ 342,257,202</u>

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

City of Akron, Ohio  
Reconciliation of the Balance Sheet to the Statement of Net Position - Governmental Funds  
December 31, 2016

Total fund balances for governmental funds (Exhibit 3) \$ 157,960,238

Total net position reported for governmental activities in the statement of net position is different because:

Investments in City of Akron issued bonds and notes are eliminated in the government-wide statement of net position. (3,537,997)

Capital assets used in governmental activities (excluding internal service fund capital assets) are not financial resources and therefore are not reported in the funds. 1,028,147,512

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred inflows in the funds.

Grant revenues	2,749,144	
Income taxes	11,880,671	
Property taxes	5,948,085	
Special assessments	14,750,000	
Shared revenues	9,484,282	44,812,182

Long-term accounts receivables are not available to pay for current period expenditures. 1,623,172

The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position. (12,279,543)

Long-term liabilities including bonds payable and accrued interest payable are not due and payable in the current period and therefore are not reported in the funds.

Accounts payable and other accrued liabilities	(48,008,832)	
Accrued interest payable	(2,300,982)	
Accrued vacation and leave	(50,541,496)	
Bonds, notes and loans payable	(621,288,843)	
Obligations under capital lease	(47,643,974)	
Unamortized bond premium, discount, deferred loss, gain	(60,407,428)	
Net pension deferred inflows/outflows	(165,218,571)	(995,410,126)

Unavailable grant revenue reflected as a receivable in the funds, therefore, eliminated entity wide. (2,453,853)

Total net position of governmental activities (Exhibit 1)	\$ 218,861,585
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The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio  
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Year Ended December 31, 2016

	General	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Income taxes	\$ 94,230,111	\$ 15,935,060	\$ 34,352,645	\$ -	\$ 6,738,973	\$ 151,256,789
Property taxes	16,042,780	-	-	-	7,380,222	23,423,002
JEDD revenues	4,321,500	-	1,778,500	-	8,289,449	14,389,449
Special assessments	248,184	-	-	29,972,025	959,289	31,179,498
Grants and subsidies	23,616	1,005,718	267,302	-	24,676,345	25,972,981
Investment earnings	655,117	428,620	-	-	115,552	1,199,289
Shared revenues	13,274,982	61,665,820	1,062,044	-	24,323,174	100,326,020
Licenses, fees and fines	13,900,997	-	-	180	3,610,937	17,512,114
Charges for services	15,105,319	-	-	18,385	5,626,075	20,749,779
Miscellaneous	2,650,854	1,894	286,453	31,992	9,658,018	12,629,211
	<u>160,453,460</u>	<u>79,037,112</u>	<u>37,746,944</u>	<u>30,022,582</u>	<u>91,378,034</u>	<u>398,638,132</u>
<b>Expenditures</b>						
Current:						
General government	24,513,154	11,451	3,517	1,447,872	13,837,144	39,813,138
Public service	24,168,514	-	1,532,940	26,704,834	28,715,641	81,121,929
Public safety	99,157,317	-	11,385,376	-	21,005,051	131,547,744
Community environment	1,191,335	80,226,307	619,781	1,600,404	28,118,826	111,756,653
Public health	4,253,940	-	-	-	-	4,253,940
Recreation and parks	2,997,542	-	102	-	2,413,801	5,411,445
Debt service:						
Principal retirement	858,555	7,870,000	22,467,084	962,324	18,908,573	51,066,536
Interest	862,068	11,797,238	11,374,331	378,934	3,016,236	27,428,807
Bond issuance expenditures	110,005	304,683	418,900	38,636	325,371	1,197,595
	<u>158,112,430</u>	<u>100,209,679</u>	<u>47,802,031</u>	<u>31,133,004</u>	<u>116,340,643</u>	<u>453,597,787</u>
Excess (deficiency) of revenues over (under) expenditures	2,341,030	(21,172,567)	(10,055,087)	(1,110,422)	(24,962,609)	(54,959,655)
<b>Other financing sources (uses)</b>						
Capital contributions	-	-	-	-	2,933,930	2,933,930
Issuance of bonds	5,000,000	27,000,000	1,800,000	-	18,200,000	52,000,000
Issuance of COPs	-	-	-	-	11,965,000	11,965,000
Premium on debt	400,841	3,198,787	2,304,738	-	255,132	6,159,498
Original bond issue discount	-	(74,654)	(41,307)	-	-	(115,961)
Issuance of refunding obligations	-	-	32,545,000	-	-	32,545,000
Issuance of capital lease	-	-	10,635,000	-	-	10,635,000
Payment to refunding agent	-	-	(34,403,902)	-	-	(34,403,902)
Transfers-in	-	-	-	-	3,216,961	3,216,961
Transfers-out	(3,827,961)	-	-	-	-	(3,827,961)
	<u>1,572,880</u>	<u>30,124,133</u>	<u>12,839,529</u>	<u>-</u>	<u>36,571,023</u>	<u>81,107,565</u>
Net change in fund balance	3,913,910	8,951,566	2,784,442	(1,110,422)	11,608,414	26,147,910
Fund balances (deficit), as restated January 1, 2016	<u>13,409,836</u>	<u>89,377,283</u>	<u>5,220,944</u>	<u>(8,533,370)</u>	<u>32,337,635</u>	<u>131,812,328</u>
Fund balances, December 31, 2016	<u>\$ 17,323,746</u>	<u>\$ 98,328,849</u>	<u>\$ 8,005,386</u>	<u>\$ (9,643,792)</u>	<u>\$ 43,946,049</u>	<u>\$ 157,960,238</u>

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

City of Akron, Ohio  
 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances  
 to the Statement of Activities - Governmental Funds  
 For the Year Ended December 31, 2016

Net changes in fund balances - total governmental funds (Exhibit 4) \$ 26,147,910

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets, which meet capitalization requirements, is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$52,483,911) exceeded depreciation (\$37,761,618) in the current period.

14,722,293

The net effect of selling capital assets increased net position.

33,590

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

(28,092,382)

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

Issuance of debt	(96,510,000)
Issuance of capital lease	(10,635,000)
Payment of debt	51,066,536
Payment to refunding agent	33,430,000
Premium on debt	(6,159,498)
Discount on debt	115,961
Bond issuance expenditures	1,197,595

(27,494,406)

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

13,852,335

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

(4,422,941)

Change in net position of governmental activities (Exhibit 2)

\$ (5,253,601)

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

City of Akron, Ohio  
Statement of Net Position - Proprietary Funds  
December 31, 2016

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities- Internal Service Funds
<b>Assets</b>						
Current assets:						
Pooled cash and investments	\$ 5,610,368	\$ 58,438,009	\$ 157,028	\$ 53,767	\$ 64,259,172	\$ 5,476,127
Restricted cash and investments	3,410,347	5,978,963	-	-	9,389,310	-
Receivables, net of allowance for uncollectibles	5,563,803	15,960,643	85,036	50,211	21,659,693	58,267
Due from other governments	228,608	179,209	-	-	407,817	-
Due from other funds	3,066,680	5,503	-	-	3,072,183	1,025,540
Inventories, at cost	2,059,775	962,841	-	26,720	3,049,336	629,514
Total current assets	19,939,581	81,525,168	242,064	130,698	101,837,511	7,189,448
Noncurrent assets:						
Net pension asset	20,316	13,650	-	1,005	34,971	12,788
Property, plant and equipment, net of accumulated depreciation	163,588,465	462,644,714	73,178,995	9,353,144	708,765,318	3,184,519
Total noncurrent assets	163,608,781	462,658,364	73,178,995	9,354,149	708,800,289	3,197,307
Total assets	183,548,362	544,183,532	73,421,059	9,484,847	810,637,800	10,386,755
<b>Deferred Outflows of Resources</b>	3,927,999	2,563,550	-	186,954	6,678,503	2,542,943
Total assets and deferred outflows	187,476,361	546,747,082	73,421,059	9,671,801	817,316,303	12,929,698
<b>Liabilities</b>						
Current liabilities:						
Accounts payable	1,076,439	7,431,789	463,591	25,525	8,997,344	404,887
Deposits	734,849	-	-	-	734,849	-
Due to other governments	-	64,914	233,953	53,488	352,355	-
Advances from other funds	-	-	-	-	-	300,000
Due to other funds	638,559	3,521,288	51,830	736	4,212,413	1,470,997
Accrued interest payable	699,691	2,038,518	1,660	-	2,739,869	-
Accrued liabilities	318,894	420,055	-	52,990	791,939	2,627,308
Accrued wages	318,943	203,664	-	10,400	533,007	205,875
Accrued vacation and leave	745,594	479,839	-	28,292	1,253,725	529,332
Obligations under capital lease	58,816	-	-	14,004	72,820	-
Liability for unpaid claims	-	-	-	-	-	4,763,237
Debt:						
General obligation bonds	-	-	79,125	-	79,125	-
Mortgage revenue bonds	4,060,000	-	-	-	4,060,000	-
Revenue bonds	-	1,800,000	-	-	1,800,000	420,000
OWDA loans	1,668,883	14,559,201	-	-	16,228,084	-
OPWC loans	95,958	105,555	-	-	201,513	-
Unamortized bond premium and discount	77,296	7,920	-	-	85,216	-
Total current liabilities	10,493,922	30,632,743	830,159	185,435	42,142,259	10,721,636
Noncurrent liabilities:						
Due in more than one year	6,095,765	4,156,380	-	248,385	10,500,530	6,057,591
Bonds, notes, and loans payable	42,770,871	253,948,366	389,356	-	297,108,593	3,500,000
Unamortized bond premium and discount	744,381	37,962	-	-	782,343	-
Net pension liability	9,992,600	6,688,710	-	491,855	17,173,165	6,314,710
Total noncurrent liabilities	59,603,617	264,831,418	389,356	740,240	325,564,631	15,872,301
Total liabilities	70,097,539	295,464,161	1,219,515	925,675	367,706,890	26,593,937
<b>Deferred Inflows of Resources</b>	667,877	1,308,805	12,311	12,921	2,001,914	171,401
<b>Net Position</b>						
Net investment in capital assets	114,933,937	192,231,592	72,710,514	9,339,140	389,215,183	3,184,519
Restricted for debt service	3,410,347	5,978,963	-	-	9,389,310	-
Unrestricted (deficit)	(1,633,339)	51,763,561	(521,281)	(605,935)	49,003,006	(17,020,159)
Total net position	116,710,945	249,974,116	72,189,233	8,733,205	447,607,499	(13,835,640)
Total liabilities, deferred inflows and net position	\$ 187,476,361	\$ 546,747,082	\$ 73,421,059	\$ 9,671,801		\$ 12,929,698
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds:					(1,556,097)	
Net position of business-type activities					\$ 446,051,402	

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

City of Akron, Ohio  
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds  
For the Year Ended December 31, 2016

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities- Internal Service Funds
<b>Operating revenues</b>						
Charges for services	\$ 35,007,269	\$ 89,737,999	\$ 4,494,518	\$ 1,100,404	\$ 130,340,190	\$ 51,258,213
Other	2,810,127	101,084	107,680	319,821	3,338,712	1,476,385
	<u>37,817,396</u>	<u>89,839,083</u>	<u>4,602,198</u>	<u>1,420,225</u>	<u>133,678,902</u>	<u>52,734,598</u>
<b>Operating expenses</b>						
Personal services	13,633,169	8,911,159	-	912,228	23,456,556	9,147,837
Direct expenses	11,982,320	60,424,001	3,599,877	714,103	76,720,301	14,575,153
Claims	10,770	6,995	-	144	17,909	31,265,966
Rentals and lease	399,177	83,252	-	66,640	549,069	21,714
Utilities	1,730,716	1,304,952	720,834	84,599	3,841,101	230,211
Insurance	135,742	1,320,221	56,799	27,325	1,540,087	3,657,476
Depreciation, depletion and amortization	5,254,854	8,894,551	2,410,479	270,974	16,830,858	86,341
Other	123,634	131,356	471,487	109,802	836,279	6,782
	<u>33,270,382</u>	<u>81,076,487</u>	<u>7,259,476</u>	<u>2,185,815</u>	<u>123,792,160</u>	<u>58,991,480</u>
Operating income (loss)	<u>4,547,014</u>	<u>8,762,596</u>	<u>(2,657,278)</u>	<u>(765,590)</u>	<u>9,886,742</u>	<u>(6,256,882)</u>
<b>Nonoperating revenues (expenses)</b>						
Interest income	108	107,547	-	-	107,655	515
Interest expense	(1,231,905)	(3,857,430)	(10,127)	(635)	(5,100,097)	(64,484)
	<u>(1,231,797)</u>	<u>(3,749,883)</u>	<u>(10,127)</u>	<u>(635)</u>	<u>(4,992,442)</u>	<u>(63,969)</u>
Gain (loss) before transfers and contributions	3,315,217	5,012,713	(2,667,405)	(766,225)	4,894,300	(6,320,851)
Transfers-in	-	-	216,000	395,000	611,000	-
Capital contributions	242,428	5,162,656	76,065	-	5,481,149	410,000
	<u>242,428</u>	<u>5,162,656</u>	<u>292,065</u>	<u>395,000</u>	<u>6,092,149</u>	<u>410,000</u>
Changes in net position	3,557,645	10,175,369	(2,375,340)	(371,225)	10,986,449	(5,910,851)
Net position, January 1, 2016, as restated	<u>113,153,300</u>	<u>239,798,747</u>	<u>74,564,573</u>	<u>9,104,430</u>		<u>(7,924,789)</u>
Net position, December 31, 2016	<u>\$ 116,710,945</u>	<u>\$ 249,974,116</u>	<u>\$ 72,189,233</u>	<u>\$ 8,733,205</u>		<u>\$ (13,835,640)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					(1,487,910)	
Change in net position of business-type activities					<u>\$ 9,498,539</u>	

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

City of Akron, Ohio  
Statement of Cash Flows - Proprietary Funds  
For the Year Ended December 31, 2016

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities Internal Service Funds
<b>Operating activities</b>						
Cash received from customers	\$ 32,061,342	\$ 89,914,008	\$ 4,517,922	\$ 1,084,057	\$ 127,577,329	\$ 51,922,514
Cash payments to suppliers for goods and services	(14,410,012)	(61,402,782)	(4,419,799)	(828,902)	(81,061,495)	(17,166,328)
Cash paid for salaries and employee benefits	(12,485,662)	(8,327,252)	-	(964,119)	(21,777,033)	(40,070,524)
Other revenues	2,810,127	101,084	107,680	319,821	3,338,712	1,476,385
Other expenses	(123,634)	(131,356)	(471,487)	(109,802)	(836,279)	(6,782)
Net cash provided by (used for) operating activities	7,852,161	20,153,702	(265,684)	(498,945)	27,241,234	(3,844,735)
<b>Non-capital financing activities</b>						
Operating transfers from other funds	-	-	216,000	395,000	611,000	-
Transfers/advances in for negative cash balances	-	-	-	-	-	98,000
Proceeds from sale of notes	-	-	-	-	-	3,500,000
Principal paid on bonds, loans and notes	-	-	-	-	-	(4,500,000)
Interest paid on bonds, loans and notes	-	-	-	-	-	(51,750)
Net cash provided by (used for) non-capital financing activities	-	-	216,000	395,000	611,000	(953,750)
<b>Capital and related financing activities</b>						
Proceeds from the sale of bonds	3,035,359	138,918,450	-	-	141,953,809	-
Principal paid on bonds and loans	(5,460,517)	(14,118,486)	(75,748)	-	(19,654,751)	(410,000)
Interest paid on bonds and loans	(1,580,136)	(5,020,573)	(10,315)	(635)	(6,611,659)	(12,734)
Acquisition and construction of capital assets	(5,228,274)	(121,405,466)	(317)	(16,250)	(126,650,307)	(565,383)
Capital contributions	242,428	5,162,656	76,065	-	5,481,149	410,000
Net cash provided by (used for) capital and related financing activities	(8,991,140)	3,536,581	(10,315)	(16,885)	(5,481,759)	(578,117)
<b>Investing activities</b>						
Purchase of investment securities	(6,606,377)	(5,720,348)	-	-	(12,326,725)	-
Proceeds from sales and maturities of investment securities	6,606,377	5,720,348	-	-	12,326,725	-
Interest on investments	108	107,547	-	-	107,655	515
Net cash provided by investing activities	108	107,547	-	-	107,655	515
Net increase (decrease) in cash and cash equivalents	(1,138,871)	23,797,830	(59,999)	(120,830)	22,478,130	(5,376,087)
Cash and cash equivalents, January 1, 2016	10,159,586	40,619,142	217,027	174,597	51,170,352	10,852,214
Cash and cash equivalents, December 31, 2016	\$ 9,020,715	\$ 64,416,972	\$ 157,028	\$ 53,767	\$ 73,648,482	\$ 5,476,127
Operating income (loss)	\$ 4,547,014	\$ 8,762,596	\$ (2,657,278)	\$ (765,590)	\$ 9,886,742	\$ (6,256,882)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation, depletion and amortization	5,254,854	8,894,551	2,410,479	270,974	16,830,858	86,341
(Increase) decrease in operating assets:						
Receivables	(673,801)	(952,082)	11,093	(16,347)	(1,631,137)	(42,559)
Due from other funds	(2,672,490)	(4,195)	-	-	(2,676,685)	706,860
Inventories	37,660	39,958	-	21,129	98,747	20,333
Increase (decrease) in operating liabilities:						
Accounts payable	(287,637)	250,623	(42,386)	(8,182)	(87,582)	(93,821)
Due to other funds	128,987	1,521,225	1,752	(2,670)	1,649,294	1,391,714
Due to other governments	(51,742)	(82,162)	(1,655)	53,488	(82,071)	-
Accrued liabilities	1,348,515	1,661,111	12,311	(33,208)	2,988,729	548,552
Accrued wages	(21,452)	(30,862)	-	(9,632)	(61,946)	(5,170)
Accrued vacation and leave	242,253	92,939	-	(8,907)	326,285	385,671
Estimated liability for unpaid claims	-	-	-	-	-	(585,774)
Net cash provided by (used for) operating activities	\$ 7,852,161	\$ 20,153,702	\$ (265,684)	\$ (498,945)	\$ 27,241,234	\$ (3,844,735)

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

City of Akron, Ohio  
Statement of Net Position - Fiduciary Funds  
December 31, 2016

	<b>Private Purpose Trust Funds</b>	<b>Agency Funds</b>
<b>Assets</b>		
Cash and investments	\$ 28,500	\$ 1,781,008
Total assets	<u>28,500</u>	<u>1,781,008</u>
<b>Liabilities</b>		
Due to others	<u>-</u>	<u>1,781,008</u>
Total liabilities	<u>-</u>	<u>1,781,008</u>
<b>Net Position</b>	<u>\$ 28,500</u>	<u>\$ -</u>

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



City of Akron, Ohio  
Statement of Changes in Fiduciary Net Position - Private Purpose Trust Funds  
For the Year Ended December 31, 2016

Exhibit 9

	<b>Private Purpose Trust Funds</b>
	<hr/>
<b>Additions</b>	
Contributions	\$ 11,148
	<hr/> 11,148
<b>Deductions</b>	
Education and awareness	2,051
	<hr/> 2,051
Change in net position	<hr/> 9,097
Net position, January 1, 2016	<hr/> 19,403
Net position, December 31, 2016	<hr/> <hr/> \$ 28,500

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

**City of Akron, Ohio**  
**Notes to the Financial Statements**  
**Year Ended December 31, 2016**

**1. Summary of Significant Accounting Policies**

The City of Akron (the City) was incorporated in 1836 and is a home rule municipal corporation under the laws of the State of Ohio. The City operates under a Council-Mayor form of government and provides the following services as authorized by its Charter: public safety, public service, public health, recreation and development. The accompanying financial statements comply with the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, and Statement No. 61, *The Financial Reporting Entity: Omnibus* in that the financial statements include those activities and functions for which the City is accountable. The City has no component units as defined by GASB 14 and 39. The City is associated with certain organizations which are defined as jointly governed organizations, joint ventures and related organizations. These organizations are presented in Notes 25, 26 and 27 to the basic financial statements. These organizations are the Akron Metropolitan Area Transportation Study (AMATS), the Akron/Summit Convention and Visitors' Bureau, the Copley-Akron Joint Economic Development District ("JEDD"), the Coventry-Akron JEDD, the Springfield-Akron JEDD, the Bath-Akron-Fairlawn JEDD, and the Summit Medina Business Alliance (SMBA). The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units.

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

**A. Government-wide and fund financial statements**

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

**Basic Financial Statements:**

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

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

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

## 1. Summary of Significant Accounting Policies (Continued)

These eliminations minimize the duplicating effect on assets and liabilities within the governmental and business-type activities total column. Interfund services provided and used are not eliminated in the process of consolidation.

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

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

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

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

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

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

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

The Community Learning Centers (CLC) Fund is used to account for the daily activity relating to the CLC project. The cooperative agreement with the Board of Education of the Akron Public Schools District (District) provides a mechanism to fund the renovation and/or rebuilding of all CLC's in Akron. This major rebuilding program is funded primarily through City income tax, shared revenue and bond proceeds.

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

## 1. Summary of Significant Accounting Policies (Continued)

The Special Assessment Fund is used to account for the accumulation of resources for, and the payment of, assessment related activities including Street Lighting, Street Cleaning, and related costs. Revenues consist primarily of special assessment collections.

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

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

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

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

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

### **Required Supplementary Information:**

Required supplementary information such as Management's Discussion and Analysis and budgetary comparison schedules are also required by GASB Statement No. 34. GASB Statement No. 68 requires the Schedule of City's Proportionate Share of Net Pension Liability and the Schedule of the City Contributions to State Pension Funds.

## **B. *Financial reporting presentation***

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred outflows/inflows of resources, fund balance (equity), revenues, and expenditures (expenses). The fund types and classifications that the City reports are as follows:

### **GOVERNMENTAL FUNDS**

1. **General Fund** – The General Fund is the general operating fund of the City and is appropriated. It is used to account for all financial resources except those required to be accounted for in another fund.

## 1. **Summary of Significant Accounting Policies (Continued)**

2. **Special Revenue Funds** – Special Revenue Funds are used to account for revenues derived from specific taxes, grants, or other restricted revenue sources. The uses and limitations of each Special Revenue Fund are specified by City ordinances or federal or state statutes.
3. **Debt Service Funds** – Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.
4. **Capital Projects Funds** - The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital projects (other than those financed by proprietary funds).
5. **Permanent Funds** – Permanent Funds are for the purpose of accounting for resources that are legally restricted to the extent that earnings, and not principal, may be used for purposes that support the reporting government's programs. The City, however, does not utilize Permanent Funds at this time.

### **PROPRIETARY FUNDS**

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

### **FIDUCIARY FUNDS**

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

## 1. Summary of Significant Accounting Policies (Continued)

Springfield-Akron JEDD, and Bath-Akron-Fairlawn JEDD. The JEDD funds are used to account for the specific JEDD District activities and disbursements.

3. **Other Fiduciary Funds** – Other Fiduciary Funds include pension trust funds and investment trust funds. The City does not utilize any such trust funds. Fiduciary Funds are not included in the government-wide statements.

### C. *Measurement focus and basis of accounting*

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

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

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

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

## **1. Summary of Significant Accounting Policies (Continued)**

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

### **D. *Budgetary Procedures***

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

- (1) The Mayor submits to the City Council a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public hearings are conducted to obtain taxpayer comments.
- (3) According to state law, the budget must be enacted through passage of an ordinance by April 1.
- (4) The City Finance Director is authorized by City Council to transfer funds already appropriated within departments within any fund or category of expenditures; however, any revisions that alter the total appropriation of said department must be individually approved by the City Council. During 2016, supplemental appropriations were passed by City Council.
- (5) Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are recorded as the equivalent of expenditures. Unencumbered appropriations lapse at year-end.

## 1. Summary of Significant Accounting Policies (Continued)

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

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

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

### E. *Cash, Cash Equivalents, and Investments*

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

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

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

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



## 1. Summary of Significant Accounting Policies (Continued)

- G. **Capital Assets** – Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements to the extent the City’s capitalization threshold is met. The City defines capital assets as assets with an estimated useful life in excess of three years and an individual cost of more than \$5,000 for land; \$10,000 for equipment and vehicles; \$50,000 for intangibles – easements; \$500,000 for intangibles – computer software; \$25,000 for land improvements, buildings, and improvements other than buildings; and \$100,000 for infrastructure. Assets are recorded at historical cost or estimated historical cost if historical cost is not available. Contributed capital assets are recorded at their estimated fair market value at the date contributed. Infrastructure acquired prior to December 31, 1980, is also reported as a component of the above-mentioned capital assets.

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

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

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

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

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

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

## 1. Summary of Significant Accounting Policies (Continued)

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

The classifications are as follows:

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

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

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

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

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

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

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

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

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to restrict that portion of the appropriation, is employed as an extension of formal budgetary integration in the governmental funds. Significant encumbrances as of December 31, 2016, total \$1,904,060 in the General fund, \$831,485 in the Income Tax Capital Improvement fund, \$1,003,896 in the Special Assessment fund, and \$5,271,191 in all other Governmental funds.

## 1. Summary of Significant Accounting Policies (Continued)

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

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

The City's interfund receivables and payables at December 31, 2016 are presented in Note 5. These are eliminated entity-wide and shown as Internal Balances on the Statement of Net Position. Interfund transfers are presented in Note 22.

K. ***Pensions and Post-retirement Benefits*** – For purposes of measuring the net pension liability, deferred outflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

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

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

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

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

## 1. Summary of Significant Accounting Policies (Continued)

The former Building Inspection and Plans and Permits employees, while employed by Summit County, must retire under Ohio Public Employees Retirement System to be entitled to receive payment of the accumulated sick leave at the hourly rate the employee was receiving at the time of resignation from the City along with the retirement differential. The City has recorded a long-term liability of \$76,451.

The former Health Department employees while employed by Summit County must retire under Ohio Public Employees Retirement System to be entitled to receive payment of the accumulated sick leave at the hourly rate the employee was receiving at the time of resignation from the City along with the retirement differential. The City has recorded a long-term liability of \$1,029,268. Additionally, the former Health Department employees are entitled to staggered payouts for their accumulated vacation, paid leave, and compensatory time at the hourly rate the employee was receiving at the time of resignation from the City. The liability is the actual amount due to employees.

- N. **Net Position** – Net Position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. The restricted component of net position is reported when there are limitations imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for Capital Projects are mainly attributed to economic development, public parking, and street projects. The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.
- O. **Accounting Standards** – The City applies all applicable and effective pronouncements issued by the Governmental Accounting Standards Board (GASB).

In February 2015, the GASB issued statement No. 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of *fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The City's financial statements have been prepared in conformance with this Statement.

In June 2015, the GASB issued statement No. 75, *Accounting Financial Reporting for Postemployment Benefits Other Than Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (Pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. For the City, this Statement is effective for periods beginning after June 15, 2017.

## 1. Summary of Significant Accounting Policies (Continued)

In June 2015, the GASB issued statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to identify - in the context of the current governmental financial reporting environment - the hierarchy of generally accepted accounting principles (GAAP). The "GAAP hierarchy" consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. This Statement supersedes Statement No. 55 *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The City's financial statements have been prepared in conformance with this Statement.

In February 2015, the GASB issued statement No. 77, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of *fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The City's financial statements have been prepared in conformance with this Statement.

In December 2015, the GASB issued statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement establishes accounting and financial reporting standards for qualifying external investment pools that elect to measure for financial reporting purposes all of their investments at amortized cost. This Statement also establishes accounting and financial reporting standards for state and local governments that participate in a qualifying external investment pool that measures for financial reporting purposes all of its investments at amortized cost. This Statement applies to all state and local governments. The City's financial statements have been prepared in conformance with this Statement.

In March 2016, the GASB issued statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. For the City, this statement is effective for periods beginning after December 15, 2016.

In March 2016, the GASB issued statement No. 82, *Pension Issues an amendment of GASB Statements No. 67, No. 68, and No. 73*. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and Amendments to Certain Provisions of GASB Statements 67 and 68. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. For the City, this statement is effective for periods beginning after June 15, 2016.

## 2. Pooled Cash and Investments

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

### *Deposits:*

City ordinances require that all deposits be secured by collateral securities pledged at market value in an amount equal to at least 100% of the deposit, less any amount covered by federal deposit insurance. Custodial credit risk is the risk that, in the event of a bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by Ohio Revised Code, is held in collateral pools at Federal Reserve Banks, or at member banks of the Federal Reserve System, in the name of the depository bank and pledged as a pool of collateral against all public deposits held by the depository.

The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money have been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

At December 31, 2016, the carrying amount of the City's deposits was \$104,592,448 and the bank balance was \$107,250,481. The difference in the carrying amount and bank balance was composed of outstanding checks and other normal reconciling items. Of the bank balance, \$51,611,926 was covered by federal depository insurance, and \$55,638,555 was uninsured but collateralized with unregistered securities held by the pledging financial institution's trust department in the City's name.

Total cash and investments are reported as follows:

Balance Sheet - Governmental Funds:	
Pooled cash and investments	\$ 58,247,477
Restricted cash and investments	43,301,506
Statement of Net Position - Proprietary Funds:	
Enterprise Funds	
Pooled cash and investments	64,259,172
Restricted cash and investments	9,389,310
Internal Service Funds	
Pooled cash and investments	5,476,127
Statement of Net Position - Fiduciary Funds:	<u>1,809,508</u>
Total	<u>\$ 182,483,100</u>

Investments in City of Akron notes amounting to \$3,537,997 are eliminated in the government-wide statement of net position at December 31, 2016.

## 2. Pooled Cash and Investments (Continued)

### *Investments:*

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

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

The repurchase agreement investment maturity is less than one year.

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

**Credit Risk.** City ordinances authorize the treasurer to invest in obligations of the United States Treasury, agencies and instrumentalities and direct obligations of the State of Ohio, including any subdivisions of the state. As of December 31, 2016, the investments held by the bond trustees and STAROhio were rated AAAm by Standard & Poor's. All municipal bonds and notes are rated A2 or better by Moody's or A or better by Standard & Poor's.

The City invests funds in the State Treasury Asset Reserve of Ohio (STAROhio). STAROhio is an investment pool managed by the State Treasurer's office which allows governments within the state to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company but does operate in a manner consistent with rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31, 2016.

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

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

At December 31, 2016, \$52,690,816 of cash and investments was restricted for the following purposes: \$175,029 was restricted for lease costs for Canal Park Stadium; \$12,430,717 was restricted for Akron District Energy COPs; and \$10,202,335 was restricted solely for retirement of City obligations; and the balance of \$29,882,735 was held by the trustee for payment of debt service on the Community Learning Centers' Income Tax Revenue Bonds.

## 2. Pooled Cash and Investments (Continued)

As of December 31, 2016 the City had the following investments.

<u>Investment Types</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years)</u>	
		<u>Less Than 1</u>	<u>1-5</u>
U.S. Treasuries or Agencies	\$ 24,885,334	\$ -	\$ 24,885,334
STAROhio	97,014	97,014	-
City of Akron Assessment Debt	3,537,997	1,004,645	2,533,352
Investments held by bond trustees:			
U.S. Treasuries or Agencies	18,622,094	18,796,670	-
Miscellaneous Municipalities	1	1	-
Cash Reserve	3,690,959	3,690,959	-
Investments held by Community Learning Center trustees:			
U.S. Treasuries or Agencies	27,053,216	1,981,193	24,957,708
Money Market	4,037	4,037	-
Total	<u>\$ 77,890,652</u>	<u>\$ 25,574,519</u>	<u>\$ 52,376,394</u>



### 3. Receivables

Receivables, net of allowances for uncollectible reported in the Statement of Net Position, consist of the following at December 31, 2016:

	Taxes	Customer Charges, Special Assessments, and Others	Gross Receivables	Allowance for Uncollectibles	Net
<b>Governmental Activities</b>					
Governmental Funds:					
General Fund	\$ 40,674,756	\$ 12,718,157	\$ 53,392,913	\$ (1,151,346)	\$ 52,241,567
Community Learning Centers	2,426,685	51,000,000	53,426,685	-	53,426,685
Income Tax Capital Improvement	7,440,005	1,107,044	8,547,049	-	8,547,049
Special Assessment Fund	-	68,968,853	68,968,853	(34,264,909)	34,703,944
Other Governmental Funds	9,350,363	22,979,042	32,329,405	-	32,329,405
Total Governmental Funds	59,891,809	156,773,096	216,664,905	(35,416,255)	181,248,650
Internal Service Funds	-	58,267	58,267	-	58,267
Total Governmental Activities	59,891,809	156,831,363	216,723,172	(35,416,255)	181,306,917
<b>Business-type Activities</b>					
Enterprise Funds:					
Water	-	7,831,867	7,831,867	(2,268,064)	5,563,803
Sewer	-	19,339,668	19,339,668	(3,379,025)	15,960,643
Oil & Gas	-	50,211	50,211	-	50,211
Off-Street Parking	-	97,889	97,889	(12,853)	85,036
Total Business-type Activities	-	27,319,635	27,319,635	(5,659,942)	21,659,693
<b>Total Receivables</b>	<u>\$ 59,891,809</u>	<u>\$ 184,150,998</u>	<u>\$ 244,042,807</u>	<u>\$ (41,076,197)</u>	<u>\$ 202,966,610</u>

Included in the amounts above are water and sewer unbilled charges for services of approximately \$1,166,000 and \$4,114,000, respectively.

Delinquent special assessment receivables amounted to \$36,375,481 at December 31, 2016 and were fully reserved for in the allowance for uncollectibles in the General, Special Assessment, Water, and Sewer funds.

#### 4. Due From/To Other Governments

Amounts due from other governments at December 31, 2016 consist of the following:

	<b>Federal</b>	<b>State</b>	<b>Total</b>
Governmental Funds:			
General Fund	\$ 7,869	\$ -	\$ 7,869
Other Governmental Funds	2,691,010	384,782	3,075,792
<b>Total Governmental Funds</b>	<u>\$ 2,698,879</u>	<u>\$ 384,782</u>	<u>\$ 3,083,661</u>
Enterprise Funds:			
Water	\$ 29,287	\$ 199,321	\$ 228,608
Sewer	-	179,209	179,209
<b>Total Enterprise Funds</b>	<u>\$ 29,287</u>	<u>\$ 378,530</u>	<u>\$ 407,817</u>

Amounts due to other governments at December 31, 2016 consist of the following:

	<b>Federal</b>	<b>State</b>	<b>County</b>	<b>Local</b>	<b>Total</b>
Governmental Funds:					
General Fund	\$ -	\$ 56,502	\$ 3,035,945	\$ -	\$ 3,092,447
Income Tax Capital Improvement	-	4,963	6,611	-	11,574
Other Governmental Funds	4,238,125	178,637	114,183	146,225	4,677,170
<b>Total Governmental Funds</b>	<u>\$ 4,238,125</u>	<u>\$ 240,102</u>	<u>\$ 3,156,739</u>	<u>\$ 146,225</u>	<u>\$ 7,781,191</u>

The \$7,781,191 due to other governments includes \$3,960,162 that is reported as long-term liabilities in the government-wide statement of net position as liabilities due in more than one year.

Enterprise Funds:					
Sewer	\$ 2,125	\$ -	\$ 62,789	\$ -	\$ 64,914
Off-Street Parking	-	-	233,953	-	233,953
Other Enterprise Funds	-	-	53,488	-	53,488
<b>Total Enterprise Funds</b>	<u>\$ 2,125</u>	<u>\$ -</u>	<u>\$ 350,230</u>	<u>\$ -</u>	<u>\$ 352,355</u>

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

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

The county amount recorded in Governmental Funds relates to City reimbursements to Summit County for services provided primarily for jail spaces to house City inmates.

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

## 5. Due From/To Other Funds

Interfund receivable and payable balances at December 31, 2016 are due within one year consist of the following individual fund receivables and payables:

	Receivable	Payable
<b>Governmental Funds:</b>		
General Fund	\$ 2,370,119	\$ 520,210
Community Learning Centers	1,226,404	-
Income Tax Capital Improvement	1,976,000	148,431
Special Assessment	-	108,477
Other Governmental Funds	361,553	3,571,271
	<u>\$ 5,934,076</u>	<u>\$ 4,348,389</u>
<b>Proprietary Funds:</b>		
Enterprise Funds:		
Water	\$ 3,066,680	\$ 638,559
Sewer	5,503	3,521,288
Off-Street Parking	-	51,830
Other Enterprise Funds	-	736
	<u>\$ 3,072,183</u>	<u>\$ 4,212,413</u>
Internal Service Funds	<u>1,025,540</u>	<u>1,470,997</u>
Total	<u>\$ 10,031,799</u>	<u>\$ 10,031,799</u>

Transactions between funds are reported as revenues in the receiving funds, and expenditures/expense in purchaser funds.

## 6. Deposits

On December 15, 2003, the City of Akron entered into a cooperative agreement for Community Learning Centers (CLC) with the Board of Education of the Akron City School District (District). The cooperative agreement is the foundation for all the activity associated with the City's .25% income tax and the ownership relating to the CLCs. As of December 31, 2016, the District had \$41,447,960 of unspent City funds that are recorded as Deposits on the City's Statement of Net Position and are recorded on the District's financial statements as "due to City of Akron".

## 7. Capital Assets

Capital asset activity for the year ended December 31, 2016 was as follows:

	Balance January 1, 2016	Additions	Deletions	Balance December 31, 2016
<b>Governmental Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 157,521,221	\$ 73,578	\$ 496,902	\$ 157,097,897
Construction in progress	50,542,196	15,443,209	16,163,553	49,821,852
CLC Land	1,360,300	7,246	-	1,367,546
CLC Construction in progress	53,380,890	19,056,096	41,372,067	31,064,919
Total capital assets, not being depreciated	262,804,607	34,580,129	58,032,522	239,352,214
Capital assets, being depreciated:				
Buildings	215,037,790	35,412	-	215,073,202
CLC Building Equity Interest	200,300,188	41,364,821	-	241,665,009
Improvements other than buildings	168,542,117	4,426,699	-	172,968,816
CLC Improvements other than buildings	253,244	-	-	253,244
Equipment & Intangibles	118,275,136	14,002,731	1,664,250	130,613,617
Infrastructure	677,323,892	17,305,885	-	694,629,777
Total capital assets, being depreciated	1,379,732,367	77,135,548	1,664,250	1,455,203,665
Less accumulated depreciation for:				
Buildings	96,596,676	4,470,941	-	101,067,617
CLC Building Equity Interest	18,499,593	4,595,169	-	23,094,762
Improvements other than buildings	67,303,832	5,904,149	-	73,207,981
CLC Improvements other than buildings	22,229	7,671	-	29,900
Equipment & Intangibles	100,848,120	4,740,003	1,008,497	104,579,626
Infrastructure	343,200,277	18,043,685	-	361,243,962
Total accumulated depreciation	626,470,727	37,761,618	1,008,497	663,223,848
Total capital assets, being depreciated, net	753,261,640	39,373,930	655,753	791,979,817
Governmental activities capital assets, net	\$ 1,016,066,247	\$ 73,954,059	\$ 58,688,275	\$ 1,031,332,031

## 7. Capital Assets (Continued)

	Balance January 1, 2016	Additions	Deletions	Balance December 31, 2016
<b>Business-type Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 36,958,258	\$ 254,870	\$ -	\$ 37,213,128
Construction in progress	135,368,969	127,211,140	3,889,597	258,690,512
Total capital assets, not being depreciated	172,327,227	127,466,010	3,889,597	295,903,640
Capital assets, being depreciated:				
Buildings	195,301,174	-	-	195,301,174
Improvements other than buildings	453,822,610	318,625	-	454,141,235
Equipment and Intangibles	39,534,493	1,321,928	261,208	40,595,213
Infrastructure	199,106,759	6,059,073	-	205,165,832
Total capital assets, being depreciated	887,765,036	7,699,626	261,208	895,203,454
Less accumulated depreciation for:				
Buildings	91,426,629	3,119,148	-	94,545,777
Improvements other than buildings	293,473,128	7,761,506	-	301,234,634
Equipment and Intangibles	35,256,009	891,438	261,208	35,886,239
Infrastructure	45,616,360	5,058,766	-	50,675,126
Total accumulated depreciation	465,772,126	16,830,858	261,208	482,341,776
Total capital assets, being depreciated, net	421,992,910	(9,131,232)	-	412,861,678
Business-type activities capital assets, net	<u>\$ 594,320,137</u>	<u>\$ 118,334,778</u>	<u>\$ 3,889,597</u>	<u>\$ 708,765,318</u>

## 7. Capital Assets (Continued)

Depreciation expense was charged during 2016 to functions of the government as follows:

### Governmental Activities:

General government	\$ 2,015,257
Public service	8,508,003
Public safety	1,876,368
Community environment	6,173,025
Public health	271,854
Unallocated depreciation	18,830,770
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>86,341</u>
Total depreciation expense charged to governmental activities	<u>\$ 37,761,618</u>

### Business-type Activities:

Water	\$ 5,254,854
Sewer	8,894,551
Off-Street Parking	2,410,479
Other Business-type activities	<u>270,974</u>
Total depreciation, depletion and amortization expense charged to business-type activities	<u>\$ 16,830,858</u>

Construction in progress and remaining capital commitments (including capitalized interest of \$4,924,756, of which \$2,180,085 was capitalized in 2016) are comprised of the following:

	Project Authorization	Expended to December 31, 2016	Committed
Governmental Activities:			
Governmental	\$ 66,074,471	\$ 56,819,485	\$ 9,254,986
Business-type Activities:			
Water	27,121,786	26,879,970	241,816
Sewer	403,640,969	229,157,274	174,483,695
Off-Street Parking	<u>67,550</u>	<u>55,950</u>	<u>11,600</u>
	<u>\$ 496,904,776</u>	<u>\$ 312,912,679</u>	<u>\$ 183,992,097</u>

## 8. **Accrued Vacation and Leave**

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

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

Vacation, paid leave, sick leave and compensatory time accumulated by employees whose wages are charged to proprietary fund types are expensed when earned and recorded as liabilities in the government-wide statement of net position and in the proprietary fund statement of net position.

Sick leave is earned by substantially all employees. Unused sick leave is accumulated up to 960 hours for uniformed firefighters and 1,000 hours for all other eligible employees. Unused sick leave vests upon reaching certain age and service requirements. The vested portion of accumulated sick leave and amounts earned through December 31, 2016 and expected to vest in the future has been accrued in the government-wide statement of net position for all City employees. Amounts related to the City's proprietary fund operations are also accrued for in the proprietary fund statement of net position due to the nature of these funds.

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

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

## 8. Accrued Vacation and Leave (Continued)

As of December 31, 2016, the accrued vacation, paid leave, sick leave, and compensatory time is recorded as a current liability (due within one year) in the Statement of Net Position as follows:

	Balance January 1, 2016	Additions	Deletions	Balance December 31, 2016
<b>Governmental Activities:</b>				
Governmental Funds:				
General Fund	\$ 7,268,733	\$ 7,000,046	\$ (7,268,733)	\$ 7,000,046
Income Tax Capital Improvement	43,290	36,581	(43,290)	36,581
Special Assessment Fund	245,661	262,775	(245,661)	262,775
Other Governmental Funds	1,971,519	2,545,601	(1,971,519)	2,545,601
<b>Total Governmental Funds</b>	9,529,203	9,845,003	(9,529,203)	9,845,003
Internal Service Funds	471,592	529,332	(471,592)	529,332
Total Governmental Activities	10,000,795	10,374,335	(10,000,795)	10,374,335
<b>Business-type Activities:</b>				
Enterprise Funds:				
Water	692,135	745,594	(692,135)	745,594
Sewer	449,616	479,839	(449,616)	479,839
Other Enterprise Funds	33,268	28,292	(33,268)	28,292
<b>Total Enterprise Funds/ Business-type Activities</b>	1,175,019	1,253,725	(1,175,019)	1,253,725
	<u>\$ 11,175,814</u>	<u>\$ 11,628,060</u>	<u>\$ (11,175,814)</u>	<u>\$ 11,628,060</u>

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

<b>Governmental Activities:</b>				
Governmental Funds:				
General Fund	\$ 31,638,555	\$ 10,928,334	\$ (11,107,766)	\$ 31,459,123
Income Tax Capital Improvement	152,474	69,116	(55,243)	166,347
Special Assessment Fund	815,603	501,855	(442,200)	875,258
Other Governmental Funds	6,955,229	3,623,135	(2,162,243)	8,416,121
Total Governmental Funds	39,561,861	15,122,440	(13,767,452)	40,916,849
Internal Service Funds	2,175,605	887,314	(559,383)	2,503,536
<b>Total Governmental Activities</b>	41,737,466	16,009,754	(14,326,835)	43,420,385
<b>Business-type Activities:</b>				
Water	2,717,314	1,242,804	(1,054,010)	2,906,108
Sewer	1,934,493	1,308,911	(1,246,195)	1,997,209
Other Business-type Activities	92,168	39,653	(43,583)	88,238
<b>Total Business-type Activities</b>	4,743,975	2,591,368	(2,343,788)	4,991,555
	<u>\$ 46,481,441</u>	<u>\$ 18,601,122</u>	<u>\$ (16,670,623)</u>	<u>\$ 48,411,940</u>



## 9. Pension and Other Post-Retirement Benefit Plans

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

The City also participates in a cost-sharing multi-employer post-retirement health benefits plan, administered by Police and Fire, for these city employees. Substantially all other City employees participate in the statewide Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multi-employer defined-benefit pension plan. The member-directed plan is a defined-contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined-benefit pension plan that has elements of both a defined-benefit and a defined-contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan. The City also participates in a cost-sharing multi-employer post-retirement health benefits plan, administered by OPERS, for these City employees.

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

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

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

### **Net Pension Liability**

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the City's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the City's obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees' services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension liability on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in due to other governments on both the accrual and modified accrual bases of accounting.

### **Plan Description – Ohio Public Employees Retirement System (OPERS)**

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan, the member-directed plan is a defined contribution plan, and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, the vast majority of the City's employees participate in the traditional plan. Therefore, the following plan description focus on the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Public Safety</b>	<b>Public Safety</b>	<b>Public Safety</b>
<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Law Enforcement</b>	<b>Law Enforcement</b>	<b>Law Enforcement</b>
<b>Age and Service Requirements:</b> Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>
<b>Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local	
<b>2016 Statutory Maximum Contribution Rates</b>		
Employer	14.0	%
Employee	10.0	%
<b>2016 Actual Contribution Rates</b>		
Employer:		
Pension	12.0	%
Post-employment Health Care Benefits	2.0	
Total Employer	14.0	%
Employee	10.0	%

\* This rate is determined by OPERS' Board and has no maximum rate established by ORC.

\*\*This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The City's contractually required contribution was \$7,166,768 for 2016. Of this amount, \$1,257,304 is reported as a due to other governments. Both amounts reflected contributions for employees participating in the OPERS traditional plan, combined plan, and member directed plan.

### Plan Description – Ohio Police & Fire Pension Fund (OP&F)

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

Upon attaining a qualifying age with sufficient years of service, a member of OP&F may retire and receive a lifetime monthly pension. OP&F offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

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

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit.

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either three percent or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to three percent of their base pension or disability benefit.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	Police		Firefighters	
<b>2016 Statutory Maximum Contribution Rates</b>				
Employer	19.50	%	24.00	%
Employee:	12.25	%	12.25	%
<b>2016 Actual Contribution Rates</b>				
Employer:				
Pension	19.00	%	23.50	%
Post-employment Health Care Benefits	0.50		0.50	
Total Employer	19.50	%	24.00	%

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution, excluding the amount related to post-retirement health care benefits, to OP&F was \$12,165,191 for 2016. Of this amount \$1,924,540 is reported as a due to other governments. Both amounts reflected contributions for police and firefighters participating in OP&F.

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

### Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability for OPERS was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2015, and was determined by rolling forward the total pension liability as of January 1, 2015, to December 31, 2015. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	Traditional Plan	OPERS Combined Plan	Member Directed	OP&F	Total
Proportionate Share of the Net					
Pension Liability/(Asset)	\$ 75,805,111	\$ (153,607)	\$ (725)	\$ 168,909,514	\$ 244,560,293
Proportion of the Net Pension Liability/(Asset)	0.43764%	0.31566%	0.18979%	2.62564%	
Pension Expense	\$ 10,403,895	\$ 79,468	\$ 122,333	\$ 22,642,003	\$ 33,247,699

At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Traditional Plan	OPERS Combined Plan	Member Directed	OP&F
<b>Deferred Outflows of Resources</b>				
Net difference between projected and actual earnings on pension plan investments	\$ 22,281,966	\$ 66,320	\$ 1,024	\$ 27,491,991
Differences between expected and actual experience	-	-	2,752	-
Changes in proportion and differences between City contributions and proportionate share of contributions	-	-	-	15,863
City contributions subsequent to the measurement date	6,902,445	157,457	106,866	12,165,191
Total Deferred Outflows of Resources	<u>\$ 29,184,411</u>	<u>\$ 223,777</u>	<u>\$ 110,642</u>	<u>\$ 39,673,045</u>
<b>Deferred Inflows of Resources</b>				
Differences between expected and actual experience	1,464,698	70,091	-	474,290
Changes in proportion and differences between City contributions and proportionate share of contributions	480,417	3,356	-	2,304,324
Total Deferred Inflows of Resources	<u>\$ 1,945,115</u>	<u>\$ 73,447</u>	<u>\$ -</u>	<u>\$ 2,778,614</u>

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

\$19,331,959 is reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	Traditional Plan	<u>OPERS</u> Combined Plan	Member Directed	OP&F
Year Ending December 31:				
2017	\$ (4,648,463)	\$ (7,770)	\$ (578)	\$ (6,726,340)
2018	(5,010,437)	(7,770)	(578)	(6,726,340)
2019	(5,635,540)	(7,768)	(578)	(6,726,370)
2020	(5,042,411)	(5,912)	(578)	(5,260,757)
2021	0	9,275	(322)	513,055
Thereafter	0	27,072	(1,422)	97,476
Total	<u>\$ (20,336,851)</u>	<u>\$ 7,127</u>	<u>\$ (4,056)</u>	<u>\$ (24,829,276)</u>

### Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.75 percent
Future Salary Increases, including inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA	3 percent simple through 2018; 2.80 percent simple thereafter
Investment Rate of Return	8 percent
Actuarial Cost Method	Individual Entry Age

Mortality rates were based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

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

The most recent experience study was completed for the five year period ended December 31, 2010.

The long-term rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the 401(h) Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is .4 percent for 2015.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2015 and the long-term expected real rates of return:

Asset Class	Target Allocation	Long Term Expected Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.31 %
Domestic Equities	20.70	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	18.30	7.40
Other investments	18.00	4.59
Total	100.00 %	5.27 %

**Discount Rate** The discount rate used to measure the total pension liability was 8 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.



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

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** The following table presents the City's proportionate share of the net pension liability calculated using the current period discount rate assumption of 8 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (7 percent) or one-percentage-point higher (9 percent) than the current rate:

City's proportionate share of the net pension liability/(asset)  
(in '000s)

	1% Decrease	Current Discount Rate	1% Increase
	-	-	-
Traditional Plan	\$ 120,800	\$ 75,805	\$ 37,900
Combined Plan	\$ (3)	\$ (154)	\$ (300)
Member Directed Plan	\$ 2	\$ 1	\$ (2)

### Changes Between Measurement Date and Report Date

In October 2016, the OPERS Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of December 31, 2016. One of the key changes is a reduction in the discount rate from 8.0 percent to 7.5 percent. The exact changes are unknown; however they will be properly reflected in the December 31, 2017 Comprehensive Annual Financial Report.

### Actuarial Assumptions – OP&F

OP&F's total pension liability as of December 31, 2015 is based on the results of an actuarial valuation date of January 1, 2015, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2015, are presented below:

Valuation Date	January 1, 2015
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.60 percent and 3.00 percent

Rates of death are based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA. The most recent experience study was completed January 1, 2012.

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

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2014 are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash and Cash Equivalents	- %	(0.25) %
Domestic Equity	16.00	4.47
Non-US Equity	16.00	4.47
Core Fixed Income *	20.00	1.62
Global Inflation Protected *	20.00	1.33
High Yield	15.00	3.39
Real Estate	12.00	3.93
Private Markets	8.00	6.98
Timber	5.00	4.92
Master Limited Partnerships	8.00	7.03
Total	<u>120 %</u>	

\* levered 2x

OP&F's Board of Trustees has incorporated the "risk parity" concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate** The total pension liability was calculated using the discount rate of 8.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.25 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.25 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.25 percent), or one percentage point higher (9.25 percent) than the current rate.

City's proportionate share of the net pension liability  
(in '000s)

	1% Decrease (7.25)	Current Discount Rate (8.25)	1% Increase (9.25)
OP&F	\$ 222,769	\$ 168,910	\$ 123,285

### Other Post-retirement Benefits (OPEB)

In addition to the post-retirement benefits provided by the Ohio Police and Fire Pension Fund and the Ohio Public Employees Retirement System of Ohio, the City provides post-retirement health care and life insurance benefits, in accordance with union agreements and City Council ordinances, for retired employees. The post-retirement healthcare coverage is a single self-insured plan, administered through Medical Mutual, which provides medical, prescription drugs, dental, and vision benefits. The major medical portion of the coverage, which includes prescription drugs, ends at age 65. All other benefits continue for the lifetime of the participant. The life insurance amounts are dependent on age at retirement and the retiree's collective bargaining unit. All life insurance amounts are reduced by 50% after the first year of retirement. Dependents are not eligible for life insurance during retirement. The life insurance is fully insured. Substantially all of the City's employees may become eligible for those benefits if they reach normal retirement age while working for the City. Currently, 2,390 retirees meet those eligibility requirements. The City pays 100% of the cost of health care and life insurance benefits. These benefits are financed on a pay-as-you go basis; as such, the cost of retiree health care and life insurance benefits is recognized as expenditure/expense as claims are incurred. For the years ended 2016, 2015, and 2014 those costs were \$4,884,09, \$5,640,489, and \$4,913,830 respectively. Eligibility for OPEB benefits is receiving a pension benefit from OPERS, Police and Fire, or disability retirement. Former employees who are term-vested for pension benefits are not eligible.

Pursuant to GASB issued Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension Benefits*, the City has recorded liabilities of \$48,504,087, and \$5,313,833 in the government-wide statement of net position, as liabilities due in more than one year for Governmental Activities and Business-type Activities, respectively.

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

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

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

Year Ended	Annual Required Contributions	Actual Contributions	Percentage Contributed	
12/31/2014	10,622,000	4,908,000	46.2	
12/31/2015	10,479,000	5,048,000	48.2	
12/31/2016	10,569,000	4,867,000	46.0	

Year Ended	Annual OPEB Cost	Percentage OPEB Cost Contributed	Net OPEB Obligation	
12/31/2014	10,341,000	47.5	43,551,000	
12/31/2015	10,070,000	50.1	48,573,000	
12/31/2016	10,112,000	48.1	53,818,000	

Year Ended	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Covered Payroll	Percentage of Covered Payroll
12/31/2014	167,137,000	167,137,000	91,306,000	183.1
12/31/2015	182,820,000	182,820,000	92,598,000	197.4
12/31/2016	187,721,000	187,721,000	93,295,000	201.2

OPEB are advanced-funded using the entry-age normal actuarial cost method with a level percentage of pay. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. The Unfunded Actuarial Accrued Liability is then amortized as a level percentage of pay over 30 years of open group payroll. For actuarial valuation purposes, a discount rate of 3.0% is assumed, along with a projected payroll growth rate of 2.0%. Other significant actuarial assumptions include a health care cost rate for medical and prescription drugs of 7.0% in 2016, with the rate decreasing by one-quarter percentage per year an ultimate of 5.0% in 2024 and after. In subsequent years after 2024 health care cost rates are assumed to remain at 5.0%. Health care costs for dental and vision were assumed to be 5.0% in 2016. In subsequent years after 2016 health care cost rates for dental and vision are assumed to remain at 5.0%.

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

The following chart shows the determination of the 2016 annual required contribution (ARC) and accrual.

<b>Cost Element</b>	<b>Fiscal Year Ending December 31, 2016</b>
Unfunded actuarial accrued liability	\$ 187,721,000
Annual Required Contribution (ARC)	
Normal cost (including interest to the end of the year)	\$ 3,282,000
Amortization of the unfunded actuarial accrued liability over 30 years using level % of payroll	<u>7,287,000</u>
Annual Required Contribution	\$ 10,569,000
Annual OPEB Cost (Expense)	
ARC	\$ 10,569,000
Interest on beginning of year CAFR accrual	1,457,000
Amortization of beginning of year CAFR accrual	<u>1,914,000</u>
Fiscal year 2016 OPEB cost	10,112,000
End of Year CAFR Accrual (Net OPEB Obligation)	
Beginning of year CAFR Accrual	\$ 48,573,000
Annual OPEB cost	10,112,000
Employer contribution (benefit payments and expense)	<u>4,867,000</u>
End of year CAFR accrual	<u><u>\$ 53,818,000</u></u>

## 10. Notes Payable

The following is a summary of note transactions for the year ended December 31, 2016 reflected in governmental activities in the government-wide financial statements:

	<b>Governmental Activities Special Assessment</b>	<b>Governmental Activities Capital Projects</b>	<b>Governmental Activities Internal Service General Health</b>	<b>Governmental Activities Total</b>
Notes Payable at January 1, 2016	\$ 13,000,000	\$ 10,000,000	\$ 4,500,000	\$ 27,500,000
New notes issued	13,000,000	20,000,000	3,500,000	36,500,000
Notes retired	(13,000,000)	(10,000,000)	(4,500,000)	(27,500,000)
Notes Payable at December 31, 2016	<u>\$ 13,000,000</u>	<u>\$ 20,000,000</u>	<u>\$ 3,500,000</u>	<u>\$ 36,500,000</u>

The following is a summary of the City's future debt service requirements for notes payable as of December 31, 2016 (in thousands):

Fiscal Year Ending December 31	Governmental Activities				Total
	Special Assessment Notes		General Obligation Notes		
	Principal	Interest	Principal	Interest	
2017	\$ 13,000	\$ 192	\$ 23,500	\$ 534	\$ 37,226

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

Notes issued by the City of Akron and held by the City as investments at December 31, 2016 amounting to \$3,537,997 (Note 2) are eliminated in the government-wide statement of net position.

## 10. Notes Payable (Continued)

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

The weighted average interest rates on special assessment notes and general obligation notes at December 31, 2016 were 1.48% and 2.28% respectively.

Notes payable as of December 31, 2016, are comprised of the following individual issues:

Issued	Rate %	Issue	Final Maturity	Amount
<b>Special Assessment Notes:</b>				
<u>Governmental Activities:</u>				
Street Cleaning/Lighting Note: December 19, 2016	1.48	12-16	December 18, 2017	\$ 13,000,000
<b>General Obligation Notes:</b>				
<u>Governmental Activities:</u>				
Health Benefit Notes: March 10, 2016	1.01	3-16	March 9, 2017	3,500,000
Various Purpose Improvement Notes: December 14, 2016	2.50	12-16	December 13, 2017	<u>20,000,000</u>
Total General Obligation Notes				<u>23,500,000</u>
				<u>\$ 36,500,000</u>

## 11. Bonds and Loans Payable and Defeased Debt

The following is a summary of bonds and loans payable for the year ended December 31, 2016:

	Governmental Activities					
	General Obligation	OPWC	ODSA	Non-Tax Revenue	Income Tax Revenue	
Bonds and loans payable at January 1, 2016	\$ 186,840,707	\$ 7,640,794	\$ 5,270,229	\$ 48,035,000	\$ 339,110,565	
New Issues:						
Capital Projects	-	12	-	-	14,655,000	
CLC	-	-	-	-	27,000,000	
Final Judgement	5,000,000	-	-	-	-	
Sewer System	-	-	-	-	-	
Water System	-	-	-	-	-	
Various Purpose Improvements	17,890,000	-	-	-	-	
Retirements	(35,129,316)	(634,500)	(113,737)	(4,290,000)	(27,050,911)	
Bonds and loans payable at December 31, 2016	<u>\$ 174,601,391</u>	<u>\$ 7,006,306</u>	<u>\$ 5,156,492</u>	<u>\$ 43,745,000</u>	<u>\$ 353,714,654</u>	
	Governmental Activities					
	Special Revenue (JEDD)	Special Assessment	Internal Service Income Tax Revenue			
Bonds and loans payable at January 1, 2016	\$ 22,030,000	\$ 2,860,321	\$ 830,000			
New Issues:						
Capital Projects	-	-	-			
CLC	-	-	-			
Final Judgement	-	-	-			
Sewer System	-	-	-			
Water System	-	-	-			
Various Purpose Improvements	-	-	-			
Retirements	(3,325,000)	(962,324)	(410,000)			
Bonds and loans payable at December 31, 2016	<u>\$ 18,705,000</u>	<u>\$ 1,897,997</u>	<u>\$ 420,000</u>			
	Business-type Activities					
	General Obligation	Mortgage Revenue	Revenue	OWDA	OPWC	Total
Bonds and loans payable at January 1, 2016	\$ 544,229	\$ 26,970,000	\$ 6,550,000	\$ 161,974,294	\$ 1,139,734	\$ 809,795,873
New Issues:						
Capital Projects	-	-	-	-	-	14,655,012
CLC	-	-	-	-	-	27,000,000
Final Judgement	-	-	-	-	-	5,000,000
Sewer System	-	-	-	138,918,450	-	138,918,450
Water System	-	-	-	3,035,359	-	3,035,359
Various Purpose Improvements	-	-	-	-	-	17,890,000
Retirements	(75,748)	(3,870,000)	(4,750,000)	(10,757,489)	(201,514)	(91,570,539)
Bonds and loans payable at December 31, 2016	<u>\$ 468,481</u>	<u>\$ 23,100,000</u>	<u>\$ 1,800,000</u>	<u>\$ 293,170,614</u>	<u>\$ 938,220</u>	<u>\$ 924,724,155</u>



## 11. Bonds and Loans Payable and Defeased Debt (Continued)

Bonds and loans payable at December 31, 2016 is comprised of the following individual issues:

Issued	Rate %	Issue	Final Maturity	Amount
<b><u>Governmental Activities:</u></b>				
<b><u>General Obligation Bonds:</u></b>				
Urban Renewal Public Improvement Bonds:				
February 21, 1991	8.0	Series 1990	December 1, 2020	\$ 425,872
December 10, 1991	8.0	Series 1991	December 1, 2021	994,000
Various Purpose Improvement Bonds:				
December 3, 2007	3.75 to 5.0	Series 2007	December 1, 2028	1,290,000
December 1, 2009	3.75 to 5.0	Series 2009	December 1, 2028	370,000
November 30, 2010	2.0 to 5.50	Series 2010A	December 1, 2023	14,320,821
November 30, 2010	2.0 to 5.50	Series 2010B	December 1, 2031	16,800,000
December 21, 2011	1.50 to 4.0	Series 2011	December 1, 2023	31,135,698
November 29, 2012	2.0 to 4.0	Series 2012	December 1, 2024	5,760,000
March 20, 2014	1.25 to 4.0	Series 2014A	December 1, 2026	15,965,000
March 20, 2014	.45 to 4.125	Series 2014B	December 1, 2026	17,205,000
December 2, 2014	2.0 to 5.0	Series 2014C	December 1, 2031	22,445,000
March 10, 2015	1.50 to 5.0	Series 2015	December 1, 2028	25,000,000
May 26, 2016	1.00 to 4.00	Series 2016 Judgement	December 1, 2036	5,000,000
December 6, 2016	1.75 to 4.00	Series 2016A	December 1, 2031	7,155,000
December 6, 2016	1.45 to 3.05	Series 2016B	December 1, 2028	10,735,000
Total General Obligation Bonds:				<u>\$ 174,601,391</u>
<b><u>Ohio Public Works Commission Loans:</u></b>				
July 1, 1997	-	Boxwood Ave.	July 1, 2018	\$ 76,000
July 1, 1998	-	Lakeshore Blvd.	January 1, 2020	202,800
July 1, 1998	-	Tallmadge Ave.	July 1, 2021	250,091
July 1, 1999	-	Lakeshore Blvd.	July 1, 2022	67,319
July 1, 1999	-	Bye Street	July 1, 2022	73,125
July 1, 1999	-	Wooster/East Ave.	July 1, 2022	164,588
July 1, 2000	-	Bishop Street	July 1, 2022	36,600
July 1, 2000	-	NW Storm Outlets	July 1, 2022	151,371
July 1, 2000	-	N. Arlington Bridge	July 1, 2022	99,453
July 1, 2001	-	Darrow Road	July 1, 2023	308,921
July 1, 2003	-	US 244 Phase II	July 1, 2025	411,683
July 1, 2005	-	Manchester Rd Ph I	July 1, 2027	33,750
July 1, 2005	-	Arlington St Signalization	July 1, 2027	433,657
July 1, 2005	-	E. Market St Widening	July 1, 2027	985,950
July 1, 2006	-	W. Market Street	July 1, 2028	642,200
July 1, 2006	-	Tallmadge Ave Singalization	July 1, 2027	101,420
July 1, 2006	-	Brown and Power St.	July 1, 2027	542,100
November 28, 2008	-	Barbara Ave.	January 1, 2040	155,112
November 28, 2008	-	Newton Street Bridge	January 1, 2040	507,258
July 1, 2008	-	Mill St. Bridge	July 1, 2039	753,560
March 13, 2009	-	Dover Ave.	January 1, 2030	314,577
August 4, 2010	-	Smith/Riverview Round	December 1, 2031	121,438
October 11, 2011	-	Carroll Street	July 1, 2041	573,333
Total Ohio Public Works Commission Loans:				<u>\$ 7,006,306</u>

## 11. Bonds and Loans Payable and Defeased Debt (Continued)

Issued	Rate %	Issue	Final Maturity	Amount
<b>Governmental Activities (Continued):</b>				
<u>Ohio Development Services Agency Loans:</u>				
March 1, 2003	1/2 Prime	2003 Univ Tech Pk	March 1, 2018	\$ 157,492
March 31, 2011	2.0	Goodyear 166 Loan	December 1, 2030	4,999,000
Total Ohio Development Services Agency Loans:				<u>\$ 5,156,492</u>
<u>Non-Tax Revenue Bonds:</u>				
December 15, 2011	2.0 to 2.25	2011	December 1, 2018	\$ 5,485,000
November 25, 2014	.85 to 4.75	2014	December 1, 2034	25,010,000
November 12, 2015	1.40 to 3.625	2015	December 1, 2026	13,250,000
Total Non-tax Revenue Bonds:				<u>\$ 43,745,000</u>
<u>Income Tax Revenue Bonds:</u>				
December 15, 2011	2.0 to 3.75	2011	December 1, 2023	\$ 4,380,000
November 14, 2012	3.0 to 3.25	2012	December 1, 2032	8,275,000
August 8, 2013	2.03	2013	December 1, 2021	1,548,896
August 8, 2013	4.20	2013	December 1, 2028	2,355,914
August 7, 2014	2.03	2014	December 1, 2021	585,715
November 25, 2014	2.0 to 5.0	2014	December 1, 2034	29,995,000
June 24, 2015	2.42	2015	June 1, 2035	5,164,129
November 12, 2015	1.0 to 5.0	2015	December 1, 2028	25,240,000
December 6, 2016	1.50 to 5.0	2016	December 1, 2028	14,655,000
Total Income Tax Revenue Bonds:				<u>\$ 92,199,654</u>
<u>CLC Income Tax Revenue Bonds:</u>				
July 28, 2010	3.0 to 4.5	2010A	December 1, 2033	\$ 17,335,000
July 28, 2010	5.074 to 6.463	2010B	December 1, 2033	12,060,000
July 28, 2010	5.87	2010C	December 1, 2026	15,060,000
June 27, 2012	3.5 to 5.0	2012A	December 1, 2033	145,125,000
May 7, 2014	.5 to 5.0	2014	December 1, 2033	44,935,000
December 8, 2016	3.5 to 5.0	2016	December 1, 2033	27,000,000
Total CLC Income Tax Revenue Bonds:				<u>\$ 261,515,000</u>
<u>Special Revenue (JEDD) Bonds:</u>				
December 21, 2011	2.75 to 5.0	2000	December 1, 2020	\$ 4,215,000
December 21, 2011	2.75 to 5.0	2000	December 1, 2020	4,225,000
December 21, 2011	2.75 to 5.0	2002	December 1, 2022	6,330,000
December 21, 2011	2.75 to 5.0	2002	December 1, 2022	3,935,000
Total Special Revenue (JEDD) Bonds:				<u>\$ 18,705,000</u>

## 11. Bonds and Loans Payable and Defeased Debt (Continued)

<b>Issued</b>	<b>Rate %</b>	<b>Issue</b>	<b>Final Maturity</b>	<b>Amount</b>
<b><u>Governmental Activities (Continued):</u></b>				
<b><u>Special Assessment Obligations:</u></b>				
Street Improvement Bonds:				
September 5, 2007	4.10	2007	December 1, 2017	\$ 110,000
March 1, 2008	4.0	2008	December 1, 2017	4,645
June 1, 2010	4.0	2010	December 1, 2019	33,352
November 22, 2011	2.5	2011	December 1, 2021	<u>1,750,000</u>
Total Special Assessment Obligations:				<u>\$ 1,897,997</u>
<b><u>Internal Service Income Tax Revenue Bonds:</u></b>				
November 14, 2012	3.0 to 4.0	2012	December 1, 2017	<u>\$ 420,000</u>
Total Internal Service Income Tax Revenue Bonds:				<u>\$ 420,000</u>
<b><u>Business-type Activities:</u></b>				
<b><u>General Obligation Bonds:</u></b>				
November 30, 2010	2.35 to 4.55	Canal/Tell	December 1, 2020	\$ 339,178
December 21, 2011	1.5 to 4.0	Canal/Tell	December 1, 2022	<u>129,303</u>
Total General Obligation Bonds:				<u>\$ 468,481</u>
<b><u>Mortgage Revenue Bonds:</u></b>				
Waterworks System Bonds:				
September 17, 2009	2.5 to 5.0	2009	March 1, 2034	\$ 14,865,000
December 18, 2015	2.59	2015	March 1, 2026	8,235,000
Total Mortgage Revenue Bonds:				<u>\$ 23,100,000</u>
<b><u>Revenue Bonds:</u></b>				
Sewer System Bonds:				
December 1, 2005	3.50 to 5.00	2005	December 1, 2017	<u>\$ 1,800,000</u>
Total Revenue Bonds:				<u>\$ 1,800,000</u>

# 11. Bonds and Loans Payable and Defeased Debt (Continued)

Issued	Rate %	Issue	Final Maturity	Amount
<b><u>Business-type Activities (Continued):</u></b>				
<u>Ohio Water Development Authority Loans:</u>				
September 30, 1999	4.02	Water	July 1, 2020	\$ 288,599
May 25, 2000	4.64	Water	July 1, 2020	2,263,651
October 30, 2008	3.52	Water	January 1, 2020	603,803
October 30, 2008	3.52	Sewer	January 1, 2020	603,803
January 14, 2010	3.25	Sewer	January 1, 2030	734,645
November 19, 2009	3.25	Sewer	July 1, 2030	122,594
December 10, 2009	3.25	Sewer	July 1, 2020	162,215
December 10, 2009	3.25	Sewer	January 1, 2030	64,410
March 31, 2011	4.72	Sewer	January 1, 2032	678,997
February 24, 2011	4.14	Sewer	January 1, 2032	1,839,857
February 24, 2011	4.14	Sewer	January 1, 2032	346,882
October 27, 2011	2.60	Sewer	January 1, 2017	4,322
October 27, 2011	2.60	Sewer	January 1, 2017	4,322
December 8, 2011	2.55	Sewer	July 1, 2018	476,247
December 8, 2011	2.80	Sewer	July 1, 2032	2,318,002
December 8, 2011	2.80	Water	January 1, 2033	1,689,250
December 8, 2011	2.80	Sewer	January 1, 2033	1,689,251
December 8, 2011	2.80	Sewer	January 1, 2032	741,307
December 8, 2011	3.55	Water	July 1, 2032	400,973
October 27, 2011	2.78	Sewer	July 1, 2033	17,820,379
October 27, 2011	2.85	Sewer	January 1, 2033	1,073,089
October 27, 2011	2.85	Sewer	July 1, 2032	825,562
May 31, 2012	2.69	Sewer	January 1, 2019	800,030
June 28, 2012	2.00	Water	July 1, 2033	950,697
September 27, 2012	2.54	Sewer	July 1, 2018	275,534
October 25, 2012	2.48	Sewer	July 1, 2019	(41,054)
December 6, 2012	2.44	Sewer	July 1, 2019	1,081,921
March 28, 2013	3.15	Sewer	July 1, 2034	4,025,582
December 6, 2012	2.44	Sewer	January 1, 2018	1,887,201
December 6, 2012	2.44	Sewer	July 1, 2018	159,202
May 30, 2013	2.67	Sewer	July 1, 2018	520,594
May 30, 2013	2.67	Sewer	July 1, 2033	1,922,436
June 27, 2013	2.00	Water	July 1, 2034	2,671,101
June 27, 2013	2.00	Water	July 1, 2034	659,192
August 29, 2013	3.05	Sewer	January 1, 2035	4,426,394
September 26, 2013	4.24	Water	July 1, 2023	144,991
October 31, 2013	3.59	Sewer	July 1, 2019	191,461
October 31, 2013	3.59	Sewer	January 1, 2020	855,759
December 12, 2013	3.62	Water	January 1, 2035	690,543
January 30, 2014	3.66	Sewer	July 1, 2034	1,294,803
January 30, 2014	3.66	Water	July 1, 2024	500,189
February 27, 2014	3.65	Water	January 1, 2035	2,115,941
February 27, 2014	4.15	Water	July 1, 2035	9,637,794
January 30, 2014	3.38	Sewer	July 1, 2019	608,528
January 30, 2014	3.38	Sewer	July 1, 2019	484,401
April 24, 2014	3.95	Sewer	January 1, 2036	2,543,036
April 24, 2014	3.45	Sewer	July 1, 2034	1,318,926
June 26, 2014	3.09	Sewer	January 1, 2036	8,811,701
June 26, 2014	3.01	Sewer	July 1, 2036	12,459,764
August 28, 2014	3.34	Sewer	July 1, 2035	\$ 5,288,709

# 11. Bonds and Loans Payable and Defeased Debt (Continued)

Issued	Rate %	Issue	Final Maturity	Amount
<b>Business-type Activities (Continued):</b>				
<u>Ohio Water Development Authority Loans (Continued):</u>				
February 26, 2015	1.89	Sewer	January 1, 2036	\$ 3,704,749
February 26, 2015	1.89	Sewer	January 1, 2038	14,899,535
April 30, 2015	2.03	Sewer	July 1, 2021	24,422,404
May 28, 2015	2.26	Sewer	January 1, 2036	913,700
May 28, 2015	2.26	Sewer	January 1, 2036	(12,342)
May 28, 2015	2.26	Sewer	January 1, 2036	6,433,676
September 24, 2015	2.45	Sewer	January 1, 2036	4,346,959
February 25, 2016	2.04	Sewer	January 1, 2036	1,054,614
May 28, 2015	1.96	Sewer	January 1, 2038	15,644,731
June 25, 2015	1.57	Water	January 1, 2037	693,350
July 30, 2015	2.29	Sewer	January 1, 2036	3,690,853
August 27, 2015	2.32	Sewer	January 1, 2037	3,581,847
September 24, 2015	1.74	Water	July 1, 2036	1,314,476
October 29, 2015	2.18	Sewer	January 1, 2037	2,350,843
October 29, 2015	2.35	Sewer	July 1, 2049	72,824,350
October 29, 2015	1.68	Water	July 1, 2037	359,539
December 10, 2015	2.14	Sewer	January 1, 2037	2,017,362
December 10, 2015	2.14	Sewer	January 1, 2037	2,208,524
December 10, 2015	2.14	Sewer	July 1, 2036	1,003,239
January 28, 2016	2.21	Sewer	January 1, 2026	356,233
February 25, 2016	2.05	Sewer	January 1, 2047	2,226,298
March 31, 2016	1.95	Sewer	January 1, 2048	18,412,294
April 28, 2016	1.78	Sewer	January 1, 2022	2,579,613
June 30, 2016	1.75	Sewer	July 1, 2048	2,407,786
June 30, 2016	1.66	Sewer	July 1, 2048	3,214,540
August 25, 2016	1.56	Sewer	July 1, 2037	7,524
August 25, 2016	0.45	Sewer	July 1, 2049	1,476,381
Total Ohio Water Development Authority Loans:				<u>\$ 293,170,614</u>
<u>Ohio Public Works Commission Loans:</u>				
July 1, 1995	-	Water	July 1, 2016	\$ 153,623
December 1, 1995	-	Sewer	January 1, 2017	42,619
July 1, 1996	-	Sewer	July 1, 2017	158,772
July 1, 1997	-	Sewer	July 1, 2018	133,875
July 1, 2000	-	Water	July 1, 2021	358,000
July 1, 2005	-	Sewer	July 1, 2025	91,331
Total Ohio Public Works Commission Loans:				<u>\$ 938,220</u>

# 11. Bonds and Loans Payable and Defeased Debt (Continued)

The following is a summary of the City's future debt service requirements as of December 31, 2016 (in thousands):

Governmental Activities						
Fiscal Year Ending December 31	General Obligation		OPWC		ODSA	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$ 18,067	\$ 6,271	\$ 634	\$ -	\$ 546	\$ 175
2018	17,571	5,217	635	-	345	102
2019	17,604	4,744	596	-	310	94
2020	16,351	4,191	596	-	320	87
2021	18,553	3,590	546	-	330	80
2022-2026	60,605	10,800	2,102	-	1,750	285
2027-2031	24,230	2,801	854	-	1,555	80
2032-2036	1,620	199	461	-	-	-
2037-2041	-	-	455	-	-	-
2042-2046	-	-	127	-	-	-
	<u>\$ 174,601</u>	<u>\$ 37,813</u>	<u>\$ 7,006</u>	<u>\$ -</u>	<u>\$ 5,156</u>	<u>\$ 903</u>

Fiscal Year Ending December 31	Non-Tax Revenue		Income Tax Revenue		Special Revenue (JEDD)	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$ 4,575	\$ 1,380	\$ 16,635	\$ 17,046	\$ 3,485	\$ 778
2018	5,735	1,296	16,238	15,547	3,665	603
2019	3,025	1,173	16,577	14,822	3,835	420
2020	3,105	1,099	16,957	14,120	4,040	228
2021	3,190	1,013	20,056	13,458	1,810	117
2022-2026	17,605	3,413	99,021	53,333	1,870	59
2027-2031	5,460	715	113,698	29,131	-	-
2032-2036	1,050	101	54,533	3,978	-	-
2037-2041	-	-	-	-	-	-
2042-2046	-	-	-	-	-	-
	<u>\$ 43,745</u>	<u>\$ 10,190</u>	<u>\$ 353,715</u>	<u>\$ 161,435</u>	<u>\$ 18,705</u>	<u>\$ 2,205</u>

Fiscal Year Ending December 31	Special Assessment		Internal Service Income Tax Revenue	
	Principal	Interest	Principal	Interest
2017	\$ 460	\$ 49	\$ 420	\$ 13
2018	351	35	-	-
2019	362	27	-	-
2020	360	18	-	-
2021	365	9	-	-
2022-2026	-	-	-	-
2027-2031	-	-	-	-
2032-2036	-	-	-	-
2037-2041	-	-	-	-
2042-2046	-	-	-	-
	<u>\$ 1,898</u>	<u>\$ 138</u>	<u>\$ 420</u>	<u>\$ 13</u>

# 11. Bonds and Loans Payable and Defeased Debt (Continued)

Fiscal Year Ending December 31	Business-type Activities					
	General Obligation		Mortgage Revenue		Revenue	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$ 79	\$ 20	\$ 4,060	\$ 817	\$ 1,800	\$ 90
2018	83	16	4,255	626	-	-
2019	87	12	1,130	513	-	-
2020	92	7	1,165	479	-	-
2021	63	4	1,200	445	-	-
2022-2026	65	2	6,595	1,642	-	-
2027-2031	-	-	2,715	830	-	-
2032-2036	-	-	1,980	152	-	-
2037-2041	-	-	-	-	-	-
2042-2046	-	-	-	-	-	-
	<u>\$ 469</u>	<u>\$ 61</u>	<u>\$ 23,100</u>	<u>\$ 5,504</u>	<u>\$ 1,800</u>	<u>\$ 90</u>

Fiscal Year Ending December 31	OWDA		OPWC	
	Principal	Interest	Principal	Interest
	Principal	Interest	Principal	Interest
2017	\$ 16,228	\$ 5,436	\$ 201	\$ -
2018	17,424	6,329	202	-
2019	18,468	6,774	180	-
2020	24,994	12,474	106	-
2021	21,736	11,699	69	-
2022-2026	88,979	49,986	180	-
2027-2031	81,692	31,567	-	-
2032-2036	18,685	3,397	-	-
2037-2041	4,965	1,112	-	-
2042-2046	-	-	-	-
	<u>\$ 293,171</u>	<u>\$ 128,774</u>	<u>\$ 938</u>	<u>\$ -</u>

Fiscal Year Ending December 31	Governmental Activities Total		Business-type Activities Total		Grand Total	
	Principal	Interest	Principal	Interest	Principal	Interest
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$ 43,812	\$ 25,712	\$ 22,368	\$ 6,363	\$ 66,180	\$ 32,075
2018	44,540	22,800	21,964	6,971	66,504	29,771
2019	42,309	21,280	19,865	7,299	62,174	28,579
2020	41,729	19,743	26,357	12,960	68,086	32,703
2021	44,850	18,267	23,068	12,148	67,918	30,415
2022-2026	182,953	67,890	95,819	51,630	278,772	119,520
2027-2031	146,807	32,727	84,407	32,397	231,214	65,124
2032-2036	57,664	4,278	20,665	3,549	78,329	7,827
2037-2041	455	-	4,965	1,112	5,420	1,112
2042-2046	127	-	-	-	127	-
	<u>\$ 605,246</u>	<u>\$ 212,697</u>	<u>\$ 319,478</u>	<u>\$ 134,429</u>	<u>\$ 924,724</u>	<u>\$ 347,126</u>

## **11. Bonds and Loans Payable and Defeased Debt (Continued)**

All bonds and notes are backed by the full faith and credit of the City except revenue bonds. Water Mortgage Revenue Bonds are collateralized by the capital assets of the Water System that had net carrying values of approximately \$163,588,465 at December 31, 2016. It is the City's policy to pay debt service of the Enterprise and Internal Service Funds from the receipts of those funds. Accordingly, such debt is reported in those funds. Any deficiency is paid from the City's General Fund. Revenue bonds and OWDA loans are retired entirely from the excess of operating revenues over operating expenses of the applicable enterprise activity. Therefore, the City is under no obligation to repay these long-term obligations from the City's General Fund.

The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the assessed value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total assessed value of property. At December 31, 2016, the City's total net debt amounted to 4.51% of the total assessed value of all property within the City and unvoted net debt amounted to 4.51% of the total assessed value of all property within the City.

On December 6, 2016, the City issued \$7,155,000 in General Obligation Various Purpose Refunding Bonds, Series 2016A maturing December 1, 2021 through December 1, 2031 with interest rates ranging from 1.75% to 4% to advance refund \$7,275,000 of outstanding General Obligation Various Purpose Refunding Bonds, Series 2010D. Net proceeds of \$7,321,742, including an original issue discount of \$41,307, a premium of \$291,561, an underwriter's discount of \$36,491 and payment of \$47,021 in issuance costs, were used to provide cash for debt service payments on the 2010D Series bonds.

As a result, the 2010D refunded bonds are considered defeased and the liability for these bonds has been removed from the financial statements. The City advanced refunded these bonds to reduce its total debt service payments by \$548,693 and incurred an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$499,574.

On December 6, 2016, the City issued \$10,735,000 in General Obligation Various Purpose Refunding Bonds, Series 2016B maturing December 1, 2019 through December 1, 2028 with interest rates ranging from 1.45% to 3.05% to advance refund \$10,200,000 of outstanding General Obligation Various Purpose Refunding Bonds, Series 2009. Net proceeds of \$10,609,118, including an underwriter's discount of \$54,749 and payment of \$71,134 in issuance costs, were used to provide cash for debt service payments on the 2009 Series bonds.

As a result, the 2009 refunded bonds are considered defeased and the liability for these bonds has been removed from the financial statements. The City advanced refunded these bonds to reduce its total debt service payments by \$977,746 and incurred an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$938,565.

On December 6, 2016, the City issued \$14,655,000 in Income Tax Revenue Bonds, Series 2016 maturing June 1, 2017 through December 1, 2028 with interest rates ranging from 1.5% to 5% to advance refund \$15,955,000 of outstanding Income Tax Revenue Bonds, Series 2012. Net proceeds of \$16,473,042, including a premium of \$1,998,844, an underwriter's discount of \$74,741 and payment of \$106,061 in issuance costs, were used to provide cash for debt service payments on the 2012 Series bonds.

As a result, the 2012 refunded bonds are considered defeased and the liability for these bonds has been removed from the financial statements. The City advanced refunded these bonds to reduce its total debt service payments by \$1,073,234 and incurred an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,029,725.



## 11. Bonds and Loans Payable and Defeased Debt (Continued)

The City has defeased certain debt issues by placing investments in U.S. Government obligations in irrevocable escrow accounts. Such accounts will be used, together with interest earned thereon, to provide for the payment of all principal and interest on the defeased bonds on their scheduled due dates. Accordingly, the escrow accounts and the defeased bonds summarized below are not included in the accompanying financial statements at December 31, 2016:

Issue	Defeasance Date	Original Amount		Principal Outstanding at 12/31/16
		Defeased	Escrowed	
Various Purpose Improvement Bonds, Series 1996	2005	\$ 2,600,000	\$ -	\$ 950,000
Various Purpose Improvement Bonds, Series 1996-2	2005	7,900,000	-	650,000
Various Purpose Improvement Bonds, Series 1997	2005	11,960,000	-	1,690,000
Various Purpose Improvement Bonds, Series 1999	2005	14,310,000	-	3,900,000
Various Purpose Improvement Bonds, Series 2000	2005	14,265,000	-	5,825,000
		<u>51,035,000</u>	<u>40,208,751</u>	<u>13,015,000</u>
Sanitary Sewer System Revenue Bonds, Series 1998	2005	<u>6,165,000</u>	<u>-</u>	<u>1,405,000</u>
Waterworks Revenue Bonds, Series 1998	2009	<u>6,570,000</u>	<u>14,464,701</u>	<u>1,720,000</u>
Various Purpose Improvement Bonds, Series 1998	2010	5,835,000	6,044,651	2,060,000
Various Purpose Improvement Bonds, Series 2001	2010	13,850,000	14,792,506	5,410,000
		<u>19,685,000</u>	<u>20,837,157</u>	<u>7,470,000</u>
Various Purpose Improvement Bonds, Series 2001	2011	7,425,000	7,474,877	3,160,000
Various Purpose Improvement Bonds, Series 2002	2011	19,390,000	20,342,508	13,165,000
Various Purpose Improvement Bonds, Series 2003	2011	15,635,000	17,109,007	13,175,000
		<u>42,450,000</u>	<u>44,926,392</u>	<u>29,500,000</u>
Non-Tax Revenue Bonds, Series 1997	2011	<u>16,385,000</u>	<u>16,594,456</u>	<u>5,270,000</u>
Income Tax Revenue Bonds, Series 1999	2011	<u>6,290,000</u>	<u>6,330,767</u>	<u>4,115,000</u>
Special Revenue Bonds (JEDD), Series 2000	2011	16,180,000	16,308,393	8,170,000
Special Revenue Bonds (JEDD), Series 2002	2011	16,400,000	17,153,385	9,885,000
		<u>32,580,000</u>	<u>33,461,778</u>	<u>18,055,000</u>
CLC Income Tax Revenue Bonds, Series 2004A	2012	<u>165,000,000</u>	<u>177,376,931</u>	<u>151,310,000</u>
Various Purpose Improvement Bonds, Series 2003	2012	<u>8,755,000</u>	<u>9,301,891</u>	<u>5,100,000</u>
Various Purpose Improvement Bonds, Series 2005	2014	36,750,000	40,380,525	32,410,000
Various Purpose Improvement Bonds, Series 2010C	2014	25,930,000	26,063,093	23,080,000
		<u>62,680,000</u>	<u>66,443,618</u>	<u>55,490,000</u>
Certificates of Participation, Series 2005 (Parking)	2015	16,150,000	16,522,387	12,150,000
Certificates of Participation, Series 2007 (Parking)	2015	15,260,000	16,515,970	13,565,000
		<u>31,410,000</u>	<u>33,038,357</u>	<u>25,715,000</u>
Various Purpose Improvement Bonds, Series 2006	2015	12,990,000	14,021,482	12,330,000
Various Purpose Improvement Bonds, Series 2007	2015	11,095,000	12,333,842	10,785,000
		<u>24,085,000</u>	<u>26,355,324</u>	<u>23,115,000</u>
Non-Tax Revenue Bonds, Series 2006	2015	<u>14,580,000</u>	<u>15,663,380</u>	<u>12,745,000</u>
Waterworks Revenue Bonds, Series 2006	2015	<u>8,065,000</u>	<u>8,242,290</u>	<u>8,065,000</u>
Various Purpose Improvement Bonds, Series 2009	2016	<u>10,200,000</u>	<u>10,609,118</u>	<u>10,200,000</u>
Various Purpose Improvement Bonds, Series 2010D	2016	<u>7,275,000</u>	<u>7,321,742</u>	<u>7,275,000</u>
Income Tax Revenue Bonds, Series 2012	2016	<u>15,955,000</u>	<u>16,473,042</u>	<u>15,955,000</u>
				<u>\$ 395,520,000</u>

# 11. Bonds and Loans Payable and Defeased Debt (Continued)

The City of Akron's original General Obligation bond ratings are A+ from Fitch, Aa3 from Moody's and AA- from Standard and Poor's. The insured Water and Sewer Revenue bonds were originally rated AAA from Fitch, AAA from Moody's and AAA from Standard and Poor's. As of December 31, 2016, the City's bond ratings are as follows:

<b><u>Bond Description</u></b>	<b><u>Moody's</u></b> <b><u>Investors</u></b> <b><u>Service</u></b>	<b><u>Standard</u></b> <b><u>and Poor's</u></b>	<b><u>Fitch</u></b> <b><u>Ratings</u></b>
	<b><u>Current</u></b> <b><u>Rating</u></b>	<b><u>Current</u></b> <b><u>Rating</u></b>	<b><u>Current</u></b> <b><u>Rating</u></b>
2005 Sanitary Sewer System Improvement and Refunding Bonds	WR	n/a	n/a
2007 Various Purpose Improvement Bonds	Aa3	AA	AA-
2009 Various Purpose Improvement Refunding Bonds	n/a	AA+	n/a
2009 Waterworks System Mortgage Revenue Improvement and Refunding Bonds	A3	n/a	n/a
2010 Steam Utility Certificates of Participation	n/a	A+	n/a
2010 Various Purpose Refunding Bonds, Series A	n/a	AA-	AA-
2010 Various Purpose Refunding Bonds, Series B	n/a	AA-	AA-
2010A Income Tax Revenue Bonds (CLC)	n/a	AA+	n/a
2010B Income Tax Revenue Bonds (CLC)	n/a	AA+	n/a
2010C Income Tax Revenue Bonds (CLC)	n/a	AA+	n/a
2011 JEDD Revenue Refunding Bonds	n/a	AA-	n/a
2011 Nontax Revenue Economic Development Bonds	A1	n/a	n/a
2011 Pension Income Tax Revenue Refunding Bonds	Aa3	n/a	n/a
2011 Various Purpose Refunding Bonds	Aa3	AA-	n/a
2012 Various Purpose Refunding Bonds	n/a	AA-	n/a
2012 Various Purpose Income Tax Refunding Bonds	n/a	AA+	n/a
2012A Income Tax Revenue Bonds (CLC)	n/a	AA+	n/a
2013-A Certificates of Participation	n/a	A+	n/a
2013-B Certificates of Participation	n/a	A+	n/a
2014 Income Tax Revenue Bonds (CLC)	n/a	AA+	n/a
2014 Various Purpose Refunding Bonds, Series A	n/a	AA-	n/a
2014 Various Purpose Refunding Bonds, Series B	n/a	AA-	n/a
2014 Various Purpose Refunding Bonds, Series C	n/a	AA-	n/a
2014 Various Purpose Income Tax Refunding Bonds	n/a	AA+	n/a
2014 Nontax Revenue Economic Development Bonds	n/a	A+	n/a
2015 Various Purpose Refunding Bonds	n/a	AA-	n/a
2015 Waterworks System Mortgage Revenue Refunding Bonds	n/a	n/a	n/a
2015 Nontax Revenue Economic Development Bonds	n/a	A+	n/a
2015 Income Tax Revenue Bonds	n/a	n/a	n/a
2015 Income Tax Revenue Refunding Bonds	n/a	AA+	n/a
2016 General Obligation Judgement Bonds	n/a	AA-	n/a
2016 Steam Utility Certificates of Participation	n/a	A+	n/a
2016 Various Purpose Refunding Bonds, Series A	n/a	AA-	n/a
2016 Various Purpose Refunding Bonds, Series B	n/a	AA-	n/a
2016 Income Tax Revenue Refunding Bonds	n/a	AA+	n/a
2016 Income Tax Revenue Bonds (CLC)	n/a	AA+	n/a

## **11. Bonds and Loans Payable and Defeased Debt (Continued)**

During 2010, the City entered into an agreement with various parties to unconditionally guarantee the principal and interest payments on behalf of the International Soap Box Derby, Inc. for the loan issued by FirstMerit Bank. As of December 31, 2016, the principal amount outstanding was \$332,308. The City believes that the International Soap Box Derby Inc. is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the loan; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2016.

During 2012, the City entered into an amendment and restatement of cooperative agreement among various parties to unconditionally guarantee the principal and interest payments of the Development Finance Authority of Summit County Revenue Bonds (Akron Civic Theatre Project), issued by the Development Finance Authority of Summit County. As of December 31, 2016, the principal amount outstanding was \$13,765,000. The City believes that the Development Finance Authority of Summit County is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the bonds; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2016.

During 2012, the City entered into a cooperative agreement with the Development Finance Authority of Summit County, Akron Baseball, LLC, and The Bank of New York Mellon Trust Company, N.A. to facilitate financing. The Development Finance Authority of Summit Development Revenue Bonds, Series 2012 were issued for \$3.6 million. The obligation of the City to make appropriation payments are subject to the annual appropriations made by City Council. The City has recorded a liability of \$206,725 for the principal and interest payments scheduled to be paid during 2017 in the accompanying financial statements. The principal balance outstanding as of December 31, 2016 is \$3,290,000.

The obligations of the City under this agreement, including its obligation to make payments during any fiscal year of the City in which this agreement is in effect, shall not constitute a general obligation or indebtedness of the City within the meaning of the constitution and laws of the State of Ohio. The agreement does not pledge any taxes or other moneys to the amounts payable by the City. Nothing constitutes a pledge by the City or an obligation by the City, of any taxes or other moneys to the payment of any amount payable by the City under this agreement; therefore, no provision for such liability has been recorded in the financial statements as of December 31, 2016.

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

During 2014, the City entered into an agreement with the County of Summit and Fifth Third Bank to guarantee principal and interest payments on behalf of the Akron Community Service Center and Urban League to refinance bonds issued to pay the costs of the Akron Urban League's community service center and operations. Fifth Third agreed to issue a bank bond to the Akron Urban League in the amount of \$2,000,000 to be used to finance previous bond obligations which the City had also guaranteed. Fifth Third also agreed to issue a credit line in the amount of \$100,000 to the Akron Urban League to support operations. The City agreed to guarantee one half of the bank bond and credit line debt service to be paid solely from non-tax revenues, with the County of Summit agreeing to guarantee

**11. Bonds and Loans Payable and Defeased Debt (Continued)**

the other half. As of December 31, 2016, the principal outstanding on the bank bond was \$1,861,200 and the principal outstanding on the credit line was \$99,491.

During 2015, the City reaffirmed and amended this agreement with the County of Summit and Fifth Third Bank to extend the maturity of the Akron Urban League's credit line and to guarantee principal and interest payments on an additional term loan issued to the Akron Urban League in the amount of \$200,000. The City agreed to guarantee one half of the term loan debt service to be paid solely from non-tax revenues, with the County of Summit agreeing to guarantee the other half. As of December 31, 2016, the principal outstanding on the term loan was \$150,000. The City believes the Akron Urban League is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining terms of the bank bond, credit line and term loan; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2016.

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

In November, 1996, \$28.9 million Series 1996 Convertible Capital Appreciation Certificates of Participation (COPS) were issued by a bank to finance the costs of the construction of a professional baseball stadium (meeting class “AA” standards) within the City. This issue was refunded by the issuance of Series 2005 COPS. The 2005 issue was refunded by the issuance of Series 2013 COPS. In connection with the issuance of these COPS, and as amended, the City entered into a capital lease agreement (as lessee) for the baseball stadium. The City will make lease payments during successive annual renewal periods through November 25, 2023, providing City Council appropriates funds each year for that purpose. If the lease is paid through November 25, 2023, the City will acquire title to the baseball stadium. The lease agreement also includes a purchase option during the years 2014 through 2023.

The trust agreement for the issuance of the 2013 COPS requires the City to deposit \$20,000 annually into a Capital Renewal Fund. The City can utilize these funds for capital improvements such as repairs, renovations, additional equipment, other facilities, or other improvements to the baseball stadium.

The City has defeased certain certificate issues by placing investments in U.S. Government Obligations in irrevocable escrow accounts. Such accounts will be used, together with interest earned thereon, to provide for the payment of all principal and interest on the defeased certificates on their scheduled due dates. Accordingly, the escrow accounts and the defeased certificates summarized below are not included in the accompanying financial statements at December 31, 2016:

Issue	Defeasance Date	Defeased	Original Amount		Principal Outstanding at 12/31/16
				Escrowed	
Certificates of Participation, Series 2005	2013	\$ 13,580,000	\$ 14,619,000		\$ -

On November 3, 2010, the City issued \$13.2 million Series 2010 Convertible Certificates of Participation (COPs) for the Akron Energy Systems Project. During 2016, the City issued additional COPs totaling \$11,965,000 for the Akron Energy Systems Project. Total future payments as of December 31, 2016 are as follows:

Year	Governmental Activities			
	Series 2010		Series 2016	
	Principal	Interest	Principal	Interest
2017	\$ 505,000	\$ 543,250	\$ 275,000	\$ 441,292
2018	530,000	518,000	325,000	390,175
2019	560,000	491,500	335,000	380,425
2020	585,000	463,500	345,000	373,725
2021	615,000	434,250	350,000	366,394
2022-2026	3,575,000	1,677,500	1,940,000	1,644,894
2027-2031	4,495,000	643,250	2,375,000	1,216,844
2032-2036	-	-	2,765,000	824,556
2037-2041	-	-	3,255,000	336,656
	<u>\$ 10,865,000</u>	<u>\$ 4,771,250</u>	<u>\$ 11,965,000</u>	<u>\$ 5,974,961</u>

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

The City also has eight other capital leases. One is for the redesign of the City's sanitation trash collection system. The cost of the sanitation redesign equipment is \$9,050,203 and is included in the City's capital assets in the Statement of Net Position – Governmental Activities. The City completed the lease-purchase agreement by making the final payment during 2016.

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

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

The fourth is a 2012 four-year capital lease agreement for street cleaners. The cost of the equipment was \$536,585. The City did not complete the purchase option during 2016. The equipment was returned during 2016 and is no longer included in the City's capital assets.

The fifth is a 2012 five-year capital lease agreement for street sweepers. The cost of the equipment was \$536,585 and is included in the City's capital assets in the Statement of Net Position – Governmental Activities.

The sixth is a 2013 capital lease agreement for the purchase of various service-equipment. The cost of the equipment was \$1,541,382 and is included in the City's capital assets in the Statement of Net Position – Governmental Activities.

The seventh is a 2015 five-year capital lease agreement for street sweepers. The cost of the equipment was \$731,754 and is included in the City's capital assets in the Statement of Net Position – Governmental Activities.

During 2016, the City entered into an eighth capital lease agreement with Summit County to upgrade the radio system. The agreement is a 15-year lease and the City's share of equipment totals \$10,635,000, consisting of City owned equipment in the amount of \$5,710,490 and the City's share of jointly owned equipment in the amount of \$4,924,510. It is included in the City's capital assets in the Statement of Net position - Governmental Activities.

The following is a summary of the capital lease transactions for the year ended December 31, 2016:

	<b>Governmental Activities</b>				
	<b>COPS Stadium</b>	<b>Sanitation Redesign</b>	<b>Street Cleaners</b>	<b>Street Sweepers</b>	<b>Street Sweepers</b>
Capital Lease at January 1, 2016	\$ 13,320,000	\$ 1,113,356	\$ 130,783	\$ 192,499	\$ 611,256
Retirements	(2,010,000)	(1,113,356)	(130,783)	(87,993)	(103,689)
Capital Lease at December 31, 2016	<u>\$ 11,310,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 104,506</u>	<u>\$ 507,567</u>

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

	Governmental Activities (continued)				Enterprise
	Public Service Equipment	Public Works Equipment	Equipment	Radio System	Equipment
Capital Lease at January 1, 2016	\$ 434,839	\$ 3,124,927	\$ 447,757	\$ -	\$ 157,320
Additions	-	-	-	10,635,000	-
Retirements	(254,563)	(1,255,558)	(240,500)	-	(84,500)
Capital Lease at December 31, 2016	<u>\$ 180,276</u>	<u>\$ 1,869,369</u>	<u>\$ 207,257</u>	<u>\$ 10,635,000</u>	<u>\$ 72,820</u>

Future lease payments are as follows as of December 31, 2016:

	Governmental Activities			
Year	COPS Stadium	Street Sweepers	Street Sweepers	Public Service Equipment
2017	\$ 2,392,425	\$ 107,000	\$ 120,498	\$ 184,060
2018	2,392,435	-	120,498	-
2019	2,392,050	-	120,498	-
2020	2,397,113	-	184,000	-
2021	2,394,513	-	-	-
2022-2023	565,350	-	-	-
Total lease payments	12,533,886	107,000	545,494	184,060
Less amount representing interest	1,223,885	2,494	37,929	3,784
Present value of lease payments	<u>\$ 11,310,001</u>	<u>\$ 104,506</u>	<u>\$ 507,565</u>	<u>180,276</u>
Net book value of leased assets	<u>*\$ 17,533,967</u>	<u>\$ 411,381</u>	<u>\$ 658,579</u>	<u>\$ 953,819</u>

	Governmental Activities (continued)			Enterprise
Year	Public Works Equipment	Equipment	Radio System	Equipment
2017	\$ 1,149,257	\$ 211,610	\$ 922,154	\$ 74,349
2018	775,316	-	917,425	-
2019	-	-	920,425	-
2020	-	-	918,125	-
2021	-	-	920,625	-
2022-2031	-	-	9,207,075	-
Total lease payments	1,924,573	211,610	13,805,829	74,349
Less amount representing interest	55,204	4,353	3,170,829	1,529
Present value of lease payments	<u>\$ 1,869,369</u>	<u>\$ 207,257</u>	<u>\$ 10,635,000</u>	<u>\$ 72,820</u>
Net book value of leased assets	<u>\$ 4,650,561</u>	<u>\$ 453,330</u>	<u>\$ 10,103,250</u>	<u>\$ 189,532</u>

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

### 13. Self-Insurance Funds

The City is exposed to various risks of loss including employee health-care costs and accidents, torts and legal judgments, and damage or destruction of assets. The City purchases fire and extended coverage insurance on all buildings and contents up to \$175,000,000 per occurrence, with a variety of deductibles beginning at \$250,000. Coverage is purchased on 924 vehicles for combined single-limit liability of \$1,000,000. There has been no significant reduction in coverage from the prior year, and settled claims have not exceeded the City's insurance coverage in any of the past three years.

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

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

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

The claims liabilities of \$3,804,311, \$2,040,606, and \$616,398 reported in the Medical, Workers' Compensation, and Self-Insurance Settlement funds, respectively, at December 31, 2016, are in accordance with the requirements of GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, and GASB Statement No. 30, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*. These GASB statements require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The liabilities recorded include the estimated incremental expenses to be incurred to settle the claims, including legal fees. Claims liabilities are based on evaluations of individual claims and a review of experience with respect to the probable number and nature of claims arising from losses that have been incurred but have not yet been reported. The claims liabilities represent the estimated ultimate cost of settling the claims, including the effects of inflation and other societal and economic factors. Estimated future recoveries on settled and unsettled claims, such as subrogations, if any, are evaluated in terms of their estimated realizable value and deducted from the liability for unpaid claims. Any adjustments resulting from the actual settlement of the claims are reflected in the financial statements at the time the adjustments are determined.



### 13. Self-Insurance Funds (Continued)

Changes in the funds' claims liabilities (both current and long-term) amounts in fiscal 2015 and 2016 were:

	<b>Beginning of Year Liability</b>	<b>Claim Adjustments</b>	<b>Current Period Claims</b>	<b>Claim Payments</b>	<b>Balance at End of Year</b>
Medical Self- Insurance Fund					
2015	2,701,065	-	34,181,974	(33,041,312)	3,841,727
2016	3,841,727	-	30,599,511	(30,636,927)	3,804,311
Workers' Compensation Reserve Fund					
2015	4,951,208	(139,375)	-	(957,964)	3,853,869
2016	3,853,869	(1,184,224)	-	(629,039)	2,040,606
Self-Insurance Settlement Fund					
2015	631,180	(1,626,150)	1,617,187	-	622,217
2016	622,217	(335,630)	329,811	-	616,398

## 14. Long-term Liabilities

The City reports the following amounts, on the Statement of Net Position, relating to the government's long-term liabilities for the year ended December 31, 2016:

	Due in More Than One Year			
	January 1, 2016	Additions	Deletions	December 31, 2016
<b>Governmental Activities:</b>				
Governmental Funds:				
Accrued vacation and leave (Note 8)	\$ 39,561,861	\$ 15,122,440	\$ (13,767,452)	\$ 40,916,849
Bonds, notes and loans payable	583,544,829	46,655,012	(53,298,338)	576,901,503
Noncurrent unamortized bond premium and discount	-	36,831,095	-	36,831,095
COPs and obligations under capital lease (Note 12)	25,043,975	21,580,000	(4,038,580)	42,585,395
Due to other governments (Note 4)	4,372,892	-	(412,730)	3,960,162
Employment Related Liabilities (Note 1)	1,317,697	-	(211,978)	1,105,719
Guarantees and other obligations	1,037,595	-	(120,916)	916,679
Net pension liability (Note 9)	175,624,477	45,602,273	-	221,226,750
OPEB liability (Note 9)	41,879,890	4,774,098	(5,878)	46,648,110
Pollution Remediation (Note 20)	40,000	-	-	40,000
<b>Total Governmental Funds</b>	<b>872,423,216</b>	<b>170,564,918</b>	<b>(71,855,872)</b>	<b>971,132,262</b>
Internal Service Funds:				
Accrued vacation and leave (Note 8)	2,175,605	887,314	(559,383)	2,503,536
Bonds, notes and loans payable	4,920,000	3,500,000	(4,920,000)	3,500,000
Net pension liability (Note 9)	4,338,559	1,976,151	-	6,314,710
OPEB liability (Note 9)	1,733,085	122,892	-	1,855,977
Liability for unpaid claims	2,586,927	-	(888,849)	1,698,078
<b>Total Internal Service Funds</b>	<b>15,754,176</b>	<b>6,486,357</b>	<b>(6,368,232)</b>	<b>15,872,301</b>
<b>Total Governmental Activities</b>	<b>888,177,392</b>	<b>177,051,275</b>	<b>(78,224,104)</b>	<b>987,004,563</b>
<b>Business-type Activities:</b>				
Enterprise Funds:				
Water				
Accrued vacation and leave (Note 8)	2,717,314	1,242,804	(1,054,010)	2,906,108
Bonds, notes and loans payable (Notes 10,11)	45,545,778	3,035,359	(5,810,266)	42,770,871
Noncurrent unamortized bond premium and discount	-	744,381	-	744,381
Net pension liability (Note 9)	7,000,597	2,992,003	-	9,992,600
OPEB liability (Note 9)	2,917,265	232,392	-	3,149,657
COPs and obligations under capital lease (Note 12)	58,816	-	(58,816)	-
Pollution Remediation (Note 20)	-	40,000	-	40,000
Sewer				
Accrued vacation and leave (Note 8)	1,934,493	1,308,911	(1,246,195)	1,997,209
Bonds, notes and loans payable (Notes 10,11)	133,126,809	138,918,450	(18,096,893)	253,948,366
Noncurrent unamortized bond premium and discount	-	37,962	-	37,962
Due to other governments (Note 4)	156,430	-	(31,288)	125,142
Net pension liability (Note 9)	4,778,427	1,910,283	-	6,688,710
OPEB liability (Note 9)	1,916,645	117,384	-	2,034,029
Off Street Parking				
Bonds, notes and loans payable (Notes 10,11)	468,480	-	(79,124)	389,356
Other Business-type Activities				
Accrued vacation and leave (Note 8)	92,168	39,653	(43,583)	88,238
COPs and obligations under capital lease (Note 12)	14,004	-	(14,004)	-
Net pension liability (Note 9)	437,012	138,283	(83,440)	491,855
OPEB liability (Note 9)	125,882	6,466	(2,201)	130,147
Pollution Remediation (Note 20)	30,000	-	-	30,000
<b>Total Business-type Activities</b>	<b>201,320,120</b>	<b>150,764,331</b>	<b>(26,519,820)</b>	<b>325,564,631</b>
<b>Total</b>	<b>\$ 1,089,497,512</b>	<b>\$ 327,815,606</b>	<b>\$ (104,743,924)</b>	<b>\$ 1,312,569,194</b>

## 14. Long-term Liabilities (Continued)

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

The City reports the following amounts, on the Statement of Net Position, relating to the government's current liabilities for the year ended December 31, 2016:

	Due Within One Year			
	January 1, 2016	Additions	Deletions	December 31, 2016
<b>Governmental Activities:</b>				
Governmental Funds:				
Accounts payable and other accrued liabilities	\$ 9,088,877	\$ 11,756,244	\$ (9,088,744)	\$ 11,756,377
Accrued interest payable	2,351,717	2,300,982	(2,351,717)	2,300,982
Accrued vacation and leave (Note 8)	9,529,203	9,845,003	(9,529,203)	9,845,003
Accrued wages	5,037,570	3,649,883	(5,037,570)	3,649,883
Bonds, notes and loans payable	51,187,466	57,387,340	(51,187,466)	57,387,340
Unamortized bond premium and discount	-	3,059,780	-	3,059,780
COPs and obligations under capital lease (Note 12)	5,691,441	5,058,579	(5,691,441)	5,058,579
Deposits	451,410	95,361	(4,886)	541,885
Due to other governments (Note 4)	4,103,891	3,801,861	(4,084,723)	3,821,029
Guarantees and other obligations	1,321,421	120,919	(118,574)	1,323,766
Pollution Remediation (Note 20)	215,000	215,000	(215,000)	215,000
<b>Total Governmental Funds</b>	<b>88,977,996</b>	<b>97,290,952</b>	<b>(87,309,324)</b>	<b>98,959,624</b>
Internal Service Funds:				
Accounts payable and other accrued liabilities	1,708,333	3,032,195	(1,708,333)	3,032,195
Accrued vacation and leave (Note 8)	471,592	529,332	(471,592)	529,332
Accrued wages	211,045	205,875	(211,045)	205,875
Bonds, notes and loans payable	410,000	420,000	(410,000)	420,000
Liability for unpaid claims	5,730,889	-	(967,652)	4,763,237
<b>Total Internal Service Funds</b>	<b>8,531,859</b>	<b>4,187,402</b>	<b>(3,768,622)</b>	<b>8,950,639</b>
<b>Total Governmental Activities</b>	<b>97,509,855</b>	<b>101,478,354</b>	<b>(91,077,946)</b>	<b>107,910,263</b>
<b>Business-type Activities:</b>				
Enterprise Funds:				
Water				
Accounts payable and other accrued liabilities	2,205,735	1,375,333	(2,205,735)	1,375,333
Accrued interest payable	681,380	699,691	(681,380)	699,691
Accrued vacation and leave (Note 8)	692,135	745,594	(692,135)	745,594
Accrued wages	340,395	318,943	(340,395)	318,943
Bonds, notes and loans payable (Notes 10,11)	5,475,092	5,824,841	(5,475,092)	5,824,841
Unamortized bond premium and discount	-	77,296	-	77,296
Deposits	724,174	10,675	-	734,849
Due to other governments	51,742	-	(51,742)	-
COPs and obligations under capital lease (Note 12)	68,250	58,816	(68,250)	58,816
Pollution Remediation (Note 20)	-	20,000	-	20,000
Sewer				
Accounts payable and other accrued liabilities	4,130,131	7,851,844	(4,130,131)	7,851,844
Accrued interest payable	1,291,178	2,038,518	(1,291,178)	2,038,518
Accrued vacation and leave (Note 8)	449,616	479,839	(449,616)	479,839
Accrued Wages	234,526	203,664	(234,526)	203,664
Bonds, notes and loans payable (Notes 10,11)	12,486,349	16,464,756	(12,486,349)	16,464,756
Unamortized bond premium and discount	-	7,920	-	7,920
Due to other governments (Note 4)	115,788	57,500	(108,374)	64,914
Off Street Parking				
Accounts payable and other accrued liabilities	505,977	463,591	(505,977)	463,591
Accrued interest payable	1,848	1,660	(1,848)	1,660
Bonds, notes and loans payable (Notes 10,11)	75,749	79,125	(75,749)	79,125
Due to other governments (Note 4)	235,608	233,953	(235,608)	233,953
Other Business-type Activities				
Accounts payable and other accrued liabilities	38,684	37,315	(38,684)	37,315
Accrued vacation and leave (Note 8)	33,268	28,292	(33,268)	28,292
Accrued wages	20,032	10,400	(20,032)	10,400
COPs and obligations under capital lease (Note 12)	16,250	14,004	(16,250)	14,004
Due to other governments (Note 4)	-	53,488	-	53,488
Pollution Remediation (Note 20)	41,200	41,200	(41,200)	41,200
<b>Total Business-type Activities</b>	<b>29,915,107</b>	<b>37,198,258</b>	<b>(29,183,519)</b>	<b>37,929,846</b>
<b>Total</b>	<b>\$ 127,424,962</b>	<b>\$ 138,676,612</b>	<b>\$ (120,261,465)</b>	<b>\$ 145,840,109</b>

## 15. Compliance and Accountability

The following funds have fund balance deficits or net position deficits at December 31, 2016:

### **Special Revenue Funds:**

Income Tax Collection	\$ 993,204
Special Assessment	9,643,792
Akron Metro. Area Transportation Study	103,432
Police Grants	1,055,635
City Facilities Operating	359,427

### **Capital Projects Funds:**

Parks and Recreation	27,237
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### **Internal Service Funds:**

Medical Self-Insurance	7,276,949
Workers' Compensation Reserve	1,894,225
Self-Insurance Settlement	598,456
Engineering Bureau	3,956,884
Information Technology	715,514

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

The Internal Service Funds that have deficit net position balances at year-end have incurred expenses above charges for services. User charges will be assessed to eliminate the deficits. In 2016, the City issued bond anticipation notes for the Medical Self-Insurance Fund. The debt will be repaid through user charges. The City's policy is to transfer funds from the pertinent division's operating budget for actual claim settlements to reimburse the Workers' Compensation Reserve Fund and the Self-Insurance Settlement Fund. The Engineering Bureau and Information Technology Division will review applied overhead rates charged for projects to decrease deficits going forward.

## **16. Income Taxes**

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

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

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

## **17. Property Taxes**

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

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

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

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

The assessed value upon which the 2016 property tax was based aggregated \$2,575,065,000. The assessed value for 2016 (upon which the 2017 property tax will be based) is approximately \$2,635,981,000. Under the current allocation method, the City's share was 1.05% (10.5 mills) of assessed value in 2016 for collection in 2017. The City's Charter limits the maximum total tax rate that could be levied without a vote of the electors to 1.05% (10.5 mills).

The Fiscal Officer collects property taxes on behalf of all taxing districts in the County including the City of Akron and periodically remits to the City its portion of the taxes collected. Current real property tax collections for the year ended December 31, 2016, including delinquencies from prior years, were 99.8% of the current year tax levy. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue, while the remainder of the tax receivable is deferred.

## **18. JEDD Revenues**

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

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

## 19. Pledged Revenues

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

### Water System Revenues

The City has pledged future water customer revenues, net of specified operating expenses, to repay \$66.2 million in water system revenue bonds and Ohio Water Development Authority loans issued at various dates ranging from September 30, 1999 through December 18, 2015. Proceeds from the bonds and loans provided financing for various water projects. The bonds and loans are payable solely from water customer net revenues and have varying final maturity dates ranging from January 1, 2020 through January 1, 2037. The total principal and interest remaining to be paid on the bonds and loans as of December 31, 2016 is \$61,449,721. Principal and interest paid for 2016 and total customer net revenues were \$6,357,196 and \$9,825,497 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
09/17/09	\$ 22,100,000	Various Water Projects	03/01/34	\$ 3,950,300	\$ 19,254,663
12/18/15	8,300,000	Various Water Projects	03/01/26	215,234	9,348,894
09/30/99	1,076,288	Clean and Reline Wtr Main	07/01/20	78,828	315,309
05/25/00	8,108,231	Sedimentation Basin Rehab	07/01/20	626,574	2,506,294
10/30/08	1,547,061	Water Meter Replacement	01/01/20	184,872	647,052
06/28/12	1,092,305	Water Main Replacement	07/01/33	65,666	1,126,157
12/08/11	2,375,202	Water Wall	01/01/33	60,138	2,120,998
12/08/11	470,615	Stow Road Bolt Replcmnt	07/01/32	33,064	529,027
06/27/13	2,913,053	High Service Pumps Install	07/01/34	177,438	3,193,876
06/27/13	761,969	Chlorine Dioxide Feed Syst.	07/01/34	46,413	795,704
09/26/13	306,056	Spillway Improvements	07/01/23	37,870	178,923
12/12/13	783,568	Johnston St. Pump Station	01/01/35	55,397	972,596
01/30/14	699,377	Standby Generator Imprvmnts	07/01/24	84,146	593,578
02/27/14	2,648,531	Water Main Reloctn & Repr	01/01/35	207,833	2,943,920
02/27/14	10,161,593	Water Distribution Yard	07/01/35	533,423	14,042,790
06/25/15	850,896	N. Generator & Substation	01/01/37	-	834,648
09/24/15	1,596,553	Backwash Water Supply	07/01/36	-	1,607,295
10/29/15	441,878	Sedimentation Basin 1 & 2	01/01/37	-	437,997
	<u>\$ 66,233,176</u>			<u>\$ 6,357,196</u>	<u>\$ 61,449,721</u>

## 19. Pledged Revenues (Continued)

### Sewer System Revenues

The City has pledged future sewer customer revenues, net of specified operating expenses to repay \$651.6 million in sewer system revenue bonds and Ohio Water Development Authority loans issued at various dates ranging from December 1, 2005 through August 25, 2016. Proceeds from the bonds and loans provided financing for various sewer projects. The bonds and loans are payable solely from sewer customer net revenues and have varying maturity dates ranging from January 1, 2017 through July 1, 2049. The total principal and interest remaining to be paid on the bonds as of December 31, 2016 is \$390,988,055. Principal and interest paid for 2016 and total customer net revenues were \$15,525,970 and \$17,713,445 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
12/01/05	\$ 33,855,000	Various Sewer Projects	12/01/17	\$ 5,077,500	\$ 1,890,000
10/30/08	1,547,061	Water Meter Replcmnt	01/01/20	184,872	647,052
01/14/10	989,338	Sand Run Sewer Recon	01/01/30	67,660	913,414
11/19/09	160,393	Mill Street Sewer Repair	07/01/30	10,970	153,569
12/10/09	369,492	WPC Control System	07/01/20	43,575	174,638
12/10/09	86,741	WWTP Roof Replcmnt	01/01/30	5,933	80,084
03/31/11	846,270	Lake Woods Pump Station	01/01/32	49,714	921,190
02/24/11	2,189,031	Massillon Road Sewer	01/01/32	159,517	2,487,683
02/24/11	414,210	2nd Street Pump Station	01/01/32	30,159	469,020
10/27/11	78,750	Shullo Pump Station Design	01/01/17	17,167	4,430
10/27/11	78,750	Weathervane Pump Station	01/01/17	17,167	4,430
12/08/11	4,330,000	Large Diam. Pipe Inspection	07/01/18	927,824	492,145
12/08/11	2,987,144	CSO Rack 8 Sewer Sep	07/01/32	134,720	2,891,797
12/08/11	2,375,202	Water Wall	01/01/33	60,137	2,120,999
12/08/11	903,132	Sanitary Sewer Recon 2011	01/01/32	59,282	918,867
10/27/11	23,943,236	WPC Step Feed Ph1	07/01/33	1,568,747	23,245,072
10/27/11	1,243,132	CSO Rack 25 Separation	01/01/33	81,975	1,352,591
10/27/11	979,845	Northside Interceptor Rehab	07/01/32	64,613	1,033,814
05/31/12	2,137,778	WPCS High Rate Treatment	01/01/19	142,872	832,599
09/27/12	755,168	Lrg Pipe Dmtr Insp-Design	07/01/18	161,784	285,552
10/25/12	316,937	CSO Rack 21 Swr Sep Dsgn	07/01/19	67,973	(41,054)
12/06/12	2,114,697	Mud Run Pump Prgm Imp CD	07/01/19	453,041	1,138,118
03/28/13	4,861,683	Litle Cuahoga Int Rplcmnt	07/01/34	329,490	5,448,226
12/06/12	6,032,632	CSO Design Prog Mngt Team	01/01/18	1,288,957	1,933,435
12/06/12	383,985	Sewer System I & I Study	07/01/18	82,044	164,088
05/30/13	5,162,579	2013 Large Diameter Pipe Cln	07/01/18	1,109,836	549,263
05/30/13	2,593,857	Main Outfall Sewer Rehab	07/01/33	168,232	2,484,600
08/29/13	6,174,836	Mud Run Trunk Swr Lining	01/01/35	414,701	6,183,628
10/31/13	334,170	CSO WPCS Headworks Study	07/01/19	73,608	204,696
10/31/13	1,523,988	WPCS Final Settling Tanks	01/01/20	335,692	932,812
01/30/14	1,881,680	Main Outfall Sewer	07/01/34	133,504	1,916,648
01/30/14	1,063,037	Rack 12 CSO Storage Basin	07/01/19	232,866	648,056
01/30/14	781,309	Rack 14 CSO Storage Basin	07/01/19	171,152	513,453
04/24/14	3,419,313	Retention Tank #2 Rehab.	01/01/36	125,534	3,981,633
04/24/14	1,500,016	Kingswood-Rocky Hollow Swr	07/01/34	104,448	1,806,255
06/26/14	11,029,390	Rack 15 Storage Basin	01/01/36	373,986	12,419,309
06/26/14	17,900,171	Mud Run Pump Station Impr.	07/01/36	-	18,118,068
08/28/14	6,827,976	OCIT Lining Protection of LCI	07/01/35	417,354	7,592,210
02/26/15	5,070,277	Mud Run Dist. Cap. Impr.	01/01/36	152,810	4,648,593
02/26/15	18,319,051	Rack 14 CSO Storage Basin	01/01/38	-	18,599,891
04/30/15	25,387,222	CSO Program Mgmt 2013	07/01/21	-	25,874,439
05/28/15	1,155,041	OCIT Otto St Pump Station	01/01/36	36,052	1,179,387



## 19. Pledged Revenues (Continued)

### Sewer System Revenues (Continued)

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
05/28/15	\$ 753,097	OCIT Exchange St Utility	01/01/36	\$ 23,506	\$ (12,342)
05/28/15	6,564,391	Sanitary Sewer Reconstruction	01/01/36	204,893	7,990,832
09/24/15	4,433,515	Sanitary Sewer Reconstruction	01/01/36	140,866	5,493,782
02/25/16	1,431,749	Sanitary Sewer Reconstruction	01/01/36	39,370	1,343,542
05/28/15	31,617,614	Rack 12 CSO Storage Basin	01/01/38	-	20,925,343
07/30/15	5,502,246	Sanitary Sewer Rec 2014 Ph 2	01/01/36	109,224	4,910,942
08/27/15	5,844,021	Sanitary Sewer Rec 2014 Ph 1	01/01/37	-	4,892,460
10/29/15	3,273,284	Dan Sewer Separation	01/01/37	-	3,085,825
10/29/15	254,744,002	Ohio Canal Interceptor Tunnel	07/01/49	-	130,261,234
12/10/15	5,653,479	Mud Run District I-I Rehab	01/01/37	-	2,870,643
12/10/15	4,500,378	Mud Run District Repairs	01/01/37	-	3,026,796
12/10/15	1,374,691	Shullo & Weathervane Pump	07/01/36	-	1,305,924
01/28/16	1,299,344	Seiberling Street Sewer	01/01/26	70,643	428,573
02/25/16	4,823,288	Sewer Maintenance Relocation	01/01/47	-	3,504,386
03/31/16	26,047,415	Main Outfall Relief Sewer	01/01/48	-	30,270,987
04/28/16	3,103,670	Howard Storage Basin	01/01/22	-	2,730,683
06/30/16	22,158,491	Middlebury Separation	07/01/48	-	4,061,975
06/30/16	14,692,039	Merriman Separation - Rack 36	07/01/48	-	4,968,944
08/25/16	2,147,990	Carpenter Sewer Separation	07/01/37	-	24,278
08/25/16	47,518,521	WRF Step Feed Phase 2	07/01/49	-	1,688,548
	<u>\$ 651,586,745</u>			<u>\$ 15,525,970</u>	<u>\$ 390,988,055</u>

## 19. Pledged Revenues (Continued)

### JEDD Revenues

The City has pledged future JEDD revenues to repay JEDD revenue bonds originally issued in 2000 and 2002 for \$53.2 million. These bonds were refinanced in December of 2011 with a \$27.2 million refunding bond issue. Proceeds from the original bonds issued provided financing for various water and sewer projects. The bonds are payable solely from JEDD revenues and have a final maturity date of December 1, 2022. The total principal and interest remaining to be paid on the bonds as of December 31, 2016 is \$20,910,150. Principal and interest paid for 2016 and total JEDD revenues were \$4,268,863 and \$14,389,449 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
12/21/11	\$ 27,165,000	Various Water/Sewer Projects	12/01/22	\$ 4,268,863	\$ 20,910,150

### Non-Tax Revenues

The City has pledged future non-tax revenues, to repay \$55.5 million in non-tax revenue bonds issued December 15, 2011 through November 12, 2015. In December of 2011, bonds were issued to refund the bonds originally issued in 1997. The 2014 issue refunded the issue from 2008. The 2015 issue refunded the issue from 2006. Proceeds from the bonds provided financing for various economic development and renovation projects. The bonds are payable from non-tax revenue including shared revenue, charges for services, licenses, fees, and fines, and miscellaneous revenue. The maturity dates range from December 1, 2018 through December 1, 2034. The total principal and interest remaining to be paid on the bonds as of December 31, 2016 is \$53,934,505. Principal and interest paid for 2016 and total non-tax revenues were \$5,763,140 and \$151,217,124 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
12/15/11	\$ 14,035,000	Various Econ. Dev. Proj.	12/01/18	\$ 2,834,925	\$ 5,663,950
11/25/14	28,230,000	Various Econ. Dev. Proj.	12/01/34	2,513,898	32,425,640
11/12/15	13,250,000	Various Econ. Dev. Proj.	12/01/26	414,317	15,844,915
	<u>\$ 55,515,000</u>			<u>\$ 5,763,140</u>	<u>\$ 53,934,505</u>

## 19. Pledged Revenues (Continued)

### Income Tax Revenues

The City has pledged future income tax revenues to repay \$142.3 million in income tax revenue bonds and bond anticipation notes issued at various dates ranging from December 15, 2011 through December 14, 2016. The 2011 issue refunded an issue from 1999. The 2016 issue partially refunded the 2012 issue. Proceeds from the bonds provided financing for various liabilities, equipment, facilities, and improvements. The bonds are payable solely from income tax revenues and have varying maturity dates ranging from March 9, 2017 through June 1, 2035. The total principal and interest remaining to be paid on the bonds as of December 31, 2016 is \$146,193,243. Principal and interest paid for 2016 and total income tax revenues were \$23,589,766 and \$135,321,729 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
12/15/11	\$ 6,405,000	Pension	12/01/23	\$ 702,175	\$ 4,917,450
11/14/12	28,870,000	Var Purp IT Rev Bonds	12/01/32	17,994,650	10,192,569
08/08/13	2,493,570	OAQDA Series A	12/01/21	328,898	1,645,027
08/08/13	2,355,914	OAQDA Series B	12/01/28	98,948	3,246,967
08/07/14	838,000	OAQDA Series A	12/01/21	124,376	621,881
11/25/14	32,340,000	Var Purp IT Rev Bonds	12/01/34	2,652,250	44,255,000
06/24/15	5,500,000	Var Purp IT Rev Bonds	06/01/35	348,090	6,436,020
11/12/15	25,370,000	Var Purp IT Rev Bonds	12/01/28	1,340,379	31,465,100
03/10/16	3,500,000	Health Benefit BAN	03/09/17	-	3,535,252
12/06/16	14,655,000	Var Purp IT Rev Bonds	12/01/28	-	19,379,366
12/14/16	20,000,000	Var Purp IT Rev Note	12/13/17	-	20,498,611
	<u>\$ 142,327,484</u>			<u>\$ 23,589,766</u>	<u>\$ 146,193,243</u>

### CLC Income Tax Revenues

The City's income tax rate includes .25% Community Learning Center (CLC) income tax revenue. This is designated exclusively for funding the Akron Public Schools' local share in obtaining State of Ohio grants for the construction and renovation of community learning centers (CLC) in Akron. The City has issued bonds totaling \$277.4 million with final maturities in 2026 and 2033. The Akron Public Schools' annual contribution towards this debt is \$3,000,000. The City has committed each year, from the supplemental income tax revenue, amounts sufficient to cover the City's portion of the principal and interest requirements. Total principal and interest remaining on bonds are \$393,421,886. For 2016 total principal and interest paid by the City was \$19,667,241 and total income tax revenues were \$15,935,060.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service*	Future Debt Service
07/28/10	\$ 17,880,000	Community Learning Centers	12/01/33	\$ 1,136,400	\$ 27,224,525
07/28/10	12,060,000	Community Learning Centers	12/01/33	765,548	22,551,087
07/28/10	15,060,000	Community Learning Centers	12/01/26	884,624	21,694,683
06/27/12	155,360,000	Community Learning Centers	12/01/33	13,098,400	218,596,000
05/07/14	50,000,000	Community Learning Centers	12/01/33	3,782,269	64,258,288
12/08/16	27,000,000	Community Learning Centers	12/01/33	-	39,097,303
	<u>\$ 277,360,000</u>			<u>\$ 19,667,241</u>	<u>\$ 393,421,886</u>

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

## 20. Pollution Remediation

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Cost* addresses reporting standards for pollution remediation obligations. The City is aware of eight sites that meet the requirements for disclosure. The first site is a vacant, undeveloped piece of land known as the Middlebury Property which includes Middlebury East and Middlebury Grocery. The City of Akron legally obligated itself by voluntarily commencing cleanup activities and obtained a \$750,000 grant to assist in the remediation clean-up. The projected cost to remediate Middlebury East was estimated at approximately \$1,200,000. A No Further Action (NFA) letter was submitted to the Ohio Environmental Protection Agency (OEPA) in 2014. Ohio EPA issued a Covenant Not To Sue on July 14, 2015. However, the cost of the abandonment of all the wells, piping and vaults associated with the remediation will be completed in 2017 with an estimated cost of \$205,000. There are no expenses expected for 2018 and beyond. This amount is included in the Statement of Net Position as of December 31, 2016. As for Middlebury Grocery, the expenses are estimated at \$5,000 for 2017 and \$40,000 to the end of the project to facilitate the Operation and Maintenance Plan. This amount is minimal and is not included in the Statement of Net Position as of December 31, 2016.

The second site is known as the Westside Depot property where the City of Akron was compelled to take remediation action. This site used to house an underground storage tank (UST) system. During an upgrade to this system in 1991, there was evidence of residual petroleum hydrocarbons under the tank and the associated dispensing equipment. This site also had been the location of a previous UST system that may have consisted of a diesel tank, a gasoline tank, and a kerosene tank. The City conducted free product recovery in 2016 from this site. The Ohio Bureau of Underground Storage Tank Regulation (BUSTR) approved the City's Tier II evaluation in November 2016. The amount estimated for 2017 is \$41,200 with \$30,000 for 2018 and beyond. These amounts are recorded as a liability in the Airport Fund as of December 31, 2016.

The third site is for remediation work is in the Landmark Building. The remediation work included asbestos abatement, general waste removal and soil remediation activities. The total project cost was estimated to be just under \$2,000,000. The City received funding from the Ohio Development Services Agency (ODSA) to assist with this project. On May 1, 2012, the City was issued a Covenant Not to Sue for this property. At this time the costs anticipated to be spent on the Operation and Maintenance Plan with the OEPA in 2017 and beyond are minimal. Therefore no liability has been recorded as of December 31, 2016.

The fourth site is referred to as the Imperial Electric/XXth Century property. The City conducted demolition and remediation activities at this site with a total cost of \$1,600,000. The City was awarded Clean Ohio Revitalization Funds (CORF) to assist in the remediation of the property. The project was completed in 2013 and a NFA letter was submitted. On February 24, 2015, the Director of the OEPA issued the Covenant Not to Sue. There continues to be an Operation and Maintenance requirement for this property. There are no further expenses expected for 2017 and beyond. No liability has been included in the Statement of Net Position as of December 31, 2016.

The fifth site is referred to as the Goodyear Powerhouse Building. Even though the City does not own this property, it is part of the Goodyear Development Project and the CORF Grant Agreement that was awarded to the City of Akron in March 2012. The final grant disbursement was processed in 2015. A No Further Action (NFA) letter was submitted to the OEPA in May 2015. Ohio EPA required additional sampling which was completed in 2016. The OEPA issued a Covenant Not to Sue on October 17, 2016 which ceased the City's pollution remediation obligation. No liability has been included in the Statement of Net Position as of December 31, 2016.

## **20. Pollution Remediation (Continued)**

The sixth site is known as the Water Reclamation Facility Underground Storage Tanks Project. There has been an ongoing remediation of two former USTs at the City's Water Reclamation Facility since 1999. The tanks were removed from the ground over ten years ago and have been regulated under the Ohio BUSTR because there was a release from each UST. The City has been engaged in the ongoing implementation of corrective action for each release in accordance with BUSTR's regulations. A Tier II report was submitted to BUSTR in 2016 which showed exceedances of BUSTR's indoor air standard for one building. The building is used exclusively for storing equipment. The remediation continued through all of 2016. The estimated cost for 2017 is \$20,000 and \$40,000 for 2018 and beyond. This liability will be included as a liability as of December 31, 2016.

The seventh site is referred to as Combined Sewer Overflow (CSO) Tank No. 2 Rehabilitation Project. This site is located east of Kelly Avenue and adjacent to the former Settlement Street Landfill. The City was awarded a grant with OPWC to undertake construction activities on the the property to rehabilitate CSO Tank No. 2. On March 19, 2014, the City obtained a Rule 13 approval from the OEPA which regulates the management of waste since investigation found various fill materials and contaminated soils on the site. Construction began in 2014 and continued into 2016. Rule 13 also authorizes the City to excavate and relocate waste on the property and contains several terms and conditions for the City of Akron regarding this project. In June 2016, the City submitted a final certification report to the Ohio EPA. This report states that the City has complied with the requirements within the Rule 13 approval. There is no expected further cost for 2018 and beyond and will not be included as a liability as of December 31, 2016.

The eighth site is referred to as 144 Cuyahoga Street or the former Garlando's Produce property which was acquired by the City of Akron. An on-site building was abated and demolished in 2015. However, during construction at this site three additional Underground Storage Tanks (UST's) were found. The City removed the three USTs in 2016 and obtained samplelets. Based upon the sample results, BUSTR issued an NFA for two of the tanks. The third tank which is located under the contractor's trailer still needs to gather additional data. The 2017 expenses are estimated at \$10,000. \$40,000 is estimated for 2018 and beyond. This liability will be included in the Statement of Net Position as of December 31, 2016.

## 21. Deferred Inflows/Outflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City has deferred charges on the issuance of bonds reported in the government-wide and proprietary fund statements of net position. A deferred charge results from the difference in the carrying value of the debt and its par amount. This amount is deferred and amortized over the life of the debt. Deferred outflows related to pensions result from changes in Net Pension Liability not recognized as a component of current year pension expense. This amount is deferred and amortized over various periods as instructed by the pension plan administrators.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has nonexchange revenue transactions where a receivable has been recorded (such as when property taxes were levied), but the resources cannot be used until a future period. These items have been reported as deferred inflow on the government-wide Statement of Net Position. In addition, deferred inflows related to pensions are reported in the government-wide and proprietary fund statements of net position. Deferred inflows related to pensions result from changes in Net Pension Liability not recognized as a component of current year pension expense. This amount is deferred and amortized over various periods as instructed by the pension plan administrators.

On the Statement of Net Position Proprietary Funds, the City has recorded certain deferred items that will not be expensed in the current period. Internal service fund deferred outflows from pension expense at December 31, 2016 were \$1,961,848 are included in governmental activities. Unavailable revenues have been reported as deferred outflows of resources in the following amounts:

	Governmental Activities	Business Type Activities			Total Enterprise Funds
		Water	Sewer	Other Enterprise Funds	
Deferred Loss on Early Retirement Pension Expense	\$ 314,427	\$ -	\$ -	\$ -	\$ -
	62,613,371	3,927,999	2,563,550	186,954	6,678,503
	<u>\$ 62,927,798</u>	<u>\$ 3,927,999</u>	<u>\$ 2,563,550</u>	<u>\$ 186,954</u>	<u>\$ 6,678,503</u>

A summary of the deferred inflows of resources reported in the government-wide and proprietary fund statement of position follows. Internal service fund deferred inflows related to pensions at December 31, 2016 were \$141,372 and are included in governmental activities.

	Governmental Activities	Business Type Activities				Total Enterprise Funds
		Water	Sewer	Off Street Parking	Other Enterprise Funds	
Nonexchange revenues	\$ 109,554,415	\$ 400,364	\$ 1,132,286	\$ 12,311	\$ -	\$ 1,544,961
Deferred gain on financing	20,830,980	-	-	-	-	-
Pensions	4,340,223	267,513	176,519	-	12,921	456,953
	<u>\$ 134,725,618</u>	<u>\$ 667,877</u>	<u>\$ 1,308,805</u>	<u>\$ 12,311</u>	<u>\$ 12,921</u>	<u>\$ 2,001,914</u>

## 21. Deferred Inflows/Outflows of Resources (Continued)

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

	<b>Governmental Funds</b>					
	General Fund	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Fund	Other Governmental Funds	Total Governmental Funds
Income Taxes	\$ 7,970,929	\$ -	\$ 2,948,152	\$ -	\$ -	\$ 10,919,081
Grants	7,869	-	-	-	2,741,276	2,749,145
Lease Payments	-	-	-	-	4,147,035	4,147,035
Shared Revenues	3,853,954	51,961,590	-	-	3,559,802	59,375,346
Property Taxes	21,035,749	-	-	32,819,222	9,350,363	63,205,334
	<u>\$ 32,868,501</u>	<u>\$ 51,961,590</u>	<u>\$ 2,948,152</u>	<u>\$ 32,819,222</u>	<u>\$ 19,798,476</u>	<u>\$ 140,395,941</u>

## 22. Transfers and Advances

For the year ended December 31, 2016 transfers and advances presented in conformity with generally accepted accounting principles (GAAP) are listed in the following tables. Interfund transfers are made to cover expenditures/expenses in various funds or to fulfill grant match requirements.

		<b>Transfers In</b>			
	Transfers Out	Other Governmental Funds	Other Enterprise Funds	Off- Street Parking	Total
<b>Governmental Funds:</b>					
General Fund	<u>\$ 3,827,961</u>	<u>\$ 3,216,961</u>	<u>\$ 395,000</u>	<u>\$ 216,000</u>	<u>\$ 3,827,961</u>

The table below presents the amounts the City has advanced to various funds during 2016.

		<b>Advanced To</b>			
	Advanced From	Other Governmental Funds	Internal Service Funds		Total
<b>Governmental Funds:</b>					
General Fund	\$ 577,000	\$ 277,000	\$ 300,000	\$	577,000
Income Tax Capital Improvement	85,500	85,500	-		85,500
	<u>\$ 662,500</u>	<u>\$ 362,500</u>	<u>\$ 300,000</u>	<u>\$</u>	<u>662,500</u>

## **23. Contingencies**

### **(1) Litigation**

The City is a defendant in a number of lawsuits pertaining to matters that are incidental to performing routine governmental functions. In an ongoing promotional examination case, the plaintiffs were awarded, during 2016, back wages in the amount of \$900,000 and interest in the amount of \$140,000. The one unresolved item is the plaintiff's fees and costs. The City's management is of the opinion that ultimate settlement of all outstanding litigation and claims will not result in a material adverse effect on the City's financial position.

### **(2) Federal and State Grants**

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

### **(3) Water Agreement**

The City of Akron acquired a water system, located in Hudson, from the County of Summit in December of 2006 for \$6,454,845. In exchange for the water system, the County received the benefit of a future credit to be applied towards the purchase of Akron owned sewer infrastructure. As of December 31, 2016, the County has not purchased any sewer infrastructure and the full balance of the credit is remaining.

## **24. Closure and Post-Closure Care Costs**

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

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



## 25. Jointly Governed Organizations

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

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

## 26. Joint Ventures

The Copley-Akron Joint Economic Development District ("JEDD") was created by contract between the City and Copley Township ("Township") under the provisions of Ohio Revised Code sections 715.70 and 715.71. The JEDD is governed by a six member Board of Directors of which three members are from the City (Mayor and two members of Council appointed by the Mayor and approved by Council) and three members are from the Township (all three Township Trustees). The JEDD Boards, pursuant to the contract, levies an income tax at the same rate as the City of Akron's income tax. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. Because it is legally separate from the City the JEDD is not reported as part of the primary government. A summary of the financial information is as follows:

### Statement of Receipts, Disbursements and Change in Fund Balance (Cash Basis)

Income Tax Receipts	\$ 5,675,961
Contractual Disbursements	(443,401)
	<u>5,232,560</u>
Disbursements to Akron	(5,232,560)
Change in Fund Cash Balance	-
 Fund Cash Balance, January 1, 2016	 -
 Fund Cash Balance, December 31, 2016	 <u>\$ -</u>

## 26. Joint Ventures (Continued)

The Coventry-Akron Joint Economic Development District ("JEDD") was created by contract between the City and Coventry Township ("Township") under the provisions of Ohio Revised Code sections 715.70 and 715.71. The JEDD is governed by a six member Board of Directors of which three members are from the City (Mayor and two members of Council appointed by the Mayor and approved by Council) and three members are from the Township (all three Township Trustees). The JEDD Boards, pursuant to the contract, levies an income tax at the same rate as the City of Akron's income tax. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. Because it is legally separate from the City the JEDD is not reported as part of the primary government. A summary of the financial information is as follows:

### Statement of Receipts, Disbursements and Change in Fund Balance (Cash Basis)

Income Tax Receipts	\$ 2,855,641
Contractual Disbursements	<u>(183,685)</u>
	2,671,956
Disbursements to Akron	<u>(2,671,956)</u>
Change in Fund Cash Balance	-
Fund Cash Balance, January 1, 2016	-
Fund Cash Balance, December 31, 2016	<u><u>\$ -</u></u>

The Springfield-Akron Joint Economic Development District ("JEDD") was created by contract between the City and Springfield Township ("Township") under the provisions of Ohio Revised Code sections 715.70 and 715.71. The JEDD is governed by a six member Board of Directors of which three members are from the City (Mayor and two members of Council appointed by the Mayor and approved by Council) and three members are from the Township (all three Township Trustees). The JEDD Boards, pursuant to the contract, levies an income tax at the same rate as the City of Akron's income tax. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. Because it is legally separate from the City the JEDD is not reported as part of the primary government. A summary of the financial information is as follows:

### Statement of Receipts, Disbursements and Change in Fund Balance (Cash Basis)

Income Tax Receipts	\$ 3,394,181
Contractual Disbursements	<u>(220,160)</u>
	3,174,021
Disbursements to Akron	<u>(3,174,021)</u>
Change in Fund Cash Balance	-
Fund Cash Balance, January 1, 2016	-
Fund Cash Balance, December 31, 2016	<u><u>\$ -</u></u>

## 26. Joint Ventures (Continued)

The Bath-Akron-Fairlawn Joint Economic Development District (“JEDD”) was created by contract between the City of Akron (City), City of Fairlawn and Bath Township (“Township”) under the provisions of Ohio Revised Code sections 715.70 and 715.71. The JEDD is governed by a nine member Board of Directors of which three members are from the City (Mayor and two members of Council appointed by the Mayor and approved by Council), three members are from the City of Fairlawn (Mayor and approved by Council) and three members are from the Township (all three Township Trustees). The JEDD Boards, pursuant to the contract, levies an income tax at the same rate as the City of Akron’s income tax. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. Because it is legally separate from the City the JEDD is not reported as part of the primary government. A summary of the financial information is as follows:

### Statement of Receipts, Disbursements and Change in Fund Balance (Cash Basis)

Income Tax Receipts	\$ 7,111,853
Contractual Disbursements	<u>(3,800,938)</u>
	3,310,915
Disbursements to Akron	<u>(3,310,915)</u>
Change in Fund Cash Balance	-
Fund Cash Balance, January 1, 2016	-
Fund Cash Balance, December 31, 2016	<u><u>\$ -</u></u>

## 27. Related Organization

The City of Akron, in conjunction with Summit County, University of Akron, Medina County, and Greater Akron Chamber of Commerce, agreed to form the Summit Medina Business Alliance (SMBA). SMBA is a not-for-profit corporation which supports economic development of the region. The organization entered into an agreement with the Kent Regional Business Alliance to carry out activities in cooperation with the Ohio Development Services Agency and the Small Business Administration. The Mayor of the City of Akron appoints three of the five voting members of the board of trustees of the Summit Medina Business Alliance. The SMBA does not pose a financial burden on the City of Akron since it receives revenues from the City and other governments in the area. During 2016, the City paid SMBA \$93,750 for operating expenses.

## 28. Fund Balance

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

	General Fund	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Fund	Other Governmental Funds	Total Governmental Funds
Fund balances:						
Restricted:						
Asset management	-	-	-	-	62,481	62,481
Building, housing and economic incentive	-	-	104,070	-	81,794	185,864
Construction and renovation of CLCs	-	98,328,849	-	-	-	98,328,849
Community betterment and outreach	-	-	963,849	-	13,452,173	14,416,022
Debt service reserves	-	-	-	-	928,198	928,198
Information technology	-	-	-	-	1,177,438	1,177,438
Life enrichment	-	-	2,681,804	-	195,031	2,876,835
Other purposes	-	-	172,116	-	12,410,717	12,582,833
Police and fire equipment	-	-	4,035,515	-	-	4,035,515
Protection and enforcement	-	-	-	-	1,451,417	1,451,417
Transportation/mobility	-	-	48,032	-	1,914,132	1,962,164
Total restricted	-	98,328,849	8,005,386	-	31,673,381	138,007,616
Committed:						
Community betterment and outreach	-	-	-	-	5,368,745	5,368,745
Information technology	-	-	-	-	28,360	28,360
Non-financial assets held for resale	-	-	-	-	7,720,162	7,720,162
Protection and enforcement	397,517	-	-	-	-	397,517
Transportation/mobility	-	-	-	-	1,694,336	1,694,336
Total committed	397,517	-	-	-	14,811,603	15,209,120
Assigned:						
Asset management	188,536	-	-	-	-	188,536
Building, housing and economic incentive	192,226	-	-	-	-	192,226
Community betterment and outreach	42,163	-	-	-	-	42,163
General governance	103,346	-	-	-	-	103,346
Life enrichment	278,078	-	-	-	-	278,078
Municipal justice	53,309	-	-	-	-	53,309
Protection and enforcement	647,558	-	-	-	-	647,558
Transportation/mobility	28,342	-	-	-	-	28,342
Waste management	370,416	-	-	-	-	370,416
Wellness and prevention	86	-	-	-	-	86
Total assigned	1,904,060	-	-	-	-	1,904,060
Unassigned	15,022,169	-	-	(9,643,792)	(2,538,935)	2,839,442
Total fund balances	\$ 17,323,746	\$ 98,328,849	\$ 8,005,386	\$ (9,643,792)	\$ 43,946,049	\$ 157,960,238

## 29. Tax Abatements

Community Reinvestment Areas (CRAs) were established under Ohio Revised Code Section 3735.66 and administered through ORC Sections 3735.66 to 3735.70. The ORC Sections prescribe that in return for building or remodeling properties within the CRA boundaries, applicants can apply for an exemption of real property taxes at 100% of the increased market value of the property.

The City established a CRA in 2010 relating to Envision Apartments. For the fiscal year ended December 31, 2016, the City had only 1 active CRA for which it abated property taxes totaling \$32,777.

### 30. Restatement of Net Position

Effective January 1, 2016, the City recorded adjustments to beginning balances to record the change to accounting practices. The special assessment receivable, JEDD activity and other transactions necessitated the restatement. The impact is reflected in the Statement of Activities in the Governmental Activities and Business-Type Activities, the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds, the Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds. The following balances were restated:

	Balance as of December 31, 2015	Restatement SA Receivable	Restatement JEDD	Restatement Transactions	December 31, 2015 as restated
<b>Statement of Net Position</b>					
Governmental Activities	\$ 225,348,756	(80,660)	(1,173,483)	20,573	\$ 224,115,186
Business-type Activities	\$ 436,472,203	80,660	-	-	\$ 436,552,863
<b>Governmental Funds</b>					
General Fund	\$ 12,933,884	25,952	-	450,000	\$ 13,409,836
Special Assessment Fund	\$ (10,426,758)	1,893,388	-	-	\$ (8,533,370)
Other Governmental Funds	\$ 35,940,545	(2,000,000)	(1,173,483)	(429,427)	\$ 32,337,635
<b>Enterprise Funds</b>					
Water	\$ 113,129,671	23,629	-	-	\$ 113,153,300
Sewer	\$ 239,742,449	56,298	-	-	\$ 239,798,747
Off-Street Parking	\$ 74,563,840	733	-	-	\$ 74,564,573

### 31. Subsequent Events

On January 30, 2017, City Council passed ordinance 18-2017 authorizing the issuance of a loan of the City in a principal amount not to exceed \$21,899,094 for sale to the Water Pollution Control Loan Fund of the State of Ohio to finance the costs of constructing the Howard Storage Basin (CSO Rack 22) Project.

On March 6, 2017, City Council passed ordinance 56-2017 authorizing the issuance of a loan of the City in a principal amount not to exceed \$757,301 for sale to the Water Pollution Control Loan Fund of the State of Ohio to finance the costs of improvements to the City's wastewater system.

On March 6, 2017, City Council passed ordinance 57-2017 authorizing the issuance of a loan of the City in a principal amount not to exceed \$20,930,800 for sale to the Water Pollution Control Loan Fund of the State of Ohio to finance the costs of improvements to the City's wastewater system.

On March 13, 2017, City Council passed ordinance 66-2017 authorizing the issuance of Health Benefit Claims Notes in the maximum principal amount of \$4,000,000 to pay the costs of maintaining the self-insurance program for employee health care benefits.

On May 8, 2017, City Council passed ordinance 140-2017 authorizing the issuance of a bond of the City in a principal amount not to exceed \$23,000,000 for sale to the Water Pollution Control Loan Fund of the State of Ohio to finance the costs of improvements to the City's wastewater system.

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# **Required Supplementary Information**

City of Akron, Ohio

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

For the Year Ended December 31, 2016

	Budgeted Amounts		
	Original	Final	Actual Amounts
<b>Revenues and other sources</b>			
Revenues:			
Income taxes	\$ 91,465,440	\$ 91,465,440	\$ 91,357,748
Property taxes	16,650,269	16,650,269	16,520,330
JEDD revenues	2,679,330	3,212,350	4,321,500
Inheritance	-	-	152,156
Local government	6,531,634	6,531,634	6,374,150
Ohio casino revenue	2,790,970	3,346,200	3,205,253
Service revenues	26,570,070	31,855,820	27,432,102
Miscellaneous revenues	14,959,620	17,935,630	6,996,308
	161,647,333	170,997,343	156,359,547
Other sources:			
Note/Bond Proceeds	-	-	5,000,000
Previous year's encumbrances	2,037,639	2,037,639	2,037,639
	2,037,639	2,037,639	7,037,639
Total revenues and other sources	163,684,972	173,034,982	163,397,186
<b>Expenditures and other uses</b>			
Expenditures:			
Civil Service:			
Wages/benefits	1,006,240	986,240	966,004
Other	107,571	109,490	106,573
	1,113,811	1,095,730	1,072,577
Finance:			
Wages/benefits	2,319,570	2,319,570	2,267,729
Other	4,601,771	6,174,852	5,143,945
Capital Outlay	-	15,000	7,474
	6,921,341	8,509,422	7,419,148
Law:			
Wages/benefits	3,048,630	2,973,630	2,864,495
Other	1,011,040	1,061,040	1,060,009
	4,059,670	4,034,670	3,924,504
Legislative:			
Wages/benefits	1,078,270	1,078,270	1,061,004
Other	198,770	233,770	229,422
	1,277,040	1,312,040	1,290,426
Municipal Court - Clerk:			
Wages/benefits	3,374,010	3,374,010	3,304,254
Other	305,421	340,421	319,775
	3,679,431	3,714,431	3,624,029

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

For the Year Ended December 31, 2016  
 (continued)

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	
Municipal Court - Judges:			
Wages/benefits	4,368,590	4,338,590	4,219,866
Other	219,602	219,602	195,540
	4,588,192	4,558,192	4,415,406
Office of the Mayor:			
Wages/benefits	2,515,950	2,455,950	2,374,540
Other	259,241	449,241	420,265
	2,775,191	2,905,191	2,794,805
Planning:			
Wages/benefits	983,900	1,013,900	1,005,116
Other	178,778	178,778	161,196
Capital outlay	18,726	18,726	18,011
	1,181,404	1,211,404	1,184,323
Public Health:			
Wages/benefits	70,600	145,600	100,996
Other	4,151,790	4,151,790	4,151,002
	4,222,390	4,297,390	4,251,998
Public Safety:			
Wages/benefits	5,533,710	5,743,710	5,336,932
Other	8,619,392	10,019,392	9,628,322
	14,153,102	15,763,102	14,965,254
Public Service:			
Wages/benefits	9,363,560	9,223,560	8,532,587
Other	15,485,742	17,545,742	14,450,018
Capital outlay	413,965	443,965	401,208
	25,263,267	27,213,267	23,383,813
Fire:			
Wages/benefits	32,341,790	31,841,790	30,843,856
Other	5,169,041	4,369,041	2,389,722
	37,510,831	36,210,831	33,233,578
Police:			
Wages/benefits	49,123,920	48,273,920	47,331,474
Other	5,616,614	9,716,614	7,303,393
	54,740,534	57,990,534	54,634,867



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

For the Year Ended December 31, 2016  
 (continued)

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	
Neighborhood Assistance:			
Wages/benefits	5,539,660	5,489,660	5,351,377
Other	1,795,494	1,845,494	1,503,234
	<u>7,335,154</u>	<u>7,335,154</u>	<u>6,854,611</u>
Total expenditures	<u>168,821,358</u>	<u>176,151,358</u>	<u>163,049,339</u>
Excess (deficiency) of revenues and other sources over expenditures	(5,136,386)	(3,116,376)	347,847
Fund balance, January 1, 2016	<u>3,150,025</u>	<u>3,150,025</u>	<u>3,150,025</u>
Fund balance (deficit), December 31, 2016	<u>\$ (1,986,361)</u>	<u>\$ 33,649</u>	<u>\$ 3,497,872</u>

Note:

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

Finance	\$ 570,000
Public Service	\$ 781,000
Fire	\$ 194,624
Police	\$ 2,804,400
Neighborhood Assistance	\$ 41,883

City of Akron, Ohio

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

For the Year Ended December 31, 2016

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	
<b>Revenues and other sources</b>			
Revenues:			
Income taxes	\$ 16,143,070	\$ 16,143,070	\$ 15,529,752
Governmental revenues	1,056,430	1,056,430	1,005,718
Miscellaneous revenues	1,639,290	1,639,290	1,625,132
Total revenues	18,838,790	18,838,790	18,160,602
<b>Expenditures</b>			
Department Wide:			
Other	18,161,250	18,161,250	18,161,209
Total expenditures	18,161,250	18,161,250	18,161,209
Excess (deficiency) of revenues and other sources over expenditures	677,540	677,540	(607)
Fund balance, January 1, 2016	24,308,901	24,308,901	24,308,901
Fund balance, December 31, 2016	\$ 24,986,441	\$ 24,986,441	\$ 24,308,294

City of Akron, Ohio  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Income Tax Capital Improvement Fund, Non-GAAP Budget Basis  
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>Revenues and other sources</b>			
Revenues:			
Income taxes	\$ 31,990,760	\$ 37,065,060	\$ 30,139,473
JEDD revenues	684,820	793,440	1,778,500
Governmental revenues	244,580	283,370	267,303
Gasoline tax	9,780	11,330	-
Miscellaneous revenues	919,610	1,065,480	1,529,788
	33,849,550	39,218,680	33,715,064
Other sources:			
Note/bond proceeds	2,054,450	2,380,320	1,934,715
Previous year's encumbrances	770,138	770,138	770,138
	2,824,588	3,150,458	2,704,853
Total revenues and other sources	36,674,138	42,369,138	36,419,917
<b>Expenditures</b>			
Department Wide:			
Wages/benefits	639,570	639,570	466,559
Other	34,923,636	34,923,636	34,891,309
Capital outlay	2,405,183	2,700,183	2,537,304
Total expenditures	37,968,389	38,263,389	37,895,172
Excess (deficiency) of revenues and other sources over expenditures	(1,294,251)	4,105,749	(1,475,255)
Fund balance, January 1, 2016	691,092	691,092	691,092
Fund balance (deficit), December 31, 2016	\$ (603,159)	\$ 4,796,841	\$ (784,163)

Note: Included in Other expenditures above are advances of \$85,500.

City of Akron, Ohio

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

For the Year Ended December 31, 2016

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>Revenues and other sources</b>			
Revenues:			
Income taxes	\$ -	\$ -	\$ 2,649
Special assessments	18,454,310	18,454,300	16,714,309
Service revenues	77,120	77,120	31,509
Miscellaneous revenues	137,720	137,720	93,251
	18,669,150	18,669,140	16,841,718
Other sources:			
Note/Bond proceeds	14,322,750	14,322,750	12,961,500
Previous year's encumbrances	2,009,733	2,009,733	2,009,733
	16,332,483	16,332,483	14,971,233
Total revenues and other sources	35,001,633	35,001,623	31,812,951
<b>Expenditures</b>			
Finance:			
Wages/benefits	278,760	278,760	268,152
Other	2,252,400	2,252,400	2,081,700
	2,531,160	2,531,160	2,349,852
Planning:			
Other	1,218,326	2,018,326	1,733,799
	1,218,326	2,018,326	1,733,799
Public Service:			
Wages/benefits	4,717,550	5,017,550	4,809,500
Other	20,452,195	21,052,195	20,461,401
Capital outlay	1,085,997	1,650,997	1,611,740
	26,255,742	27,720,742	26,882,641
Neighborhood Assistance:			
Wages/benefits	219,930	219,930	217,917
Other	585,566	735,566	691,951
	805,496	955,496	909,868
Total expenditures	30,810,724	33,225,724	31,876,160
Excess (deficiency) of revenues and other sources over expenditures	4,190,909	1,775,899	(63,209)
Fund balance, January 1, 2016	1,480,592	1,480,592	1,480,592
Fund balance, December 31, 2016	\$ 5,671,501	\$ 3,256,491	\$ 1,417,383

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**Schedule of Net Pension Liability and Related Ratios under OPERS**

**Traditional Plan**

<u>Fiscal Year Ending</u>	<u>Measurement Date</u>	<u>Proportion of Collective Net Pension Liability/(Asset)</u>	<u>Proportionate Share of Collective Net Pension Liability/(Asset)</u>	<u>Covered Employee Payroll</u>	<u>Net Pension Liability/(Asset) as a Percentage of Covered Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total Pension Liability</u>
12/31/2016	12/31/2015	0.437642%	\$ 75,805,111	\$ 57,520,375	131.8%	81.1%
12/31/2015	12/31/2014	0.443579%	53,500,585	54,382,817	98.4%	86.5%
12/31/2014	12/31/2013	0.443579%	52,292,185	52,357,017	99.9%	86.4%

**OPERS Combined Plan**

<u>Fiscal Year Ending</u>	<u>Measurement Date</u>	<u>Proportion of Collective Net Pension Liability/(Asset)</u>	<u>Proportionate Share of Collective Net Pension Liability/(Asset)</u>	<u>Covered Employee Payroll</u>	<u>Net Pension Liability/(Asset) as a Percentage of Covered Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total Pension Liability</u>
12/31/2016	12/31/2015	0.315660%	\$ (153,607)	\$ 1,312,142	11.7%	116.9%
12/31/2015	12/31/2014	0.305825%	(117,750)	1,117,900	10.5%	114.8%
12/31/2014	12/31/2013	0.305825%	(32,090)	1,123,475	2.9%	114.8%

**OPERS Member Directed Plan**

<u>Fiscal Year Ending</u>	<u>Measurement Date</u>	<u>Proportion of Collective Net Pension Liability/(Asset)</u>	<u>Proportionate Share of Collective Net Pension Liability/(Asset)</u>	<u>Covered Employee Payroll**</u>	<u>Net Pension Liability/(Asset) as a Percentage of Covered Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total Pension Liability</u>
12/31/2016	12/31/2015	0.189785%	\$ (725)	\$ 890,550	0.08%	103.9%

\*\* Covered Employee Payroll has been estimated by the City of Akron.

## **Schedule of Contributions under OPERS**

### **Traditional Plan**

<u>Fiscal Year Ending</u>	<u>Measurement Year Ending</u>	<u>Statutorily Required Employer Contribution *</u>	<u>Actual Employer Contributions</u>	<u>Contribution Excess / (Deficiency)</u>	<u>Covered Employee Payroll**</u>	<u>Contributions as a Percentage of Covered Payroll</u>
12/31/2016	12/31/2015	6,902,445	6,902,445	-	57,520,375	12.00%
12/31/2015	12/31/2014	6,525,938	6,525,938	-	54,382,817	12.00%
12/31/2014	12/31/2013	6,282,842	6,282,842	-	52,357,017	12.00%
12/31/2013	N/A	5,397,251	5,397,251	-	53,972,510	10.00%
12/31/2012	N/A	5,247,777	5,247,777	-	52,477,770	10.00%
12/31/2011	N/A	5,397,251	5,397,251	-	53,972,510	10.00%
12/31/2010	N/A	5,178,025	5,178,025	-	57,533,611	9.00%
12/31/2009	N/A	5,313,261	5,313,261	-	75,903,729	7.00%
12/31/2008	N/A	5,130,768	5,130,768	-	74,901,723	6.85%
12/31/2007	N/A	6,093,645	6,093,645	-	72,977,784	8.35%

### **Combined Plan**

<u>Fiscal Year Ending</u>	<u>Measurement Year Ending</u>	<u>Statutorily Required Employer Contribution *</u>	<u>Actual Employer Contributions</u>	<u>Contribution Excess / (Deficiency)</u>	<u>Covered Employee Payroll**</u>	<u>Contributions as a Percentage of Covered Payroll</u>
12/31/2016	12/31/2015	157,457	157,457	-	1,312,142	12.00%
12/31/2015	12/31/2014	134,148	134,148	-	1,117,900	12.00%
12/31/2014	12/31/2013	134,817	134,817	-	1,123,475	12.00%

### **Member Directed Plan**

<u>Fiscal Year Ending</u>	<u>Measurement Year Ending</u>	<u>Statutorily Required Employer Contribution *</u>	<u>Actual Employer Contributions</u>	<u>Contribution Excess / (Deficiency)</u>	<u>Covered Employee Payroll**</u>	<u>Contributions as a Percentage of Covered Payroll</u>
12/31/2016	12/31/2015	106,866	106,866	-	890,550	12.00%

\* Net of employer contributions to healthcare.

\*\*Covered employee payroll has been estimated by the City of Akron.

**Schedule of Net Pension Liability and Related Ratios under OP&F**

**Fire**

<u>Fiscal Year Ending</u>	<u>Measurement Date</u>	<u>Proportion of Collective Net Pension Liability/(Asset)</u>	<u>Proportionate Share of Collective Net Pension Liability/(Asset)</u>	<u>Covered Employee Payroll</u>	<u>Net Pension Liability/(Asset) as a Percentage of Covered Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total Pension Liability</u>
12/31/2016	12/31/2015	1.3199200%	\$ 84,911,384	\$ 32,713,251	259.6%	66.8%
12/31/2015	12/31/2014	1.3172024%	68,236,576	23,457,047	290.9%	72.2%
12/31/2014	12/31/2013	1.3172024%	64,151,888	20,458,336	313.6%	72.2%

**Police**

<u>Fiscal Year Ending</u>	<u>Measurement Date</u>	<u>Proportion of Collective Net Pension Liability/(Asset)</u>	<u>Proportionate Share of Collective Net Pension Liability/(Asset)</u>	<u>Covered Employee Payroll</u>	<u>Net Pension Liability/(Asset) as a Percentage of Covered Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total Pension Liability</u>
12/31/2016	12/31/2015	1.3057420%	\$ 83,998,130	\$ 25,713,251	326.7%	66.8%
12/31/2015	12/31/2014	1.3597730%	\$ 70,441,912	\$ 29,950,321	235.2%	72.2%
12/31/2014	12/31/2013	1.3597730%	\$ 66,225,111	\$ 34,172,517	193.8%	72.2%



## Schedule of Contributions under OP&F

### Fire

Fiscal Year Ending	Measurement Year Ending	Statutorily Required Employer Contributions*	Actual Employer Contributions*	Contribution Excess / (Deficiency)	Covered Employee Payroll**	Contributions as a Percentage of Covered Payroll
12/31/2016	12/31/2015	6,042,614	6,042,614	-	25,713,251	23.50%
12/31/2015	12/31/2014	5,512,406	5,512,406	-	23,457,047	23.50%
12/31/2014	12/31/2013	4,807,709	4,807,709	-	20,458,336	23.50%
12/31/2013	N/A	3,784,368	3,784,368	-	18,706,713	20.23%
12/31/2012	N/A	3,784,368	3,784,368	-	21,938,365	17.25%
12/31/2011	N/A	3,667,167	3,667,167	-	21,258,939	17.25%
12/31/2010	N/A	3,707,534	3,707,534	-	21,492,951	17.25%
12/31/2009	N/A	4,247,254	4,247,254	-	24,621,762	17.25%
12/31/2008	N/A	4,006,568	4,006,568	-	23,226,481	17.25%
12/31/2007	N/A	3,924,754	3,924,754	-	22,752,197	17.25%

### Police

Fiscal Year Ending	Measurement Year Ending	Statutorily Required Employer Contributions*	Actual Employer Contributions*	Contribution Excess / (Deficiency)	Covered Employee Payroll**	Contributions as a Percentage of Covered Payroll
12/31/2016	12/31/2015	6,122,577	6,122,577	-	32,224,089	19.00%
12/31/2015	12/31/2014	5,690,561	5,690,561	-	29,950,321	19.00%
12/31/2014	12/31/2013	5,375,337	5,375,337	-	34,172,517	15.73%
12/31/2013	N/A	4,538,566	4,538,566	-	35,596,596	12.75%
12/31/2012	N/A	3,478,503	3,478,503	-	27,282,376	12.75%
12/31/2011	N/A	3,380,960	3,380,960	-	26,517,333	12.75%
12/31/2010	N/A	3,518,258	3,518,258	-	27,594,180	12.75%
12/31/2009	N/A	3,675,298	3,675,298	-	28,825,867	12.75%
12/31/2008	N/A	3,689,282	3,689,282	-	28,935,545	12.75%
12/31/2007	N/A	3,579,976	3,579,976	-	28,078,243	12.75%

\* Net of employer contributions to healthcare.

\*\*Covered Employee Payroll has been estimated by the City of Akron.

# City of Akron, Ohio

## Notes to the Required Supplementary Information

For the Year Ended December 31, 2016

### Budgetary Data

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

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

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

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

	<u>General</u>	<u>Community Learning Centers</u>	<u>Income Tax Capital Improvement</u>	<u>Special Assessment</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses (budgetary basis)	\$ 347,847	\$ (607)	\$ (1,475,255)	\$ (63,209)
Adjustments:				
To adjust revenues for accruals	2,457,115	91,075,297	48,611,765	(1,790,369)
To adjust expenditures for accruals	(795,112)	(82,123,124)	(45,183,553)	(260,740)
To adjust for encumbrances	<u>1,904,060</u>	<u>-</u>	<u>831,485</u>	<u>1,003,896</u>
Net change in fund balance (GAAP basis)	<u>\$ 3,913,910</u>	<u>\$ 8,951,566</u>	<u>\$ 2,784,442</u>	<u>\$ (1,110,422)</u>

\*\*\*\*\*

**City of Akron, Ohio**

**Notes to the Required Supplementary Information**

**For the Year Ended December 31, 2016**

**Schedule of City's Proportionate Share of Net Pension Liability**

Information regarding the City's proportionate share of the net pension liability (asset) for fiscal years ending 2014, 2015, and 2016 has been provided by the Ohio Public Employees Retirement System (OPERS) and the Ohio Police and Fire Pension Fund (OP&F). The net pension liability (asset) presented in the City's financial statement as of December 31, 2016 is based on the measurement date of December 31, 2015. Information presented in this exhibit is not available for years prior to 2013.

**Schedule of the City Contributions to State Pension Funds**

Contributions included in the schedule of city contributions are presented net of other postemployment benefits (OPEB). The Board of Trustees for both OPERS and OP&F determine the allocation between pension and OPEB plans annually and this allocation may change for year to year. The city pays all contractually required employer rates for OPERS & OP&F employees.

OPERS maintains three separate pension plans. The employer contribution rate is the same for all three plans. The City does not know which plan each of its employees participates in and; therefore; the information presented in the contribution schedule combines all plans from fiscal year ending December 31, 2007 through fiscal year ending December 31, 2013.

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# **Supplementary Information**

# Supplementary Information

## NON-MAJOR GOVERNMENTAL FUNDS

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

### To Account for Special Purposes:

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

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

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

## NON-MAJOR GOVERNMENTAL FUNDS (Continued)

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

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

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

### To Account for Grant Revenue and Other Funding Sources:

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



City of Akron, Ohio  
Combining Balance Sheet - Non-Major Governmental Funds  
December 31, 2016

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**Special Revenue Funds**

	<b>Income Tax Collection</b>	<b>Emergency Medical Service</b>	<b>Street and Highway Maintenance</b>	<b>Community Development</b>
<b>Assets</b>				
Pooled cash and investments	\$ 741,484	\$ 45,902	\$ 331,619	\$ 1,328,609
Restricted cash and investments	-	-	-	-
Receivables, net of allowances for uncollectibles	-	9,300,539	4,796,585	-
Loans receivable	-	-	-	338,320
Due from other governments	-	-	-	1,269,464
Due from other funds	2,649	-	157,565	1,000
Due from others	-	-	-	-
Assets held for resale	-	-	-	-
Total assets	<u>\$ 744,133</u>	<u>\$ 9,346,441</u>	<u>\$ 5,285,769</u>	<u>\$ 2,937,393</u>
<b>Liabilities</b>				
Accounts payable	\$ 452,079	\$ 64,150	\$ 154,493	\$ 131,360
Deposits	-	-	-	-
Advances from other funds	-	-	-	-
Due to other governments	-	-	-	9,051
Due to other funds	1,228,303	26,712	152,425	64,806
Due to others	-	-	-	-
Accrued liabilities	22,203	226,233	112,237	23,925
Accrued wages	34,752	414,361	187,164	35,709
Accrued vacation and leave	-	-	40,696	-
Total liabilities	1,737,337	731,456	647,015	264,851
<b>Deferred Inflows of Resources</b>	-	8,130,752	3,559,802	1,269,464
<b>Fund balances</b>				
Restricted	-	484,233	1,078,952	1,403,078
Committed	-	-	-	-
Unassigned	(993,204)	-	-	-
Total fund balances (deficits)	<u>(993,204)</u>	<u>484,233</u>	<u>1,078,952</u>	<u>1,403,078</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 744,133</u>	<u>\$ 9,346,441</u>	<u>\$ 5,285,769</u>	<u>\$ 2,937,393</u>

City of Akron, Ohio  
Combining Balance Sheet - Non-Major Governmental Funds  
December 31, 2016

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**Special Revenue Funds**

	<b>Community Environment Grants</b>	<b>Akron Metro. Area Transportation Study</b>	<b>HOME Program</b>	<b>Tax Equivalency</b>	<b>E.D.A. Revolving Loans</b>
<b>Assets</b>					
Pooled cash and investments	\$ 178,690	\$ 493	\$ 966,678	\$ 3,720,061	\$ 21,315
Restricted cash and investments	-	-	-	-	-
Receivables, net of allowances for uncollectibles	-	-	-	-	-
Loans receivable	301,520	-	3,345,310	-	53,294
Due from other governments	27,206	159,448	966,678	-	-
Due from other funds	-	-	-	-	-
Due from others	-	-	-	-	-
Assets held for resale	-	-	-	-	-
<b>Total assets</b>	<b>\$ 507,416</b>	<b>\$ 159,941</b>	<b>\$ 5,278,666</b>	<b>\$ 3,720,061</b>	<b>\$ 74,609</b>
<b>Liabilities</b>					
Accounts payable	\$ 139,588	\$ 24,349	\$ 60,989	\$ 63,169	\$ -
Deposits	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Due to other governments	-	-	-	-	-
Due to other funds	-	128,800	1,000	-	-
Due to others	-	-	-	-	-
Accrued liabilities	109	14,726	-	-	-
Accrued wages	29	23,156	-	-	-
Accrued vacation and leave	-	-	-	-	-
<b>Total liabilities</b>	<b>139,726</b>	<b>191,031</b>	<b>61,989</b>	<b>63,169</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>	<b>27,206</b>	<b>72,342</b>	<b>966,678</b>	<b>-</b>	<b>-</b>
<b>Fund balances</b>					
Restricted	340,484	-	4,249,999	-	74,609
Committed	-	-	-	3,656,892	-
Unassigned	-	(103,432)	-	-	-
<b>Total fund balances (deficits)</b>	<b>340,484</b>	<b>(103,432)</b>	<b>4,249,999</b>	<b>3,656,892</b>	<b>74,609</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 507,416</b>	<b>\$ 159,941</b>	<b>\$ 5,278,666</b>	<b>\$ 3,720,061</b>	<b>\$ 74,609</b>

City of Akron, Ohio  
Combining Balance Sheet - Non-Major Governmental Funds  
December 31, 2016

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	<b>Special Revenue Funds</b>			
	<b>Joint Economic Development Districts</b>	<b>Akron Muni. Court Information System</b>	<b>Canal Park Stadium COPs</b>	<b>Downtown District Heating COPs</b>
<b>Assets</b>				
Pooled cash and investments	\$ 476,258	\$ 1,163,296	\$ 2	\$ -
Restricted cash and investments	-	-	175,029	12,430,717
Receivables, net of allowances for uncollectibles	79,141	15,755	-	-
Loans receivable	9,000	-	-	-
Due from other governments	-	-	-	-
Due from other funds	10,000	-	20,000	-
Due from others	-	-	-	-
Assets held for resale	-	-	-	-
Total assets	<u>\$ 574,399</u>	<u>\$ 1,179,051</u>	<u>\$ 195,031</u>	<u>\$ 12,430,717</u>
<b>Liabilities</b>				
Accounts payable	\$ 443,517	\$ 1,538	\$ -	\$ -
Deposits	-	-	-	-
Advances from other funds	-	-	-	-
Due to other governments	84,571	-	-	-
Due to other funds	2,393	75	-	20,000
Due to others	-	-	-	-
Accrued liabilities	12,346	-	-	-
Accrued wages	24,387	-	-	-
Accrued vacation and leave	-	-	-	-
Total liabilities	567,214	1,613	-	20,000
<b>Deferred Inflows of Resources</b>	-	-	-	-
<b>Fund balances</b>				
Restricted	7,185	1,177,438	195,031	12,410,717
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficits)	<u>7,185</u>	<u>1,177,438</u>	<u>195,031</u>	<u>12,410,717</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 574,399</u>	<u>\$ 1,179,051</u>	<u>\$ 195,031</u>	<u>\$ 12,430,717</u>

City of Akron, Ohio  
Combining Balance Sheet - Non-Major Governmental Funds  
December 31, 2016

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<b>Special Revenue Funds</b>					
	<b>Police Grants</b>	<b>Safety Programs</b>	<b>City Facilities Operating</b>	<b>Various Purpose Funding</b>	<b>Deposits</b>
<b>Assets</b>					
Pooled cash and investments	\$ 137,910	\$ 1,520,371	\$ 28,853	\$ 7,525,280	\$ 2,235,818
Restricted cash and investments	-	-	-	-	-
Receivables, net of allowances for uncollectibles	-	323,289	467,303	114,669	106,009
Loans receivable	-	-	-	-	-
Due from other governments	105,101	-	-	5,193	-
Due from other funds	13,510	-	-	35,000	-
Due from others	-	-	-	-	-
Assets held for resale	-	-	-	-	-
Total assets	\$ 256,521	\$ 1,843,660	\$ 496,156	\$ 7,680,142	\$ 2,341,827
<b>Liabilities</b>					
Accounts payable	\$ 2,928	\$ 284,662	\$ 203,255	\$ 145,996	\$ 43,528
Deposits	-	-	-	-	461,336
Advances from other funds	87,500	-	270,000	5,000	-
Due to other governments	-	-	25,970	-	-
Due to other funds	981,605	255,457	6,856	6,690	-
Due to others	-	-	349,502	-	1,774,482
Accrued liabilities	52,239	31,381	-	-	-
Accrued wages	56,901	35,566	-	112	-
Accrued vacation and leave	-	-	-	-	-
Total liabilities	1,181,173	607,066	855,583	157,798	2,279,346
<b>Deferred Inflows of Resources</b>	130,983	269,410	-	5,193	-
<b>Fund balances</b>					
Restricted	-	967,184	-	7,458,612	62,481
Committed	-	-	-	58,539	-
Unassigned	(1,055,635)	-	(359,427)	-	-
Total fund balances (deficits)	(1,055,635)	967,184	(359,427)	7,517,151	62,481
Total liabilities, deferred inflows and fund balances	\$ 256,521	\$ 1,843,660	\$ 496,156	\$ 7,680,142	\$ 2,341,827

City of Akron, Ohio  
Combining Balance Sheet - Non-Major Governmental Funds  
December 31, 2016

B-1

	<b>Debt Service Funds</b>					
	<b>General Bond Payment</b>	<b>Debt Service Bond Payment</b>	<b>Special Assessment Bond Payment</b>	<b>Main Place Bond Payment</b>	<b>Downtown Hotel Bond Payment</b>	<b>Non-Tax Revenue Bond Payment</b>
<b>Assets</b>						
Pooled cash and investments	\$ 31,669	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and investments	-	410,206	36,147	-	4	267,106
Receivables, net of allowances for uncollectibles	1,346,029	-	-	-	-	-
Loans receivable	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Due from others	-	-	-	-	-	-
Assets held for resale	-	-	-	-	-	-
Total assets	\$ 1,377,698	\$ 410,206	\$ 36,147	\$ -	\$ 4	\$ 267,106
<b>Liabilities</b>						
Accounts payable	\$ 17,954	\$ -	\$ -	\$ -	\$ -	\$ -
Deposits	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
Due to other governments	11,577	-	-	-	-	-
Due to other funds	567	-	-	-	-	-
Due to others	-	-	2,000	-	-	-
Accrued liabilities	4,131	-	-	-	-	-
Accrued wages	6,685	-	-	-	-	-
Accrued vacation and leave	-	-	-	-	-	-
Total liabilities	40,914	-	2,000	-	-	-
<b>Deferred Inflows of Resources</b>	1,219,611	-	-	-	-	-
<b>Fund balances</b>						
Restricted	117,173	410,206	34,147	-	4	267,106
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances (deficits)	117,173	410,206	34,147	-	4	267,106
Total liabilities, deferred inflows and fund balances	\$ 1,377,698	\$ 410,206	\$ 36,147	\$ -	\$ 4	\$ 267,106

City of Akron, Ohio  
Combining Balance Sheet - Non-Major Governmental Funds  
December 31, 2016

B-1

	<b>Debt Service Funds</b>				<b>Capital Project Funds</b>
	<b>Pension Obligation Refunding</b>	<b>JEDD Bond Payment</b>	<b>Income Tax Bond Payment</b>	<b>Taxable Revenue Bond Payment</b>	<b>Streets</b>
<b>Assets</b>					
Pooled cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 1,763,798
Restricted cash and investments	2	5,869	93,594	97	-
Receivables, net of allowances for uncollectibles	-	-	-	-	5,000
Loans receivable	-	-	-	-	-
Due from other governments	-	-	-	-	542,702
Due from other funds	-	-	-	-	1,999
Due from others	-	-	-	-	67,253
Assets held for resale	-	-	-	-	-
<b>Total assets</b>	<b>\$ 2</b>	<b>\$ 5,869</b>	<b>\$ 93,594</b>	<b>\$ 97</b>	<b>\$ 2,380,752</b>
<b>Liabilities</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 836,711
Deposits	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Due to other governments	-	-	-	-	147,686
Due to other funds	-	-	-	-	92,611
Due to others	-	-	-	-	-
Accrued liabilities	-	-	-	-	462,570
Accrued wages	-	-	-	-	5,994
Accrued vacation and leave	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,545,572</b>
<b>Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balances</b>					
Restricted	2	5,869	93,594	97	835,180
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total fund balances (deficits)</b>	<b>2</b>	<b>5,869</b>	<b>93,594</b>	<b>97</b>	<b>835,180</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 2</b>	<b>\$ 5,869</b>	<b>\$ 93,594</b>	<b>\$ 97</b>	<b>\$ 2,380,752</b>

City of Akron, Ohio  
Combining Balance Sheet - Non-Major Governmental Funds  
December 31, 2016

B-1

	<b>Capital Project Funds</b>			
	<b>Information Technology and Improvements</b>	<b>Parks and Recreation</b>	<b>Public Facilities and Improvements</b>	<b>Public Parking</b>
<b>Assets</b>				
Pooled cash and investments	\$ 28,402	\$ 3,123	\$ 429,378	\$ 1,694,338
Restricted cash and investments	-	-	-	-
Receivables, net of allowances for uncollectibles	-	-	-	-
Loans receivable	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	-	119,830	-
Due from others	-	-	-	-
Assets held for resale	-	-	-	-
Total assets	<u>\$ 28,402</u>	<u>\$ 3,123</u>	<u>\$ 549,208</u>	<u>\$ 1,694,338</u>
<b>Liabilities</b>				
Accounts payable	\$ 42	\$ 19,132	\$ 306,658	\$ 2
Deposits	-	-	-	-
Advances from other funds	-	-	-	-
Due to other governments	-	1,228	-	-
Due to other funds	-	10,000	7,664	-
Due to others	-	-	-	-
Accrued liabilities	-	-	234,742	-
Accrued wages	-	-	-	-
Accrued vacation and leave	-	-	-	-
Total liabilities	42	30,360	549,064	2
<b>Deferred Inflows of Resources</b>	-	-	-	-
<b>Fund balances</b>				
Restricted	-	-	-	-
Committed	28,360	-	144	1,694,336
Unassigned	-	(27,237)	-	-
Total fund balances (deficits)	<u>28,360</u>	<u>(27,237)</u>	<u>144</u>	<u>1,694,336</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 28,402</u>	<u>\$ 3,123</u>	<u>\$ 549,208</u>	<u>\$ 1,694,338</u>

City of Akron, Ohio  
Combining Balance Sheet - Non-Major Governmental Funds  
December 31, 2016

B-1

**Capital Project  
Funds**

	<b>Economic Development</b>	<b>Total</b>
<b>Assets</b>		
Pooled cash and investments	\$ 4,657	\$ 24,378,004
Restricted cash and investments	-	13,418,771
Receivables, net of allowances for uncollectibles	114,005	16,668,324
Loans receivable	12,157,594	16,205,038
Due from other governments	-	3,075,792
Due from other funds	-	361,553
Due from others	-	67,253
Assets held for resale	7,720,162	7,720,162
Total assets	<u>\$ 19,996,418</u>	<u>\$ 81,894,897</u>
<b>Liabilities</b>		
Accounts payable	\$ 805,564	\$ 4,201,664
Deposits	-	461,336
Advances from other funds	-	362,500
Due to other governments	4,397,087	4,677,170
Due to other funds	585,307	3,571,271
Due to others	688,093	2,814,077
Accrued liabilities	-	1,196,842
Accrued wages	-	824,816
Accrued vacation and leave	-	40,696
Total liabilities	6,476,051	18,150,372
<b>Deferred Inflows of Resources</b>	4,147,035	19,798,476
<b>Fund balances</b>		
Restricted	-	31,673,381
Committed	9,373,332	14,811,603
Unassigned	-	(2,538,935)
Total fund balances (deficits)	<u>9,373,332</u>	<u>43,946,049</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 19,996,418</u>	<u>\$ 81,894,897</u>



City of Akron, Ohio  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
For the Year Ended December 31, 2016

B-2

<b>Special Revenue Funds</b>				
	<b>Income Tax Collection</b>	<b>Emergency Medical Service</b>	<b>Street and Highway Maintenance</b>	<b>Community Development</b>
<b>Revenues</b>				
Income taxes	\$ 6,239,386	\$ -	\$ -	\$ -
Property taxes	-	6,344,602	-	-
JEDD revenues	-	-	-	-
Special assessments	-	-	-	-
Grants and subsidies	-	-	-	4,554,232
Investment earnings	-	2,349	4,717	19,962
Shared revenues	-	847,212	7,604,006	-
Licenses, fees and fines	185,215	9,000	162,938	-
Charges for services	100	2,117,188	1,541,508	-
Miscellaneous	-	22,094	299,073	962,552
	<u>6,424,701</u>	<u>9,342,445</u>	<u>9,612,242</u>	<u>5,536,746</u>
<b>Expenditures</b>				
Current:				
General government	6,944,769	1,674	45,912	11,044
Public service	-	-	8,957,308	233,593
Public safety	-	9,755,961	-	-
Community environment	-	-	-	4,811,622
Recreation and parks	-	-	-	-
Debt service:				
Principal retirement	-	16,776	-	-
Interest	-	1,594	4,447	-
Bond issuance expenditures	-	-	-	-
	<u>6,944,769</u>	<u>9,776,005</u>	<u>9,007,667</u>	<u>5,056,259</u>
Excess (deficiency) of revenues over (under) expenditures	(520,068)	(433,560)	604,575	480,487
<b>Other financing sources (uses)</b>				
Capital contributions	-	-	-	-
Issuance of bonds	-	-	-	-
Issuance of COPs	-	-	-	-
Premium on debt	-	-	-	-
Transfers-in	-	150,000	-	-
	<u>-</u>	<u>150,000</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(520,068)	(283,560)	604,575	480,487
Fund balances (deficit), January 1, 2016, as restated	(473,136)	767,793	474,377	922,591
Fund balances (deficit), December 31, 2016	<u>\$ (993,204)</u>	<u>\$ 484,233</u>	<u>\$ 1,078,952</u>	<u>\$ 1,403,078</u>

City of Akron, Ohio  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
For the Year Ended December 31, 2016

B-2

<b>Special Revenue Funds</b>					
	<b>Community Environment Grants</b>	<b>Akron Metro. Area Transportation Study</b>	<b>HOME Program</b>	<b>Tax Equivalency</b>	<b>E.D.A. Revolving Loans</b>
<b>Revenues</b>					
Income taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-	-
JEDD revenues	-	-	-	-	-
Special assessments	-	-	-	-	-
Grants and subsidies	1,275,485	1,105,188	1,911,181	-	-
Investment earnings	330	-	6,560	-	1,307
Shared revenues	-	-	-	14,996,073	-
Licenses, fees and fines	-	175,050	-	-	-
Charges for services	-	-	-	-	-
Miscellaneous	-	194,281	87,569	5,057	-
	<u>1,275,815</u>	<u>1,474,519</u>	<u>2,005,310</u>	<u>15,001,130</u>	<u>1,307</u>
<b>Expenditures</b>					
Current:					
General government	4	6,290	-	-	1,317
Public service	-	-	-	3,172	-
Public safety	-	-	-	-	-
Community environment	1,242,683	1,461,709	2,061,143	10,273,858	-
Recreation and parks	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	3,222,617	-
Interest	-	-	-	615,444	-
Bond issuance expenditures	-	-	-	-	-
	<u>1,242,687</u>	<u>1,467,999</u>	<u>2,061,143</u>	<u>14,115,091</u>	<u>1,317</u>
Excess (deficiency) of revenues over (under) expenditures	33,128	6,520	(55,833)	886,039	(10)
<b>Other financing sources (uses)</b>					
Capital contributions	-	-	-	-	-
Issuance of bonds	-	-	-	-	-
Issuance of COPs	-	-	-	-	-
Premium on debt	-	-	-	-	-
Transfers-in	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	33,128	6,520	(55,833)	886,039	(10)
Fund balances (deficit), January 1, 2016, as restated	<u>307,356</u>	<u>(109,952)</u>	<u>4,305,832</u>	<u>2,770,853</u>	<u>74,619</u>
Fund balances (deficit), December 31, 2016	<u>\$ 340,484</u>	<u>\$ (103,432)</u>	<u>\$ 4,249,999</u>	<u>\$ 3,656,892</u>	<u>\$ 74,609</u>

City of Akron, Ohio  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
For the Year Ended December 31, 2016

B-2

	<b>Special Revenue Funds</b>			
	<b>Joint Economic Development Districts</b>	<b>Akron Muni. Court Information System</b>	<b>Canal Park Stadium COPs</b>	<b>Downtown District Heating COPs</b>
<b>Revenues</b>				
Income taxes	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-
JEDD revenues	8,289,449	-	-	-
Special assessments	-	-	-	-
Grants and subsidies	-	-	-	-
Investment earnings	-	-	331	25,520
Shared revenues	-	-	-	-
Licenses, fees and fines	4,119	193,481	-	-
Charges for services	977,080	15,755	-	-
Miscellaneous	1,046,359	-	20,000	-
	<u>10,317,007</u>	<u>209,236</u>	<u>20,331</u>	<u>25,520</u>
<b>Expenditures</b>				
Current:				
General government	2,201,869	267,006	-	-
Public service	1,624,368	-	-	423,987
Public safety	-	-	-	-
Community environment	1,262,329	-	-	-
Recreation and parks	234,919	-	-	-
Debt service:				
Principal retirement	4,073,131	-	-	4
Interest	1,489,501	-	178	6
Bond issuance expenditures	3,300	-	-	250,299
	<u>10,889,417</u>	<u>267,006</u>	<u>178</u>	<u>674,296</u>
Excess (deficiency) of revenues over (under) expenditures	(572,410)	(57,770)	20,153	(648,776)
<b>Other financing sources (uses)</b>				
Capital contributions	-	-	-	-
Issuance of bonds	-	-	-	-
Issuance of COPs	-	-	-	11,965,000
Premium on debt	-	-	-	34,620
Transfers-in	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,999,620</u>
Net change in fund balances	(572,410)	(57,770)	20,153	11,350,844
Fund balances (deficit), January 1, 2016, as restated	<u>579,595</u>	<u>1,235,208</u>	<u>174,878</u>	<u>1,059,873</u>
Fund balances (deficit), December 31, 2016	<u>\$ 7,185</u>	<u>\$ 1,177,438</u>	<u>\$ 195,031</u>	<u>\$ 12,410,717</u>

City of Akron, Ohio  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
For the Year Ended December 31, 2016

B-2

**Special Revenue Funds**

	<b>Police Grants</b>	<b>Safety Programs</b>	<b>City Facilities Operating</b>	<b>Various Purpose Funding</b>	<b>Deposits</b>
<b>Revenues</b>					
Income taxes	\$ -	\$ -	\$ -	\$ 35,000	\$ -
Property taxes	-	-	-	-	-
JEDD revenues	-	-	-	-	-
Special assessments	-	-	259,856	-	-
Grants and subsidies	550,704	2,788,022	-	1,037,713	-
Investment earnings	2,441	5,200	185	312	2
Shared revenues	-	743,753	-	-	-
Licenses, fees and fines	755,000	213,270	529,751	1,383,113	-
Charges for services	-	919,022	-	55,422	-
Miscellaneous	43,864	583,773	2,489,804	133,377	612,259
	<u>1,352,009</u>	<u>5,253,040</u>	<u>3,279,596</u>	<u>2,644,937</u>	<u>612,261</u>
<b>Expenditures</b>					
Current:					
General government	-	1,714	457,328	322,795	575,945
Public service	-	-	626,118	25	-
Public safety	3,498,128	6,381,883	-	50,723	-
Community environment	-	-	2,117,218	104,832	-
Recreation and parks	-	-	5,872	1,077,600	-
Debt service:					
Principal retirement	-	-	210,713	-	-
Interest	-	-	36,859	-	-
Bond issuance expenditures	-	-	4,475	-	-
	<u>3,498,128</u>	<u>6,383,597</u>	<u>3,458,583</u>	<u>1,555,975</u>	<u>575,945</u>
Excess (deficiency) of revenues over (under) expenditures	(2,146,119)	(1,130,557)	(178,987)	1,088,962	36,316
<b>Other financing sources (uses)</b>					
Capital contributions	-	-	-	-	-
Issuance of bonds	-	-	-	-	-
Issuance of COPs	-	-	-	-	-
Premium on debt	-	-	-	-	-
Transfers-in	2,015,453	844,625	170,000	36,883	-
	<u>2,015,453</u>	<u>844,625</u>	<u>170,000</u>	<u>36,883</u>	<u>-</u>
Net change in fund balances	(130,666)	(285,932)	(8,987)	1,125,845	36,316
Fund balances (deficit), January 1, 2016, as restated	(924,969)	1,253,116	(350,440)	6,391,306	26,165
Fund balances (deficit), December 31, 2016	<u>\$ (1,055,635)</u>	<u>\$ 967,184</u>	<u>\$ (359,427)</u>	<u>\$ 7,517,151</u>	<u>\$ 62,481</u>

City of Akron, Ohio  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
For the Year Ended December 31, 2016

B-2

Debt Service Funds						
	General Bond Payment	Debt Service Bond Payment	Special Assessment Bond Payment	Main Place Bond Payment	Downtown Hotel Bond Payment	Non-Tax Revenue Bond Payment
<b>Revenues</b>						
Income taxes	\$ -	\$ -	\$ -	\$ 351,259	\$ -	\$ -
Property taxes	1,035,620	-	-	-	-	-
JEDD revenues	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Grants and subsidies	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Shared revenues	127,130	-	-	-	-	-
Licenses, fees and fines	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Miscellaneous	8,000	2,761,268	-	-	-	12
	1,170,750	2,761,268	-	351,259	-	12
<b>Expenditures</b>						
Current:						
General government	474,426	2,461,667	-	-	-	-
Public service	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Community environment	-	-	-	-	-	-
Recreation and parks	-	-	-	-	-	-
Debt service:						
Principal retirement	380,268	-	-	220,064	-	-
Interest	331,965	-	-	131,195	-	-
Bond issuance expenditures	-	-	2,000	-	-	-
	1,186,659	2,461,667	2,000	351,259	-	-
Excess (deficiency) of revenues over (under) expenditures	(15,909)	299,601	(2,000)	-	-	12
<b>Other financing sources (uses)</b>						
Capital contributions	-	-	-	-	-	-
Issuance of bonds	-	-	-	-	-	-
Issuance of COPs	-	-	-	-	-	-
Premium on debt	-	-	-	-	-	-
Transfers-in	-	-	-	-	-	-
	-	-	-	-	-	-
Net change in fund balances	(15,909)	299,601	(2,000)	-	-	12
Fund balances (deficit), January 1, 2016, as restated	133,082	110,605	36,147	-	4	267,094
Fund balances (deficit), December 31, 2016	\$ 117,173	\$ 410,206	\$ 34,147	\$ -	\$ 4	\$ 267,106

City of Akron, Ohio  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
For the Year Ended December 31, 2016

B-2

	<b>Debt Service Funds</b>				<b>Capital Projects Funds</b>
	<b>Pension Obligation Refunding</b>	<b>JEDD Bond Payment</b>	<b>Income Tax Bond Payment</b>	<b>Taxable Revenue Bond Payment</b>	<b>Streets</b>
<b>Revenues</b>					
Income taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,998
Property taxes	-	-	-	-	-
JEDD revenues	-	-	-	-	-
Special assessments	-	-	-	-	699,433
Grants and subsidies	-	-	-	-	6,301,015
Investment earnings	2	11	-	96	-
Shared revenues	-	-	-	-	5,000
Licenses, fees and fines	-	-	-	-	-
Charges for services	-	-	-	-	-
Miscellaneous	-	-	18,536	-	29,891
	<u>2</u>	<u>11</u>	<u>18,536</u>	<u>96</u>	<u>7,037,337</u>
<b>Expenditures</b>					
Current:					
General government	-	-	-	-	1,230
Public service	-	-	-	-	14,111,109
Public safety	-	-	-	-	1,076,979
Community environment	-	-	8,645	-	-
Recreation and parks	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	9,400,000
Interest	5	31	124,653	88	-
Bond issuance expenditures	-	-	-	-	65,297
	<u>5</u>	<u>31</u>	<u>133,298</u>	<u>88</u>	<u>24,654,615</u>
Excess (deficiency) of revenues over (under) expenditures	(3)	(20)	(114,762)	8	(17,617,278)
<b>Other financing sources (uses)</b>					
Capital contributions	-	-	-	-	-
Issuance of bonds	-	-	-	-	17,600,000
Issuance of COPs	-	-	-	-	-
Premium on debt	-	-	155,215	-	65,297
Transfers-in	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>155,215</u>	<u>-</u>	<u>17,665,297</u>
Net change in fund balances	(3)	(20)	40,453	8	48,019
Fund balances (deficit), January 1, 2016, as restated	5	5,889	53,141	89	787,161
Fund balances (deficit), December 31, 2016	<u>\$ 2</u>	<u>\$ 5,869</u>	<u>\$ 93,594</u>	<u>\$ 97</u>	<u>\$ 835,180</u>

City of Akron, Ohio  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
For the Year Ended December 31, 2016

B-2

	<b>Capital Projects Funds</b>			
	<b>Information Technology and Improvements</b>	<b>Parks and Recreation</b>	<b>Public Facilities and Improvements</b>	<b>Public Parking</b>
<b>Revenues</b>				
Income taxes	\$ -	\$ -	\$ 111,330	\$ -
Property taxes	-	-	-	-
JEDD revenues	-	-	-	-
Special assessments	-	-	-	-
Grants and subsidies	-	-	801,304	-
Investment earnings	-	-	-	-
Shared revenues	-	-	-	-
Licenses, fees and fines	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	8,500	-
	-	-	921,134	-
<b>Expenditures</b>				
Current:				
General government	6,883	-	55,271	-
Public service	-	-	462,421	1,495
Public safety	-	-	241,377	-
Community environment	-	52,261	89,234	-
Recreation and parks	-	325,195	767,845	-
Debt service:				
Principal retirement	-	-	785,000	-
Interest	-	-	-	-
Bond issuance expenditures	-	-	-	-
	6,883	377,456	2,401,148	1,495
Excess (deficiency) of revenues over (under) expenditures	(6,883)	(377,456)	(1,480,014)	(1,495)
<b>Other financing sources (uses)</b>				
Capital contributions	-	-	-	-
Issuance of bonds	-	-	-	-
Issuance of COPs	-	-	-	-
Premium on debt	-	-	-	-
Transfers-in	-	-	-	-
	-	-	-	-
Net change in fund balances	(6,883)	(377,456)	(1,480,014)	(1,495)
Fund balances (deficit), January 1, 2016, as restated	35,243	350,219	1,480,158	1,695,831
Fund balances (deficit), December 31, 2016	\$ 28,360	\$ (27,237)	\$ 144	\$ 1,694,336

City of Akron, Ohio  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
For the Year Ended December 31, 2016

B-2

<b>Capital Projects Funds</b>		
	<b>Economic Development</b>	<b>Total</b>
<b>Revenues</b>		
Income taxes	\$ -	\$ 6,738,973
Property taxes	-	7,380,222
JEDD revenues	-	8,289,449
Special assessments	-	959,289
Grants and subsidies	4,351,501	24,676,345
Investment earnings	46,227	115,552
Shared revenues	-	24,323,174
Licenses, fees and fines	-	3,610,937
Charges for services	-	5,626,075
Miscellaneous	331,749	9,658,018
	<u>4,729,477</u>	<u>91,378,034</u>
<b>Expenditures</b>		
Current:		
General government	-	13,837,144
Public service	2,272,045	28,715,641
Public safety	-	21,005,051
Community environment	4,633,292	28,118,826
Recreation and parks	2,370	2,413,801
Debt service:		
Principal retirement	600,000	18,908,573
Interest	280,270	3,016,236
Bond issuance expenditures	-	325,371
	<u>7,787,977</u>	<u>116,340,643</u>
Excess (deficiency) of revenues over (under) expenditures	(3,058,500)	(24,962,609)
<b>Other financing sources (uses)</b>		
Capital contributions	2,933,930	2,933,930
Issuance of bonds	600,000	18,200,000
Issuance of COPs	-	11,965,000
Premium on debt	-	255,132
Transfers-in	-	3,216,961
	<u>3,533,930</u>	<u>36,571,023</u>
Net change in fund balances	475,430	11,608,414
Fund balances (deficit), January 1, 2016, as restated	<u>8,897,902</u>	<u>32,337,635</u>
Fund balances (deficit), December 31, 2016	<u>\$ 9,373,332</u>	<u>\$ 43,946,049</u>



## City of Akron, Ohio

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

For the Year Ended December 31, 2016

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	
<b>Revenues and other sources</b>			
Revenues:			
Income taxes	\$ 5,782,510	\$ 7,223,820	\$ 6,320,050
Miscellaneous revenues	235,490	294,180	222,731
	6,018,000	7,518,000	6,542,781
Other sources:			
Previous year's encumbrances	325,732	325,732	325,732
Total revenues and other sources	6,343,732	7,843,732	6,868,513
<b>Expenditures</b>			
Finance:			
Wages/benefits	1,709,650	1,609,650	1,525,434
Other	4,476,398	5,084,398	5,051,548
Capital outlay	516,604	258,604	258,604
Total expenditures	6,702,652	6,952,652	6,835,586
Excess (deficiency) of revenues and other sources over expenditures	(358,920)	891,080	32,927
Fund balance, January 1, 2016	426,076	426,076	426,076
Fund balance, December 31, 2016	\$ 67,156	\$ 1,317,156	\$ 459,003

City of Akron, Ohio

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

For the Year Ended December 31, 2016

	Budgeted Amounts			
	Original	Final		Actual Amounts
<b>Revenues and other sources</b>				
Revenues:				
Property taxes	\$ 7,194,560	\$ 7,194,560	\$	7,137,604
Transport billing	1,890,890	2,388,490		2,101,545
Other revenue	9,110	11,510		18,677
	9,094,560	9,594,560		9,257,826
Other sources:				
General fund subsidy	-	-		150,000
Previous year's encumbrances	81,091	81,091		81,091
	81,091	81,091		231,091
Total revenues and other sources	9,175,651	9,675,651		9,488,917
<b>Expenditures</b>				
Fire:				
Wages/benefits	8,053,710	8,233,710		8,233,709
Other	1,197,541	1,337,541		1,287,366
Total expenditures	9,251,251	9,571,251		9,521,075
Deficiency of revenues and other sources over expenditures	(75,600)	104,400		(32,158)
Fund deficit, January 1, 2016	(77,604)	(77,604)		(77,604)
Fund balance (deficit), December 31, 2016	\$ (153,204)	\$ 26,796	\$	(109,762)

Note: Included in General fund subsidy above is transfers in of \$150,000.

## City of Akron, Ohio

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

For the Year Ended December 31, 2016

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>			
Property taxes	\$ 770,846	\$ 803,846	\$ 763,910
Total revenues	770,846	803,846	763,910
<b>Expenditures</b>			
Police:			
Wages/benefits	395,000	395,000	395,000
Other	374,090	374,090	367,133
Total expenditures	769,090	769,090	762,133
Excess of revenues over expenditures	1,756	34,756	1,777
Fund balance, January 1, 2016	8,417	8,417	8,417
Fund balance, December 31, 2016	\$ 10,173	\$ 43,173	\$ 10,194

## City of Akron, Ohio

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

For the Year Ended December 31, 2016

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>			
Property taxes	\$ 770,846	\$ 803,846	\$ 763,910
Total revenues	770,846	803,846	763,910
<b>Expenditures</b>			
Fire:			
Wages/benefits	395,000	395,000	395,000
Other	374,090	374,090	367,133
Total expenditures	769,090	769,090	762,133
Excess of revenues over expenditures	1,756	34,756	1,777
Fund balance, January 1, 2016	8,417	8,417	8,417
Fund balance, December 31, 2016	\$ 10,173	\$ 43,173	\$ 10,194

## City of Akron, Ohio

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

For the Year Ended December 31, 2016

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	
<b>Revenues and other sources</b>			
Revenues:			
Gasoline tax	\$ 6,472,330	\$ 8,306,880	\$ 5,184,407
Motor vehicle license tax	3,040,690	3,902,560	2,385,235
Service revenues	217,190	278,750	30,736
Transfer from State of Ohio	2,047,810	2,628,250	1,541,509
Miscellaneous revenues	217,190	278,750	300,886
	11,995,210	15,395,190	9,442,773
Other sources:			
Previous year's encumbrances	90,085	90,085	90,085
	90,085	90,085	90,085
Total revenues and other sources	12,085,295	15,485,275	9,532,858
<b>Expenditures</b>			
Public Service:			
Wages/benefits	6,550,540	6,550,540	6,332,367
Other	3,132,325	3,432,325	3,224,597
Capital outlay	-	180,000	177,838
	9,682,865	10,162,865	9,734,802
Total expenditures	9,682,865	10,162,865	9,734,802
Excess (deficiency) of revenues and other sources over expenditures	2,402,430	5,322,410	(201,944)
Fund balance, January 1, 2016	196,383	196,383	196,383
Fund balance (deficit), December 31, 2016	\$ 2,598,813	\$ 5,518,793	\$ (5,561)

## City of Akron, Ohio

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

For the Year Ended December 31, 2016

	Budgeted Amounts			
	Original	Final	Actual Amounts	
<b>Revenues and other sources</b>				
Revenues:				
Governmental revenues	\$ 8,574,340	\$ 10,207,140	\$	4,635,714
Income taxes	-	-		54,000
Service revenues	46,560	55,420		13,563
Miscellaneous revenues	1,094,100	1,302,450		1,072,544
	9,715,000	11,565,010		5,775,821
Other sources:				
Previous year's encumbrances	200,946	200,946		200,946
Total revenues and other sources	9,915,946	11,765,956		5,976,767
<b>Expenditures</b>				
Department Wide:				
Wages/benefits	1,738,350	1,863,350		1,791,809
Other	5,131,309	5,626,309		4,399,906
Capital outlay	44,726	74,726		45,511
Total expenditures	6,914,385	7,564,385		6,237,226
Excess (deficiency) of revenues and other sources over expenditures	3,001,561	4,201,571		(260,459)
Fund balance, January 1, 2016	1,060,340	1,060,340		1,060,340
Fund balance, December 31, 2016	\$ 4,061,901	\$ 5,261,911	\$	799,881

## City of Akron, Ohio

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

For the Year Ended December 31, 2016

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	
<b>Revenues and other sources</b>			
Governmental revenues	\$ 979,080	\$ 1,853,750	\$ 1,275,485
Miscellaneous revenues	67,520	127,850	3,372
	<u>1,046,600</u>	<u>1,981,600</u>	<u>1,278,857</u>
Other Sources:			
Previous year's encumbrances	4,337	4,337	4,337
Total revenues and other sources	<u>1,050,937</u>	<u>1,985,937</u>	<u>1,283,194</u>
<b>Expenditures</b>			
Department Wide:			
Wages/benefits	23,630	23,630	19,190
Other	1,029,337	1,659,337	1,386,779
Total expenditures	<u>1,052,967</u>	<u>1,682,967</u>	<u>1,405,969</u>
Excess (deficiency) of revenues and other sources over expenditures	(2,030)	302,970	(122,775)
Fund balance, January 1, 2016	<u>269,834</u>	<u>269,834</u>	<u>269,834</u>
Fund balance, December 31, 2016	<u>\$ 267,804</u>	<u>\$ 572,804</u>	<u>\$ 147,059</u>

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Akron Metropolitan Area Transportation Study Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2016

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	
<b>Revenues and other sources</b>			
Revenues:			
Federal/State grants	\$ 1,677,760	\$ 1,677,760	\$ 1,304,092
Income taxes	-	-	127,000
Service revenues	11,370	11,370	10,050
Miscellaneous revenues	187,680	187,680	-
	1,876,810	1,876,810	1,441,142
Other sources:			
Previous year's encumbrances	10,627	10,627	10,627
Total revenues and other sources	1,887,437	1,887,437	1,451,769
<b>Expenditures</b>			
Planning:			
Wages/benefits	1,117,110	1,041,110	1,023,816
Other	501,727	577,727	433,856
Capital outlay	25,000	25,000	23,432
Total expenditures	1,643,837	1,643,837	1,481,104
Excess (deficiency) of revenues and other sources over expenditures	243,600	243,600	(29,335)
Fund deficit, January 1, 2016	(364)	(364)	(364)
Fund balance (deficit), December 31, 2016	\$ 243,236	\$ 243,236	\$ (29,699)



## City of Akron, Ohio

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

For the Year Ended December 31, 2016

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	
<b>Revenues and other sources</b>			
Governmental revenues	\$ 1,021,310	\$ 1,855,720	\$ 1,911,181
Miscellaneous revenues	49,690	90,280	94,491
	1,071,000	1,946,000	2,005,672
Other sources:			
Previous year's encumbrances	552,351	552,351	552,351
Total revenues and other sources	1,623,351	2,498,351	2,558,023
<b>Expenditures</b>			
Department Wide:			
Other	2,052,351	2,102,351	1,947,921
Total expenditures	2,052,351	2,102,351	1,947,921
Excess (deficiency) of revenues and other sources over expenditures	(429,000)	396,000	610,102
Fund balance, January 1, 2016	305,837	305,837	305,837
Fund balance (deficit), December 31, 2016	\$ (123,163)	\$ 701,837	\$ 915,939

## City of Akron, Ohio

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

For the Year Ended December 31, 2016

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	
<b>Revenues and other sources</b>			
Revenues:			
Taxes and assessments	\$ 9,584,170	\$ 15,581,780	\$ 14,996,074
Miscellaneous revenues	3,830	6,220	5,061
	<u>9,588,000</u>	<u>15,588,000</u>	<u>15,001,135</u>
Other sources:			
Previous year's encumbrances	10	10	10
	<u>10</u>	<u>10</u>	<u>10</u>
Total revenues and other sources	9,588,010	15,588,010	15,001,145
<b>Expenditures</b>			
Department Wide:			
Other	15,862,270	18,862,270	17,258,210
	<u>15,862,270</u>	<u>18,862,270</u>	<u>17,258,210</u>
Total expenditures	15,862,270	18,862,270	17,258,210
Deficiency of revenues and other sources over expenditures	(6,274,260)	(3,274,260)	(2,257,065)
Fund balance, January 1, 2016	<u>5,977,115</u>	<u>5,977,115</u>	<u>5,977,115</u>
Fund balance (deficit), December 31, 2016	<u>\$ (297,145)</u>	<u>\$ 2,702,855</u>	<u>\$ 3,720,050</u>

## City of Akron, Ohio

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

For the Year Ended December 31, 2016

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>			
Miscellaneous revenues	\$ 50,000	\$ 50,000	\$ 10,848
Total revenues	50,000	50,000	10,848
<b>Expenditures</b>			
Office of the Mayor:			
Other	15,000	15,000	-
Total expenditures	15,000	15,000	-
Excess of revenues over expenditures	35,000	35,000	10,848
Fund balance, January 1, 2016	10,467	10,467	10,467
Fund balance, December 31, 2016	\$ 45,467	\$ 45,467	\$ 21,315

## City of Akron, Ohio

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

For the Year Ended December 31, 2016

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	
<b>Revenues and other sources</b>			
Revenues:			
JEDD revenues	\$ 14,688,000	\$ 15,813,770	\$ 12,937,636
Service revenues	828,180	891,660	964,297
Miscellaneous revenues	803,820	865,430	1,082,879
	16,320,000	17,570,860	14,984,812
Other sources:			
Previous year's encumbrances	711,320	711,320	711,320
Total revenues and other sources	17,031,320	18,282,180	15,696,132
<b>Expenditures</b>			
Department Wide:			
Wages/benefits	444,190	542,690	532,551
Other	17,277,900	17,277,900	15,451,736
Capital outlay	-	42,500	42,204
Total expenditures	17,722,090	17,863,090	16,026,491
Excess (deficiency) of revenues and other sources over expenditures	(690,770)	419,090	(330,359)
Fund balance, January 1, 2016	94,006	94,006	94,006
Fund balance (deficit), December 31, 2016	\$ (596,764)	\$ 513,096	\$ (236,353)

City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Akron Municipal Court Information System Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2016

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	
<b>Revenues and other sources</b>			
Revenues:			
Service revenues	\$ 357,000	\$ 357,000	\$ 211,079
Other sources:			
Previous year's encumbrances	70,884	70,884	70,884
Total revenues and other sources	427,884	427,884	281,963
<b>Expenditures</b>			
Court Clerk:			
Other	386,973	386,973	211,955
Judges:			
Other	175,411	175,411	107,979
Total expenditures	562,384	562,384	319,934
Deficiency of revenues and other sources over expenditures	(134,500)	(134,500)	(37,971)
Fund balance, January 1, 2016	1,154,517	1,154,517	1,154,517
Fund balance, December 31, 2016	\$ 1,020,017	\$ 1,020,017	\$ 1,116,546

## City of Akron, Ohio

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

For the Year Ended December 31, 2016

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>Revenues and other sources</b>			
Revenues:			
Governmental revenues	\$ 1,702,370	\$ 4,214,740	\$ 495,262
Income taxes	-	-	960,000
Miscellaneous revenues	554,030	1,371,660	2,092,568
	2,256,400	5,586,400	3,547,830
Other sources:			
Previous year's encumbrances	149,864	149,864	149,864
Total revenues and other sources	2,406,264	5,736,264	3,697,694
<b>Expenditures</b>			
Police:			
Wages/benefits	1,700,670	2,434,070	2,312,381
Other	1,925,434	2,114,434	1,329,632
Total expenditures	3,626,104	4,548,504	3,642,013
Excess (deficiency) of revenues and other sources over expenditures	(1,219,840)	1,187,760	55,681
Fund balance, January 1, 2016	14,114	14,114	14,114
Fund balance (deficit), December 31, 2016	\$ (1,205,726)	\$ 1,201,874	\$ 69,795

Note: Included in Miscellaneous revenues above is transfers in and advances of \$2,089,900.

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

For the Year Ended December 31, 2016

	Budgeted Amounts			
	Original	Final	Actual Amounts	
Revenues and other sources				
Revenues:				
Governmental revenues	\$ 5,639,960	\$ 6,573,040	\$	3,824,507
Income taxes	-	-		255,000
Service revenues	3,470,750	4,044,950		1,043,227
Miscellaneous revenues	530,250	617,980		1,304,151
	9,640,960	11,235,970		6,426,885
Other sources:				
Previous year's encumbrances	379,328	379,328		379,328
Total revenues and other sources	10,020,288	11,615,298		6,806,213
Expenditures				
Public Safety:				
Wages/benefits	515,020	565,020		533,834
Other	217,200	217,200		30,590
	732,220	782,220		564,424
Public Service:				
Other	9	9		-
Fire:				
Wages/benefits	1,931,920	2,606,920		2,300,437
Other	237,194	1,792,194		1,588,681
Capital outlay	-	200,000		197,397
	2,169,114	4,599,114		4,086,515
Police:				
Wages/benefits	1,601,100	1,605,100		1,435,408
Other	1,152,686	1,908,686		1,225,524
Capital outlay	105,000	165,000		-
	2,858,786	3,678,786		2,660,932
Total expenditures	5,760,129	9,060,129		7,311,871
Excess (deficiency) of revenues and other sources over expenditures	4,260,159	2,555,169		(505,658)
Fund balance, January 1, 2016	1,169,021	1,169,021		1,169,021
Fund balance, December 31, 2016	\$ 5,429,180	\$ 3,724,190	\$	663,363

Note: Included in Miscellaneous revenues above are transfers in of \$844,624.

City of Akron, Ohio  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 City Facilities Operating Fund, Non-GAAP Budget Basis  
 For the Year Ended December 31, 2016

	Budgeted Amounts			
	Original	Final	Actual Amounts	
Revenues and other sources				
Revenues:				
JEDD revenues	\$ 791,140	\$ 904,670	\$	-
Taxes and assessments	419,790	480,030		259,855
Miscellaneous revenues	3,794,220	4,338,740		2,556,470
	5,005,150	5,723,440		2,816,325
Other sources:				
General fund subsidy	1,614,570	1,846,270		440,000
Previous year's encumbrances	131,826	131,826		131,826
	1,746,396	1,978,096		571,826
Total revenues and other sources	6,751,546	7,701,536		3,388,151
Expenditures				
Department Wide:				
Other	3,975,056	4,615,056		3,560,999
Total expenditures	3,975,056	4,615,056		3,560,999
Excess (deficiency) of revenues and other sources over expenditures	2,776,490	3,086,480		(172,848)
Fund balance, January 1, 2016	30,016	30,016		30,016
Fund balance (deficit), December 31, 2016	\$ 2,806,506	\$ 3,116,496	\$	(142,832)

Note: Included in General fund subsidy above are transfers in and advances of \$440,000.



City of Akron, Ohio  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Various Purpose Funding Fund, Non-GAAP Budget Basis  
For the Year Ended December 31, 2016

	<b>Budgeted Amounts</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Income taxes	\$ -	\$ -	\$ 30,000
Governmental revenues	1,238,120	1,485,020	1,037,712
Service revenues	1,329,840	1,595,020	1,396,405
Miscellaneous revenues	210,940	253,000	133,692
	<u>2,778,900</u>	<u>3,333,040</u>	<u>2,597,809</u>
Other sources:			
General fund subsidy	-	-	41,883
Previous year's encumbrances	21,215	21,215	21,215
	<u>21,215</u>	<u>21,215</u>	<u>63,098</u>
Total revenues and other sources	2,800,115	3,354,255	2,660,907
<b>Expenditures</b>			
Department Wide:			
Wages/benefits	82,340	92,340	87,230
Other	1,041,845	1,859,345	1,358,073
	<u>1,124,185</u>	<u>1,951,685</u>	<u>1,445,303</u>
Total expenditures	1,124,185	1,951,685	1,445,303
Excess of revenues and other sources over expenditures	1,675,930	1,402,570	1,215,604
Fund balance, January 1, 2016	<u>6,288,305</u>	<u>6,288,305</u>	<u>6,288,305</u>
Fund balance, December 31, 2016	<u>\$ 7,964,235</u>	<u>\$ 7,690,875</u>	<u>\$ 7,503,909</u>

Note: Included in General fund subsidy above are transfers in and advances of \$41,883.

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

For the Year Ended December 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
<b>Revenues</b>			
Miscellaneous revenues	\$ 790,000	\$ 790,000	\$ 1,823,581
Total revenues	790,000	790,000	1,823,581
<b>Expenditures</b>			
Finance:			
Other	700,000	900,000	534,401
Total expenditures	700,000	900,000	534,401
Excess (deficiency) of revenues over expenditures	90,000	(110,000)	1,289,180
Fund balance, January 1, 2016	946,638	946,638	946,638
Fund balance, December 31, 2016	<u>\$ 1,036,638</u>	<u>\$ 836,638</u>	<u>\$ 2,235,818</u>

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

For the Year Ended December 31, 2016

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	
<b>Revenues and other sources</b>			
Revenues:			
Property taxes	\$ 1,079,184	\$ 1,079,184	\$ 1,154,615
Miscellaneous revenues	-	180,000	8,000
	1,079,184	1,259,184	1,162,615
Other sources:			
Previous year's encumbrances	12,704	12,704	12,704
Total revenues and other sources	1,091,888	1,271,888	1,175,319
<b>Expenditures</b>			
Finance:			
Wages/benefits	296,780	336,780	321,079
Other	876,054	876,054	861,064
Capital outlay	-	22,000	10,328
Total expenditures	1,172,834	1,234,834	1,192,471
Excess (deficiency) of revenues and other sources over expenditures	(80,946)	37,054	(17,152)
Fund balance, January 1, 2016	29,488	29,488	29,488
Fund balance (deficit), December 31, 2016	\$ (51,458)	\$ 66,542	\$ 12,336

City of Akron, Ohio  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Streets Fund, Non-GAAP Budget Basis  
For the Year Ended December 31, 2016

	<b>Budgeted Amounts</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Income taxes	\$ 273,170	\$ 335,440	\$ 18,976
Taxes and assessments	431,610	530,010	699,424
Governmental revenues	699,310	858,750	296,118
Miscellaneous revenues	273,170	335,450	106,382
	1,677,260	2,059,650	1,120,900
Other sources:			
Note/Bond proceeds	9,287,740	11,405,330	8,200,000
Previous year's encumbrances	1,093,790	1,093,790	1,093,790
	10,381,530	12,499,120	9,293,790
Total revenues and other sources	12,058,790	14,558,770	10,414,690
<b>Expenditures</b>			
Department Wide:			
Wages/benefits	183,550	233,550	200,180
Other	3,157,250	4,607,250	4,524,693
Capital outlay	8,480,190	7,480,190	5,531,653
Total expenditures	11,820,990	12,320,990	10,256,526
Excess of revenues and other sources over expenditures	237,800	2,237,780	158,164
Fund balance, January 1, 2016	129,932	129,932	129,932
Fund balance, December 31, 2016	\$ 367,732	\$ 2,367,712	\$ 288,096

City of Akron, Ohio  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 Information Technology and Improvements Fund, Non-GAAP Budget Basis  
 For the Year Ended December 31, 2016

	<b>Budgeted Amounts</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Income taxes	\$ 86,700	\$ 86,700	\$ -
Other sources:			
Previous year's encumbrances	6,902	6,902	6,902
Total revenues and other sources	93,602	93,602	6,902
<b>Expenditures</b>			
Department Wide:			
Other	57,402	57,402	6,902
Total expenditures	57,402	57,402	6,902
Excess of revenues and other sources over expenditures	36,200	36,200	-
Fund balance, January 1, 2016	28,402	28,402	28,402
Fund balance, December 31, 2016	\$ 64,602	\$ 64,602	\$ 28,402

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

For the Year Ended December 31, 2016

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	
<b>Revenues and other sources</b>			
Revenues:			
Income taxes	\$ -	\$ -	\$ 10,241
Governmental revenues	68,000	68,000	-
Miscellaneous revenues	68,000	68,000	-
	136,000	136,000	10,241
Other sources:			
Note/Bond proceeds	1,292,000	1,292,000	-
Previous year's encumbrances	140,197	140,197	140,197
	1,432,197	1,432,197	140,197
Total revenues and other sources	1,568,197	1,568,197	150,438
<b>Expenditures</b>			
Department Wide:			
Other	570,297	570,297	339,544
Capital outlay	800,000	800,000	91,000
Total expenditures	1,370,297	1,370,297	430,544
Excess (deficiency) of revenues and other sources over expenditures	197,900	197,900	(280,106)
Fund balance, January 1, 2016	248,550	248,550	248,550
Fund balance (deficit), December 31, 2016	\$ 446,450	\$ 446,450	\$ (31,556)

City of Akron, Ohio  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 Public Facilities and Improvements Fund, Non-GAAP Budget Basis  
 For the Year Ended December 31, 2016

	<b>Budgeted Amounts</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Income taxes	\$ 833,400	\$ 833,400	\$ 1,625,162
Governmental revenues	155,930	155,930	-
Miscellaneous revenues	5,380	5,380	-
	994,710	994,710	1,625,162
Other sources:			
Note/Bond proceeds	2,473,300	2,473,300	179,525
Previous year's encumbrances	178,771	178,771	178,771
	2,652,071	2,652,071	358,296
Total revenues and other sources	3,646,781	3,646,781	1,983,458
<b>Expenditures</b>			
Department Wide:			
Other	1,518,885	1,518,885	1,518,755
Capital outlay	2,062,386	2,062,386	712,213
Total expenditures	3,581,271	3,581,271	2,230,968
Excess (deficiency) of revenues and other sources over expenditures	65,510	65,510	(247,510)
Fund balance, January 1, 2016	191,833	191,833	191,833
Fund balance (deficit), December 31, 2016	\$ 257,343	\$ 257,343	\$ (55,677)

## City of Akron, Ohio

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

For the Year Ended December 31, 2016

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	
<b>Revenues and other sources</b>			
Revenues:			
Miscellaneous revenues	\$ 3,060,000	\$ 3,060,000	\$ -
Other sources:			
Previous year's encumbrances	349,702	349,702	349,702
Total revenues and other sources	3,409,702	3,409,702	349,702
<b>Expenditures</b>			
Department Wide:			
Other	324,354	324,354	14,254
Capital outlay	525,349	525,349	172
Total expenditures	849,703	849,703	14,426
Excess of revenues and other sources over expenditures	2,559,999	2,559,999	335,276
Fund balance, January 1, 2016	1,347,290	1,347,290	1,347,290
Fund balance, December 31, 2016	\$ 3,907,289	\$ 3,907,289	\$ 1,682,566



City of Akron, Ohio  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 Economic Development Fund, Non-GAAP Budget Basis  
 For the Year Ended December 31, 2016

	<b>Budgeted Amounts</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Income taxes	\$ -	\$ -	\$ 570,000
Governmental revenues	368,500	368,500	1,341,120
Miscellaneous revenues	1,239,500	1,239,500	473,880
	1,608,000	1,608,000	2,385,000
Other sources:			
Note/Bond proceeds	12,060,000	12,060,000	-
Total revenues and other sources	13,668,000	13,668,000	2,385,000
<b>Expenditures</b>			
Department Wide:			
Other	8,783,000	8,783,000	1,013,457
Capital outlay	2,000,000	3,125,000	2,821,563
Total expenditures	10,783,000	11,908,000	3,835,020
Excess (deficiency) of revenues and other sources over expenditures	2,885,000	1,760,000	(1,450,020)
Fund balance, January 1, 2016	1,452,178	1,452,178	1,452,178
Fund balance, December 31, 2016	\$ 4,337,178	\$ 3,212,178	\$ 2,158

### **NON-MAJOR ENTERPRISE FUNDS**

**Enterprise Funds** – are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The non-major Enterprise Funds are as follows:

- Oil and Gas
- Golf Course
- Airport

City of Akron, Ohio  
Combining Statement of Net Position - Non-Major Enterprise Funds  
December 31, 2016

C-1

	<b>Oil and Gas</b>	<b>Golf Course</b>	<b>Airport</b>	<b>Total</b>
<b>Assets</b>				
Current assets:				
Pooled cash and investments	\$ 12,708	\$ 24,673	\$ 16,386	\$ 53,767
Receivables, net of allowances for uncollectibles	50,211	-	-	50,211
Inventories, at cost	-	26,720	-	26,720
Total current assets	62,919	51,393	16,386	130,698
Noncurrent assets:				
Net pension asset	-	1,005	-	1,005
Property, plant and equipment, net of accumulated depreciation	395,487	1,303,268	7,654,389	9,353,144
Total noncurrent assets	395,487	1,304,273	7,654,389	9,354,149
Total assets	458,406	1,355,666	7,670,775	9,484,847
<b>Deferred Outflows of Resources</b>	-	186,954	-	186,954
Total assets and deferred outflows	458,406	1,542,620	7,670,775	9,671,801
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	276	22,944	2,305	25,525
Due to other governments	-	-	53,488	53,488
Due to other funds	24	712	-	736
Accrued liabilities	-	11,790	41,200	52,990
Accrued wages	-	10,400	-	10,400
Accrued vacation and leave	-	28,292	-	28,292
Obligations under capital lease	-	14,004	-	14,004
Total current liabilities	300	88,142	96,993	185,435
Noncurrent liabilities:				
Due in more than one year	27,223	174,015	47,147	248,385
Net pension liability	-	491,855	-	491,855
Total noncurrent liabilities	27,223	665,870	47,147	740,240
Total liabilities	27,523	754,012	144,140	925,675
<b>Deferred Inflows of Resources</b>	-	12,921	-	12,921
Total liabilities and deferred inflows	27,523	766,933	144,140	938,596
<b>Net Position</b>				
Net investment in capital assets	395,487	1,289,264	7,654,389	9,339,140
Unrestricted (deficit)	35,396	(513,577)	(127,754)	(605,935)
Total net position	\$ 430,883	\$ 775,687	\$ 7,526,635	\$ 8,733,205

City of Akron, Ohio  
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Nonmajor Enterprise Funds  
For the Year Ended December 31, 2016

C-2

	<b>Oil and Gas</b>	<b>Golf Course</b>	<b>Airport</b>	<b>Total</b>
<b>Operating revenues</b>				
Charges for services	\$ 61	\$ 930,766	\$ 169,577	\$ 1,100,404
Other	225,990	73,461	20,370	319,821
	<u>226,051</u>	<u>1,004,227</u>	<u>189,947</u>	<u>1,420,225</u>
<b>Operating expenses</b>				
Personal services	-	895,081	17,147	912,228
Direct expenses	32,283	287,264	394,556	714,103
Claims	-	144	-	144
Rentals and lease	-	66,640	-	66,640
Utilities	1,045	82,122	1,432	84,599
Insurance	15,825	5,053	6,447	27,325
Depreciation, depletion and amortization	-	57,872	213,102	270,974
Other	965	-	108,837	109,802
	<u>50,118</u>	<u>1,394,176</u>	<u>741,521</u>	<u>2,185,815</u>
Operating income (loss)	<u>175,933</u>	<u>(389,949)</u>	<u>(551,574)</u>	<u>(765,590)</u>
Interest expense	-	(635)	-	(635)
	<u>-</u>	<u>(635)</u>	<u>-</u>	<u>(635)</u>
Income (loss) before transfers	175,933	(390,584)	(551,574)	(766,225)
Transfers-in	-	260,000	135,000	395,000
	<u>-</u>	<u>260,000</u>	<u>135,000</u>	<u>395,000</u>
Change in net position	175,933	(130,584)	(416,574)	(371,225)
Net position, January 1, 2016, as restated	254,950	906,271	7,943,209	9,104,430
Net position, December 31, 2016	<u>\$ 430,883</u>	<u>\$ 775,687</u>	<u>\$ 7,526,635</u>	<u>\$ 8,733,205</u>

City of Akron, Ohio  
Combining Statement of Cash Flows - Non-Major Enterprise Funds  
For the Year Ended December 31, 2016

	<b>Oil and Gas</b>	<b>Golf</b>	<b>Airport</b>	<b>Total Non-Major Enterprise Funds</b>
<b>Operating activities</b>				
Cash received from customers	\$ (49,928)	\$ 935,968	\$ 198,017	\$ 1,084,057
Cash payments to suppliers for goods and services	(50,085)	(409,764)	(369,053)	(828,902)
Cash paid for salaries and employee benefits	(122,585)	(822,186)	(19,348)	(964,119)
Other revenues	225,990	73,461	20,370	319,821
Other expenses	(965)	-	(108,837)	(109,802)
Net cash provided by (used for) operating activities	2,427	(222,521)	(278,851)	(498,945)
<b>Non-capital financing activities</b>				
Operating transfers from other funds	-	260,000	135,000	395,000
Net cash provided by (used for) non-capital financing activities	-	260,000	135,000	395,000
<b>Capital and related financing activities</b>				
Interest paid on bonds and loans	-	(635)	-	(635)
Acquisition and construction of capital assets	-	(16,250)	-	(16,250)
Net cash provided by (used for) capital and related financing activities	-	(16,885)	-	(16,885)
Net increase (decrease) in cash and cash equivalents	2,427	20,594	(143,851)	(120,830)
Cash and cash equivalents, January 1, 2016	10,281	4,079	160,237	174,597
Cash and cash equivalents, December 31, 2016	\$ 12,708	\$ 24,673	\$ 16,386	\$ 53,767

	<b>Oil and Gas</b>	<b>Golf</b>	<b>Airport</b>	<b>Total Non-Major Enterprise Funds</b>
Operating income (loss)	\$ 175,933	\$ (389,949)	\$ (551,574)	\$ (765,590)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation, depletion and amortization	-	57,872	213,102	270,974
(Increase) decrease in operating assets:				
Receivables	(49,989)	5,202	28,440	(16,347)
Due from other funds	-	-	-	-
Inventories	-	21,129	-	21,129
Increase (decrease) in operating liabilities:				
Accounts payable	5	11,580	(19,767)	(8,182)
Due to other funds	(937)	(1,394)	(339)	(2,670)
Due to other governments	-	-	53,488	53,488
Accrued liabilities	(67,681)	36,674	(2,201)	(33,208)
Accrued wages	(3,394)	(6,238)	-	(9,632)
Accrued vacation and leave	(51,510)	42,603	-	(8,907)
Net cash provided by (used for) operating activities	<u>\$ 2,427</u>	<u>\$ (222,521)</u>	<u>\$ (278,851)</u>	<u>\$ (498,945)</u>

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## **INTERNAL SERVICE FUNDS**

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

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



City of Akron, Ohio  
Combining Statement of Net Position - Internal Service Funds  
December 31, 2016

D-1

	<b>Motor Equipment</b>	<b>Medical Self- Insurance</b>	<b>Workers' Compensation Reserve</b>
<b>Assets</b>			
Current assets:			
Pooled cash and investments	\$ 189,912	\$ 154,010	\$ 2,644,050
Receivables, net of allowances from uncollectibles	58,088	-	-
Due from other funds	610,146	-	-
Inventories, at cost	629,514	-	-
Total current assets	1,487,660	154,010	2,644,050
Noncurrent assets:			
Net pension asset	4,091	127	-
Property, plant and equipment, net of accumulated depreciation	1,536,094	-	-
Total noncurrent assets	1,540,185	127	-
Total assets	3,027,845	154,137	2,644,050
<b>Deferred Outflows of Resources</b>	828,587	68,973	-
Total assets and deferred outflows	3,856,432	223,110	2,644,050
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	160,002	46,052	-
Advances from other funds	-	-	-
Due to other funds	692	17,647	-
Accrued liabilities	42,585	4,077	2,497,669
Accrued wages	69,628	8,060	-
Accrued vacation and leave	128,156	10,405	-
Liability for unpaid claims	-	3,804,311	342,528
Debt:			
Income tax revenue bonds	-	-	-
Total current liabilities	401,063	3,890,552	2,840,197
Noncurrent liabilities:			
Due in more than one year	1,201,385	28,536	1,698,078
Bonds, notes, and loans	-	3,500,000	-
Net pension liability	2,025,043	77,407	-
Total noncurrent liabilities	3,226,428	3,605,943	1,698,078
Total liabilities	3,627,491	7,496,495	4,538,275
<b>Deferred Inflows of Resources</b>	55,473	3,564	-
Total liabilities and deferred inflows	3,682,964	7,500,059	4,538,275
<b>Net Position</b>			
Net investment in capital assets	1,536,094	-	-
Unrestricted (deficit)	(1,362,626)	(7,276,949)	(1,894,225)
Total net position	\$ 173,468	\$ (7,276,949)	\$ (1,894,225)

<b>Self- Insurance Settlement</b>	<b>Telephone System</b>	<b>Engineering Bureau</b>	<b>Information Technology</b>	<b>Total Internal Service Funds</b>
\$ 17,942	\$ 202,733	\$ 2,235,509	\$ 31,971	\$ 5,476,127
-	-	179	-	58,267
-	103,760	311,634	-	1,025,540
-	-	-	-	629,514
17,942	306,493	2,547,322	31,971	7,189,448
-	-	7,070	1,500	12,788
-	180,065	97,982	1,370,378	3,184,519
-	180,065	105,052	1,371,878	3,197,307
17,942	486,558	2,652,374	1,403,849	10,386,755
-	-	1,362,149	283,234	2,542,943
17,942	486,558	4,014,523	1,687,083	12,929,698
-	53,631	6,999	138,203	404,887
-	-	-	300,000	300,000
-	7	1,452,122	529	1,470,997
-	-	69,053	13,924	2,627,308
-	-	106,129	22,058	205,875
-	-	313,378	77,393	529,332
616,398	-	-	-	4,763,237
-	-	-	420,000	420,000
616,398	53,638	1,947,681	972,107	10,721,636
-	-	2,454,581	675,011	6,057,591
-	-	-	-	3,500,000
-	-	3,476,250	736,010	6,314,710
-	-	5,930,831	1,411,021	15,872,301
616,398	53,638	7,878,512	2,383,128	26,593,937
-	-	92,895	19,469	171,401
616,398	53,638	7,971,407	2,402,597	26,765,338
-	180,065	97,982	1,370,378	3,184,519
(598,456)	252,855	(4,054,866)	(2,085,892)	(17,020,159)
\$ (598,456)	\$ 432,920	\$ (3,956,884)	\$ (715,514)	\$ (13,835,640)

Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Internal Service Funds  
For the Year Ended December 31, 2016

	<b>Motor Equipment</b>	<b>Medical Self- Insurance</b>	<b>Workers' Compensation Reserve</b>
<b>Operating revenues</b>			
Charges for services	\$ 7,274,654	32,498,423	2,244,268
Other	169,342	1,140,613	60,334
	<u>7,443,996</u>	<u>33,639,036</u>	<u>2,304,602</u>
<b>Operating expenses</b>			
Personal services	2,832,407	260,028	-
Direct expenses	4,852,616	3,174,425	2,180,662
Claims	-	30,636,927	629,039
Rentals and lease	834	-	-
Utilities	81,261	629	-
Insurance	10,312	3,632,164	-
Depreciation, depletion and amortization	62,694	-	-
Other	6,380	-	-
	<u>7,846,504</u>	<u>37,704,173</u>	<u>2,809,701</u>
Operating income (loss)	<u>(402,508)</u>	<u>(4,065,137)</u>	<u>(505,099)</u>
<b>Nonoperating revenues (expenses)</b>			
Interest income	-	-	515
Interest expense	(12,734)	(51,750)	-
	<u>(12,734)</u>	<u>(51,750)</u>	<u>515</u>
Gain (loss) before transfers	<u>(415,242)</u>	<u>(4,116,887)</u>	<u>(504,584)</u>
Capital contributions	-	-	-
Changes in net position	<u>(415,242)</u>	<u>(4,116,887)</u>	<u>(504,584)</u>
Net position (deficit), January 1, 2016, as restated	588,710	(3,160,062)	(1,389,641)
Net position (deficit), December 31, 2016	<u>\$ 173,468</u>	<u>(7,276,949)</u>	<u>(1,894,225)</u>

<b>Self- Insurance Settlement</b>	<b>Telephone System</b>	<b>Engineering Bureau</b>	<b>Information Technology</b>	<b>Total Internal Service Funds</b>
-	837,252	5,795,801	2,607,815	51,258,213
35,819	1,876	1,124	67,277	1,476,385
35,819	839,128	5,796,925	2,675,092	52,734,598
-	306,981	4,706,249	1,042,172	9,147,837
-	399,397	2,599,940	1,368,113	14,575,153
-	-	-	-	31,265,966
-	-	20,880	-	21,714
-	115,688	21,232	11,401	230,211
-	-	13,800	1,200	3,657,476
-	16,317	3,989	3,341	86,341
-	-	402	-	6,782
-	838,383	7,366,492	2,426,227	58,991,480
35,819	745	(1,569,567)	248,865	(6,256,882)
-	-	-	-	515
-	-	-	-	(64,484)
-	-	-	-	(63,969)
35,819	745	(1,569,567)	248,865	(6,320,851)
-	-	-	410,000	410,000
35,819	745	(1,569,567)	658,865	(5,910,851)
(634,275)	432,175	(2,387,317)	(1,374,379)	(7,924,789)
(598,456)	432,920	(3,956,884)	(715,514)	(13,835,640)

City of Akron, Ohio  
Combining Statement of Cash Flows - Internal Service Funds  
For the Year Ended December 31, 2016

	<b>Motor Equipment</b>	<b>Medical Self - Insurance</b>	<b>Workers' Compensation</b>	<b>Self - Insurance Settlement</b>
<b>Operating activities</b>				
Cash received from customers	\$ 7,754,161	\$ 32,515,496	\$ 2,244,268	\$ -
Cash payments to suppliers for goods and services	(4,961,841)	(6,743,567)	(2,180,662)	(30,000)
Cash paid for salaries and employee benefits	(2,620,585)	(30,871,422)	(1,171,578)	(5,819)
Other revenues	169,342	1,140,613	60,334	35,819
Other expenses	(6,380)	-	-	-
Net cash provided by (used for) operating activities	334,697	(3,958,880)	(1,047,638)	-
<b>Non-capital financing activities</b>				
Transfers/advances in for negative cash balances	(135,000)	-	-	-
Proceeds from sale of notes	-	3,500,000	-	-
Principal paid on bonds, loans and notes	-	(4,500,000)	-	-
Interest paid on bonds, loans and notes	-	(51,750)	-	-
Net cash provided by (used for) non-capital financing activities	(135,000)	(1,051,750)	-	-
<b>Capital and related financing activities</b>				
Principal paid on bonds and loans	-	-	-	-
Interest paid on bonds and loans	(12,734)	-	-	-
Acquisition and construction of capital assets	-	-	-	-
Capital contributions	-	-	-	-
Net cash provided by (used for) capital and related financing activities	(12,734)	-	-	-
<b>Investing activities</b>				
Interest on investments	-	-	515	-
Net cash provided by investing activities	-	-	515	-
Net increase (decrease) in cash and cash equivalents	186,963	(5,010,630)	(1,047,123)	-
Cash and cash equivalents, January 1, 2016	2,949	5,164,640	3,691,173	17,942
Cash and cash equivalents, December 31, 2016	\$ 189,912	\$ 154,010	\$ 2,644,050	\$ 17,942

<b>Telephone System</b>	<b>Engineering Bureau</b>	<b>Information Technology</b>	<b>Total</b>
\$ 804,765	\$ 5,928,497	\$ 2,675,327	\$ 51,922,514
(515,476)	(1,288,661)	(1,446,121)	(17,166,328)
(306,981)	(4,151,006)	(943,133)	(40,070,524)
1,876	1,124	67,277	1,476,385
-	(402)	-	(6,782)
(15,816)	489,552	353,350	(3,844,735)
-	-	233,000	98,000
-	-	-	3,500,000
-	-	-	(4,500,000)
-	-	-	(51,750)
-	-	233,000	(953,750)
-	-	(410,000)	(410,000)
-	-	-	(12,734)
-	-	(565,383)	(565,383)
-	-	410,000	410,000
-	-	(565,383)	(578,117)
-	-	-	515
-	-	-	515
(15,816)	489,552	20,967	(5,376,087)
218,549	1,745,957	11,004	10,852,214
\$ 202,733	\$ 2,235,509	\$ 31,971	\$ 5,476,127

City of Akron, Ohio  
Combining Statement of Cash Flows - Internal Service Funds  
For the Year Ended December 31, 2016  
(continued)

	<b>Motor Equipment</b>	<b>Medical Self - Insurance</b>	<b>Workers' Compensation</b>	<b>Self - Insurance Settlement</b>
Operating income (loss)	\$ (402,508)	\$ (4,065,137)	\$ (505,099)	\$ 35,819
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation, depletion and amortization	62,694	-	-	-
(Increase) decrease in operating assets:				
Receivables	(42,380)	-	-	-
Due from other funds	521,887	17,073	-	-
Inventories	20,333	-	-	-
Increase (decrease) in operating liabilities:				
Accounts payable	(34,960)	46,052	-	(30,000)
Due to other funds	(2,191)	17,599	-	-
Accrued liabilities	190,235	15,948	-	-
Accrued wages	3,156	8,060	-	-
Accrued vacation and leave	18,431	38,941	-	-
Estimated liability for unpaid claims	-	(37,416)	(542,539)	(5,819)
Net cash provided by (used for) operating activities	<u>\$ 334,697</u>	<u>\$ (3,958,880)</u>	<u>\$ (1,047,638)</u>	<u>\$ -</u>

<b>Telephone System</b>	<b>Engineering Bureau</b>	<b>Information Technology</b>	<b>Total</b>
\$ 745	\$ (1,569,567)	\$ 248,865	\$ (6,256,882)
16,317	3,989	3,341	86,341
-	(179)	-	(42,559)
(32,487)	132,875	67,512	706,860
-	-	-	20,333
50	(11,810)	(63,153)	(93,821)
(441)	1,379,001	(2,254)	1,391,714
-	280,707	61,662	548,552
-	(11,607)	(4,779)	(5,170)
-	286,143	42,156	385,671
-	-	-	(585,774)
\$ (15,816)	\$ 489,552	\$ 353,350	\$ (3,844,735)



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## **FIDUCIARY FUNDS**

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

Claire Merrixx Trust  
Holocaust Memorial Trust  
Police/Fire Beneficiary Trust

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

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

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

**Copley-Akron JEDD Fund** – is used to account for JEDD income taxes levied by the JEDD Board and disbursements pursuant to the contract.

**Coventry-Akron JEDD Fund** – is used to account for JEDD income taxes levied by the JEDD Board and disbursements pursuant to the contract.

**Springfield-Akron JEDD Fund** – is used to account for JEDD income taxes levied by the JEDD Board and disbursements pursuant to the contract.

**Bath-Akron-Fairlawn JEDD Fund** – is used to account for JEDD income taxes levied by the JEDD Board and disbursements pursuant to the contract.

City of Akron, Ohio  
Combining Statement of Fiduciary Net Position - Private Purpose Trust Funds  
December 31, 2016

	<b>Claire Merrix Trust</b>	<b>Holocaust Memorial Trust</b>	<b>Police/Fire Beneficiary Trust</b>	<b>Total</b>
<b>Assets</b>				
Cash and investments	\$ 810	\$ 21,230	\$ 6,460	\$ 28,500
Total assets	810	21,230	6,460	28,500
Due to others	-	-	-	-
<b>Net Position</b>	<u>\$ 810</u>	<u>\$ 21,230</u>	<u>\$ 6,460</u>	<u>\$ 28,500</u>

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City of Akron, Ohio  
Combining Statement of Fiduciary Net Position - Agency Funds  
December 31, 2016

	<b>Municipal Court</b>	<b>Police Property Monetary Evidence</b>	<b>Unclaimed Monies</b>
<b>Assets</b>			
Cash and investments	\$ 857,402	\$ 785,699	\$ 137,907
Total assets	<u>857,402</u>	<u>785,699</u>	<u>137,907</u>
<b>Liabilities</b>			
Due to others	<u>857,402</u>	<u>785,699</u>	<u>137,907</u>
<b>Total liabilities</b>	<u>857,402</u>	<u>785,699</u>	<u>137,907</u>
<b>Net Position</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<b>Copley - Akron JEDD</b>	<b>Coventry - Akron JEDD</b>	<b>Springfield - Akron JEDD</b>	<b>Bath - Akron - Fairlawn JEDD</b>	<b>Total</b>
\$ -	\$ -	\$ -	\$ -	1,781,008
-	-	-	-	1,781,008
-	-	-	-	1,781,008
-	-	-	-	1,781,008
\$ -	\$ -	\$ -	\$ -	-

City of Akron, Ohio  
Combining Statement of Changes in Fiduciary Net Position - Private Purpose Trust Funds  
For the Year Ended December 31, 2016

	<b>Claire Merrix Trust</b>	<b>Holocaust Memorial Trust</b>	<b>Police/Fire Beneficiary Trust</b>	<b>Total</b>
<b>Additions</b>				
Contributions	\$ -	\$ 10,748	\$ 400	\$ 11,148
	-	10,748	400	11,148
<b>Deductions</b>				
Education and awareness	-	2,051	-	2,051
	-	2,051	-	2,051
Changes in net position	-	8,697	400	9,097
Net position, January 1, 2016	810	12,533	6,060	19,403
Net position, December 31, 2016	\$ 810	\$ 21,230	\$ 6,460	\$ 28,500

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City of Akron, Ohio  
Combining Statement of Changes in Assets and Liabilities - Agency Funds  
For the Year Ended December 31, 2016

	<b>Balance January 1, 2016</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31, 2016</b>
<b>Municipal Court</b>				
Assets				
Cash	\$ 739,224	\$ 11,003,741	\$ 10,885,563	\$ 857,402
Liabilities				
Due to others	\$ 739,224	\$ 11,003,741	10,885,563	\$ 857,402
<b>Police Property Monetary Evidence</b>				
Assets				
Cash	\$ 15,000	\$ 1,032,782	\$ 262,083	\$ 785,699
Liabilities				
Due to others	\$ 15,000	\$ 1,032,782	\$ 262,083	\$ 785,699
<b>Unclaimed Monies</b>				
Assets				
Cash	\$ 115,459	\$ 42,107	\$ 19,659	\$ 137,907
Liabilities				
Due to others	\$ 115,459	\$ 42,107	\$ 19,659	\$ 137,907

City of Akron, Ohio  
Combining Statement of Changes in Assets and Liabilities - Agency Funds (continued)  
For the Year Ended December 31, 2016

	<b>Balance January 1, 2016</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31, 2016</b>
<b>Copley - Akron JEDD</b>				
Assets				
Cash	\$ <u>          </u>	\$ <u>5,675,961</u>	\$ <u>5,675,961</u>	\$ <u>-</u>
Liabilities				
Due to others	\$ <u>          </u>	\$ <u>5,675,961</u>	\$ <u>5,675,961</u>	\$ <u>-</u>
<b>Coventry - Akron JEDD</b>				
Assets				
Cash	\$ <u>-</u>	\$ <u>2,855,641</u>	\$ <u>2,855,641</u>	\$ <u>-</u>
Liabilities				
Due to others	\$ <u>-</u>	\$ <u>2,855,641</u>	<u>2,855,641</u>	\$ <u>-</u>
<b>Springfield - Akron JEDD</b>				
Assets				
Cash	\$ <u>-</u>	\$ <u>3,394,181</u>	\$ <u>3,394,181</u>	\$ <u>-</u>
Liabilities				
Due to others	\$ <u>-</u>	\$ <u>3,394,181</u>	\$ <u>3,394,181</u>	\$ <u>-</u>
<b>Bath - Akron - Fairlawn JEDD</b>				
Assets				
Cash	\$ <u>-</u>	\$ <u>7,111,853</u>	\$ <u>7,111,853</u>	\$ <u>-</u>
Liabilities				
Due to others	\$ <u>-</u>	\$ <u>7,111,853</u>	\$ <u>7,111,853</u>	\$ <u>-</u>
<b>Total All Agency Funds</b>				
Assets				
Cash	\$ <u>869,683</u>	\$ <u>31,116,266</u>	\$ <u>30,204,941</u>	\$ <u>1,781,008</u>
	\$ <u>869,683</u>	\$ <u>31,116,266</u>	\$ <u>30,204,941</u>	\$ <u>1,781,008</u>
Liabilities				
Due to others	\$ <u>869,683</u>	\$ <u>31,116,266</u>	\$ <u>30,204,941</u>	\$ <u>1,781,008</u>
	\$ <u>869,683</u>	\$ <u>31,116,266</u>	\$ <u>30,204,941</u>	\$ <u>1,781,008</u>

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# **Statistical Section**

# Statistical Section

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

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b>	<b>211</b>
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	<b>218</b>
These schedules contain information to help the reader assess the City's most significant local revenue sources which are income tax and property tax.	
<b>Debt Capacity</b>	<b>223</b>
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.	
<b>Demographic and Economic Information</b>	<b>231</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within the City.	
<b>Operating Information</b>	<b>233</b>
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

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

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

Schedule 1

	2007	2008	2009	2010	2011
<b>Governmental Activities</b>					
Net Investment in Capital Assets	\$ 350,900,710	\$ 352,615,832	\$ 325,085,939	\$ 320,611,400	\$ 336,791,218
Restricted	136,131,553	67,956,219	46,034,221	76,133,681	64,060,427
Unrestricted	(122,216,128)	(59,811,038)	(32,116,320)	(63,841,247)	(39,096,078)
<b>Total Governmental Activities Net Position</b>	<b>364,816,135</b>	<b>360,761,013</b>	<b>339,003,840</b>	<b>332,903,834</b>	<b>361,755,567</b>
<b>Business-Type Activities</b>					
Net Investment in Capital Assets	331,088,686	361,078,967	364,052,481	368,334,039	382,353,490
Restricted	9,603,496	14,242,721	11,601,001	11,955,748	9,650,185
Unrestricted	8,684,965	(6,359,846)	(534,594)	5,913,913	(898,127)
<b>Total Business-Type Activities Net Position</b>	<b>349,377,147</b>	<b>368,961,842</b>	<b>375,118,888</b>	<b>386,203,700</b>	<b>391,105,548</b>
<b>Primary Government</b>					
Net Investment in Capital Assets	681,989,396	713,694,799	689,138,420	688,945,439	719,144,708
Restricted	145,735,049	82,198,940	57,635,222	88,089,429	73,710,612
Unrestricted	(113,531,163)	(66,170,884)	(32,650,914)	(57,927,334)	(39,994,205)
<b>Total Primary Government Net Position</b>	<b>\$ 714,193,282</b>	<b>\$ 729,722,855</b>	<b>\$ 714,122,728</b>	<b>\$ 719,107,534</b>	<b>\$ 752,861,115</b>
<b>Governmental Activities</b>					
Net Investment in Capital Assets	\$ 342,181,729	\$ 353,686,041	\$ 352,411,914	\$ 373,605,736	\$ 361,614,290
Restricted	45,769,529	46,822,028	43,314,132	36,462,300	26,685,480
Unrestricted	(28,089,325)	(25,922,004)	(13,531,515)	(184,719,280)	(169,438,185)
<b>Total Governmental Activities Net Position</b>	<b>359,861,933</b>	<b>374,586,065</b>	<b>382,194,531</b>	<b>225,348,756</b>	<b>218,861,585</b>
<b>Business-Type Activities</b>					
Net Investment in Capital Assets	381,737,149	385,492,533	400,523,178	396,984,561	389,215,183
Restricted	9,726,690	9,789,966	9,854,895	9,498,992	9,389,310
Unrestricted	8,473,245	19,221,970	16,815,329	29,988,650	47,446,909
<b>Total Business-Type Activities Net Position</b>	<b>399,937,084</b>	<b>414,504,469</b>	<b>427,193,402</b>	<b>436,472,203</b>	<b>446,051,402</b>
<b>Primary Government</b>					
Net Investment in Capital Assets	723,918,878	739,178,574	752,935,092	770,590,297	750,829,473
Restricted	55,496,219	56,611,994	53,169,027	45,961,292	36,074,790
Unrestricted	(19,616,080)	(6,700,034)	3,283,814	(154,730,630)	(121,991,276)
<b>Total Primary Government Net Position</b>	<b>\$ 759,799,017</b>	<b>\$ 789,090,534</b>	<b>\$ 809,387,933</b>	<b>\$ 661,820,959</b>	<b>\$ 664,912,987</b>

Source: City of Akron, Ohio Finance Department

\* Schedule 1 has been prepared in conformity of GASB Statement #68, Accounting and Financial Reporting for Pensions beginning with 2015.

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

Schedule 2

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Program Revenues</b>										
Governmental Activities										
Charges for Services:										
General Government	\$ 11,187,070	\$ 10,125,125	\$ 9,480,148	\$ 13,878,801	\$ 9,674,230	\$ 10,218,969	\$ 14,473,321	\$ 9,553,457	\$ 7,505,352	\$ 15,271,721
Public Service	28,739,656	25,837,733	23,701,124	33,856,324	25,094,315	14,404,457	16,524,746	18,489,527	19,949,672	18,353,558
Public Safety	1,499,758	1,178,463	916,609	1,286,320	847,335	508,391	862,405	4,717,778	4,349,617	4,176,521
Community Environment	13,466	12,583	19,165	13,934	7,607	422,186	164,000	2,230,381	228,261	3,467,416
Public Health	674,598	559,903	575,124	623,919	37,132	3,512	2,257	-	-	-
Recreation and Parks	363,552	313,784	331,715	414,527	242,837	183,754	230,420	730,079	721,422	1,053,610
Operating Grants and Contributions	21,939,297	23,163,116	21,601,120	38,518,668	17,302,475	19,658,258	20,409,809	12,724,856	13,345,362	13,345,362
Capital Grants and Contributions	24,822,927	22,905,722	26,257,174	38,467,858	38,778,626	35,507,412	46,774,660	41,095,526	44,349,143	46,353,664
Total Governmental Activities Program Revenues	89,240,324	84,096,429	82,882,179	127,060,351	91,984,557	80,906,939	99,441,618	96,143,584	89,828,323	102,021,852
<b>Business-Type Activities</b>										
Charges for Services:										
Water	33,313,008	32,650,800	32,702,521	34,365,128	34,718,912	32,215,076	34,969,933	33,986,195	35,391,626	34,910,383
Sewer	36,113,694	35,355,134	35,817,311	44,879,526	49,610,750	56,208,333	63,097,046	70,951,430	89,170,077	89,740,016
Oil & Gas	18,544	-	269,720	371,137	373,269	226,172	300,119	241,905	130,030	61
Parking Facilities	4,982,704	4,995,719	4,684,648	4,798,580	4,710,310	4,577,496	4,773,882	4,570,975	4,275,513	4,507,555
Golf Course	891,709	864,188	885,577	926,633	807,693	938,725	893,815	826,503	917,712	931,126
Airport	143,520	188,253	149,172	65,186	76,912	197,878	154,692	156,983	182,663	169,577
Capital Grants and Contributions	5,918,599	14,089,131	6,601,474	5,838,213	4,416,302	7,786,418	4,045,528	4,871,914	4,916,124	5,481,149
Total Business-Type Activities Program Revenues	81,381,778	88,143,225	81,110,423	91,244,403	94,714,148	102,150,098	108,235,015	115,605,905	134,983,745	135,739,867
Total Primary Government Program Revenues	\$ 170,622,102	\$ 172,239,654	\$ 163,992,602	\$ 218,304,754	\$ 186,698,705	\$ 183,057,037	\$ 207,676,633	\$ 211,749,489	\$ 224,812,068	\$ 237,761,719
<b>Expenses</b>										
Governmental Activities										
General Government	\$ 40,750,017	\$ 38,873,128	\$ 43,879,396	\$ 57,324,570	\$ 48,717,920	\$ 44,074,083	\$ 35,134,302	\$ 38,547,406	\$ 31,954,663	\$ 42,940,494
Public Service	63,895,682	73,262,623	80,172,670	104,776,341	50,268,506	52,045,512	65,740,981	67,516,145	74,133,731	71,811,167
Public Safety	114,350,511	117,038,957	123,812,322	112,983,694	109,950,785	113,141,469	112,374,172	120,176,274	124,943,875	140,165,348
Community Environment	50,882,056	42,181,020	35,724,084	36,971,008	58,355,271	66,174,345	88,673,453	42,970,628	44,393,603	98,362,358
Public Health	17,568,811	16,288,130	16,833,245	16,584,773	3,517,378	3,982,604	3,921,672	4,832,375	4,452,937	4,354,820
Recreation and Parks	5,800,662	5,621,234	6,270,738	5,704,548	5,801,457	6,906,906	7,690,836	6,811,470	5,567,353	5,717,798
Interest	27,325,682	28,172,429	24,194,932	24,845,202	22,212,625	35,466,855	26,324,712	27,940,204	30,189,381	23,923,218
Unallocated Depreciation	12,818,481	13,654,482	14,158,196	14,740,666	15,358,939	15,559,132	15,468,193	16,091,850	17,065,802	18,830,770
Total Governmental Activities Expenses	333,391,902	335,092,003	345,045,583	373,930,802	314,182,881	337,350,906	355,328,321	324,886,352	332,701,345	406,105,973
<b>Business-Type Activities</b>										
Water	33,459,745	29,839,906	33,622,159	34,399,758	35,228,188	28,050,701	31,075,633	32,522,741	37,964,538	34,913,805
Sewer	35,287,533	35,843,446	34,847,213	39,290,082	46,730,809	58,124,815	54,959,359	71,709,972	70,908,326	83,933,150
Oil & Gas	204,153	933,312	123,292	479,640	250,643	279,689	202,341	350,060	321,767	49,571
Parking Facilities	1,317,386	4,431,405	6,797,185	7,248,743	7,355,958	7,780,158	6,929,930	7,189,194	7,063,162	7,269,596
Golf Course	786,711	1,347,435	1,327,158	1,270,474	1,193,071	1,176,344	1,243,395	1,106,275	1,275,762	1,408,269
Airport	5,974,113	985,551	695,864	686,012	1,005,792	653,852	683,251	720,934	920,765	741,052
Total Business-Type Activities Expenses	77,029,641	73,381,055	77,412,871	83,383,709	91,764,461	96,065,559	95,093,909	113,599,176	118,454,320	128,315,443
Total Primary Government Expenses	\$ 410,421,543	\$ 408,473,058	\$ 422,458,454	\$ 457,314,511	\$ 405,947,342	\$ 433,416,465	\$ 450,422,230	\$ 438,485,528	\$ 451,155,665	\$ 534,421,416



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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Net (Expense)/Revenue										
Governmental Activities	\$ (244,151,578)	\$ (250,995,574)	\$ (262,163,404)	\$ (246,870,451)	\$ (222,198,324)	\$ (256,443,967)	\$ (255,886,703)	\$ (228,742,768)	\$ (242,873,022)	\$ (304,084,121)
Business-Type Activities	4,352,137	14,762,170	3,697,552	7,860,694	2,949,687	6,084,539	13,141,106	2,006,729	16,529,425	7,424,425
Total Primary Government Net Expense	\$ (239,799,441)	\$ (236,233,404)	\$ (258,465,852)	\$ (239,009,757)	\$ (219,248,637)	\$ (250,359,428)	\$ (242,745,597)	\$ (226,736,039)	\$ (226,343,597)	\$ (296,659,696)
General Revenue and										
Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Income Taxes	\$ 144,647,307	\$ 130,610,516	\$ 120,914,118	\$ 119,257,796	\$ 134,473,083	\$ 131,601,798	\$ 141,289,710	\$ 141,389,904	\$ 143,231,380	\$ 152,856,443
Property Taxes	30,154,104	33,326,060	28,160,321	29,013,731	25,831,020	24,003,912	19,627,342	23,342,160	23,681,267	23,341,356
JEDD Revenues	16,551,588	17,831,880	15,603,044	15,190,788	16,826,153	20,706,211	18,485,942	17,758,520	19,271,731	12,341,811
Investment Earnings	4,820,973	3,557,435	2,411,286	534,263	643,612	439,005	553,699	300,784	848,901	1,170,199
Unrestricted Shared Revenues	65,033,815	51,291,763	60,374,803	57,043,369	51,162,387	69,710,284	92,823,194	46,752,194	46,387,254	98,487,030
Miscellaneous	10,899,487	9,964,899	13,832,819	20,122,026	30,059,892	8,337,078	10,657,380	10,155,196	7,853,357	11,211,091
Gain (loss) on Sale of Capital Assets	223,635	-	-	1,539	95,999	60,045	31,307	14,239	2,738	33,590
Transfers	352,150	357,899	(890,160)	(393,067)	(529,996)	(308,000)	(338,360)	(466,000)	(887,300)	(611,000)
Total Governmental Activities	\$ 272,683,059	\$ 246,940,452	\$ 240,406,231	\$ 240,770,445	\$ 258,562,150	\$ 254,550,333	\$ 283,130,214	\$ 239,246,997	\$ 240,389,328	\$ 298,830,520
Business-Type Activities:										
Investment Earnings	\$ 504,738	\$ 204,914	\$ 11,377	\$ 6,945	\$ 626	\$ 785	\$ 854	\$ 727	\$ 107,676	\$ 107,655
Miscellaneous	2,090,792	4,975,510	1,557,957	2,824,106	1,350,658	2,438,212	1,087,065	3,760,632	2,166,460	1,355,459
Gain (loss) on Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Transfers	(352,150)	(357,899)	890,160	393,067	529,996	308,000	338,360	466,000	887,300	611,000
Total Business-Type Activities	\$ 2,243,380	\$ 4,822,525	\$ 2,459,494	\$ 3,224,118	\$ 1,881,280	\$ 2,746,997	\$ 1,426,279	\$ 4,227,359	\$ 3,161,436	\$ 2,074,114
Total Primary Government	\$ 274,926,439	\$ 251,762,977	\$ 242,865,725	\$ 243,994,563	\$ 260,443,430	\$ 257,297,330	\$ 284,556,493	\$ 243,474,356	\$ 243,550,764	\$ 300,904,634
Change in Net Position										
Governmental Activities	\$ 28,531,481	\$ (4,055,122)	\$ (21,757,173)	\$ (6,100,006)	\$ 36,363,826	\$ (1,893,634)	\$ 27,243,511	\$ 10,504,229	\$ (2,483,694)	\$ (5,253,601)
Business-Type Activities	6,595,517	19,584,695	6,157,046	11,084,812	4,830,967	8,831,536	14,567,385	6,234,088	19,690,861	9,498,539
Total Primary Government Change in Net Position	\$ 35,126,998	\$ 15,529,573	\$ (15,600,127)	\$ 4,984,806	\$ 41,194,793	\$ 6,937,902	\$ 41,810,896	\$ 16,738,317	\$ 17,207,167	\$ 4,244,938

Source: City of Akron, Ohio Finance Department

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

Schedule 3

	2007	2008	2009	2010		2015	2016
General Fund							
Reserved	\$ 963,366	\$ 2,386,705	\$ 2,177,149	\$ 1,122,215	\$ 377,840	\$ 397,517	
Unreserved	12,649,039	6,827,641	1,768,399	4,967,367	4,174,015	1,904,060	
Total General Fund	13,612,405	9,214,346	3,945,548	6,089,582	8,382,029	15,022,169	
All Other Governmental Funds					12,933,884	17,323,746	
Reserved	34,820,649	36,305,482	41,808,901	42,689,767			
Unreserved, Reported in:							
Special Revenue funds	98,975,199	92,806,560	86,496,275	79,439,815			
Debt Service funds	107,977,695	81,470,862	21,195,871	42,601,924			
Capital Projects funds	(30,530,366)	(58,810,627)	(62,640,775)	(30,112,902)			
Total All Other Governmental Funds	211,243,177	151,772,277	86,860,272	134,618,604			
Total Governmental Funds	\$ 224,855,582	\$ 160,986,623	\$ 90,805,820	\$ 140,708,186			
General Fund							
Committed	\$ -	\$ 266,687	\$ 290,658	\$ 329,961	\$ 377,840	\$ 397,517	
Assigned	1,242,472	1,236,966	1,809,776	1,593,954	4,174,015	1,904,060	
Unassigned	7,901,719	5,102,134	9,132,562	10,911,360	8,382,029	15,022,169	
Total General Fund	9,144,191	6,605,787	11,232,996	12,835,275	12,933,884	17,323,746	
All Other Governmental Funds							
Nonspendable	3,085,645	3,085,645	3,325,815	4,786,232	4,786,232	-	
Restricted	142,850,022	117,789,306	109,458,792	144,630,245	117,100,123	138,007,616	
Committed	5,448,281	13,502,981	7,490,896	13,829,487	10,510,914	14,811,603	
Assigned	-	375,380	-	-	-	-	
Unassigned	(40,623,253)	(27,448,292)	(25,968,790)	(9,415,521)	(12,285,255)	(12,182,727)	
Total All Other Governmental Funds	110,760,695	107,305,020	94,306,713	153,830,443	120,112,014	140,636,492	
Total Governmental Funds	\$ 119,904,886	\$ 113,910,807	\$ 105,539,709	\$ 166,665,718	\$ 133,045,898	\$ 157,960,238	

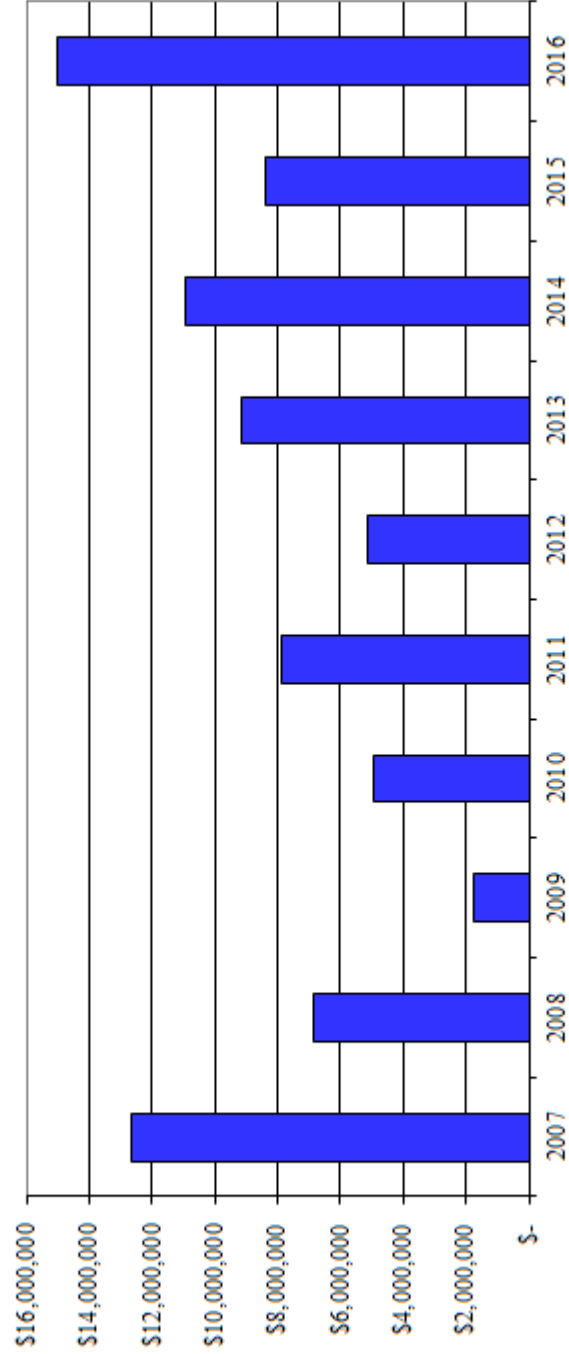
Source: City of Akron, Ohio Finance Department

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

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

Schedule 3

### Unreserved/Unassigned General Fund Balance



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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	Schedule 4
<b>Revenues</b>										2016
Income Taxes	\$ 142,933,003	\$ 133,917,849	\$ 120,606,323	\$ 119,438,082	\$ 135,345,234	\$ 131,090,435	\$ 139,960,898	\$ 140,311,367	\$ 143,288,651	\$ 151,256,789
Property Taxes	29,786,617	34,008,937	27,917,658	28,070,162	24,111,972	24,573,729	20,471,016	23,518,118	23,414,232	23,423,002
JFDD Revenues	17,829,829	16,020,928	15,476,781	15,462,316	16,577,998	20,811,614	18,090,127	17,395,933	18,723,573	14,389,449
Special Assessments	13,778,724	14,412,033	15,567,437	14,675,422	6,312,847	14,965,865	28,524,445	31,952,817	30,670,330	31,179,498
Grants and Subsidies:										
Community Development	12,478,212	11,604,598	6,006,871	11,853,749	7,795,876	-	-	-	-	-
Other	20,183,088	19,177,807	21,556,728	45,241,004	45,841,289	43,315,295	34,746,020	30,266,381	24,490,969	25,972,981
Investment Earnings	5,234,435	2,383,263	2,709,994	821,213	772,109	517,882	584,383	338,698	850,214	1,199,289
Shared Revenues	65,507,619	52,410,270	60,312,501	56,132,211	52,491,818	68,768,384	94,579,755	47,351,951	45,807,596	100,326,020
Licenses, Fees and Fines	10,142,722	9,901,876	7,456,839	8,422,362	7,682,875	8,011,431	8,627,454	10,192,771	9,460,174	17,512,114
Charges for Services	28,800,007	27,410,285	29,564,397	24,678,776	24,002,116	17,759,520	24,247,409	23,500,665	20,636,462	20,749,779
Miscellaneous	12,752,168	11,104,742	15,331,816	20,073,582	28,533,349	8,662,590	10,228,894	12,805,149	9,444,997	12,629,211
Total Revenues	\$ 359,426,424	\$ 332,352,588	\$ 322,507,345	\$ 344,868,879	\$ 349,467,483	\$ 338,476,745	\$ 380,060,401	\$ 337,633,850	\$ 326,787,198	\$ 398,638,132
<b>Expenditures</b>										
Current:										
General Government	\$ 40,124,206	\$ 36,852,582	\$ 40,365,547	\$ 39,428,651	\$ 42,400,285	\$ 42,710,925	\$ 33,176,262	\$ 37,323,779	\$ 28,762,899	\$ 39,813,138
Public Service	103,565,149	116,321,398	103,175,779	112,534,126	71,513,740	59,446,860	78,804,139	85,268,655	84,760,878	81,121,929
Public Safety	110,120,643	117,083,540	110,995,872	110,080,622	110,814,070	109,643,467	109,458,512	122,016,445	118,700,986	131,547,744
Community Environment	81,741,762	66,515,907	70,119,083	69,931,132	77,037,268	91,645,889	103,125,618	53,399,049	61,897,061	111,756,653
Public Health	16,916,380	15,932,988	16,670,607	16,808,854	3,957,653	4,004,247	3,900,892	4,600,444	4,186,224	4,253,940
Recreation and Parks	5,567,820	5,615,714	6,281,860	5,448,715	5,480,847	6,946,793	7,792,669	6,747,832	5,320,130	5,411,445
Capital Outlay	220,829	1,433,944	192,751	34,536	-	-	-	-	-	-
Debt service:										
Principal Retirement	29,352,928	30,849,415	32,699,777	55,294,176	42,815,931	29,088,580	43,956,837	59,819,902	39,655,124	51,066,536
Interest	28,311,670	28,876,343	25,125,146	25,657,874	33,620,136	28,600,017	30,353,162	28,714,831	29,406,901	27,428,807
Bond Issuance Expenditures	1,096,121	-	306,768	2,331,621	1,458,659	2,304,239	679,072	1,811,645	934,296	1,197,595
Total Expenditures	\$ 417,017,508	\$ 419,481,831	\$ 405,933,190	\$ 437,550,307	\$ 389,098,589	\$ 374,391,017	\$ 411,247,163	\$ 399,702,582	\$ 373,624,499	\$ 453,597,787
Excess of Revenues Under Expenditures	\$ (57,591,084)	\$ (87,129,243)	\$ (83,425,845)	\$ (92,681,428)	\$ (39,631,106)	\$ (35,914,272)	\$ (31,186,762)	\$ (62,068,732)	\$ (46,837,301)	\$ (54,959,655)

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Schedule 4
<b>Other Financing Sources (Uses)</b>											
Issuance of General Obligation Bond	\$ 39,759,106	\$ 20,150,000	\$ 12,884,092	\$ 127,285,840	\$ 10,703,000	\$ 26,870,000	\$ 4,849,484	\$ 88,288,000	\$ 15,500,000	\$ 52,000,000	
Issuance of General Obligation Notes	1,831,645	-	-	-	-	-	-	-	-	-	
Issuance of Special Assessment Notes	-	2,752,385	-	-	-	-	-	-	-	-	
Capital Contributions	-	-	-	-	-	-	-	-	-	-	
Issuance of Loans	2,285,818	-	574,903	239,569	-	-	1,000,000	3,373,515	9,248	2,933,930	
Issuance of COP's	1,470,894	-	-	13,200,000	-	-	2,365,000	-	-	11,965,000	
Issuance of Refunding Obligations	-	-	-	-	-	-	14,910,000	88,085,000	63,945,000	32,545,000	
Proceeds of Refunding Bonds Premium	-	-	-	-	4,360,193	24,186,215	-	-	-	-	
Loan Proceeds	-	-	-	-	-	-	-	-	-	-	
Premium on G.O. Debt	419,776	-	676,207	2,601,452	205,387	1,696,315	179,540	9,761,734	4,873,665	6,159,498	
Proceeds of Refund Obligations	-	-	-	-	97,633,009	170,925,000	-	-	-	-	
Payment for Refunding Obligations	-	-	-	-	(93,235,293)	(193,384,337)	-	-	-	-	
Original Bond Issue Discount *	-	-	-	-	-	-	-	-	(148,132)	(115,961)	
Issuance of Capital Lease	-	-	-	-	-	8,227,250	1,357,829	(431,029)	731,754	10,635,000	
Payment to Refunding Agent	-	-	-	-	-	-	-	159,284	(70,075,000)	(34,403,902)	
Lease - Financed Capital Assets	-	-	-	-	-	-	-	(62,680,000)	(731,754)	-	
Transfers-in	5,329,997	3,580,999	31,868,200	43,172,287	12,145,484	(8,227,250)	(1,357,829)	2,727,000	8,090,322	3,216,961	
Transfers-out	(5,962,847)	(3,223,100)	(32,758,360)	(43,915,354)	(12,706,505)	(7,414,704)	(8,588,451)	(3,193,000)	(8,977,622)	(3,827,961)	
Total Other Financing Sources (Uses)	45,134,389	23,260,284	13,245,042	142,583,794	19,105,275	29,920,193	22,815,664	126,090,504	13,217,481	81,107,565	
Net Change in Fund Balance	\$ (12,456,695)	\$ (63,868,959)	\$ (70,180,803)	\$ 49,902,366	\$ (20,525,831)	\$ (5,994,079)	\$ (8,371,098)	\$ 64,021,772	\$ (33,619,820)	\$ 26,147,910	
Debt Service as a Percentage of Noncapital Expenditures	17.10%	17.74%	17.28%	22.30%	22.67%	17.49%	20.56%	24.57%	20.64%	19.57%	

Source: City of Akron, Ohio Finance Department

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

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

Schedule 5

Tax Collection Year	Real Property		Personal Property		Public Utilities		Total		Total Direct Rate	Percent of Total Assessed Value to Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2008	\$ 2,991,842	\$ 8,548,120	\$ 80,493	\$ 321,972	\$ 97,027	\$ 387,821	\$ 3,169,362	\$ 9,257,913	10.30	34.23 %
2009	2,921,073	8,345,923	-	-	96,579	386,009	3,017,652	8,731,932	10.30	34.56
2010	2,911,817	8,319,477	-	-	93,107	274,050	3,004,924	8,593,527	10.30	34.97
2011	2,928,343	8,366,694	-	-	88,008	251,451	3,016,351	8,618,145	10.30	35.00
2012	2,580,090	7,371,686	-	-	92,022	262,920	2,672,112	7,634,606	10.30	35.00
2013	2,550,584	7,287,383	-	-	111,892	319,691	2,662,476	7,607,074	10.30	35.00
2014	2,493,126	7,123,217	-	-	126,778	362,223	2,619,904	7,485,440	10.30	35.00
2015	2,437,486	6,964,246	-	-	145,400	415,429	2,582,886	7,379,675	10.30	35.00
2016	2,409,852	6,885,291	-	-	165,213	472,037	2,575,065	7,357,328	10.30	35.00
2017	2,427,755	6,936,443	-	-	208,226	832,904	2,635,981	7,769,347	10.50	33.93

Source: City of Akron, Ohio Finance Department

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

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

Schedule 6

Tax Collection Year	City Direct Rates				Overlapping Rates			
	Operating	Police Pension	Fire Pension	Debt Retirement	Total Direct Rate	Akron City School District	Summit County	Akron Metro Parks
2008	9.28	0.30	0.30	0.42	10.30	71.66	14.87	1.46
2009	9.28	0.30	0.30	0.42	10.30	71.66	14.78	1.46
2010	9.28	0.30	0.30	0.42	10.30	71.66	14.80	1.46
2011	9.28	0.30	0.30	0.42	10.30	71.66	14.80	1.46
2012	9.28	0.30	0.30	0.42	10.30	71.66	14.80	1.46
2013	9.28	0.30	0.30	0.42	10.30	79.56	14.84	1.46
2014	9.28	0.30	0.30	0.42	10.30	79.56	14.81	1.46
2015	9.28	0.30	0.30	0.42	10.30	79.56	14.80	1.46
2016	9.28	0.30	0.30	0.42	10.30	79.56	15.32	1.46
2017	9.28	0.30	0.30	0.62	10.50	79.56	15.30	1.46

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio  
Principal Property Tax Payers  
12/31/2016 and 12/31/2007  
(in thousands of dollars)

		December 31, 2016		December 31, 2007		Schedule 7
Taxpayer		Taxable Assessed Value	Percentage of Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Percentage of Taxable Assessed Value
Ohio Edison	\$	88,810	3.37 %	First Energy	\$ 74,961	2.37 %
American Transmission		67,952	2.58	LMA Commerce	19,568	0.62
East Ohio Gas		16,121	0.61	Goodyear Tire & Rubber Co.	14,871	0.47
Albrecht Incorporated		15,583	0.59	Busson, Bernard	14,571	0.46
DFG Chapel Hill LLC		14,044	0.53	Children's Hospital Medical Center	12,846	0.41
US Bank Trustee		11,462	0.43	American Transmission	11,715	0.37
Busson, Bernard		7,753	0.29	SBC	11,573	0.37
Hampton Knoll LLC		7,446	0.28	Aircraft Braking Systems	10,156	0.32
Summa Health System		6,485	0.25	Bridgestone/Firestone	9,262	0.29
Akron Management Corporation		6,459	0.25	Dominion East Ohio	8,407	0.27
	\$	242,115	9.18 %		\$ 187,930	5.95 %

Source: City of Akron, Ohio Finance Department



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

Schedule 8

Fiscal Year Ending 12/31	Tax Levied For The Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Tax Collections	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007	\$ 32,131,608	\$ 29,150,861	90.7 %	\$ 1,590,480	\$ 30,741,341	95.7 %
2008	31,706,811	29,288,188	92.4	1,930,460	31,218,648	98.5
2009	30,939,477	28,423,391	91.9	1,653,009	30,099,260	97.3
2010	30,874,452	28,383,628	91.9	1,701,324	30,084,952	97.4
2011	31,064,531	27,798,721	89.5	1,927,137	29,726,017	95.7
2012	27,518,858	24,477,858	88.9	1,838,523	26,316,381	95.6
2013	27,419,596	25,174,172	91.8	1,828,647	27,002,819	98.5
2014	26,984,750	25,022,030	92.7	1,697,650	26,719,680	99.0
2015	26,604,375	24,737,683	93.0	1,577,892	26,315,575	98.9
2016	26,523,326	24,987,814	94.2	1,535,512	26,470,741	99.8

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio  
Income Tax Collections by Annual Collection Amount (Withholding and Direct Accounts)  
Fiscal Years 2015 and 2016

Schedule 9

Fiscal Year 2015			
Collection Level	Number of Accounts	Percentage of Total	Percentage of Total
\$1,000 and under	29,739	81.42 %	3.66 %
\$1,001 - \$2,500	3,094	8.47	3.45
\$2,501 - \$5,000	1,444	3.95	3.60
\$5,001 - \$10,000	905	2.48	4.52
\$10,001 - \$50,000	1,038	2.84	16.01
\$50,001 - \$100,000	144	0.39	6.95
\$100,001 - \$250,000	104	0.28	10.94
\$250,001 - \$1,000,000	44	0.12	13.33
Over \$1,000,001	14	0.05	37.54
	36,526	100.00 %	100.00 %
Fiscal Year 2016			
Collection Level	Number of Accounts	Percentage of Total	Percentage of Total
\$1,000 and under	29,740	80.56 %	3.63 %
\$1,001 - \$2,500	3,346	9.06	3.60
\$2,501 - \$5,000	1,491	4.04	3.53
\$5,001 - \$10,000	975	2.64	4.62
\$10,001 - \$50,000	1,059	2.87	15.51
\$50,001 - \$100,000	142	0.38	6.88
\$100,001 - \$250,000	104	0.28	10.97
\$250,001 - \$1,000,000	46	0.12	13.23
Over \$1,000,001	15	0.05	38.03
	36,918	100.00 %	100.00 %

Source: City of Akron, Ohio Finance Department

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

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

Schedule 10

Fiscal Year	Governmental Activities								Internal Service General Obligation
	General Obligation	OPWC Loan	Development Services Agency Loan	Non-Tax Revenue	Income Tax Revenue	Special Revenue	Special Assessment	Capital Leases	SIB Loans
2007	\$ 215,894,886	\$ 10,361,148	\$ 1,252,877	\$ 42,330,000	\$ 210,160,000	\$ 42,090,000	\$ 13,506,503	\$ 84,418,159	\$ 9,358,258
2008	202,790,378	12,290,973	1,140,066	60,350,000	205,660,000	39,855,000	11,185,513	79,186,932	7,253,784
2009	202,648,923	11,654,067	995,219	58,145,000	200,655,000	37,535,000	8,780,422	75,051,348	6,756,297
2010	248,558,640	10,750,755	845,086	55,795,000	240,105,000	35,115,000	8,382,097	68,759,067	5,782,826
2011	240,483,180	10,706,454	5,689,471	50,835,000	234,095,000	27,165,000	11,240,502	62,314,778	4,475,878
2012	228,843,318	9,845,763	5,582,645	50,080,000	248,230,000	27,165,000	8,591,829	55,605,348	3,129,427
2013	215,139,753	9,241,963	5,482,636	48,475,000	244,487,135	27,165,000	6,220,758	75,510,213	1,742,279
2014	201,378,834	9,084,164	5,378,553	53,565,000	318,681,087	25,245,000	4,079,527	67,106,099	-
2015	186,840,707	7,640,794	5,270,229	48,035,000	339,110,565	22,030,000	2,860,321	30,735,417	-
2016	174,601,391	7,006,306	5,156,492	43,745,000	353,714,654	18,705,000	1,897,997	47,643,975	-

Fiscal Year	Governmental Activities				Internal Service	
	Internal Service Income Tax Revenue	Special Assessment Notes Payable	Capital Projects Notes Payable	Internal Service General Health Notes Payable		
2007	\$ -	\$ 2,778,900	\$ -	\$ -		
2008	-	4,891,500	26,385,000	-		
2009	-	13,232,200	54,665,000	-		
2010	-	13,618,200	19,865,000	14,000,000		
2011	-	10,618,700	39,650,000	13,000,000		
2012	2,000,000	11,796,000	10,115,000	11,000,000		
2013	1,615,000	13,000,000	24,730,000	9,000,000		
2014	1,230,000	13,000,000	-	6,500,000		
2015	830,000	13,000,000	10,000,000	4,500,000		
2016	420,000	13,000,000	20,000,000	3,500,000		

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

Schedule 10

Fiscal Year	Business-Type Activities						Total Government	Per Capita <sup>a</sup>	Percentage Personal Income <sup>a</sup>
	General Obligation	Mortgage Revenue	Revenue	Capital Leases					
				OWDA	OPWC				
2007	\$ 800,792	\$ 51,845,000	\$ 37,380,000	\$ 46,142,221	\$ 2,651,087	\$ 515,964	\$ 771,654,009	\$ 3,555	\$ 20.20 %
2008	673,927	45,845,000	34,425,000	40,586,608	2,449,574	330,456	775,432,840	3,572	20.30
2009	638,680	47,375,000	30,910,000	34,769,136	2,348,817	426,430	786,710,027	3,624	20.60
2010	632,925	43,925,000	27,260,000	34,216,816	2,147,303	515,999	830,274,714	4,170	21.21
2011	637,827	40,365,000	23,470,000	28,255,744	1,945,789	453,909	805,402,232	4,045	20.57
2012	634,450	37,175,000	19,515,000	51,142,305	1,744,275	387,152	782,582,512	3,930	19.99
2013	631,556	33,835,000	15,385,000	73,495,595	1,542,762	321,250	807,020,900	4,053	20.61
2014	616,599	30,360,000	11,075,000	95,300,583	1,341,248	240,130	820,743,297	4,122	20.96
2015	544,229	26,970,000	6,550,000	161,974,294	1,139,734	157,320	868,188,610	4,360	22.17
2016	468,481	23,100,000	1,800,000	293,170,614	938,220	72,820	1,008,940,950	5,067	25.77

22 Source: City of Akron, Ohio Finance Department  
24

<sup>a</sup>See Schedule 16 for population and personal income data

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

Schedule 11

	2007	2008	2009	2010	2011
Debt limit	\$ 174,314,910	\$ 165,970,886	\$ 165,270,819	\$ 165,899,335	\$ 146,966,147
Total net debt applicable to limit	157,065,630	153,258,194	145,155,121	122,132,898	156,428,662
Legal debt margin	\$ 17,249,280	\$ 12,712,692	\$ 20,115,698	\$ 43,766,437	\$ (9,462,515)
Total net debt applicable to limit as a percentage of debt limit	90.10%	92.34%	87.83%	73.62%	106.44%
Total unvoted net debt as a percentage of total assessed value of all property	4.95%	5.08%	4.83%	4.05%	5.85%
	2012	2013	2014	2015	2016
Debt limit	\$ 146,436,165	\$ 144,094,717	\$ 142,058,748	\$ 141,628,588	\$ 144,978,947
Total net debt applicable to limit	125,904,916	115,903,682	137,009,121	131,654,324	118,799,745
Legal debt margin	\$ 20,531,249	\$ 28,191,035	\$ 5,049,627	\$ 9,974,264	\$ 26,179,202
Total net debt applicable to limit as a percentage of debt limit	85.98%	80.44%	96.45%	92.96%	81.94%
Total unvoted net debt as a percentage of total assessed value of all property	4.73%	4.42%	5.30%	5.11%	4.51%

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio Legal Debt Margin Information Total Debt Limit (10 1/2%) Last Ten Fiscal Years						Schedule 12
	2007	2008	2009	2010	2011	

Debt limit	\$ 332,783,010	\$ 316,853,509	\$ 315,517,018	\$ 316,716,912	\$ 280,571,736	
Total net debt applicable to limit	157,065,630	153,258,194	145,155,119	122,132,898	156,428,662	
Legal debt margin	\$ 175,717,380	\$ 163,595,315	\$ 170,361,899	\$ 194,584,014	\$ 124,143,074	
Total net debt applicable to limit as a percentage of debt limit	47.20%	48.37%	46.01%	38.56%	55.75%	
Total net debt as a percentage of total assessed value of all property	4.95%	5.08%	4.83%	4.05%	5.85%	
Debt limit	\$ 279,559,951	\$ 275,089,915	\$ 271,203,065	\$ 270,381,850	\$ 276,777,990	
Total net debt applicable to limit	125,904,916	115,903,682	137,009,121	131,654,324	118,799,745	
Legal debt margin	\$ 153,655,035	\$ 159,186,233	\$ 134,193,944	\$ 138,727,526	\$ 157,978,245	
Total net debt applicable to limit as a percentage of debt limit	45.04%	42.13%	50.52%	48.69%	42.92%	
Total net debt as a percentage of total assessed value of all property	4.73%	4.42%	5.30%	5.11%	4.51%	

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio  
Computation of Direct and Overlapping Debt  
As of December 31, 2016

Schedule 13

Political Subdivision	Amount of Debt	Percent Applicable to City	City's Share
Direct			
City of Akron	\$ 689,390,815	100.00 %	\$ 689,390,815
Total direct debt	<u>\$ 689,390,815</u>		<u>\$ 689,390,815</u>
Overlapping			
Summit County	\$ 78,486,282	22.42	\$ 17,596,624
Coventry Local School District	28,298,425	9.37	2,651,562
Revere Local School District	10,650,512	3.15	335,491
Springfield Local School District	30,390,000	8.27	2,513,253
Woodridge Local School District	37,260,000	29.76	11,088,576
Summit County Library District	19,200,000	33.34	6,401,280
Total overlapping debt	<u>\$ 204,285,219</u>		<u>\$ 40,586,787</u>
Total direct and overlapping debt	<u>\$ 893,676,034</u>		<u>\$ 729,977,602</u>

Sources: Debt outstanding for overlapping governments, taken from Ohio Municipal Advisory Council (OMAC) as of 1/1/2017 and City of Akron, Ohio Finance Department

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

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

Schedule 14

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable		Per Capita <sup>2</sup>
				Value <sup>1</sup> of Property	Value	
2007	\$ 230,369	\$ 2,526	\$ 227,843	2.48 %	\$	1,050
2008	214,783	2,121	212,662	2.44		980
2009	212,192	2,790	209,402	2.44		965
2010	257,574	2,367	255,207	2.96		1,281
2011	252,362	2,823	249,539	3.27		1,253
2012	238,070	2,301	235,769	3.09		1,184
2013	221,992	955	221,037	2.95		1,110
2014	206,075	951	205,124	2.78		1,030
2015	195,245	554	194,691	2.64		978
2016	176,968	852	176,116	2.39		885

Source: City of Akron, Ohio Finance Department

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

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

<sup>2</sup> See Schedule 16, Demographics and Economic Statistics, for population data.



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

Schedule 15

Fiscal Year	Sewer Revenue Bonds and OWDA Loans							JEDD Bonds			
	Sewer Gross Revenue	Less: Operating Expenses <sup>1</sup>	Net Available Revenue	Debt Service			Coverage	JEDD Gross Revenue	Debt Service		Coverage
				Principal	Interest				Principal	Interest	
2007	\$ 36,772	\$ 24,194	\$ 12,578	\$ 2,285	\$ 1,767		3.10 %	\$ 17,830	\$ 2,150	\$ 2,156	4.14 %
2008	38,507	25,477	13,030	2,995	1,674		2.79	16,021	2,235	2,074	3.72
2009	35,831	24,671	11,160	3,515	1,565		2.20	15,477	2,320	1,985	3.60
2010	45,948	28,956	16,992	8,397	2,521		1.56	15,462	2,420	1,884	3.59
2011	49,674	36,169	13,505	8,423	2,250		1.27	16,578	2,535	1,774	3.85
2012	57,229	47,571	9,658	8,983	2,016		0.88	20,812	-	1,085	19.18
2013	63,288	44,947	18,341	11,352	2,133		1.36	18,090	-	1,149	15.74
2014	73,527	61,118	12,409	18,201	2,773		0.59	17,396	1,920	1,149	5.67
2015	89,800	62,139	27,661	37,080	3,356		0.68	18,724	3,215	1,072	4.37
2016	89,839	72,182	17,657	12,677	2,849		1.14	14,389	3,325	944	3.37

Fiscal Year	Water Revenue Bonds and OWDA Loans							Non-Tax Revenue Bonds			
	Water Gross Revenue	Less: Operating Expenses <sup>1</sup>	Net Available Revenue	Debt Service			Coverage	Non-Tax Collections	Debt Service		Coverage
				Principal <sup>2</sup>	Interest				Principal	Interest	
2007	\$ 34,036	\$ 24,254	\$ 9,782	\$ 5,720	\$ 2,431		1.20 %	\$ 122,437	\$ 2,030	\$ 2,318	28.16 %
2008	33,652	22,486	11,166	6,000	2,164		1.37	103,210	2,130	2,563	21.99
2009	33,890	18,493	15,397	6,220	1,916		1.89	115,375	2,205	3,644	19.73
2010	35,496	26,745	8,751	4,707	2,398		1.23	111,323	2,350	3,521	18.96
2011	35,249	27,933	7,316	4,931	2,282		1.01	112,710	2,610	3,385	18.80
2012	33,448	21,681	11,767	4,126	2,050		1.91	103,202	755	2,677	30.07
2013	35,633	25,323	10,310	4,369	1,924		1.64	137,684	1,605	2,648	32.37
2014	35,076	25,598	9,478	4,491	1,808		1.50	93,851	23,140	1,857	3.75
2015	36,839	30,720	6,119	13,122	2,009		0.40	85,349	18,780	1,547	4.20
2016	37,817	28,016	9,801	5,365	1,612		1.40	151,217	4,290	1,473	26.24

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

Schedule 15

Fiscal Year	CLC Bonds				Income Tax Revenue Bonds			
	CLC Collections	Debt Service		Coverage	Income Tax Collections	Debt Service		Coverage
		Principal	Interest			Principal	Interest	
2007	\$ 13,074	\$ 3,650	\$ 9,878	0.97	\$ 129,859	\$ 4,933	\$ 2,541	17.37
2008	14,915	4,165	9,801	1.07	119,003	5,054	2,604	15.54
2009	12,425	4,660	9,697	0.87	108,181	4,954	2,508	14.50
2010	12,806	5,190	10,401	0.82	106,632	4,930	2,865	13.68
2011	16,822	5,750	11,845	0.96	118,523	2,939	5,988	13.28
2012	18,064	5,225	6,057	1.60	113,026	-	155	729.20
2013	14,880	5,570	10,568	0.92	125,081	1,407	1,274	46.65
2014	12,937	7,455	11,390	0.69	127,375	1,914	1,296	39.38
2015	17,254	7,545	12,042	0.88	126,035	3,296	2,815	20.62
2016	15,935	7,870	11,797	0.81	135,322	19,591	3,999	5.74

Source: City of Akron, Ohio Finance Department

<sup>1</sup> Net of Depreciation

<sup>2</sup> The 2016 amounts for debt service include the final principal payment of \$630,000 and interest payment of \$12,758 for a bond that was retired during the year and not reflected on Note 19. Additionally, the final principal adjustment of \$22,932 for a loan that was retired during the year and also not reflected on Note 19.

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

Schedule 16

Year	Population <sup>1</sup>	Personal Income <sup>1</sup>	Per Capita Personal Income <sup>1</sup>	Median Household Income <sup>1</sup>	Median Age <sup>1</sup>	Education - Bachelor's Degree or Higher <sup>1</sup>	School Enrollment <sup>1</sup>	Unemployment Rate <sup>2</sup>
2016	199,110	\$ 3,915,299,040	\$ 19,664	\$ 34,359	35.5	20 %	56,760	5.8 %
2015	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	5.7
2014	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	6.6
2013	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	7.6
2012	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	7.6
2011	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	9.4
2010	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	9.5
2009	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	11.4
2008	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	6.7
2007	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	5.9

Source: <sup>1</sup> U.S. Census Bureau

<sup>2</sup> Ohio Department of Job and Family Services

## Schedule 17

Source: City of Akron, Ohio Finance Department

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

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Schedule 18
<b>General Government:</b>											
City Council	2	2	3	3	3	3	3	3	3	3	3
Courts	95	95	89	88	87	89	90	92	89	93	
Mayor's Office - Administration	1	1	-	-	-	-	-	-	-	-	-
Elected and Appointed Officials	52	54	45	45	44	43	44	45	44	51	51
Economic Development	8	8	4	5	5	4	4	3	4	5	5
Labor Relations	1	1	-	-	-	-	-	-	-	-	-
Finance Department	102	98	80	78	75	101	100	99	98	92	92
Civil/Criminal	10	10	8	8	8	8	8	7	8	8	8
Personnel Department	15	13	11	10	8	9	9	8	10	14	14
Planning Department	1	1	-	-	-	-	-	-	-	-	-
Engineering Bureau	-	1	-	1	1	-	-	-	-	-	-
<b>Public Safety:</b>											
Elected and Appointed Officials	-	1	-	-	-	-	1	1	2	1	1
Finance Department	1	1	-	-	-	-	-	-	-	-	-
Health Department	2	2	1	1	-	-	-	-	-	-	-
Building Inspection	20	12	-	-	-	-	-	-	-	-	-
Communications	19	20	17	17	15	15	16	16	14	15	15
Safety Communications	64	61	55	54	57	58	57	55	59	55	55
Fire Department	379	408	331	363	348	345	381	368	372	350	350
Police Department	517	514	503	488	445	454	453	493	485	489	489
Traffic Engineering	30	29	23	22	20	18	21	19	-	-	-
Engineering Bureau	1	1	-	-	-	-	-	-	-	-	-
<b>Public Health:</b>											
Health Department	154	152	137	110	-	-	-	-	-	-	-

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

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Public Service:</b>										
Elected and Appointed Officials	4	4	3	4	4	4	4	3	4	3
Fire Department	-	-	11	10	-	-	-	-	-	-
Public Service Administration	4	4	2	2	2	1	3	5	4	4
Customer Service	8	7	8	19	10	12	12	11	11	12
Housing	-	-	-	-	9	9	12	12	11	11
Plans and Permits Center	3	3	2	2	2	1	2	2	2	2
Customer Service Response	13	11	9	9	7	8	8	8	8	8
Engineering Bureau	60	59	53	46	43	54	55	39	44	49
Airport	5	5	4	2	1	-	-	-	-	-
Building Maintenance	32	32	28	28	26	24	26	25	24	27
Motor Equipment	35	36	31	31	31	30	28	29	29	30
Golf Course	6	5	4	3	3	3	3	4	4	4
Public Utilities Administration	3	3	2	1	1	-	-	-	-	-
Utilities Services	56	54	52	50	48	56	61	59	56	52
Water Department	251	226	198	200	200	148	154	167	162	156
Public Works Administration	9	9	8	6	6	8	7	7	7	5
Highway Maintenance	70	67	62	59	55	50	56	60	59	61
Sanitation Services	45	43	38	38	38	39	42	41	41	38
Street Cleaning	37	39	37	37	35	32	37	41	41	37
Parks Maintenance	29	28	26	25	24	24	33	32	32	31
Engineering Services	6	5	6	6	4	-	-	-	-	-
Traffic Engineering	-	-	-	-	-	-	-	-	19	18
<b>Community Environment:</b>										
Elected and Appointed Officials	2	-	1	1	1	-	1	2	2	2
Economic Development	1	1	-	-	-	-	-	-	-	-
Planning Department	66	65	54	58	53	52	52	49	48	44
Recreation Bureau	23	23	20	21	21	23	19	19	22	21
<b>Totals:</b>	2,243	2,214	1,966	1,951	1,740	1,725	1,802	1,824	1,818	1,791

Source: City of Akron, Ohio Finance Department

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

Schedule 19

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>General Government</b>										
<b>*Building Department:</b>										
Commercial & Right Away Plan Review	1,229	1,001	-	-	-	-	-	-	-	-
New House Permits	114	100	-	-	-	-	-	-	-	-
Zoning Complaint Investigation	576	435	-	-	-	-	-	-	-	-
Total Number of Permits Issued	6,031	2,406	1,130	1,100	1,073	522	1,156	1,237	1,294	1,447
City Council Ordinances Passed	649	557	549	414	395	414	385	382	418	415
<b>Fire</b>										
Emergency Responses	32,422	32,941	32,044	32,754	34,246	34,294	34,059	35,789	37,806	40,013
Fire/Rescue	7,930	7,500	6,912	6,346	6,812	7,283	7,236	7,833	8,428	9,546
<b>Police</b>										
Calls for Service	158,243	165,832	167,225	153,577	146,337	143,885	142,743	143,684	153,999	160,143
Civil Division Cases Filed	15,435	15,582	12,474	11,742	11,525	12,052	10,229	10,145	9,372	9,698
Criminal/Traffic Division Cases Filed	38,880	39,274	40,170	36,227	32,453	32,298	33,417	34,823	35,103	33,187
Parking Division Cases Filed	20,201	15,656	21,878	34,402	23,571	29,126	24,199	24,140	25,087	25,231
<b>Parks and Recreation</b>										
Good Park Golf Course Attendance	31,681	31,096	32,561	36,690	30,061	33,691	37,324	31,231	37,511	38,912
Mud Run Golf Course Attendance	10,661	10,742	11,282	12,332	10,806	13,494	12,884	10,660	15,262	14,986
<b>Business Services</b>										
Curb Service Accounts	-	-	62,556	61,692	61,411	61,270	61,039	60,931	61,099	61,498
<b>Sewer</b>										
Sewer Accounts	79,721	79,835	78,745	78,985	78,653	78,653	77,012	76,706	76,570	75,507
Sewer Amounts Billed (in thousands)	\$ 37,120	\$ 37,416	\$ 36,303	\$ 37,723	\$ 39,011	\$ 53,756	\$ 55,538	\$ 75,485	\$ 91,575	\$ 92,116
<b>Water</b>										
Water Accounts	84,037	83,765	82,516	84,348	83,794	83,550	83,643	82,621	80,684	80,806
Water Amounts Billed (in thousands)	\$ 28,316	\$ 28,751	\$ 27,077	\$ 31,579	\$ 30,033	\$ 33,125	\$ 31,951	\$ 31,312	\$ 30,056	\$ 29,615

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

Source: City of Akron, Ohio Finance Department

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

Schedule 20

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Police</b>										
Number of Uniformed Police Officers	474	470	457	443	406	412	412	450	445	453
Number of Districts	12	12	12	12	12	12	12	12	12	12
<b>Fire</b>										
Number of Firefighters and Officers	353	382	317	350	329	325	360	349	349	328
Number of Stations	13	13	13	13	13	13	13	13	13	13
<b>Parks and Recreation</b>										
City Park System (in acres)	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100
City Owned/Operated Golf Courses	2	2	2	2	2	2	2	2	2	2
<b>Water</b>										
Miles of Pipe	1,213	1,221	1,223	1,223	1,225	1,225	1,226	1,226	1,228	1,230
Average Daily Pumpage										
(in millions of gallons)	38	37	34	34	35	35	34	34	34	34
Distribution-Storage Reservoirs	15	15	15	15	15	15	15	15	15	15
<b>Sewer</b>										
Sanitary Sewers (miles)	649	649	680	680	681	681	685	672	678	678
Storm Sewers (miles)	382	382	382	382	382	382	382	374	361	361
Storm and Combined Sewer Inlets (miles)	309	309	309	309	309	309	309	303	309	309
Pump Stations	33	33	33	33	33	33	33	33	33	33
<b>Other Public Works</b>										
Oil Wells	13	13	13	13	13	13	13	13	13	13
Parking Decks	10	10	10	10	10	10	10	10	10	10

Source: City of Akron, Ohio Finance Department