

**CITY OF
DAYTON, KENTUCKY**

ANNUAL FINANCIAL REPORT

Year Ended June 30, 2014

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As management of the City of Dayton, Kentucky, we offer readers of the City of Dayton's financial statements this narrative overview and analysis of the financial activities of the City of Dayton for the fiscal year ended June 30, 2014.

Financial Highlights

The assets of the City of Dayton exceeded its liabilities at the close of the most recent fiscal year by \$6,935,272 (net position). Of this amount, \$3,239,560 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors. The government's total net position increased by \$640,864 in 2014.

As of the close of the current fiscal year, the City of Dayton's governmental funds reported combined ending fund balances of \$2,610,392, a decrease of \$182,686 in comparison with the prior year. At the end of the current fiscal year, unreserved fund balance for the general fund was \$1,919,257, or 61 percent of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Dayton's basic financial statements. The City of Dayton's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains 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 Dayton's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City of Dayton's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Dayton is improving or deteriorating.

The statement of activities presents information showing how the government'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).

The governmental activities of the City of Dayton include general government, public safety, highways and streets, sanitation, economic development, and culture and recreation.

The government-wide financial statements can be found on pages 9-10 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 Dayton, 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 Dayton can be classified in one category: governmental 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 Dayton maintains six 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, Municipal aid and the urban renewal, which are considered to be major funds. Data from the other five governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Dayton adopts an annual appropriated budget for all of its funds. A budgetary comparison schedule has been provided for the funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 11-12 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.

Other Information

The schedules of revenues, expenditures, and changes in fund balances – budget vs. actual and combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes to the financial statements.

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 Dayton, assets exceeded liabilities by \$6,935,272 at the close of the most recent fiscal year.

By far the largest portion of the City of Dayton's net position (48 percent) reflects its investment in capital assets (e.g., land, buildings, roads, vehicles, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The City of Dayton uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Dayton's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Net position

	Governmental Activities	
	2014	2013
Current & Other Assets	\$ 3,719,591	\$ 3,114,045
Capital Assets	3,313,924	3,311,719
Total Assets	7,033,515	6,425,764
Long-term Liabilities	\$ -	\$ -
Other Liabilities	98,243	131,356
Total Liabilities	98,243	131,356
Net Position:		
Invested in Capital, net of Related Debt	\$ 3,313,924	\$ 3,281,720
Restricted	381,788	383,786
Unrestricted	3,239,560	2,628,902
Total Net Position	\$ 6,935,272	\$ 6,294,408

A portion of the City of Dayton's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$3,239,560) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Dayton is able to report positive balances in all three categories of net position.

The City of Dayton's net position increased by \$640,864 during the current fiscal year. The majority of this increase is the result of the sale of the marina.

Changes in Net position

<u>Revenues</u>	<u>2013</u>	<u>2014</u>	<u>% of Total</u>	<u>\$ Increase (Decrease from 2013</u>
Program Revenues:				
Charges for Services	\$ 315,056	\$ 379,123	9%	\$ 64,067
Operating Grants & Contributions	490,822	186,193	4%	(304,629)
Capital Grants & Contributions	-	-		
General Revenues:				
Property Taxes	1,365,349	1,526,278	35%	160,929
Payroll Tax	492,923	520,377	12%	27,454
Insurance Tax	486,344	510,680	12%	24,336
Licenses	118,069	119,735	3%	1,666
Fines	41,801	49,036	1%	7,235
Recreation	5,425	3,430	0%	(1,995)
Interest	10,748	7,356	0%	(3,392)
Miscellaneous	241,075	191,229	4%	(49,846)
Investment in Joint Venture	146,830	7,637	0%	(139,193)
Gain (Loss) on Sale of Assets	(701,999)	854,318	20%	1,556,317
Total Revenues	\$ 3,012,443	\$ 4,355,392		\$ 1,342,949
Expenses				
General Government	\$ 462,817	\$ 454,254	10%	\$ (8,563)
Police	1,039,550	1,028,778	24%	(10,772)
Fire	731,500	815,387	19%	83,887
Public Works	296,600	352,662	8%	56,062
Building Service	72,608	73,775	2%	1,167
Waste Collection	243,726	243,892	6%	166
Recreation	29,818	35,232	1%	5,414
Professional Fees	224,602	230,494	5%	5,892
Main Street	66,966	61,261	1%	(5,705)
Urban Redevelopment	76,805	418,793	10%	341,988
Total Expenses	\$ 3,244,992	\$ 3,714,528		\$ 469,536
Change in Net Position	\$ (232,549)	\$ 640,864		

- Property taxes increased due to a slight increase in collections.
- Operating Grants & Contributions decreased due to a large one-time grant for the Locust Street project last year.
- Police expense decreased due to fewer capital expenditures and no new positions were required this year.
- Gain on sale of assets increased this year because the marina was bought and sold by the city this year.

Financial Analysis of the Government's Funds

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

Governmental Funds

The focus of the City of Dayton'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 Dayton's financing requirements. In particular, unreserved 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 Dayton's governmental funds reported combined ending fund balances of \$2,610,392 a decrease of \$182,686 in comparison with the prior year. Approximately 85 percent of this total amount (\$2,228,604) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed.

The general fund is the chief operating fund of the City of Dayton. At the end of the current fiscal year, unassigned fund balance of the general fund was \$1,919,257. As a measure of the general fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. Unassigned fund balance represents 61 percent of total general fund expenditures.

The following schedule presents a summary of general and special revenue fund revenues and expenditures for the fiscal year ended June 30, 2014, and the amount and percentage of increases and decreases in relation to the prior year.

GOVERNMENTAL FUNDS

	<u>2013</u>	<u>% of Total</u>	<u>2014</u>	<u>% of Total</u>	<u>\$ Increase (Decrease from 2013</u>
General Revenues:					
Taxes	\$ 1,352,978	37.4%	\$ 1,380,413	41.2%	\$ 27,435
Licenses & Permits	1,097,336	30.4%	1,150,772	34.4%	53,456
Intergovernmental	490,822	13.6%	186,193	5.6%	(304,629)
Charges for Services	375,270	10.4%	379,123	11.3%	3,853
Fines & Forfeitures	41,801	1.2%	49,036	1.5%	7,235
Recreation	5,425	0.2%	3,430	0.1%	(1,995)
Interest	10,748	0.3%	7,356	0.2%	(3,392)
Miscellaneous	241,075	6.7%	191,229	5.7%	(49,846)
Total Revenues	\$ 3,615,455		\$ 3,347,572		\$ (267,883)
Expenses					
General Government	\$ 433,993	10.0%	\$ 407,532	9%	\$ (26,411)
Police	1,099,738	25.3%	1,005,134	23%	(94,554)
Fire	731,500	16.8%	815,337	19%	83,887
Public Works	438,830	10.1%	320,927	7%	(117,903)
Building Service	72,608	1.7%	73,775	2%	1,167
Waste Collection	243,726	5.6%	243,892	6%	166
Recreation	24,708	0.6%	29,012	1%	4,304
Professional Fees	224,602	5.2%	230,494	5%	5,892
Main Street	66,966	1.5%	61,261	1%	(5,705)
Urban Redevelopment	39,526	0.9%	142,202	3%	102,676
Capital Outlay	232,208	5.3%	320,645	7%	88,437
Total Expenses	\$ 3,608,405		\$ 3,650,361		\$ 41,956

- Intergovernmental Revenues decreased due to a large one-time grant for the Locust Street project last year.
- Police expenses decreased due to fewer capital expenditures and no new positions were required this year.
- Public works decreased due to a fewer road project.
- Urban Redevelopment increased due to the sale of the marina.

Capital Asset and Debt Administration

Capital Assets

The City of Dayton's investment in capital assets for its governmental activities as of June 30, 2014, amounts to \$4,879,856. This investment in capital assets includes land, buildings, roads, vehicles, equipment, and furniture.

Capital Assets

	Governmental Activities	
	2014	2013
Land	\$ 1,465,784	\$ 1,414,062
Investment in Joint Venture	154,467	146,830
Buildings	1,029,924	1,029,924
Infrastructure	1,570,937	1,570,937
Improvements	41,470	41,470
Vehicles	328,956	306,305
Equipment	210,606	178,060
Furniture & Fixtures	77,712	77,712
Total	<u>\$ 4,879,856</u>	<u>\$ 4,765,300</u>

This year's major Additions/Deletions included:

Land Additions	\$ 51,722
Vehicle Additions	22,651
Equipment Additions	32,546
	<u>\$ 106,919</u>

Additional information on the City of Dayton's capital assets can be found in note IV on page 21 of this report.

GENERAL FUND BUDGETARY HIGHLIGHTS

City Council passed an original budget for 2013-2014, and did not revise that budget. Actual revenues were (\$111,229) less than budgeted amounts. Taxes were \$64,970 more than budget due to increased collections. Miscellaneous revenues were (\$289,059) less than budget primarily because some grants were originally budgeted in this revenue line item.

Actual expenditures were \$542,692 less than budgeted amounts. The most significant variances were in professional services and capital outlay. Professional services were \$292,721 less than budget in part because the costs of the miscellaneous revenue grant expenses were budgeted here.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The City has experienced slightly increasing revenues and rising operating costs. Personal property tax revenues, tangible taxes, payroll taxes and occupational license taxes have all increased slightly in the past year, and the City anticipates that trend to continue.

The expenditures for the General Fund include above average increases in insurance and retirement costs. These increases are driven by outside economic factors beyond the City's control. The City has responded to these increases in certain expenditures by reducing budgeted expenditures in other areas.

The budget for infrastructure projects includes street replacement projects and urban renewal projects as the City continues to annually invest in these areas. The City has adequate contingency funds to address any non-catastrophic unforeseen conditions and events. The fiscal year 2014 budget provides adequate resources for the continuation of services and programs at the present levels. Budgeted expenditures for 2014 approximate projected revenues, and the City continues to monitor budget variances on an ongoing basis and to respond appropriately.

Requests for Information

This financial report is designed to provide a general overview of the City of Dayton's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Donna Leger at 514 Sixth Avenue, Dayton, KY 41074.

Michael Giffen

Michael Giffen
City Administrator

CITY OF DAYTON, KENTUCKY

STATEMENT OF NET POSITION

June 30, 2014

	Primary Government	
	Governmental Activities	Total
Assets		
Current Assets:		
Cash and Cash Equivalents	\$ 2,622,929	\$ 2,622,929
Investments	38,016	38,016
Accounts Receivable	144,520	144,520
Notes Receivable	914,126	914,126
Capital Assets:		
Land	1,465,784	1,465,784
Investment in Joint venture	154,467	154,467
Buildings	1,029,924	1,029,924
Infrastructure	1,570,937	1,570,937
Improvements	41,470	41,470
Vehicles	328,956	328,956
Equipment	210,606	210,606
Furniture & Fixtures	77,712	77,712
Less Accumulated Depreciation	(1,565,932)	(1,565,932)
Total Assets	<u>7,033,515</u>	<u>7,033,515</u>
Liabilities		
Current Liabilities:		
Accounts Payable	43,132	43,132
Accrued Liabilities	53,191	53,191
Deposits	1,920	1,920
Noncurrent Liabilities:		
Due Within One Year	-	-
Due in More Than One Year	-	-
Total Liabilities	<u>98,243</u>	<u>98,243</u>
Net Position		
Invested in Capital Assets, Net of Related Debt	3,313,924	3,313,924
Restricted for:		
Municipal Aid	381,788	381,788
Debt Service	-	-
Unrestricted	3,239,560	3,239,560
Total Net Position	<u>\$ 6,935,272</u>	<u>\$ 6,935,272</u>

The accompanying Notes are an integral part of these financial statements

CITY OF DAYTON, KENTUCKY
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2014

Functions/Programs/ Primary Governmental Governmental Activities:	Program Revenues			Net (Expense) Revenue and Changes in Net Assets Primary Government		
	Expenses	Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions	Governmental Activities
General Government	\$ 454,254	\$ -	\$ -	\$ -	(454,254)	(454,254)
Police	1,028,778	-	56,278	-	(972,500)	(972,500)
Fire	815,397	-	-	-	(815,397)	(815,397)
Public Works	352,662	-	-	-	(352,662)	(352,662)
Building Service	73,775	-	-	-	(73,775)	(73,775)
Waste Collection	243,892	369,773	-	-	125,881	125,881
Recreation	35,232	-	-	-	(35,232)	(35,232)
Professional Services	230,494	-	-	-	(230,494)	(230,494)
Main Street	61,261	-	-	-	(61,261)	(61,261)
Urban Redevelopment	418,793	9,350	122,915	-	(279,528)	(279,528)
Interest Expense	-	-	-	-	-	-
Total Governmental Activities	3,714,528	379,123	186,193	-	(3,149,212)	(3,149,212)
Total Primary Government	3,714,528	379,123	186,193	\$ -	(3,149,212)	(3,149,212)

General Revenues:	Net (Expense) Revenue and Changes in Net Assets Primary Government
Property Taxes	1,526,278
Payroll Tax	520,377
Insurance Tax	510,680
Licenses	119,735
Fines	49,036
Recreation	3,430
Interest	7,356
Gain(loss) on disposition of Property Investment in Fire Department Bellevue Dayton LLC	854,318
Miscellaneous	7,637
Total General Revenues	3,790,076
Change in Net Position	640,864
Net Position - Beginning	6,294,408
Net Position - Ending	6,935,272

The accompanying Notes are an integral part of these financial statements

CITY OF DAYTON, KENTUCKY

BALANCE SHEET

GOVERNMENTAL FUNDS

June 30, 2014

	<u>General Fund</u>	<u>Municipal Aid</u>	<u>Urban Renewal</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets					
Cash and Cash Equivalents	\$ 1,929,000	\$ 381,788	\$ 213,090	\$ 99,051	\$ 2,622,929
Investments	38,016	-	-	-	38,016
Accounts Receivable	144,520	-	-	-	144,520
Prepaid expenses	-	-	-	-	-
Notes Receivable	-	-	914,126	-	914,126
Due From Other Funds	-	-	-	-	-
Total Assets	\$ 2,111,536	\$ 381,788	\$ #####	\$ 99,051	\$ 3,719,591
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable	\$ 40,338	\$ -	\$ 2,003	\$ 791	\$ 43,132
Accrued Liabilities	53,191	-	-	-	53,191
Deposits	1,920	-	-	-	1,920
Due to Other Funds	-	-	-	-	-
Deferred Revenue	96,830	-	914,126	-	1,010,956
Total Liabilities	192,279	-	916,129	791	1,109,199
Fund Balances:					
Reserved:					
Debt Service	-	-	-	-	-
Municipal Aid	-	381,788	-	-	381,788
Unassigned, Reported in:					
General Fund	1,919,257	-	-	-	1,919,257
Special Revenue Funds	-	-	211,087	98,260	309,347
Total Fund Balances	1,919,257	381,788	211,087	98,260	2,610,392
Total Liabilities and Fund Balances	\$ 2,111,536	\$ 381,788	\$ #####	\$ 99,051	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

3,313,924

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

1,010,956

Net assets of governmental activities.

\$ 6,935,272

The accompanying Notes are an integral part of these financial statements

CITY OF DAYTON, KENTUCKY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2014

	General Fund	Municipal Aid	Urban Renewal	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes	\$ 1,289,870	\$ -	\$ -	\$ 90,543	\$ 1,380,413
Licenses and Permits	1,150,792	-	-	-	1,150,792
Intergovernmental	56,278	129,915	-	-	186,193
Charges for Services	369,773	-	9,350	-	379,123
Fines and Forfeitures	49,036	-	-	-	49,036
Recreation	-	-	-	3,430	3,430
Loan Payments	-	-	-	-	-
Interest	5,193	939	975	249	7,356
Miscellaneous	190,215	-	100	914	191,229
Total Revenues	<u>3,111,157</u>	<u>130,854</u>	<u>10,425</u>	<u>95,136</u>	<u>3,347,572</u>
Expenditures					
Current:					
General Government	407,582	-	-	-	407,582
Police	1,005,184	-	-	-	1,005,184
Fire	815,387	-	-	-	815,387
Public Works	262,129	58,798	-	-	320,927
Building Service	73,775	-	-	-	73,775
Waste Collection	243,892	-	-	-	243,892
Recreation	-	-	-	29,012	29,012
Professional Services	230,494	-	-	-	230,494
Main Street	61,261	-	-	-	61,261
Urban Redevelopment	-	-	137,245	4,957	142,202
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital Outlay	<u>32,669</u>	<u>44,054</u>	<u>243,922</u>	<u>-</u>	<u>320,645</u>
Total Expenditures	<u>3,132,373</u>	<u>102,852</u>	<u>381,167</u>	<u>33,969</u>	<u>3,650,361</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(21,216)	28,002	(370,742)	61,167	(302,789)
Other Financing Sources (Uses)					
Transfers In	86,181	-	-	37,862	124,043
Transfers Out	(3,500)	(30,000)	-	(90,543)	(124,043)
Sale of Property	-	-	120,103	-	120,103
Total Other Financing Sources (Uses)	<u>82,681</u>	<u>(30,000)</u>	<u>120,103</u>	<u>(52,681)</u>	<u>120,103</u>
Net Change in Fund Balances	61,465	(1,998)	(250,639)	8,486	(182,686)
Fund Balances - Beginning	<u>1,857,792</u>	<u>383,786</u>	<u>461,726</u>	<u>89,774</u>	<u>2,793,078</u>
Fund Balances - Ending	<u>\$ 1,919,257</u>	<u>\$ 381,788</u>	<u>\$ 211,087</u>	<u>\$ 98,260</u>	<u>\$ 2,610,392</u>

The accompanying Notes are an integral part of these financial statements

<p>CITY OF DAYTON, KENTUCKY</p> <p>RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES</p> <p>IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES</p> <p>For the Year Ended June 30, 2014</p>

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

Net change in fund balances - total governmental fund	\$ (182,686)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	212,424
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Revenues in the statement of activities that do not provide current financial resources and therefore, are not reported as revenues in the funds, while some revenues reported in the funds have already been recognized in earlier periods for the statement of activities. This is the net effect of those changes.	<u>731,229</u>
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Change in net assets of governmental activities.	\$ <u>640,864</u>
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The accompanying Notes are an integral part of these financial statements

CITY OF DAYTON, KENTUCKY
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

The City of Dayton is a municipal corporation governed by an elected Mayor and six-member City Council. As required by generally accepted accounting principles, these financial statements present all activities for which the City is considered to be financially accountable.

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the City. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as other financing sources. Amounts paid to reduce long-term indebtedness of the City are reported as a reduction of the related liability, rather than as expenditures.

Measurement focus, Basis of Accounting and Financial Statement Presentation

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

CITY OF DAYTON, KENTUCKY
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay the liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The City reports on the following funds:

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

The special revenue funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes.

The debt service funds are used to account for amounts that are restricted for payment of the city's debt.

GASBS No. 54

In March 2009, the Governmental Accounting Standards Board (GASB) approved Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Certain changes in the Statement will require the following:

Fund Balances for each of the City's governmental funds (General Fund, Municipal Road Aid Fund and Proprietary Fund) will be displayed in the following classifications depicting the relative strength of the spending constraints placed on the purposes for which resources can be used:

- *Nonspendable fund balance* - amounts that cannot be spent because they are either not in a spendable form (such as inventories and prepaid accounts) or are legally or contractually required to be maintained intact.
- *Restricted fund balance* - amounts that can be spent only for specific purposes because of constraints imposed by external providers (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.
- *Committed fund balance* - amounts that can be spent only for specific purposes determined by a formal action of the government's highest level of decision-making authority.

CITY OF DAYTON, KENTUCKY
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

- *Assigned fund balance* - amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed.
- *Unassigned fund balance* - amounts that are available for any purpose; these amounts can be reported only in the City's General Fund.

The statement also establishes several new presentation and disclosure requirements, including requirements related to stabilization arrangements (i.e., "rainy day" amounts).

In addition, the Statement clarifies the definitions of the various types of governmental funds. Interpretations of certain terms within the new definition of special revenue funds may affect which activities the City can report in special revenue funds.

The provisions of GASBS No. 54 must be implemented by the City no later than the fiscal year beginning July 1, 2010.

Since the City of Dayton does not establish a policy for its use of unassigned fund balance amounts, it should consider that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unassigned fund balance classifications could be used.

Assets, Liabilities and Equity

Cash and Cash Equivalents

Cash and cash equivalents include demand deposits as well as short-term investments with an initial maturity date within three months of the date acquired by the City. The City is authorized by state statute to invest in:

1. Obligations of the United States and of its agencies and instrumentalities.
2. Certificates of deposit.
3. Banker's acceptances.
4. Commercial paper.
5. Bonds of other states or local governments.
6. Mutual funds

Property Tax Receivable

Property taxes are levied as of October 1 on property values assessed on January 1. The billings are considered past due 30 days after the respective tax billing date at which time the applicable property is subject to lien and penalties and interest are assessed.

CITY OF DAYTON, KENTUCKY
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

Short-Term Inter-fund Receivables/Payables

During the course of operation, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from/to other funds" on the balance sheet. Short-term inter-fund loans are classified as "inter-fund receivables/payables".

Capital Assets

Capital assets are those assets having an initial cost of \$500 or more and an estimated useful life in excess of one year. These assets are reported in the government-wide statement of net assets.

The accounting and reporting treatment applied to capital assets associated with a fund are determined by its measurement focus. Capital assets are long-lived assets of the City as a whole. When purchased, such assets are recorded as expenditures in the governmental funds. Infrastructure such as street, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical costs, or where historical cost is not available, estimated historical cost based on replacement cost.

Capital assets used in operations are depreciated over their estimated useful lives using the straight-line method in the government-wide financial statements. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the respective balance sheet. The ranges of lives used for depreciation purposes for each fixed asset class are as follows:

Buildings	40 years
Public Domain Infrastructure	40 years
Improvements	15 years
Vehicles	5 years
Machinery & Equipment	7 years
Furniture & Fixtures	7 years

Notes Receivable

Amounts reported as notes receivable in the Urban Renewal Fund represent amounts due from Citizens for the Pilot Rehab Loan:

Since the amounts receivable from these notes are not available for appropriation offsetting deferred revenue is reported in those funds.

Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as expenditures and a fund liability of the governmental fund that will pay it. Vacation pay and sick pay (for qualifying employees) is accrued when incurred and reported as a fund liability.

CITY OF DAYTON, KENTUCKY
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

Fund Equity

Net assets are the difference between assets and liabilities. Net assets invested in capital assets, net of related debt are capital assets; less accumulated depreciation and any outstanding debt related to the acquisition, construction or improvement of those assets.

In the fund financial statements, government funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Revenues, Expenditures and Expenses

Inter-fund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

A summary of Inter-fund transfers is as follows:

	Transfers To:			Total
	General Fund	Civic Club Fund	Park Board	
Transfers From:				
General Fund	\$ -	\$ 3,500		\$ 3,500
Municipal Aid	30,000		-	30,000
Park Tax	56,181		34,362	90,543
				-
Total	\$ 86,181	\$ 3,500	\$ 34,362	\$ 124,043

Transfers from Municipal aid were to reflect road repairs paid for by the General Fund. Transfer from Park Tax is an annual transfer.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities, and the reported revenues and expenditures. Actual results could differ from those estimates.

II - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

CITY OF DAYTON, KENTUCKY
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with City ordinance, prior to June 1, the Mayor submits to the City Council, a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them for the upcoming year.
2. A public meeting is conducted to obtain taxpayer comment.
3. Prior to June 30, the budget is legally enacted through passage of an ordinance.
4. The Mayor is required by Kentucky Revised Statutes to present a quarterly report to the City Council explaining any variance from the approved budget.
5. Appropriations continue in effect until a new budget is adopted.
6. The City Council may authorize supplemental appropriations during the year.

Expenditures may not legally exceed budgeted appropriations at the fund level. Any amendments to the budget that would change fund-level totals must be approved by the City Council. During the year the City Council adopted one supplementary appropriations ordinance.

III - DEPOSITS

The City's deposits are entirely insured or collateralized with securities held by an agent of the City in the City's name.

CITY OF DAYTON, KENTUCKY
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

IV – CAPITAL ASSETS AND DEPRECIATION

Capital assets activity for the year ended June 30, 2014 was as follows:

	Balance 6/30/2013	Additions	Deletions	Balance 6/30/2014
Governmental				
Land	\$ 1,414,062			\$ 1,414,062
Investment in Joint venture	146,830	7,637		154,467
Buildings	1,029,924	51,722		1,081,646
Infrastructure	1,570,937			1,570,937
Improvements	41,470			41,470
Vehicles	306,305	22,651		328,956
Equipment	178,060	32,546		210,606
Furniture	77,712			77,712
Subtotal	<u>4,765,300</u>	<u>114,556</u>	-	<u>4,879,856</u>
Accum Dep				
Land	-			-
Buildings	(807,673)	(8,248)		(815,921)
Infrastructure	(268,405)	(49,025)		(317,430)
Improvements	(17,686)	(2,765)		(20,451)
Vehicles	(196,309)	(25,287)		(221,596)
Equipment	(97,450)	(21,236)		(118,686)
Furniture	(70,189)	(1,659)		(71,848)
Subtotal	<u>(1,457,712)</u>	<u>(108,221)</u>	-	<u>(1,565,933)</u>
Net Capital Assets	<u>\$ 3,307,588</u>			<u>\$ 3,313,923</u>

Depreciation was charged to functions as follows:

Governmental Activities:

General Government	\$ 46,672
Police	23,594
Public Works	31,735
Recreation	6,220
Total Government activities depreciation expense	<u>\$ 108,221</u>

CITY OF DAYTON, KENTUCKY
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

V - CLAIMS AND JUDGMENTS

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims including amounts already collected, may constitute a liability of the applicable funds. The amounts, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

VI - EMPLOYEE RETIREMENT SYSTEM

City employees who work at least 100 hours per month participate in the County Employees Retirement System (CERS). Under the provisions of Kentucky Revised Statute 61.645, the Board of Trustees of Kentucky Retirement Systems administers the CERS.

The plan issues separate financial statements, which may be obtained by request from Kentucky Retirement Systems, 1260 Louisville Road, Frankfort, Kentucky 40601.

Plan Description - CERS is a cost-sharing multiple-employer defined benefit pension plan that covers substantially all regular full-time members employed in positions of each county and school board, and any additional eligible local agencies electing to participate in the System. The plan provides for retirement, disability, and death benefits to plan members. Retirement benefits may be extended to beneficiaries of plan members under certain circumstances. Cost-of-living adjustments (COLA) are provided at the discretion of the state legislature.

Non-hazardous Contributions - For the year ended June 30, 2014, plan members were required to contribute 5% of their annual creditable compensation. Participating employers were required to contribute at an actuarially determined rate. Per Kentucky Revised Statute Section 61.565(3), normal contribution and past service contribution rates shall be determined by the Board on the basis of an annual valuation last proceeding the July 1 of a new biennium. The Board may amend contribution rates as of the first day of July of the second year of a biennium, if it is determined on the basis of a subsequent actuarial valuation that amended contribution rates are necessary to satisfy requirements determined in accordance with actuarial bases adopted by the Board. For the year ended June 30, 2014, participating employers contributed 19.55% of each employee's creditable compensation. The actuarially determined rate set by the Board for the year ended June 30, 2013 was 19.55% of creditable compensation. Administrative costs of Kentucky Retirement System are financed through employer contributions and investment earnings.

Hazardous Contributions - For the year ended June 30, 2014, plan members were required to contribute 8% of their annual creditable compensation. The state was required to contribute at an actuarially determined rate. Per Kentucky Revised Statute Section 61.565(3), normal contribution and past service contribution rates shall be determined by the Board on the basis of an annual valuation last proceeding the July 1 of a new biennium. The Board may amend contribution rates as of the first day of July of the second year of a biennium, if it is determined on the basis of a subsequent actuarial valuation that amended contribution rates are necessary to satisfy requirements determined in accordance with actuarial bases adopted by the Board.

CITY OF DAYTON, KENTUCKY
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

For the year ended June 30, 2014, participating employers contributed 37.60% of each employee's creditable compensation. The actuarially determined rate set by the Board for the year ended June 30, 2014 was 37.60% of creditable compensation. Administrative costs of KRS are financed through employer contributions and investment earnings.

The required contribution and the actual percentage contributed for the city for the current and previous two years is as follows:

<u>Year</u>	<u>Required Contribution</u>	<u>Actual Percentage Contributed</u>
2014	\$ 235,889	100%
2013	\$ 249,577	100%
2012	\$ 217,243	100%

VII – CONTINGENT LIABILITIES

The City, due to its relationship with the Bellevue/Dayton Fire Department, has a probable liability in a future period that, at this time, cannot be estimated. This liability is a result of improper payments of incentive to the fire fighters. The fire department is directly affected by this action taken by the Department of Labor, while the city is affected indirectly based on its contractual relationship with the fire department. The City estimates its Liability to range between \$85,000 and \$150,000 which is 50% of the fire departments estimated liability. The city includes in that range \$6,600 for the payment to fire fighters that worked directly for the city before the Department was formed.

VIII – RISK MANAGEMENT

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters. The City has obtained insurance coverage through a commercial insurance company. In addition, the City has effectively managed risk through various employee education and prevention programs through the efforts and cooperation of its risk manager and department heads. All general liability risk management activities are accounted for in the General Fund. Expenditures and claims are recognized when probable that a loss has occurred and the amount of loss can be reasonably estimated.

IX – COMMITMENTS

The City is committed under a contract with the Fire Department of Bellevue-Dayton, L.L.C. for fire and EMS services. The agreement expires June 1, 2021 unless the cities choose to extend the agreement. Each year the City is required to make a payment, determined on a yearly basis, to cover operating expenses. The required payment for fiscal year 2015 will be approximately \$730,000.

X – SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 6, 2015, the date on which the financial statements were available to be issued.

CITY OF DAYTON, KENTUCKY
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

CITY OF DAYTON, KENTUCKY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 1,224,900	\$ 1,224,900	\$ 1,289,870	\$ 64,970
Licenses and Permits	1,059,700	1,059,700	1,150,792	91,092
Intergovernmental	60,062	60,062	56,278	(3,784)
Charges for Services	359,250	359,250	369,773	10,523
Fines and Forfeitures	36,200	36,200	49,036	12,836
Interest	3,000	3,000	5,193	2,193
Miscellaneous	479,274	479,274	190,215	(289,059)
Total Revenues	<u>3,222,386</u>	<u>3,222,386</u>	<u>3,111,157</u>	<u>(111,229)</u>
Expenditures				
Current:				
General Government	492,367	492,367	407,582	84,785
Police	1,055,030	1,055,030	1,005,184	49,846
Fire	773,800	773,800	815,387	(41,587)
Public Works	374,682	374,682	262,129	112,553
Building Service	92,959	92,959	73,775	19,184
Waste Collection	240,000	240,000	243,892	(3,892)
Professional Services	523,215	523,215	230,494	292,721
Main Street	74,874	74,874	61,261	13,613
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital Outlay	48,138	48,138	32,669	15,469
Total Expenditures	<u>3,675,065</u>	<u>3,675,065</u>	<u>3,132,373</u>	<u>542,692</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(452,679)</u>	<u>(452,679)</u>	<u>(21,216)</u>	<u>431,463</u>
Other Financing Sources (Uses)				
Transfers In	98,500	98,500	86,181	(12,319)
Transfers Out	(3,500)	(3,500)	(3,500)	-
Sale of Property	-	-	-	-
Total Other Financing Sources (Uses)	<u>95,000</u>	<u>95,000</u>	<u>82,681</u>	<u>(12,319)</u>
Net Change In Fund Balances	<u>(357,679)</u>	<u>(357,679)</u>	<u>61,465</u>	<u>419,144</u>
Fund Balances - Beginning	<u>373,587</u>	<u>373,587</u>	<u>1,857,792</u>	<u>1,484,205</u>
Fund Balances - Ending	<u>\$ 15,908</u>	<u>\$ 15,908</u>	<u>\$ 1,919,257</u>	<u>\$ 1,903,349</u>

The basis of budgeting is the same as generally accepted accounting principles.

CITY OF DAYTON, KENTUCKY
MUNICIPAL ROAD AID FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 140,000	\$ 140,000	\$ 129,915	\$ (10,085)
Interest	700	700	939	239
Total Revenues	<u>140,700</u>	<u>140,700</u>	<u>130,854</u>	<u>(9,846)</u>
Expenditures				
Current:				
Public Works	370,861	370,861	58,798	312,063
Capital Outlay	45,000	45,000	44,054	946
Total Expenditures	<u>415,861</u>	<u>415,861</u>	<u>102,852</u>	<u>313,009</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(275,161)</u>	<u>(275,161)</u>	<u>28,002</u>	<u>303,163</u>
Other Financing Sources (Uses)				
Transfers Out	(55,000)	(55,000)	(30,000)	25,000
Total Other Financing Sources (Uses)	<u>(55,000)</u>	<u>(55,000)</u>	<u>(30,000)</u>	<u>25,000</u>
Net Change in Fund Balances	<u>(330,161)</u>	<u>(330,161)</u>	<u>(1,998)</u>	<u>328,163</u>
Fund Balances - Beginning	<u>-</u>	<u>-</u>	<u>383,786</u>	<u>383,786</u>
Fund Balances - Ending	<u>\$ (330,161)</u>	<u>\$ (330,161)</u>	<u>\$ 381,788</u>	<u>\$ 711,949</u>

The basis of budgeting is the same as generally accepted accounting principles.

CITY OF DAYTON, KENTUCKY
URBAN RENEWAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Charges for Services	12,600	12,600	9,350	(3,250)
Interest	1,500	1,500	975	(525)
Miscellaneous	-	-	100	100
Total Revenues	<u>14,100</u>	<u>14,100</u>	<u>10,425</u>	<u>(3,675)</u>
Expenditures				
Current:				
Urban Redevelopment	-	-	137,245	(137,245)
Capital Outlay	260,000	260,000	243,922	16,078
Total Expenditures	<u>260,000</u>	<u>260,000</u>	<u>381,167</u>	<u>(121,167)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(245,900)</u>	<u>(245,900)</u>	<u>(370,742)</u>	<u>(124,842)</u>
Other Financing Sources (Uses)				
Sale of Property	-	-	120,103	120,103
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>120,103</u>	<u>120,103</u>
Net Change in Fund Balances	<u>(245,900)</u>	<u>(245,900)</u>	<u>(250,639)</u>	<u>(4,739)</u>
Fund Balances - Beginning	<u>467,500</u>	<u>467,500</u>	<u>461,726</u>	<u>(5,774)</u>
Fund Balances - Ending	<u>\$ 221,600</u>	<u>\$ 221,600</u>	<u>\$ 211,087</u>	<u>\$ (10,513)</u>

The basis of budgeting is the same as generally accepted accounting principles.

CITY OF DAYTON, KENTUCKY
CIVIC CLUB FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Miscellaneous	\$ 2,000	\$ 2,000	\$ 914	\$ (1,086)
Total Revenues	<u>2,000</u>	<u>2,000</u>	<u>914</u>	<u>(1,086)</u>
Expenditures				
Current:				
Urban Redevelopment	5,500	5,500	4,957	543
Total Expenditures	<u>5,500</u>	<u>5,500</u>	<u>4,957</u>	<u>543</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,500)	(3,500)	(4,043)	(543)
Other Financing Sources (Uses)				
Transfers In	3,500	3,500	3,500	-
Total Other Financing Sources (Uses)	<u>3,500</u>	<u>3,500</u>	<u>3,500</u>	<u>-</u>
Net Change in Fund Balances	-	-	(543)	(543)
Fund Balances - Beginning	585	585	2,527	1,942
Fund Balances - Ending	<u>\$ 585</u>	<u>\$ 585</u>	<u>\$ 1,984</u>	<u>\$ 1,399</u>

The basis of budgeting is the same as generally accepted accounting principles.

CITY OF DAYTON, KENTUCKY
PARK BOARD FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Recreation Revenues	\$ 4,000	\$ 4,000	\$ 3,430	\$ (570)
Intergovernmental Revenues	-	-	-	-
Interest	175	175	249	74
Miscellaneous	-	-	-	-
Total Revenues	<u>4,175</u>	<u>4,175</u>	<u>3,679</u>	<u>(496)</u>
Expenditures				
Current:				
Recreation	42,200	42,200	29,012	13,188
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>42,200</u>	<u>42,200</u>	<u>29,012</u>	<u>13,188</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(38,025)</u>	<u>(38,025)</u>	<u>(25,333)</u>	<u>12,692</u>
Other Financing Sources (Uses)				
Transfers In	34,362	34,362	34,362	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>34,362</u>	<u>34,362</u>	<u>34,362</u>	<u>-</u>
Net Change in Fund Balances	<u>(3,663)</u>	<u>(3,663)</u>	<u>9,029</u>	<u>12,692</u>
Fund Balances - Beginning	<u>73,400</u>	<u>73,400</u>	<u>87,247</u>	<u>13,847</u>
Fund Balances - Ending	<u>\$ 69,737</u>	<u>\$ 69,737</u>	<u>\$ 96,276</u>	<u>\$ 26,539</u>

The basis of budgeting is the same as generally accepted accounting principles.

CITY OF DAYTON, KENTUCKY
PARK TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Park Tax	\$ 99,326	99,326	\$ 90,543	\$ (8,783)
Total Revenues	<u>99,326</u>	<u>99,326</u>	<u>90,543</u>	<u>(8,783)</u>
Other Financing Sources (Uses)				
Transfers Out	(99,326)	(99,326)	(90,543)	8,783
Total Other Financing Sources (Uses)	<u>(99,326)</u>	<u>(99,326)</u>	<u>(90,543)</u>	<u>8,783</u>
Net Change In Fund Balances	-	-	-	-
Fund Balances - Beginning	-	-	-	-
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The basis of budgeting is the same as generally accepted accounting principles.