

428 Second St.
Marietta, OH 45750
740.373.0056

1035 Murdoch Ave.
Parkersburg, WV 26101
304.422.2203

104 South Sugar St.
St. Clairsville, OH 43950
740.695.1569



Certified Public Accountants, A.C.

**CITY OF RANSON
JEFFERSON COUNTY
Regular Audit
For the Year Ended June 30, 2015**

RFP #14-192

www.perrycpas.com

...“bringing more to the table”

Tax– Accounting – Audit – Review – Compilation – Agreed Upon Procedure – Consultation – Bookkeeping – Payroll
Litigation Support – Financial Investigations

Members: American Institute of Certified Public Accountants

- Ohio Society of CPAs • West Virginia Society of CPAs • Association of Certified Fraud Examiners •
- Association of Certified Anti - Money Laundering Specialists •

**CITY OF RANSON
JEFFERSON COUNTY
TABLE OF CONTENTS**

Title	Page
Schedule of Funds Included in Report.....	1
City Officials	2
Independent Auditor’s Report	3
Management’s Discussion and Analysis.....	5
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	12
Statement of Activities.....	13
Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	14
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.....	15
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	16
Statement of Net Position - Proprietary Funds	17
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds.....	18
Statement of Cash Flows - Proprietary Funds.....	19
Notes to the Financial Statements	20
Required Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – General Fund.....	36
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – Coal Severance Tax Fund.....	37
Other Supplementary Information:	
Combining Balance Sheet - Nonmajor Governmental Funds	39
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds.....	40

CITY OF RANSON
JEFFERSON COUNTY

TABLE OF CONTENTS

Title	Page
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	41

**CITY OF RANSON
JEFFERSON COUNTY**

**SCHEDULE OF FUNDS INCLUDED IN REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

GOVERNMENTAL FUND TYPES

Major Funds

General

Coal Severance Tax

Capital Improvement

Nonmajor Funds

DOT Tiger II

HUD Grant

BUSINESS-TYPE FUNDS

Major Fund

Sewer

FIDUCIARY FUND TYPES

Capital Proffers Trust

COMPONENT UNITS

City of Ranson Building Commission

City of Ranson Convention and Visitor's Bureau, Inc.

City of Ranson Parks and Recreation, Inc.

**CITY OF RANSON
JEFFERSON COUNTY**

**CITY OFFICIALS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Elected Officials:

Mayor	A. David Hamill	07/01/13 – 06/30/17
City Council	Michael Anderson	07/01/13 – 06/30/17
	David Cheshire	07/01/14 – 06/30/18
	Scott Coulter	07/01/14 – 06/30/18
	Donnie Haines	07/01/14 – 06/30/18
	Keith Pierson	07/01/13 – 06/30/17
	James Watson	11/18/14 – 06/30/18

Appointed Officials:

City Manager	Andrew Blake	07/01/13 – 06/30/17
--------------	--------------	---------------------



428 Second St.
Marietta, OH 45750
740.373.0056

1035 Murdoch Ave.
Parkersburg, WV 26101
304.422.2203

104 South Sugar St.
St. Clairsville, OH 43950
740.695.1569

INDEPENDENT AUDITOR'S REPORT

March 7, 2016

City of Ranson
Jefferson County
312 South Mildred Street
Ranson, WV 25438

To the Members of Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **City of Ranson**, Jefferson County, West Virginia (the City), as of and for the year ended June 30, 2015, 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.



...***"bringing more to the table"***

Tax- Accounting - Audit - Review - Compilation - Agreed Upon Procedure - Consultation - Bookkeeping - Payroll
Litigation Support - Financial Investigations

Members: American Institute of Certified Public Accountants

• Ohio Society of CPAs • West Virginia Society of CPAs • Association of Certified Fraud Examiners •
• Association of Certified Anti - Money Laundering Specialists •



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Ranson, Jefferson County, West Virginia, as of June 30, 2015, 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 and required budgetary comparison schedules* 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 combining statements present additional analysis and are not a required part of the basic financial statements.

The statements 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 to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements 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 are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 2016 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.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

City of Ranson
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015
(Unaudited)

The discussion and analysis of the City of Ranson's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2015. Please read it in conjunction with the City's financial statements.

FINANCIAL HIGHLIGHTS

The City's net position increased by \$1.3 million as a result of this year's operations. Net position of the business-type activities remained constant at \$1.1 million compared to the previous year, net position of the governmental activities increased by \$1.3 million, or 12 percent.

During the year, the City had expenses for governmental programs that were \$3.6 million more than the \$1.1 million generated by governmental program revenues, which includes fees for services and intergovernmental aid. The remaining cost of governmental activities was financed with general revenues, which totaled \$4.8 million this year.

In the City's business-type activities, revenues increased \$0.1 million and expenses remained constant (\$0.9 million).

The general fund ended the year with a fund balance of \$5.3 million.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements present a shorter term view, and tell how governmental services were financed in the near term as well as funds remaining for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds.

Reporting the City as a Whole

One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net position and changes in it. You can think of the City's net position-the difference between assets and liabilities-as one way to measure whether the City's financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the City's property tax base and the condition of the City's infrastructure, to assess the overall health of the City.

City of Ranson
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015
(Unaudited)

USING THIS ANNUAL REPORT (CONTINUED)

Reporting the City as a Whole (continued)

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

Governmental activities-Most of the City's basic services are reported here, including the police, streets, sanitation, and general administration. Property taxes, business and occupation taxes, and general revenues finance most of these activities.

Business-type activities-The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's sewer system is reported here.

Reporting the City's Most Significant Funds

The fund financial statements provide detailed information about the most significant funds-not the City as a whole. Some funds are required to be established by State law. However, the City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The City's two kinds of funds-governmental and proprietary-use different accounting approaches.

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

Proprietary funds-When the City charges customers for the services it provides-whether to outside customers or to other units of the City-these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, these funds are the same as the business-type activities reported in the government-wide statements but provide more detail and additional information, such as cash flows.

City of Ranson
MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2015
 (Unaudited)

THE CITY AS A WHOLE

The City's combined net position increased \$1.3 million from a year ago-increasing from \$11.8 million to \$13.1 million. Reviewing the net position of governmental and business-type activities separately provides more detail about these changes. The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental and business-type activities.

Table 1 Net position (in millions)

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 7.0	\$ 7.0	\$ 0.4	\$ 0.4	\$ 7.4	\$ 7.4
Capital assets	5.7	4.7	0.9	0.9	6.6	5.6
Total assets	\$ 12.7	\$ 11.7	\$ 1.3	\$ 1.3	\$ 14.0	\$ 13.0
Current liabilities	\$ -	\$ -	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1
Long-term liabilities	0.7	1.0	0.1	0.1	0.8	1.1
Total liabilities	0.7	1.0	0.2	0.2	0.9	1.2
Net position:						
Net investment in capital assets	5.7	4.7	0.8	0.8	6.5	5.5
Unrestricted	6.3	6.0	0.3	0.3	6.9	6.3
Total net position	12.0	10.7	1.1	1.1	13.1	11.8
Total liabilities and net position	\$ 12.7	\$ 11.7	\$ 1.3	\$ 1.3	\$ 14.0	\$ 13.0

Net position of the City's governmental activities increased by 12 percent (\$1.3 million). Unrestricted net position-the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements-increased from \$6.0 million at June 30, 2014, to \$6.3 million at the end of this year.

The net position of business-type activities remained constant at \$1.1 million compared to the previous year. Unrestricted net position remained constant at \$0.3 million compared to the previous year. The City generally can use unrestricted net position to finance the continuing operations of the sewer department.

City of Ranson
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015
(Unaudited)

THE CITY AS A WHOLE (CONTINUED)

Table 2 Changes in net position (in millions)

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues						
Program revenues:						
Charges for services	\$ 1.1	\$ 1.0	\$ 1.0	\$ 0.9	\$ 2.1	\$ 1.9
Operating grants and contributions	-	0.1	-	-	-	0.1
Capital grants and contributions	0.1	0.2	-	-	0.1	0.2
General revenues:						
Property taxes	1.0	1.0	-	-	1.0	1.0
Business and occupation tax	1.8	1.4	-	-	1.8	1.4
Alcoholic beverage tax	0.1	0.1	-	-	0.1	0.1
Hotel/motel tax	0.4	0.3	-	-	0.4	0.3
Utility services tax	0.2	0.2	-	-	0.2	0.2
Video lottery/table gaming	1.1	1.1	-	-	1.1	1.1
Other general revenues	0.1	0.1	-	-	0.1	0.1
Total revenues	5.9	5.5	1.0	0.9	6.9	6.4
Expenses						
General government	1.6	1.8	-	-	1.6	1.8
Public safety	1.3	1.3	-	-	1.3	1.3
Streets and transportation	1.0	0.9	-	-	1.0	0.9
Health and sanitation	0.4	0.4	-	-	0.4	0.4
Culture and recreation	0.4	0.5	-	-	0.4	0.5
Sewer	-	-	0.9	0.9	0.9	0.9
Total expenses	4.7	4.9	0.9	0.9	5.6	5.8
Change in net position	\$ 1.2	\$ 0.6	\$ 0.1	\$ -	\$ 1.3	\$ 0.6

The City's total revenues increased by \$0.5 million during the year or 8 percent, primarily because of an increase in general tax revenue. The total cost of all programs and services decreased by 3 percent (\$0.2 million) with no new programs added this year. The decrease results primarily from general government administration. The analysis separately considers the operations of governmental and business-type activities.

City of Ranson
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015
(Unaudited)

THE CITY AS A WHOLE (CONTINUED)

Governmental Activities

Revenues for the City's governmental activities increased by \$0.5 million, and total expenses decreased \$0.2 million. The factors driving these results include the following:

- a) The City's governmental revenue increased because of an increase in general government tax revenues including an increase of \$0.4 million in business and occupation tax revenues.
- b) The City's governmental expenses decreased as a result of lower personnel costs and lower funding of culture and recreation in 2015.

The cost of all governmental activities this year was \$4.7 million compared to \$4.9 million last year. However, as shown in the Statement of Activities, the amount that taxpayers ultimately financed for these activities through City general revenues was \$3.6 million because some of the cost was paid by those who directly benefitted from the programs (\$1.1 million). Overall, the City's governmental program revenues, including intergovernmental aid and fees for services, decreased by \$0.2 million. The City paid for the remaining "public benefit" portion of governmental activities with \$3.6 million in taxes (some of which could only be used for certain programs) and with general revenues, such as video lottery/table gaming revenues, and developer fees.

Business-Type Activities

Revenues of the City's business-type activities (see Table 2) increased \$0.1 million compared to the previous year and expenses remained constant at \$0.9 million. The factors driving these results include:

- a) Revenues have increased as a result of the effect of a full year increase in sewer rates and charges compared to the increase only being effective for nine months in the previous year.
- b) Costs have been constant due to the City's ability to control costs.

THE CITY'S FUNDS

As the City completed the year, the governmental funds reported a combined fund balance of \$6.4 million, which is an increase of 5 percent (\$0.3 million).

General Fund Budgetary Highlights

Over the course of the year, the City Council made occasional revisions to the City budget. These budget amendments were made to reflect anticipated funding changes in the City's operations.

Even with the above mentioned amendments, the City's actual revenues exceeded budgeted revenues by \$0.6 million and actual expenditures were \$2.4 million less than reflected budgeted expenditures. Actual ending general fund balance exceeded budgeted ending general fund balance by \$4.3 million.

City of Ranson
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015
(Unaudited)

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2015, the City had \$6.6 million invested in a broad range of capital assets, including land, leasehold improvements, roads, equipment and vehicles, and sewer infrastructure. (See Table 3 below). This amount represents a net increase (including accumulated depreciation) of \$1.0 million, or 18 percent.

Construction in progress consists of planning and design costs related to downtown (streets and sidewalks) improvements.

Table 3 Capital assets at year-end (net of depreciation, in millions)

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 0.7	\$ 0.2	\$ -	\$ -	\$ 0.7	\$ 0.2
Leasehold improvements	0.8	0.8	-	-	0.8	0.8
Roads	2.7	2.7	-	-	2.7	2.7
Equipment, vehicles, and software	2.5	2.3	-	-	2.5	2.3
Utility plant	-	-	2.1	2.1	2.1	2.1
Construction in progress	1.6	1.0	-	-	1.6	1.0
Total	8.3	7.0	2.1	2.1	10.4	9.1
Accumulated depreciation	(2.6)	(2.3)	(1.2)	(1.2)	(3.8)	(3.5)
Capital assets, net of accumulated depreciation	<u>\$ 5.7</u>	<u>\$ 4.7</u>	<u>\$ 0.9</u>	<u>\$ 0.9</u>	<u>\$ 6.6</u>	<u>\$ 5.6</u>

This year's major additions included
(in millions)

Land	\$ 0.5
Equipment	0.1
Vehicles	0.1
Streets and sidewalks	0.6
Total	<u>\$ 1.3</u>

City of Ranson
MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2015
 (Unaudited)

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

Debt and Long-term Liabilities

At year-end, the City had outstanding fixed debt of \$0.1 million which represents a capital lease in the sewer fund. Other long-term liabilities represent accrued compensated absences for employees.

Table 4 Outstanding long-term liabilities at year-end (in millions)

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Capital lease obligation	\$ -	\$ -	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1
Accrued compensated absences	0.2	0.2	-	-	0.2	0.2
Total	\$ 0.2	\$ 0.2	\$ 0.1	\$ 0.1	\$ 0.3	\$ 0.3

ECONOMIC FACTORS

The City's elected and appointed officials considered many factors when setting the fiscal year 2015 budget, tax rates, and fees. One of those factors is the general economy. A second factor is the County's increasing population.

The City of Ranson is optimistic about its potential for economic growth in the future. The increasing population, infrastructure improvements, annexation, and procurement of grants and other funding sources are all positive indicators for continued economic growth in the City of Ranson.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Finance at City Hall 312 S. Mildred Street, Ranson, West Virginia.

City of Ranson, West Virginia
STATEMENT OF NET POSITION
June 30, 2015

	PRIMARY GOVERNMENT			COMPONENT UNITS		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS	BUILDING COMMISSION	CONVENTION AND VISITORS BUREAU	PARKS AND RECREATION
ASSETS						
Current:						
Cash	\$ 6,185,152	\$ 210,724	\$ 6,395,876	\$ 18,224	\$ 188,884	\$ 32,784
Restricted cash	110,945	-	110,945	54,610	-	-
Receivables, net of allowances:						
Taxes	599,242	-	599,242	-	-	-
Accounts	96,912	182,587	279,499	-	-	6,000
Due from associated entities	-	-	-	-	108,075	101,601
Internal balances	2,683	(2,683)	-	-	-	-
Total current assets	<u>6,994,934</u>	<u>390,628</u>	<u>7,385,562</u>	<u>72,834</u>	<u>296,959</u>	<u>140,385</u>
Capital assets:						
Land	731,932	-	731,932	137,000	-	-
Land improvements	-	-	-	-	-	18,229
Building	-	-	-	122,000	-	43,416
Building improvements	-	-	-	1,493,116	-	-
Leasehold improvements	807,812	-	807,812	-	-	-
Roads	2,695,885	-	2,695,885	-	-	-
Equipment	1,028,045	-	1,028,045	-	8,986	104,888
Software	217,029	-	217,029	-	-	-
Vehicles	1,238,909	-	1,238,909	-	-	-
Utility plant in service	-	2,087,407	2,087,407	-	-	-
Less: accumulated depreciation	(2,608,887)	(1,229,813)	(3,838,700)	(373,306)	(6,678)	(36,953)
Capital assets in service, net	<u>4,110,725</u>	<u>857,594</u>	<u>4,968,319</u>	<u>1,378,810</u>	<u>2,308</u>	<u>129,580</u>
Construction in progress	1,621,255	39,413	1,660,668	-	-	-
Total capital assets	<u>5,731,980</u>	<u>897,007</u>	<u>6,628,987</u>	<u>1,378,810</u>	<u>2,308</u>	<u>129,580</u>
Total assets	<u>\$ 12,726,914</u>	<u>\$ 1,287,635</u>	<u>\$ 14,014,549</u>	<u>\$ 1,451,644</u>	<u>\$ 299,267</u>	<u>\$ 269,965</u>
LIABILITIES AND NET POSITION						
Liabilities:						
Current liabilities						
Accounts payable	\$ 151,968	\$ 52,707	\$ 204,675	\$ -	\$ 1,116	\$ 955
Accrued expenses	107,408	11,531	118,939	4,132	3,089	4,863
Advance rents received	-	-	-	18,016	-	-
Due to associated entities	209,676	-	209,676	-	-	-
Development bond held	110,945	-	110,945	-	-	-
Customer advances for construction	-	11,375	11,375	-	-	-
Capital lease payable (current portion)	-	15,041	15,041	-	-	-
Bonds payable (current portion)	-	-	-	169,120	-	-
Total current liabilities	<u>579,997</u>	<u>90,654</u>	<u>670,651</u>	<u>191,268</u>	<u>4,205</u>	<u>5,818</u>
Long-term liabilities (net of current portion):						
Bonds payable	-	-	-	1,348,183	-	-
Capital lease payable	-	46,960	46,960	-	-	-
Accrued expenses	155,633	4,471	160,104	-	2,049	5,006
Total long-term liabilities	<u>155,633</u>	<u>51,431</u>	<u>207,064</u>	<u>1,348,183</u>	<u>2,049</u>	<u>5,006</u>
Total liabilities	<u>735,630</u>	<u>142,085</u>	<u>877,715</u>	<u>1,539,451</u>	<u>6,254</u>	<u>10,824</u>
Net Position:						
Net investment in capital assets	5,731,980	835,006	6,566,986	(138,493)	2,308	129,580
Restricted for construction	-	-	-	54,610	-	-
Unrestricted (deficit)	6,259,304	310,544	6,569,848	(3,924)	290,705	129,561
Total net position	<u>11,991,284</u>	<u>1,145,550</u>	<u>13,136,834</u>	<u>(87,807)</u>	<u>293,013</u>	<u>259,141</u>
Total liabilities and net position	<u>\$ 12,726,914</u>	<u>\$ 1,287,635</u>	<u>\$ 14,014,549</u>	<u>\$ 1,451,644</u>	<u>\$ 299,267</u>	<u>\$ 269,965</u>

See the accompanying notes to the financial statements.

City of Ranson, West Virginia
STATEMENT OF ACTIVITIES
For the year ended June 30, 2015

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSES) REVENUES AND CHANGES IN NET POSITION					
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT			COMPONENT UNITS		
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	BUILDING COMMISSION	CONVENTION AND VISITORS BUREAU	PARKS AND RECREATION
PRIMARY GOVERNMENT										
Governmental activities:										
General government	\$ 1,609,117	\$ 325,677	\$ -	\$ -	\$ (1,283,440)	\$ -	\$ (1,283,440)	\$ -	\$ -	\$ -
Public safety	1,358,737	316,722	2,236	7,000	(1,032,779)	-	(1,032,779)	-	-	-
Streets and transportation	960,642	-	14,903	24,427	(921,312)	-	(921,312)	-	-	-
Health and sanitation	370,864	445,004	-	-	74,140	-	74,140	-	-	-
Culture and Recreation	413,001	-	-	-	(413,001)	-	(413,001)	-	-	-
Total governmental activities	<u>4,712,361</u>	<u>1,087,403</u>	<u>17,139</u>	<u>31,427</u>	<u>(3,576,392)</u>	<u>-</u>	<u>(3,576,392)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Business-type activities:										
Sewer	980,501	1,017,923	-	(11,270)	-	26,152	26,152	-	-	-
Total business-type activities	<u>980,501</u>	<u>1,017,923</u>	<u>-</u>	<u>(11,270)</u>	<u>-</u>	<u>26,152</u>	<u>26,152</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 5,692,862</u>	<u>\$ 2,105,326</u>	<u>\$ 17,139</u>	<u>\$ 20,157</u>	<u>(3,576,392)</u>	<u>26,152</u>	<u>(3,550,240)</u>	<u>-</u>	<u>-</u>	<u>-</u>
COMPONENT UNITS										
Building Commission	\$ 93,371	\$ 216,438	\$ -	\$ -			123,067	-	-	-
Convention and Visitors Bureau	168,293	196,865	4,125	-			-	32,697	-	-
Parks and Recreation	223,435	263,729	-	-			-	-	40,294	-
Total component units	<u>\$ 485,099</u>	<u>\$ 677,032</u>	<u>\$ 4,125</u>	<u>\$ -</u>			<u>123,067</u>	<u>32,697</u>	<u>40,294</u>	<u>-</u>
General revenues:										
Taxes:										
Property taxes, levied for general purposes					984,857	-	984,857	-	-	-
Business and occupation tax					1,867,411	-	1,867,411	-	-	-
Alcoholic beverage tax					103,077	-	103,077	-	-	-
Utility services tax					171,195	-	171,195	-	-	-
Hotel/motel tax					386,455	-	386,455	-	-	-
Other taxes					9,304	-	9,304	-	-	-
Miscellaneous					61,581	-	61,581	-	-	-
Developer fees					142,792	-	142,792	-	-	-
Interest income					6,626	263	6,889	16	-	-
Video lottery/table gaming					1,067,243	-	1,067,243	-	-	-
Total general revenues					<u>4,800,541</u>	<u>263</u>	<u>4,800,804</u>	<u>16</u>	<u>-</u>	<u>-</u>
Change in net position					1,224,149	26,415	1,250,564	123,083	32,697	40,294
Total net position at beginning of year, as adjusted (See Note 14)					<u>10,767,135</u>	<u>1,119,135</u>	<u>11,886,270</u>	<u>(210,890)</u>	<u>260,316</u>	<u>218,847</u>
Total net position at end of year					<u>\$ 11,991,284</u>	<u>\$ 1,145,550</u>	<u>\$ 13,136,834</u>	<u>\$ (87,807)</u>	<u>\$ 293,013</u>	<u>\$ 259,141</u>

See the accompanying notes to the financial statements.

City of Ranson, West Virginia
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2015

	GENERAL FUND	COAL SEVERANCE FUND	CAPITAL IMPROVEMENT FUND	OTHER GOVERNMENTAL FUNDS	TOTALS
ASSETS					
Cash	\$ 5,093,875	\$ 172,249	\$ 919,026	\$ -	\$ 6,185,150
Restricted cash	-	-	110,945	-	110,945
Receivables, net of allowances:					
Taxes	599,242	-	-	-	599,242
Accounts	92,607	4,305	-	-	96,912
Due from other funds/associated entities	2,683	-	-	-	2,683
Total assets	<u>\$ 5,788,407</u>	<u>\$ 176,554</u>	<u>\$ 1,029,971</u>	<u>\$ -</u>	<u>\$ 6,994,932</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 151,966	\$ -	\$ -	\$ -	\$ 151,966
Development bonds held	-	-	110,945	-	110,945
Due to other funds/associated entities	209,676	-	-	-	209,676
Other accrued expenses	107,408	-	-	-	107,408
Total liabilities	<u>469,050</u>	<u>-</u>	<u>110,945</u>	<u>-</u>	<u>579,995</u>
Deferred inflows of resources					
Unavailable revenue - property taxes	44,136	-	-	-	44,136
Total deferred inflows of resources	<u>44,136</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>44,136</u>
Fund balances					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	919,026	-	919,026
Assigned	5,275,221	176,554	-	-	5,451,775
Unassigned	-	-	-	-	-
Total fund balances	<u>5,275,221</u>	<u>176,554</u>	<u>919,026</u>	<u>-</u>	<u>6,370,801</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,788,407</u>	<u>\$ 176,554</u>	<u>\$ 1,029,971</u>	<u>\$ -</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	5,731,980
Other long-term assets are not available to pay for current period expenditures and therefore are deferred inflows of resources in the funds.	44,136
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	<u>(155,633)</u>
Net position of governmental activities.	<u>\$ 11,991,284</u>

See the accompanying notes to the financial statements.

City of Ranson, West Virginia
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 GOVERNMENTAL FUNDS**
 For the year ended June 30, 2015

	GENERAL FUND	COAL SEVERANCE FUND	CAPITAL IMPROVEMENT FUND	OTHER GOVERNMENTAL FUNDS	TOTALS
REVENUES					
Taxes (including interest and penalties)	\$ 3,520,466	\$ -	\$ -	\$ -	\$ 3,520,466
Licenses, permits and miscellaneous fees	187,028	-	-	-	187,028
Intergovernmental:					
Federal	24,427	-	-	-	24,427
State	9,236	14,903	-	-	24,139
Charges for services	445,004	-	-	-	445,004
Fines and forfeits	316,722	-	-	-	316,722
Developer fees	-	-	142,792	-	142,792
Franchise fees	15,016	-	-	-	15,016
Interest	4,175	166	2,283	-	6,624
Video lottery/table gaming	1,067,243	-	-	-	1,067,243
Contributions from other entities	33,429	-	-	-	33,429
Charges to other funds	123,633	-	-	-	123,633
Miscellaneous	28,152	-	-	-	28,152
Total revenues	5,774,531	15,069	145,075	-	5,934,675
EXPENDITURES					
General government	1,623,237	-	-	7	1,623,244
Public safety	1,414,719	-	-	-	1,414,719
Streets and transportation	2,011,814	-	-	-	2,011,814
Health and sanitation	370,864	-	-	-	370,864
Culture and recreation	381,482	-	-	-	381,482
Total expenditures	5,802,116	-	-	7	5,802,123
Excess of revenues over expenditures	(27,585)	15,069	145,075	(7)	132,552
Other financing sources (uses):					
Transfers in	1,436,607	-	-	50	1,436,657
Transfers out	-	-	(1,436,514)	(143)	(1,436,657)
Total other financing sources (uses)	1,436,607	-	(1,436,514)	(93)	-
Net change in fund balance	1,409,022	15,069	(1,291,439)	(100)	132,552
Fund balance at beginning of year, as adjusted	3,866,199	161,485	2,210,465	100	6,238,249
Fund balance at end of year	<u>\$ 5,275,221</u>	<u>\$ 176,554</u>	<u>\$ 919,026</u>	<u>\$ -</u>	<u>\$ 6,370,801</u>

See the accompanying notes to the financial statements.

City of Ranson, West Virginia
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**
 For the year ended June 30, 2015

Net change in fund balance - total governmental funds		\$ 132,552
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlays	1,426,852	
Depreciation expense	<u>(347,992)</u>	
Amount capital outlays exceed depreciation		1,078,860
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds. Deferred inflows increased by this amount in the current period.</p>		
		1,834
<p>Expenses in the statement of activities that do not require the use of current financial resources are not reported as expenditures in governmental funds. Accrued compensated absences decreased by this amount in current period.</p>		
		<u>10,903</u>
Change in net position of governmental activities		<u><u>\$ 1,224,149</u></u>

See the accompanying notes to the financial statements.

City of Ranson, West Virginia
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
June 30, 2015

	Sewer Fund
ASSETS	
CURRENT ASSETS	
Cash	\$ 210,724
Receivables, net of allowances	182,587
	393,311
CAPITAL ASSETS	
Utility plant in service	2,087,407
Less: accumulated depreciation and amortization	(1,229,813)
	857,594
Net utility plant in service	857,594
Construction in Progress	39,413
	897,007
Total capital assets	897,007
Total assets	\$ 1,290,318
LIABILITIES AND NET POSITION	
CURRENT LIABILITIES	
Accounts payable	\$ 52,707
Accrued expenses	11,012
Accrued interest	519
Customer advances for construction	11,375
Due to general fund	2,683
Capital lease payable (amount due within one year)	15,041
	93,337
LONG-TERM LIABILITIES	
Accrued compensated absences	4,471
Capital lease payable (net of current portion above)	46,960
	51,431
Total long-term liabilities	51,431
Total liabilities	144,768
NET POSITION	
Net investment in capital assets	835,006
Unrestricted	310,544
	1,145,550
Total net position	1,145,550
Total liabilities and net position	\$ 1,290,318

See the accompanying notes to the financial statements.

City of Ranson, West Virginia
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - PROPRIETARY FUNDS
For the year ended June 30, 2015

	Sewer Fund
OPERATING REVENUES	
Sales and services to customers	\$ 1,017,923
Total operating revenues	1,017,923
EXPENSES	
Collection	63,751
Pumping	81,004
Treatment and disposal	584,397
Billing and accounting	92,222
Administrative and general	90,682
Taxes	16,433
Depreciation and amortization	50,593
Total expenses	979,082
Income (loss) from operations	38,841
OTHER INCOME (EXPENSE)	
Interest income	263
Interest expense	(1,419)
Total other income (expense)	(1,156)
Income (loss) before contributed capital	37,685
CONTRIBUTED CAPITAL, NET	(11,270)
Net income (loss)	26,415
Total net position at beginning of year	1,119,135
Net position at end of year	\$ 1,145,550

See the accompanying notes to the financial statements.

City of Ranson, West Virginia
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the year ended June 30, 2015

	Sewer Fund
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	\$ 1,013,704
Cash payments for operation and maintenance expenses	(923,761)
Cash paid for taxes other than income taxes	(16,433)
	73,510
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest received	264
Advances from (to) general fund	(10,096)
	(9,832)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Acquisition and construction of capital assets	(39,413)
Principal payments on capital lease	(14,744)
Interest paid on capital lease	(1,543)
Collection of capacity improvement/ developer fees	78,812
Payment of capacity improvement/developer fees	(129,082)
	(105,970)
Net cash provided by (used in) capital and related financing activities	(105,970)
Net increase (decrease) in cash and cash equivalents	(42,292)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	253,016
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 210,724
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATIONS	
Operating income (loss)	\$ 38,841
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation and amortization expense	50,593
Decrease (increase) in receivables	(4,219)
Increase (decrease) in accounts payable	(14,861)
Increase (decrease) in accrued expenses	3,156
	73,510
Net cash provided by operating activities	\$ 73,510
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION	
Noncash investing, capital, and financing transactions:	
None	

See the accompanying notes to the financial statements.

City of Ranson, West Virginia
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The City of Ranson, West Virginia ("City") is a municipal corporation in which citizens elect the mayor at large and six council members. The City engages in a comprehensive range of services, including general government administration, public safety and administration of justice, street maintenance, sanitation services, sewer services, recreation, and cultural and historic activities.

The accounting policies and the presentation of the financial report of the City have been designed to conform to generally accepted accounting principles as applicable to government units, in accordance with the Governmental Accounting Standards Board (GASB).

The City follows the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* for financial reporting. Certain significant components of the Statement include the following:

- A Management's Discussion and Analysis (MD&A) section providing an analysis of the City's overall financial position and results of operations.
- Financial statements prepared using full accrual accounting for all of the City's activities.
- Fund financial statements that focus on major funds.

These financial statements present all fund types of the City and its discretely presented component units.

Individual Component Unit Disclosure

The criteria for including component units consists of identification of legally separate organizations for which the elected officials of the City are financially accountable. This criteria also includes identification of organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Blended component units, although legally separate entities, are in substance, part of the government's operations and so data from these units are combined with data of the primary government. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

The City had no blended component units as of and for the year ended June 30, 2015.

The City of Ranson Building Commission is governed by a board appointed by the City's Council. While legally separate from the City, it is reported as part of the reporting entity under the discretely presented method because the City's elected officials are financially accountable for the City of Ranson Building Commission. The City Council has the power to approve, disapprove or modify the budget and financial operations of the Building Commission. Separate financial information can be obtained from the City of Ranson Building Commission.

The City of Ranson Convention and Visitor's Bureau is governed by a board appointed by the City's Council. While legally separate from the City, it is reported as part of the reporting entity under the discretely presented method because the City's elected officials are financially accountable for the City of Ranson Convention and Visitor's Bureau. The City Council has the power to approve, disapprove, or modify the budget and financial operations of the City of Ranson Convention and Visitor's Bureau. Separate financial information can be obtained from the City of Ranson Convention and Visitor's Bureau.

City of Ranson, West Virginia
NOTES TO THE FINANCIAL STATEMENTS (continued)
June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Individual Component Unit Disclosure (continued)

The City of Ranson Parks and Recreation is governed by a board appointed by the City's Council. While legally separate from the City, it is reported as part of the reporting entity under the discretely presented method because the City's elected officials are financially accountable for the City of Ranson Parks and Recreation. The City Council has the power to approve, disapprove, or modify the budget and financial operations of the City of Ranson Parks and Recreation. Separate financial information can be obtained from the City of Ranson Parks and Recreation.

Related Organizations

The City's officials are also responsible for appointing the members of the board of various organizations, but the City's accountability for these organizations does not significantly extend beyond making the appointments. The City is not financially accountable for the organizations to which these appointments are made.

Government-wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. Under this reporting model, the focus is on both the City as a whole and the fund financial statements, including the major funds of the governmental and business-type categories, as well as the component units. Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business-type. In the government-wide statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reflected in a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations. Each presentation provides valuable information that can be analyzed and compared (between years and between governments) to enhance the usefulness of the information.

The government-wide statement of activities reflects both the gross and net cost per functional category (general government, public safety, highways and streets, sanitation, culture and recreation, etc.) that are otherwise being supported by general government revenues (property, business and occupation taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants and contributions. The program revenues must be directly associated with the function (general government, public safety, highways and streets, culture and recreation, etc.) or a business-type activity. Program revenues include 1) charges to customers for applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operation or capital requirements of a particular function or activity. Taxes and other items not properly included among program revenues are reported as general revenues. The City does not allocate indirect expenses. The operating grants include operating - specific and discretionary (either operating or capital) grants while the capital grants column reflects capital - specific grants and contributions.

City of Ranson, West Virginia
NOTES TO THE FINANCIAL STATEMENTS (continued)
June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government-wide and Fund Financial Statements (continued)

In the fund financial statements, financial transactions and accounts of the City are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The fund statements are presented on a current financial resources and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented which briefly explains the adjustments necessary to reconcile the fund financial statements to the governmental column of the government-wide financial statements.

The emphasis in fund financial statements is on major funds in the governmental categories. Non-major funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental categories combined) for the determination of major funds.

City management may electively add funds as major funds, when it is determined the funds have specific community or management focus.

The following is a brief description of the specific funds used by the City:

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental funds are reported using the current financial resource 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 collected within a current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within sixty days of the end of the current fiscal year. 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.

General Fund

The general fund is the primary operating fund of the City. This fund is used to account for all financial transactions and resources except those required to be accounted for in another fund. Revenues are derived primarily from property and other local taxes, state and federal distributions, licenses, permits, charges for service and interest income.

Special Revenue Funds

Special revenue funds account for revenue derived from specific sources (other than major capital projects) that are restricted by legal and regulatory provisions to finance specific activities. Special revenue funds considered to be major funds consist of the Coal Severance and Capital Improvement funds.

City of Ranson, West Virginia
NOTES TO THE FINANCIAL STATEMENTS (continued)
June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government-wide and Fund Financial Statements (continued)

Proprietary Funds

Proprietary funds are used to account for operations that are financed in a manner similar to private business enterprises where the intent is that the cost of providing goods and services to the general public, on a continuing basis, be financed or recovered primarily through user charges. The City's proprietary fund accounts for the operation of sewer activities.

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using the current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet in the funds statements. Long-term assets and long-term liabilities are included in the government-wide statements. Operating statements of the governmental funds present increases (i.e. revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The government-wide statement of net position and statement of activities and all proprietary funds are accounted for on a flow of economic resources measurement focus.

The statement of net position, statement of activities, and financial statements of the proprietary fund are presented on the accrual basis of accounting. Under this method of accounting, revenues are recognized when earned, and expenses are recorded when liabilities are incurred without regard to receipt or disbursement of cash.

Budgets and Budgetary Accounting

All municipalities within West Virginia are required by statute to prepare annual budgets (levy estimates) on prescribed forms and submit these for approval to the State Tax Commissioner. These budgets are prepared in accordance with the following procedures:

1. The governing body of the City is required to hold a meeting or meetings between the seventh and twenty-eighth days of March to ascertain the financial condition of the City and to prepare the levy estimate (budget) for the fiscal year commencing July 1.
2. The budget is then forthwith submitted to the State Tax Commissioner for approval.
3. The governing body then reconvenes on the third Tuesday in April to hear objections from the public and to formally lay the levy.

The annual budget for the General Fund is prepared on a basis generally consistent with U.S. generally accepted accounting principles.

Revisions are authorized only with the prior written approval of the West Virginia State Auditor's office. The budgeted amounts reflected in the accompanying financial statements represent those adopted by the City's Council and approved by the West Virginia State Auditor's office.

City of Ranson, West Virginia
NOTES TO THE FINANCIAL STATEMENTS (continued)
June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Encumbrances

Encumbrance accounting, under which purchase orders are issued but are not considered expenditures until liabilities for payments are incurred, is not employed as an extension of the formal budgetary process.

Customer Receivables

The City uses the reserve method of providing for possible losses in the collection of its accounts receivable. Management believes all accounts are materially collectible and no allowance is necessary for the year ended June 30, 2015.

Inventories

The City considers inventories of materials and supplies as expended at the time of purchase. Therefore, they do not appear in the City's financial statements.

Restricted Cash

Restricted cash of the Primary Government consists of development bond funds that will be repaid as phases of the related development project are completed unless developer default occurs. These funds had an outstanding balance of \$110,945 at June 30, 2015.

Restricted cash of the Building Commission consists of construction funds which are restricted by debt covenants to construction of city improvements. Restricted cash of the Building Commission amounted to \$54,610 at June 30, 2015.

Capital Assets

Capital outlays are recorded as expenditures of the general and special revenue funds and as assets in the government-wide financial statements to the extent the City's capitalization threshold of \$5,000 is met. Depreciation is recorded on general fixed assets on a government-wide basis using the straight-line method and the following estimated useful lives:

Buildings	25-40 years
Improvements	10-40 years
Equipment/Software	3-10 years

To the extent that the City's capitalization threshold of \$5,000 is met, capital outlays of the proprietary funds are recorded as fixed assets and depreciated over their estimated useful lives on both the fund basis and the government-wide basis using the straight-line method and the following estimated useful lives:

Buildings	25-40 years
Improvements	10-40 years
Utility Plant	10-50 years
Equipment	3-10 years

All fixed assets are valued at historical cost or estimated historical cost if actual cost was not available. Donated fixed assets are valued at their estimated fair market value on the date donated.

City of Ranson, West Virginia
NOTES TO THE FINANCIAL STATEMENTS (continued)
June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets (continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of net position and or balance sheets 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 no deferred outflows of resources.

In addition to liabilities, the statements of net position and or balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City's only deferred inflow of resources is for unavailable property taxes as reported in the governmental funds balance sheet.

Capitalized Interest

The City capitalizes net interest costs as part of constructing various projects when material. There was no capitalized interest for the year ended June 30, 2015.

Compensated Absences

The City's policy is to permit employees to accumulate earned but unused vacation benefits. The City fully recognizes the liability related to compensated absences in the government-wide financial statements and proprietary fund financial statements.

Interfund/Associated Entity Charges

The City allocates to the Sewer Fund, the Parks and Recreation component unit, and the Convention and Visitor's Bureau component unit certain costs that are paid out of the General Fund. These costs are billed on a periodic basis to the applicable fund or component units.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets, liabilities, revenues, and expenses. Actual results could differ from those estimates.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental/business type activities.

City of Ranson, West Virginia
NOTES TO THE FINANCIAL STATEMENTS (continued)
June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Balances

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies governmental fund balances within the following categories: Nonspendable fund balance, which includes amounts that cannot be spent because it is not in spendable form; restricted fund balance, which includes amounts constrained for specific purposes that are externally imposed by the resource providers; committed fund balance, which includes amounts constrained for specific purposes that are internally imposed through formal action of the City Council; assigned fund balance, which includes amounts intended to be used for specific purposes that are neither restricted or committed, however, assigned by non-formal action by City Council or finance department; and unassigned fund balance, which is the residual classification for amounts in the general fund that have not been classified within the other categories.

Net Position

Net investment in capital assets - This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvements of the assets.

Restricted net position - This amount is restricted by external creditors, grantors, contributors, laws or regulations of other governments.

Unrestricted net position - This amount is all net position that does not meet the definition of "net investment in capital assets" or "restricted net position."

Statement of Cash Flows

For purposes of the statement of cash flows, all highly liquid investments (including restricted assets) with a maturity of 3 months or less when purchased are considered to be cash equivalents.

NOTE 2: PROPERTY TAXES

The taxes on real property and the interest and other charges upon such taxes attach as an enforceable lien on the first day of July. There is no lien denominated as such on personal property. However, statutes provide that the sheriff of a county may distrain for delinquent taxes any goods and chattels belonging to a person assessed. All current taxes assessed on real and personal property may be paid in two installments: the first installment is payable on September first of the year for which the assessment is made and becomes delinquent on October first; the second installment is payable on the first day of the following March and becomes delinquent on April first. Taxes paid on or before the date when they are due, including both first and second installments, are subject to a discount of two and one-half percent. If taxes are not paid on or before the date on which they become delinquent, including both first and second installments, interest at the rate of nine percent per annum is added from the date they become delinquent until paid.

City of Ranson, West Virginia
NOTES TO THE FINANCIAL STATEMENTS (continued)
 June 30, 2015

NOTE 2: PROPERTY TAXES (continued)

All municipalities within the state are authorized to levy taxes not in excess of the maximum levies per \$100 of assessed valuation. In addition, municipalities may provide for an election to lay an excess levy, the rates not to exceed fifty percent of such authorized maximum levies, provided that at least sixty percent of the voters cast ballots in favor of the excess levy.

The rates levied by the City per \$100 of assessed valuation for each class of property for the year ended June 30, 2015, were as follows:

<u>Class of Property</u>	<u>Assessed Valuations For Tax Purposes</u>	<u>Current Expense</u>
Class I	\$ -	12.50¢
Class II	\$ 95,831,400	25.00¢
Class IV	\$157,769,529	50.00¢

NOTE 3: CASH AND TEMPORARY INVESTMENTS

Cash and temporary investments represent amounts being held at banks and consist of the following accounts and amounts at June 30, 2015:

	<u>Primary Government</u>	<u>Component Units</u>
Unrestricted accounts		
Bank accounts	\$ 6,277,578	\$ 239,892
Certificate of deposit	118,298	-
	<hr/>	<hr/>
Total unrestricted accounts	<u>\$ 6,395,876</u>	<u>\$ 239,892</u>
Restricted accounts		
Development bond fund	\$ 110,945	\$ -
Construction fund	-	54,610
	<hr/>	<hr/>
Total restricted accounts	<u>\$ 110,945</u>	<u>\$ 54,610</u>

Municipalities are authorized by statute to provide excess funds to the Municipal Bond Commission for investment purposes, or to invest such funds in the following classes of securities: obligations of the United States or any agency thereof, certificates of deposit and repurchase agreements.

The market value of the above cash and temporary investments approximates cost at June 30, 2015.

City of Ranson, West Virginia
NOTES TO THE FINANCIAL STATEMENTS (continued)
 June 30, 2015

NOTE 4: COLLATERALIZATION OF DEPOSITS

The City maintains its cash accounts at financial institutions. City deposits held by financial institutions are insured up to \$250,000 at each financial institution by the Federal Deposit Insurance Corporation (FDIC). City deposits held at two financial institutions exceed the \$250,000 FDIC limit. At June 30, 2015, the carrying amount of the City deposits was \$6,801,323 and the bank balance was \$6,877,209. The bank balance of \$6,877,209 was covered by the Federal depository insurance or collateralized with securities held by the financial institutions.

NOTE 5: INTERNAL BALANCES, INTERFUND TRANSFERS AND DUE TO/FROM ASSOCIATED ENTITIES

The composition of internal balances as of June 30, 2015 is as follows:

Receivable Fund	Payable Fund	Amount
General	Sewer	\$ 2,683
Total		\$ 2,683

This balance represents timing differences due to routine advances between the City's General Fund and Sewer Fund. Internal receivables and payables are expected to be substantially extinguished on a quarterly basis.

Interfund transfers for the year ended June 30, 2015 are as follows:

Transferor Fund	Transferee Fund	Amount
Capital Improvement	General	\$ 1,436,514
DOT Tiger II	HUD Grant	50
HUD Grant	General	93
Total		\$ 1,436,657

The capital improvement fund transfers were made to fund capital asset purchases by the general fund.

City of Ranson, West Virginia
NOTES TO THE FINANCIAL STATEMENTS (continued)
June 30, 2015

NOTE 5: INTERNAL BALANCES, INTERFUND TRANSFERS AND DUE TO/FROM ASSOCIATED ENTITIES (continued)

Amounts due to/from associated entities at June 30, 2015 are as follows:

Due To	Due From	Amount
Convention and Visitors Bureau	General	\$ 108,075
Parks and Recreation	General	101,601
Total		\$ 209,676

The associated entity balances were extinguished during the year ended June 30, 2015.

NOTE 6: CHANGES IN CAPITAL ASSETS

The following is a summary of the changes in governmental and business-type capital assets:

	Balance at June 30, 2014	Additions	Disposals	Balance at June 30, 2015
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 211,767	\$ 520,165	\$ -	\$ 731,932
Construction in progress	1,019,313	601,942	-	1,621,255
Total capital assets not being depreciated	1,231,080	1,122,107	-	2,353,187
Capital assets being depreciated:				
Leasehold improvements	788,297	19,515	-	807,812
Roads	2,668,816	27,069	-	2,695,885
Equipment	890,669	137,376	-	1,028,045
Software	217,029	-	-	217,029
Vehicles	1,118,124	120,785	-	1,238,909
Total	5,682,935	304,745	-	5,987,680
Less: Accumulated depreciation	(2,260,896)	(347,991)	-	(2,608,887)
Capital assets being depreciated, net	3,422,039	(43,246)	-	3,378,793
Total governmental activities capital assets	\$ 4,653,119	\$1,078,861	\$ -	\$ 5,731,980

City of Ranson, West Virginia
NOTES TO THE FINANCIAL STATEMENTS (continued)
June 30, 2015

NOTE 6: CHANGES IN CAPITAL ASSETS (Continued)

Depreciation was charged to functions as follows:

Governmental activities	
General government	\$ 73,958
Public safety	63,358
Highways and streets	173,158
Culture and recreation	<u>31,517</u>
 Total governmental activities depreciation expense	 <u><u>\$ 347,991</u></u>

	<u>Balance at</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance at</u> <u>June 30, 2015</u>
Business-Type Activities				
Capital assets not being depreciated:				
Construction in progress	\$ -	\$ 39,413	\$ -	\$ 39,413
Capital assets being depreciated:				
Utility plant in service	2,087,407	-	-	2,087,407
Less:				
Accumulated depreciation	<u>(1,179,219)</u>	<u>(50,594)</u>	<u>-</u>	<u>(1,229,813)</u>
Total business-type activities capital assets	<u><u>\$ 908,188</u></u>	<u><u>\$ (11,181)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 897,007</u></u>

Depreciation was charged to functions as follows:

Business-type activities	
Sewer	<u>\$ 50,594</u>
 Total business-type activities depreciation expense	 <u><u>\$ 50,594</u></u>

City of Ranson, West Virginia
NOTES TO THE FINANCIAL STATEMENTS (continued)
 June 30, 2015

NOTE 7: CAPITAL IMPROVEMENT FUND DEVELOPER BOND

The City obtained the proceeds of a developer bond in the amount of \$288,904 which is to be refunded as certain phases of the Wild Rose development project are completed. The City has expended \$178,903 as of June 30, 2015. The outstanding balance held at June 30, 2015, was \$110,945 including interest of \$944.

NOTE 8: LONG-TERM DEBT

Lease Revenue Bond Payable Ranson Building Commission (Component Unit)

Series 2008 City of Ranson Building Commission Lease Revenue Improvement and Refunding Bonds in the original amount of \$2,500,000 with an outstanding balance of \$1,517,303 at June 30, 2015. The bond bears interest at 3.2684% and matures in 2023.

Scheduled maturities of the bonds for years succeeding June 30, 2015 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 169,120	\$ 47,067	\$ 216,187
2017	174,731	41,456	216,187
2018	180,527	35,660	216,187
2019	186,516	29,671	216,187
2020	192,703	23,484	216,187
2021-2023	<u>613,706</u>	<u>31,201</u>	<u>644,907</u>
Total	\$ <u>1,517,303</u>	\$ <u>208,539</u>	\$ <u>1,725,842</u>

Bond debt service is payable solely from lease rental payments pursuant to an agreement and lease between the Building Commission and the City. Lease rentals are subject to annual appropriation by the City. The bonds are secured by a lease assignment and deed of trust.

Changes in the Building Commission long-term debt for the year ended June 30, 2015 was as follows:

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance</u> <u>June 30, 2015</u>	<u>Due Within</u> <u>One Year</u>
2008 Bond	\$ 1,680,216	\$ -	\$162,913	\$ 1,517,303	\$169,120

City of Ranson, West Virginia
NOTES TO THE FINANCIAL STATEMENTS (continued)
 June 30, 2015

NOTE 9: LEASE AGREEMENTS

Operating Lease

The City and the Building Commission entered into Leases whereby the City leases from the Building Commission certain improved real estate in consideration for the issuance by the Building Commission of Lease Revenue Bonds.

The lease term corresponds to the related bond terms. The City has pledged to pay lease rentals to the Building Commission consisting of amounts sufficient to promptly pay principal and interest due on the Building Commission's Lease Revenue Bonds, Series 2008. The City is responsible for all operation and maintenance costs associated with the leased property.

Capital Lease

The City of Ranson leases a backhoe under a capital lease expiring January 23, 2019. The lease was entered into on January 23, 2014, and requires annual lease payments of \$16,287. The assets and liabilities under the capital lease are recorded at the present value of the minimum lease payments, which amounts to \$76,745.

The lease obligation is secured by the leased equipment. Depreciation of assets under capital lease is included in depreciation expense for the year ended June 30, 2015.

Estimated minimum future lease payments under the capital lease as of June 30, 2015 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 15,041	\$ 1,246	\$ 16,287
2017	15,343	944	16,287
2018	15,651	636	16,287
2019	<u>15,966</u>	<u>321</u>	<u>16,287</u>
Total	\$ <u>62,001</u>	\$ <u>3,147</u>	\$ <u>65,148</u>

NOTE 10: EMPLOYEES' RETIREMENT SYSTEM

The City has established a combined 401/457 retirement plan. All full time employees are eligible to participate in the plan. The City makes a contribution to the plan equal to 5% of eligible employee compensation. In addition, the City matches employee contributions to the plan up to 5% of eligible compensation. The City's contribution for the years ended June 30, 2015, 2014 and 2013 were \$137,755, \$144,404 and \$135,804, respectively.

City of Ranson, West Virginia
NOTES TO THE FINANCIAL STATEMENTS (continued)
 June 30, 2015

NOTE 11: CONTINGENCIES

Litigation

The City is routinely a party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material adverse impact on the affected funds of the City, when considered in relation to insurance coverage in force.

Federal and State Grants

In the normal course of operations, the City receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.

NOTE 12: CUSTOMER ADVANCES FOR CONSTRUCTION

Certain customers of City sewer service routinely advance and contribute funds to offset the costs of construction of sewer utility plant. Certain amounts are passed-through to a developer in consideration for the developer's construction of a sewer pumping station. The amount due this developer at June 30, 2015 amounted to \$11,375.

NOTE 13: 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 governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

<u>Fund Balance</u>	<u>General</u>	<u>Coal Severance</u>	<u>Capital Improvement</u>
Committed for:			
Capital outlays	\$ -	\$ -	\$ 919,026
Assigned for:			
Carryover in fiscal year 2016 budget	5,275,221	-	-
Streets and transportation operations/capital outlay	-	176,554	-
	<hr/>	<hr/>	<hr/>
Total fund balance	<u>\$ 5,275,221</u>	<u>\$ 176,554</u>	<u>\$ 919,026</u>

City of Ranson, West Virginia
NOTES TO THE FINANCIAL STATEMENTS (continued)
 June 30, 2015

NOTE 14: PRIOR PERIOD ADJUSTMENTS

The amount of general fund accrued salaries and wages was corrected at June 30, 2014. In addition, the June 30, 2014 fund balance of the municipal stabilization fund was consolidated into the general fund. The following prior period adjustments were made for these items:

	Municipal Stabilization Fund	General Fund	Governmental Activities
Beginning fund balance/net position, as originally stated	\$ 1,023,640	\$ 2,717,964	\$ 10,642,540
Consolidation of fund balance at June 30, 2014	(1,023,640)	1,023,640	-
Correction of accrued salaries and wages at June 20, 2014	-	124,595	124,595
Beginning fund balance/net position, as restated	<u>\$ -</u>	<u>\$ 3,866,199</u>	<u>\$ 10,767,135</u>

NOTE 15: CHANGE IN ACCOUNTING PRINCIPLES

For fiscal year 2015, the City implemented Governmental Accounting Standard Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27", GASB Statement No. 69, "Government Combinations and Disposals of Government Operations", GASB Statement 70, "Accounting and Financial Reporting for Nonexchange Financial Guarantees" and GASB Statement No. 70, "Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68".

GASB Statement No. 68 improves the accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The implementation of GASB Statement No. 68 did not have an effect on the financial statements of the City.

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

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

GASB Statement No. 71 improves the accounting and financial reporting by addressing an issue in GASB Statement No. 68, concerning transition provisions related to certain pension contributions made to defined benefit pension plans prior to implementation of that Statement by employers and nonemployer contributing entities. The implementation of GASB Statement No. 71 did not have an effect on the financial statements of the City.

REQUIRED SUPPLEMENTARY INFORMATION

City of Ranson, West Virginia
**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND**
For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Favorable (Unfavorable)
REVENUES				
Taxes (including interest and penalties):				
General property tax	\$ 942,052	\$ 942,052	\$ 983,024	\$ 40,972
Business and occupation tax	1,200,000	1,300,000	1,867,411	567,411
Alcoholic beverages tax	60,000	120,000	103,077	(16,923)
Utility services tax	160,000	160,000	171,195	11,195
Hotel/motel tax	200,000	340,000	386,455	46,455
Other taxes	2,000	8,000	9,304	1,304
Total taxes	2,564,052	2,870,052	3,520,466	650,414
Licenses, permits and miscellaneous fees	140,350	140,350	187,028	46,678
Intergovernmental:				
Federal	64,859	64,859	24,427	(40,432)
State	53,000	53,000	9,236	(43,764)
Other	30,000	30,000	-	(30,000)
Charges for services	360,000	360,000	445,004	85,004
Fines and forfeits	200,400	270,400	316,722	46,322
Franchise fees	30,000	30,000	15,016	(14,984)
Interest	10,000	10,000	4,175	(5,825)
Video lottery/table gaming	990,000	990,000	1,067,243	77,243
Reimbursements	15,000	35,000	33,429	(1,571)
Charges to other funds	180,000	180,000	123,633	(56,367)
Miscellaneous	61,900	119,900	28,152	(91,748)
Total revenues	4,699,561	5,153,561	5,774,531	620,970
EXPENDITURES				
General government	1,831,943	1,955,608	1,623,237	332,371
Public safety	1,335,353	1,516,613	1,414,719	101,894
Streets and transportation	876,573	4,009,973	2,011,814	1,998,159
Health and sanitation	360,000	380,000	370,864	9,136
Culture and recreation	200,000	340,000	381,482	(41,482)
Total expenditures	4,603,869	8,202,194	5,802,116	2,400,078
Excess (deficiency) of revenues over expenditures	95,692	(3,048,633)	(27,585)	3,021,048
Other financing sources (uses):				
Transfers in	-	2,680,000	1,436,607	(1,243,393)
Transfers out	(95,692)	(665,777)	-	665,777
Total other financing sources (uses)	(95,692)	2,014,223	1,436,607	(577,616)
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	-	(1,034,410)	1,409,022	2,443,432
Fund balance at beginning of year	-	2,058,050	3,866,199	1,808,149
Fund balance at end of year	\$ -	\$ 1,023,640	\$ 5,275,221	\$ 4,251,581

See the accompanying notes to the financial statements.

City of Ranson, West Virginia
**SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - COAL SEVERANCE TAX FUND**
For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Favorable (Unfavorable)
REVENUES				
Intergovernmental:				
State	\$ 6,000	\$ 6,000	\$ 14,903	\$ 8,903
Interest	-	-	166	166
Total revenues	<u>6,000</u>	<u>6,000</u>	<u>15,069</u>	<u>9,069</u>
EXPENDITURES				
Streets and transportation	<u>6,000</u>	<u>161,980</u>	<u>-</u>	<u>161,980</u>
Total expenditures	<u>6,000</u>	<u>161,980</u>	<u>-</u>	<u>161,980</u>
Excess (deficiency) of revenues over expenditures	-	(155,980)	15,069	171,049
Fund balance at beginning of year	<u>-</u>	<u>155,980</u>	<u>161,485</u>	<u>5,505</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 176,554</u>	<u>\$ 176,554</u>

See the accompanying notes to the financial statements.

OTHER SUPPLEMENTARY INFORMATION

City of Ranson - West Virginia
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2015

	DOT Tiger II Fund	HUD Grant Fund	Totals
ASSETS			
Cash	\$ -	\$ -	\$ -
Receivables, net of allowances:			
Grants	-	-	-
State allocation	-	-	-
Due from:			
Other funds	-	-	-
	-	-	-
Total assets	\$ -	\$ -	\$ -
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	-	-	-
Other accrued expenses	-	-	-
	-	-	-
Total liabilities	-	-	-
Fund balances:			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
	-	-	-
Total fund balances	-	-	-
Total liabilities and fund balances	\$ -	\$ -	\$ -

City of Ranson, West Virginia
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS**
For the Year Ended June 30, 2015

	DOT Tiger II Fund	HUD Grant Fund	Totals
REVENUES			
Intergovernmental:			
Federal	\$ -	\$ -	\$ -
State	-	-	-
Interest	-	-	-
Other	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
General government	-	7	7
Public safety	-	-	-
Streets and transportation	-	-	-
Sanitation	-	-	-
Culture and recreation	-	-	-
Total expenditures	<u>-</u>	<u>7</u>	<u>7</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(7)</u>	<u>(7)</u>
Other financing sources (uses):			
Transfers in	-	50	50
Transfers out	(50)	(93)	(143)
Total other financing sources (uses)	<u>(50)</u>	<u>(43)</u>	<u>(93)</u>
Net change in fund balance	(50)	(50)	(100)
Fund balance at beginning of year	<u>50</u>	<u>50</u>	<u>100</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>



428 Second St.
Marietta, OH 45750
740.373.0056

1035 Murdoch Ave.
Parkersburg, WV 26101
304.422.2203

104 South Sugar St.
St. Clairsville, OH 43950
740.695.1569

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

March 7, 2016

City of Ranson
Jefferson County
312 South Mildred Street
Ranson, WV 25438

To the Members of Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **City of Ranson**, Jefferson County, (the City) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 7, 2016.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.



...“bringing more to the table”

Tax – Accounting – Audit – Review – Compilation – Agreed Upon Procedure – Consultation – Bookkeeping – Payroll
Litigation Support – Financial Investigations

Members: American Institute of Certified Public Accountants

• Ohio Society of CPAs • West Virginia Society of CPAs • Association of Certified Fraud Examiners •

• Association of Certified Anti - Money Laundering Specialists •



Compliance and Other Matters

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

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio