



Dave Yost • Auditor of State

CITY OF BLUE ASH
HAMILTON COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report	Under separate cover
Prepared by Management:	
Comprehensive Annual Financial Report	Under separate cover
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	1

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Dave Yost • Auditor of State

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

City of Blue Ash
Hamilton County
4343 Cooper Road
Blue Ash, Ohio 45242

To the City 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, each major fund, and the aggregate remaining fund information of the City of Blue Ash, Hamilton County, Ohio (the City) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 27, 2018.

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.

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*.

City of Blue Ash

Corporate Centre of Blue Ash, 11117 Kenwood Road, Blue Ash, Ohio 45242

Phone: 513-361-8550 or 800-368-7419 Fax: 513-361-8577

www.ohioauditor.gov

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 report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

Columbus, Ohio

June 27, 2018



2017 Comprehensive Annual Financial Report



City of Blue Ash, Ohio

Fiscal Year Ended

December 31, 2017



On the Cover:

Municipal & Safety Center

North Fire Station

Cooper Creek Event Center (rear)

Recreation Center

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2017

Prepared by the Finance Department

Amy Moore
Finance Officer



TABLE OF CONTENTS

CITY OF BLUE ASH
HAMILTON COUNTY, OHIO

I INTRODUCTORY SECTION

A Letter of Transmittalv
B List of Principal Officialsxi
C City Organizational Chartxii
D Certificate of Achievement for Excellence in Financial Reporting.....xiii

II FINANCIAL SECTION

A Independent Auditor’s Report..... 1
B Management’s Discussion and Analysis.....5
C Basic Financial Statements:
 Government-wide Financial Statements:
 Statement of Net Position16
 Statement of Activities 18
 Fund Financial Statements:
 Governmental Funds:
 Balance Sheet20
 Reconciliation of Total Governmental Fund Balances to Net Position of
 Governmental Activities.....22
 Statement of Revenues, Expenditures and Changes in Fund Balances24
 Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances to the Statement of Activities.....26
 Statement of Revenues, Expenditures and Changes in Fund Balance-
 Budget and Actual (Non-GAAP Budgetary Basis):
 General Fund27
 Street Construction, Maintenance and Repair Fund28
 Park and Recreation Fund.....29
 Proprietary Funds:
 Statement of Net Position30
 Statement of Revenues, Expenses and Changes in Fund Net Position.....31
 Statement of Cash Flows32
 Fiduciary Funds:
 Statement of Assets and Liabilities.....33
Notes to the Basic Financial Statements.....34

D Required Supplemental Information:

Schedule of the City’s Proportionate Share of the Net
Pension Liability.....81
Schedule of City Contributions82

E Combining and Individual Fund Statements and Schedules:

Nonmajor Governmental Financial Statements:

Combining Balance Sheet.....86
Combining Statement of Revenues, Expenditures and Changes in Fund
Balances.....87
Combining Balance Sheet – Nonmajor Special Revenue Funds88
Combining Statement of Revenues, Expenditures and Changes in Fund
Balances – Nonmajor Special Revenue Funds92
Combining Balance Sheet – Nonmajor Debt Service Funds96
Combining Statement of Revenues, Expenditures and Changes in Fund
Balances – Nonmajor Debt Service Funds97
Combining Balance Sheet – Nonmajor Capital Projects Funds98
Combining Statement of Revenues, Expenditures and Changes in Fund
Balances – Nonmajor Capital Projects Funds.....99

Individual Schedules of Revenues, Expenditures and Changes
in Fund Balance- Budget and Actual (Non-GAAP Budgetary Basis):

Major Governmental Funds:

General Fund100
Street Construction, Maintenance and Repair Fund103
Park and Recreation Fund.....104

Debt Service Fund:

General Obligation Bond Retirement Fund.....105

Capital Projects Fund:

Summit Park Fund.....106

Nonmajor Governmental Funds:

Special Revenue Funds:

Municipal Motor Vehicle License Tax Fund	107
State Highway Fund	108
Plainfield Road TIF Fund.....	109
Osborne Area Improvement TIF Fund	110
Forest TIF Fund.....	111
Shell TIF Fund.....	112
Hills Development TIF Fund.....	113
Michelman TIF Fund.....	114
Law Enforcement Assistance Fund	115
Federal Law Enforcement Fund	116
State Law Enforcement Fund	117
Operating a Vehicle Intoxicated (OVI) Task Force Fund	118
Drug Law Enforcement Fund.....	119
Education Enforcement (DUI) Fund	120
Police Grant Fund.....	121
Law Enforcement Liaison Fund	122

Debt Service Funds:

Tax Increment Financing (TIF) Carver Road Bond Retirement Fund	123
TIF Reed Hartman Highway/Osborne Road Fund.....	124

Capital Projects Funds:

Park Road Improvements Fund	125
Summit Park Restaurant Pavilion Fund	126

Fiduciary Funds – Agency Fund:

Combining Statement of Changes in Assets and Liabilities	128
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III

STATISTICAL SECTION

Net Position by Component - Last Ten Years S 2

Changes in Net Position - Last Ten Years S 4

Fund Balances, Governmental Funds - Last Ten Years..... S 8

Changes in Fund Balances, Governmental Funds - Last Ten Years..... S 10

Income Tax Revenues by Source, Governmental Funds - Last Ten Years S 14

Income Tax Statistics - Current Year and Nine Years Ago S 17

Ratio of Outstanding Debt By Type - Last Ten Years..... S 18

Ratios of General Bonded Debt Outstanding - Last Ten Years S 20

Computation of Direct and Overlapping Debt Attributable to
Governmental Activities - Current Year S 23

Debt Limitations - Last Ten Years..... S 24

Pledged Revenue Coverage – Last Ten Years S 26

Demographic and Economic Statistics - Last Ten Years..... S 28

Principal Employers - Current Year and Nine Years Ago S 31

Full Time Equivalent Employees by Function - Last Ten Years..... S 32

Operating Indicators by Function - Last Ten Years..... S 34

Capital Asset Statistics by Function - Last Ten Years..... S 36



Introductory Section





On the Introductory Section Divider:

Wading Pool

Historic Hunt House

Entry Sign

Tulips at Cooper Creek Event Center



CITY OF BLUE ASH

4343 Cooper Road • Blue Ash, Ohio 45242
David M. Waltz, City Manager

phone (513) 745-8500
www.blueash.com

fax (513)-745-8594

June 27, 2018

To The Council and The Citizens of the City of Blue Ash, Ohio:

Submitted for your review is the Comprehensive Annual Financial Report (CAFR) of the City of Blue Ash, (the City) for the year ended December 31, 2017. It represents the City's commitment to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operation of the City; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been presented.

This CAFR was prepared in accordance with accounting principles generally accepted in the United States of America as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources.

This letter should be read in conjunction with the Management Discussion and Analysis (MD&A) that can be found immediately following the Independent Auditor's Report.

THE CITY OF BLUE ASH

The City of Blue Ash is a vibrant Ohio community located twelve miles northeast of Cincinnati. Its 7.7 square mile area serves a residential population of 12,114 (2010 Census) and an estimated daytime population of nearly 53,000. In 2017, approximately 2,300 businesses and organizations were located in Blue Ash. Blue Ash is a balanced community with approximately 35% of the area designated for residential use; approximately 35% for industrial and commercial use; and the remaining 30% used for municipal, educational, and limited agricultural purposes. Blue Ash was settled in 1791, incorporated as a village in 1955 and became a City in 1961. Blue Ash is a home-rule City with a Council/Manager form of government. The City's responsibilities and structure are outlined in the City Charter, which was adopted by residents in 1961 and was amended in 2006 for the passage of an earnings tax rate increase intended for major capital improvements. The Charter was recently amended in 2017 to bring the City in-line with other communities by passing several general updates with the most significant being changes to Council terms and elections.

The legislative body of Blue Ash consists of a seven-member Council, five of whom are elected by Ward, and two of whom are elected At-Large. Council chooses the Mayor and Vice Mayor among its members. For 2016 and prior, all seven members were elected on a partisan basis for two-year terms. Under the amended Charter, Council is elected on a non-partisan basis for four-year staggered terms.

***Letter of Transmittal
For the Year Ended December 31, 2017***

The City Council appoints a City Manager, a Solicitor, and a Clerk of Council. The City Manager is responsible for appointing all administrative staff. The City provides the following municipal services: police, fire and emergency services, street construction and maintenance, planning and zoning services, economic development, storm water management, residential waste collection, pool and recreational facilities, championship golf course and event center, parks and a 37 acre sports complex.

ECONOMIC CONDITIONS AND OUTLOOK

Since the City's earliest days, citizens and City council recognized, and respected, the role played by a stable and growing business presence in the town. Business contributes to a significant market valuation that supports the local school district via property tax payments.

Such awareness is reflected in Blue Ash's past and current posture regarding business retention and attraction. Council and the Administration are strong supporters of investing in economic development and continuing to provide a broad array of governmental services which makes Blue Ash a good location in which to own or operate a business. The City's long term focus on making the town business-friendly, with strong safety services, an aggressive program of investing in traffic flow improvements and quality recreational options, all contribute to a solid and diverse business base.

Perhaps the most useful measure of the economic climate or status of Blue Ash lies in a review or recap of earnings tax collections – the City's primary source of recurring annual revenue. Total gross cash basis earnings tax collections are shown below:

2013	33,947,202
2014	34,788,642
2015	35,145,404
2016	35,864,610
2017	36,066,950
2018	35,400,000 (expected)

Such an outcome, given economic conditions, reflects well on the strength of Blue Ash's business base and confirms that the City still remains a strong complement to the economic resources within Hamilton County, Ohio.

Administration and Council remain focused on monitoring the impact of the economy upon the maintenance of general fund reserves, the provision of quality services and in planning for the possible economic changes. Accomplishing this objective will entail ongoing review of the services offered, further efficiency and monitoring/reductions in operating costs, ranking of capital purchases and projects, and further investment in economic development.

***Letter of Transmittal
For the Year Ended December 31, 2017***

MAJOR INITIATIVES

The City's annual objectives or initiatives, for any given year, are carefully planned paying close attention to changing economic conditions, operational outcomes, the awareness to preserve fund balance, and the overall value added to the wide array of government services Blue Ash already offers to its residents and businesses. Major projects or initiatives for 2017 included:

- Construction continued in 2017 on the City's 130-acre multi-use Summit Park development. The Master Plan for the park completed in 2012 included significant planning, design, and engineering efforts. Phase I of this multi-phase park construction included extensive earthwork, utility infrastructure, water management, great lawn, one-acre playground, walking paths, and landscaping. In 2016 the City completed Phase II which added new amenities such as a multi-purpose community building, a 9,400 square-foot restaurant pavilion connected by a unique glass canopy, and an events and performance stage. The final major construction phase of Summit Park began in 2016 and its completion is expected in the summer of 2018. This final phase will consist of pond and waterway restoration, bridges/docks, a natural play area, and the construction of an observation tower that will serve as the focal point of the park.
- Administration continued working with developers on a mixed-use development plan for the 98-acre site adjacent to the City's newly constructed Summit Park. The proposed mixed-use development plan called the "Neighborhoods at Summit Park" includes corporate headquarters, Class A office space, high-end apartments, 100 single-family detached homes, restaurant and retail space, and one or two hotels. As part of Phase I, the single-family community called the Daventry began construction in 2017. It is estimated that Phase I will bring \$117 million of private investment and tax incremental financing proceeds from that investment will fund approximately \$12 million of public improvements.
- Major road improvements included the extension of Malsbary Road to connect to Kenwood Road, a round-about intersection at Malsbary and Alliance, and the construction of a new roadway connecting Malsbary Road to Cooper Road. The City was awarded transportation and economic development grants totaling approximately \$400,000 to complete this project which is expected to improve traffic flow between Kenwood Road and Reed Hartman Highway and encourage future development.
- Following Council's 2015 approval of a new Comprehensive Land Use Plan, staff began working on an update to the City's Zoning Code. The entire Zoning Code was re-written to better reflect development realities and current market conditions. Effective in March 2017, the updates included definitions and approval processes, new architectural standards, and zoning district changes.

***Letter of Transmittal
For the Year Ended December 31, 2017***

THE FUTURE

The outlook for the future of the City remains favorable. Although economic factors may change, earnings tax collections are stable, and investment continues in economic development in both business retention and attraction. City Council and Administration recognize the importance of a regional approach to economic and community development by combining efforts with both the Regional Economic Development Initiative and the Cincinnati USA Regional Chamber.

Blue Ash has credited its success to progressive planning efforts. In continuing this endeavor, the 2015 Comprehensive Land Use Plan and the 2017 Zoning Code update was crafted to ensure that future development and redevelopment are in line with current trends. With an eye toward creating an environment where businesses thrive, the next phase of development in Blue Ash will include connected, mixed-use campuses where people work, live, and recreate. Such spaces are attractive to millennials and empty nesters alike – providing a future employment base and options for aging in place.

The City remains focused on operational performance and continues to work toward fiscal sustainability by reviewing costs, searching for efficiencies, succession planning, and the prioritization of capital projects and purchases.

The foundation which the City of Blue Ash was based upon, and which it has grown and flourished under, will remain the framework around Blue Ash's future. While the City will respond, adjust, and react to the economic challenges and changes in the business environment, Council and the City Administration will remain true to those core values that have served the community well for so many years.

FINANCIAL INFORMATION

Internal and Budgetary Controls

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

1. The City's assets are protected against loss and unauthorized use or disposition.
2. Reliable financial reports for preparing financial statements and providing accountability for assets are maintained.

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

1. The expense associated with providing the internal controls should not exceed the benefits likely to be derived from their implementation.
2. The evaluation of the offsetting costs and benefits involves estimates and judgment by the City Administration and the Finance Department.

***Letter of Transmittal
For the Year Ended December 31, 2017***

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

Budgetary control is maintained within the personal services, operating expense, contractual services, and capital outlay categories within each department through the encumbering of estimated purchase amounts prior to the release of formal purchase orders to vendors. Purchase order requisitions, which would result in an overrun above appropriated balances, are not approved until additional appropriations are made available via City Council approved resolutions amending the annual appropriations resolution. Open encumbrances as of December 31, 2017 are reported as assigned fund balance in the General Fund.

INDEPENDENT AUDIT

The City of Blue Ash contracted with the Auditor of the State of Ohio to audit the basic financial statements of the City. Their unmodified opinion has been included in this report.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Blue Ash, Ohio for its comprehensive annual financial report for the fiscal year ended December 31, 2016. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government finance reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Blue Ash has received a Certificate of Achievement for the last thirty consecutive years (fiscal years ended 1987-2016). We believe our current report will again meet the Certificate of Achievement program requirements, and it will be submitted to GFOA for consideration.

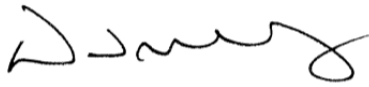
***Letter of Transmittal
For the Year Ended December 31, 2017***

ACKNOWLEDGMENTS

Sincere appreciation is extended to the many individuals who have worked diligently and contributed much time and effort in making this report possible.

Finally, special thanks to the members of City Council and the City Administration whose support is necessary for the City of Blue Ash to conform to reporting requirements established for municipal governments and to maintain the sound financial position that the City has enjoyed for many years.

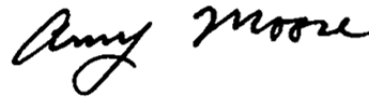
Respectfully submitted,



David M. Waltz
City Manager



Sherry L. Poppe, CPA
Treasurer/Administrative
Services Director



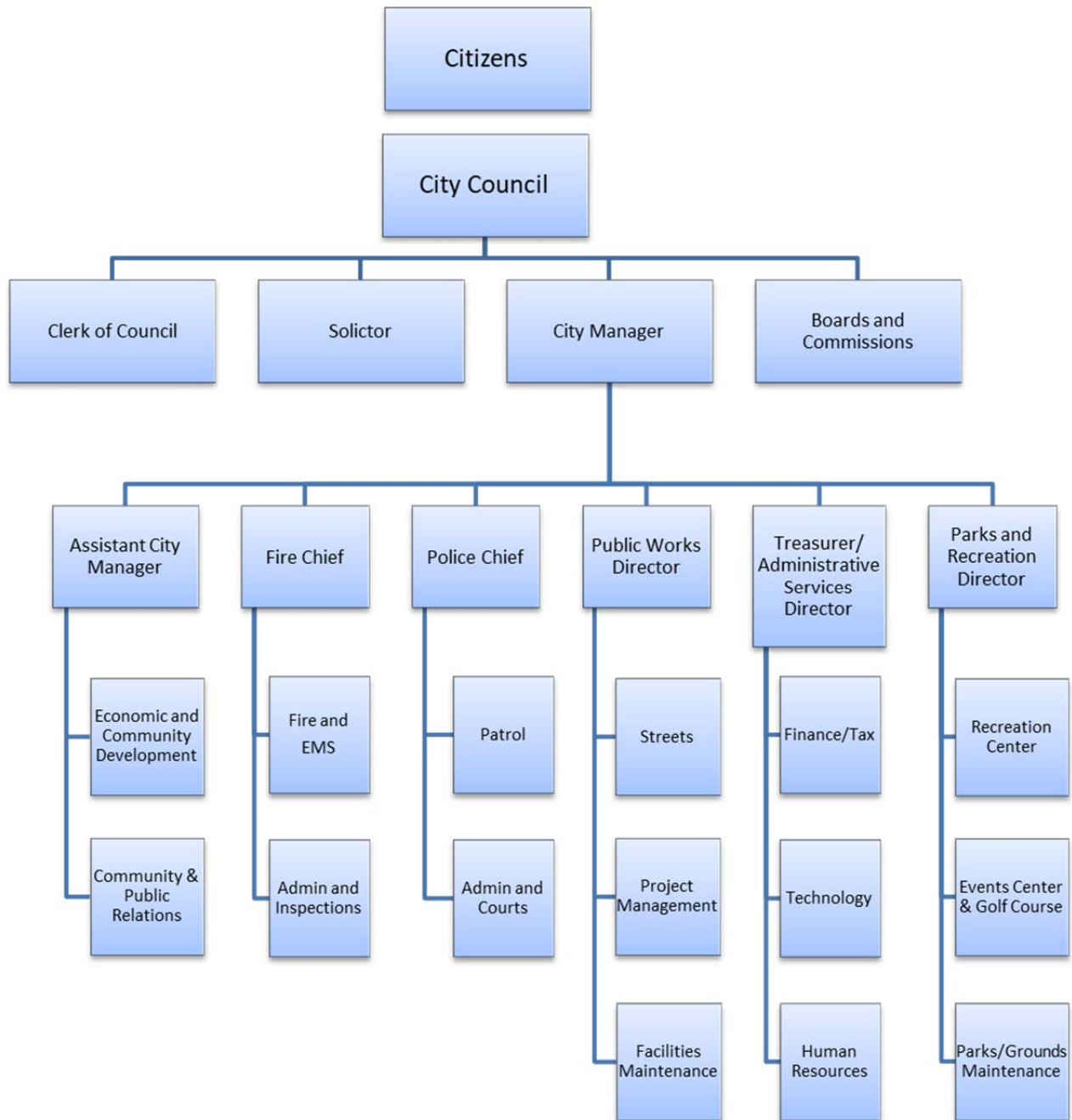
Amy Moore
Finance Officer

CITY OF BLUE ASH, OHIO

***List of Principal Officials
For the Year Ended December 31, 2017***

OFFICE HELD	NAME OF OFFICIAL
Administration:	
City Manager	David M. Waltz
Assistant City Manager	Kelly M. Harrington
Treasurer/Administrative Services Director	Sherry L. Poppe
Parks and Recreation Director	Charles D. Funk
Public Works Director	Gordon M. Perry
Fire Chief	Richard R. Brown
Police Chief	Paul W. Hartinger
City Council:	
Mayor, At Large	Thomas C. Adamec
Vice Mayor, Ward 5	Marc Sirkin
Ward 1	Linda Bauer
Ward 2	Joe Leet
Ward 3	Pramod Jhaveri
Ward 4	Jeff Capell
At Large	Lee Czerwonka
Solicitor	Bryan E. Pacheco
Clerk of Council	Jamie K. Eifert

**City Organizational Chart
For the Year Ended December 31, 2017**





Government Finance Officers Association

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

Presented to

**City of Blue Ash
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morrill

Executive Director/CEO





Financial Section





On the Financial Section Divider:

Veterans Memorial Park

Golf Cart at Blue Ash Golf Course

Playground at Summit Park

Tree Lined Street



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

City of Blue Ash
Hamilton County
4343 Cooper Road
Blue Ash, Ohio 45242

To the City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Blue Ash, Hamilton County, Ohio (the City), as of and for the year ended December 31, 2017, 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 such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Blue Ash, Hamilton County, Ohio, as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, Street Construction, Maintenance, and Repair; and Park and Recreation funds 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 schedules of net pension liabilities and pension contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

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

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

The statements and schedules are management's responsibility, and derives from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information 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, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2018, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

Columbus, Ohio

June 27, 2018



***Management's Discussion and Analysis
For the Year Ended December 31, 2017 Unaudited***

The discussion and analysis of the City of Blue Ash's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2017. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2017 are as follows:

- ❑ In total, net position increased \$3,295,447. Net position of governmental activities increased \$3,846,212, which represents a 3.5% increase from 2016. Net position of business-type activities decreased \$550,765 from 2016.
- ❑ General revenues accounted for \$42,172,554 in revenue or 85.3% of all revenues. Program specific revenues in the form of charges for services, grants and contributions accounted for \$7,289,202 or 14.7% of all revenues.
- ❑ The City had \$41,141,335 in expenses related to governmental activities; only \$3,348,670 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$42,172,554 were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$39,765,891 in revenues and \$42,351,873 in expenditures and other financing uses. The balance of the General Fund decreased by \$2,575,031 to \$41,236,101.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

***Management's Discussion and Analysis
For the Year Ended December 31, 2017 Unaudited***

Government-wide Statements

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

The two government-wide statements report the City's net position and how they have changed. Net position (the difference between the City's assets and liabilities) is one way to measure the City's financial health or position.

- Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or declining, respectively.
- To assess the overall health of the City the reader needs to consider additional nonfinancial factors such as the City's tax base and the condition of the City's capital assets.

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

- *Governmental Activities* – Most of the City's programs and services are reported here including security of persons and property, leisure time activities, community environment, transportation and general government.
- *Business-Type Activities* – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's golf course, clubhouse and event center is reported as a business type activity.

Fund Financial Statements

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

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

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

CITY OF BLUE ASH, OHIO

**Management’s Discussion and Analysis
For the Year Ended December 31, 2017 Unaudited**

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City’s own programs. All of the City’s fiduciary activities are reported in a separate Statement of Fiduciary Assets and Liabilities.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The following table provides a comparison of the City’s net position as of December 31, 2017 and 2016:

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$63,488,001	\$72,511,106	\$446,596	\$747,625	\$63,934,597	\$73,258,731
Capital assets, Net	142,652,783	129,016,606	11,660,314	11,726,377	154,313,097	140,742,983
Total assets	206,140,784	201,527,712	12,106,910	12,474,002	218,247,694	214,001,714
Deferred Outflows of Resources	7,392,665	7,144,358	706,542	557,751	8,099,207	7,702,109
Net Pension Liability	28,950,056	24,911,973	1,849,990	1,443,736	30,800,046	26,355,709
Long-term debt outstanding	62,136,119	67,346,589	100,814	206,703	62,236,933	67,553,292
Other liabilities	4,933,078	2,864,305	277,596	228,611	5,210,674	3,092,916
Total liabilities	96,019,253	95,122,867	2,228,400	1,879,050	98,247,653	97,001,917
Deferred Inflows of Resources	4,641,084	4,522,303	11,010	27,896	4,652,094	4,550,199
Net position						
Net investment in capital assets	86,769,015	75,165,978	11,597,689	11,602,415	98,366,704	86,768,393
Restricted	7,943,142	8,352,334	0	0	7,943,142	8,352,334
Unrestricted	18,160,955	25,508,588	(1,023,647)	(477,608)	17,137,308	25,030,980
Total net position	\$112,873,112	\$109,026,900	\$10,574,042	\$11,124,807	\$123,447,154	\$120,151,707

The adoption of GASB Statement 68, “Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27,” significantly revised accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City’s actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan’s net pension liability. GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio’s statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

***Management's Discussion and Analysis
For the Year Ended December 31, 2017 Unaudited***

Under the new standards required by GASB 68, the net pension liability equals the City's proportionate share of each plan's collective:

1. Present value of estimated future pension benefits attributable to active and inactive employees' past service
- 2 Minus plan assets available to pay these benefits

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system as against the public employer. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68, the City's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's change in net pension liability not accounted for as deferred inflows/outflows.

CITY OF BLUE ASH, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2017 Unaudited**

Changes in Net position – The following table shows the changes in net position for fiscal year 2017 and 2016:

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues						
Program revenues:						
Charges for Services and Sales	\$1,879,824	\$2,287,018	\$3,940,532	\$4,020,511	\$5,820,356	\$6,307,529
Operating Grants and Contributions	1,406,746	1,053,207	0	0	1,406,746	1,053,207
Capital Grants and Contributions	62,100	245,100	0	237,000	62,100	482,100
General revenues:						
Income Taxes	34,094,570	34,167,742	0	0	34,094,570	34,167,742
Property Taxes	4,629,990	4,134,982	0	0	4,629,990	4,134,982
Other Local Taxes	1,233,405	1,197,802	0	0	1,233,405	1,197,802
Grants and Entitlements not Restricted to Specific Programs	542,579	648,002	0	0	542,579	648,002
Investment Earnings	400,832	243,707	0	0	400,832	243,707
Miscellaneous	1,271,178	988,818	0	0	1,271,178	988,818
Total revenues	<u>45,521,224</u>	<u>44,966,378</u>	<u>3,940,532</u>	<u>4,257,511</u>	<u>49,461,756</u>	<u>49,223,889</u>
Program Expenses						
Security of Persons and Property	13,095,734	11,713,893	0	0	13,095,734	11,713,893
Leisure Time Activities	6,468,472	5,640,754	0	0	6,468,472	5,640,754
Community Development	2,022,567	1,345,380	0	0	2,022,567	1,345,380
Transportation	5,184,357	4,868,588	0	0	5,184,357	4,868,588
General Government	12,107,823	12,307,511	0	0	12,107,823	12,307,511
Debt Service:						
Interest and Fiscal Charges	2,262,382	2,419,405	0	0	2,262,382	2,419,405
Golf Course and Event Center	0	0	5,024,974	4,732,241	5,024,974	4,732,241
Total expenses	<u>41,141,335</u>	<u>38,295,531</u>	<u>5,024,974</u>	<u>4,732,241</u>	<u>46,166,309</u>	<u>43,027,772</u>
Excess (deficiency) before Transfers	4,379,889	6,670,847	(1,084,442)	(474,730)	3,295,447	6,196,117
Transfers	<u>(533,677)</u>	<u>(253,124)</u>	<u>533,677</u>	<u>253,124</u>	<u>0</u>	<u>0</u>
Total Change in Net Position	3,846,212	6,417,723	(550,765)	(221,606)	3,295,447	6,196,117
Beginning Net Position	<u>109,026,900</u>	<u>102,609,177</u>	<u>11,124,807</u>	<u>11,346,413</u>	<u>120,151,707</u>	<u>113,955,590</u>
Ending Net Position	<u>\$112,873,112</u>	<u>\$109,026,900</u>	<u>\$10,574,042</u>	<u>\$11,124,807</u>	<u>\$123,447,154</u>	<u>\$120,151,707</u>

CITY OF BLUE ASH, OHIO

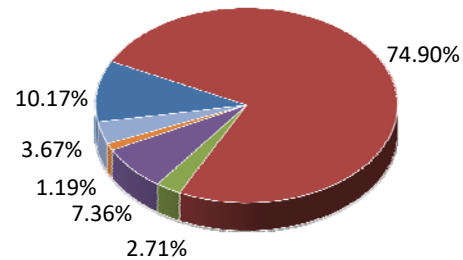
**Management’s Discussion and Analysis
For the Year Ended December 31, 2017 Unaudited**

Governmental Activities

Net position of the City’s governmental activities increased by \$3,846,212 in 2017. Revenues increased by \$554,846 and expenses increased \$2,845,804 from 2016 to 2017. Even with expenses growing at a larger percentage than revenues as compared to the prior year, total revenues still exceeded total expenses yielding an increased 2017 net position.

Property taxes and income taxes made up 10.17% and 74.90% respectively of revenues for governmental activities for the City in fiscal year 2017. The City’s reliance upon tax revenues is demonstrated by the following graph indicating 87.78% of total revenues from general tax revenues:

Revenue Sources	2017	Percent of Total
Property Taxes	\$4,629,990	10.17%
Income Taxes	34,094,570	74.90%
Other Local Taxes	1,233,405	2.71%
Program Revenues	3,348,670	7.36%
Grants and Entitlements not Restricted to Specific Programs	542,579	1.19%
General Other	1,672,010	3.67%
Total Revenue	\$45,521,224	100.00%



Business-Type Activities

Net position of the business-type activities decreased by \$550,765. A local capital grant was received in 2016, but was not spent until 2017. There were no grants received in 2017 for business-type activities. This is the primary reason for the decrease in revenues and increase in expenses resulting in the decrease of net position.

FINANCIAL ANALYSIS OF THE CITY’S FUNDS

The City’s governmental funds reported a combined fund balance of \$50,232,988, which is an decrease from last year’s balance of \$61,734,012. The schedule below indicates the fund balance and the total change in fund balance by fund type as of December 31, 2017 and 2016:

	Fund Balance December 31, 2017	Fund Balance December 31, 2016	Increase (Decrease)
General	\$41,236,101	\$43,811,132	(\$2,575,031)
Street Construction, Maintenance & Repair	2,413,620	1,421,738	991,882
Park and Recreation	63,797	1,659,415	(1,595,618)
General Bond Retirement	0	655,735	(655,735)
Summit Park	3,833,520	11,563,816	(7,730,296)
Other Governmental	2,685,950	2,622,176	63,774
Total	\$50,232,988	\$61,734,012	(\$11,501,024)

CITY OF BLUE ASH, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2017 Unaudited**

Of the City's \$50,232,988 year ended fund balances for governmental activities, 72.6% is unassigned, which allows it for spending at the government's discretion. Of the remaining 27.4%, \$8.8 million has external restrictions primarily for grant use, debt and construction projects. \$326,448 is in nonspendable form (prepaid items and supplies inventory), \$24,586 is committed to parks and the balance of \$4,598,639 is assigned by City management to cover outstanding purchase orders and future budget needs.

General Fund – General Fund – The City's General Fund balance decreased due to expenditures and other financing uses exceeding revenue collections. Additional transfers were made in 2017 to the Summit Park fund for expenditures needed in the final phase of construction. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2017	2016	Increase
	Revenues	Revenues	(Decrease)
Property Taxes	\$1,976,898	\$1,896,330	\$80,568
Municipal Income Tax	33,882,475	34,066,385	(183,910)
Other Local Taxes	1,233,405	1,197,802	35,603
Intergovernmental Revenues	547,194	636,395	(89,201)
Charges for Services	908,175	1,672,468	(764,293)
Licenses and Permits	701,343	1,095,615	(394,272)
Investment Earnings	333,563	189,796	143,767
Fines and Forfeitures	90,834	84,907	5,927
All Other Revenue	92,004	335	91,669
Total	<u>\$39,765,891</u>	<u>\$40,840,033</u>	<u>(\$1,074,142)</u>

General Fund revenues showed a 2.6% decrease in 2017 compared to 2016. Income tax showed a modest decrease while charges for services and licenses and permits were well below 2016. In 2016 a large property tax refund, over \$1 million, was received for newly exempt property. No property tax refunds were received in 2017. Additionally, there was less building and renovation activity in 2017 as evidenced by the reduction in permit fee revenue.

	2017	2016	Increase
	Expenditures	Expenditures	(Decrease)
Security of Persons and Property	\$10,960,790	\$11,325,099	(\$364,309)
Community Development	3,170,911	1,882,368	1,288,543
General Government	8,895,861	8,199,239	696,622
Total	<u>\$23,027,562</u>	<u>\$21,406,706</u>	<u>\$1,620,856</u>

General Fund expenditures increased by 7.6% or \$1,620,856 above 2016 expenditures. A large increase in Community Development is caused by GAAP accounting entries related to economic development incentives. General Government also increased expenditures in multiple categories including personnel and capital.

Street Construction, Maintenance and Repair Fund – The fund increased in 2017 primarily due to increased General Fund transfers into the fund to cover encumbrances and expenditures related to a substantial road project to connect Malsbary Road to Kenwood Road. The SCM&R Fund is partially supported by the General Fund each year through transfers.

***Management's Discussion and Analysis
For the Year Ended December 31, 2017 Unaudited***

Park and Recreation Fund – The fund decreased in 2017 primarily due to less General Fund transfers into the Park fund. The Park and Recreation Fund is partially supported by the General Fund each year through transfers. Transfers are made throughout the year with the final transfer(s) allowing for the year-end cash fund balance to reflect the amount of encumbrances outstanding at year-end. Far fewer encumbrances existed at the end of 2017 compared to 2016.

General Bond Retirement Fund – This fund typically varies little from year to year as it is primarily funded by the amount of transfers necessary (after other revenue sources are accounted for) to cover the year's debt service requirements.

Summit Park Fund – The fund decreased due to large expenditures on the last significant phase of construction related to the building of the park.

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of fiscal year 2017 the City amended its General Fund budget several times, as approved by City Council.

For the General Fund, final budget basis revenue and other financing sources of \$39 million increased from the original budget estimates of \$38.9 million. However, the City budgets conservatively and actual revenues are typically higher than the budgeted figures as evident in the collection of \$40 million in revenue yielding a \$1 million positive variance over final budget. The expense budget increased \$1.5 million during 2017 primarily to allow for additional transfers to the Street Construction, Maintenance and Repair Fund based on Council's decision to move forward with resurfacing and road projects. Actual expenditures of \$42.8 million were below the final budgeted number of \$45.8 million because of conservative budgeting and prudent spending which led to lower than anticipated transfers out to other funds. The General Fund maintained an adequate fund balance to cover expenditures.

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***Management's Discussion and Analysis
For the Year Ended December 31, 2017 Unaudited***

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal 2017 the City had \$154,313,097 net of accumulated depreciation invested in land, construction in progress, buildings, improvements other than buildings, infrastructure and machinery and equipment. Of this total, \$142,652,783 was related to governmental activities and \$11,660,314 to the business-type activities. The following table shows fiscal year 2017 and 2016 balances:

	Governmental Activities		Increase (Decrease)
	2017	2016	
Land	\$38,353,743	\$38,176,634	\$177,109
Construction In Progress	49,321,613	38,407,518	10,914,095
Buildings	45,573,499	45,197,367	376,132
Improvements Other than Buildings	6,445,792	6,489,934	(44,142)
Infrastructure	36,877,005	33,146,688	3,730,317
Machinery and Equipment	15,876,683	14,654,158	1,222,525
Less: Accumulated Depreciation	(49,795,552)	(47,055,693)	(2,739,859)
Totals	<u>\$142,652,783</u>	<u>\$129,016,606</u>	<u>\$13,636,177</u>

	Business-Type Activities		Increase (Decrease)
	2017	2016	
Land	\$1,124,764	\$1,124,764	\$0
Construction In Progress	0	13,572	(13,572)
Buildings	9,706,734	9,706,734	0
Improvements Other than Buildings	4,440,744	4,117,253	323,491
Machinery and Equipment	1,874,132	1,643,793	230,339
Less: Accumulated Depreciation	(5,486,060)	(4,879,739)	(606,321)
Totals	<u>\$11,660,314</u>	<u>\$11,726,377</u>	<u>(\$66,063)</u>

The most significant change in capital assets occurred in construction in progress for governmental activities and in improvements other than buildings for business-type activities. The major projects in process are the construction at Summit Park and the complete renovation of the wading pool at the Recreation Center. Business-type activity improvements included HVAC at the events center and a bridge replacement on the golf course.

As of December 31, 2017, the City has construction commitments of \$6.8 million due to various projects taking place throughout the City. Detail on the construction commitments can be found in Note 15. Additional information on the City's capital assets can be found in Note 9.

CITY OF BLUE ASH, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2017 Unaudited

Debt

At December 31, 2017, the City had \$57,999,919 in bonds outstanding, \$4,757,449 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Governmental Activities:		
Bonds Payable	\$57,999,919	\$62,819,733
OPWC Loan	1,468,938	1,852,491
Capital Lease	790,806	938,681
Compensated Absences	1,876,456	1,735,684
Net Pension Liability	28,950,056	24,911,973
Total Governmental Activities	<u>\$91,086,175</u>	<u>\$92,258,562</u>
Business-Type Activities:		
Capital Lease	\$62,625	\$123,962
Compensated Absences	38,189	82,741
Net Pension Liability	1,849,990	1,443,736
Total Business-Type Activities	<u>1,950,804</u>	<u>1,650,439</u>
Totals	<u>\$93,036,979</u>	<u>\$93,909,001</u>

Under current state statutes, the City's general obligation bonded debt issues are subject to a legal limitation based on 10.5% of the total assessed value of real and personal property. At December 31, 2017, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 12.

ECONOMIC FACTORS

The Blue Ash City Council and Administration has continued monitoring reserves, operational revenues and costs, and capital needs very closely. Controlling costs, defining priorities, forecasting, and encouraging economic development has been the focus. Blue Ash remains committed to maintaining and improving its solid business base. The establishment of new companies as well as expansion of existing companies occurred in 2017 creating new jobs in the community.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact Amy Moore, Finance Officer.



CITY OF BLUE ASH, OHIO

**Statement of Net Position
December 31, 2017**

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and Cash Equivalents	\$ 48,340,949	\$ 347,785	\$ 48,688,734
Receivables:			
Taxes	11,488,698	0	11,488,698
Accounts	1,891,783	10,584	1,902,367
Intergovernmental	733,048	344	733,392
Interest	37,075	0	37,075
Inventory of Supplies at Cost	253,693	84,775	338,468
Prepaid Items	72,755	3,108	75,863
Restricted Assets:			
Cash and Cash Equivalents	670,000	0	670,000
Capital Assets:			
Capital Assets Not Being Depreciated	87,675,356	1,124,764	88,800,120
Capital Assets Being Depreciated, Net	54,977,427	10,535,550	65,512,977
Total Assets	206,140,784	12,106,910	218,247,694
Deferred Outflows of Resources:			
Pension	7,392,665	706,542	8,099,207
Total Deferred Outflows of Resources	7,392,665	706,542	8,099,207
Liabilities:			
Accounts Payable	1,761,899	72,548	1,834,447
Accrued Wages and Benefits	903,377	48,169	951,546
Intergovernmental Payable	70,286	10,954	81,240
Contracts Payable	1,652,455	0	1,652,455
Unearned Revenue	0	145,925	145,925
Accrued Interest Payable	545,061	0	545,061
Long-Term Liabilities:			
Due Within One Year	5,798,847	72,936	5,871,783
Due in More Than One Year:			
Net Pension Liability	28,950,056	1,849,990	30,800,046
Other Amounts Due in More Than One Year	56,337,272	27,878	56,365,150
Total Liabilities	96,019,253	2,228,400	98,247,653
Deferred Inflows of Resources:			
Property Tax Levy for Next Fiscal Year	4,531,826	0	4,531,826
Pension	109,258	11,010	120,268
Total Deferred Inflows of Resources	4,641,084	11,010	4,652,094

CITY OF BLUE ASH, OHIO

	Governmental Activities	Business-Type Activities	Total
Net Position:			
Net Investment in Capital Assets	86,769,015	11,597,689	98,366,704
Restricted For:			
Capital Projects	2,914,699	0	2,914,699
Debt Service	768,588	0	768,588
Streets and Highways	3,679,018	0	3,679,018
Security of Persons & Property	213,647	0	213,647
TIF Activities	367,190	0	367,190
Unrestricted (Deficit)	18,160,955	(1,023,647)	17,137,308
Total Net Position	\$ 112,873,112	\$ 10,574,042	\$ 123,447,154

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, OHIO

**Statement of Activities
For the Year Ended December 31, 2017**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Current:				
Security of Persons and Property	\$ 13,095,734	\$ 8,560	\$ 362,180	\$ 0
Leisure Time Activities	6,468,472	1,205,475	0	0
Community Development	2,022,567	559,973	0	0
Transportation	5,184,357	14,204	1,044,566	62,100
General Government	12,107,823	91,612	0	0
Interest and Fiscal Charges	2,262,382	0	0	0
Total Governmental Activities	41,141,335	1,879,824	1,406,746	62,100
Business-Type Activities:				
Golf Course and Events Center	5,024,974	3,940,532	0	0
Total Business-Type Activities	5,024,974	3,940,532	0	0
Totals	\$ 46,166,309	\$ 5,820,356	\$ 1,406,746	\$ 62,100

General Revenues

Property Taxes Levied for:
General Purposes
Debt Service
Municipal Income Taxes
Other Local Taxes
Grants and Entitlements not Restricted to Specific Programs
Investment Earnings
Miscellaneous
Transfers
Total General Revenues and Transfers
Change in Net Position
Net Position Beginning of Year
Net Position End of Year

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, OHIO

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (12,724,994)	\$ 0	\$ (12,724,994)
(5,262,997)	0	(5,262,997)
(1,462,594)	0	(1,462,594)
(4,063,487)	0	(4,063,487)
(12,016,211)	0	(12,016,211)
(2,262,382)	0	(2,262,382)
<u>(37,792,665)</u>	<u>0</u>	<u>(37,792,665)</u>
0	(1,084,442)	(1,084,442)
0	(1,084,442)	(1,084,442)
<u>(37,792,665)</u>	<u>(1,084,442)</u>	<u>(38,877,107)</u>
1,976,898	0	1,976,898
2,653,092	0	2,653,092
34,094,570	0	34,094,570
1,233,405	0	1,233,405
542,579	0	542,579
400,832	0	400,832
1,271,178	0	1,271,178
(533,677)	533,677	0
<u>41,638,877</u>	<u>533,677</u>	<u>42,172,554</u>
3,846,212	(550,765)	3,295,447
<u>109,026,900</u>	<u>11,124,807</u>	<u>120,151,707</u>
<u>\$ 112,873,112</u>	<u>\$ 10,574,042</u>	<u>\$ 123,447,154</u>

CITY OF BLUE ASH, OHIO

**Balance Sheet
Governmental Funds
December 31, 2017**

	General	Street Construction, Maintenance and Repair	Park and Recreation	General Bond Retirement
Assets:				
Cash and Cash Equivalents	\$ 37,795,141	\$ 2,710,765	\$ 237,964	\$ 0
Receivables:				
Taxes	8,899,651	0	0	83,047
Accounts	1,853,512	0	8,271	0
Intergovernmental	246,524	311,545	288	2,855
Interest	32,321	920	0	0
Interfund Loans Receivables	52,170	0	0	0
Inventory of Supplies, at Cost	23,197	192,861	37,635	0
Prepaid Items	68,188	1,224	1,576	0
Restricted Assets:				
Cash and Cash Equivalents	0	0	0	0
Total Assets	\$ 48,970,704	\$ 3,217,315	\$ 285,734	\$ 85,902
Liabilities:				
Accounts Payable	\$ 976,210	\$ 521,182	\$ 149,945	\$ 0
Accrued Wages and Benefits Payable	757,705	74,359	71,313	0
Intergovernmental Payable	58,834	738	679	0
Contracts Payable	0	0	0	0
Interfund Loans Payable	0	0	0	0
Total Liabilities	1,792,749	596,279	221,937	0
Deferred Inflows of Resources:				
Unavailable Amounts	3,994,956	207,416	0	6,974
Property Tax Levy for Next Fiscal Year	1,946,898	0	0	78,928
Total Deferred Inflows of Resources	5,941,854	207,416	0	85,902
Fund Balances:				
Nonspendable	91,385	194,085	39,211	0
Restricted	0	2,219,535	0	0
Committed	0	0	24,586	0
Assigned	4,598,639	0	0	0
Unassigned	36,546,077	0	0	0
Total Fund Balances	41,236,101	2,413,620	63,797	0
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 48,970,704	\$ 3,217,315	\$ 285,734	\$ 85,902

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, OHIO

Summit Park	Other Governmental Funds	Total Governmental Funds
\$ 5,368,732	\$ 2,228,347	\$ 48,340,949
0	2,506,000	11,488,698
30,000	0	1,891,783
0	171,836	733,048
3,223	611	37,075
0	0	52,170
0	0	253,693
0	1,767	72,755
0	670,000	670,000
<u>\$ 5,401,955</u>	<u>\$ 5,578,561</u>	<u>\$ 63,540,171</u>
\$ 0	\$ 114,562	\$ 1,761,899
0	0	903,377
0	10,035	70,286
1,568,435	84,020	1,652,455
0	52,170	52,170
<u>1,568,435</u>	<u>260,787</u>	<u>4,440,187</u>
0	125,824	4,335,170
0	2,506,000	4,531,826
0	2,631,824	8,866,996
0	1,767	326,448
3,833,520	2,753,283	8,806,338
0	0	24,586
0	0	4,598,639
0	(69,100)	36,476,977
<u>3,833,520</u>	<u>2,685,950</u>	<u>50,232,988</u>
<u>\$ 5,401,955</u>	<u>\$ 5,578,561</u>	<u>\$ 63,540,171</u>

CITY OF BLUE ASH, OHIO

***Reconciliation Of Total Governmental Fund Balances
To Net Position Of Governmental Activities
December 31, 2017***

Total Governmental Fund Balances		\$ 50,232,988
<i>Amounts reported for governmental activities in the statement of net position are different because</i>		
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.		142,652,783
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as deferred inflows of resources in the funds.		4,335,170
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.		(21,666,649)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General Obligation Bonds Payable	(57,999,919)	
Capital Lease Payable	(790,806)	
OPWC Loans	(1,468,938)	
Compensated Absences Payable	(1,876,456)	
Accrued Interest Payable	(545,061)	(62,681,180)
<i>Net Position of Governmental Activities</i>		<u>\$ 112,873,112</u>

See accompanying notes to the basic financial statements



CITY OF BLUE ASH, OHIO

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2017**

	General	Street Construction, Maintenance and Repair	Park and Recreation	General Bond Retirement
Revenues:				
Property Taxes	\$ 1,976,898	\$ 0	\$ 0	\$ 80,145
Municipal Income Tax	33,882,475	0	0	0
Other Local Taxes	1,233,405	0	0	0
Intergovernmental Revenues	547,194	880,297	0	25,223
Charges for Services	908,175	14,204	1,271,730	0
Licenses and Permits	701,343	0	0	0
Investment Earnings	333,563	2,466	0	1,307
Fines and Forfeitures	90,834	0	0	0
All Other Revenue	92,004	2,144	210,875	0
Total Revenue	39,765,891	899,111	1,482,605	106,675
Expenditures:				
Current:				
Security of Persons and Property	10,960,790	0	0	0
Leisure Time Activities	0	0	6,477,554	0
Community Development	3,170,911	0	0	0
Transportation	0	7,352,406	0	0
General Government	8,895,861	0	0	0
Capital Outlay	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	4,933,284
Interest & Fiscal Charges	0	0	0	2,035,634
Total Expenditures	23,027,562	7,352,406	6,477,554	6,968,918
Excess (Deficiency) of Revenues Over Expenditures	16,738,329	(6,453,295)	(4,994,949)	(6,862,243)
Other Financing Sources (Uses):				
Transfers In	0	7,583,656	3,401,470	6,206,508
Transfers Out	(19,324,311)	0	0	0
Total Other Financing Sources (Uses)	(19,324,311)	7,583,656	3,401,470	6,206,508
Net Change in Fund Balances	(2,585,982)	1,130,361	(1,593,479)	(655,735)
Fund Balances (Deficits) at Beginning of Year	43,811,132	1,421,738	1,659,415	655,735
Change in Inventory Reserve	10,951	(138,479)	(2,139)	0
Fund Balances (Deficits) End of Year	\$ 41,236,101	\$ 2,413,620	\$ 63,797	\$ 0

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, OHIO

Summit Park	Other Governmental Funds	Total Governmental Funds
\$ 0	\$ 2,509,568	\$ 4,566,611
0	0	33,882,475
0	0	1,233,405
62,100	453,744	1,968,558
0	0	2,194,109
0	0	701,343
55,136	8,360	400,832
0	22,734	113,568
30,000	0	335,023
<u>147,236</u>	<u>2,994,406</u>	<u>45,395,924</u>
0	381,155	11,341,945
0	0	6,477,554
0	0	3,170,911
0	100,000	7,452,406
0	1,649,666	10,545,527
9,269,532	338,561	9,608,093
0	265,000	5,198,284
0	403,250	2,438,884
<u>9,269,532</u>	<u>3,137,632</u>	<u>56,233,604</u>
(9,122,296)	(143,226)	(10,837,680)
1,392,000	320,000	18,903,634
0	(113,000)	(19,437,311)
<u>1,392,000</u>	<u>207,000</u>	<u>(533,677)</u>
(7,730,296)	63,774	(11,371,357)
11,563,816	2,622,176	61,734,012
0	0	(129,667)
<u>\$ 3,833,520</u>	<u>\$ 2,685,950</u>	<u>\$ 50,232,988</u>

CITY OF BLUE ASH, OHIO

***Reconciliation Of The Statement Of Revenues, Expenditures
And Changes In Fund Balances Of Governmental Funds
To The Statement Of Activities
For the Year Ended December 31, 2017***

Net Change in Fund Balances - Total Governmental Funds \$ (11,371,357)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

Capital Outlay	17,358,779	
Depreciation Expense	(3,682,618)	13,676,161

The statement of activities reports activity arising from the disposal of capital assets. (39,984)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 165,284

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. 2,107,218

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities. (5,795,457)

Repayment of bond and loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

General Obligation Bond Principal Payment	4,666,856	
OPWC Loans Payment	383,553	
Capital Leases Principal Payment	147,875	
Amortization of Bond Premium	152,958	5,351,242

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 23,544

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

Compensated Absences	(140,772)	
Change in Inventory	(129,667)	(270,439)

Change in Net Position of Governmental Activities **\$ 3,846,212**

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 1,928,332	\$ 1,928,332	\$ 1,976,898	\$ 48,566
Municipal Income Tax	34,050,000	34,050,000	34,167,136	117,136
Other Local Taxes	1,120,000	1,120,000	1,242,533	122,533
Intergovernmental Revenue	574,532	574,532	553,466	(21,066)
Charges for Services	395,000	435,000	850,588	415,588
Licenses and Permits	530,500	620,500	679,553	59,053
Investment Earnings	150,000	150,000	324,011	174,011
Fines and Forfeitures	72,500	72,500	91,057	18,557
All Other Revenues	300	300	204	(96)
Total Revenues	<u>38,821,164</u>	<u>38,951,164</u>	<u>39,885,446</u>	<u>934,282</u>
Expenditures:				
Current:				
Security of Persons and Property	11,824,530	11,835,530	11,102,375	733,155
Community Development	3,073,164	3,203,164	2,668,635	534,529
General Government	10,537,232	10,316,232	9,663,375	652,857
Total Expenditures	<u>25,434,926</u>	<u>25,354,926</u>	<u>23,434,385</u>	<u>1,920,541</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	13,386,238	13,596,238	16,451,061	2,854,823
Other Financing Sources (Uses):				
Sale of Capital Assets	25,000	25,000	81,925	56,925
Transfers In	0	991	991	0
Transfers Out	(18,859,468)	(20,407,768)	(19,324,311)	1,083,457
Advances In	0	13,790	13,790	0
Advances Out	0	(27,090)	(27,090)	0
Total Other Financing Sources (Uses):	<u>(18,834,468)</u>	<u>(20,395,077)</u>	<u>(19,254,695)</u>	<u>1,140,382</u>
Net Change in Fund Balance	(5,448,230)	(6,798,839)	(2,803,634)	3,995,205
Fund Balance at Beginning of Year	37,306,028	37,306,028	37,306,028	0
Prior Year Encumbrances	1,661,380	1,661,380	1,661,380	0
Fund Balance at End of Year	<u>\$ 33,519,178</u>	<u>\$ 32,168,569</u>	<u>\$ 36,163,774</u>	<u>\$ 3,995,205</u>

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Street Construction, Maintenance and Repair Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenue	\$ 1,078,000	\$ 1,078,000	\$ 878,681	\$ (199,319)
Charges for Services	25,000	25,000	14,204	(10,796)
Investment Earnings	250	250	1,894	1,644
All Other Revenues	1,550	1,550	1,723	173
Total Revenues	<u>1,104,800</u>	<u>1,104,800</u>	<u>896,502</u>	<u>(208,298)</u>
Expenditures:				
Current:				
Transportation	10,180,937	10,180,937	9,689,895	491,042
Total Expenditures	<u>10,180,937</u>	<u>10,180,937</u>	<u>9,689,895</u>	<u>491,042</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,076,137)	(9,076,137)	(8,793,393)	282,744
Other Financing Sources (Uses):				
Transfers In	7,866,400	7,866,400	7,583,656	(282,744)
Total Other Financing Sources (Uses):	<u>7,866,400</u>	<u>7,866,400</u>	<u>7,583,656</u>	<u>(282,744)</u>
Net Change in Fund Balance	(1,209,737)	(1,209,737)	(1,209,737)	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances	1,209,737	1,209,737	1,209,737	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Park and Recreation Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 1,256,750	\$ 1,258,809	\$ 1,267,575	\$ 8,766
All Other Revenues	237,750	237,750	210,452	(27,298)
Total Revenues	1,494,500	1,496,559	1,478,027	(18,532)
Expenditures:				
Current:				
Leisure Time Activities	6,788,740	7,025,799	6,705,237	320,562
Total Expenditures	6,788,740	7,025,799	6,705,237	320,562
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,294,240)	(5,529,240)	(5,227,210)	302,030
Other Financing Sources (Uses):				
Transfers In	3,468,500	3,703,500	3,401,470	(302,030)
Total Other Financing Sources (Uses):	3,468,500	3,703,500	3,401,470	(302,030)
Net Change in Fund Balance	(1,825,740)	(1,825,740)	(1,825,740)	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances	1,825,740	1,825,740	1,825,740	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 0	\$ 0

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, OHIO

**Statement of Net Position
Proprietary Fund
December 31, 2017**

	Business-Type Activities Enterprise Fund Golf Course and Events Center
Assets:	
<i>Current Assets:</i>	
Cash and Cash Equivalents	\$ 347,785
Receivables:	
Accounts	10,584
Intergovernmental	344
Inventory of Supplies at Cost	84,775
Prepaid Items	3,108
<i>Total Current Assets</i>	<u>446,596</u>
<i>Non Current Assets:</i>	
Capital Assets:	
Capital Assets Not Being Depreciated	1,124,764
Capital Assets Being Depreciated, Net	10,535,550
Total Assets	<u>12,106,910</u>
Deferred Outflows of Resources:	
Pension	<u>706,542</u>
Liabilities:	
<i>Current Liabilities:</i>	
Accounts Payable	72,548
Accrued Wages and Benefits	48,169
Intergovernmental Payable	10,954
Unearned Revenue	145,925
Capital Lease Payable - Current	62,625
Compensated Absences - Current	10,311
<i>Total Current Liabilities</i>	<u>350,532</u>
<i>Long Term Liabilities:</i>	
Compensated Absences Payable	27,878
Net Pension Liability	1,849,990
Total Liabilities	<u>2,228,400</u>
Deferred Inflows of Resources:	
Pension	<u>11,010</u>
Net Position:	
Net Investment in Capital Assets	11,597,689
Unrestricted	(1,023,647)
Total Net Position	<u>\$ 10,574,042</u>

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, OHIO

**Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Fund
For the Year Ended December 31, 2017**

	Business-Type Activities <u>Enterprise Fund</u> Golf Course and Events Center <u></u>
Operating Revenues:	
Charges for Services	\$ 3,685,364
Total Operating Revenues	<u>3,685,364</u>
Operating Expenses:	
Personal Services	1,701,873
Contractual Services	1,763,638
Materials and Supplies	617,294
Depreciation	695,427
Total Operating Expenses	<u>4,778,232</u>
Operating Loss	(1,092,868)
Nonoperating Revenue (Expenses):	
Interest Expense	(2,604)
Loss on Disposal of Capital Assets	(1,000)
Other Nonoperating Revenue	255,168
Other Nonoperating Expense	(243,138)
Total Nonoperating Revenues (Expenses)	<u>8,426</u>
Loss Before Transfers	(1,084,442)
Transfers In	<u>533,677</u>
Change in Net Position	(550,765)
Net Position Beginning of Year	11,124,807
Net Position End of Year	<u>\$ 10,574,042</u>

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, OHIO

**Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2017**

	Business-Type Activities Enterprise Fund Golf Course and Events Center
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Customers	\$3,724,318
Cash Payments for Goods and Services	(2,373,048)
Cash Payments to Employees	(1,503,421)
Net Cash Used by Operating Activities	<u>(152,151)</u>
<u>Cash Flows from Noncapital Financing Activities:</u>	
Transfers In from Other Funds	533,677
Net Cash Provided by Noncapital Financing Activities	<u>533,677</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>	
Acquisition and Construction of Assets	(630,668)
Interest Paid on Lease	(2,604)
Principal Payment on Capital Lease	(61,337)
Net Cash Used for Capital and Related Financing Activities	<u>(694,609)</u>
Net Decrease in Cash and Cash Equivalents	(313,083)
Cash and Cash Equivalents at Beginning of Year	660,868
Cash and Cash Equivalents at End of Year	<u>\$347,785</u>
<u>Reconciliation of Operating Loss to Net Cash</u>	
<u>Used by Operating Activities:</u>	
Operating Loss	(\$1,092,868)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation Expense	695,427
Miscellaneous Nonoperating Income	255,216
Miscellaneous Nonoperating Expense	(243,138)
Changes in Assets and Liabilities:	
Increase in Accounts Receivable	(9,095)
Increase in Inventory	(2,565)
Increase in Prepaid Items	(442)
Increase in Deferred Outflows - Pension	(148,791)
Decrease in Accounts Payable	(9,247)
Increase in Accrued Wages and Benefits	2,369
Increase in Unearned Revenues	48,049
Increase in Intergovernmental Payable	8,118
Decrease in Compensated Absences	(44,552)
Decrease in Deferred Inflows - Pension	(16,886)
Increase in Net Pension Liability	406,254
Total Adjustments	<u>940,717</u>
Net Cash Used by Operating Activities	<u>(\$152,151)</u>

Schedule of Noncash Investing, Capital and Financing Activities:

For the year ended December 31, 2017, the Golf Course and Events Center Fund received a fully depreciated asset with a cost and accumulated depreciation of \$16,489 from the Governmental Activities. The Golf Course and Events Center Fund had outstanding liabilities of \$5,197 for the purchase of certain capital assets at December 31, 2017.

See accompanying notes to the basic financial statements

CITY OF BLUE ASH, OHIO

***Statement of Assets and Liabilities
Fiduciary Funds
December 31, 2017***

	<u>Agency</u>
Assets:	
Cash and Cash Equivalents	\$ 56,431
Total Assets	<u>56,431</u>
Liabilities:	
Intergovernmental Payable	1,083
Due to Others	55,348
Total Liabilities	<u>\$ 56,431</u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Blue Ash, Ohio (the City) is a home-rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Council/Manager form of government, was adopted in 1961 and has been amended six times (1967, 1976, 1980, 1988, 1989 and 2006).

The financial statements are presented as of December 31, 2017 and for the year then ended and have been prepared in conformity with accounting principles generally accepted in the United States of America applicable to local governments. The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

A. Reporting Entity

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

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, agencies, boards and commissions that are part of the primary government, which includes the following services: police and fire protection, emergency medical response, parks and recreation, planning, zoning, street maintenance, residential refuse collection (on a contractual basis) and other governmental services. The City does serve as the fiscal agent for the Special County Arson Taskforce Unit (reported as an agency fund) for the purpose of receiving, allocating, and expending funds from federal, state, and local sources or from private contributions. The City has no administrative responsibility for the fund. In addition, the City owns and operates an event center, public golf course and associated restaurant which is reported as an enterprise fund.

B. Basis of Presentation - Fund Accounting

The City uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain City functions or activities.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and 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.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

For financial statement presentation purposes, the various funds of the City are grouped into the following generic fund types:

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

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

Street Construction, Maintenance and Repair Fund – This fund is used to account for state-levied and controlled gasoline tax and motor vehicle registration fees designated for street maintenance and repair.

Park and Recreation Fund – This fund is used to account for the user charges collected from the operation of public recreational facilities and for the maintenance of same.

General Bond Retirement Fund – This fund is used to account for payments of principal and interest on the City's general obligation bonds.

Summit Park Fund - This fund is used to account for financial resources accumulated for the purchase of land at the Blue Ash Airport and the eventual development of a public park.

Proprietary Funds

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

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Enterprise Fund - This fund is used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City's major enterprise fund is the Golf Course and Events Center fund which accounts for the City's operation of an events center, public golf course and a restaurant.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Fiduciary funds are used to account for assets the City holds in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. The City's only fiduciary funds are agency funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations. The City's agency funds account for funds flowing through the Mayor's Court, building standards assessments, Arson Task Force, and employee benefits plan monies.

C. Basis of Presentation – Financial Statements

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

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

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

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

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

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds are reported using the economic resources measurement focus; agency funds however do not have a measurement focus.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting

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

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

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

Revenue considered susceptible to accrual at year end includes income taxes withheld by employers, interest on investments, and state levied locally shared taxes (including motor vehicle license fees, gasoline tax, and local government assistance). Other revenue, including licenses, permits, certain charges for services, income taxes other than those withheld by employers and miscellaneous revenue, is recorded as revenue when received in cash because it is generally not measurable until actually received.

Property taxes measurable as of December 31, 2017 but which are not intended to finance 2017 operations and delinquent property taxes, whose availability is indeterminate, are recorded as a deferred inflow of resources. Property taxes are further described in Note 6.

The accrual basis of accounting is utilized for reporting purposes by the governmental activities, the proprietary fund and fiduciary funds. Revenues are recognized when they are earned and expenses are recognized when they are incurred.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

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

All funds, other than agency funds, are legally required to be budgeted and appropriated; however, only the general fund and major special revenue funds are required to be reported. The legal level of budgetary control is by fund at the major object level (personal services, materials and supplies, contractual services, capital outlay, and transfers) by department. Budgetary control is maintained by not permitting expenditures to exceed appropriations at the major object level for each department within each fund without the approval of City Council. Administrative control is maintained through the establishment of more detailed line-item budgets. Budgetary modifications above the major object level by fund may only be made by resolution of the City Council. During 2017, all appropriations were approved as required and all funds and departments completed the year within their legally authorized appropriations.

1. Tax Budget

By July 15, the City Manager submits an annual tax budget for the following fiscal year to City Council for consideration and passage. The adopted budget is submitted to the County Auditor, as secretary of the County Budget Commission, by July 20th of each year, for the period January 1 to December 31 of the following year.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

2. Estimated Resources

The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Budget Commission then certifies its actions to the City by September 1st of each year. By October 1st of each year, the City accepts, by resolution, the tax rate as determined by the Budget Commission. As part of the certification process, the City receives an official certificate of estimated resources which states the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed or fall short of current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2017.

3. Appropriations

A temporary appropriation resolution to control expenditures may be passed on or about January 1st of each year for the period January 1 through March 31. An annual appropriation resolution must be passed by April 1st of each year for the period January 1 through December 31. The appropriation resolution establishes spending controls at the fund, department and object level, and may only be modified during the year by resolution of the City Council. Total fund appropriations may not exceed the current estimated resources as certified by the County Budget Commission. Expenditures plus encumbrances may not legally exceed budgeted appropriations at the object level. During the year, several supplemental appropriations were necessary to budget contingency funds, bond proceeds and intergovernmental grants. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual (Non-GAAP Budgetary Basis)" for the General Fund and the Street Construction, Maintenance and Repair Fund are provided on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications.

4. Lapsing of Appropriations

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

5. Budgetary Basis of Accounting

The City's budgetary process accounts for certain transactions on a basis other than accounting principles generally accepted in the United States of America. The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on the cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Also under the budgetary basis, encumbrances are recognized as expenditures and debt proceeds are recognized as an other financing source. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the "Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual" for the General Fund:

	Net Change in Fund Balance		
	General Fund	Street Construction, Maintenance and Repair Fund	Park and Recreation Fund
GAAP Basis (as reported)	(\$2,585,982)	\$1,130,361	(\$1,593,479)
Increase (Decrease):			
Accrued Revenues at December 31, 2017 received during 2018	(5,090,154)	(105,049)	(8,559)
Accrued Revenues at December 31, 2016 received during 2017	5,886,634	102,440	3,981
Accrued Expenditures at December 31, 2017 paid during 2018	1,792,749	596,279	221,937
Accrued Expenditures at December 31, 2016 paid during 2017	(1,110,486)	(222,766)	(214,648)
2016 Prepays for 2017	53,925	987	2,093
2017 Prepays for 2018	(68,188)	(1,224)	(1,576)
Outstanding Encumbrances	(1,682,132)	(2,710,765)	(235,489)
Budget Basis	<u>(\$2,803,634)</u>	<u>(\$1,209,737)</u>	<u>(\$1,825,740)</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Cash Equivalents

During fiscal year 2017, cash and cash equivalents included amounts in demand deposits and the State Treasury Asset Reserve (STAR Ohio). STAR Ohio is a very liquid investment and is reported as a cash equivalent in the basic financial statements.

The City pools its cash for investment and resource management purposes. Each fund's equity in cash and cash equivalents represents the balance on hand as if each had maintained its own cash and cash investment account. For purposes of the statement of cash flows, the proprietary fund considers its share of equity in STAR Ohio to be cash equivalents. See Note 5, "Cash and Cash Equivalents."

G. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution, the Ohio Revised Code, and the City Charter. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the City reports its investments at fair value. The City allocates interest among the various funds based upon applicable legal and administrative requirements. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements. Fair value is determined by quoted market prices. See Note 5, "Cash and Cash Equivalents."

The City's investment in the State Treasury Asset Reserve of Ohio (STAR Ohio) is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company and is recognized as an external investment pool by the City. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value. For fiscal year 2017, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

H. Inventory

Inventory is stated at cost (first-in, first-out) in the governmental funds and proprietary fund. The costs of inventory items are recorded as expenditures in governmental funds when purchased and expenses in the proprietary fund when used.

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2017, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Capital Assets and Depreciation

Capital assets are defined by the City as assets with an initial, individual cost of more than \$2,500 and an estimated useful life threshold of five or more years.

1. Property, Plant and Equipment - Governmental Activities

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

Contributed capital assets are recorded at acquisition value at the date received. Capital assets include land, construction in progress, buildings, improvements other than buildings, infrastructure and machinery and equipment. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, curbs and gutters, streets and sidewalks, and drainage systems. Estimated historical costs for governmental activities capital asset values were initially determined at December 31, 1985 by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition or construction.

2. Property, Plant and Equipment – Business Type Activities

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

3. Depreciation

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

<u>Description</u>	<u>Estimated Lives (in years)</u>
Buildings	15 - 25
Improvements other than Buildings	15 - 25
Machinery, Equipment, Furniture and Fixtures	3 - 10
Infrastructure	15 - 100

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Long-Term Obligations

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

<u>Obligation</u>	<u>Fund</u>
General Obligation Bonds	General Obligation Bond Retirement Fund, Summit Park Fund
OPWC Loan	General Obligation Bond Retirement Fund
Tax Increment Financing Bonds	TIF Carver Road Retirement Fund
Capital Leases	General Obligation Bond Retirement Fund, Golf Course and Events Center Fund
Compensated Absences	General Fund Street Construction, Maintenance and Repair Fund Park and Recreation Fund Golf Course and Events Center Fund

L. Compensated Absences

The City reports compensated absences in accordance with the provisions of GASB No. 16. "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at fiscal year end taking into consideration any limits specified in the City's personnel policies and legislation.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "compensated absence payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. In the government wide statement of net position, "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

N. Pensions

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

O. Interfund Transactions

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

- Transfers are reported as "Other Financing Sources and Uses" in the governmental funds, as "Transfers In" by the recipient fund, and "Transfers Out" by the disbursing fund.

Transactions that would be treated as revenues and expenditures/expenses if they involved organizations external to the City are similarly treated when involving other funds of the City. The City also advances cash from one fund to another as necessary to meet current obligations.

P. Intergovernmental Revenues

In governmental funds, intergovernmental revenues, such as grants awarded on a non-reimbursement basis, and shared revenues are recorded as intergovernmental receivables and revenues when measurable and available. Reimbursable grants are recorded as intergovernmental receivables and revenues when the related expenditures are made.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Interfund Assets/Liabilities

Receivables and payables arising between funds for goods provided or services rendered are classified as "Due From/To Other Funds" on the balance sheet. Short-term interfund loans are classified as "Interfund Loan Receivables/Payables," while long-term interfund loans are classified as "Advances to/from Other Funds."

R. Fund Balance

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

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

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

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

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

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

T. Restricted Assets

Cash and cash equivalents being held for debt retirements are classified as restricted assets on the statement of net position and the governmental balance sheet because these funds are being held for specified purposes.

U. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported for pension amounts (See Note 10). The amounts are reported in the government-wide and proprietary statements of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, *unavailable amounts*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for property taxes, income taxes, special assessments, and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide and proprietary funds statement of net position. See Note 10.

V. Fair Market Value

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLE

For fiscal year 2017, the City has implemented GASB Statement No. 74, “Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans”, GASB Statement No. 80 “Blending Requirements for Certain Component Units-an amendment of GASB Statement No. 14”, GASB Statement No. 81, “Irrevocable Split-Interest Agreements”, and GASB Statement No. 82, “Pension Issues-an amendment of GASB Statements No. 67, No. 68, and No. 73.”

GASB Statement No. 74 improves the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. The implementation of GASB Statement No. 74 did not have an effect on the financial statements of the City.

GASB Statement No. 80 improves financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity, as amended*. The implementation of GASB Statement No. 80 did not have an effect on the financial statements of the City.

GASB Statement No. 81 improves accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The implementation of GASB Statement No. 81 did not have an effect on the financial statements of the City.

GASB Statement No. 82 addresses certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The implementation of GASB Statement No. 82 did not have an effect on the financial statements of the City.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 3 – FUND BALANCE CLASSIFICATION

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

Fund Balances	General	Street Construction, Maintenance and Repair	Park and Recreation	General Bond Retirement	Summit Park	Other Governmental Funds	Total Governmental Funds
Nonspendable:							
Prepaid Items	\$68,188	\$1,224	\$1,576	\$0	\$0	\$1,767	\$72,755
Supplies Inventory	23,197	192,861	37,635	0	0	0	253,693
Total Nonspendable	<u>91,385</u>	<u>194,085</u>	<u>39,211</u>	<u>0</u>	<u>0</u>	<u>1,767</u>	<u>326,448</u>
Restricted:							
Transportation Projects	0	2,219,535	0	0	0	722,354	2,941,889
Debt Service	0	0	0	0	0	893,144	893,144
Law Enforcement	0	0	0	0	0	211,582	211,582
TIF Projects	0	0	0	0	0	779,530	779,530
Capital Improvements	0	0	0	0	3,833,520	146,673	3,980,193
Total Restricted	<u>0</u>	<u>2,219,535</u>	<u>0</u>	<u>0</u>	<u>3,833,520</u>	<u>2,753,283</u>	<u>8,806,338</u>
Committed:							
Leisure Time Activities	0	0	24,586	0	0	0	24,586
Total Committed	<u>0</u>	<u>0</u>	<u>24,586</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>24,586</u>
Assigned:							
Goods and Services	715,947	0	0	0	0	0	715,947
Projected Budgetary Deficit	3,882,692	0	0	0	0	0	3,882,692
Total Assigned	<u>4,598,639</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,598,639</u>
Unassigned							
	<u>36,546,077</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(69,100)</u>	<u>36,476,977</u>
Total Fund Balances	<u>\$41,236,101</u>	<u>\$2,413,620</u>	<u>\$63,797</u>	<u>\$0</u>	<u>\$3,833,520</u>	<u>\$2,685,950</u>	<u>\$50,232,988</u>

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 4 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

Other long-term assets not available to pay for current-period expenditures:

Deferred Tax Revenue	\$3,753,393
Charges for Services	66,102
Intergovernmental Revenue Receivable	<u>515,675</u>
	\$4,335,170

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

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

Governmental revenues not reported in the funds:

Increase in Tax Revenue	\$275,474
Decrease in Intergovernmental Revenue Receivable	(18,552)
Decrease in Charges for Services	<u>(91,638)</u>
	\$165,284

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 5 - CASH AND CASH EQUIVALENTS

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments.

Statutes require the classification of funds held by the City into three categories. Category 1 consists of “active” funds - those funds required to be kept in a “cash” or “near cash” status for immediate use by the City. Such funds must be maintained either as cash in the City Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

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

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

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 5 - CASH AND CASH EQUIVALENTS (Continued)

- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

A. Deposits

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it. The City has no deposit policy for custodial risk beyond the requirements of State statute.

Ohio law requires that deposits be either insured or be protected by eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

At year end the carrying amount of the City's deposits was \$34,308,879 and the bank balance was \$35,043,748. Federal depository insurance covered \$750,000 of the bank balance and \$34,293,748 was exposed to custodial risk. \$31,905,091 of the uninsured bank balance was collateralized with securities held by the pledging financial institutions trust department or agent but not in the City's name and securities held in the Ohio Pooled Collateral System. The remaining \$2,388,657 was uninsured and uncollateralized due to certain timing issues related to fluctuations in depository balances. These insufficiencies were corrected the next business day.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 5 - CASH AND CASH EQUIVALENTS (Continued)

B. Investments

The City's investments at December 31, 2017 were as follows:

	Fair Value	Credit Rating	Investment Maturities (In Years)	
			less than 1	1-3
STAR Ohio	\$11,326,402	AAAm	\$11,326,402	\$0
Negotiable Certificates of Deposit	991,133	N/A	0	991,133
FHLM	2,788,751	AA ⁺	0	2,788,751
Total Investments	\$15,106,286		\$11,326,402	\$3,779,884

Credit Rating - Standard & Poor's

The City's investments in government agency securities are classified as Level 2 of the fair value hierarchy which are valued using valuation techniques that incorporate market data for similar types of investments, broker quotes and inactive transaction prices. These prices are obtained by our custodian banks from various pricing sources.

Interest Rate Risk – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date. The City has no policy on interest rate risk and is governed by Ohio Revised Code.

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

The City places no limit on the amount the City may invest in one issuer. Of the City's total investments, 75% are STAR Ohio, 6.6% are Negotiable Certificates of Deposit and 18.4% are FHLM.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover. The City has no policy on custodial credit risk and is governed by Ohio Revised Code as described under Deposits.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 5 - CASH AND CASH EQUIVALENTS (Continued)

C. Reconciliation of Cash, Cash Equivalents and Investments

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

	<u>Cash and Cash Equivalents</u>	<u>Investments</u>
Per Financial Statements	\$49,415,165	\$0
Negotiable Certificates of Deposit	(991,133)	991,133
Federal Home Loan Mortgage	(2,788,751)	2,788,751
STAR Ohio	<u>(11,326,402)</u>	<u>11,326,402</u>
Per GASB Statement No. 3	<u>\$34,308,879</u>	<u>\$15,106,286</u>

NOTE 6 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2017 were levied after October 1, 2016 on assessed values as of January 1, 2016, the lien date. Assessed values were established by the County Auditor at 35 percent of appraised fair value. All property is required to be reappraised every six years and equalization adjustments made in the third year following reappraisal. The last reappraisal was completed in 2007. Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by June 20.

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

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

The full tax rate for all City operations for the year ended December 31, 2017 was \$3.08 per \$1,000 of assessed value. The assessed value upon which the 2017 levy was based was \$779,315,550. This amount constitutes \$753,228,850 in real property assessed value and \$26,086,700 in public utility assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .308% (3.08 mills) of assessed value.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 6 - TAXES

B. Income Tax

The City levies a tax of 1.25% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a full credit for taxes paid to another municipality up to 1.25% of those wages actually taxed by the other municipality.

Employers within the City are required to withhold income tax on employees' compensation and remit the tax to the City either monthly or quarterly, as required. Taxpayers are required to pay their estimated tax quarterly and file a declaration annually. All income tax proceeds are received by the General Fund.

NOTE 7 - RECEIVABLES

Receivables at December 31, 2017 consisted of taxes, interest, accounts receivable, and intergovernmental receivables arising from shared revenues. All receivables are considered collectible in full. Those receivables that relate to amounts not intended to finance the current fiscal year are offset by deferred inflows of resources.

NOTE 8 - TRANSFERS AND INTERFUND BALANCES

A. Transfers

Following is a summary of transfers in and out for all funds for 2017:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
Governmental Funds:		
General Fund	\$0	\$19,324,311
Street Construction, Maintenance & Repair Fund	7,583,656	0
Park and Recreation Fund	3,401,470	0
General Bond Retirement Fund	6,206,508	0
Summit Park Fund	1,392,000	0
Other Governmental Funds	320,000	113,000
Total Governmental Funds	<u>18,903,634</u>	<u>19,437,311</u>
Proprietary Funds:		
Golf Course and Events Center Fund	533,677	0
Total All Funds	<u>\$19,437,311</u>	<u>\$19,437,311</u>

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 8 - TRANSFERS AND INTERFUND BALANCES (Continued)

B. Interfund Balances

Individual interfund balances at December 31, 2017 are as follows:

<u>Fund</u>	<u>Interfund Loan Receivable</u>	<u>Interfund Loan Payable</u>
General Fund	\$52,170	\$0
Other Governmental Funds	<u>0</u>	<u>52,170</u>
Totals	<u><u>\$52,170</u></u>	<u><u>\$52,170</u></u>

The interfund loan receivable/payable on the Governmental Balance Sheet are loans to the OVI Fund, Police Grants Fund and the Law Enforcement Liaison Fund from the General Fund to assist with cash flow issues.

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**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 9 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at December 31, 2017:

Historical Cost:

Class	December 31, 2016	Additions	Deletions	December 31, 2017
<i>Capital assets not being depreciated:</i>				
Land	\$38,176,634	\$177,109	\$0	\$38,353,743
Construction in Progress	38,407,518	12,618,388	(1,704,293)	49,321,613
Subtotal	<u>76,584,152</u>	<u>12,795,497</u>	<u>(1,704,293)</u>	<u>87,675,356</u>
<i>Capital assets being depreciated:</i>				
Buildings	45,197,367	376,132	0	45,573,499
Improvements Other than Buildings	6,489,934	0	(44,142)	6,445,792
Infrastructure	33,146,688	3,730,317	0	36,877,005
Machinery and Equipment	14,654,158	2,161,126	(938,601)	15,876,683
Subtotal	<u>99,488,147</u>	<u>6,267,575</u>	<u>(982,743)</u>	<u>104,772,979</u>
Total Cost	<u>\$176,072,299</u>	<u>\$19,063,072</u>	<u>(\$2,687,036)</u>	<u>\$192,448,335</u>

Accumulated Depreciation:

Class	December 31, 2016	Additions	Deletions	December 31, 2017
Buildings	(\$21,746,495)	(\$1,547,284)	\$0	(\$23,293,779)
Improvements Other than Buildings	(5,434,979)	(150,096)	31,782	(5,553,293)
Infrastructure	(10,269,034)	(853,619)	0	(11,122,653)
Machinery and Equipment	(9,605,185)	(1,131,619)	910,977	(9,825,827)
Total Depreciation	<u>(\$47,055,693)</u>	<u>(\$3,682,618)</u>	<u>\$942,759</u>	<u>(\$49,795,552)</u>
<i>Net Value:</i>	<u>\$129,016,606</u>			<u>\$142,652,783</u>

* Depreciation expenses were charged to governmental functions as follows:

Leisure Time Activities	\$1,152,692
Transportation	1,194,865
General Government	<u>1,335,061</u>
Total Depreciation Expense	<u>\$3,682,618</u>

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 9 - CAPITAL ASSETS (Continued)

B. Business-Type Activities Capital Assets

Summary by Category at December 31, 2017:

Historical Cost:

Class	December 31, 2016	Additions	Deletions	December 31, 2017
Capital assets not being depreciated:				
Land	\$1,124,764	\$0	\$0	\$1,124,764
Construction in Progress	13,572	0	(13,572)	0
Subtotal	1,138,336	0	(13,572)	1,124,764
Capital assets being depreciated:				
Buildings	9,706,734	0	0	9,706,734
Improvements Other than Buildings	4,117,253	332,093	(8,602)	4,440,744
Machinery and Equipment	1,643,793	328,333	(97,994)	1,874,132
Subtotal	15,467,780	660,426	(106,596)	16,021,610
Total Cost	\$16,606,116	\$660,426	(\$120,168)	\$17,146,374

Accumulated Depreciation:

Class	December 31, 2016	Additions	Deletions	December 31, 2017
Buildings	(\$1,806,211)	(\$386,352)	\$0	(\$2,192,563)
Improvements Other than Buildings	(1,851,865)	(127,245)	8,602	(1,970,508)
Machinery and Equipment	(1,221,663)	(198,320)	96,994	(1,322,989)
Total Depreciation	(\$4,879,739)	(\$711,917)	\$105,596	(\$5,486,060)
Net Value:	\$11,726,377			\$11,660,314

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 10 – DEFINED BENEFIT PENSION PLANS

Net Pension Liability

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees other than full-time police participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS’ traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

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**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

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

	<u>State and Local</u>
2017 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2017 Actual Contribution Rates	
Employer:	
Pension	13.0 %
Post-employment Health Care Benefits	<u>1.0</u>
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$985,685 for 2017.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Plan Description – Ohio Police & Fire Pension Fund (OPF)

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

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

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

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

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

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

	<u>Police</u>	<u>Firefighters</u>
2017 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee:		
January 1, 2017 through December 31, 2017	12.25 %	12.25 %
2017 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee:		
January 1, 2017 through December 31, 2017	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OPF was \$1,256,630 for 2017.

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

The net pension liability for OPERS was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF’s total pension liability was measured as of December 31, 2016, and was determined by rolling forward the total pension liability as of January 1, 2016, to December 31, 2016. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$13,497,727	\$17,302,319	\$30,800,046
Proportion of the Net Pension Liability-2017	0.059440%	0.273170%	
Proportion of the Net Pension Liability-2016	0.057573%	0.254673%	
Percentage Change	<u>0.001866%</u>	<u>0.018497%</u>	
Pension Expense	\$3,096,212	\$3,074,919	\$6,171,131

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

At December 31, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$2,010,124	\$1,682,674	\$3,692,798
Changes in assumptions	2,140,904	0	2,140,904
Differences between expected and actual experience	18,295	4,895	23,190
City contributions subsequent to the measurement date	<u>985,685</u>	<u>1,256,630</u>	<u>2,242,315</u>
Total Deferred Outflows of Resources	<u>\$5,155,008</u>	<u>\$2,944,199</u>	<u>\$8,099,207</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	<u>\$80,331</u>	<u>\$39,937</u>	<u>\$120,268</u>
Total Deferred Inflows of Resources	<u>\$80,331</u>	<u>\$39,937</u>	<u>\$120,268</u>

\$2,242,315 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
2018	\$1,686,633	\$638,510	\$2,325,143
2019	1,746,723	638,510	2,385,233
2020	714,556	486,032	1,200,588
2021	(58,920)	(114,670)	(173,590)
2022	0	(847)	(847)
2023	<u>0</u>	<u>97</u>	<u>97</u>
Total	<u>\$4,088,992</u>	<u>\$1,647,632</u>	<u>\$5,736,624</u>

Actuarial Assumptions - OPERS

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	3 percent simple through 2018. 2.15 percent simple, thereafter
Investment Rate of Return	7.5 percent
Actuarial Cost Method	Individual Entry Age

Mortality rates are based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

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

During 2016, OPERS managed investments in four investment portfolios: the Defined Benefit portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The 401(h) Health Care Trust portfolio was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. The Defined Benefit portfolio historically included the assets of the Member-Directed retiree medical accounts funded through the VEBA Trust. However, the VEBA Trust was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio is 8.3% for 2016.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2016 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.75 %
Domestic Equities	20.70	6.34
Real Estate	10.00	4.75
Private Equity	10.00	8.97
International Equities	18.30	7.95
Other investments	18.00	4.92
Total	100.00 %	5.66 %

Discount Rate The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the City’s proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.5 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.5 percent) or one-percentage-point higher (8.5 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$20,620,793	\$13,497,727	\$7,561,908

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – OPF

OPF’s total pension liability as of December 31, 2016 is based on the results of an actuarial valuation date of January 1, 2016, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2016, are presented below:

Valuation Date	January 1, 2016
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.60 percent and 3.00 percent

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

The most recent experience study was completed January 1, 2012.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

Changes Between Measurement Date and Report Date - In October 2017, the OP&F Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of January 1, 2017. The most significant change is a reduction in the discount rate from 8.25% to 8.00%. Although the exact amount of these changes is not known, it has the potential to impact to the City’s net pension liability.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF’s target asset allocation as of December 31, 2016 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	0.00 %	0.00 %
Domestic Equity	16.00	5.21
Non-US Equity	16.00	5.40
Core Fixed Income *	20.00	2.37
Global Inflation Protected *	20.00	2.33
High Yield	15.00	4.48
Real Estate	12.00	5.65
Private Markets	8.00	7.99
Real Assets	5.00	6.87
Master Limited Partnerships	8.00	7.36
Total	<u>120.00 %</u>	

* levered 2x

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

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

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

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$23,044,639	\$17,302,319	\$12,435,625

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 11 - POSTEMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System (“OPERS”)

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the Traditional Pension and the Combined plans. This trust is also used to fund health care for Member Directed Plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, Member-Directed Plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45. Please see the Plan Statement in the OPERS 2016 CAFR for details.

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

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

Funding Policy – The ORC provides the statutory authority requiring public employers to fund post retirement health care coverage through their contributions to OPERS. A portion of each employer’s contribution to OPERS may be set aside for the funding of post retirement health care benefits. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2017, local government employers contributed at a rate of 14.00% of covered payroll. The ORC currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for local government employers. Active members do not make contributions to the OPEB plan.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 11 - POSTEMPLOYMENT BENEFITS (Continued)

A. Ohio Public Employees Retirement System (“OPERS”) (Continued)

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1.0% during calendar year 2017. As recommended by OPERS’ actuary, the portion of employer contributions allocated to health care beginning January 1, 2018 decreased to 0.0% for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited for Member-Directed Plan participants for 2017 was 4.0%.

The City's contributions for health care to the OPERS for the years ending December 31, 2017, 2016, and 2015 were \$75,822, \$153,555 and \$153,886, respectively, which were equal to the required contributions for each year.

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

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

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

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

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 11 - POSTEMPLOYMENT BENEFITS (Continued)

B. Ohio Police and Fire Pension Fund (“OP&F”) (Continued)

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2017, the portion of employer contributions allocated to health care was 0.5% of covered payroll for both police officers and firefighters. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees’ primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h). The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions for health care to the OP&F for the years ended December 31, 2017, 2016, and 2015 were \$16,757, \$16,542 and \$15,077 for police and \$13,189, \$11,853 and \$11,035 for firefighters, respectively, which were equal to the required contributions for each year.

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CITY OF BLUE ASH, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 12 - LONG-TERM OBLIGATIONS

Detail of the changes in the long-term obligations of the City for the year ended December 31, 2017 is as follows:

		Balance December 31, 2016	Issued	(Retired)	Balance December 31, 2017	Amount Due Within One Year
Governmental Activities:						
Bonds Payable:						
5.00% Carver Road Tax Increment Financing Bonds (\$9,790,000)	2006	\$8,065,000	\$0	(\$265,000)	\$7,800,000	\$280,000
4.00% Recreation Center Construction Bonds (\$9,975,000)	2007	4,260,000	0	(710,000)	3,550,000	710,000
5.0% Real Estate Acquisition Bonds (\$18,913,325)	2007	16,762,884	0	(411,856)	16,351,028	432,449
2.00 - 4.00% Golf Clubhouse Construction Bonds (\$9,775,000)	2010	4,435,000	0	(890,000)	3,545,000	890,000
Premium on Golf Clubhouse Bonds		221,922	0	(44,385)	177,537	0
1.00 - 4.00% Osborne/Access Road Bonds (\$3,125,000)	2011	2,700,000	0	(150,000)	2,550,000	150,000
1.00 - 3.00% Summit Park Phase I Bonds (\$9,705,000)	2014	7,885,000	0	(925,000)	6,960,000	940,000
Premium on Summit Park Phase I Bonds		159,314	0	(19,914)	139,400	0
2.00 - 3.50% Summit Park Phase II Bonds (\$9,800,000)	2014	8,660,000	0	(580,000)	8,080,000	595,000
Premium on Summit Park Phase II Bonds		169,636	0	(13,049)	156,587	0
2.00- 5.00% Income Tax Revenue Bonds (\$8,560,000)	2016	8,140,000	0	(735,000)	7,405,000	760,000
Premium on Income Tax Revenue Bonds	2016	1,360,977	0	(75,610)	1,285,367	0
Total Bonds Payable		62,819,733	0	(4,819,814)	57,999,919	4,757,449
0.0% OPWC Loan (\$1,445,000)	2008	361,250	0	(144,500)	216,750	144,500
0.0% OPWC Loan (\$1,027,339)	2009	378,493	0	(108,141)	270,352	108,141
0.0% OPWC Loan (\$1,309,116)	2013	1,112,748	0	(130,912)	981,836	130,912
Total OPWC Loans		1,852,491	0	(383,553)	1,468,938	383,553
Capital Lease (\$1,500,000)	2012	938,681	0	(147,875)	790,806	151,202
Net Pension Liability:						
Ohio Public Employees Retirement System		8,528,700	3,119,037	0	11,647,737	0
Ohio Police and Fire Pension		16,383,273	919,046	0	17,302,319	0
Total Net Pension Liability		24,911,973	4,038,083	0	28,950,056	0
Compensated Absences		1,735,684	1,876,456	(1,735,684)	1,876,456	506,643
Total Governmental Activities		\$92,258,562	\$5,914,539	(\$7,086,926)	\$91,086,175	\$5,798,847

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 12 - LONG-TERM OBLIGATIONS (Continued)

	Balance December 31, 2016	Additions	(Reductions)	Balance December 31, 2017	Due Within One Year
Business-Type Activities					
Capital Leases	\$123,962	\$0	(\$61,337)	\$62,625	\$62,625
Net Pension Liability:					
Ohio Public Employees Retirement System	1,443,736	406,254	0	1,849,990	0
Compensated Absences	82,741	38,189	(82,741)	38,189	10,311
Total Business-Type Activities	<u>\$1,650,439</u>	<u>\$444,443</u>	<u>(\$144,078)</u>	<u>\$1,950,804</u>	<u>\$72,936</u>

The Ohio Revised Code provides that the net debt of a municipal corporation, when approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxable value of property. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. The City has no debt within the 5.5% unvoted debt limitation or the 10.5% overall debt limitation. The City's total debt margin at December 31, 2017 was \$81,828,133.

A. Principal and Interest Requirements

Principal and interest requirements to retire long-term debt outstanding at December 31, 2017 are as follows:

Years	General Obligation Bonds		OPWC Loans	
	Principal	Interest	Principal	Interest
2018	\$4,757,449	\$2,266,211	\$383,553	\$0
2019	4,829,071	2,113,526	311,303	0
2020	5,081,775	1,959,110	184,982	0
2021	5,185,613	1,789,085	130,912	0
2022	4,285,644	1,600,341	130,912	0
2023-2027	14,724,742	5,814,371	327,276	0
2028-2032	10,242,806	3,162,871	0	0
2033-2036	7,133,928	865,575	0	0
Totals	<u>\$56,241,028</u>	<u>\$19,571,090</u>	<u>\$1,468,938</u>	<u>\$0</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 12 - LONG-TERM OBLIGATIONS (Continued)

B. Conduit Debt

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, the liens are released. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2017, there was one Industrial Revenue Bond outstanding, with an original issue amount of \$15,475,000.

C. Tax Increment Financing Bonds

To encourage economic development, an agreement was crafted between the City, Duke Realty Ohio (the Developer), and the Sycamore Community School District to utilize Tax Increment Financing to construct two public parking garages associated with the 22 acre Landings Development on Carver Road. During 2006, Carver Road Tax Increment Financing Bonds in the principal amount of \$9,790,000 were issued to retire a construction related Bond Anticipation Note, to fund the project's completion, and also to provide funding for the cost of bond issuance, a debt reserve, and capitalized interest expense. The long term obligation of the Tax Increment Financing Bonds do not represent a claim against the full faith and credit of the issuer, the City of Blue Ash. The agreements in place, supported as required by legislation passed by City Council, provide for the Developer to make payments in lieu of property taxes (P.I.L.O.T.S.) over the life of the 30 year tax exemption, with those payments to be utilized as the primary source of funds for the retirement of the debt. The Developer is contractually obligated to make minimum service payments so that principal and interest are retired on a timely basis. Any surplus derived through payments in lieu of taxes not required for retirement of the TIF debt are to be paid to the Sycamore Community School District as defined in the Agreement. Upon completion of the two public parking garages, the TIF Construction Fund was closed, any remaining fund balance was deposited into the TIF Carver Road Bond Retirement Fund. All payments and disbursements relating to the retirement of debt will be via the TIF Carver Road Bond Retirement Fund.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 13 - CAPITAL LEASES

The City is party to three leases accounted for as capital leases. The governmental activity lease is to finance energy saving facility improvements. The cost of the equipment obtained under this lease is valued at \$1.5 million. The Golf Course and Events Center entered into two leases, one for golf carts and the other for mowers. The cost of the equipment obtained under these leases are \$189,110 and \$58,866, respectively. All of the equipment is capitalized as machinery and equipment within capital assets. The liabilities for these leases are recorded on the Statement of Net Position as due within one year and due in more than one year. The following is a schedule of future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of December 31, 2017:

<u>Year Ending December 31,</u>	<u>Capital Leases</u>
2018	\$232,935
2019	168,995
2020	168,995
2021	168,995
2022	168,995
Minimum Lease Payments	<u>908,915</u>
Less amount representing interest at the at the City's incremental borrow rate	<u>(55,484)</u>
Present value of minimum lease payments	<u><u>\$853,431</u></u>

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2017***

NOTE 14 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. In 1992 the City entered into a joint insurance pool, Miami Valley Risk Management Association, Inc. (MVRMA, Inc.) with other local cities. As of December 31, 2017, the pool has twenty one members. The pool has been operational since December of 1988 and was formed in accordance with Section 2744 of the Ohio Revised Code. This jointly governed organization provides real and personal property, crime, surety, general liability, boiler and machinery, employment practices liability, police professional and public official liability coverage up to the limits stated below. Membership in MVRMA is intended to provide broad based coverage up to the limits stated below, with increased emphasis on safety and loss prevention and to create an opportunity for other local governments to participate. MVRMA is a non-profit corporation governed by a twenty one member board of trustees, consisting of a representative appointed by each of the member cities. The board of trustees elects the officers of the corporation, with each trustee having a single vote.

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

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

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

Pollution Liability	\$1,000,000	per occurrence
Public Officials/Personal Injury	12,000,000	per occurrence
Property	1,000,000,000	per occurrence
Boiler and Machinery	100,000,000	per occurrence
Flood	25,000,000	per occurrence and aggregate
Cyber Liability	2,000,000	per occurrence and aggregate
Earthquake (Property)	25,000,000	per occurrence and aggregate

The member deductible per occurrence for all types of claims is \$2,500.

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 14 - RISK MANAGEMENT (Continued)

Workers' Compensation claims are covered under the State of Ohio Bureau of Workers' Compensation. The City participates in the Ohio Municipal League's Workers' Compensation Group Rating Program to benefit from the shared risk of a pooled group. The City pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll. The rate is determined based on the group's accident history and administrative costs. The City also pays unemployment claims to the State of Ohio as incurred.

The City continues to carry commercial insurance for other risks of loss, including group employee health and life insurance. There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

NOTE 15 - CONSTRUCTION COMMITMENTS

As of December 31, 2017, the City had the following commitments with respect to capital projects:

Project	Remaining Construction Commitment	Expected Date of Completion
Summit Park	\$3,879,903	Fall 2018 (Phase III)
Malsbary Road Connector	1,422,579	Summer 2018
Sidewalk Expansion and Replacement	808,895	Summer 2018
Paving Program	445,233	Summer 2018
Culvert Repairs	250,000	Summer 2018
Total	\$6,806,610	

NOTE 16 - CONTINGENCIES

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

For the period January 1, 2017 to December 31, 2017, the City received federal and state grants for specific purposes that are subject to reviews and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 17 – SIGNIFICANT ENCUMBRANCES

At December 31, 2017 the City had the following significant encumbrances outstanding:

Fund	Total Encumbrances	Significant Encumbrances	Explanation
Major Funds:			
General Fund	\$ 841,758	\$ 229,528 612,230	Downtown Streetscape/Sidewalks Ambulance
Street Construction, Maintenance and Repair Fund	2,395,284	277,472 445,233 1,422,579 250,000	Sidewalk Expansion and Replacement Annual Street Paving Program Malsbary Road Connector Culvert Repairs
Summit Park Fund	4,230,827	215,756 107,919 391,141 1,046,102 70,776 1,240,228 187,897 742,592 123,359 105,057	Summit Park - Tower - Steel Summit Park - Tower - Piers Summit Park - Tower - Electrical Summit Park - Tower - Glass, Metal Panels Summit Park - Tower - Masonry Summit Park - Tower - General Trades Summit Park - Ponds/Streams Summit Park - Sitework Summit Park - Other Summit Park - Landscape Architecture
Other Governmental Funds	371,094	67,871 84,530 218,694	Glendale-Milford/Summit Roundabout Plainfield/Parkview Roundabout Ham-Plainfield Roundabouts

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**Notes to the Basic Financial Statements
For the Year Ended December 31, 2017**

NOTE 18 – TAX ABATEMENT DISCLOSURES

As of December 31, 2017, the City of Blue Ash provides tax incentives under a Residential Community Reinvestment Area (RCRA) program.

Real Estate Tax Abatements

Pursuant to Ohio Revised Code Chapter 3735.66, the City established a Residential Community Reinvestment Area in 2014. Various portions of the community are covered by this RCRA. The City authorizes incentives based upon each residence’s attributes, and through a contractual application process with each property owner, including proof that the improvements have been made. The abatement equals an agreed upon percentage of the additional property tax resulting from the increase in assessed value as a result of the improvements. The amount of the abatement is deducted from the recipient’s property tax bill. The establishment of the RCRA gave the City the ability to maintain and improve residences located in the City by abating or reducing assessed valuation of properties, resulting in abated taxes, from new or improved real estate.

Below is the City portion of the real property taxes abated in 2017:

	Total Amount of Taxes Abated (Incentives Abated) For the Year 2016 (In Actual Dollars)
<u>Residential Community Reinvestment Area (RCRA)</u>	<u></u>
Residential	\$8,212

REQUIRED SUPPLEMENTAL INFORMATION

CITY OF BLUE ASH, OHIO

***Schedule of City's Proportionate Share of the Net Pension Liability
Last Four Years***

Ohio Public Employees Retirement System

Year	2013	2014	2015	2016
City's proportion of the net pension liability (asset)	0.0560050%	0.0560050%	0.0575734%	0.0594396%
City's proportionate share of the net pension liability (asset)	\$6,602,259	\$6,754,829	\$9,972,436	\$13,497,727
City's covered-employee payroll	\$7,100,669	\$6,982,792	\$7,160,250	\$7,677,725
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	92.98%	96.74%	139.27%	175.80%
Plan fiduciary net position as a percentage of the total pension liability	86.36%	86.45%	81.08%	77.25%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2013	2014	2015	2016
City's proportion of the net pension liability (asset)	0.2607314%	0.2607314%	0.2546727%	0.2731701%
City's proportionate share of the net pension liability (asset)	\$12,698,438	\$13,506,974	\$16,383,273	\$17,302,319
City's covered-employee payroll	\$5,630,410	\$5,168,767	\$5,222,325	\$5,667,309
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	225.53%	261.32%	313.72%	305.30%
Plan fiduciary net position as a percentage of the total pension liability	73.00%	72.20%	66.77%	68.36%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2013 is not available.

CITY OF BLUE ASH, OHIO

***Schedule of City Contributions
Last Five Years***

Ohio Public Employees Retirement System

Year	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Contractually required contribution	\$923,087	\$837,935	\$859,230	\$921,327	\$985,685
Contributions in relation to the contractually required contribution	<u>923,087</u>	<u>837,935</u>	<u>859,230</u>	<u>921,327</u>	<u>985,685</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered-employee payroll	\$7,100,669	\$6,982,792	\$7,160,250	\$7,677,725	\$7,582,192
Contributions as a percentage of covered-employee payroll	13.00%	12.00%	12.00%	12.00%	13.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Contractually required contribution	\$961,674	\$1,052,361	\$1,091,554	\$1,182,940	\$1,256,630
Contributions in relation to the contractually required contribution	<u>961,674</u>	<u>1,052,361</u>	<u>1,091,554</u>	<u>1,182,940</u>	<u>1,256,630</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered-employee payroll	\$5,630,410	\$5,168,767	\$5,222,325	\$5,667,309	\$5,989,119
Contributions as a percentage of covered-employee payroll	17.08%	20.36%	20.90%	20.87%	20.98%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2013 is not available.

*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

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

Nonmajor Governmental Funds

Special Revenue Funds

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

Municipal Motor Vehicle License Tax Fund

To account for county-levied motor vehicle registration fees designated for street construction, maintenance and repair.

State Highway Fund

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

Plainfield Road TIF Fund

To account for resources related to the Tax Increment Financing area established along Plainfield Road.

Osborne Area Improvement TIF Fund

To account for resources related to the Tax Increment Financing area established along Osborne Boulevard.

Forest TIF Fund

To account for resources related to the Tax Increment Financing area established along Kenwood Road.

Shell TIF Fund

To account for resources related to the Tax Increment Financing area established at the corner of Plainfield Road and Hunt Road.

Hills Development TIF Fund

To account for resources related to the Tax Increment Financing area established along Hunt Road in Downtown Blue Ash.

Michelman TIF Fund

To account for resources related to the Tax Increment Financing area established for the Michelman Chemicals Inc. property.

Law Enforcement Assistance Fund

To account for the funds associated with the State mandated police officer annual training.

Federal Law Enforcement Fund

To account for the proceeds from the confiscation of contraband - Federal fund.

State Law Enforcement Fund

To account for the proceeds from the confiscation of contraband - State fund.

(Continued)

Special Revenue Funds (Continued)

Operating a Vehicle Intoxicated (OVI) Task Force Fund

To account for resources associated with administering the regional OVI task force.

Drug Law Enforcement Fund

To account for mandatory fines collected for drug offenses.

Education Enforcement (DUI) Fund

To account for financial resources used to educate and treat persons with alcohol related problems and to enhance law enforcement activities as a deterrent to the operation of motor vehicles while under the influence of alcohol.

Police Grant Fund

To account for financial resources associated with purchases for a Heroin Task Force program.

Law Enforcement Liaison Fund

To account for resources associated with administering the State's Law Enforcement Liaison Program.

Debt Service Funds

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

TIF Carver Road Bond Retirement Fund

To account for payments of principal and interest on the City's tax increment financing bonds issued in 2006.

TIF Reed Hartman Highway/Osborne Road Fund

To account for payments of principal and interest on the City's tax increment financing bonds issued in 2011. Revenues for this purpose include payments in lieu of taxes and investment income.

Capital Projects Funds

The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

Park Road Improvements Fund

To account for the costs associated with the construction of infrastructure improvements in the vicinity of Summit Park.

Summit Park Restaurant Pavilion Fund

To account for the costs associated with the construction of the restaurant pavilion at Summit Park.

CITY OF BLUE ASH, OHIO

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2017**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Cash and Cash Equivalents	\$ 1,774,659	\$ 222,995	\$ 230,693	\$ 2,228,347
Receivables:				
Taxes	916,000	1,590,000	0	2,506,000
Intergovernmental	171,836	0	0	171,836
Interest	462	149	0	611
Prepaid Items	375	1,392	0	1,767
Restricted Assets:				
Cash and Cash Equivalents	0	670,000	0	670,000
Total Assets	<u>\$ 2,863,332</u>	<u>\$ 2,484,536</u>	<u>\$ 230,693</u>	<u>\$ 5,578,561</u>
Liabilities:				
Accounts Payable	\$ 114,562	\$ 0	\$ 0	\$ 114,562
Intergovernmental Payable	10,035	0	0	10,035
Contracts Payable	0	0	84,020	84,020
Interfund Loans Payable	52,170	0	0	52,170
Total Liabilities	<u>176,767</u>	<u>0</u>	<u>84,020</u>	<u>260,787</u>
Deferred Inflows of Resources:				
Unavailable Amounts	125,824	0	0	125,824
Property Tax Levy for Next Fiscal Year	916,000	1,590,000	0	2,506,000
Total Deferred Inflows of Resources	<u>1,041,824</u>	<u>1,590,000</u>	<u>0</u>	<u>2,631,824</u>
Fund Balances:				
Nonspendable	375	1,392	0	1,767
Restricted	1,713,466	893,144	146,673	2,753,283
Unassigned	(69,100)	0	0	(69,100)
Total Fund Balances	<u>1,644,741</u>	<u>894,536</u>	<u>146,673</u>	<u>2,685,950</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,863,332</u>	<u>\$ 2,484,536</u>	<u>\$ 230,693</u>	<u>\$ 5,578,561</u>

CITY OF BLUE ASH, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2017**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Property Taxes	\$ 918,763	\$ 1,590,805	\$ 0	\$ 2,509,568
Intergovernmental Revenues	453,744	0	0	453,744
Investment Earnings	4,886	3,474	0	8,360
Fines and Forfeitures	22,734	0	0	22,734
Total Revenue	<u>1,400,127</u>	<u>1,594,279</u>	<u>0</u>	<u>2,994,406</u>
Expenditures:				
Current:				
Security of Persons and Property	381,155	0	0	381,155
Transportation	100,000	0	0	100,000
General Government	831,664	818,002	0	1,649,666
Capital Outlay	0	0	338,561	338,561
Debt Service:				
Principal Retirement	0	265,000	0	265,000
Interest & Fiscal Charges	0	403,250	0	403,250
Total Expenditures	<u>1,312,819</u>	<u>1,486,252</u>	<u>338,561</u>	<u>3,137,632</u>
Excess (Deficiency) of Revenues Over Expenditures	87,308	108,027	(338,561)	(143,226)
Other Financing Sources (Uses):				
Transfers In	0	0	320,000	320,000
Transfers Out	0	(113,000)	0	(113,000)
Total Other Financing Sources (Uses)	<u>0</u>	<u>(113,000)</u>	<u>320,000</u>	<u>207,000</u>
Net Change in Fund Balance	87,308	(4,973)	(18,561)	63,774
Fund Balances at Beginning of Year	<u>1,557,433</u>	<u>899,509</u>	<u>165,234</u>	<u>2,622,176</u>
Fund Balances End of Year	<u>\$ 1,644,741</u>	<u>\$ 894,536</u>	<u>\$ 146,673</u>	<u>\$ 2,685,950</u>

CITY OF BLUE ASH, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2017**

	Municipal Motor Vehicle License Tax Fund	State Highway Fund	Plainfield Road TIF Fund	Osborne Area Improvement TIF Fund
Assets:				
Cash and Cash Equivalents	\$ 199,562	\$ 494,813	\$ 518,892	\$ 17,106
Receivables:				
Taxes	0	0	347,000	13,000
Intergovernmental	57,324	25,227	0	0
Interest	132	330	0	0
Prepaid Items	0	0	0	0
Total Assets	<u>\$ 257,018</u>	<u>\$ 520,370</u>	<u>\$ 865,892</u>	<u>\$ 30,106</u>
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 106,552	\$ 0
Intergovernmental Payable	0	0	0	0
Interfund Loans Payable	0	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>106,552</u>	<u>0</u>
Deferred Inflows of Resources:				
Unavailable Amounts	38,216	16,818	0	0
Property Tax Levy for Next Fiscal Year	0	0	347,000	13,000
Total Deferred Inflows of Resources:	<u>38,216</u>	<u>16,818</u>	<u>347,000</u>	<u>13,000</u>
Fund Balances:				
Nonspendable	0	0	0	0
Restricted	218,802	503,552	412,340	17,106
Unassigned	0	0	0	0
Total Fund Balances	<u>218,802</u>	<u>503,552</u>	<u>412,340</u>	<u>17,106</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 257,018</u>	<u>\$ 520,370</u>	<u>\$ 865,892</u>	<u>\$ 30,106</u>

CITY OF BLUE ASH, OHIO

Forest TIF Fund	Shell TIF Fund	Hills Development TIF Fund	Michelman TIF Fund	Law Enforcement Assistance Fund	Federal Law Enforcement Fund
\$ 246,792	\$ 12,298	\$ 36,774	\$ 54,220	\$ 23,101	\$ 52,975
350,000	10,000	128,000	68,000	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	375
<u>\$ 596,792</u>	<u>\$ 22,298</u>	<u>\$ 164,774</u>	<u>\$ 122,220</u>	<u>\$ 23,101</u>	<u>\$ 53,350</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 650
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	650
0	0	0	0	0	0
350,000	10,000	128,000	68,000	0	0
<u>350,000</u>	<u>10,000</u>	<u>128,000</u>	<u>68,000</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	375
246,792	12,298	36,774	54,220	23,101	52,325
0	0	0	0	0	0
<u>246,792</u>	<u>12,298</u>	<u>36,774</u>	<u>54,220</u>	<u>23,101</u>	<u>52,700</u>
<u>\$ 596,792</u>	<u>\$ 22,298</u>	<u>\$ 164,774</u>	<u>\$ 122,220</u>	<u>\$ 23,101</u>	<u>\$ 53,350</u>

(Continued)

CITY OF BLUE ASH, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2017**

	State Law Enforcement Fund	OVI Task Force Fund	Drug Law Enforcement Fund	Education Enforcement (DUI) Fund
Assets:				
Cash and Cash Equivalents	\$ 69,862	\$ 0	\$ 37,458	\$ 10,806
Receivables:				
Taxes	0	0	0	0
Intergovernmental	18,445	33,993	0	50
Interest	0	0	0	0
Prepaid Items	0	0	0	0
Total Assets	<u>\$ 88,307</u>	<u>\$ 33,993</u>	<u>\$ 37,458</u>	<u>\$ 10,856</u>
Liabilities:				
Accounts Payable	\$ 0	\$ 350	\$ 0	\$ 0
Intergovernmental Payable	0	9,442	465	0
Interfund Loans Payable	0	24,201	0	0
Total Liabilities	<u>0</u>	<u>33,993</u>	<u>465</u>	<u>0</u>
Deferred Inflows of Resources:				
Unavailable Amounts	0	33,993	0	0
Property Tax Levy for Next Fiscal Year	0	0	0	0
Total Deferred Inflows of Resources:	<u>0</u>	<u>33,993</u>	<u>0</u>	<u>0</u>
Fund Balances:				
Nonspendable	0	0	0	0
Restricted	88,307	0	36,993	10,856
Unassigned	0	(33,993)	0	0
Total Fund Balances	<u>88,307</u>	<u>(33,993)</u>	<u>36,993</u>	<u>10,856</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 88,307</u>	<u>\$ 33,993</u>	<u>\$ 37,458</u>	<u>\$ 10,856</u>

CITY OF BLUE ASH, OHIO

<u>Police Grant Fund</u>	<u>Law Enforcement Liaison Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 0	\$ 0	\$ 1,774,659
0	0	916,000
20,200	16,597	171,836
0	0	462
0	0	375
<u>\$ 20,200</u>	<u>\$ 16,597</u>	<u>\$ 2,863,332</u>
\$ 3,538	\$ 3,472	\$ 114,562
0	128	10,035
14,972	12,997	52,170
<u>18,510</u>	<u>16,597</u>	<u>176,767</u>
20,200	16,597	125,824
0	0	916,000
<u>20,200</u>	<u>16,597</u>	<u>1,041,824</u>
0	0	375
0	0	1,713,466
(18,510)	(16,597)	(69,100)
<u>(18,510)</u>	<u>(16,597)</u>	<u>1,644,741</u>
<u>\$ 20,200</u>	<u>\$ 16,597</u>	<u>\$ 2,863,332</u>

CITY OF BLUE ASH, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

	Municipal Motor Vehicle License Tax Fund	State Highway Fund	Plainfield Road TIF Fund	Osborne Area Improvement TIF Fund
Revenues:				
Property Taxes	\$ 0	\$ 0	\$ 347,730	\$ 13,519
Intergovernmental Revenues	111,960	50,238	0	0
Investment Earnings	1,616	3,270	0	0
Fines and Forfeitures	0	0	0	0
Total Revenue	<u>113,576</u>	<u>53,508</u>	<u>347,730</u>	<u>13,519</u>
Expenditures:				
Current:				
Security of Persons and Property	0	0	0	0
Transportation	100,000	0	0	0
General Government	0	0	424,636	9,206
Total Expenditures	<u>100,000</u>	<u>0</u>	<u>424,636</u>	<u>9,206</u>
Net Change in Fund Balance	13,576	53,508	(76,906)	4,313
Fund Balances at Beginning of Year	<u>205,226</u>	<u>450,044</u>	<u>489,246</u>	<u>12,793</u>
Fund Balances End of Year	<u>\$ 218,802</u>	<u>\$ 503,552</u>	<u>\$ 412,340</u>	<u>\$ 17,106</u>

CITY OF BLUE ASH, OHIO

Forest TIF Fund	Shell TIF Fund	Hills Development TIF Fund	Michelman TIF Fund	Law Enforcement Assistance Fund	Federal Law Enforcement Fund
\$ 350,115	\$ 10,980	\$ 128,385	\$ 68,034	\$ 0	\$ 0
0	0	0	0	14,260	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>350,115</u>	<u>10,980</u>	<u>128,385</u>	<u>68,034</u>	<u>14,260</u>	<u>0</u>
0	0	0	0	3,559	34,591
0	0	0	0	0	0
<u>249,829</u>	<u>7,835</u>	<u>91,611</u>	<u>48,547</u>	<u>0</u>	<u>0</u>
<u>249,829</u>	<u>7,835</u>	<u>91,611</u>	<u>48,547</u>	<u>3,559</u>	<u>34,591</u>
100,286	3,145	36,774	19,487	10,701	(34,591)
<u>146,506</u>	<u>9,153</u>	<u>0</u>	<u>34,733</u>	<u>12,400</u>	<u>87,291</u>
<u>\$ 246,792</u>	<u>\$ 12,298</u>	<u>\$ 36,774</u>	<u>\$ 54,220</u>	<u>\$ 23,101</u>	<u>\$ 52,700</u>

(Continued)

CITY OF BLUE ASH, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

	State Law Enforcement Fund	OVI Task Force Fund	Drug Law Enforcement Fund	Education Enforcement (DUI) Fund
Revenues:				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	0	179,864	0	0
Investment Earnings	0	0	0	0
Fines and Forfeitures	21,669	0	80	985
Total Revenue	<u>21,669</u>	<u>179,864</u>	<u>80</u>	<u>985</u>
Expenditures:				
Current:				
Security of Persons and Property	3,237	201,725	5,515	0
Transportation	0	0	0	0
General Government	0	0	0	0
Total Expenditures	<u>3,237</u>	<u>201,725</u>	<u>5,515</u>	<u>0</u>
Net Change in Fund Balance	18,432	(21,861)	(5,435)	985
Fund Balances at Beginning of Year	<u>69,875</u>	<u>(12,132)</u>	<u>42,428</u>	<u>9,871</u>
Fund Balances End of Year	<u>\$ 88,307</u>	<u>\$ (33,993)</u>	<u>\$ 36,993</u>	<u>\$ 10,856</u>

CITY OF BLUE ASH, OHIO

Police Grant Fund	Law Enforcement Liaison Fund	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 918,763
41,506	55,916	453,744
0	0	4,886
0	0	22,734
<u>41,506</u>	<u>55,916</u>	<u>1,400,127</u>
60,016	72,512	381,155
0	0	100,000
0	0	831,664
<u>60,016</u>	<u>72,512</u>	<u>1,312,819</u>
(18,510)	(16,596)	87,308
0	(1)	1,557,433
<u>\$ (18,510)</u>	<u>\$ (16,597)</u>	<u>\$ 1,644,741</u>

CITY OF BLUE ASH, OHIO

**Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2017**

	TIF Carver Road Bond Retirement Fund	TIF Reed Hartman Highway Fund	Total Nonmajor Debt Service Funds
Assets:			
Cash and Cash Equivalents	\$ 222,339	\$ 656	\$ 222,995
Receivables:			
Taxes	1,264,000	326,000	1,590,000
Interest	149	0	149
Prepaid Items	1,392	0	1,392
Restricted Assets:			
Cash and Cash Equivalents	670,000	0	670,000
Total Assets	<u>\$ 2,157,880</u>	<u>\$ 326,656</u>	<u>\$ 2,484,536</u>
Liabilities:			
Total Liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Deferred Inflows of Resources:			
Property Tax Levy for Next Fiscal Year	1,264,000	326,000	1,590,000
Total Deferred Inflows of Resources	<u>1,264,000</u>	<u>326,000</u>	<u>1,590,000</u>
Fund Balances:			
Nonspendable	1,392	0	1,392
Restricted	892,488	656	893,144
Total Fund Balances	<u>893,880</u>	<u>656</u>	<u>894,536</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,157,880</u>	<u>\$ 326,656</u>	<u>\$ 2,484,536</u>

CITY OF BLUE ASH, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended December 31, 2017***

	TIF Carver Road Bond Retirement Fund	TIF Reed Hartman Highway Fund	Total Nonmajor Debt Service Funds
Revenues:			
Property Taxes	\$ 1,264,210	\$ 326,595	\$ 1,590,805
Investment Earnings	3,474	0	3,474
Total Revenue	<u>1,267,684</u>	<u>326,595</u>	<u>1,594,279</u>
Expenditures:			
Current:			
General Government	604,466	213,536	818,002
Debt Service:			
Principal Retirement	265,000	0	265,000
Interest & Fiscal Charges	403,250	0	403,250
Total Expenditures	<u>1,272,716</u>	<u>213,536</u>	<u>1,486,252</u>
Excess (Deficiency) of Revenues Over Expenditures	(5,032)	113,059	108,027
Other Financing Sources (Uses):			
Transfers Out	0	(113,000)	(113,000)
Total Other Financing Sources (Uses)	<u>0</u>	<u>(113,000)</u>	<u>(113,000)</u>
Net Change in Fund Balance	(5,032)	59	(4,973)
Fund Balances at Beginning of Year	898,912	597	899,509
Fund Balances End of Year	<u>\$ 893,880</u>	<u>\$ 656</u>	<u>\$ 894,536</u>

CITY OF BLUE ASH, OHIO

**Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2017**

	Park Road Improvements Fund	Summit Park Restaurant Pavilion Fund	Total Nonmajor Capital Projects Funds
Assets:			
Cash and Cash Equivalents	\$ 152,400	\$ 78,293	\$ 230,693
Total Assets	<u>\$ 152,400</u>	<u>\$ 78,293</u>	<u>\$ 230,693</u>
Liabilities:			
Contracts Payable	\$ 57,513	\$ 26,507	\$ 84,020
Total Liabilities	<u>57,513</u>	<u>26,507</u>	<u>84,020</u>
Fund Balances:			
Restricted	94,887	51,786	146,673
Total Fund Balances	<u>94,887</u>	<u>51,786</u>	<u>146,673</u>
Total Liabilities and Fund Balances	<u>\$ 152,400</u>	<u>\$ 78,293</u>	<u>\$ 230,693</u>

CITY OF BLUE ASH, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2017**

	Park Road Improvements Fund	Summit Park Restaurant Pavilion Fund	Total Nonmajor Capital Project Funds
Revenues:			
Total Revenue	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
Expenditures:			
Capital Outlay	<u>225,113</u>	<u>113,448</u>	<u>338,561</u>
Total Expenditures	<u>225,113</u>	<u>113,448</u>	<u>338,561</u>
Excess (Deficiency) of Revenues Over Expenditures	(225,113)	(113,448)	(338,561)
Other Financing Sources (Uses):			
Transfers In	<u>320,000</u>	<u>0</u>	<u>320,000</u>
Total Other Financing Sources (Uses)	<u>320,000</u>	<u>0</u>	<u>320,000</u>
Net Change in Fund Balance	94,887	(113,448)	(18,561)
Fund Balances at Beginning of Year	<u>0</u>	<u>165,234</u>	<u>165,234</u>
Fund Balances End of Year	<u>\$ 94,887</u>	<u>\$ 51,786</u>	<u>\$ 146,673</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 1,928,332	\$ 1,928,332	\$ 1,976,898	\$ 48,566
Municipal Income Taxes	34,050,000	34,050,000	34,167,136	117,136
Other Local Taxes	1,120,000	1,120,000	1,242,533	122,533
Intergovernmental Revenues	574,532	574,532	553,466	(21,066)
Charges for Services	395,000	435,000	850,588	415,588
Licenses and Permits	530,500	620,500	679,553	59,053
Investment Earnings	150,000	150,000	324,011	174,011
Fines and Forfeitures	72,500	72,500	91,057	18,557
All Other Revenues	300	300	204	(96)
Total Revenues	<u>38,821,164</u>	<u>38,951,164</u>	<u>39,885,446</u>	<u>934,282</u>
Expenditures:				
Security of Persons and Property:				
Police Division:				
Personal Services	5,915,000	5,915,000	5,702,666	212,334
Materials and Supplies	140,405	140,405	123,395	17,010
Contractual Services	435,837	435,837	379,238	56,599
Capital Outlay	262,942	262,942	169,733	93,209
Total Police Division	<u>6,754,184</u>	<u>6,754,184</u>	<u>6,375,032</u>	<u>379,152</u>
Fire Division:				
Personal Services	4,287,000	4,287,000	4,002,013	284,987
Materials and Supplies	123,783	123,783	91,442	32,341
Contractual Services	312,219	323,219	287,775	35,444
Capital Outlay	347,344	347,344	346,113	1,231
Total Fire Division	<u>5,070,346</u>	<u>5,081,346</u>	<u>4,727,343</u>	<u>354,003</u>
Total Security of Persons and Property	<u>11,824,530</u>	<u>11,835,530</u>	<u>11,102,375</u>	<u>733,155</u>
Community Development:				
Building Division:				
Personal Services	499,300	499,300	479,796	19,504
Materials and Supplies	2,737	2,737	1,215	1,522
Contractual Services	704,966	834,966	693,811	141,155
Capital Outlay	1,866,161	1,866,161	1,493,813	372,348
Total Community Development	<u>3,073,164</u>	<u>3,203,164</u>	<u>2,668,635</u>	<u>534,529</u>

(Continued)

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
General Government:				
Legislative Services:				
Personal Services	138,300	138,300	135,074	3,226
Materials and Supplies	500	500	65	435
Contractual Services	604,606	604,606	545,544	59,062
Total Legislative Services	<u>743,406</u>	<u>743,406</u>	<u>680,683</u>	<u>62,723</u>
Judicial Services:				
Personal Services	115,300	115,300	105,753	9,547
Materials and Supplies	1,233	1,233	1,203	30
Contractual Services	10,450	10,450	8,064	2,386
Total Judicial Services	<u>126,983</u>	<u>126,983</u>	<u>115,020</u>	<u>11,963</u>
Tax and Finance Divisions:				
Personal Services	627,000	627,000	596,850	30,150
Materials and Supplies	4,115	4,115	4,115	0
Contractual Services	113,000	113,000	95,456	17,544
Capital Outlay	1,990	1,990	1,980	10
Total Tax and Finance Divisions	<u>746,105</u>	<u>746,105</u>	<u>698,401</u>	<u>47,704</u>
Administrative Services Division:				
Personal Services	1,375,000	1,375,000	1,355,651	19,349
Materials and Supplies	7,520	7,520	3,694	3,826
Contractual Services	115,517	115,517	86,155	29,362
Total Administrative Services Division	<u>1,498,037</u>	<u>1,498,037</u>	<u>1,445,500</u>	<u>52,537</u>
Facilities Maintenance Division:				
Personal Services	1,446,000	1,471,000	1,433,340	37,660
Materials and Supplies	340,919	340,919	337,881	3,038
Contractual Services	706,400	706,400	651,604	54,796
Capital Outlay	246,384	246,384	243,782	2,602
Total Facilities Maintenance Division	<u>2,739,703</u>	<u>2,764,703</u>	<u>2,666,607</u>	<u>98,096</u>
Insurance Services Division:				
Contractual Services	357,041	357,041	334,657	22,384
Total Insurance Services Division	<u>357,041</u>	<u>357,041</u>	<u>334,657</u>	<u>22,384</u>

(Continued)

CITY OF BLUE ASH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2017***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
General Government Services:				
Personal Services	579,988	579,988	516,767	63,221
Materials and Supplies	47,726	47,726	39,338	8,388
Contractual Services	2,233,862	1,987,862	1,729,493	258,369
Capital Outlay	1,464,381	1,464,381	1,436,909	27,472
Total General Government Services	<u>4,325,957</u>	<u>4,079,957</u>	<u>3,722,507</u>	<u>357,450</u>
Total General Government	<u>10,537,232</u>	<u>10,316,232</u>	<u>9,663,375</u>	<u>652,857</u>
Total Expenditures	<u>25,434,926</u>	<u>25,354,926</u>	<u>23,434,385</u>	<u>1,920,541</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	13,386,238	13,596,238	16,451,061	2,854,823
Other Financing Sources (Uses):				
Sale of Capital Assets	25,000	25,000	81,925	56,925
Transfers In	0	991	991	0
Transfers Out	(18,859,468)	(20,407,768)	(19,324,311)	1,083,457
Advances In	0	13,790	13,790	0
Advances Out	0	(27,090)	(27,090)	0
Total Other Financing Sources (Uses)	<u>(18,834,468)</u>	<u>(20,395,077)</u>	<u>(19,254,695)</u>	<u>1,140,382</u>
Net Change in Fund Balance	(5,448,230)	(6,798,839)	(2,803,634)	3,995,205
Fund Balance at Beginning of Year	37,306,028	37,306,028	37,306,028	0
Prior Year Encumbrances	1,661,380	1,661,380	1,661,380	0
Fund Balance at End of Year	<u>\$ 33,519,178</u>	<u>\$ 32,168,569</u>	<u>\$ 36,163,774</u>	<u>\$ 3,995,205</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – Special Revenue Fund – Street Construction, Maintenance & Repair Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 1,078,000	\$ 1,078,000	\$ 878,681	\$ (199,319)
Charges for Services	25,000	25,000	14,204	(10,796)
Investment Earnings	250	250	1,894	1,644
All Other Revenues	1,550	1,550	1,723	173
Total Revenues	<u>1,104,800</u>	<u>1,104,800</u>	<u>896,502</u>	<u>(208,298)</u>
Expenditures:				
Transportation:				
Street Division:				
Personal Services	1,740,000	1,740,000	1,635,364	104,636
Materials and Supplies	473,566	308,566	257,635	50,931
Contractual Services	588,649	588,649	520,327	68,322
Capital Outlay	7,378,722	7,543,722	7,276,569	267,153
Total Expenditures	<u>10,180,937</u>	<u>10,180,937</u>	<u>9,689,895</u>	<u>491,042</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,076,137)	(9,076,137)	(8,793,393)	282,744
Other Financing Sources (Uses):				
Transfers In	7,866,400	7,866,400	7,583,656	(282,744)
Total Other Financing Sources (Uses)	<u>7,866,400</u>	<u>7,866,400</u>	<u>7,583,656</u>	<u>(282,744)</u>
Net Changes in Fund Balance	(1,209,737)	(1,209,737)	(1,209,737)	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances	1,209,737	1,209,737	1,209,737	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – Special Revenue Fund –Park and Recreation Fund
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 1,256,750	\$ 1,258,809	\$ 1,267,575	\$ 8,766
All Other Revenues	237,750	237,750	210,452	(27,298)
Total Revenues	<u>1,494,500</u>	<u>1,496,559</u>	<u>1,478,027</u>	<u>(18,532)</u>
Expenditures:				
Leisure Time Activities:				
Recreation Programming Division:				
Personal Services	1,193,600	1,193,600	1,138,735	54,865
Materials and Supplies	238,804	238,804	229,175	9,629
Contractual Services	1,377,401	1,362,401	1,200,125	162,276
Capital Outlay	1,755,350	1,755,350	1,748,041	7,309
Total Recreation Programming Division	<u>4,565,155</u>	<u>4,550,155</u>	<u>4,316,076</u>	<u>234,079</u>
Grounds Maintenance Division:				
Personal Services	1,046,600	1,136,600	1,095,272	41,328
Materials and Supplies	253,711	253,711	234,302	19,409
Contractual Services	720,778	897,837	888,831	9,006
Capital Outlay	202,496	187,496	170,756	16,740
Total Grounds Maintenance Division	<u>2,223,585</u>	<u>2,475,644</u>	<u>2,389,161</u>	<u>86,483</u>
Total Expenditures	<u>6,788,740</u>	<u>7,025,799</u>	<u>6,705,237</u>	<u>320,562</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,294,240)	(5,529,240)	(5,227,210)	302,030
Other Financing Sources (Uses):				
Transfers In	3,468,500	3,703,500	3,401,470	(302,030)
Total Other Financing Sources (Uses)	<u>3,468,500</u>	<u>3,703,500</u>	<u>3,401,470</u>	<u>(302,030)</u>
Net Change in Fund Balance	(1,825,740)	(1,825,740)	(1,825,740)	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances	1,825,740	1,825,740	1,825,740	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – Debt Service Fund – General Bond Retirement Fund
For the Year Ended December 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 78,176	\$ 80,145	\$ 1,969
Intergovernmental Revenues	25,832	25,223	(609)
Investment Earnings	100	1,676	1,576
Total Revenues	<u>104,108</u>	<u>107,044</u>	<u>2,936</u>
Expenditures:			
Debt Service:			
Principal Retirement	5,792,548	5,792,548	0
Interest and Fiscal Charges	1,177,072	1,176,370	702
Total Expenditures	<u>6,969,620</u>	<u>6,968,918</u>	<u>702</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,865,512)	(6,861,874)	3,638
Other Financing Sources (Uses):			
Transfers In	6,323,146	6,206,508	(116,638)
Total Other Financing Sources (Uses)	<u>6,323,146</u>	<u>6,206,508</u>	<u>(116,638)</u>
Net Change in Fund Balance	(542,366)	(655,366)	(113,000)
Fund Balance at Beginning of Year	655,366	655,366	0
Fund Balance at End of Year	<u>\$ 113,000</u>	<u>\$ 0</u>	<u>\$ (113,000)</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund - Capital Projects Fund – Summit Park Fund
For the Year Ended December 31, 2017**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 250,000	\$ 62,100	\$ (187,900)
Investment Earnings	0	59,288	59,288
Total Revenues	<u>250,000</u>	<u>121,388</u>	<u>(128,612)</u>
Expenditures:			
Capital Outlay	13,654,572	13,146,472	508,100
Total Expenditures	<u>13,654,572</u>	<u>13,146,472</u>	<u>508,100</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(13,404,572)	(13,025,084)	379,488
Other Financing Sources (Uses):			
Transfers In	1,392,000	1,392,000	0
Total Other Financing Sources (Uses)	<u>1,392,000</u>	<u>1,392,000</u>	<u>0</u>
Net Changes in Fund Balance	(12,012,572)	(11,633,084)	379,488
Fund Balance at Beginning of Year	12,109,229	12,109,229	0
Prior Year Encumbrances	153,344	153,344	0
Fund Balance at End of Year	<u>\$ 250,001</u>	<u>\$ 629,489</u>	<u>\$ 379,488</u>

CITY OF BLUE ASH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 106,000	\$ 112,332	\$ 6,332
Investment Earnings	500	1,588	1,088
Total Revenues	<u>106,500</u>	<u>113,920</u>	<u>7,420</u>
Expenditures:			
Transportation:			
Street Division:			
Personal Services	<u>100,000</u>	<u>100,000</u>	<u>0</u>
Total Expenditures	<u>100,000</u>	<u>100,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,500	13,920	7,420
Fund Balance at Beginning of Year	<u>185,642</u>	<u>185,642</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 192,142</u>	<u>\$ 199,562</u>	<u>\$ 7,420</u>

CITY OF BLUE ASH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

	STATE HIGHWAY FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental Revenues	\$ 47,000	\$ 50,106	\$ 3,106
Investment Earnings	1,000	3,187	2,187
Total Revenues	<u>48,000</u>	<u>53,293</u>	<u>5,293</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	48,000	53,293	5,293
Fund Balance at Beginning of Year	441,520	441,520	0
Fund Balance at End of Year	<u>\$ 489,520</u>	<u>\$ 494,813</u>	<u>\$ 5,293</u>

CITY OF BLUE ASH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 342,978	\$ 347,730	\$ 4,752
Total Revenues	<u>342,978</u>	<u>347,730</u>	<u>4,752</u>
Expenditures:			
General Government:			
General Government Services:			
Contractual Services	436,978	236,778	200,200
Capital Outlay	<u>300,000</u>	<u>300,000</u>	<u>0</u>
Total Expenditures	<u>736,978</u>	<u>536,778</u>	<u>200,200</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(394,000)	(189,048)	204,952
Fund Balance at Beginning of Year	<u>489,246</u>	<u>489,246</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 95,246</u>	<u>\$ 300,198</u>	<u>\$ 204,952</u>

CITY OF BLUE ASH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

OSBORNE AREA IMPROVEMENT TIF FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	<u>\$ 15,000</u>	<u>\$ 13,519</u>	<u>\$ (1,481)</u>
Total Revenues	<u>15,000</u>	<u>13,519</u>	<u>(1,481)</u>
Expenditures:			
General Government:			
General Government Services:			
Contractual Services	<u>10,500</u>	<u>9,206</u>	<u>1,294</u>
Total Expenditures	<u>10,500</u>	<u>9,206</u>	<u>1,294</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,500	4,313	(187)
Fund Balance at Beginning of Year	<u>12,793</u>	<u>12,793</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 17,293</u>	<u>\$ 17,106</u>	<u>\$ (187)</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017**

	FOREST TIF FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Property Taxes	\$ 350,115	\$ 350,115	\$ 0
Total Revenues	<u>350,115</u>	<u>350,115</u>	<u>0</u>
Expenditures:			
General Government:			
General Government Services:			
Contractual Services	250,003	249,829	174
Total Expenditures	<u>250,003</u>	<u>249,829</u>	<u>174</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	100,112	100,286	174
Fund Balance at Beginning of Year	146,506	146,506	0
Fund Balance at End of Year	<u>\$ 246,618</u>	<u>\$ 246,792</u>	<u>\$ 174</u>

CITY OF BLUE ASH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 11,000	\$ 10,980	\$ (20)
Total Revenues	<u>11,000</u>	<u>10,980</u>	<u>(20)</u>
Expenditures:			
General Government:			
General Government Services:			
Contractual Services	<u>7,865</u>	<u>7,835</u>	<u>30</u>
Total Expenditures	<u>7,865</u>	<u>7,835</u>	<u>30</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,135	3,145	10
Fund Balance at Beginning of Year	<u>9,153</u>	<u>9,153</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 12,288</u>	<u>\$ 12,298</u>	<u>\$ 10</u>

CITY OF BLUE ASH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

HILLS DEVELOPMENT TIF FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	<u>\$ 130,000</u>	<u>\$ 128,385</u>	<u>\$ (1,615)</u>
Total Revenues	<u>130,000</u>	<u>128,385</u>	<u>(1,615)</u>
Expenditures:			
General Government:			
General Government Services:			
Contractual Services	<u>96,500</u>	<u>91,611</u>	<u>4,889</u>
Total Expenditures	<u>96,500</u>	<u>91,611</u>	<u>4,889</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	33,500	36,774	3,274
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 33,500</u>	<u>\$ 36,774</u>	<u>\$ 3,274</u>

CITY OF BLUE ASH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

	MICHELMAN TIF FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
Revenues:			
Property Taxes	<u>\$ 75,000</u>	<u>\$ 68,034</u>	<u>\$ (6,966)</u>
Total Revenues	<u>75,000</u>	<u>68,034</u>	<u>(6,966)</u>
Expenditures:			
General Government:			
General Government Services:			
Contractual Services	<u>52,000</u>	<u>48,547</u>	<u>3,453</u>
Total Expenditures	<u>52,000</u>	<u>48,547</u>	<u>3,453</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	23,000	19,487	(3,513)
Fund Balance at Beginning of Year	<u>34,733</u>	<u>34,733</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 57,733</u>	<u>\$ 54,220</u>	<u>\$ (3,513)</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 0	\$ 21,960	\$ 21,960
Total Revenues	<u>0</u>	<u>21,960</u>	<u>21,960</u>
Expenditures:			
Security of Persons and Property:			
Police Division:			
Contractual Services	<u>4,700</u>	<u>3,559</u>	<u>1,141</u>
Total Expenditures	<u>4,700</u>	<u>3,559</u>	<u>1,141</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,700)	18,401	23,101
Fund Balance at Beginning of Year	<u>4,700</u>	<u>4,700</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 23,101</u>	<u>\$ 23,101</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017**

FEDERAL LAW ENFORCEMENT FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
Security of Persons and Property:			
Police Division:			
Materials and Supplies	20,000	0	20,000
Contractual Services	36,829	15,604	21,225
Capital Outlay	<u>30,000</u>	<u>20,250</u>	<u>9,750</u>
Total Expenditures	<u>86,829</u>	<u>35,854</u>	<u>50,975</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(86,829)	(35,854)	50,975
Fund Balance at Beginning of Year	84,829	84,829	0
Prior Year Encumbrances	<u>2,000</u>	<u>2,000</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 50,975</u>	<u>\$ 50,975</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 0	\$ 3,224	\$ 3,224
Total Revenues	<u>0</u>	<u>3,224</u>	<u>3,224</u>
Expenditures:			
Security of Persons and Property:			
Police Division:			
Materials and Supplies	5,000	0	5,000
Contractual Services	49,875	3,237	46,638
Capital Outlay	<u>15,000</u>	<u>0</u>	<u>15,000</u>
Total Expenditures	<u>69,875</u>	<u>3,237</u>	<u>66,638</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(69,875)	(13)	69,862
Fund Balance at Beginning of Year	<u>69,875</u>	<u>69,875</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 69,862</u>	<u>\$ 69,862</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 275,000	\$ 200,067	\$ (74,933)
Total Revenues	<u>275,000</u>	<u>200,067</u>	<u>(74,933)</u>
Expenditures:			
Security of Persons and Property:			
Police Division:			
Contractual Services	<u>254,797</u>	<u>204,065</u>	<u>50,732</u>
Total Expenditures	<u>254,797</u>	<u>204,065</u>	<u>50,732</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	20,203	(3,998)	(24,201)
Fund Balance at Beginning of Year	<u>(20,203)</u>	<u>(20,203)</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ (24,201)</u>	<u>\$ (24,201)</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 0	\$ 80	\$ 80
Total Revenues	<u>0</u>	<u>80</u>	<u>80</u>
Expenditures:			
Security of Persons and Property:			
Police Division:			
Materials and Supplies	8,250	1,250	7,000
Contractual Services	27,153	8,975	18,178
Capital Outlay	<u>8,000</u>	<u>0</u>	<u>8,000</u>
Total Expenditures	<u>43,403</u>	<u>10,225</u>	<u>33,178</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(43,403)	(10,145)	33,258
Fund Balance at Beginning of Year	41,148	41,148	0
Prior Year Encumbrances	<u>2,255</u>	<u>2,255</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 33,258</u>	<u>\$ 33,258</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017**

EDUCATION ENFORCEMENT (DUI) FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 750	\$ 1,070	\$ 320
Total Revenues	<u>750</u>	<u>1,070</u>	<u>320</u>
Expenditures:			
Security of Persons and Property:			
Police Division:			
Contractual Services	<u>10,486</u>	<u>0</u>	<u>10,486</u>
Total Expenditures	<u>10,486</u>	<u>0</u>	<u>10,486</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,736)	1,070	10,806
Fund Balance at Beginning of Year	<u>9,736</u>	<u>9,736</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 10,806</u>	<u>\$ 10,806</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 62,500	\$ 41,506	\$ (20,994)
Total Revenues	<u>62,500</u>	<u>41,506</u>	<u>(20,994)</u>
Expenditures:			
Security of Persons and Property:			
Police Division:			
Contractual Services	<u>62,500</u>	<u>62,337</u>	<u>163</u>
Total Expenditures	<u>62,500</u>	<u>62,337</u>	<u>163</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(20,831)	(20,831)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ (20,831)</u>	<u>\$ (20,831)</u>

CITY OF BLUE ASH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017***

LAW ENFORCEMENT LIAISON FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 110,910	\$ 67,057	\$ (43,853)
Total Revenues	<u>110,910</u>	<u>67,057</u>	<u>(43,853)</u>
Expenditures:			
Security of Persons and Property:			
Police Division:			
Contractual Services	104,947	74,091	30,856
Total Expenditures	<u>104,947</u>	<u>74,091</u>	<u>30,856</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,963	(7,034)	(12,997)
Fund Balance at Beginning of Year	(5,963)	(5,963)	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ (12,997)</u>	<u>\$ (12,997)</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2017**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 1,264,210	\$ 1,264,210	\$ 0
Investment Earnings	2,500	3,454	954
Total Revenues	<u>1,266,710</u>	<u>1,267,664</u>	<u>954</u>
Expenditures:			
General Government:			
Contractual Services	<u>604,466</u>	<u>604,466</u>	<u>0</u>
Total General Government	<u>604,466</u>	<u>604,466</u>	<u>0</u>
Debt Service:			
Principal Retirement	265,000	265,000	0
Interest and Fiscal Charges	<u>403,250</u>	<u>403,250</u>	<u>0</u>
Total Expenditures	<u>1,272,716</u>	<u>1,272,716</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,006)	(5,052)	954
Fund Balance at Beginning of Year	<u>897,391</u>	<u>897,391</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 891,385</u>	<u>\$ 892,339</u>	<u>\$ 954</u>

CITY OF BLUE ASH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2017***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 326,595	\$ 326,595	\$ 0
Total Revenues	<u>326,595</u>	<u>326,595</u>	<u>0</u>
Expenditures:			
General Government:			
Contractual Services	213,767	213,536	231
Total Expenditures	<u>213,767</u>	<u>213,536</u>	<u>231</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	112,828	113,059	231
Other Financing Sources (Uses):			
Transfers Out	(113,000)	(113,000)	0
Total Other Financing Sources (Uses)	<u>(113,000)</u>	<u>(113,000)</u>	<u>0</u>
Net Change in Fund Balance	(172)	59	231
Fund Balance at Beginning of Year	597	597	0
Fund Balance at End of Year	<u>\$ 425</u>	<u>\$ 656</u>	<u>\$ 231</u>

CITY OF BLUE ASH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2017**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Capital Outlay	320,000	320,000	0
Total Expenditures	320,000	320,000	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(320,000)	(320,000)	0
Other Financing Sources (Uses):			
Transfers In	320,000	320,000	0
Total Other Financing Sources (Uses)	320,000	320,000	0
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 0

CITY OF BLUE ASH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2017***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
Capital Outlay	<u>188,185</u>	<u>188,185</u>	<u>0</u>
Total Expenditures	<u>188,185</u>	<u>188,185</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(188,185)</u>	<u>(188,185)</u>	<u>0</u>
Fund Balance at Beginning of Year	39,852	39,852	0
Prior Year Encumbrances	<u>148,333</u>	<u>148,333</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Fiduciary Funds

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

Agency Funds

Mayor's Court Fund

To account for funds that flow through the Mayor's Court.

Ohio Board of Building Standards Assessment Fund

To account for funds from fees as required by Ohio Revised Code.

Energy Special Improvement District (ESID) Fund

To account for the collection and disbursement of funds related to the Energy Special Improvement District.

Flex Spending Fund

To account for funds related to the IRS 125 Employee Benefits Plan.

CITY OF BLUE ASH, OHIO

**Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2017**

	Balance December 31, 2016	Additions	Deductions	Balance December 31, 2017
Mayor's Court				
Restricted Assets:				
Cash and Cash Equivalents with Fiscal Agent	\$0	\$139,596	(\$139,596)	\$0
Total Assets	<u>\$0</u>	<u>\$139,596</u>	<u>(\$139,596)</u>	<u>\$0</u>
Liabilities:				
Due to Others	\$0	\$139,596	(\$139,596)	\$0
Total Liabilities	<u>\$0</u>	<u>\$139,596</u>	<u>(\$139,596)</u>	<u>\$0</u>
Ohio Board of Building Standards Assessments				
Assets:				
Cash and Cash Equivalents	\$1,196	\$13,953	(\$14,066)	\$1,083
Total Assets	<u>\$1,196</u>	<u>\$13,953</u>	<u>(\$14,066)</u>	<u>\$1,083</u>
Liabilities:				
Intergovernmental Payables	\$1,196	\$13,953	(\$14,066)	\$1,083
Total Liabilities	<u>\$1,196</u>	<u>\$13,953</u>	<u>(\$14,066)</u>	<u>\$1,083</u>
Energy Special Improvement District (ESID)				
Assets:				
Cash and Cash Equivalents	\$0	\$38,682	(\$38,682)	\$0
Total Assets	<u>\$0</u>	<u>\$38,682</u>	<u>(\$38,682)</u>	<u>\$0</u>
Liabilities:				
Due to Others	\$0	\$38,682	(\$38,682)	\$0
Total Liabilities	<u>\$0</u>	<u>\$38,682</u>	<u>(\$38,682)</u>	<u>\$0</u>
Flex Spending Fund				
Assets:				
Cash and Cash Equivalents	\$37,570	\$59,678	(\$41,900)	\$55,348
Total Assets	<u>\$37,570</u>	<u>\$59,678</u>	<u>(\$41,900)</u>	<u>\$55,348</u>
Liabilities:				
Due to Others	\$37,570	\$59,678	(\$41,900)	\$55,348
Total Liabilities	<u>\$37,570</u>	<u>\$59,678</u>	<u>(\$41,900)</u>	<u>\$55,348</u>
Totals - All Agency Funds				
Assets:				
Cash and Cash Equivalents	\$38,766	\$112,313	(\$94,648)	\$56,431
Restricted Assets:				
Cash and Cash Equivalents with Fiscal Agent	0	139,596	(139,596)	0
Total Assets	<u>\$38,766</u>	<u>\$251,909</u>	<u>(\$234,244)</u>	<u>\$56,431</u>
Liabilities:				
Intergovernmental Payables	\$1,196	\$13,953	(\$14,066)	\$1,083
Due to Others	37,570	237,956	(220,178)	55,348
Total Liabilities	<u>\$38,766</u>	<u>\$251,909</u>	<u>(\$234,244)</u>	<u>\$56,431</u>



Statistical Section





On the Statistical Section Divider:

Summit Park Aerial View, Summer 2016

Fireworks at Red, White, and Blue Ash July 4th Event

Glass Canopy Reflections at Summit Park

American Legion at Memorial Day Ceremony

STATISTICAL TABLES

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

Contents

Financial Trends	S 2 – S 13
These schedules contain trend information to help the reader understand how the City’s financial position has changed over time.	
Revenue Capacity	S 14 – S 17
These schedules contain information to help the reader understand and assess the factors affecting the City's ability to generate its most significant local revenue source, income tax.	
Debt Capacity	S 18 – S 27
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Economic and Demographic Information	S 28 – S 31
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 32 – S 37
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

Sources Note:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

City of Blue Ash, Ohio

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

	2008	2009	2010	2011
Governmental Activities:				
Net Investment in Capital Assets	\$46,397,044	\$51,850,887	\$52,322,247	\$49,870,997
Restricted	6,177,078	3,617,547	3,887,408	8,010,630
Unrestricted	17,007,777	18,716,037	21,877,839	18,694,226
Total Governmental Activities Net Position	<u>\$69,581,899</u>	<u>\$74,184,471</u>	<u>\$78,087,494</u>	<u>\$76,575,853</u>
Business-type Activities:				
Net Investment in Capital Assets	\$2,529,047	\$2,523,039	\$4,363,628	\$11,749,406
Unrestricted (Deficit)	(37,114)	(77,742)	(60,056)	87,108
Total Business-type Activities Net Position	<u>\$2,491,933</u>	<u>\$2,445,297</u>	<u>\$4,303,572</u>	<u>\$11,836,514</u>
Primary Government:				
Net Investment in Capital Assets	\$48,926,091	\$54,373,926	\$56,685,875	\$61,620,403
Restricted	6,177,078	3,617,547	3,887,408	8,010,630
Unrestricted	16,970,663	18,638,295	21,817,783	18,781,334
Total Primary Government Net Position	<u>\$72,073,832</u>	<u>\$76,629,768</u>	<u>\$82,391,066</u>	<u>\$88,412,367</u>

Source: Finance Office

City of Blue Ash, Ohio

2012	2013	2014	2015	2016	2017
\$56,238,601	\$63,698,280	\$69,169,689	\$72,296,446	\$75,165,978	\$86,769,015
4,147,964	2,580,973	3,095,299	3,116,685	8,352,334	7,943,142
26,706,565	33,413,459	20,619,449	27,196,046	25,508,588	18,160,955
<u>\$87,093,130</u>	<u>\$99,692,712</u>	<u>\$92,884,437</u>	<u>\$102,609,177</u>	<u>\$109,026,900</u>	<u>\$112,873,112</u>
\$12,869,854	\$12,696,832	\$12,151,331	\$12,019,132	\$11,602,415	\$11,597,689
457	(37,321)	(869,231)	(672,719)	(477,608)	(1,023,647)
<u>\$12,870,311</u>	<u>\$12,659,511</u>	<u>\$11,282,100</u>	<u>\$11,346,413</u>	<u>\$11,124,807</u>	<u>\$10,574,042</u>
\$69,108,455	\$76,395,112	\$81,321,020	\$84,315,578	\$86,768,393	\$98,366,704
4,147,964	2,580,973	3,095,299	3,116,685	8,352,334	7,943,142
26,707,022	33,376,138	19,750,218	26,523,327	25,030,980	17,137,308
<u>\$99,963,441</u>	<u>\$112,352,223</u>	<u>\$104,166,537</u>	<u>\$113,955,590</u>	<u>\$120,151,707</u>	<u>\$123,447,154</u>

City of Blue Ash, Ohio

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

	2008	2009	2010	2011
Expenses				
Governmental Activities:				
Security of Persons and Property	\$10,808,527	\$10,971,088	\$10,200,445	\$10,106,451
Leisure Time Activities	5,463,869	5,262,217	3,965,278	12,798,189
Community Development	809,377	784,808	1,602,342	1,228,985
Basic Utility Services	1,864,013	2,401,524	79,730	0
Transportation	2,024,089	2,415,412	4,058,682	4,916,322
General Government	8,133,593	8,351,370	10,227,100	9,061,273
Interest and Fiscal Charges	2,299,658	2,099,365	1,999,212	2,216,492
<i>Total Governmental Activities Expenses</i>	<u>31,403,126</u>	<u>32,285,784</u>	<u>32,132,789</u>	<u>40,327,712</u>
Business-type Activities:				
Golf Course and Events Center	1,612,555	1,523,894	1,461,696	1,678,250
<i>Total Business-type Activities Expenses</i>	<u>1,612,555</u>	<u>1,523,894</u>	<u>1,461,696</u>	<u>1,678,250</u>
<i>Total Primary Government Expenses</i>	<u>\$33,015,681</u>	<u>\$33,809,678</u>	<u>\$33,594,485</u>	<u>\$42,005,962</u>
Program Revenues				
Governmental Activities:				
Charges for Services				
Security of Persons and Property	\$96,637	\$46,524	\$39,045	\$30,966
Leisure Time Activities	633,303	773,855	844,815	903,915
Community Development	236,921	153,767	266,574	320,669
Transportation	7,117	1,977	1,977	9,669
General Government	276,842	305,634	188,747	207,794
Operating Grants and Contributions	875,492	1,183,899	1,037,723	965,315
Capital Grants and Contributions	1,011,720	639,330	65,390	668,490
<i>Total Governmental Activities Program Revenues</i>	<u>3,138,032</u>	<u>3,104,986</u>	<u>2,444,271</u>	<u>3,106,818</u>

City of Blue Ash, Ohio

2012	2013	2014	2015	2016	2017
\$11,006,802	\$10,349,278	\$10,101,957	\$10,472,646	\$11,713,893	\$13,095,734
6,478,840	5,629,617	5,555,875	5,403,923	5,640,754	6,468,472
1,464,789	965,971	1,051,443	968,522	1,345,380	2,022,567
0	0	0	0	0	0
4,518,985	5,723,814	5,771,818	5,227,321	4,868,588	5,184,357
9,628,004	9,075,488	10,218,008	10,286,073	12,307,511	12,107,823
2,417,896	1,828,081	2,320,588	2,194,572	2,419,405	2,262,382
<u>35,515,316</u>	<u>33,572,249</u>	<u>35,019,689</u>	<u>34,553,057</u>	<u>38,295,531</u>	<u>41,141,335</u>
<u>3,225,981</u>	<u>3,836,350</u>	<u>4,246,858</u>	<u>4,580,478</u>	<u>4,732,241</u>	<u>5,024,974</u>
<u>3,225,981</u>	<u>3,836,350</u>	<u>4,246,858</u>	<u>4,580,478</u>	<u>4,732,241</u>	<u>5,024,974</u>
<u>\$38,741,297</u>	<u>\$37,408,599</u>	<u>\$39,266,547</u>	<u>\$39,133,535</u>	<u>\$43,027,772</u>	<u>\$46,166,309</u>
\$20,494	\$63,254	\$21,518	\$57,772	\$9,629	\$8,560
1,015,236	1,181,479	996,605	829,843	1,094,815	1,205,475
373,982	380,564	440,045	467,770	998,232	559,973
4,553	38,691	69,329	79,106	47,363	14,204
265,710	215,567	199,819	166,220	136,979	91,612
1,676,731	1,273,776	1,172,806	1,295,689	1,053,207	1,406,746
<u>3,955,031</u>	<u>2,595,936</u>	<u>1,726,881</u>	<u>0</u>	<u>245,100</u>	<u>62,100</u>
<u>7,311,737</u>	<u>5,749,267</u>	<u>4,627,003</u>	<u>2,896,400</u>	<u>3,585,325</u>	<u>3,348,670</u>

(continued)

City of Blue Ash, Ohio

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

	2008	2009	2010	2011
Business-type Activities:				
Charges for Services				
Golf Course and Events Center	1,084,768	1,076,427	1,001,624	911,220
Capital Grants and Contributions	0	0	0	7,371,069
<i>Total Business-type Activities Program Revenues</i>	<u>1,084,768</u>	<u>1,076,427</u>	<u>1,001,624</u>	<u>8,282,289</u>
<i>Total Primary Government Program Revenues</i>	<u>4,222,800</u>	<u>4,181,413</u>	<u>3,445,895</u>	<u>11,389,107</u>
Net (Expense)/Revenue				
Governmental Activities	(28,265,094)	(29,180,798)	(29,688,518)	(37,220,894)
Business-type Activities	(527,787)	(447,467)	(460,072)	6,604,039
<i>Total Primary Government Net (Expense)/Revenue</i>	<u><u>(\$28,792,881)</u></u>	<u><u>(\$29,628,265)</u></u>	<u><u>(\$30,148,590)</u></u>	<u><u>(\$30,616,855)</u></u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property Taxes Levied for:				
General Purposes	\$2,113,553	\$2,169,222	\$2,122,642	\$2,090,590
Debt Service	727,746	984,447	1,172,283	1,042,031
Municipal Income Taxes	29,147,868	27,251,070	27,380,888	30,159,819
Other Local Taxes	966,974	891,104	875,608	927,172
Grants and Entitlements not				
Restricted to Specific Programs	2,288,739	1,936,325	3,201,037	1,451,654
Investment Earnings	642,916	61,302	28,331	18,069
Miscellaneous	1,028,167	890,731	1,129,099	948,821
Transfers	(382,597)	(400,831)	(2,318,347)	(928,903)
<i>Total Governmental Activities</i>	<u>36,533,366</u>	<u>33,783,370</u>	<u>33,591,541</u>	<u>35,709,253</u>
Business-type Activities:				
Transfers	382,597	400,831	2,318,347	928,903
<i>Total Business-type Activities</i>	<u>382,597</u>	<u>400,831</u>	<u>2,318,347</u>	<u>928,903</u>
<i>Total Primary Government</i>	<u><u>\$36,915,963</u></u>	<u><u>\$34,184,201</u></u>	<u><u>\$35,909,888</u></u>	<u><u>\$36,638,156</u></u>
Change in Net Position				
Governmental Activities	\$8,268,272	\$4,602,572	\$3,903,023	(\$1,511,641)
Business-type Activities	(145,190)	(46,636)	1,858,275	7,532,942
<i>Total Primary Government Change in Net Position</i>	<u><u>\$8,123,082</u></u>	<u><u>\$4,555,936</u></u>	<u><u>\$5,761,298</u></u>	<u><u>\$6,021,301</u></u>

Source: Finance Office

City of Blue Ash, Ohio

2012	2013	2014	2015	2016	2017
2,624,062	3,219,729	3,533,029	4,026,551	4,020,511	3,940,532
1,046,178	165,631	0	250,000	237,000	0
<u>3,670,240</u>	<u>3,385,360</u>	<u>3,533,029</u>	<u>4,276,551</u>	<u>4,257,511</u>	<u>3,940,532</u>
<u>10,981,977</u>	<u>9,134,627</u>	<u>8,160,032</u>	<u>7,172,951</u>	<u>7,842,836</u>	<u>7,289,202</u>
(28,203,579)	(27,822,982)	(30,392,686)	(31,656,657)	(34,710,206)	(37,792,665)
444,259	(450,990)	(713,829)	(303,927)	(474,730)	(1,084,442)
<u>(\$27,759,320)</u>	<u>(\$28,273,972)</u>	<u>(\$31,106,515)</u>	<u>(\$31,960,584)</u>	<u>(\$35,184,936)</u>	<u>(\$38,877,107)</u>
\$1,951,949	\$1,916,073	\$1,944,826	\$1,986,082	\$1,896,330	\$1,976,898
1,297,379	1,628,551	1,881,376	2,078,330	2,238,652	2,653,092
32,063,469	32,774,748	33,605,111	33,619,607	34,167,742	34,094,570
977,428	1,035,261	1,086,938	1,146,178	1,197,802	1,233,405
1,947,792	1,641,422	679,449	658,670	648,002	542,579
20,212	11,909	24,479	57,543	243,707	400,832
1,052,165	1,654,790	1,109,052	2,203,227	988,818	1,271,178
(589,538)	(240,190)	(200,821)	(368,240)	(253,124)	(533,677)
<u>38,720,856</u>	<u>40,422,564</u>	<u>40,130,410</u>	<u>41,381,397</u>	<u>41,127,929</u>	<u>41,638,877</u>
589,538	240,190	200,821	368,240	253,124	533,677
<u>589,538</u>	<u>240,190</u>	<u>200,821</u>	<u>368,240</u>	<u>253,124</u>	<u>533,677</u>
<u>\$39,310,394</u>	<u>\$40,662,754</u>	<u>\$40,331,231</u>	<u>\$41,749,637</u>	<u>\$41,381,053</u>	<u>\$42,172,554</u>
\$10,517,277	\$12,599,582	\$9,737,724	\$9,724,740	\$6,417,723	\$3,846,212
1,033,797	(210,800)	(513,008)	64,313	(221,606)	(550,765)
<u>\$11,551,074</u>	<u>\$12,388,782</u>	<u>\$9,224,716</u>	<u>\$9,789,053</u>	<u>\$6,196,117</u>	<u>\$3,295,447</u>

City of Blue Ash, Ohio

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

	2008	2009	2010	2011	2012
General Fund					
Nonspendable	\$0	\$0	\$0	\$70,661	\$69,202
Assigned	0	0	0	692,613	490,568
Unassigned	0	0	0	25,714,464	32,496,633
Reserved	916,799	855,501	374,763	0	0
Unreserved	<u>14,893,882</u>	<u>16,039,039</u>	<u>20,394,371</u>	<u>0</u>	<u>0</u>
<i>Total General Fund</i>	<u>15,810,681</u>	<u>16,894,540</u>	<u>20,769,134</u>	<u>26,477,738</u>	<u>33,056,403</u>
All Other Governmental Funds					
Nonspendable	0	0	0	193,098	244,501
Restricted	0	0	0	8,397,036	5,584,468
Committed	0	0	0	0	389,934
Unassigned	0	0	0	(90,719)	(31,182)
Reserved	7,846,136	3,479,656	10,338,361	0	0
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	538,976	634,742	502,130	0	0
Capital Projects Funds	<u>(1,149,195)</u>	<u>2,194</u>	<u>3,366,817</u>	<u>0</u>	<u>0</u>
<i>Total All Other Governmental Funds</i>	<u>7,235,917</u>	<u>4,116,592</u>	<u>14,207,308</u>	<u>8,499,415</u>	<u>6,187,721</u>
<i>Total Governmental Funds</i>	<u>\$23,046,598</u>	<u>\$21,011,132</u>	<u>\$34,976,442</u>	<u>\$34,977,153</u>	<u>\$39,244,124</u>

Source: Finance Office

Note: The City implemented GASB 54 in 2011 which established new fund balance classifications for governmental funds.

City of Blue Ash, Ohio

2013	2014	2015	2016	2017
\$89,710	\$96,793	\$84,210	\$66,171	\$91,385
502,863	1,890,470	8,792,034	6,769,403	4,598,639
38,075,565	41,838,337	37,689,750	36,975,558	36,546,077
0	0	0	0	0
0	0	0	0	0
<u>38,668,138</u>	<u>43,825,600</u>	<u>46,565,994</u>	<u>43,811,132</u>	<u>41,236,101</u>
282,983	356,947	376,105	376,479	235,063
2,642,281	15,087,031	7,310,230	15,940,986	8,806,338
0	0	101,482	1,617,548	24,586
(1,655,346)	(30,571)	0	(12,133)	(69,100)
0	0	0	0	0
0	0	0	0	0
<u>1,269,918</u>	<u>15,413,407</u>	<u>7,787,817</u>	<u>17,922,880</u>	<u>8,996,887</u>
<u>\$39,938,056</u>	<u>\$59,239,007</u>	<u>\$54,353,811</u>	<u>\$61,734,012</u>	<u>\$50,232,988</u>

City of Blue Ash, Ohio

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

	2008	2009	2010	2011
Revenues:				
Taxes				
Property	\$2,896,080	\$3,239,625	\$3,210,343	\$3,214,814
Municipal Income	28,934,385	27,084,620	27,411,890	29,937,730
Other Local	966,974	891,104	875,608	927,172
Intergovernmental Revenues	4,181,614	3,806,303	4,296,177	3,196,489
Charges for Services	1,355,985	1,450,662	1,568,165	1,560,635
Licenses and Permits	335,746	252,611	367,608	425,185
Investment Earnings	642,916	61,302	28,331	18,069
Fines and Forfeitures	174,305	133,095	114,812	144,371
All Other Revenue	412,951	336,120	419,672	292,853
Total Revenue	<u>39,900,956</u>	<u>37,255,442</u>	<u>38,292,606</u>	<u>39,717,318</u>
Expenditures:				
Current:				
Security of Persons and Property	11,064,811	10,873,558	10,230,976	10,014,242
Leisure Time Activities	5,034,298	4,248,364	3,823,146	4,081,680
Community Environment	910,816	782,176	1,601,674	1,220,875
Basic Utility Services	1,958,071	2,406,148	114,224	0
Transportation	2,323,589	2,073,586	3,500,677	4,443,374
General Government	7,860,934	6,566,020	7,846,087	7,639,034
Capital Outlay	9,059,084	7,325,932	2,689,388	8,709,260
Debt Service:				
Principal Retirement	3,034,334	3,826,800	2,588,598	3,543,420
Interest and Fiscal Charges	2,303,704	2,108,322	1,955,738	2,273,692
Total Expenditures	<u>43,549,641</u>	<u>40,210,906</u>	<u>34,350,508</u>	<u>41,925,577</u>
Excess (Deficiency) of Revenues Over Expenditures	(3,648,685)	(2,955,464)	3,942,098	(2,208,259)

City of Blue Ash, Ohio

2012	2013	2014	2015	2016	2017
\$3,312,909	\$3,515,545	\$3,849,249	\$4,072,528	\$4,161,696	\$4,566,611
32,056,490	32,483,012	33,566,176	33,413,800	34,066,385	33,882,475
977,428	1,035,261	1,086,938	1,146,178	1,197,802	1,233,405
3,744,046	3,817,993	2,128,138	1,996,972	1,947,440	1,968,558
1,790,370	2,128,525	2,003,962	1,762,718	2,752,372	2,194,109
479,189	492,735	553,898	581,410	1,095,615	701,343
20,212	11,909	24,479	57,543	243,707	400,832
158,158	165,367	113,796	136,657	87,065	113,568
304,423	444,078	324,382	341,672	247,076	335,023
<u>42,843,225</u>	<u>44,094,425</u>	<u>43,651,018</u>	<u>43,509,478</u>	<u>45,799,158</u>	<u>45,395,924</u>
10,945,025	10,583,889	10,044,375	10,312,001	11,630,753	11,341,945
4,199,137	4,503,851	4,421,432	4,431,764	4,672,934	6,477,554
1,464,165	964,866	1,034,206	1,642,390	1,882,368	3,170,911
0	0	0	0	0	0
3,833,354	3,862,519	4,850,076	5,129,494	4,911,807	7,452,406
8,465,303	7,775,410	8,850,822	9,066,660	9,389,724	10,545,227
4,895,275	10,704,764	10,223,364	11,417,193	9,160,093	9,608,093
3,559,459	3,712,733	2,860,784	4,446,344	4,587,322	5,198,284
2,168,662	1,891,231	2,344,190	2,286,079	2,556,395	2,438,884
<u>39,530,380</u>	<u>43,999,263</u>	<u>44,629,249</u>	<u>48,731,925</u>	<u>48,791,396</u>	<u>56,233,304</u>
3,312,845	95,162	(978,231)	(5,222,447)	(2,992,238)	(10,837,380)

(continued)

City of Blue Ash, Ohio

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

	2008	2009	2010	2011
Other Financing Sources (Uses):				
Sale of Capital Assets	72,728	17,521	13,134	0
Ohio Public Works Commission Loan	1,147,701	1,218,401	160,307	0
General Obligation Bonds Issued	0	0	9,775,000	3,125,000
Property Acquisition Loan	0	0	0	0
Premium on General Obligation Bonds	0	0	488,232	0
Capital Lease Initiated	0	0	0	0
Transfers In	13,558,928	11,508,399	11,997,678	11,553,238
Transfers Out	(14,118,625)	(11,909,230)	(12,342,103)	(12,482,141)
Total Other Financing Sources (Uses)	<u>660,732</u>	<u>835,091</u>	<u>10,092,248</u>	<u>2,196,097</u>
Net Change in Fund Balance	<u>(\$2,987,953)</u>	<u>(\$2,120,373)</u>	<u>\$14,034,346</u>	<u>(\$12,162)</u>
 Debt Service as a Percentage of Noncapital Expenditures	 16.99%	 17.76%	 13.86%	 14.26%

Source: Finance Office

City of Blue Ash, Ohio

2012	2013	2014	2015	2016	2017
0	0	0	689,917	626,905	0
0	805,374	503,742	0	0	0
0	0	19,505,000	0	8,560,000	0
0	0	0	0	0	0
0	0	394,876	0	1,436,587	0
1,500,000	0	0	0	0	0
11,853,301	17,393,733	15,288,053	16,888,747	22,667,254	18,903,634
(12,442,839)	(17,633,923)	(15,488,874)	(17,256,987)	(22,920,378)	(19,437,311)
910,462	565,184	20,202,797	321,677	10,370,368	(533,677)
<u>\$4,223,307</u>	<u>\$660,346</u>	<u>\$19,224,566</u>	<u>(\$4,900,770)</u>	<u>\$7,378,130</u>	<u>(\$11,371,057)</u>
17.84%	17.70%	15.83%	19.11%	19.76%	19.65%

City of Blue Ash, Ohio

Income Tax Revenues by Source, Governmental Funds Last Ten Years

Tax year	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Income Tax Rate	1.25%	1.25%	1.25%	1.25%	1.25%
Total Tax Collected	\$30,119,007	\$28,314,411	\$28,704,462	\$30,833,752	\$32,679,637
Income Tax Receipts					
Withholding	23,432,765	22,543,295	22,849,499	24,030,052	26,054,663
Percentage	77.80%	79.62%	79.60%	77.93%	79.73%
Corporate	5,334,812	4,471,944	4,672,903	5,518,811	5,352,319
Percentage	17.71%	15.79%	16.28%	17.90%	16.38%
Individuals	1,351,430	1,299,172	1,182,060	1,284,889	1,272,655
Percentage	4.49%	4.59%	4.12%	4.17%	3.89%

Source: Finance Office

City of Blue Ash, Ohio

2013	2014	2015	2016	2017
1.25%	1.25%	1.25%	1.25%	1.25%
\$33,947,202	\$34,788,642	\$35,145,405	\$35,864,611	\$36,066,950
26,886,756	27,238,909	28,035,843	28,357,294	28,595,262
79.20%	78.30%	79.77%	79.07%	79.29%
5,574,177	5,987,402	5,542,715	5,882,277	5,537,777
16.42%	17.21%	15.77%	16.40%	15.35%
1,486,269	1,562,331	1,566,847	1,625,040	1,933,911
4.38%	4.49%	4.46%	4.53%	5.36%



City of Blue Ash, Ohio

Income Tax Statistics Current Year and Nine Years Ago

Calendar Year 2017				
<i>Withholding Tax</i>				
Income Tax Filers	Number of Filers	Percent of Total Filers	Income Tax Collections	Percent of Income
Top Ten	10	0.37%	\$9,113,946	31.87%
All Others	2,682	99.63%	19,481,316	68.13%
Total	<u>2,692</u>	<u>100.00%</u>	<u>\$28,595,262</u>	<u>100.00%</u>
<i>Net Profit Tax</i>				
Income Tax Filers	Number of Filers	Percent of Total Filers	Income Tax Collections	Percent of Income
Top Ten	10	0.08%	\$2,255,580	30.19%
All Others	12,292	99.92%	5,216,108	69.81%
Total	<u>12,302</u>	<u>100.00%</u>	<u>\$7,471,688</u>	<u>100.00%</u>
<i>Total Income Tax Collections</i>			<u>\$36,066,950</u>	

Calendar Year 2008				
<i>Withholding Tax</i>				
Income Tax Filers	Number of Filers	Percent of Total Filers	Income Tax Collections	Percent of Income
Top Ten	10	0.37%	\$7,146,531	30.50%
All Others	2,688	99.63%	16,286,234	69.50%
Total	<u>2,698</u>	<u>100%</u>	<u>\$23,432,765</u>	<u>100.00%</u>
<i>Net Profit Tax</i>				
Income Tax Filers	Number of Filers	Percent of Total Filers	Income Tax Collections	Percent of Income
Top Ten	10	0.15%	\$2,649,978	39.63%
All Others	6,461	99.85%	4,036,264	60.37%
Total	<u>6,471</u>	<u>100.00%</u>	<u>\$6,686,242</u>	<u>100.00%</u>
<i>Total Income Tax Collections</i>			<u>\$30,119,007</u>	

Source: City Income Tax Department

City of Blue Ash, Ohio

Ratio of Outstanding Debt By Type Last Ten Years

	2008	2009	2010	2011
Governmental Activities ⁽¹⁾				
General Obligation Bonds Payable	\$36,833,991	\$33,179,441	\$41,242,645	\$41,227,481
Tax Increment Financing Bonds	9,690,000	9,590,000	9,400,000	9,205,000
Income Tax Revenue Bonds Payable	0	0	0	0
Capital Leases	0	0	0	0
Ohio Public Works Commission Loan	1,147,701	2,293,852	2,255,589	2,002,948
Total Primary Government	<u>\$47,671,692</u>	<u>\$45,063,293</u>	<u>\$52,898,234</u>	<u>\$52,435,429</u>
 Population ⁽²⁾				
City of Blue Ash	12,513	12,513	12,114	12,114
Outstanding Debt Per Capita	\$3,810	\$3,601	\$4,367	\$4,328
 Income ⁽³⁾				
Personal (in thousands)	534,680	534,680	532,023	555,451
Percentage of Personal Income	8.92%	8.43%	9.94%	9.44%

Sources:

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

City of Blue Ash, Ohio

2012	2013	2014	2015	2016	2017
\$38,081,278	\$34,928,734	\$32,644,532	\$30,328,339	\$28,379,806	\$26,173,565
9,000,000	8,785,000	8,555,000	8,315,000	8,065,000	7,800,000
0	0	19,899,876	18,391,913	26,374,927	24,026,354
1,500,000	1,363,067	1,224,741	1,083,302	938,681	790,806
1,750,307	2,303,040	2,554,141	2,236,044	1,852,491	1,468,938
<u>\$50,331,585</u>	<u>\$47,379,841</u>	<u>\$64,878,290</u>	<u>\$60,354,598</u>	<u>\$65,610,905</u>	<u>\$60,259,663</u>
12,114	12,114	12,114	12,114	12,114	12,114
\$4,155	\$3,911	\$5,356	\$4,982	\$5,416	\$4,974
567,916	598,589	608,547	620,588	630,909	647,566
8.86%	7.92%	10.66%	9.73%	10.40%	9.31%

City of Blue Ash, Ohio

Ratios of General Bonded Debt Outstanding Last Ten Years

Year	2008	2009	2010	2011
Population (1)	12,513	12,513	12,114	12,114
Personal Income (in thousands) (2)	\$534,680	\$534,680	\$532,023	\$555,451
General Bonded Debt (3)				
General Obligation Bonds	\$36,833,991	\$33,179,441	\$41,242,645	\$41,227,481
Resources Available to Pay Principal (4)	\$25,123	\$25,000	\$550,658	\$500,000
Net General Bonded Debt	\$36,808,868	\$33,154,441	\$40,691,987	\$40,727,481
Ratio of Net Bonded Debt to Estimated Personal Income (in thousands)	6.88%	6.20%	7.65%	7.33%
Net Bonded Debt per Capita	\$2,941.65	\$2,649.60	\$3,359.09	\$3,362.02

Sources:

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

City of Blue Ash, Ohio

2012	2013	2014	2015	2016	2017
12,114	12,114	12,114	12,114	12,114	12,114
\$567,916	\$598,589	\$608,547	\$620,588	\$630,909	\$647,566
\$38,081,278	\$34,928,734	\$32,644,532	\$30,328,339	\$28,379,806	\$26,173,565
\$64,762	\$766,998	\$48,593	\$12	\$655,735	\$0
\$38,016,516	\$34,161,736	\$32,595,939	\$30,328,327	\$27,724,071	\$26,173,565
6.69%	5.71%	5.36%	4.89%	4.39%	4.04%
\$3,138.23	\$2,820.02	\$2,690.77	\$2,503.58	\$2,288.60	\$2,160.60



City of Blue Ash, Ohio

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2017*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to the City of Blue Ash</u>	<u>Amount Applicable to the City of Blue Ash</u>
Direct:			
City of Blue Ash	\$60,259,663	100.00%	\$60,259,663
Overlapping:			
Sycamore Community School District	34,048,000	42.01%	14,303,565
Princeton City School District	166,112,139	0.71%	1,179,396
Great Oaks Joint Vocational School District	6,070,000	3.86%	234,302
Hamilton County	133,845,000	3.93%	<u>5,260,109</u>
		Subtotal	<u>20,977,372</u>
		Total	<u><u>\$81,237,035</u></u>

Source: Ohio Municipal Advisory Council

Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City

City of Blue Ash, Ohio

Debt Limitations Last Ten Years

Tax Year	2008	2009	2010	2011
Total Debt				
Net Assessed Valuation	\$769,438,003	\$774,127,710	\$758,327,730	\$706,449,050
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	80,790,990	81,283,410	79,624,412	74,177,150
City Debt Outstanding (2)	0	0	0	0
Less: Applicable Debt Service Fund Amounts	0	0	0	0
Net Indebtedness Subject to Limitation	0	0	0	0
Overall Legal Debt Margin	<u>\$80,790,990</u>	<u>\$81,283,410</u>	<u>\$79,624,412</u>	<u>\$74,177,150</u>
Unvoted Debt				
Net Assessed Valuation	\$769,438,003	\$774,127,710	\$758,327,730	\$706,449,050
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	42,319,090	42,577,024	41,708,025	38,854,698
City Debt Outstanding (2)	0	0	0	0
Less: Applicable Debt Service Fund Amounts	0	0	0	0
Net Indebtedness Subject to Limitation	0	0	0	0
Overall Legal Debt Margin	<u>\$42,319,090</u>	<u>\$42,577,024</u>	<u>\$41,708,025</u>	<u>\$38,854,698</u>

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

(2) Debt Service payments on General Obligation Bonds are appropriated annually from lawfully available municipal income taxes.

Source: Finance Office

City of Blue Ash, Ohio

2012	2013	2014	2015	2016	2017
\$704,468,110	\$705,662,090	\$712,604,150	\$718,600,920	\$725,001,910	\$779,315,550
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
73,969,152	74,094,519	74,823,436	75,453,097	76,125,201	81,828,133
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$73,969,152</u>	<u>\$74,094,519</u>	<u>\$74,823,436</u>	<u>\$75,453,097</u>	<u>\$76,125,201</u>	<u>\$81,828,133</u>
\$704,468,110	\$705,662,090	\$712,604,150	\$718,600,920	\$725,001,910	\$779,315,550
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
38,745,746	38,811,415	39,193,228	39,523,051	39,875,105	42,862,355
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$38,745,746</u>	<u>\$38,811,415</u>	<u>\$39,193,228</u>	<u>\$39,523,051</u>	<u>\$39,875,105</u>	<u>\$42,862,355</u>

City of Blue Ash, Ohio

*Pledged Revenue Coverage
Last Ten Years*

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Tax Increment Financing Bonds (1)				
Property Tax Collections	\$696,843	\$982,462	\$1,001,648	\$1,039,471
Debt Service				
Principal	100,000	100,000	190,000	195,000
Interest	489,500	484,500	486,963	470,000
Coverage	1.18	1.68	1.48	1.56

(1) In 2006 the City issued \$9,790,000 of Tax Increment Financing Bonds for the Carver Road Project.

Source: Finance Office

City of Blue Ash, Ohio

2012	2013	2014	2015	2016	2017
\$1,160,277	\$1,158,679	\$1,167,434	\$1,164,991	\$1,161,906	\$1,264,210
205,000	215,000	230,000	240,000	250,000	265,000
460,250	450,000	439,250	427,750	415,750	403,250
1.74	1.74	1.74	1.74	1.75	1.89

City of Blue Ash, Ohio

Demographic and Economic Statistics Last Ten Years

Calendar Year	2008	2009	2010	2011	2012
Population ⁽¹⁾					
City of Blue Ash	12,513	12,513	12,114	12,114	12,114
Hamilton County	806,652	806,652	802,374	802,374	802,374
Income ^{(2) (a)}					
Total Personal (in thousands)	534,680	534,680	532,023	555,451	567,916
Per Capita	42,730	42,730	43,918	45,852	46,881
Unemployment Rate ⁽³⁾					
Federal	5.8%	10.0%	9.4%	8.9%	8.1%
State	6.6%	10.8%	9.6%	8.6%	7.2%
Hamilton County	5.6%	10.4%	8.5%	8.6%	7.0%
Civilian Work Force Estimates ⁽³⁾					
State	5,986,400	5,986,400	5,906,000	5,806,000	5,747,900
Hamilton County	432,400	432,400	434,700	406,900	400,000
Daytime Population ⁽⁴⁾	58,000	55,000	53,000	53,000	53,000

Sources:

- (1) US Bureau of Census of Population
- (2) US Department of Commerce, Bureau of Economic Analysis
 - (a) Per Capita Income is only available by County, Total Personal Income is a calculation
- (3) State Department of Labor Statistics
- (4) Finance Office

City of Blue Ash, Ohio

2013	2014	2015	2016	2017
12,114	12,114	12,114	12,114	12,114
802,374	802,374	802,374	802,374	802,374
598,589	608,547	620,588	630,909	647,566
49,413	50,235	51,229	52,081	53,456
7.4%	6.2%	5.3%	4.9%	4.4%
7.4%	5.7%	4.9%	4.9%	5.0%
7.1%	5.3%	4.5%	4.3%	4.4%
5,765,700	5,719,500	5,700,000	5,713,100	5,780,000
403,300	404,100	402,700	404,200	411,300
53,000	53,000	53,000	53,000	53,000



City of Blue Ash, Ohio

Principal Employers Current Year and Nine Years Ago

Employer	Nature of Business	Rank (1) 2017
Kroger	Administrative Offices	1
Ethicon	Surgical Instruments Manufacturer	2
Procter and Gamble	Technical Center - Home Product Division	3
Charter Communications	Cable Company	4
Schlage Lock Co. (Steelcraft)	Steel Products Manufacturer	5
LSI Industries	Lighting Manufacturer	6
AdvancePierre Foods	Pre-Packaged Food Manufacturer	7
Wornick	Pre-Packaged Food Manufacturer	8
CEI	Health Services	9
Belcan Engineering Services	Engineering Services	10

Employer	Nature of Business	Rank (1) 2008
Ethicon	Surgical Instruments Manufacturer	1
Procter and Gamble	Technical Center - Home Product Division	2
Kroger	Administrative Offices	3
Fidelity Investments	Investments	4
Ingersoll-Rand (Steelcraft)	Steel Products Manufacturer	5
Warner Cable	Cable Company	6
Wornick	Pre-Packaged Food Manufacturer	7
Mercy Health Systems	Health Services	8
Belcan Engineering Services	Engineering Services	9
Citicorp Credit Services	Financial Services	10

(2) Estimated Total Employment within the City	50,000
(2) Estimated Total Top Ten Employers Employment Count	8,500
Percent of Total Employment	17.00%

Sources:

- (1) Rankings provided by City Income Tax Department
- (2) Estimated number of current employees provided by Economic Development Department

City of Blue Ash, Ohio

Full Time Equivalent Employees by Function Last Ten Years

	2008	2009	2010	2011	2012	2013
Governmental Activities						
General Government						
Finance/Tax	7.00	8.00	7.00	7.00	6.50	7.00
Judicial	2.50	2.50	2.50	1.50	1.50	1.50
Administration/General Gov't	13.50	14.50	14.50	14.00	15.00	13.00
Facilities Maintenance	16.00	17.00	17.50	17.00	19.50	20.25
Security of Persons and Property						
Police	47.75	47.25	46.75	45.25	43.00	43.00
Fire	41.75	42.25	38.75	36.75	36.25	35.75
Basic Utility Services						
Public Service	7.25	10.50	(A) 0.00	0.00	0.00	0.00
Transportation						
Street	9.00	9.25	17.00	17.50	16.50	19.00
Leisure Time Activities						
Recreation	42.00	42.00	40.50	40.00	43.25	41.75
Parks and Grounds	17.75	15.75	15.00	16.00	16.00	14.75
Community Environment						
Community Development	4.25	4.50	4.50	4.25	4.00	4.00
Business-Type Activities						
Golf Course and Events Center	24.25	22.75	22.25	24.25	33.25	35.75
<i>Total Employees</i>	<u>233.00</u>	<u>236.25</u>	<u>226.25</u>	<u>223.50</u>	<u>234.75</u>	<u>235.75</u>

Method: 1.00 for each full-time, 0.50 for each part-time (>=700 hours), 0.25 for each seasonal employee (<700 hours) and 0.0 for each seasonal employee (<100 hours)

Source: Finance Office

(A) In 2010 Basic Utility Service employees were combined and reported with Transportation employees

City of Blue Ash, Ohio

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
7.00	7.00	7.00	7.50
1.50	1.50	1.50	1.50
13.75	13.50	15.75	15.75
22.75	22.50	23.25	23.25
40.00	40.50	41.75	43.00
35.00	37.00	36.00	37.00
0.00	0.00	0.00	0.00
18.25	19.00	19.50	19.25
39.50	44.00	40.75	41.50
14.25	16.00	18.00	20.00
4.00	4.00	4.00	4.50
<u>41.00</u>	<u>43.25</u>	<u>44.25</u>	<u>39.25</u>
<u>237.00</u>	<u>248.25</u>	<u>251.75</u>	<u>252.50</u>

City of Blue Ash, Ohio

Operating Indicators by Function Last Ten Years

	2008	2009	2010	2011	2012
Governmental Activities					
General Government					
<u>Court</u>					
Number of Citations Heard	1,960	1,439	1,942	2,148	1,962
<u>Community Development</u>					
Number of Residential Building Permits Issued	126	182	200	163	198
Number of Commercial Building Permits Issued	384	302	398	438	474
Security of Persons and Property					
<u>Police</u>					
Number of Offenses	1,340	1,171	1,298	1,333	1,163
Number of Arrests	3,869	3,660	4,045	3,863	3,320
Number of Accidents	655	620	579	697	709
Number of Service Calls/Details	15,210	19,183	17,440	17,588	19,762
<u>Fire</u>					
Number of Fire Runs	1,001	917	887	766	838
Number of EMS Runs	1,675	1,507	1,594	1,628	1,779
Transportation					
<u>Street</u>					
Miles of Streets Resurfaced	10	15	3	8	2
Feet of Walking/Biking Paths Maintained	209	178	755	570	516
Leisure Time Activities					
<u>Parks</u>					
Number of Active Recreation Center Memberships	3,511	4,543	4,944	4,970	4,629
Business-Type Activities					
<u>Golf Course</u>					
Number of Golf Rounds	35,600	35,532	32,328	31,799	39,940
<u>Events Center</u>					
Number of Events	n/a	n/a	n/a	n/a	207

Source: Finance Office

City of Blue Ash, Ohio

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
1,548	1,351	1,063	1,136	1,141
247	248	236	313	276
419	435	443	497	479
1,014	1,024	1,021	1,036	967
2,988	2,811	2,410	2,408	2,347
766	663	678	713	655
20,654	19,526	17,212	24,848	30,005
812	907	727	812	789
1,644	1,646	1,592	1,670	1,832
2	2.47	10.00	6.90	5.50
266	549	6,004	5,550	5,600
4,659	4,673	4,674	4,482	4,413
41,471	38,314	43,800	43,936	44,279
282	313	305	290	316

City of Blue Ash, Ohio

Capital Asset Statistics by Function Last Ten Years

	2008	2009	2010	2011	2012
Governmental Activities					
General Government					
Public Land and Buildings					
Land (acres)	132	132	132	132	132
Buildings	8	8	8	8	8
Security of Persons and Property					
Police					
Stations	1	1	1	1	1
Vehicles	32	34	33	31	35
Fire					
Stations	2	2	2	2	2
Vehicles	14	14	14	13	14
Transportation					
Street					
Streets (lane miles)	163.4	167.3	167.3	167.3	167.3
Street Lights	1,055	1,055	1,055	1,055	1,055
Vehicles	31	29	28	29	30
Leisure Time Activities					
Parks					
Land (acres)	275	275	275	275	275
Buildings	17	17	17	17	17
Parks	9	9	9	9	10
Playgrounds	8	8	8	8	8
Swimming Pools	2	2	2	2	2
Tennis Courts	8	8	8	8	8
Baseball/Softball Diamonds	11	11	11	11	11
Soccer Fields	5	5	5	5	5
Business-Type Activities					
Golf Course					
Land (acres)	151	151	151	151	151
Buildings	7	7	6	7	7
Vehicles	4	6	5	6	6

Source: Finance Office

City of Blue Ash, Ohio

2013	2014	2015	2016	2017
132	132	132	132	132
8	8	8	8	8
1	1	1	1	1
33	33	30	30	30
2	2	2	2	2
14	14	14	14	15
167.3	167.3	167.3	167.3	167.3
1,294	1,294	1,294	1,294	1,294
31	27	29	28	29
275	275	275	275	275
17	17	17	17	17
10	10	10	10	10
8	8	8	8	8
2	2	2	2	2
8	8	8	8	8
11	11	11	11	11
5	5	5	5	5
151	151	151	151	151
7	7	7	7	7
5	5	6	9	7





Dave Yost • Auditor of State

CITY OF BLUE ASH

HAMILTON COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
JULY 12, 2018