

**CITY OF NORTH RIDGEVILLE
LORAIN COUNTY, OHIO**

AUDIT REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2017**

James G. Zupka, CPA, Inc.
Certified Public Accountants



Dave Yost • Auditor of State

City Council
City of North Ridgeville
7307 Avon Belden Road
North Ridgeville, Ohio 44039

We have reviewed the *Independent Auditor's Report* of the City of North Ridgeville, Lorain County, prepared by James G. Zupka, CPA, Inc., for the audit period January 1, 2017 through December 31, 2017. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of North Ridgeville is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

September 20, 2018

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**CITY OF NORTH RIDGEVILLE
LORAIN COUNTY, OHIO
AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2017**

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Ohio Society of Certified Public Accountants

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Members of City Council
City of North Ridgeville
North Ridgeville, Ohio

The Honorable Dave Yost
Auditor of State
State of Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of North Ridgeville, Lorain 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 August 22, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. 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 deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



James G. Zupka, CPA, Inc.
Certified Public Accountants

August 22, 2018

**CITY OF NORTH RIDGEVILLE
LORAIN COUNTY, OHIO
SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2017**

The prior audit report, as of December 31, 2016, included no citations or instances of noncompliance. Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

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City of North Ridgeville, Ohio



**Comprehensive Annual Financial Report
For the Year Ended December 31, 2017**

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INTRODUCTORY SECTION

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CITY OF NORTH RIDGEVILLE, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2017

Prepared By:
Office of the Auditor

Jeffrey G. Wilcheck, CPA
City Auditor

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THE CITY OF NORTH RIDGEVILLE

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Auditor's Office

August 22, 2018

Members of City Council and
Citizens of North Ridgeville
North Ridgeville, Ohio

We are pleased to submit this Comprehensive Annual Financial Report (CAFR) of the City of North Ridgeville, Ohio for its year ended December 31, 2017. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation including all disclosures rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Independent Audit

The City's financial statements for the year ended December 31, 2017 were examined by James G. Zupka, CPA, Inc. The Independent Auditor's Report on the basic financial statements is included in the Financial Section of this report.

Reporting Entity

For financial reporting purposes, the City includes all funds that comprise the primary government and all agencies, boards and commissions for which the City is financially accountable and component units. Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the organization is fiscally dependent on the City or if the City appoints a majority of the organization's governing board and 1) it is able to impose its will on the organization or 2) there is a potential for the organization to provide specific financial benefits or impose specific financial burdens on the City. The City has no component units.

CITY PROFILE

The City

The City of North Ridgeville is located in Lorain County in north central Ohio, approximately twenty miles southwest of the City of Cleveland, approximately ten miles southeast of the City of Lorain, and approximately thirteen miles northwest of Cleveland Hopkins International (CLE) airport. The City's area is approximately 25 square miles. The City's estimated population was 33,436 according to the U.S. Census Bureau, which is the third largest in Lorain County. The City is in the Cleveland-Elyria-Mentor Metropolitan Statistical Area (MSA) and the Cleveland-Akron-Elyria Combined Statistical Area (CSA).

The City is provided with banking and financial services by seven local commercial banks and savings and loan associations, operating a total of eight offices within the City. Three daily and two weekly newspapers serve the City. The City is within the broadcast area of seven television stations and approximately thirty-one AM and FM radio stations. Multi-channel cable TV service, including educational, governmental, and public access channels is provided by Time Warner Cable.

Within commuting distance are several public and private two-year and four-year colleges and universities, including Cleveland State University, University of Akron, and Kent State University (three of Ohio's twelve state universities), Lorain County Community College (LCCC), Cuyahoga Community College, Oberlin College (located in the County), Baldwin Wallace University, John Carroll University and Case Western Reserve University. The LCCC University Partnership Ridge Campus offers numerous academic programs in the City.

Two major health care providers, The Cleveland Clinic Foundation and the University Hospitals System (UH) currently operate a number of health care facilities located in the cities of Avon, Elyria, Westlake, and Fairview Park and within a 10-mile radius of the City. Among those facilities are three acute-care hospitals, UH's Elyria Medical Center (387 beds) located in the City of Elyria and St. John Medical Center (approximately 204 beds) located in the City of Westlake, and the Cleveland Clinic Foundation's Fairview Hospital (488 beds) located in Fairview Park. Mercy Regional Medical Center, a 338-bed total care facility located in the City of Lorain also serves the area. A number of other health care facilities, including many of others of the Cleveland Clinic Foundation, the UH System and Cuyahoga County's MetroHealth System, are within a 30 to 45 minute commuting distance.

The City owns and operates four parks covering 118 acres and provides recreational facilities including basketball, volleyball and tennis courts, baseball / softball fields, soccer fields, walking trails, picnic areas and a stocked fishing lake. An additional 66 acres has been leased for private use as a sports park. In addition, the City is within the Lorain County Metropolitan Park District, created to preserve natural resources and provide park and recreation facilities within the County. The Park District's Sandy Ridge Reservation, which is located within the City, consists of 310 acres of wildlife preservation with small ponds, a trail complete with information signs, observation mound, playground, educational center, and picnic area.

Severance Hall, home of the Cleveland Orchestra; the Cleveland Museum of Natural History; the Cleveland Museum of Art; the NASA Space Technology Museum; The Rock and Roll Hall of Fame; the Great Lakes Science Museum and other museums, theaters and cultural attractions are located within 45 minutes driving time of the City.

City Government

The City of North Ridgeville was founded in 1810, incorporated as a village in 1958 and became a City in 1960. The City operates under and is governed by its Charter, first adopted by voters in 1961 and which has been and may be amended by the voters from time to time. The City is also subject to some general laws applicable to all cities. Under the Ohio Constitution, the City may exercise all powers of local self-government and police powers to the extent not in conflict with applicable laws. The Charter provides for a Mayor-Council form of government. Legislative authority is vested in a seven-member Council, of whom three are elected at-large and four are elected from wards, all for four-year terms. The Council fixes compensation of City officials and employees, and enacts ordinances and resolutions relating to the City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal purposes. The presiding officer is the President of Council, who is elected by the Council from the at-large members for a two-year term.

The City's chief executive and administrative officer is the Mayor, who is elected by the voters for a four-year term. The Mayor appoints the directors of most City departments, subject to the approval of a majority of all the members of Council. The major appointed officials are the Directors of Law, Safety-Service, and the Treasurer. The Mayor also appoints members to a number of boards and commissions, and appoints and removes, in accordance with civil service requirements, all appointed officers, and employees.

The Auditor, who is the City's chief fiscal officer and the Clerk of Council are appointed by Council. The Auditor is appointed to a two-year term, subject to removal by a majority of all of the members elected to Council. The Clerk of Council serves at the pleasure of Council.

All elected officials, except the Mayor, serve part-time.

The City provides a full range of municipal services including police, fire, and emergency rescue services, park and recreation services, water, sanitary and storm sewer utility services, planning and zoning, general administrative services, and a Mayor's court.

CITY ECONOMIC CONDITION

Local Economy and Outlook

The City is primarily a residential community with many residents commuting daily to work in the City of Cleveland and other areas in Lorain County and adjacent Cuyahoga County. Approximately one fourth of the land in the City is undeveloped or used for agricultural purposes. Because of its location adjacent to the substantially fully developed cities of Westlake and North Olmsted and access to the Ohio Turnpike (I-80), I-90, I-480 and State Route 10, and close proximity to Cleveland Hopkins International Airport, new residential, commercial, light industrial and warehousing development is expected to continue within the next several years.

Because the City has a diverse workforce and is not reliant on any concentration of industry, it has been able to weather economic downturns without curtailing basic services. The City's major sources of revenues are municipal income taxes, property taxes and intergovernmental revenues consisting of state shared taxes and grants. In recent years, the City has been one of the fastest growing residential communities in the State of Ohio. The City has developed a master plan to encourage and accommodate responsible and orderly growth that identifies areas for residential, commercial, industrial, and governmental development.

To attract commercial developments and light industrial development, the City has established an enterprise zone (coterminous with the City) and a community reinvestment area. Under its enterprise zone program and policy, the City offers businesses abatements of up to 100% of real property taxes on new property added to the tax duplicate, for a period of up to ten years. The amounts, types, and duration of the actual abatements offered by the City under this program are a function of the size of the proposed development and the number of jobs created. Under its community reinvestment zone program and policy, the City offers an abatement of real property taxes on new property added to the tax duplicate, for a period of up to 15 years.

Five separate industrial parks are located within in the City. The largest of these is Taylor Woods Industrial Park, which includes Invacare Corp. (a manufacturer of wheelchairs), Beckett Gas, Inc. (a manufacturer of gas burners), and Beckett Air, Inc. (a manufacturer of blower parts). Commercial building permits issued in 2017 had an estimated value of \$31,110,000. The City expects commercial development to expand as the result of its infrastructure improvements completed in recent years, access to Interstate highways, close proximity to Cleveland Hopkins International Airport and downtown Cleveland, Ohio, and scheduled widening of Center Ridge Road to begin in 2018.

Commercial development in 2017 includes Riddell, Inc. and the University Hospital (UH) System plans to open an outpatient health center and freestanding emergency room department on a 30-acre site on Lorain Road near the intersection of I-480 and I-80 (James W. Shocknessy Ohio Turnpike.) This center is expected to be completed in 2018 at an estimated cost of \$32.4 million, will provide laboratory services, physician therapy, primary and specialty care physician services, pediatrics, heart and vascular services as well as the emergency room department.

The City, in cooperation with the Ohio Department of Transportation, is undertaking a major project to widen and reconstruct two major roadways in the City, Center Ridge Road (the main east-west route through the center of the City) and Lear Nagle Road (a north-south route). The City estimates that the State and federal share of the cost of these projects will be approximately \$54,583,000 and its local share of the cost will be approximately \$8,512,000. Lear Nagle was completed in 2017 and Center Ridge road construction will begin in 2018. The relocation of utility lines was completed in 2017.

The North Ridgeville City School District currently has one major projects underway, involving the construction of a new elementary and middle school (for grades 3 through 8) and the demolition of the District's existing middle school and certain elementary school buildings (the School Facilities Project) being undertaken in cooperation with the Ohio School Facilities Commission (OSFC).

The City and the School District entered into an agreement providing that, upon completion of the School Facilities Project in 2017, the 15-acre site of the District's existing middle school, a prime location for future commercial or mixed use development in the center of the City, giving the City the right to market the property. The City plans to combine that site with an adjacent site it is acquiring and market them for economic development purposes.

Residential development continues within the City. In various stages of planning and construction in the western half of the City are two planned community developments: Waterbury, a 640 acre development representing approximately 2,000 residential units when completed and is now approximately 85% complete; and Meadow Lakes, a 570 acre development representing approximately 1,900 residential units when complete and is currently 75% complete. Other major ongoing residential developments in the City include: Cross Creek, Hampton Place, Mill Ridge, North Ridge Pointe, Reserve at Winfield Farm and Ridgefield. The City's Building Department projects that approximately 2,000 additional residential units will be constructed with these various developments when they are built out. The City issued permits for new residential units with an estimated value of \$34,560,000 in 2017, an increase of \$1,791,000 over the prior year.

Long-term Planning

Long-term financial planning is performed on a departmental basis and incorporated as a part of the annual appropriation process.

Operating costs are forecasted for governmental operations on a five-year basis. Property tax collections are the second highest source of general revenue to the City. The City's voted property tax levies are limited to five years in duration and must be "renewed" or "replaced" by voter approval prior to expiration. Property tax levies are voted on at a specific millage rate. Ohio House Bill 920, in effect since 1976, removed the inflationary revenue growth resulting from increased property valuation by requiring annually, a decrease in the millage rate proportional to the increase in property valuation. As a result, the amount of annual tax collections generated by the levy remains approximately the same for the five-year period based on the annually determined "effective tax rate." Prior to expiration of each levy, the City must seek voter approval to "renew" or "replace" each levy. A renewal levy results in the continuation of tax collections at the effective rate based on the property tax valuation when the original levy was first passed, resulting in the same annual tax collections as the previous five years. A "replacement" levy results in the original tax rate applied to the current property valuation, which results in additional tax revenue based on the updated most recent valuation. The City's policy in recent years, when economically advantageous, has been to seek "renewal" levies. Accordingly, in the initial years following passage, levy monies are allowed to accumulate for use in the later years when increasing operating costs exceed the tax levy revenue collected. Historically, renewal and replacement levies have been supported by the voters.

Capital asset budgets for governmental operations are maintained by the departments, and capital asset replacements are planned as part of the City's annual appropriation process. Annually, 15% of the City's municipal income tax collections are for transfer to the City's Capital Projects Fund for the acquisition of capital assets. A portion of these funds are transferred to pay debt issued for capital assets.

Operating costs and capital outlay related to the City's enterprise operations consisting of water and sanitary sewer are paid from user fees and tap-in charges, as applicable. The City's water and sanitary sewer operations are self-sufficient. The City obtains independent rate studies periodically and adjusts user fees as needed. Sewer rate reviews are anticipated in 2018. Water rates are adjusted annually based on the cost to purchased water.

MAJOR INITIATIVES

Police Department

The Police Department provides basic and enhanced law enforcement services to this growing community with a compliment of thirty-seven full-time officers, six full-time and three part-time dispatchers, two administrative staff members, and two part-time animal control officers and volunteer auxiliary officers. Police services include directed patrol, selective traffic patrol, detective bureau, school resource officer, bicycle patrol, K-9 units, safety programs, animal control and multi-jurisdictional fugitive, bomb and SWAT teams. In 2017, the department responded to 560 motor vehicle crashes, arrested 120 intoxicated drivers, wrote 4,409 traffic citations, and went to 31,522 calls for service and assistance. The Department strives to fulfill its mission of providing professional, impartial, and caring police services that will enhance the quality of life for its citizens.

Fire Department

The Fire Department is the largest dual-role emergency service in Lorain County providing both advanced life-support paramedic service and fire protection on a twenty-four hour basis with a full time staff of thirty-six state certified paramedics and one administration staff. The Department is an active member of the Lorain County dive rescue, technical rescue, and hazardous materials teams which provide various technical assistance throughout Lorain County, and maintains a fire prevention program that educates students, conducts fire safety inspections, and provides CPR classes to residents and businesses. In 2017, the Department responded to 3,109 medical emergencies and 553 fire calls. The Department is a member of the WESTCOM regional dispatch center which provides mutual aid emergency support services to the City from various surrounding cities. The Department maintains an ISO Public Protection Classification (PPC) of #4 for its fire suppression services.

In 2017, the Fire Department received the Commission on Accreditation of Ambulance Services three year accreditation. At that time, our Fire Department was one of 170 CAAS accredited emergency medical services in North America and one of only five in the State of Ohio. This independent accreditation signifies that the North Ridgeville Fire Department has met the “gold standard” determined by the ambulance industry and assures our residents that quality care is being provided to our community.

The City received voter approval for a bond issue in the amount of \$8,200,000 to provide funds to pay costs of constructing, furnishing, and equipping a new central fire station in 2015. Construction has begun with an estimated move-in date of March 2019.

Building Department

The Building Department staffs three full-time building inspectors, and two secretaries under the direction of the Chief Building Official. The City maintains an ISO (Insurance Service Office) building code rating of #5 for residential and #4 for commercial property owners. The Department continually strives to maintain or improve the City’s ISO ratings to minimize the insurance cost of its citizens. During 2017, building permits were issued for 211 residential dwellings, 4 new commercial buildings, and 1674 commercial additions/remodels. The Department utilizes state of the art mobile technology for its field inspectors enabling remote access to plans and inspection reports enhancing efficiency and compliance. The Department has also implemented electronic plan review enabling applicants to upload drawings through the Internet and track the status of their plan review from inception through issuance of a permit electronically.

Engineering Department

The Engineering Department consists of six full-time staff. In 2017, the Department’s services included engineering review and inspection for 11 commercial projects, and 13 residential subdivisions to provide an additional 453 residential lots receiving preliminary or final approval at various locations throughout the City. The Department continues enhancements of its Geographic Information System for the City’s infrastructure systems including, storm sewer, sanitary sewer, waterways, contouring, zoning and soil conditions. The Department is currently studying methods to improve storm water management within the City. In 2017, the Department continued to work on Lear Nagle Road and the Center Ridge Road Widening Projects, which are expected to be completed in 2017 and 2020, respectively. The Department completed the construction of the Avon Belden and Mills Road Roundabout and the Jaycox Road Extension. In 2017, the Department completed the design for the roadway and traffic signal modifications to Lorain Road at the eastbound I-480 entrance ramp in order to provide a four-way traffic signal for a new drive to Leppo Rents. Construction is expected to be completed in 2018.

Utilities Department

The Utilities Department serviced over 13,000 water, sewer and sanitation accounts in 2017 with its utilities office staff of four full-time employees. The City continues to reap the benefits of its automated electronic meter

reading system which, in addition to providing contemporaneous “read” information transmitted directly to the Utility Department computers, can identify potential water leaks, broken and vandalized meters, greatly enhancing its customer service while reducing operating costs. Updates to this system were completed in 2017. The Departments U-Bill system provides Internet electronic payment capability for convenience of its citizens. The City-wide recycling program which provided color coordinated wheel cart receptacles to its residents continues to increase in the volume of recyclables collected annually.

French Creek Wastewater Treatment Plant

The City’s French Creek Wastewater Treatment Plant services the City of North Ridgeville, the City of Avon, and the Village of Sheffield. The Plant’s staff consists of nineteen full-time employees. Capacity of the plant is 11.25 MGD. The land and plant facilities were originally designed to accommodate a 33 MGD treatment facility to be constructed in four phases, as the served communities continue to grow. In 2017, planning continued for the upgrade of filtration, elevator, and influent pump systems. These system upgrades will greatly enhance the operational reliability of the plant and result in additional operational cost savings.

Parks and Recreation

The Parks and Recreation Department provides affordable programs and services for residents that include tot and youth leisure activities, youth and adult sports programs, special events, cultural enrichment, group fitness and adult education classes. On an annual basis, the Department offers more than one hundred programs to the community. The City’s park system includes South Central park, a 30 acre woodland park with a fishing lake; state-of-the-art splash pad, five pavilions, two indoor facilities, walking trail, outdoor fitness equipment, basketball, volleyball, pickle ball and tennis courts.

The Shady Drive Complex is a 59 acre baseball/softball complex which has a quarter mile walking trail, indoor batting cage, playground, and pavilion. Frontier Park is a 13 acre football complex with pavilion and concessions. Root Road Soccer Complex is a 12 acre soccer complex with pavilion and concessions. The Department offers special events for the City’s residents and provides Internet access to the community including program tracking and online registration. The Department of Parks and Recreation received a \$54,000.00 grant from ODNR Nature Works Grant Program. The grant is being utilized to rehab the existing tennis courts at South Central Park.

Office of Older Adults

The North Ridgeville Senior Center (Office of Older Adults) is a multi-functioning center that strives to keep older adults independent and in their homes as long as possible by offering assistance through its transportation, social, health services, and supportive services. In addition to its four full-time employees and four part time employees, our volunteers provided 4,483 hours of volunteer services in 2017. The Center provides nutritional meals to homebound seniors through its Meals-on-Wheels program for the City and surrounding townships, and provides transportation services for doctor appointments, grocery shopping, and other special trips. Help clinics and screenings are provided at no charge for various health matters including hearing, blood pressure, glucose/cholesterol, and nail clipping. Other services include recreational programs, tax preparation assistance, flu shots, themed breakfast and lunches, bingo, and periodic outings. Activities at the Center include bingo, line-dancing, yoga, and numerous other fun and fellowship events. The Office continues to explore and enhance its programs and activities for the seniors of the City.

FINANCIAL INFORMATION

Internal Control

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally

accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived, and 2) the valuation of costs and benefits require estimates and judgments by management. We believe that the City's system of internal control is adequate to safeguard assets and provide reasonable assurance of proper recording of transactions.

Basis of Accounting

The City prepares its annual financial statements under the reporting model required by Government Accounting Standards Board Statement No. 34 (GASB 34), "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments." Under GASB 34, the basic financial statements consist of:

Government-wide financial statements - These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by many businesses. The government-wide statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

Fund financial statements - These statements present information for individual major funds rather than by fund type. Nonmajor funds are combined and presented in total in one column. Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activities accrual information presented in the governmental-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

Statements of budgetary comparisons - These statements present comparison of actual information to the legally adopted budget. The budgetary basis, as provided by Ohio law, is on the basis of cash receipts, disbursements, and encumbrances.

For a more detailed description, see the Management's Discussion and Analysis and the Notes to the Basic Financial Statements.

Budgetary Controls

Detailed provisions for budgeting, tax levies and appropriations are set forth in the Ohio Revised Code and the City Charter.

The City prepares an annual tax budget of estimated receipts and expenditures for the upcoming year, which is filed with the Lorain County Budget Commission by July 20th preceding the budget year. Estimated resources, which includes estimated receipts taken from the City's tax budget, property tax and local government assistance as revised by the County, and estimated unencumbered fund balances, are certified by the County Budget Committee, which estimated resources serve as the limit for appropriations. A temporary appropriation ordinance to control expenditures may be passed by City Council around January 1 of each year for the period January 1 to March 31. An annual appropriation measure must be passed by April 1 each year for the period January 1 to December 31. Appropriations by fund-type cannot exceed the estimated resources as certified by the County Budget Commission. Revisions to its estimated resources may be made during the year as new information becomes available which, upon written request is certified by the County Budget Commission. City Council can pass supplemental appropriation ordinances, as long as total appropriations by fund-type do not exceed the amount of estimated resources certified by the County, as reflected on the most recent Amended Certificate of Estimated Resources.

For management purposes, the City maintains budgetary control on a non-GAAP basis by fund and within each fund by department at major object levels, which include personal services, other expenditures, and transfers. Budgetary control is maintained by an encumbrance of purchase commitment amounts prior to the release of purchase orders to vendors. Purchase order requests for the expenditure of monies are submitted to the Mayor or Safety-Service Director for approval. The purchase order is forwarded to the Auditor's office for certification of the availability of funds. The estimated expenditure is then encumbered against available appropriation. Encumbrances, which would exceed the available appropriation are not approved or recorded until the City

Council authorizes additional appropriations or transfers. The Auditor's office prepares monthly financial reports on the budgetary basis for City Council and the Administration, which reflect detailed annual budget information, monthly and year-to-date receipts, expenditures, encumbrances and unencumbered balances.

AWARDS AND ACKNOWLEDGEMENTS

GFOA 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 North Ridgeville, Ohio for its comprehensive annual financial report for the year ended December 31, 2016. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the staff of the Auditor's Office. Preparation of the Comprehensive Annual Financial Report requires a major effort and special appreciation is extended to everyone who assisted and contributed to the preparation of this report especially the City's Departments Heads. Appreciation is extended to the Administration and City Council for their continued support and commitment to responsible fiscal reporting.

Respectfully submitted,



Jeffrey G. Wilcheck, CPA
City Auditor

City of North Ridgeville, Ohio
Principal City Officials
December 31, 2017

Elected Officials

Council member, At-Large, President	Kevin Corcoran
Council member, At-Large, President Pro-Tem	Bernadine R. Butkowski
Council member, At-Large	Roseanne Johnson
Council member, Ward 1	Gregg A. Westover (began August 1, 2016)
Council member, Ward 2	Dennis J. Boose
Council member, Ward 3	Bruce F. Abens
Council member, Ward 4	Robert Chapek
Mayor	G. David Gillock

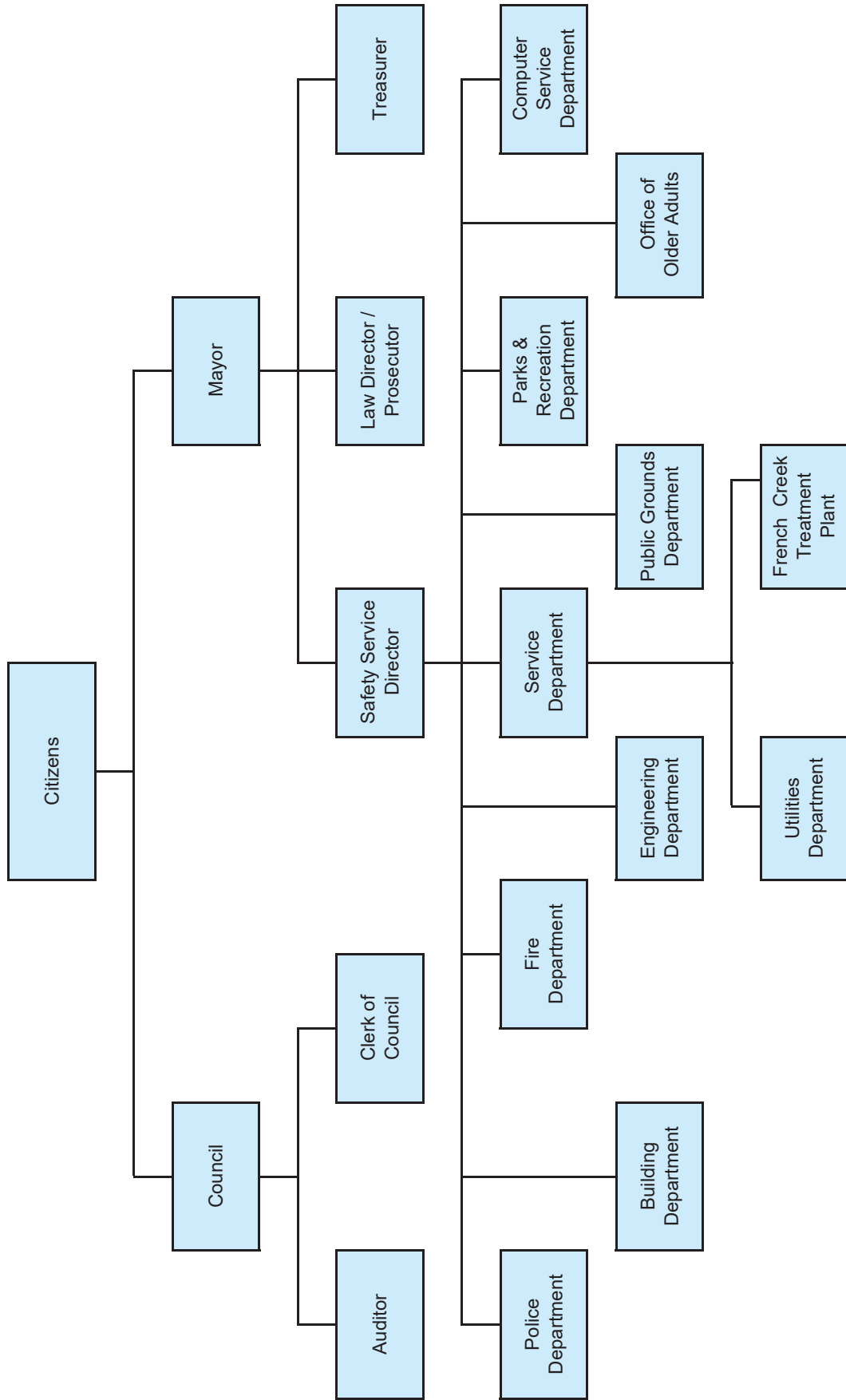
Appointed Officials and Department Heads

Safety-Service Director	Jeffry J. Armbruster
Law Director / Prosecutor	Andrew J. Crites, ESQ.
Engineer	Scott A. Wangler, P.E.
Auditor	Jeffrey G. Wilcheck, CPA
Deputy Auditor	April Wilkerson, CPM
Treasurer	Timothy Pope, CPA
Police Chief	Michael W. Freeman
Fire Chief	John C. Reese, EFO
Service Department Superintendent	Allen C. Swindig, Jr.
Chief Building Official	Guy M. Fursdon, C.B.O.
Parks and Recreation Director	Kevin M. Fougerousse
Older Adult Services Director	Rita M. Price
Information Services Director	Dean J. Priebe
Utilities Department Director	James E. Whitlock
French Creek Plant Superintendent	Corey V. Timko
Maintenance and Grounds Supervisor / Sexton	Gary M. Teel
Mayor's Court Magistrate	R. Brian Moriarty, L.P.A.
Clerk of Mayor's Court	Sonja D. Morrow, CMCC
Clerk of Council	George E. Smith
Assistant Clerk of Council	Tara L. Peet, MMC

Chairmen, Boards and Commissions

Civil Service Commission	James P. Yost
Parks and Recreation Commission	Chris Turay
Planning Commission	Jennifer Swallow
Fair Housing Board	Timothy Pope, CPA
Income Tax Board of Review	Nancy Bowman
Zoning Board of Appeals	Shawn Kimble

City of North Ridgeville, Ohio Organization Chart





Government Finance Officers Association

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

Presented to

**City of North Ridgeville
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morill

Executive Director/CEO

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FINANCIAL SECTION

Back of Divider Page.

JAMES G. ZUPKA, C.P.A., INC.

*Certified Public Accountants
5240 East 98th Street
Garfield Hts., Ohio 44125*

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of City Council
City of North Ridgeville
North Ridgeville, Ohio

The Honorable Dave Yost
Auditor of State
State of Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of North Ridgeville, Lorain 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 the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of North Ridgeville as of December 31, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedules of Net Pension Liabilities and Pension Contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 22, 2018, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



James G. Zupka, CPA, Inc.
Certified Public Accountants

August 22, 2018

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CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
UNAUDITED

Management's discussion and analysis (MD&A) of the City of North Ridgeville's financial performance presents a narrative overview and analysis of the City's financial activities for the year ended December 31, 2017. The intent of the discussion and analysis is to present the City's financial performance as a whole. Readers are encouraged to consider this information in conjunction with the basic financial statements and notes to the basic financial statements for an enhanced understanding of the City's financial performance.

Financial Highlights

The City's management is optimistic that the City is prime for future economic growth. The first of two major road projects, Lear Nagle, was completed in 2017. The second major project, Center Ridge widening project, will begin construction early in 2018 and be completed in 2019. These projects will change the landscape of the City and are anticipated to bring economic growth to the City. The City's contracts with its three bargaining units include wage increases of 2.235 percent each year through 2019. The City has continued to closely monitor and optimize controllable expenditures. The City had another year where 200 plus new home were constructed resulting in increased annual revenues including municipal income taxes, property taxes, licenses and fees, user charges and tap-in fees.

The City's total net position improved by \$27,773,183 to \$173,500,251 at December 31, 2017. Total assets after depreciation and amortization and deferred outflows of resources favorably increased by \$30,049,177 to \$260,040,362, while total liabilities and deferred inflows of resources increased by \$2,275,994 to \$86,540,111 at December 31, 2017. Net position of governmental activities increased by \$22,255,116 to \$87,720,206 while net position of business-type activities increased by \$5,518,067 to \$85,780,045 reflecting an overall improved financial condition of the City. Total revenues of the City increased by \$14,513,030 or 25 percent to \$72,299,892 in 2017, attributable in part, to an increase in developer and other capital contributions in 2017 over 2016. Total program expenses increased by \$2,495,731, consisting of an increase in governmental activities of \$3,339,906 and a decrease in business-type activities of \$844,175, to total \$44,526,709 in 2017. Further explanation of these changes follows herein.

Overview of Financial Statements

This annual report includes the City's basic financial statements which consist of government-wide financial statements, fund financial statements, notes to the basic financial statements and other information. The Government-wide financial statements provide information about the City as a whole, providing an aggregate view of the City's finances. The fund financial statements provide an additional level of detail focusing on spendable resources.

Government-wide Financial Statements

The government-wide financial statements provide a broad overview of the City's finances in a manner similar to a private-sector business. The *Statement of Net Position* presents information on all the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the residual being reported as net position. Increases or decreases in net position over time serve as a useful indicator of whether or not the financial position of the City is improving or deteriorating. The *Statement of Activities* presents information reflecting the City's financial activities and changes in net position during the year. These two statements use the accrual basis of accounting, under which revenue is generally recognized when earned and expenses recognized when incurred, regardless of when cash is received or paid. These statements distinguish between governmental activities which are those that are principally supported by taxes and intergovernmental revenues, and business-type activities which are those that are intended to recover their costs through user fees and charges. The City's business-type activities consist of water system operations and sanitary sewer system operations.

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
UNAUDITED

Fund Financial Statements

The governmental fund financial statements, listed in the table of contents, focus on the City's most significant, or major funds. The City's major governmental funds are the General Fund and Center Ridge Road Construction Fund. The remaining non-major funds are combined and reflected in one single column. Governmental fund financial statements focus on near-term inflows and outflows of spendable resources and on balances of spendable resources that are available at year-end. This information can be useful in determining what financial resources are available to finance the City's activities. A *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 is presented. The City, similar to other local governments, uses fund accounting to ensure and demonstrate finance related legal requirements.

Fund Categories

The City's funds can be divided into three categories comprised of governmental funds, proprietary funds and fiduciary funds.

Governmental funds

Most of the City's activities are reported in governmental funds, which are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental funds use the modified accrual method of accounting, which measures cash and other financial assets readily convertible to cash.

Proprietary funds

Proprietary funds are generally used to account for activities for which the City will charge customers and users. The City maintains two types of proprietary funds. The first type, enterprise funds are used to account for those functions reported as business-type activities in the government-wide financial statements, which for the City, consists of water system and sanitary sewer system operations. The second type, internal service funds are used to accumulate and allocate costs of goods and services among the City's various functions. The City uses an internal service fund for its medical self-insurance program. This internal service fund is included within the governmental activities in the government-wide financial statements since the City was the only participant in the self-insurance program. Proprietary funds use the accrual basis of accounting.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City and are not included in the government-wide financial statements since the resources held are not available to support City programs. The City uses agency funds included under the fiduciary funds category. Agency funds are reported on a full accrual basis, for which only a statement of assets and liabilities is presented.

Notes to the Basic Financial Statements

Notes to the basic financial statements provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. These should be read in conjunction with those financial statements.

Other Information

In addition to the basic financial statements and accompanying notes to the basic financial statements, also presented are combining statements for nonmajor governmental funds and individual budgetary comparisons.

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
UNAUDITED

The City of North Ridgeville as a Whole

Analysis of Net Position

The Statement of Net Position presents the City as a whole. The following provides a summary of the City's net position as of the current year-end compared to the prior year-end.

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Assets						
Current and other assets	\$39,948,233	\$41,948,398	\$28,013,182	\$25,444,294	\$ 67,961,415	\$ 67,392,692
Capital assets, net	102,030,858	73,342,979	82,072,287	80,892,686	184,103,145	154,235,665
Total assets	141,979,091	115,291,377	110,085,469	106,336,980	252,064,560	221,628,357
Deferred outflow of resources	6,165,202	6,760,629	1,810,600	1,602,199	7,975,802	8,362,828
Liabilities						
Current liabilities	2,749,630	2,219,049	609,450	719,371	3,359,080	2,938,420
Long-term liabilities	49,437,410	46,167,900	25,433,049	26,829,996	74,870,459	72,997,896
Total liabilities	52,187,040	48,386,949	26,042,499	27,549,367	78,229,539	75,936,316
Deferred inflows of resources	8,237,047	8,199,967	73,525	127,834	8,310,572	8,327,801
Net position						
Net investment in capital assets	90,579,601	64,651,250	61,348,669	58,148,438	151,928,270	122,799,688
Restricted	11,501,162	7,748,511	0	0	11,501,162	7,748,511
Unrestricted	(14,360,557)	(6,934,671)	24,431,376	22,113,540	10,070,819	15,178,869
Total net position	\$ 87,720,206	\$ 65,465,090	\$ 85,780,045	\$ 80,261,978	\$ 173,500,251	\$ 145,727,068

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2017 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." 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.

GASB 68 requires the net pension liability to equal 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

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
UNAUDITED

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 City, part of a bargained-for benefit to the employee and should accordingly be reported by the City 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 City. 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.

Total City assets increased by \$30,436,203 to \$252,064,560 in year 2017, which included an increase of \$568,723 in current and other assets and an increase of \$29,867,480 in capital assets, net. Current and other assets included the largest increases in equity in pooled cash of \$2,573,590, which was offset with decreases in due from other governments of \$863,126 and income taxes receivable of \$753,400. Net investment in capital assets (land, construction in progress, buildings and improvements, equipment and vehicles and infrastructure, net of depreciation) less any debt related to acquire those assets still outstanding, represents the largest portion of net position, which increased \$29,935,832. Capital assets are used to provide services to the City's citizens but are not available for future spending. Total capital assets, net of depreciation and amortization, increased in 2017 by \$29,867,480 to \$184,103,145. New additions to capital assets included \$4,865,840 of developer contributions of infrastructure related to residential real estate development and \$27,614,683 of other capital grants and contributions. Total capital asset additions of \$37,655,930 in 2017 consisted of \$35,534 for land, \$23,863 for buildings, \$30,887,554 for construction in progress, \$5,637,540 for equipment and vehicles, and \$1,071,439 for infrastructure. Depreciation amounted to \$7,577,008 and amortization of intangible assets amounted to \$ 68,352. Deferred outflows of resources decreased by \$387,026. Total liabilities increased by \$2,293,223 to \$78,229,539, resulting from an increase in long-term liabilities. Deferred inflows of resources decreased by \$17,229. The City's total net position favorably increased by \$27,773,183 to \$173,500,251, comprised of a \$22,255,116 increase in governmental activities and a \$5,518,067 increase in business-type activities.

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
UNAUDITED

Analysis of Changes in Net Position

To understand what makes up changes in net position, following is a summary of activities for the current year compared to the prior year.

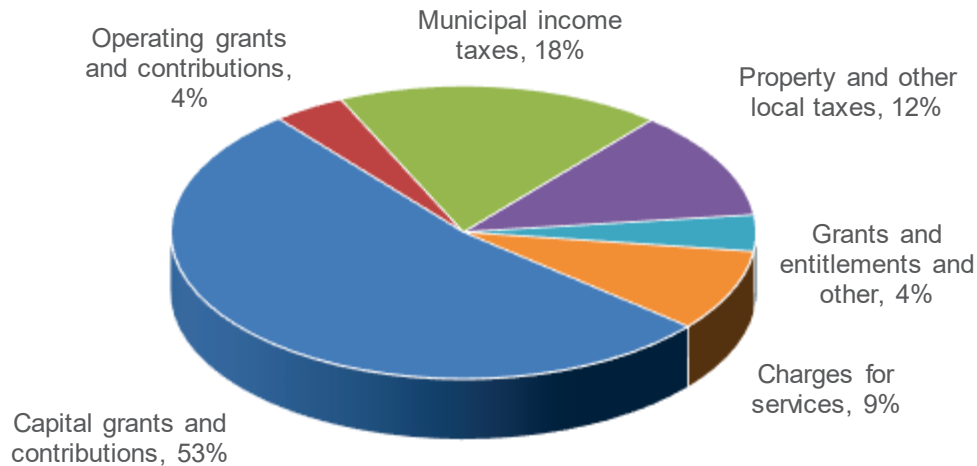
	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues						
Program revenues						
Charges for services	\$5,164,719	\$5,417,759	\$12,770,152	\$12,270,728	\$17,934,871	\$17,688,487
Operating grants and contributions	2,258,190	3,450,708	0	0	2,258,190	3,450,708
Capital grants and contributions	28,614,145	13,467,278	3,866,378	3,425,924	32,480,523	16,893,202
Total program revenues	<u>36,037,054</u>	<u>22,335,745</u>	<u>16,636,530</u>	<u>15,696,652</u>	<u>52,673,584</u>	<u>38,032,397</u>
General revenues						
Property and other local taxes	6,816,506	6,501,595	0	0	6,816,506	6,501,595
Municipal income taxes	10,149,683	10,966,144	0	0	10,149,683	10,966,144
Grants and entitlements	1,195,429	1,684,464	0	0	1,195,429	1,684,464
Other	1,264,819	480,997	199,871	121,265	1,464,690	602,262
Total general revenues	<u>19,426,437</u>	<u>19,633,200</u>	<u>199,871</u>	<u>121,265</u>	<u>19,626,308</u>	<u>19,754,465</u>
Total revenues	<u>55,463,491</u>	<u>41,968,945</u>	<u>16,836,401</u>	<u>15,817,917</u>	<u>72,299,892</u>	<u>57,786,862</u>
Program expenses						
Security of persons and property	13,407,562	12,769,364	0	0	13,407,562	12,769,364
Public health and welfare	684,819	512,127	0	0	684,819	512,127
Leisure time activities	651,710	526,175	0	0	651,710	526,175
Community environment	1,662,631	1,238,691	0	0	1,662,631	1,238,691
Transportation	8,487,747	6,946,308	0	0	8,487,747	6,946,308
General government	7,868,802	7,360,007	0	0	7,868,802	7,360,007
Interest	445,104	515,797	0	0	445,104	515,797
Water	0	0	4,221,529	4,372,236	4,221,529	4,372,236
Sewer	0	0	7,096,805	7,790,273	7,096,805	7,790,273
Total expenses	<u>33,208,375</u>	<u>29,868,469</u>	<u>11,318,334</u>	<u>12,162,509</u>	<u>44,526,709</u>	<u>42,030,978</u>
Increase in net position	22,255,116	12,100,476	5,518,067	3,655,408	27,773,183	15,755,884
Net position, beginning of year	<u>65,465,090</u>	<u>53,364,614</u>	<u>80,261,978</u>	<u>76,606,570</u>	<u>145,727,068</u>	<u>129,971,184</u>
Net position, end of year	<u>\$ 87,720,206</u>	<u>\$ 65,465,090</u>	<u>\$ 85,780,045</u>	<u>\$ 80,261,978</u>	<u>\$ 173,500,251</u>	<u>\$ 145,727,068</u>

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
UNAUDITED

Governmental activities

Revenues by source of governmental activities in 2017 were comprised of:

Revenue by Source, Governmental Activities



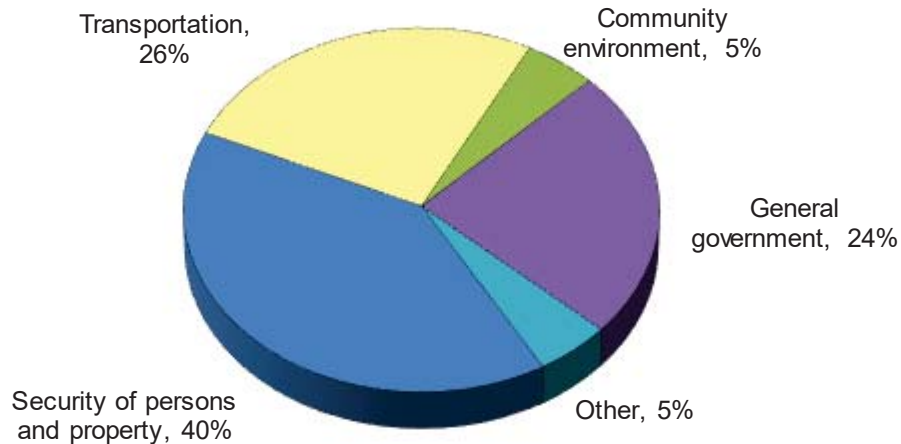
Total *program revenues* of governmental activities reflected a net increase of \$13,701,309 or 61 percent in 2017 compared to 2016. Charges for services decreased by \$253,040. Operating grants and contributions decreased by \$1,192,518. Capital grants and contributions increased by \$15,146,867 in the aggregate, resulting from increases in the current year from developer contributions of infrastructure, capital grants and other contributions, primarily related to road projects. Developer contributions of governmental type infrastructure, consisting primarily of road systems in housing developments, amounted to \$2,521,040 in 2017 and \$2,846,871 in 2016, reflecting the ongoing activity of the local housing market.

Total *general revenues* reflected a decrease of \$206,763 or 1 percent in 2017 from 2016. Municipal income taxes of \$10,149,683 represented the majority of general revenues and 18 percent of total revenues in 2017, followed by property and other local taxes which represented 12 percent of total revenues. Municipal income taxes were \$816,461 or 7 percent lower in 2017 than 2016. This decrease is partially related to a change in state law regarding the timing of taxpayer remittances. Property and other local taxes were \$314,911 higher. Grants and entitlements decreased by \$489,035 or 29 percent in 2017 versus 2016.

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
UNAUDITED

Program expenses of governmental activities in 2017 were comprised of:

Program Expenses, Governmental Activities



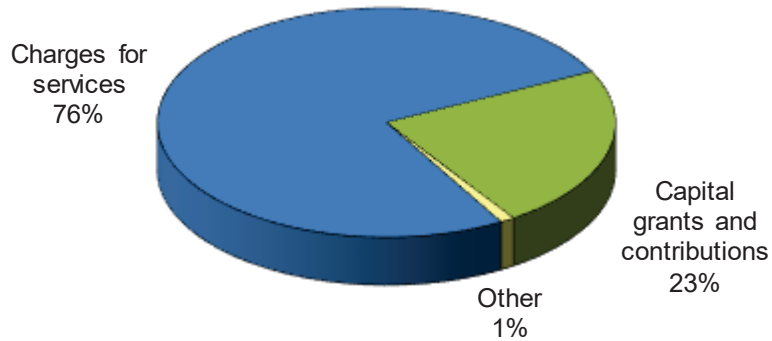
Program expenses amounted to \$33,208,375 in 2017, of which \$7,422,909 was supported by program revenue. Security of persons and property, which includes police, fire and paramedic services, in 2017 represented \$13,407,562 or 40 percent of total program expenses. Transportation, which includes street maintenance, snow removal and storm channel maintenance, represented \$8,487,747 or 26 percent of program expenses. General government, which includes legislative and administrative services of council, mayor, law, auditor, treasurer and computer services departments, and maintenance of buildings represented \$7,868,802 or 24 percent of program expenses. Community environment represented \$1,662,631 or 5 percent of program expenses and included sanitation collection and community development. Other expenses which include leisure time activities, public health and welfare and interest represented \$1,781,633 or 5 percent of program expenses. Leisure time activities, which include recreation activities and maintenance of the City's park system, represented \$651,710 of total program expenses. Public health and welfare, which includes senior citizen programs, payments to the County health department and cemetery maintenance represented \$ 684,819 of total program expenses in 2017. Program expenses, in total were \$3,339,906 higher in 2017 than 2016 due primarily to transportation expenses and labor cost increases.

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
UNAUDITED

Business-type activities

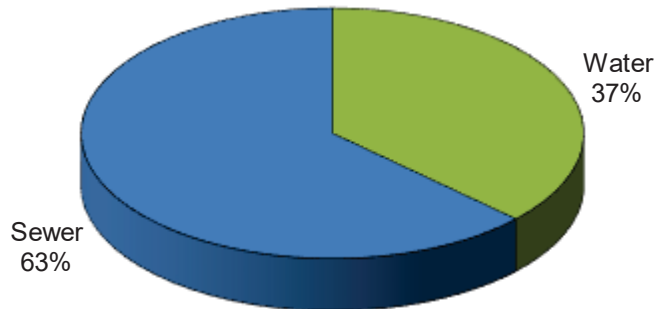
Revenues by source for business-type activities for 2017 were comprised of:

Revenues by Source, Business-type Activities



Program revenues of business-type activities represented 99% of total revenues in 2017. Charges for services of \$12,770,152 represented 76 percent of total revenues while capital grants and contributions of \$3,866,378 represented 23 percent of total revenues. Capital grants and contributions included \$2,344,800 of contractor contributions of infrastructure in 2017 consisting of waterlines and sanitary sewer lines, compared to \$1,880,685 in 2016. Tap-in fees amounted to \$1,521,578 in 2017, versus \$1,545,239 in 2016. In 2017, the City's water rates were increased 5.3 percent from 2016 and its sanitary sewer rates remained the same as 2016. Other general revenues of \$199,871 represented 1 percent of total revenues, comprised primarily of interest income.

Expenses, Business-type Activities



Water operating expenses amounted to \$4,140,789 or 37 percent and sanitary sewer operating expenses amounted to \$6,764,286 or 63 percent of total program expenses for business-type activities in 2017. Both water and sanitary sewer operations have historically been self-supporting through user fees and charges. Water is purchased from three sources. The City's wastewater treatment facility services the City and two neighboring communities. For the year 2017, business-type activities realized an increase in net position of \$5,518,067.

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
UNAUDITED

The City's Funds

The City's governmental funds financial information begins at page 20. As reflected on the *Balance Sheet*, total governmental assets amounted to \$38,360,791 year-end 2017, representing a decrease of \$2,410,888 or 6 percent from year-end 2016. Total governmental fund liabilities amounted to \$2,047,685, representing an increase of \$275,702 or 16 percent from prior year-end 2016. Deferred inflows of resources decreased by \$1,530,868 or 10 percent to \$13,614,978, resulting primarily from property taxes not yet available as revenue. The net result was a decrease in governmental total fund balances of \$1,153,522 to \$22,698,128 at year-end 2017. As reflected on the *Statement of Revenues, Expenditures and Changes in Fund Balances* on page 24, total governmental funds revenues amounted to \$54,188,594 in 2017 representing an increase of \$15,210,843 or 39 percent over 2016, while total expenditures amounted to \$62,629,885 representing an increase of \$21,608,281 or 53 percent compared to 2016. Total other financing sources (uses) amounted to \$7,285,569 representing a decrease of \$7,049,067 versus 2016. The most significant change in governmental revenues consisted of an increase in intergovernmental revenue of \$16,847,243. The most significant change in governmental expenditures was an increase of \$19,487,935 in capital outlay.

The City's major funds in 2017 consisted of the General Fund and Center Ridge Road Construction Fund. General Fund revenues were \$495,151 or 3 percent higher in 2017 than 2016, resulting primarily from higher miscellaneous revenues. General Fund total expenditures increased by \$1,661,055 or 14 percent, due primarily to an increase in security of persons and property and general government expenditures. Other financing sources (uses) were \$226,910 higher in 2017 than 2016. As a net result, the General Fund balance increased by \$63,621 to \$7,042,842 at year-end 2017, compared to a \$1,456,435 increase in 2016.

The Center Ridge Road Construction Fund was new in 2017. The fund received \$24,118,140 intergovernmental revenue and \$2,900,000 from the issuance of long-term bond anticipation notes proceeds, which will be used for improvements to Center Ridge Road. During the year the fund had capital outlay expenditures of \$26,156,526. The fund balance at year end was \$871,157.

The City's proprietary fund type information begins at page 26. Drinking water operations are reflected in the Water Fund. Water Fund net position increased by \$1,677,610 to \$26,752,577 at year-end 2017. Charges for services included a 5.3 percent water rate increase in 2017 to offset the increased cost of water operations. Water user rates are increased annually based on the weighted average percentage increase in purchased water from the City's three suppliers. Water operating revenues increased by \$218,628 or 5 percent in 2017. Capital contributions were \$1,216,179 in 2017, consisting primarily of developers' contributions of waterlines and tap-in fees, which together were \$57,584 or 5 percent higher than in 2016. Sanitary sewer operations are reflected in the Sewer Fund. The City's wastewater treatment facility services the City, the City of Avon and the Village of Sheffield. Sewer fund net position increased by \$3,795,963 to \$58,839,486 at year-end 2017. Sewer operating revenues increased by \$280,796 or 4 percent in 2017. Capital contributions were \$2,650,199 in 2017, comprised primarily of developer contributions of sewer lines and tap-in fees, which together were \$382,870 or 17 percent higher than in 2016.

The City's water and sewer operations have historically been self-sufficient.

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
UNAUDITED

Budgetary Highlights

The City prepares its budget in accordance with Ohio law on the basis of cash receipts, disbursements and encumbrances. The City's original budget and amendments are enacted by City Council upon recommendation of Council's Finance Committee. Budgetary expenditure modifications at the legal level of control may only be made by ordinance of City Council. The City's final budget differs from the original budget due to various amendments during the year to reflect changes in unanticipated revenue receipts and amended appropriations.

The General Fund is the City's most significant budgeted fund. Original and final budgeted receipts (excluding other financing sources) for the General Fund were \$3,989,986 and \$4,173,986, respectively. Actual receipts were \$310,244 lower than estimated. Original budgeted appropriations (excluding other financing uses) were \$13,536,155 and final amended appropriations were \$13,737,371. The City actually expended \$12,883,008, which was \$854,363 less than final appropriations, resulting from the intended management control over expenditures. The City historically spends less than appropriated. In 2017 actual expenditures were 94 percent of final appropriations.

Capital and Intangible Assets

Capital and intangible assets, net of depreciation and amortization, at December 31, consisted of:

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$1,955,211	\$1,919,677	\$773,040	\$773,040	2,728,251	\$2,692,717
Construction in progress	38,988,809	14,747,615	514,945	3,398,063	39,503,754	18,145,678
Buildings and improvements	2,745,831	2,852,678	383,816	400,110	3,129,647	3,252,788
Equipment and vehicles	3,043,035	3,086,814	12,633,797	9,216,232	15,676,832	12,303,046
Infrastructure	55,297,972	50,736,195	66,721,531	65,991,731	122,019,503	116,727,926
Intangible assets	0	0	1,045,158	1,113,510	1,045,158	1,113,510
	<u>\$102,030,858</u>	<u>\$73,342,979</u>	<u>\$82,072,287</u>	<u>\$80,892,686</u>	<u>\$184,103,145</u>	<u>\$154,235,665</u>

Capital assets are major assets that benefit more than one fiscal year. The City's capitalization threshold is \$2,500, that is, asset cost must equal \$2,500 or more to be capitalized. Infrastructure assets are long-lived capital assets that are normally stationary in nature with a useful life significantly greater than most capital assets. The City's governmental infrastructure includes streets, bridges, culverts, sidewalks and storm drainage systems.

The City's total capital assets, net of depreciation and amortization amounted to \$184,103,145 at December 31, 2017, which was \$29,867,480 higher than the previous year. Capital assets, net of depreciation under governmental activities increased by \$28,687,879 in 2017, which included \$2,521,040 of developers' contributions of roads. Business-type capital assets, net of depreciation increased by \$1,179,601 to \$82,072,287, which additions included \$2,344,800 of developers' contributions of water and sewer lines. Total depreciation and amortization increased by \$212,337 or 2.9 percent to \$7,645,360 in 2017 from \$7,433,023 in 2016. For more information about the City's capital assets, see Note 2J and Note 7 of Notes to the Basic Financial Statements.

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
UNAUDITED

Debt

Outstanding debt obligations of the City at December 31 consisted of:

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Notes and loans payable	\$7,080,000	\$4,640,000	\$0	\$0	\$7,080,000	\$4,640,000
Water rights ETL-2 loan	0	0	564,735	595,940	564,735	595,940
OPWC loans	841,482	935,033	21,125	29,576	862,607	964,609
OWDA loans	0	0	791,359	969,748	791,359	969,748
Capital lease	333,171	54,472	152,022	11,994	485,193	66,466
General obligation bonds	10,686,806	11,392,533	18,302,162	21,566,757	28,988,968	32,959,290
Special assessment bonds	843,944	882,074	1,284,000	0	2,127,944	882,074
Compensated absences	4,698,108	4,174,579	685,133	668,505	5,383,241	4,843,084
Net pension liability	24,953,899	24,089,209	3,632,513	2,987,476	28,586,412	27,076,685
	<u>\$49,437,410</u>	<u>\$46,167,900</u>	<u>\$25,433,049</u>	<u>\$26,829,996</u>	<u>\$74,870,459</u>	<u>\$72,997,896</u>

As of December 31, 2017, excluding net pension liability, the City had \$46,284,047 of total long term liabilities outstanding, of which \$10,232,884 is due within one year. Total debt outstanding increased by \$1,872,563 in 2017, which resulted primarily from an increase in the net pension liability, inception of capital leases, and an increase in compensated absences.

The general obligation bonds outstanding at year-end 2017 include three various purposes bond issues consisting of road improvements, waterlines, and sanitary sewer improvements. Sources for the debt service payments include property tax collections, income tax revenues, and water and sewer operating revenues. The special assessment bonds were for infrastructure improvements, which debt service is repaid from assessments against the property owners. The City's general obligation bonds and special assessment bonds mature in various increments through 2036. The OWDA loan financed an elevated water storage tank, which debt is repaid from water system revenues. The OPWC loans consist of several zero percent interest loans with twenty year terms, used primarily for road reconstruction, which are repaid from income tax, gas tax, MVL fees and a sewer line reconstruction which is repaid from sanitary sewer system revenues. The water rights ETL-2 loan consists of the cost of water rights to purchase a specified amount of drinking water, financed over 258 months.

The State Statute limits the amount of general obligation debt, including voted and unvoted debt, excluding certain exempt debt, to 10 ½ percent of the total tax valuation of all real property within the City. The City's overall debt limitation at December 31, 2017, was \$85,683,000, against which \$15,720,000 of debt has been issued, leaving significant additional debt capacity, within the debt limitation, of \$69,963,000.

For more information about the City's debt, see Note 2M, Note 8, Note 9 and Note 10 of Notes to the Basic Financial Statements.

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
UNAUDITED

Economic Factors and Next Year's Budget

Residential development within the City continues at a pace of 200 plus new homes per year and is expected to continue for the next several years. Several additional commercial projects have recently been completed or are under construction. Riddell, the leader in football innovation, opened its new facility in 2017 bring approximately 400 jobs to the City. University Hospital has broken ground on an outpatient complex at an estimated cost of \$32.4 million, to be completed in 2018. Center Ridge Road, a major east/west route through the City will be widened from three lanes to five lanes. The entire project will cost in excess of \$60 million. New commercial development is anticipated to follow. While the future looks bright, the City's management continues monitor revenues and expenditures. Wage increases for 2018 and 2019 are anticipated to be 2.25 percent as the City completes new bargaining unit agreements early in 2018. The City will complete two sanitary sewer rate studies in 2018 and anticipates modest water and sanitary sewer rate increases over the next few years. 2018 should also see the completion of a storm water management study and the implementation of a storm water fee to provide needed resources to maintain and improve storm sewer infrastructure.

Request for Information

This financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the City's finances and show the City's accountability for the money it receives and spends. For questions about this report or for additional financial information, contact Auditor's Office, City of North Ridgeville, 7307 Avon Belden Road, North Ridgeville, Ohio 44039; telephone (440) 353-0851.

CITY OF NORTH RIDGEVILLE, OHIO

STATEMENT OF NET POSITION

DECEMBER 31, 2017

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in pooled cash and equivalents	\$23,896,501	\$24,739,032	\$48,635,533
Accounts receivable and other	346,900	1,006,700	1,353,600
Due from other governments	2,145,177	269,700	2,414,877
Interfund receivables	(51,696)	51,696	0
Inventories and supplies	0	198,500	198,500
Prepaid items	78,500	22,700	101,200
Income taxes receivable	4,165,200	0	4,165,200
Taxes receivable - property and other	7,647,000	0	7,647,000
Special assessments receivable	1,158,811	1,724,854	2,883,665
Claims advance deposits	561,840	0	561,840
Capital assets			
Nondepreciable capital assets	40,944,020	1,287,985	42,232,005
Depreciable capital assets	61,086,838	79,739,144	140,825,982
Intangible assets, net	0	1,045,158	1,045,158
Total assets	141,979,091	110,085,469	252,064,560
Deferred outflow of resources			
Deferred charge on refunding	137,716	391,785	529,501
Pension	6,027,486	1,418,815	7,446,301
Total deferred outflow of resources	6,165,202	1,810,600	7,975,802
Liabilities			
Accounts and contracts payable	1,075,904	471,750	1,547,654
Accrued salaries, wages and benefits	243,947	52,171	296,118
Accrued interest payable	117,000	45,600	162,600
Claims payable	596,100	0	596,100
Due to other governments	216,679	39,929	256,608
Note payable	500,000	0	500,000
Long-term liabilities			
Due within one year	7,996,742	2,236,142	10,232,884
Net pension liability	24,953,899	3,632,513	28,586,412
Due in more than one year	16,486,769	19,564,394	36,051,163
Total liabilities	52,187,040	26,042,499	78,229,539
Deferred inflows of resources			
Property taxes levied for next year	7,280,100	0	7,280,100
Grants	281,100	0	281,100
Pension	675,847	73,525	749,372
Total deferred inflows of resources	8,237,047	73,525	8,310,572
Net position			
Net investment in capital assets	90,579,601	61,348,669	151,928,270
Restricted for:			
Debt service	2,351,082	0	2,351,082
Capital projects	1,963,608	0	1,963,608
Highways and streets	2,317,273	0	2,317,273
Public safety	1,997,484	0	1,997,484
Recreation	387,628	0	387,628
Community environment	925,378	0	925,378
Grants	452,114	0	452,114
Other purposes	1,106,595	0	1,106,595
Unrestricted	(14,360,557)	24,431,376	10,070,819
Total net position	\$87,720,206	\$85,780,045	\$173,500,251

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

Functions/Programs	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants, Interest and Contributions	Capital Grants and Contributions
Governmental activities:				
Security of persons and property	\$13,407,562	\$1,248,287	\$235,473	\$0
Public health and welfare	684,819	20,650	0	0
Leisure time activities	651,710	269,069	0	0
Community environment	1,662,631	862,299	141,074	0
Transportation	8,487,747	160,980	1,881,643	28,614,145
General government	7,868,802	2,603,434	0	0
Interest	445,104	0	0	0
Total governmental activities	33,208,375	5,164,719	2,258,190	28,614,145
Business-type activities:				
Water	4,221,529	4,649,152	0	1,216,179
Sewer	7,096,805	8,121,000	0	2,650,199
Total business-type activities	11,318,334	12,770,152	0	3,866,378
Total	\$44,526,709	\$17,934,871	\$2,258,190	\$32,480,523

General revenues
Property taxes levied for:
 General purposes
 Other
Municipal income taxes levied for:
 General purposes
Grants and entitlements not restricted to specific purposes
Investment earnings
Miscellaneous
Total general revenues

Change in net position

Net position, at beginning of year
Net position, at end of year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
(\$11,923,802)	\$0	(\$11,923,802)
(664,169)	0	(664,169)
(382,641)	0	(382,641)
(659,258)	0	(659,258)
22,169,021	0	22,169,021
(5,265,368)	0	(5,265,368)
(445,104)	0	(445,104)
<u>2,828,679</u>	<u>0</u>	<u>2,828,679</u>
0	1,643,802	1,643,802
<u>0</u>	<u>3,674,394</u>	<u>3,674,394</u>
<u>0</u>	<u>5,318,196</u>	<u>5,318,196</u>
<u>2,828,679</u>	<u>5,318,196</u>	<u>8,146,875</u>
1,167,660	0	1,167,660
5,648,846	0	5,648,846
10,149,683	0	10,149,683
1,195,429	0	1,195,429
244,901	199,871	444,772
1,019,918	0	1,019,918
<u>19,426,437</u>	<u>199,871</u>	<u>19,626,308</u>
22,255,116	5,518,067	27,773,183
65,465,090	80,261,978	145,727,068
<u>\$87,720,206</u>	<u>\$85,780,045</u>	<u>\$173,500,251</u>

CITY OF NORTH RIDGEVILLE, OHIO

BALANCE SHEET -
GOVERNMENTAL FUNDS

DECEMBER 31, 2017

	General	Center Ridge Road Construction	Other Governmental Funds	Total Governmental Funds
Assets				
Equity in pooled cash and equivalents	\$5,654,206	\$1,290,517	\$15,730,594	\$22,675,317
Income taxes receivable	4,165,200	0	0	4,165,200
Taxes receivable - property and other	1,311,300	0	6,335,700	7,647,000
Special assessments receivable	0	0	1,158,811	1,158,811
Due from other governments	309,579	0	1,835,598	2,145,177
Accounts receivable and other	64,300	0	282,600	346,900
Interfund receivables	7,600	0	136,286	143,886
Prepaid items	75,400	0	3,100	78,500
Total assets	\$11,587,585	\$1,290,517	\$25,482,689	\$38,360,791
Liabilities				
Accounts and contracts payable	\$150,688	\$318,260	\$605,211	1,074,159
Accrued salaries, wages and benefits	140,603	0	103,344	243,947
Accrued interest payable	0	1,100	4,200	5,300
Due to other governments	107,883	0	108,796	216,679
Interfund payables	0	0	7,600	7,600
Notes payable	0	100,000	400,000	500,000
Total liabilities	399,174	419,360	1,229,151	2,047,685
Deferred inflow s of resources				
Property taxes levied for next year and unavailable resources	4,145,569	0	9,469,409	13,614,978
Total deferred inflow s of resources	4,145,569	0	9,469,409	13,614,978
Fund balances				
Nonspendable	75,400	0	3,100	78,500
Restricted	0	871,157	14,781,029	15,652,186
Committed	1,004,894	0	0	1,004,894
Assigned	1,052,719	0	0	1,052,719
Unassigned	4,909,829	0	0	4,909,829
Total fund balances	7,042,842	871,157	14,784,129	22,698,128
Total liabilities, deferred inflow s of resources and fund balances	\$11,587,585	\$1,290,517	\$25,482,689	\$38,360,791

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES

DECEMBER 31, 2017

Total governmental fund balances		\$22,698,128
Amount reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds.		102,030,858
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:		
Municipal income tax	2,529,919	
Property and other local taxes	366,900	
Special assessments	1,158,811	
Intergovernmental	1,933,848	
Accounts receivable and other	<u>(71,986)</u>	
Total		5,917,492
Unamortized deferred charges on refundings are not recognized in the funds.		137,716
Unamortized premiums on bonds issued are not recognized in the funds.		(847,325)
In the statement of activities, interest is accrued on outstanding long-term obligations, whereas in governmental funds, an interest expenditure is reported when due.		(111,700)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Notes and loans payable	(7,080,000)	
OPWC loans payable	(841,482)	
General obligation bonds payable	(9,839,481)	
Special assessment bonds payable	(843,944)	
Capital leases payable	(333,171)	
Compensated absences payable	<u>(4,698,108)</u>	
Total		(23,636,186)
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 the governmental funds:		
Deferred outflows - pension	6,027,486	
Deferred inflows - pension	(675,847)	
Net pension liability	<u>(24,953,899)</u>	
		(19,602,260)
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		
Net position		1,185,179
Internal balances		<u>(51,696)</u>
Net position of governmental activities		<u><u>\$87,720,206</u></u>

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2017

	General	Center Ridge Road Construction	Other Governmental Funds	Total Governmental Funds
Revenue				
Property and other local taxes	\$1,192,560	\$0	\$5,770,346	\$6,962,906
Municipal income taxes	11,046,964	0	0	11,046,964
Intergovernmental	700,141	24,118,140	4,556,232	29,374,513
Contributions	0	0	365,899	365,899
Special assessments	0	0	102,774	102,774
Charges for services	63,950	0	3,586,422	3,650,372
Fines, licenses and permits	1,152,263	0	107,569	1,259,832
Interest	54,040	10,643	182,639	247,322
Miscellaneous	883,426	0	294,586	1,178,012
Total revenues	15,093,344	24,128,783	14,966,467	54,188,594
Expenditures				
Current				
Security of persons and property	6,831,460	0	4,975,093	11,806,553
Public health and welfare	460,148	0	19,526	479,674
Leisure time activities	352,941	0	287,126	640,067
Community environment	1,451,793	0	0	1,451,793
Transportation	0	0	3,947,134	3,947,134
General government	4,284,945	0	3,103,661	7,388,606
Capital outlay	0	26,156,526	4,946,019	31,102,545
Debt service				
Principal	0	0	5,241,929	5,241,929
Capital lease	22,229	0	57,529	79,758
Interest and fiscal charges	1,297	1,100	489,429	491,826
Total expenditures	13,404,813	26,157,626	23,067,446	62,629,885
Excess (deficiency) of revenues over expenditures	1,688,531	(2,028,843)	(8,100,979)	(8,441,291)
Other financing sources (uses)				
Transfers in	0	0	2,452,596	2,452,596
Transfers out	(1,983,367)	0	(469,229)	(2,452,596)
Issuance of notes and loans	0	2,900,000	4,000,000	6,900,000
Inception of capital lease	358,457	0	0	358,457
Premium on debt issue	0	0	27,112	27,112
Total other financing sources (uses)	(1,624,910)	2,900,000	6,010,479	7,285,569
Net change in fund balances	63,621	871,157	(2,090,500)	(1,155,722)
Fund balances, beginning of year	6,979,221	0	16,874,629	23,853,850
Fund balances, end of year	\$7,042,842	\$871,157	\$14,784,129	\$22,698,128

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, 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			(\$1,155,722)
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 useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.			
	Capital outlay, net	30,585,925	
	Developers' contributions of infrastructure	2,521,040	
	Depreciation expense	<u>(4,275,996)</u>	28,830,969
Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the amount of the loss on the disposal of capital assets net of proceeds received.			(143,090)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	Municipal income tax	(897,281)	
	Property and other local taxes	(146,400)	
	Special assessments	(61,830)	
	Interest	(10,200)	
	Accounts receivable	900	
	Intergovernmental	<u>(139,111)</u>	(1,253,922)
Other financing sources in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues in the statement of activities.	Note proceeds	(6,900,000)	
	Inception of capital lease	<u>(358,457)</u>	(7,258,457)
Governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	Amortization on bond premium	55,479	
	Deferred charge on refunding	<u>(17,556)</u>	37,923
Repayment of debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net position.	Note and loan principal paid	4,553,551	
	Bond principal paid	688,378	
	Capital lease principal paid	<u>79,758</u>	5,321,687
In the statement of activities, interest is accrued on outstanding debt, whereas in governmental funds, an interest expenditure is reported when due.			(18,313)
Some expenses (i.e. compensated absences) reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			(523,529)
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.			(1,919,817)
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities			163,230
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the entity-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service is allocated among governmental activities.	Change in net position	218,651	
	Change in Internal balances	<u>(44,494)</u>	174,157
Change in net position of governmental activities			<u><u>\$22,255,116</u></u>

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2017

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$1,199,454	\$1,200,254	\$1,192,560	(\$7,694)
Intergovernmental revenue	644,600	708,600	702,341	(6,259)
Fines, licenses, and permits	1,332,000	1,239,000	1,116,334	(122,666)
Interest	10,000	20,000	35,676	15,676
Miscellaneous	803,932	1,006,132	816,831	(189,301)
Total revenues	<u>3,989,986</u>	<u>4,173,986</u>	<u>3,863,742</u>	<u>(310,244)</u>
Expenditures				
Current				
Security of persons and property	7,319,578	7,369,288	6,915,185	454,103
Public health and welfare	493,000	498,000	476,192	21,808
Leisure time activities	311,452	357,815	335,178	22,637
Community development	1,322,485	1,353,985	1,280,560	73,425
General government	4,089,640	4,158,283	3,875,893	282,390
Total expenditures	<u>13,536,155</u>	<u>13,737,371</u>	<u>12,883,008</u>	<u>854,363</u>
Excess (deficiency) of revenues over expenditures	<u>(9,546,169)</u>	<u>(9,563,385)</u>	<u>(9,019,266)</u>	<u>544,119</u>
Other financing sources (uses)				
Transfers-in	11,607,600	11,607,600	11,239,070	(368,530)
Advances-in	100,000	100,000	0	(100,000)
Advances-out	(36,000)	(36,000)	(32,000)	4,000
Transfers-out	(150,000)	(150,000)	0	150,000
Total other financing sources (uses)	<u>11,521,600</u>	<u>11,521,600</u>	<u>11,207,070</u>	<u>(314,530)</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>1,975,431</u>	<u>1,958,215</u>	<u>2,187,804</u>	<u>229,589</u>
Prior year encumbrances	283,831	283,831	283,831	0
Fund balances, beginning of year	<u>1,929,218</u>	<u>1,929,218</u>	<u>1,929,218</u>	<u>0</u>
Fund balances, end of year	<u>\$4,188,480</u>	<u>\$4,171,264</u>	<u>\$4,400,853</u>	<u>\$229,589</u>

See accompanying notes to the basic financial statements.

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CITY OF NORTH RIDGEVILLE, OHIO
STATEMENT OF FUND NET POSITION -
PROPRIETARY FUNDS

DECEMBER 31, 2017

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water	Sewer	Total	Internal Service
Assets				
Current assets				
Equity in pooled cash and equivalents	\$6,022,707	\$18,716,325	\$24,739,032	\$1,221,184
Accounts receivable and other	387,500	619,200	1,006,700	0
Due from other governments	0	269,700	269,700	0
Inventories and supplies	164,400	34,100	198,500	0
Prepaid items	3,100	19,600	22,700	0
Total current assets	<u>6,577,707</u>	<u>19,658,925</u>	<u>26,236,632</u>	<u>1,221,184</u>
Noncurrent assets				
Nondepreciable capital assets	15,631	1,272,354	1,287,985	0
Depreciable capital assets	24,739,090	55,000,054	79,739,144	0
Intangible assets, net	1,045,158	0	1,045,158	0
Special assessments receivable	0	1,724,854	1,724,854	0
Claims advance deposit	0	0	0	561,840
Total noncurrent assets	<u>25,799,879</u>	<u>57,997,262</u>	<u>83,797,141</u>	<u>561,840</u>
Total assets	<u>32,377,586</u>	<u>77,656,187</u>	<u>110,033,773</u>	<u>1,783,024</u>
Deferred outflows of resources				
Deferred charge on refunding	79,686	312,099	391,785	0
Pension	482,713	936,102	1,418,815	0
Total deferred outflows of resources	<u>562,399</u>	<u>1,248,201</u>	<u>1,810,600</u>	<u>0</u>
Liabilities				
Current				
Accounts and contracts payable	190,777	280,973	471,750	1,745
Accrued salaries, wages and benefits	18,513	33,658	52,171	0
Claims payable	0	0	0	596,100
Accrued interest payable	7,500	38,100	45,600	0
Due to other governments	13,474	26,455	39,929	0
Due to other funds	136,286	0	136,286	0
Loans payable	218,260	8,451	226,711	0
Capital lease payable	37,145	40,663	77,808	0
General obligation bonds payable	549,309	1,253,314	1,802,623	0
Special assessment bonds payable	0	129,000	129,000	0
Total current liabilities	<u>1,171,264</u>	<u>1,810,614</u>	<u>2,981,878</u>	<u>597,845</u>
Long-term liabilities				
Loans payable	1,137,834	12,674	1,150,508	0
Capital lease payable	37,107	37,107	74,214	0
General obligation bonds payable	2,343,982	14,155,557	16,499,539	0
Special assessment bonds payable	0	1,155,000	1,155,000	0
Compensated absences	236,343	448,790	685,133	0
Net pension liability	1,235,863	2,396,650	3,632,513	0
Total long-term liabilities	<u>4,991,129</u>	<u>18,205,778</u>	<u>23,196,907</u>	<u>0</u>
Total liabilities	<u>6,162,393</u>	<u>20,016,392</u>	<u>26,178,785</u>	<u>597,845</u>
Deferred inflows of resources - pension	<u>25,015</u>	<u>48,510</u>	<u>73,525</u>	<u>0</u>
Net position				
Net investment in capital assets	21,555,928	39,792,741	61,348,669	0
Unrestricted	5,196,649	19,046,745	24,243,394	1,185,179
Total net position	<u>\$26,752,577</u>	<u>\$58,839,486</u>	<u>85,592,063</u>	<u>\$1,185,179</u>
Net position reported for business-type activities in the statement of net position are different because they include accumulated underpayments to the internal service fund:			<u>187,982</u>	
Net position business-type activities			<u>\$85,780,045</u>	

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -
PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2017

	Business-Type Activities - Enterprise Funds			Governmental
	Water	Sewer	Total	Internal Service
Operating revenue				
Charges for services	\$4,509,530	\$8,052,089	\$12,561,619	\$3,595,494
Miscellaneous	139,622	68,911	208,533	0
Total operating revenues	<u>4,649,152</u>	<u>8,121,000</u>	<u>12,770,152</u>	<u>3,595,494</u>
Operating expenses				
Personal services	1,287,606	2,509,837	3,797,443	0
Contractual services	16,768	1,124,698	1,141,466	835,555
Supplies and materials	1,805,125	418,427	2,223,552	0
Claims	0	0	0	2,537,363
Other operating	55,796	317,454	373,250	11,704
Depreciation	907,142	2,393,870	3,301,012	0
Amortization	68,352	0	68,352	0
Total operating expenses	<u>4,140,789</u>	<u>6,764,286</u>	<u>10,905,075</u>	<u>3,384,622</u>
Operating income	<u>508,363</u>	<u>1,356,714</u>	<u>1,865,077</u>	<u>210,872</u>
Nonoperating revenues (expenses)				
Interest income	49,413	150,458	199,871	7,779
Gain on disposal of capital assets	52,333	52,333	104,666	0
Interest and fiscal charges	(148,678)	(413,741)	(562,419)	0
Total nonoperating revenues (expenses)	<u>(46,932)</u>	<u>(210,950)</u>	<u>(257,882)</u>	<u>7,779</u>
Income before contributions	<u>461,431</u>	<u>1,145,764</u>	<u>1,607,195</u>	<u>218,651</u>
Capital contributions	1,216,179	2,650,199	3,866,378	0
	<u>1,216,179</u>	<u>2,650,199</u>	<u>3,866,378</u>	<u>0</u>
Change in net position	1,677,610	3,795,963	5,473,573	218,651
Net position, beginning of year	<u>25,074,967</u>	<u>55,043,523</u>		<u>966,528</u>
Net position, end of year	<u>\$26,752,577</u>	<u>\$58,839,486</u>		<u>\$1,185,179</u>
Some amounts reported for business-type activities in the statement of activities are different because a portion of the net expense of the internal service fund is reported with business-type activities:			44,494	
Change in net position business-type activities			<u>\$5,518,067</u>	

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO

STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2017

	Business-Type Activities - Enterprise Funds			Governmental
	Water	Sewer	Total	Internal Service
Cash flows from operating activities:				
Receipts from customers and users	\$4,511,043	\$8,423,502	\$12,934,545	\$3,595,494
Cash payments to suppliers for materials and supplies	(1,537,794)	(418,240)	(1,956,034)	0
Cash payments for employee services and benefits	(1,164,431)	(2,259,006)	(3,423,437)	0
Cash payments for contractual services	(112,720)	(1,380,248)	(1,492,968)	(835,555)
Cash payments for claims	0	0	0	(2,276,104)
Other operating revenues	139,622	252,929	392,551	0
Other operating expenses	(53,952)	(367,027)	(420,979)	(11,704)
Net cash provided by operating activities	<u>1,781,768</u>	<u>4,251,910</u>	<u>6,033,678</u>	<u>472,131</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(641,750)	(1,052,208)	(1,693,958)	0
Tap-in fees	182,497	1,339,081	1,521,578	0
Loan principal paid - OPWC	0	(8,451)	(8,451)	0
Loan principal paid - ETL2	(31,205)	0	(31,205)	0
Loan principal paid - OWDA	(178,389)	0	(178,389)	0
Bond principal paid	(519,309)	(1,357,314)	(1,876,623)	0
Capital lease principal paid	(39,304)	(43,368)	(82,672)	0
Interest paid	(154,710)	(517,805)	(672,515)	0
Net cash used in capital and related financing activities	<u>(1,382,170)</u>	<u>(1,640,065)</u>	<u>(3,022,235)</u>	<u>0</u>
Cash flows from investing activities:				
Interest	<u>60,305</u>	<u>182,150</u>	<u>242,455</u>	<u>9,279</u>
Net cash flows provided by investing activities:	<u>60,305</u>	<u>182,150</u>	<u>242,455</u>	<u>9,279</u>
Net increase in cash and cash equivalents	459,903	2,793,995	3,253,898	481,410
Cash and cash equivalents, beginning of year	<u>5,562,804</u>	<u>15,922,330</u>	<u>21,485,134</u>	<u>739,774</u>
Cash and cash equivalents, end of year	<u><u>\$6,022,707</u></u>	<u><u>\$18,716,325</u></u>	<u><u>\$24,739,032</u></u>	<u><u>\$1,221,184</u></u>
Noncash capital and related financing activities:				
Contributions of capital assets from developers consisting of infrastructure	<u>\$1,033,682</u>	<u>\$1,311,118</u>	<u>\$2,344,800</u>	<u>\$0</u>
Assets acquired through capital lease	<u>\$111,350</u>	<u>\$111,350</u>	<u>\$222,700</u>	<u>\$0</u>

(Continued)

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO

STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2017

	Business-Type Activities - Enterprise Funds			Governmental
	Water	Sewer	Total	Internal Service
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$508,363	\$1,356,714	\$1,865,077	\$210,872
Adjustments:				
Depreciation	907,142	2,393,870	3,301,012	0
Amortization	68,352	0	68,352	0
(Increase) decrease in assets				
Accounts receivable and other	1,200	37,600	38,800	0
Due from other governments	0	333,500	333,500	0
Inventories and supplies	(5,200)	(1,600)	(6,800)	0
Prepaid items	400	100	500	0
Claims advance deposit	0	0	0	24,693
(Increase) in deferred outflows of resources - pension	(91,902)	(123,743)	(215,645)	0
Increase (decrease) in liabilities				
Accounts and contracts payable	178,964	(149,549)	29,415	(472)
Accrued salaries, wages and benefits	4,520	6,093	10,613	0
Claims payable	0	0	0	237,038
Due to other governments	(60)	1,558	1,498	0
Compensated absences	(12,453)	29,081	16,628	0
Net pension liability	240,038	404,999	645,037	0
Increase in deferred inflows of resources - pension	(17,596)	(36,713)	(54,309)	0
Net cash provided by operating activities	<u>\$1,781,768</u>	<u>\$4,251,910</u>	<u>\$6,033,678</u>	<u>\$472,131</u>

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
DECEMBER 31, 2017

	<u>Agency Funds</u>
Assets	
Equity in pooled cash and equivalents	<u>\$1,267,383</u>
Total assets	<u><u>\$1,267,383</u></u>
Liabilities	
Accounts and contracts payable	\$4,535
Due to others	<u>1,262,848</u>
Total liabilities	<u><u>\$1,267,383</u></u>

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1 DESCRIPTION OF THE CITY AND REPORTING ENTITY

The City of North Ridgeville, Ohio, was founded in 1810 and became a City in 1960. The North Ridgeville Charter was originally adopted by the voters in October, 1961, in order to secure the benefits of municipal home rule. Under the Ohio Constitution, the City may exercise all powers of local self-government to the extent not in conflict with applicable general laws. The City, under its charter, operates with an elected Council/Mayor form of government. The responsibilities for the major financial functions of the City are divided among the Council, Mayor, Auditor, and Treasurer. The Auditor, who is appointed by Council, is the City's fiscal and chief accounting officer. The Treasurer, Law Director, and other appointed officials are appointed by the Mayor with Council approval. The City's fiscal year corresponds with the calendar year.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, agencies, departments and offices that are not legally separate from the City. The primary government includes the City departments and agencies that provide the following services: police protection, fire fighting and prevention, emergency rescue, street maintenance and repairs, sanitation, building inspection, parks and recreation, water and sewer.

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

The City is associated with the Lorain County General Health District, a jointly governed organization, which provides health services to the members of the Health District. The City does not have any financial interest in or responsibility for the Health District. The County Auditor serves as fiscal agent. See Note 19.

The City is a member of the Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed with an aggregation program for the purchase of electricity. See Note 19.

The City entered into a Joint Economic Development Zone Agreement (JEDZ) in 2008. However, the City has no financial commitment to the project and has no direct economic benefit. See Note 18.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. BASIS OF PRESENTATION

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

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 activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. 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, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support 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

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

B. FUND ACCOUNTING

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

Governmental Funds

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

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. FUND ACCOUNTING (continued)

General Fund - The General Fund accounts for all financial resources except those required to be 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 charter of the City and/or the general laws of Ohio.

Center Ridge Road Construction Fund – The Center Ridge Road Construction Fund accounts for the costs of improving Center Ridge Road.

The other governmental funds of the City account for grants and other resources whose use is restricted to a specific purpose.

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

Enterprise Funds - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

Water Fund - The Water Fund accounts for the operation of the City's drinking water distribution system.

Sewer Fund - The Sewer Fund accounts for the operation of the City's sanitary sewer collection system and City owned wastewater treatment facility.

Internal Service Funds - Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's Internal Service Fund reports on a self-insurance program for employee medical benefits.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City has no trust funds. Agency funds are purely custodial in nature (assets equal liabilities) and thus do not involve measurement of results of operations. The City's agency funds account for building permit fees collected on behalf of the State, certain activities of the senior citizens center, mayor court bail bond collections, and deposits from citizens, contractors and developers.

C. MEASUREMENT FOCUS

Government-wide Financial Statements

The government-wide financial statements are prepared using the flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the City are included on the Statement of Net Position. The Statement of Activities presents increases (i.e. revenues) and decreases (i.e. expenses) in net position.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. MEASUREMENT FOCUS (continued)

Amounts reported as program revenues include: charges to customers for goods, services, or privileges provided; operating grants and contributions; and capital grants and contributions including special assessments. Internally dedicated resources are reported as general revenues rather than program revenues, as are taxes.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources along with current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Proprietary funds distinguish operating revenue and expenses from non-operating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in accordance with the proprietary fund's principle on going operations. The principle operating revenue of the City's water fund and sewer fund are charges for services. These funds also recognize fees intended to recover the cost of connecting new customers to the City's water and sewer utility systems as operating revenue. Operating expenses for the enterprise funds include the cost of services, administrative expenses and overhead and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenue and expenses, which for the City includes interest income, gain/loss on disposal of capital assets, and interest and fiscal charges.

As with the government-wide statements, all proprietary funds are accounted for on a flow of economic resources 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 total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

D. BASIS OF ACCOUNTING

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows and outflows and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions

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

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. BASIS OF ACCOUNTING (continued)

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied. See Note 6A. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, state-levied locally shared taxes including gasoline tax, fines and forfeitures, interest, grants, fees and rentals.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for deferred charge on bond refunding and pension. The deferred outflows of resources related to pension are explained in Note 11.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, pension, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2017, but which were levied to finance 2018 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, intergovernmental grants, and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 11)

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. BUDGETARY PROCESS

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations ordinance is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council by fund and within each fund by department at major object level, which includes personal services, other expenditures and transfers. Budgetary modifications may only be made by ordinance of the City Council.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time the final appropriations were enacted by Council.

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriations amounts passed by Council during the year.

Encumbrances outstanding at year end represent the estimated amount of expenditures that will ultimately result if unperformed contracts in process (for example, purchase orders and contracted services) are completed. Encumbrances outstanding at year end are reported as part of restricted, committed or assigned fund balance for subsequent year expenditures in the governmental funds.

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.

F. CASH AND CASH EQUIVALENTS

To improve cash management, cash received by the City is pooled and invested. Individual fund integrity is maintained through City records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents."

G. INVESTMENTS

Nonparticipating interest-earning investment contracts are stated at cost. Money market investments and participating interest earning investment contracts with a remaining maturity of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. INVESTMENTS (continued)

During 2017, the City invested in commercial paper, federal home loan mortgage corporation bonds, federal national mortgage association bonds, municipal securities, money market governmental obligations, and State Treasury Asset Reserve of Ohio (STAR Ohio). STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." 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 an NAV per share that approximates fair value.

For 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.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue is distributed to all funds except agency funds.

H. INVENTORIES

Inventories are valued at the lower of cost (first-in, first-out) or market. The costs of inventory items are recognized as expenses when used in the enterprise funds. Inventories consist of parts and supplies.

I. PREPAID AND DEFERRED EXPENSES

Payments made to vendors for services that will benefit periods beyond the current year-end 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. A portion of the relevant governmental funds' balances equal to the prepaid items has been reserved to indicate that it is not available for appropriation.

J. CAPITAL ASSETS

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds and are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

Capital assets are recorded at cost or estimated historical cost and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The City maintains a capitalization threshold of twenty-five hundred dollars. The City's infrastructure consists of streets, bridges, culverts, curbs, sidewalks, storm sewers, and water and sanitary sewer systems. Improvements are capitalized, whereas the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. CAPITAL ASSETS (continued)

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and improvements	30 to 50 years
Infrastructure	15 to 50 years
Equipment and vehicles	3 to 10 years

K. INTERFUND BALANCES

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables". Interfund loans, which do not represent available expendable resources would be offset by an equal amount in nonspendable fund balance unless the proceeds from their collection are restricted, committed or assigned. Interfund balance amounts are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

L. COMPENSATED ABSENCES

Vacation benefits are accrued as a liability as the benefits are earned if the employee's 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 is based on an estimate of the amount of accumulated sick leave that will be paid as a termination benefit.

M. ACCRUED LIABILITIES AND LONG-TERM LIABILITIES

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. All payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

Generally, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, compensated absences and net pension liability that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, capital leases and long-term loans are recognized as a liability on the governmental fund financial statements when due.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. FUND BALANCE

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

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

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of the City Council. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the City Council.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

M. ACCRUED LIABILITIES AND LONG-TERM LIABILITIES

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. All payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

Generally, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, compensated absences and net pension liability that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, capital leases and long-term loans are recognized as a liability on the governmental fund financial statements when due.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. NET POSITION

Net position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. The restricted component of net position is reported when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The government-wide statement of net position for the governmental activities reports \$11,501,162 of restricted net position, none of which is restricted by enabling legislation. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted components of net position are available.

P. OPERATING REVENUES AND EXPENSES

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services primarily for water and sanitary sewer services and self-insurance program. Operating expenses are necessary costs incurred to provide the goods or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

Q. CONTRIBUTIONS OF CAPITAL

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets (primarily related to housing developments), tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

R. INTERFUND ACTIVITY

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental activities are eliminated on the government-wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Interfund payments for services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are presented on the financial statements.

S. 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.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

T. EXTRAORDINARY AND SPECIAL ITEMS

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the current year.

U. USE OF ESTIMATES

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

NOTE 3 CHANGE IN ACCOUNTING PRINCIPLES

During 2017, the City implemented the following Governmental Accounting Standards Board (GASB) statements: Statement No. 80, "Blending Requirements for Certain Component Units-an amendment of GASB Statement No. 14"; Statement No. 81, "Irrevocable Split-Interest Agreements"; and Statement No. 82, "Pension Issues – an amendment of GASB Statements No. 67, No.68 and No.73".

GASB Statement No. 80 improves the financial reporting by clarifying the financial statement presentation requirements for certain component units. This statement had no effect on the City's financial statements.

GASB Statement No 81 improves the 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. This statement had no effect on the City's financial statements.

GASB Statement No. 82 improves consistency in the application of pension accounting. These changes were incorporated in the City's 2017 financial statements; however, there was no effect on beginning net position/fund balance

NOTE 4 BUDGETARY BASIS OF ACCOUNTING

While the City is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The "Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual" is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

Revenues are recorded when received (budget basis) rather than when susceptible to accrual (GAAP basis).

Expenditures are recorded when paid or encumbered (budget basis) rather than when the liability is incurred (GAAP basis).

Proceeds from and principle payments on short-term note obligations are reported on the operating statement (budget basis) rather than balance sheet transactions (GAAP basis).

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 4 BUDGETARY BASIS OF ACCOUNTING (continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund.

	Net Change in Fund Balance
Budget basis	\$2,187,804
Adjustments, increase (decrease)	
Revenue accruals	384,547
Expenditure accruals	(394,316)
Encumbrances	456,565
Funds budgeted elsewhere **	(2,570,979)
GAAP basis, as reported	\$63,621

** As part of Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting", the certain funds are legally budgeted in separate funds, but are considered part of the General Fund on a GAAP basis.

NOTE 5 POOLED CASH AND EQUIVALENTS, DEPOSITS AND INVESTMENTS

A. LEGAL REQUIREMENTS

State statutes classify monies held by the City into three categories.

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

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

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

Interim monies may be invested in the following securities:

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

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 5 POOLED CASH AND EQUIVALENTS, DEPOSITS AND INVESTMENTS (continued)

A. LEGAL REQUIREMENTS (continued)

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio).
7. Certain banker' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 40% of the interim monies available for investment at any one time if training requirements have been met; and
8. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts.

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

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

B. DEPOSITS AND CASH ON HAND

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. The City does not have a deposit policy for custodial credit risk. Ohio law requires that deposits be either insured or 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

Effective July 1, 2017, 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.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 5 DEPOSITS AND INVESTMENTS (continued)

A. LEGAL REQUIREMENTS (continued)

At fiscal year-end, the carrying amount of the City's deposits was \$15,918,461 and the bank balance was \$16,293,802. Of the bank balance, \$10,891,997 was covered by federal depository insurance and \$5,401,805 by collateral held by third party trustees in accordance with the Ohio Revised Code, in collateral pools securing all public funds on deposit with specific depository institutions, which amount is considered uncollateralized as defined by the Government Accounting Standards Board.

Cash on hand at December 31, 2017 amounted to \$2,425.

C. INVESTMENTS

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2017, the City had the following investments:

	Measurement	Investment Maturities		
	Value	Within 1 year	Within 2 - 3 years	After 3 years
Star Ohio	\$18,536,156	\$18,536,156	\$0	\$0
Commercial paper	8,454,104	8,454,104	0	0
Municipal bonds	502,465	502,465	0	0
Federal securities	6,489,305	4,789,725	250,000	1,449,580
	<u>\$33,982,030</u>	<u>\$32,282,450</u>	<u>\$250,000</u>	<u>\$1,449,580</u>

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.

Star Ohio is measured based on amortized cost, which approximates fair value. Investments in commercial paper, municipal bonds and federal securities are valued based on Level 1 inputs using quoted prices for identical investments in active markets for those securities.

D. INTEREST RATE RISK

The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date.

E. CONCENTRATION OF CREDIT RISK

The City places no limit on the amount that may be invested in any one issuer.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 5 DEPOSITS AND INVESTMENTS (continued)

F. CREDIT RISK

The City follows the Ohio Revised Code that limits its investment choices, as discussed in Note 5 A. above. The City's investments were rated by Standard & Poor's at December 31, 2017 as follow

	Credit Rating	Measurement Value	Percent of Total
Star Ohio	AAAm	\$18,536,156	54.5%
Commercial paper	A1	7,713,183	22.7%
Commercial paper	A1+	740,921	2.2%
Municipal bonds	Aa2	200,398	0.6%
Municipal bonds	A1	302,067	0.9%
Federal securities	AAAm	4,789,725	14.1%
Federal securities	Aaa	1,699,580	5.0%
		\$33,982,030	100.0%

Ohio law requires that Star Ohio maintain the highest rating provided by at least one nationally recognized standard rating service.

NOTE 6 RECEIVABLES

Receivables at December 31, 2017, consisted primarily of municipal income taxes, property and other taxes, intergovernmental revenues arising from entitlements and shared revenues, special assessments, and accounts (billings for utility service). No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

Special assessments expected to be collected in more than one year amount to \$ 1,158,811 in the Special Assessment Bond Retirement Fund and \$ 1,724,854 in the Sewer Fund.

A. PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2017 for real and public utility property taxes represents collections of the 2016 taxes.

2017 real property taxes are levied after October 1, 2017, on the assessed value as of January 1, 2017, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2017 real property taxes are collected in and intended to finance 2018 activities.

Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value. 2017 public utility real and tangible property taxes became a lien December 31, 2016, are levied after October 1, 2017, and are collected in 2018 with real property taxes.

CITY OF NORTH RIDGEVILLE, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2017

NOTE 6 RECEIVABLES (continued)

A. PROPERTY TAXES (continued)

The full tax rate of all City levies for the collection year ended December 31, 2017 was \$ 12.35 per \$1,000 of assessed value. The various levies, year of voter approval, first and last tax year and full rate are:

Levy	Voter Approved	First Tax Year / Collection Year	Last Tax Year / Collection Year	Millage Full Rate
<u>Unvoted Levies</u>				
General Fund	---	---	---	1.70
Police Pension	---	---	---	0.30
Fire Pension	---	---	---	0.30
<u>Voted Levies</u>				
Police	May 2015	2015/2016	2019/2020	1.95
Fire	May 2015	2015/2016	2019/2020	1.90
Street (Road and Bridge)	May 2015	2015/2016	2019/2020	1.90
Ambulance and EMS	May 2014	2014/2015	2018/2019	1.75
Public Library	May 2014	2014/2015	2018/2019	1.91
Central Fire Station Bonds	Nov 2015	2015/2016	2034/2035	0.64
Totals				<u>12.35</u>

The assessed values of real and public utility property upon which 2017 property tax receipts were based are as follows:

	2017 Collection Year
Property valuation consisted of:	
Real property	\$774,268,200
Public utility property	15,999,020
Total valuation	<u>\$790,267,220</u>

Real property taxes are payable annually or semi-annually. If paid annually, the payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2017 and for which there is an enforceable legal claim. In the General Fund, Street Levy, Police Levy, Police Pension, Fire Levy, Fire Pension, and Paramedic Levy (Special Revenue) Funds, the entire receivable has been offset by deferred inflows of resources since the current taxes were not levied to finance 2017 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 6 RECEIVABLES (continued)

B. INCOME TAXES

The City levies an income tax of 1% on substantially all income earned within the City. In addition, residents are required to pay City income tax on income earned outside the City with a certain credit for income taxes paid to other municipalities. Employers within the City are required to withhold income tax on employee compensation and remit at least quarterly. Corporations and other individual taxpayers are required to pay their estimated taxes at least quarterly and file a final return annually. The City's municipal income tax is collected and administered by the Regional Income Tax Agency (R.I.T.A.).

C. DUE FROM OTHER GOVERNMENTS

A summary of the principal items due from other governments follows:

	<u>Amount</u>
Governmental Activities	
Gasoline tax	\$802,700
Local government assistance	204,300
Homestead and rollback	404,500
Permissive motor vehicle license fees	315,100
State grants	382,648
Other	<u>35,929</u>
Total governmental activities	<u>2,145,177</u>
Business-type Activities	
Sanitary sewer charges	<u>269,700</u>
Total business-type activities	<u>269,700</u>
Total	<u><u>\$2,414,877</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 7 CAPITAL AND INTANGIBLE ASSETS

A summary of changes in capital assets during 2017 follows:

	Balance January 1	Additions	Disposals	Balance December 31
<u>Governmental activities</u>				
Capital assets, not being depreciated				
Land	\$1,919,677	\$35,534	\$0	\$1,955,211
Construction in progress	14,747,615	29,812,204	5,571,010	38,988,809
Total capital assets, not being depreciated	<u>16,667,292</u>	<u>29,847,738</u>	<u>5,571,010</u>	<u>40,944,020</u>
Capital assets, being depreciated				
Buildings and improvements	5,505,801	19,618	0	5,525,419
Equipment and vehicles	12,534,453	1,005,414	1,293,656	12,246,211
Infrastructure	111,433,905	7,805,205	0	119,239,110
Total capital assets, being depreciated	<u>129,474,159</u>	<u>8,830,237</u>	<u>1,293,656</u>	<u>137,010,740</u>
Less accumulated depreciation				
Buildings and improvements	2,653,123	126,465	0	2,779,588
Equipment and vehicles	9,447,639	906,103	1,150,566	9,203,176
Infrastructure	60,697,710	3,243,428	0	63,941,138
Total accumulated depreciation	<u>72,798,472</u>	<u>4,275,996</u>	<u>1,150,566</u>	<u>75,923,902</u>
Total capital assets, being depreciated, net	<u>56,675,687</u>	<u>4,554,241</u>	<u>143,090</u>	<u>61,086,838</u>
Total governmental capital assets, net	<u>\$73,342,979</u>	<u>\$34,401,979</u>	<u>\$5,714,100</u>	<u>\$102,030,858</u>
<u>Business-type activities</u>				
Capital assets, not being depreciated				
Land	\$773,040	\$0	\$0	\$773,040
Construction in progress	3,398,063	1,075,350	3,958,468	514,945
Total capital assets, not being depreciated	<u>4,171,103</u>	<u>1,075,350</u>	<u>3,958,468</u>	<u>1,287,985</u>
Capital assets, being depreciated				
Buildings and improvements	713,983	4,245	0	718,228
Equipment and vehicles	18,778,332	4,632,126	206,641	23,203,817
Infrastructure	101,914,855	2,795,712	0	104,710,567
Total capital assets, being depreciated	<u>121,407,170</u>	<u>7,432,083</u>	<u>206,641</u>	<u>128,632,612</u>
Less accumulated depreciation				
Buildings and improvements	313,873	20,539	0	334,412
Equipment and vehicles	9,562,100	1,214,561	206,641	10,570,020
Infrastructure	35,923,124	2,065,912	0	37,989,036
Total accumulated depreciation	<u>45,799,097</u>	<u>3,301,012</u>	<u>206,641</u>	<u>48,893,468</u>
Total capital assets, being depreciated, net	<u>75,608,073</u>	<u>4,131,071</u>	<u>0</u>	<u>79,739,144</u>
Total business-type capital assets, net	<u>\$79,779,176</u>	<u>\$5,206,421</u>	<u>\$3,958,468</u>	<u>\$81,027,129</u>

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 7 CAPITAL AND INTANGIBLE ASSETS (continued)

Depreciation expense was charged to governmental functions as follows:

Security of persons and property	\$500,293
Public health and welfare	26,517
Leisure time activities	78,367
Transportation	3,534,238
General government	136,581
	\$4,275,996

A summary of changes in intangible assets during 2017 follows:

<u>Business-type activities</u>	<u>Balance January 1</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance December 31</u>
Intangible assets				
Waterway rights	\$2,363,474	\$0	\$0	\$2,363,474
Less accumulated amortization	1,249,964	68,352	0	1,318,316
Total intangible assets, net	\$1,113,510	(\$68,352)	\$0	\$1,045,158

The City entered into agreements in 1993 and 2008 for the right to purchase specified amounts of drinking water. The cost of these water rights is amortized ratably on a straight line basis over 30 - 50 years.

NOTE 8 NOTES PAYABLE

Notes payable during the year consisted of the following general obligation bond anticipation notes:

	<u>Balance January 1</u>	<u>Additions</u>	<u>Repayments</u>	<u>Balance December 31</u>
Short-term notes payable				
Governmental activities				
Street construction				
2016, 1.2%	\$614,000	\$0	\$614,000	\$0
Fire station construction				
2017, 2.0%	0	400,000	0	400,000
Street improvements				
2017, 2.0%	0	100,000	0	100,000
	\$614,000	\$500,000	\$614,000	\$500,000
Long-term notes payable				
Governmental activities				
Capital Improvements				
2016, 1.25%, street improvements	\$2,900,000	\$0	\$2,900,000	\$0
2016, 1.5% fire station construction	1,500,000	0	1,500,000	0
2017, 2.0%, street improvements	0	5,800,000	0	5,800,000
2017, 2.0% fire station construction	0	1,100,000	0	1,100,000
	\$4,400,000	\$6,900,000	\$4,400,000	\$6,900,000

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 9 LONG-TERM DEBT

The original issue date, date of maturity, interest rate, and original issue amount of the City's bonds, loans and notes follow:

<u>Debt Issue</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Issue Amount</u>
<u>Governmental activities</u>				
General obligation bonds				
Equipment acquisition	2008	2018	3.00 - 5.30%	\$450,000
Various purpose	2008	2023	3.00 - 5.30%	\$1,940,000
Various purpose	2008	2028	3.00 - 5.30%	\$1,380,000
Various purpose	2014	2024	1.25 - 3.25%	\$450,000
Recreational trail	2014	2019	1.25 - 3.25%	\$100,000
Various purpose	2014	2034	1.25 - 4.00%	\$758,208
Various purpose	2016	2038	1.06 - 5.00%	\$2,565,000
Fire station construction	2016	2035	2.00 - 5.00%	\$6,700,000
Special assessment bonds				
Various purpose	2014	2034	1.25 - 4.00%	\$955,792
Bond anticipation notes	2017	2018	2.00%	\$6,900,000
OPWC loan	1999	2019	0	\$143,604
OPWC loan	2000	2020	0	\$160,029
OPWC loan	2000	2020	0	\$176,121
OPWC loan	2001	2021	0	\$69,587
OPWC loan	2002	2024	0	\$123,377
OPWC loan	2003	2023	0	\$112,684
OPWC loan	2007	2027	0	\$115,200
OPWC loan	2007	2027	0	\$172,943
OPWC loan	2008	2028	0	\$50,000
OPWC loan	2011	2031	0	\$83,498
OPWC loan	2011	2031	0	\$210,798
OPWC loan	2013	2033	0	\$396,211
OPWC loan	2014	2035	0	\$36,766
Loan payable - County engineer	2009	2019	0	\$600,000
<u>Business-type activities</u>				
General obligation bonds				
Water system	2008	2018	3.00 - 5.30%	\$3,500,000
Water system	2008	2028	3.00 - 5.30%	\$1,225,000
Water system	2014	2034	1.25 - 4.00%	\$108,000
Sewerlines	2008	2028	3.00 - 5.30%	\$3,370,000
Sewerlines	2014	2034	1.25 - 4.00%	\$58,000
Refunding - sewer	2014	2021	1.25 - 3.25%	\$3,080,000
Various purpose	2016	2036	1.06 - 5.00%	\$17,005,000
Special assessment bonds	2016	2026	1.06 - 5.00%	\$1,434,000
OPWC loan	2000	2020	0	\$169,017
OWDA loan	2002	2022	0	\$2,831,547
Water rights ETL-2 loan	2008	2030	0	\$782,265

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 9 LONG-TERM DEBT (continued)

Changes in the City's long-term obligations during 2017 were as follows:

	Balance 1/1/2017	Issued	Retired	Balance 12/31/2017	Due Within One Year
<u>Governmental Activities</u>					
<u>Various purpose (2008)</u>					
Lorain II, Varous Intersections	\$170,000	\$0	\$85,000	\$85,000	\$85,000
Dyke Street Improvement	85,000	0	40,000	45,000	45,000
Walgreens-Lear Nagle Realignment	50,000	0	25,000	25,000	25,000
Walgreens-Lear Nagle Realignment TIF	50,000	0	25,000	25,000	25,000
Service Department Equipment	105,000	0	50,000	55,000	55,000
AT&T Building Acquisition	30,000	0	15,000	15,000	15,000
Behm Road Storm Water Project	10,000	0	5,000	5,000	5,000
<u>Various Purpose - 2014</u>					
Victory Lane (City Portion)	699,729	0	30,248	669,481	30,248
Shady Drive Park Land Acquisition	245,000	0	30,000	215,000	30,000
Highland Dentition Phase 1	120,000	0	15,000	105,000	15,000
Parks and Recreation Trail	60,000	0	20,000	40,000	20,000
<u>Various Purpose - 2016</u>					
Telecommunications Equipment (Cell Tower)	70,000	0	10,000	60,000	15,000
Fire Equipment (Fire Truck - Pumper)	250,000	0	20,000	230,000	25,000
Jaycox Road Improvement	310,000	0	10,000	300,000	10,000
Storm Water Management Study/Fee Project	295,000	0	10,000	285,000	10,000
Dyke Street Improvements	585,000	0	5,000	580,000	5,000
Lorain II, Various Intersections	515,000	0	5,000	510,000	5,000
Walgreens-Lear Nagle Realignment	152,500	0	2,500	150,000	5,000
Walgreens-Lear Nagle Realignment TIF	152,500	0	2,500	150,000	0
AT&T Building Acquisition	190,000	0	5,000	185,000	5,000
Central Fire Station	6,345,000	0	240,000	6,105,000	245,000
Bond Premiums, 2014 Issue	52,592	0	3,094	49,498	0
Bond Premiums, 2016 Issue	850,212	0	52,385	797,827	0
Total General Obligation Bonds	<u>11,392,533</u>	<u>0</u>	<u>705,727</u>	<u>10,686,806</u>	<u>675,248</u>
<u>Special Assessment Bonds (with Governmental Commitment)</u>					
<u>Various Purpose - 2014</u>					
Victory Lane	882,074	0	38,130	843,944	38,130

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 9 LONG-TERM DEBT (continued)

	Balance 1/1/2017	Issued	Retired	Balance 12/31/2017	Due Within One Year
<u>Governmental Activities</u>					
<u>Other Long-term Obligations</u>					
<u>OPWC Loans</u>					
West Point Detention Basin	\$14,362	\$0	\$7,180	\$7,182	\$7,182
Root Road Reconstruction	26,419	0	8,806	17,613	8,806
Sugar Ridge Road Construction	24,005	0	8,001	16,004	8,002
Case Road Reconstruction	15,656	0	3,479	12,177	3,480
Sugar Ridge Reconstruction Phase II	33,808	0	5,634	28,174	5,634
South Barton Road Reconstruction	49,349	0	6,169	43,180	6,169
Mills Industry Parkway	90,796	0	8,648	82,148	8,648
Taylor Parkway Reconstruction	63,360	0	5,760	57,600	5,760
Lorain Road Reconstruction	28,750	0	2,500	26,250	2,500
Lorain Road Reconstruction Phase 1a	60,535	0	4,174	56,361	4,174
Lorain Road Reconstruction Phase 1b	158,098	0	10,540	147,558	10,540
Chestnut Ridge Reconstruction Phase 1a	336,778	0	19,810	316,968	19,810
Chestnut Ridge Reconstruction Phase III	33,117	0	2,850	30,267	1,839
Total OPWC Loans	<u>935,033</u>	<u>0</u>	<u>93,551</u>	<u>841,482</u>	<u>92,544</u>
<u>Net Pension Liability</u>					
OPERS	6,065,483	1,852,126	0	7,917,609	0
OP&F	18,023,726	0	987,436	17,036,290	0
Total Net Pension Liability	<u>24,089,209</u>	<u>1,852,126</u>	<u>987,436</u>	<u>24,953,899</u>	<u>0</u>
Notes Payable	4,400,000	6,900,000	4,400,000	6,900,000	6,900,000
County Engineer Loan	240,000	0	60,000	180,000	60,000
Capital Leases Payable	54,472	358,457	79,758	333,171	94,959
Compensated Absences Payable	4,174,579	630,691	107,162	4,698,108	135,861
Total Other Long-Term Obligations	<u>8,869,051</u>	<u>7,889,148</u>	<u>4,646,920</u>	<u>12,111,279</u>	<u>7,190,820</u>
Total Governmental Activities	<u>\$46,167,900</u>	<u>\$9,741,274</u>	<u>\$6,471,764</u>	<u>\$49,437,410</u>	<u>\$7,996,742</u>

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 9 LONG-TERM DEBT (continued)

	Balance 1/1/2017	Issued	Retired	Balance 12/31/2017	Due Within One Year
<u>Business Type Activities</u>					
<u>Various purpose (2008)</u>					
Water Mtr Replace/Dyke & Case	\$820,000	\$0	\$400,000	\$420,000	\$420,000
Dyke/Case & Other	305,000	0	150,000	155,000	155,000
Water Improvement-Dorchester	110,000	0	55,000	55,000	55,000
<u>Various Purpose - 2014</u>					
French Creek WWTP	1,975,000	0	380,000	1,595,000	385,000
Victory Lane Water Improvements	99,670	0	4,309	95,361	4,309
Victory Lane Sewer Improvements	53,526	0	2,314	51,212	2,314
<u>Various Purpose - 2016</u>					
Center Ridge Sewer Subbasin	2,110,000	0	80,000	2,030,000	80,000
Sanitary Sewer Improvement-Westerlies	940,000	0	84,000	856,000	86,000
Wastewater Treatment Plants I & II	4,000,000	0	150,000	3,850,000	155,000
Olive/Lewis/Brach/Cross Waterline	1,365,000	0	50,000	1,315,000	55,000
Sanitary Sewer Improvements-Center Ridge	4,010,000	0	365,000	3,645,000	370,000
Dyke/Case & Other Improvements	2,120,000	0	20,000	2,100,000	20,000
Water Improvements-Dorchester	775,000	0	5,000	770,000	10,000
Behm Road Storm Water Project	90,000	0	5,000	85,000	5,000
Bond Premiums, 2014 - Water	2,210	0	130	2,080	0
Bond Premiums, 2014 - Sewer	100,190	0	5,893	94,297	0
Bond Premiums, 2016 - Water	161,045	0	10,195	150,850	0
Bond Premiums, 2016 - Sewer	1,120,116	0	87,754	1,032,362	0
Total Bonded Debt	<u>20,156,757</u>	<u>0</u>	<u>1,854,595</u>	<u>18,302,162</u>	<u>1,802,623</u>
<u>Special Assessment Bonds (with Governmental Commitment)</u>					
Sanitary Sewer Improvements-Westerlies	1,410,000	0	126,000	1,284,000	129,000
Total Special Assessments	<u>1,410,000</u>	<u>0</u>	<u>126,000</u>	<u>1,284,000</u>	<u>129,000</u>
<u>Other Long-Term Obligations</u>					
Net Pension Liability - OPERS					
Water	995,825	240,038	0	1,235,863	0
Sewer	1,991,651	404,999	0	2,396,650	0
Total Net Pension Liability	<u>2,987,476</u>	<u>645,037</u>	<u>0</u>	<u>3,632,513</u>	<u>0</u>
OPWC Loan	29,576		8,451	21,125	8,451
OWDA Loan	969,748		178,389	791,359	185,851
Water Rights ETL-2 Loan	595,940		31,205	564,735	32,409
Capital Leases	11,994	222,700	82,672	152,022	77,808
Compensated Absences	668,505	28,149	11,521	685,133	0
Total Other Long-Term Obligations	<u>2,275,763</u>	<u>250,849</u>	<u>312,238</u>	<u>2,214,374</u>	<u>304,519</u>
Total Business-Type Activities	<u>\$26,829,996</u>	<u>\$895,886</u>	<u>\$2,292,833</u>	<u>\$25,433,049</u>	<u>\$2,236,142</u>

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 9 LONG-TERM DEBT (continued)

General obligation bonds are direct obligations of the City for which its full faith and credit are pledged for payment. The governmental general obligation bonds are paid primarily from the Capital Projects and Street Levy funds. The water and sewer bonds are paid from respective Water and Sanitary Sewer enterprise fund revenues. The special assessment bonds are paid from proceeds of special assessments levied against benefited property owners and collected in the City's Special Assessment Debt Service Fund. In the event that a property owner would fail to pay the assessment, payment would be made by the City.

OPWC loan payments are paid from the respective Street Levy Special Revenue, Capital Projects and Sanitary Sewer Enterprise Funds. OWDA loan payments are paid from the Water Enterprise Fund.

Notes payable balance outstanding at December 31, 2017 of \$ 6,900,000 under governmental activities are classified as long-term. Although the notes are due within one year or less, the aforementioned notes are intended to be refinanced. See also Note 20 in these Notes to the Basic Financial Statements.

The loan payable to the County Engineer of \$ 180,000 will be repaid from the Street Levy Fund. Water rights ETL-2 loan payments are paid from the Water Fund. Compensated absences will be paid from the funds from which employees' wages are paid, primarily the General Fund, Water Fund and Sewer Fund.

The City's overall debt limitation at December 31, 2017 was \$85,683,000 against which \$15,720,000 of debt has been issued, leaving additional debt capacity within the debt limitation, in the amount of \$ 69,963,000.

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2017, excluding capital lease payable and compensated absences, are as follows:

Year	Governmental Activities			
	General Obligation Bonds		Special Assessment Bonds	
	Principal	Interest	Principal	Interest
2018	\$675,248	\$477,276	\$38,130	\$29,208
2019	625,248	327,610	38,130	28,636
2020	617,264	314,046	40,672	27,396
2021	637,264	299,728	40,672	26,176
2022	644,281	275,396	43,214	25,159
2023 - 2027	2,665,519	1,062,158	233,864	105,125
2028 - 2032	2,381,816	579,149	279,620	60,500
2033 - 2036	1,592,841	126,411	129,642	7,830
	\$9,839,481	\$3,461,774	\$843,944	\$310,030

Year	Governmental Activities					
	OPWC loans	County Engineer	Notes Payable		Total	Total
	Principal	Principal	Principal	Interest	Principal	Interest
2018	\$92,544	\$60,000	\$6,900,000	\$138,000	\$7,765,922	\$506,484
2019	85,361	60,000	0	0	808,739	356,246
2020	68,553	60,000	0	0	786,489	341,442
2021	66,814	0	0	0	744,750	325,904
2022	65,074	0	0	0	752,569	300,555
2023 - 2027	274,367	0	0	0	3,173,750	1,167,283
2028 - 2032	166,262	0	0	0	2,827,698	639,649
2033 - 2036	22,507	0	0	0	1,744,990	134,241
	\$841,482	\$180,000	\$6,900,000	\$138,000	\$18,604,907	\$3,771,804

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 9 LONG-TERM DEBT (continued)

Year	Business-Type Activities				
	General Obligation Bonds		Special Assessment Bonds		OPWC Loans
	Principal	Interest	Principal	Interest	Principal
2018	\$1,802,623	\$663,612	\$129,000	\$36,396	\$8,451
2019	1,421,622	462,472	135,000	33,816	8,450
2020	1,442,064	438,717	135,000	32,385	4,224
2021	1,472,064	410,980	135,000	30,360	0
2022	1,098,505	358,504	144,000	24,960	0
2023 - 2027	5,429,617	1,281,582	606,000	59,220	0
2028 - 2032	2,413,564	573,370	0	0	0
2033 - 2036	1,942,514	151,910	0	0	0
	<u>\$17,022,573</u>	<u>\$4,341,147</u>	<u>\$1,284,000</u>	<u>\$217,137</u>	<u>\$21,125</u>

Year	Business-Type Activities					
	OWDA Loan		Water Rights ETL-2 Loan		Total	Total
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$185,851	\$30,858	\$32,409	\$20,850	\$2,158,334	\$751,716
2019	193,624	23,085	33,659	19,600	1,792,355	538,973
2020	201,723	14,986	34,958	18,301	1,817,969	504,389
2021	210,161	6,548	36,306	16,953	1,853,531	464,841
2022	0	0	37,707	15,552	1,280,212	399,016
2023 - 2027	0	0	211,508	54,787	6,247,125	1,395,589
2028 - 2032	0	0	178,188	12,657	2,591,752	586,027
2033 - 2036	0	0	0	0	1,942,514	151,910
	<u>\$791,359</u>	<u>\$75,477</u>	<u>\$564,735</u>	<u>\$158,700</u>	<u>\$19,683,792</u>	<u>\$4,792,461</u>

NOTE 10 CAPITAL LEASE

The City is obligated under a certain lease accounted for as a capital lease. The leased assets are included in capital assets and the related obligation is included under long-term debt. At December 31, 2017, assets under capital lease totaled \$497,818 in governmental activities, with related accumulated depreciation of \$143,347 and \$253,388 in business-type activities, with related accumulated depreciation of \$38,756. The lease is in effect until 2022. The following is the schedule of future minimum lease payments under the capital lease together with the net present value of the minimum lease payments as of December 31, 2017.

Year	Governmental Activities	Business-Type Activities	Total
2018	\$111,424	\$81,913	\$193,337
2019	85,670	76,242	161,912
2020	47,549	0	47,549
2021	47,549	0	47,549
2022	89,802	0	89,802
Total minimum lease payments	381,994	158,155	540,149
Less amount representing interest	(48,823)	(6,133)	(54,956)
Net present value of minimum lease payments	<u>\$333,171</u>	<u>\$152,022</u>	<u>\$485,193</u>

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 11 DEFINED BENEFIT PENSION PLANS

A. NET PENSIONS LIABILITY

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

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

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

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

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

B. PLAN DESCRIPTION – OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

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

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

CITY OF NORTH RIDGEVILLE, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2017

NOTE 11 DEFINED BENEFIT PENSION PLANS (continued)

B. PLAN DESCRIPTION – OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) (continued)

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

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
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

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.

CITY OF NORTH RIDGEVILLE, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2017

NOTE 11 DEFINED BENEFIT PENSION PLANS (continued)

B. PLAN DESCRIPTION – OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) (continued)

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

	State and Local
2017 Statutory maximum contribution rates	
Employer	14.00%
Employee	10.00%
2017 Actual contribution rates	
Employer	
Pension	13.00%
Post-employment health care benefits	1.00%
Total employer	14.00%
Employee	10.00%

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$ 943,611 for 2017. Of this amount, \$ 129,405 is reported as due to other governments.

C. PLAN DESCRIPTION – OHIO POLICE & FIRE PENSION FUND (OP&F)

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

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

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 after 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.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 11 DEFINED BENEFIT PENSION PLANS (continued)

C. PLAN DESCRIPTION – OHIO POLICE & FIRE PENSION FUND (OP&F) (continued)

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

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

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

	Police	Firefighters
2017 Statutory maximum contribution rates		
Employer	19.50%	24.00%
Employee	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	19.50%	24.00%
Employee	12.25%	12.25%

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,273,443 for 2017. Of this amount \$127,203 is reported as due to other governments.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 11 DEFINED BENEFIT PENSION PLANS (continued)

D. 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. OP&F'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	\$11,550,122	\$17,036,290	\$28,586,412
Pension expense	\$2,243,250	\$1,959,395	\$4,202,645
Proportion of the net pension liability			
Prior measurement date	0.052501%	0.280173%	
Current measurement date	<u>0.050863%</u>	<u>0.268970%</u>	
	<u>-0.001638%</u>	<u>-0.011203%</u>	

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			
Difference between expected and actual experience	\$15,655	\$4,819	\$20,474
Change in assumptions	1,831,989	0	1,831,989
Net difference between projected and actual earnings on pension plan investments	1,720,080	1,656,704	3,376,784
Employer contributions subsequent to the measurement date	<u>943,611</u>	<u>1,273,443</u>	<u>2,217,054</u>
Total deferred outflows of resources	<u>\$4,511,335</u>	<u>\$2,934,966</u>	<u>\$7,446,301</u>
Deferred inflows			
Difference between expected and actual experience	\$68,740	\$39,225	\$107,965
Changes in proportion and the difference between city contributions and proportionate share of contributions	<u>165,045</u>	<u>476,362</u>	<u>641,407</u>
Total deferred inflows of resources	<u>\$233,785</u>	<u>\$515,587</u>	<u>\$749,372</u>

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 11 DEFINED BENEFIT PENSION PLANS (continued)

D. PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (continued)

\$ 2,217,054 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:	OPERS	OP&F	Total
2018	\$1,354,431	\$534,799	\$1,889,230
2019	1,424,191	534,799	1,958,990
2020	605,738	384,677	990,415
2021	(50,421)	(206,790)	(257,211)
2022	0	(92,526)	(92,526)
Thereafter	0	(9,023)	(9,023)
Total	<u>\$3,333,939</u>	<u>\$1,145,936</u>	<u>\$4,479,875</u>

E. ACTUARIAL ASSUMPTIONS – OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. In 2016, the Board of Trustees' actuarial consultants conducted an experience study for the period 2011 through 2015, comparing assumptions to actual results. The experience study incorporates both a historical view and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 8.0 percent down to 7.5 percent, for the defined benefit investments. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA	3.25 to 10.75 percent including wage inflation 3 percent, simple through 2018, then 2.15 percent, simple
Investment Rate of Return	7.5 percent
Actuarial Cost	Individual Entry Age

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

E. ACTUARIAL ASSUMPTIONS – OPERS (continued)

Mortality rates were based on the RP-2014 Health Annuitant Mortality table. For males, Health Annuitant Mortality tables were used, adjusted for mortality improvement back to the observant period base of 2006 and then established the base year as 2015. For females, Health 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.

OPERS manages investments in four investment portfolios: the Defined Benefits 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 includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan. 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. 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 investments expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio is 8.3 percent for 2016.

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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-term Expected Real Rate of Return (Arithmetic)</u>
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	<u>100.00%</u>	<u>5.66%</u>

CITY OF NORTH RIDGEVILLE, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

E. ACTUARIAL ASSUMPTIONS – OPERS (continued)

Discount Rate - The discount rate used to measure the total pension liability was 7.5 percent, post-experience study results. 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 contractually required rates, as actuarially determined. 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	\$17,645,392	\$11,550,122	\$6,470,791

F- ACTUARIAL ASSUMPTIONS – OP&F

OP&F'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 OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

Valuation Date	January 1, 2016
Actuarial Cost Method	Entry Age Normal (Level Percent of Pay)
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.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

F- ACTUARIAL ASSUMPTIONS – OP&F (continued)

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

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

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

CITY OF NORTH RIDGEVILLE, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

F- ACTUARIAL ASSUMPTIONS – OP&F (continued)

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

	<u>1% Decrease (7.25%)</u>	<u>Current Discount Rate (8.25%)</u>	<u>1% Increase (9.25%)</u>
City's proportionate share of the net pension liability	<u>\$22,690,319</u>	<u>\$17,036,290</u>	<u>\$12,244,423</u>

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 percent to 8.100 percent. Although the exact amount of these changes is not known, the impact to the City's net pension liability is expected to be significant.

NOTE 12 – POSTEMPLOYMENT BENEFITS

A. OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

Ohio Public Employees Retirement System (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 meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. Please see the Plan Statement in the OPERS 2016 CAFR for details.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 12 – POSTEMPLOYMENT BENEFITS (continued)

A. OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (continued)

The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the OPERS Board of Trustees (OPERS Board) in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

The Ohio Revised Code provides the statutory authority requiring public employers to fund health care through their contributions to OPERS. A portion of each employer's contribution to OPERS may be set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2017, State and Local employers contributed at a rate of 14.0% of earnable salary and Public Safety and Law Enforcement employers contributed at 18.1%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

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 contributions to fund postemployment benefits for the years ended December 31, 2017, 2016, and 2015, were \$ 72,583 \$ 140,387, and \$ 141,525, respectively. For 2017, \$ 63,365 (87.3 percent) has been contributed. The balance was subsequently contributed in 2018. The full amount has been contributed for 2016 and 2015.

B. OHIO POLICE AND FIRE PENSION FUND

The City contributes to the Ohio Police and Fire Pension Fund (OPF) sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OPF. OPF provides healthcare 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.

OPF provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit or is a spouse or eligible dependent child of such person. The health care coverage provided by OPF meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

The Ohio Revised Code allows, but does not mandate OPF to provide OPEB benefits. Authority for the OPF Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits 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 for the Plan. That report may be obtained by writing to OPF, 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OPF's website at www.op-f.org.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 12 – POSTEMPLOYMENT BENEFITS (continued)

B. OHIO POLICE AND FIRE PENSION FUND (continued)

The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OPF (defined benefit pension plan). 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% and 24% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OPF 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 OPF 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. The portion of employer contributions allocated to health care was .5% of covered payroll from January 1, 2017 through December 31, 2017. 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 OPF 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 to fund postemployment health care benefits for police and firefighters were \$ 15,514 and \$ 14,550 for the year ended December, 31, 2017, \$ 14,712 and \$ 14,145 for the year ended December 31, 2016, and \$ 14,589 and \$ 13,774 for the year ended December, 31, 2015. The full amount has been contributed for 2015 and 2014. For 2017, \$ 14,071 (90.7%) and \$ 13,080 (89.9%) has been contributed for police and firefighters, respectively. The balance was subsequently paid in 2018.

NOTE 13 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. There have not been any significant reductions in coverage from coverage in the prior year and the amounts of settlements have not exceeded coverage for any of the prior three years.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 13 RISK MANAGEMENT (CONTINUED)

The City maintains liability and property and casualty insurance coverages through HCC Public Risk with the U.S. Specialty Insurance Company. Liability coverages include general liability (including personal and bodily injury) in the amount of \$ 1 million per occurrence with a \$ 3 million aggregate, business automobile liability with a \$ 1 million combined single limit, employment practices liability with limits of \$ 1 million per occurrence and \$ 3 million aggregate, public official liability with a \$ 1 million per occurrence and in the aggregate, law enforcement liability with a \$ 1 million per occurrence and in the aggregate, and commercial umbrella coverage with limits of \$ 10 million for each occurrence and \$ 10 million in the aggregate. Property and casualty coverages include building and personal property casualty coverage in the amount of \$75,376,818, with additional flood and earthquake coverage in the amount of \$ 1 million for any one flood and \$ 1 million annual aggregate and \$ 1 million for any one earthquake and \$ 1 million annual aggregate, electronic data processing systems coverage in the amount of \$426,000, and crime coverage for forgery or alteration of \$250,000, theft and destruction of \$250,000, and public employee dishonesty of \$250,000 per loss. Various deductibles apply to these liability and property and casualty coverages

In order to minimize the annual cost of medical insurance, the City has established a medical self-insurance fund for City employees and their covered dependents. This program is administered by an outside third-party administrator. At December 31, 2017, self-insurance was in effect for losses up to \$75,000 per participant, with a maximum of \$ 1 million. At year-end, self-insurance was in effect with an annual aggregate liability limit of \$3,998,000 and an aggregate terminal liability of \$310,334. At December 31, 2017, the self-insurance total net position amounted to \$1,185,179 and cash held in reserve by the insurer for future claims payment amounted to \$561,840.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Changes in the balance of claims liability during the years ended December 31, 2017 and 2016 are as follows. Incurred claims and claims payments are not segregated between events related to the current year and events related to prior years due to the impracticability of obtaining such information by separate period.

	2017	2016
Unpaid claims, beginning of year	\$359,062	\$420,000
Incurred claims	2,499,148	2,474,201
Claims payment	(2,262,110)	(2,535,139)
Unpaid claims, end of year	\$596,100	\$359,062

NOTE 14 FEDERAL GRANTS AND ENTITLEMENTS

For the year ended December 31, 2017, the City recognized federal grants and entitlements revenue. These programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of the City's management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2017.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 15 CONTINGENCIES

The City of North Ridgeville, Ohio is defendant in certain lawsuits, the outcome of which cannot be determined. It is the opinion of the City's management that any judgment against the City would not have a material adverse effect on the City's financial position.

NOTE 16 SIGNIFICANT COMMITMENTS

A. CONTRACTUAL COMMITMENTS

As of December 31, 2017, the City had contractual commitments of:

Project	Contract Amount	Amount Paid	Balance Remaining on Contract
Metering Reading System Upgrade	\$131,080	\$8,750	\$122,330
Vehicle Purchases	336,776	0	336,776
Senior Center Generator	10,158	0	10,158
Central Fire Station Engineering	7,211,963	546,691	6,665,272
Lear Nagle Road Widening	2,908,853	2,538,284	370,569
Lorain Road/I-480 Ramp and Signal	962,081	82,716	879,365
Avon Belden/Mills Road Roundabout	1,222,091	1,098,908	123,183
Urban Paving Program (ODOT)	307,000	0	307,000
Center Ridge Improvements	318,260	0	318,260
Sewer Sub-Basin Rehab Engineering	88,450	0	88,450
Westfield Plant Abandonment/Sugar Ridge Sanitary Sewer Extension	37,595	25,637	11,958
Jaycox Road Extension	2,150,634	1,875,961	274,673
Storm Water Utility Fee Study	293,300	167,340	125,960
French Creek Sewer Plant Improvements	1,475,591	273,849	1,201,742
Total	<u>\$17,453,832</u>	<u>\$6,618,136</u>	<u>\$10,835,696</u>

The amount remaining on these contracts were encumbered at year-end.

B. ENCUMBRANCES

Encumbrances are commitments related to unperformed contracts for goods and services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control, accountability and to facilitate effective cash planning and control. At year-end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

Governmental Funds	
General	\$456,565
Center Ridge Road Construction	318,260
Other Governmental Funds	9,135,407
Proprietary Funds	
Water	494,629
Sewer	1,872,166
	<u>\$12,277,027</u>

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 17 INTERFUND BALANCES AND TRANSFERS

Interfund balances at December 31, 2017, consisted of the following:

	Due to:		
	General Fund	Capital Projects Fund	Total
Due from:			
Debt Service Fund	\$7,600	\$0	\$7,600
Water Fund	0	136,286	136,286
Total	<u>\$7,600</u>	<u>\$136,286</u>	<u>\$143,886</u>

The General Fund advance was made to assist with debt service payments. The Capital Projects Fund advance to the Water Fund is related to capital asset acquisition. All advances are expected to be repaid within one year

Transfers for the year ended December 31, 2017, consisted of the following:

	Transfer from:		
	General Fund	Capital Projects Fund	Total
Transfer to:			
Capital Projects Fund	\$1,983,367	\$0	\$1,983,367
Central Fire Station Fund	0	469,229	469,229
Total transfers-out	<u>\$1,983,367</u>	<u>\$469,229</u>	<u>\$2,452,596</u>

Transfers from the General Fund to the Capital Projects Fund consist primarily of municipal income tax collections allocated for capital projects and payment of debt service related thereto. Transfers from the Capital Projects Fund to the Central Fire Station Fund were related to construction costs associated with the Central Fire Station project.

NOTE 18 JOINTLY GOVERNED ORGANIZATIONS

A. LORAIN COUNTY GENERAL HEALTH DISTRICT

The Lorain County General Health District, a jointly governed organization, provides health care services to the citizens within the Health District. The Health District is governed by the Board of Health which represents the area served by the Health District and oversees the operation of the Health District. The Board of Health members are appointed to staggered four year terms. One member is appointed by the City of North Ridgeville, one member is jointly appointed by the Cities of Avon and Sheffield Lake and one member is appointed jointly by the Cities of Amherst and Oberlin. The remaining four members are appointed by the various mayors of villages, chairmen of the township trustees and the County Commissioners. The City contributed \$108,992 during 2017 for the operation of the Health District. Financial information can be obtained by contacting the Health Commissioner, 9880 S. Murray Ridge Road, Elyria, Ohio 44035.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 18 JOINTLY GOVERNED ORGANIZATIONS (continued)

B. NORTHEAST OHIO PUBLIC ENERGY COUNCIL

The City is a member of the Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed with an aggregation program for the purchase of electricity. NOPEC is currently comprised of over 200 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity at the lowest possible rates while at the same time ensuring stability in prices by entering into long-term contracts with suppliers to provide electricity to the citizens of its member communities.

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight member NOPEC Board of Directors. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. The City did not contribute to NOPEC during the current year. Financial information can be obtained by contacting the Treasurer, 31320 Solon Road, Suite 20, Solon, Ohio 44139.

C. JOINT ECONOMIC DEVELOPMENT ZONE AGREEMENT

In 2008, the City adopted a joint economic development zone agreement (JEDZ) with the City of Avon, Ohio, together with several other cities (Parties), pursuant to Ohio Revised Code Section 715.69. The purpose of the agreement was to stimulate economic growth within the JEDZ and to reimburse the Parties to the JEDZ for a portion of the lost tax revenue for certain businesses that relocate to the JEDZ from the Parties' cities. The JEDZ consists of approximately 791 acres in the City of Avon at an intersection being developed on Interstate 90 and Nagel Road. The City's contribution to the JEDZ is its agreement to support and advocate for County, State and/or Federal funding for this project. The City has no financial commitment to the project and has no other economic benefit.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 19 FUND BALANCES

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

	General	Center Ridge Road Construction	Other Governmental Funds	Total Governmental Funds
Fund balances				
Nonspendable				
Prepaid items	\$75,400	\$0	\$3,100	\$78,500
Restricted				
Debt service	0	0	1,183,171	1,183,171
Road improvements	0	871,157	9,111,681	9,982,838
Highway and streets	0	0	1,198,573	1,198,573
Police and fire operations	0	0	1,503,416	1,503,416
Recreation	0	0	387,628	387,628
Community environment	0	0	925,378	925,378
Cemetery maintenance	0	0	275,489	275,489
General government	0	0	195,693	195,693
Total restricted	0	871,157	14,781,029	15,652,186
Committed				
Capital projects	245,292	0	0	245,292
Termination benefits	759,602	0	0	759,602
	1,004,894	0	0	1,004,894
Assigned				
Public safety	97,196	0	0	97,196
Public health and welfare	11,547	0	0	11,547
Recreation	3,045	0	0	3,045
Community environment	14,285	0	0	14,285
General government	179,919	0	0	179,919
Subsequent year's appropriations	746,727	0	0	746,727
Total assigned	1,052,719	0	0	1,052,719
Unassigned	4,909,829	0	0	4,909,829
Total fund balances	\$7,042,842	\$871,157	\$14,784,129	\$22,698,128

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 20 TAX ABATEMENTS

The City is authorized by the Ohio Revised Code, subject to approval by City Ordinance, to enter into property tax abatement agreements for the purpose of attracting or retaining businesses. Tax abatements, of up to 100 percent of the increased valuation for up to 30 years may be granted to any business located within or promising to relocate to the City and expand the employment base for a given period of time. The City recaptures a prorated amount of abated taxes if these conditions are not met. The City Council determines the percentage amount and duration of the tax abatement. The amount of the abatement is automatically deducted from the property owner's tax bill.

In connection with the City's Community Reinvestment Area, several real property tax abatements were granted based on a commitment to increase jobs. For the ended December 31, 2017, the City abated property taxes totaling \$173,301 under this program, including the following tax abatement agreements:

Type of Business	Purpose	Percent Abated	Amount Rebated
KLC Properties, LLC/ Poppee's Popcorn	New facility, machinery and equipment	80%	\$12,565
Lake Ridge Holdings, LLC/ Center Ridge Health Campus	Building improvements and fixtures	80%	\$87,448
Rhenium Alloys, Inc.	New construction, machinery and equipment	100%	\$26,084
Peteza, LLC / Pizza Pan/ Zannoni's Food Distributors	Building, equipment and inventory	100%	\$24,402
MMCA Development, LLC/ Nick Abraham/Frito-Lay	Building improvements and expansion	40%	\$1,805
MVM Real Property Holdings, LLC/ Norlake Manufacturing Company	New construction, machinery, equipment and inventory	100%	\$20,997

NOTE 21 SUBSEQUENT EVENTS

In June 2018, the City issued \$5,800,000 of General Obligation (Limited Tax) Road Improvement Notes and \$1,100,000 of General Obligation (Unlimited Tax) Fire Station Notes with an interest rate of 3 percent. The road improvement notes provided resources for the Lear Nagle and Center Ridge road improvements and the fire station notes provided resources for the construction of the Central Fire Station. The notes mature on June 13, 2019.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF NORTH RIDGEVILLE, OHIO
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM – TRADITIONAL PLAN
 LAST FOUR YEARS (1)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
City's proportion of the net pension liability	0.050863%	0.052501%	0.054653%	0.054653%
City's proportionate of the net pension liability	\$11,550,122	\$9,052,959	\$6,564,735	\$6,435,511
City's covered-employee payroll	\$7,019,360	\$6,969,389	\$7,076,265	\$6,733,992
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	164.55%	129.90%	92.77%	95.57%
Plan fiduciary net pension as a percentage of the total pension liability	77.25%	81.08%	86.45%	86.36%

(1) Information prior to 2013 is not available. Schedule is intended to show ten years of information, and additional years will be displayed as it becomes available.

Amounts presented as of the City's measurement date, which is the prior fiscal year end.

CITY OF NORTH RIDGEVILLE, OHIO
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 OHIO POLICE AND FIRE PENSION SYSTEM
 LAST FOUR YEARS (1)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
City's proportion of the net pension liability	0.268970%	0.280173%	0.279838%	0.279838%
City's proportionate of the net pension liability	\$17,036,290	\$18,023,726	\$14,854,124	\$13,628,993
City's covered-employee payroll	5,771,484	5,672,640	5,532,703	5,441,822
City's proportionate share of the net pension liability as a percentage of its covered -employee payroll	295.18%	317.73%	262.02%	250.45%
Plan fiduciary net pension as a percentage of the total pension liability	68.36%	66.77%	72.20%	73.00%

(1) Information prior to 2013 is not available. Schedule is intended to show ten years of information, and additional years will be displayed as it becomes available.

Amounts presented as of the City's measurement date, which is the prior fiscal year end.

CITY OF NORTH RIDGEVILLE, OHIO
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CITY'S CONTRIBUTIONS
 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM – TRADITIONAL PLAN
 LAST FIVE YEARS (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$943,611	\$842,323	\$836,309	\$849,151
Contributions in relation to the contractually required contributions	<u>(943,611)</u>	<u>(842,323)</u>	<u>(836,309)</u>	<u>(849,151)</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City covered-employee payroll	\$7,258,326	\$7,019,360	\$6,969,389	\$7,076,265
Contributions as a percentage of covered-employee payroll	13.00%	12.00%	12.00%	12.00%

(1) Information prior to 2013 is not available. Schedule is intended to show ten years of information, and additional years will be displayed as it becomes available.

2013
\$808,079

(808,079)

\$0

\$6,733,992

13.00%

CITY OF NORTH RIDGEVILLE, OHIO
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CITY'S CONTRIBUTIONS
 OHIO POLICE AND FIRE PENSION FUND
 LAST TEN YEARS

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$1,273,443	\$1,223,887	\$1,201,770	\$1,171,165
Contributions in relation to the contractually required contributions	<u>(1,273,443)</u>	<u>(1,223,887)</u>	<u>(1,201,770)</u>	<u>(1,171,165)</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City covered-employee payroll	\$6,012,849	\$5,771,484	\$5,672,640	\$5,532,703
Contributions as a percentage of covered-employee payroll	21.18%	21.21%	21.19%	21.17%

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>\$812,486</u>	<u>\$779,896</u>	<u>\$761,288</u>	<u>\$786,520</u>	<u>\$800,650</u>	<u>\$781,486</u>
<u>(812,486)</u>	<u>(779,896)</u>	<u>(761,288)</u>	<u>(786,520)</u>	<u>(800,650)</u>	<u>(781,486)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>\$5,441,822</u>	<u>\$5,229,108</u>	<u>\$5,116,381</u>	<u>\$5,285,747</u>	<u>\$5,382,859</u>	<u>\$5,252,168</u>
14.93%	14.91%	14.88%	14.88%	14.87%	14.88%

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2017

NOTE 1 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2017.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016. For 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 8.00% to 7.50%, (b) the expected long-term average wage inflation rate was reduced from 3.75% to 3.25%, (c) the expected long-term average price inflation rate was reduced from 3.00% to 2.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality rates were updated to the RP-2014 Health Annuitant Mortality Table, adjusted for mortality improvement back to the observant period base year of 2006 and then established the base year as 2015 (f) mortality rates used in evaluating disability allowances were updated to the RP-2014 Disabled Mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and a base year of 2015 for males and 2010 for females (g) 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.

MOTE 2 OHIO POLICE AND FIRE PENSION FUND

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2017.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2017. See the notes to the basic financial statements for the methods and assumptions in this calculation.

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COMBINING STATEMENTS AND NONMAJOR FUND SCHEDULES

COMBINING STATEMENTS – NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for specific revenues that are restricted for a specific purpose. These resources are usually restricted by statute, City Charter or ordinance to finance specific functions or activities.

Street Construction, Maintenance and Repair Fund (SCMR) - Accounts for the portion of State gasoline tax and motor vehicle registration fees designated for maintenance and repair of roadways within the City.

State Highway Fund – Accounts for the portion of State gasoline tax and motor vehicle registration fees designated for maintenance and repairs of roadways within the City.

Motor Vehicle License Tax Fund – Accounts for the additional motor vehicle registration fees designated for maintenance and repairs of roadways within the City.

Street Levy Fund – Accounts for property taxes received from a voted tax levy for the construction, reconstruction, resurfacing and repair of roads and bridges.

Surface Drainage Fund – Accounts for revenues from building permit fees for the purpose of providing and maintaining storm sewer drainage.

Police Levy Fund – Accounts for property taxes from a voted tax levy for the purpose of operating the City police department.

Police Pension Fund – Accounts for property taxes levied for the payment of current employer contributions for police disability and pension benefits.

Law Enforcement Fund – Accounts for confiscated monies or proceeds from the sale of confiscated property seized by law enforcement officers in the course of their work for the purpose of enhancing police services.

Local Law Enforcement Assistance Fund – Accounts for reimbursements for continuing professional training programs for peace officers from the State Law Enforcement Assistance Fund.

Drug Law Enforcement Fund – Accounts for confiscated monies or proceeds from the sale of confiscated property seized by law enforcement officers in the course of their work for the purpose of enhancing police services and promoting drug education.

DUI Enforcement and Education Fund – Accounts for fines imposed by the courts for the purpose of enhancing police services and promoting DUI education.

Clerk of Courts Computer Service Fund – Accounts for court fees for the purpose of the computerization of the clerk of court's office.

Court Computerization Fund – Accounts for court fees for the purpose of computerizing the court, procuring and maintaining computerized legal research services.

NONMAJOR SPECIAL REVENUE FUNDS (Continued)

Fire Levy Fund – Accounts for property taxes received from a voted tax levy for the purpose of operating the City fire department.

Fire Pension Fund – Accounts for property taxes levied for the payment of current employer contributions for fire disability and pension benefits.

Paramedic Levy Fund – Accounts for property taxes received from a voted tax levy for the purpose of operating a paramedic program.

Ambulance Fund – Accounts for ambulance fees for the purpose of maintaining and purchasing ambulatory equipment.

State and Other Grants Fund – Accounts for revenues and related expenditures of state and other grants.

Federal Grants Fund – Accounts for revenues and related expenditures of federal grants.

Cemetery Fund – Accounts for burial fees used to maintain the City's cemeteries.

Park and Recreation Fund – Accounts for program revenues and expenditures for the operation and maintenance of recreation programs, services, parks and related.

Park and Recreation Improvement Fund – Accounts for building permit fees for the purpose of planning, acquisition, improvement, expansion and operation of public parks, playgrounds and recreation facilities.

Senior Citizens Title III Fund – Accounts for grant monies received for support service for older adults.

DUI Task Force Fund – Accounts for Federal Grant monies used to employ countermeasures to reduce deaths and injuries from impaired driving.

Solid Waste Management Fund – Accounts for fees charged for the payment of sanitation collections.

NONMAJOR DEBT SERVICE FUNDS

General Obligation Bond Retirement Fund – Accounts for resources that are used for payment of principal and interest and fiscal charges on general obligation debt.

Special Assessment Bond Retirement Fund – Accounts for the accumulation of resources from special assessments levied against benefited properties for the payment of principal and interest and fiscal charges on special assessment debt.

NONMAJOR CAPITAL PROJECTS FUND

Capital Projects funds are used to account for the acquisition and construction of capital assets other than those financed by proprietary funds.

Capital Projects Fund – Accounts for resources used for the acquisition and construction of major capital assets.

Central Fire Station Fund – Accounts for bond proceeds used to construct and equip a new central fire station.

Avon Belden Roundabout Fund – Accounts for State grants and contributions for the construction of a roundabout at Avon Belden and Mills roads.

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING BALANCE SHEET -
 NONMAJOR GOVERNMENTAL FUNDS

DECEMBER 31, 2017

	Nonmajor Special Revenue	Nonmajor Debt Service	Nonmajor Capital Projects	Total
Assets				
Equity in pooled cash and equivalents	\$4,972,948	\$1,190,771	\$9,566,875	\$15,730,594
Taxes - receivable - property and other	5,871,600	464,100	0	6,335,700
Special assessments receivable	0	1,158,811	0	1,158,811
Due from other governments	1,561,098	24,500	250,000	1,835,598
Accounts receivable and other	282,600	0	0	282,600
Interfund receivables	0	0	136,286	136,286
Prepaid items	3,100	0	0	3,100
Total assets	\$12,691,346	\$2,838,182	\$9,953,161	\$25,482,689
Liabilities				
Accounts and contracts payable	\$417,931	\$0	\$187,280	\$605,211
Accrued salaries, w ages and benefits	103,344	0	0	103,344
Accrued interest payable	0	0	4,200	4,200
Due to other governments	108,796	0	0	108,796
Interfund payables	0	7,600	0	7,600
Notes payable	0	0	400,000	400,000
Total liabilities	630,071	7,600	591,480	1,229,151
Deferred inflow s of resources				
Property taxes levied for next year and unavailable resources	7,571,998	1,647,411	250,000	9,469,409
Total deferred inflow s of resources	7,571,998	1,647,411	250,000	9,469,409
Fund balances				
Nonspendable	3,100	0	0	3,100
Restricted	4,486,177	1,183,171	9,111,681	14,781,029
Total fund balances	4,489,277	1,183,171	9,111,681	14,784,129
Total liabilities, deferred inflow s of resources and fund balances	\$12,691,346	\$2,838,182	\$9,953,161	\$25,482,689

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2017

	Nonmajor Special Revenue	Nonmajor Debt Service	Nonmajor Capital Projects	Total
Revenue				
Property and other local taxes	\$5,266,970	\$503,376	\$0	\$5,770,346
Intergovernmental	3,028,689	186,555	1,340,988	4,556,232
Contributions	0	0	365,899	365,899
Special assessments	0	102,774	0	102,774
Charges for services	3,586,422	0	0	3,586,422
Fines, licenses and permits	107,569	0	0	107,569
Interest	84,516	8,519	89,604	182,639
Miscellaneous	262,186	0	32,400	294,586
Total revenues	12,336,352	801,224	1,828,891	14,966,467
Expenditures				
Current				
Security of persons and property	4,975,093	0	0	4,975,093
Public health and welfare	19,526	0	0	19,526
Leisure time activities	287,126	0	0	287,126
Transportation	3,947,134	0	0	3,947,134
General government	3,093,944	9,717	0	3,103,661
Capital outlay	0	0	4,946,019	4,946,019
Debt service				
Principal	183,551	352,130	4,706,248	5,241,929
Capital lease	6,971	0	50,558	57,529
Interest and fiscal charges	32,065	313,594	143,770	489,429
Total expenditures	12,545,410	675,441	9,846,595	23,067,446
Excess (deficiency) of revenues over expenditures	(209,058)	125,783	(8,017,704)	(8,100,979)
Other financing sources (uses)				
Transfers in	0	0	2,452,596	2,452,596
Transfers out	0	0	(469,229)	(469,229)
Issuance of notes and loans	0	0	4,000,000	4,000,000
Premium on debt issue	0	27,112	0	27,112
Total other financing sources (uses)	0	27,112	5,983,367	6,010,479
Net change in fund balances	(209,058)	152,895	(2,034,337)	(2,090,500)
Fund balances, beginning of year	4,698,335	1,030,276	11,146,018	16,874,629
Fund balances, end of year	\$4,489,277	\$1,183,171	\$9,111,681	\$14,784,129

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING BALANCE SHEET -
 NONMAJOR SPECIAL REVENUE FUNDS

DECEMBER 31, 2017

	SCMR	State Highway	Motor Vehicle License Tax	Street Levy	Surface Drainage
Assets					
Equity in pooled cash and equivalents	\$290,096	\$71,650	\$115,655	\$721,457	\$7,118
Taxes - receivable - property and other	0	0	0	1,371,800	0
Due from other governments	744,100	58,600	315,100	72,500	0
Accounts receivable and other	0	0	0	0	0
Prepaid items	0	0	3,100	0	0
Total assets	\$1,034,196	\$130,250	\$433,855	\$2,165,757	\$7,118
Liabilities					
Accounts and contracts payable	\$65,650	\$0	\$5,482	\$19,724	\$3,036
Accrued salaries, wages and benefits	25,023	0	5,843	0	2,361
Due to other governments	15,118	0	5,245	0	1,503
Total liabilities	105,791	0	16,570	19,724	6,900
Deferred inflow s of resources					
Property taxes levied for next year and unavailable resources	650,000	51,000	275,000	1,444,300	0
Total deferred inflow s of resources	650,000	51,000	275,000	1,444,300	0
Fund balances					
Nonspendable	0	0	3,100	0	0
Restricted	278,405	79,250	139,185	701,733	218
Total fund balances	278,405	79,250	142,285	701,733	218
Total liabilities, deferred inflow s of resources and fund balances	\$1,034,196	\$130,250	\$433,855	\$2,165,757	\$7,118

Police Levy	Police Pension	Law Enforcement	Local Law Enforcement Assistance	Drug Law Enforcement	DUI Enforcement and Education	Clerk of Courts Computer Service	Court Computerization
\$243,075	\$19,846	\$3,371	\$14,846	\$1,213	\$30,515	\$207,963	\$115,353
1,404,800	280,500	0	0	0	0	0	0
74,400	12,250	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<u>\$1,722,275</u>	<u>\$312,596</u>	<u>\$3,371</u>	<u>\$14,846</u>	<u>\$1,213</u>	<u>\$30,515</u>	<u>\$207,963</u>	<u>\$115,353</u>
\$0	\$0	\$0	\$0	\$0	\$212	\$231	\$0
22,652	0	0	0	0	0	0	0
19,631	4,412	0	0	0	0	0	0
<u>42,283</u>	<u>4,412</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>212</u>	<u>231</u>	<u>0</u>
1,479,200	292,750	0	0	0	0	0	0
<u>1,479,200</u>	<u>292,750</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0	0	0
200,792	15,434	3,371	14,846	1,213	30,303	207,732	115,353
<u>200,792</u>	<u>15,434</u>	<u>3,371</u>	<u>14,846</u>	<u>1,213</u>	<u>30,303</u>	<u>207,732</u>	<u>115,353</u>
<u>\$1,722,275</u>	<u>\$312,596</u>	<u>\$3,371</u>	<u>\$14,846</u>	<u>\$1,213</u>	<u>\$30,515</u>	<u>\$207,963</u>	<u>\$115,353</u>

(Continued)

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING BALANCE SHEET -
 NONMAJOR SPECIAL REVENUE FUNDS

DECEMBER 31, 2017

(Concluded)

	Fire Levy	Fire Pension	Paramedic Levy	Ambulance	State and Other Grants
Assets					
Equity in pooled cash and equivalents	\$185,002	\$13,626	\$337,158	\$469,331	\$97,940
Taxes - receivable - property and other	1,315,700	286,000	1,212,800	0	0
Due from other governments	72,500	12,250	66,750	0	90,330
Accounts receivable and other	0	0	0	0	0
Prepaid items	0	0	0	0	0
Total assets	\$1,573,202	\$311,876	\$1,616,708	\$469,331	\$188,270
Liabilities					
Accounts and contracts payable	\$0	\$0	\$3,112	\$1,366	\$6,881
Accrued salaries, wages and benefits	16,910	0	23,595	5,698	0
Due to other governments	39,537	0	15,306	6,796	0
Total liabilities	56,447	0	42,013	13,860	6,881
Deferred inflow s of resources					
Property taxes levied for next year and unavailable resources	1,388,200	298,250	1,279,550	0	90,330
Total deferred inflow s of resources	1,388,200	298,250	1,279,550	0	90,330
Fund balances					
Nonspendable	0	0	0	0	0
Restricted	128,555	13,626	295,145	455,471	91,059
Total fund balances	128,555	13,626	295,145	455,471	91,059
Total liabilities, deferred inflow s of resources and fund balances	\$1,573,202	\$311,876	\$1,616,708	\$469,331	\$188,270

Federal Grants	Cemetery	Park and Recreation	Park and Recreation Improvement	Senior Citizens Title III	DUI Task Force Grant	Solid Waste Management	Total
\$104,634	\$270,860	\$236,141	\$155,590	\$4,764	\$93,881	\$1,161,863	\$4,972,948
0	0	0	0	0	0	0	5,871,600
0	0	0	0	0	42,318	0	1,561,098
281,100	0	0	0	0	0	1,500	282,600
0	0	0	0	0	0	0	3,100
<u>\$385,734</u>	<u>\$270,860</u>	<u>\$236,141</u>	<u>\$155,590</u>	<u>\$4,764</u>	<u>\$136,199</u>	<u>\$1,163,363</u>	<u>\$12,691,346</u>
\$0	\$135	\$4,067	\$0	\$0	\$72,306	\$235,729	\$417,931
0	0	0	0	0	0	1,262	103,344
0	0	36	0	0	0	1,212	108,796
<u>0</u>	<u>135</u>	<u>4,103</u>	<u>0</u>	<u>0</u>	<u>72,306</u>	<u>238,203</u>	<u>630,071</u>
281,100	0	0	0	0	42,318	0	7,571,998
<u>281,100</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>42,318</u>	<u>0</u>	<u>7,571,998</u>
0	0	0	0	0	0	0	3,100
104,634	270,725	232,038	155,590	4,764	21,575	925,160	4,486,177
<u>104,634</u>	<u>270,725</u>	<u>232,038</u>	<u>155,590</u>	<u>4,764</u>	<u>21,575</u>	<u>925,160</u>	<u>4,489,277</u>
<u>\$385,734</u>	<u>\$270,860</u>	<u>\$236,141</u>	<u>\$155,590</u>	<u>\$4,764</u>	<u>\$136,199</u>	<u>\$1,163,363</u>	<u>\$12,691,346</u>

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2017

	SCMR	State Highway	Motor Vehicle License Tax	Street Levy	Surface Drainage
Revenue					
Property and other local taxes	\$0	\$0	\$0	\$1,229,386	\$0
Intergovernmental	1,332,550	106,151	495,942	186,831	0
Charges for services	28,404	0	0	0	0
Fines, licenses and permits	0	0	0	0	0
Interest	2,450	371	2,999	11,178	399
Miscellaneous	11,598	0	3,312	72,655	120,978
Total revenues	<u>1,375,002</u>	<u>106,522</u>	<u>502,253</u>	<u>1,500,050</u>	<u>121,377</u>
Expenditures					
Current					
Security of persons and property	0	0	0	0	0
Public health and welfare	0	0	0	0	0
Leisure time activities	0	0	0	0	0
Transportation	1,339,803	45,121	664,440	1,731,905	165,865
General government	0	0	0	0	0
Debt service					
Principal	0	0	6,169	150,202	7,180
Capital lease	0	0	544	0	0
Interest and fiscal charges	0	0	32	30,457	0
Total expenditures	<u>1,339,803</u>	<u>45,121</u>	<u>671,185</u>	<u>1,912,564</u>	<u>173,045</u>
Net change in fund balances	35,199	61,401	(168,932)	(412,514)	(51,668)
Fund balances, beginning of year	<u>243,206</u>	<u>17,849</u>	<u>311,217</u>	<u>1,114,247</u>	<u>51,886</u>
Fund balances, end of year	<u><u>\$278,405</u></u>	<u><u>\$79,250</u></u>	<u><u>\$142,285</u></u>	<u><u>\$701,733</u></u>	<u><u>\$218</u></u>

Police Levy	Police Pension	Law Enforcement	Local Law Enforcement Assistance	Drug Law Enforcement	DUI Enforcement and Education	Clerk of Courts Computer Service	Court Computerization
\$1,261,738	\$207,065	\$0	\$0	\$0	\$0	\$0	\$0
191,748	31,677	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	1,053	9,032	33,829	10,155
3,469	1,058	54	162	0	326	2,203	1,161
0	0	5,571	220	150	0	0	0
<u>1,456,955</u>	<u>239,800</u>	<u>5,625</u>	<u>382</u>	<u>1,203</u>	<u>9,358</u>	<u>36,032</u>	<u>11,316</u>
1,256,874	232,499	4,741	0	1,554	16,128	24,343	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	2,240	0
0	0	0	0	0	0	131	0
<u>1,256,874</u>	<u>232,499</u>	<u>4,741</u>	<u>0</u>	<u>1,554</u>	<u>16,128</u>	<u>26,714</u>	<u>0</u>
200,081	7,301	884	382	(351)	(6,770)	9,318	11,316
711	8,133	2,487	14,464	1,564	37,073	198,414	104,037
<u>\$200,792</u>	<u>\$15,434</u>	<u>\$3,371</u>	<u>\$14,846</u>	<u>\$1,213</u>	<u>\$30,303</u>	<u>\$207,732</u>	<u>\$115,353</u>

(Continued)

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2017

(Concluded)

	Fire Levy	Fire Pension	Paramedic Levy	Ambulance	State and Other Grants
Revenue					
Property and other local taxes	\$1,229,386	\$207,066	\$1,132,329	\$0	\$0
Intergovernmental	186,831	31,677	172,081	0	86,781
Charges for services	0	0	0	765,597	0
Fines, licenses and permits	0	0	0	0	0
Interest	2,718	748	3,466	4,601	0
Miscellaneous	27,608	0	14,334	2,959	0
Total revenues	<u>1,446,543</u>	<u>239,491</u>	<u>1,322,210</u>	<u>773,157</u>	<u>86,781</u>
Expenditures					
Current					
Security of persons and property	1,306,161	235,648	1,048,010	679,972	0
Public health and welfare	0	0	0	0	0
Leisure time activities	0	0	0	0	0
Transportation	0	0	0	0	0
General government	0	0	0	0	66,242
Debt service					
Principal	0	0	0	0	0
Capital lease	0	0	3,548	0	0
Interest and fiscal charges	0	0	207	0	0
Total expenditures	<u>1,306,161</u>	<u>235,648</u>	<u>1,051,765</u>	<u>679,972</u>	<u>66,242</u>
Net change in fund balances	140,382	3,843	270,445	93,185	20,539
Fund balances, beginning of year	<u>(11,827)</u>	<u>9,783</u>	<u>24,700</u>	<u>362,286</u>	<u>70,520</u>
Fund balances, end of year	<u>\$128,555</u>	<u>\$13,626</u>	<u>\$295,145</u>	<u>\$455,471</u>	<u>\$91,059</u>

Federal Grants	Cemetery	Park and Recreation	Park and Recreation Improvement	Senior Citizens Title III	DUI Task Force Grant	Solid Waste Management	Total
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,266,970
0	0	500	0	15,265	190,655	0	3,028,689
0	20,650	212,634	0	0	0	2,559,137	3,586,422
0	0	0	53,500	0	0	0	107,569
25,780	2,768	2,743	2,300	59	83	13,420	84,516
1,524	0	274	0	0	0	1,003	262,186
<u>27,304</u>	<u>23,418</u>	<u>216,151</u>	<u>55,800</u>	<u>15,324</u>	<u>190,738</u>	<u>2,573,560</u>	<u>12,336,352</u>
0	0	0	0	0	169,163	0	4,975,093
0	4,426	0	0	15,100	0	0	19,526
0	0	211,705	75,421	0	0	0	287,126
0	0	0	0	0	0	0	3,947,134
162	0	0	0	0	0	3,027,540	3,093,944
0	0	0	20,000	0	0	0	183,551
0	0	0	0	0	0	639	6,971
0	0	0	1,200	0	0	38	32,065
<u>162</u>	<u>4,426</u>	<u>211,705</u>	<u>96,621</u>	<u>15,100</u>	<u>169,163</u>	<u>3,028,217</u>	<u>12,545,410</u>
27,142	18,992	4,446	(40,821)	224	21,575	(454,657)	(209,058)
<u>77,492</u>	<u>251,733</u>	<u>227,592</u>	<u>196,411</u>	<u>4,540</u>	<u>0</u>	<u>1,379,817</u>	<u>4,698,335</u>
<u>\$104,634</u>	<u>\$270,725</u>	<u>\$232,038</u>	<u>\$155,590</u>	<u>\$4,764</u>	<u>\$21,575</u>	<u>\$925,160</u>	<u>\$4,489,277</u>

CITY OF NORTH RIDGEVILLE, OHIO

COMBINING BALANCE SHEET -
NONMAJOR DEBT SERVICE FUNDS

DECEMBER 31, 2017

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total
Assets			
Equity in pooled cash and equivalents	\$1,046,098	\$144,673	\$1,190,771
Taxes - receivable - property and other	464,100	0	464,100
Special assessments receivable	0	1,158,811	1,158,811
Due from other governments	24,500	0	24,500
Total assets	<u>1,534,698</u>	<u>1,303,484</u>	<u>2,838,182</u>
Liabilities			
Interfund payables	\$7,600	\$0	\$7,600
Total liabilities	<u>7,600</u>	<u>0</u>	<u>7,600</u>
Deferred inflow s of resources			
Property taxes levied for next year and unavailable resources	488,600	1,158,811	1,647,411
Total deferred inflow s of resources	<u>488,600</u>	<u>1,158,811</u>	<u>1,647,411</u>
Fund balances			
Restricted	1,038,498	144,673	1,183,171
Total fund balances	<u>1,038,498</u>	<u>144,673</u>	<u>1,183,171</u>
Total liabilities, deferred inflow s of resources and fund balances	<u>\$1,534,698</u>	<u>\$1,303,484</u>	<u>\$2,838,182</u>

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 NONMAJOR DEBT SERVICE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2017

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total
Revenue			
Property and other local taxes	\$503,376	\$0	\$503,376
Intergovernmental	186,555	0	186,555
Special assessments	102,774	0	102,774
Interest	7,614	905	8,519
Total revenues	<u>800,319</u>	<u>905</u>	<u>801,224</u>
Expenditures			
Current			
General government	\$9,717	\$0	\$9,717
Debt service			
Principal	352,130	0	352,130
Interest and fiscal charges	313,594	0	313,594
Total expenditures	<u>675,441</u>	<u>0</u>	<u>675,441</u>
Excess (deficiency) of revenues over expenditures	<u>124,878</u>	<u>905</u>	<u>125,783</u>
Other financing sources (uses)			
Premium on debt issue	27,112	0	27,112
Total other financing sources (uses)	<u>27,112</u>	<u>0</u>	<u>27,112</u>
Net change in fund balances	151,990	905	152,895
Fund balances, beginning of year	<u>886,508</u>	<u>143,768</u>	<u>1,030,276</u>
Fund balances, end of year	<u><u>\$1,038,498</u></u>	<u><u>\$144,673</u></u>	<u><u>\$1,183,171</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING BALANCE SHEET -
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2017

	Capital Projects	Central Fire Station	Avon Belden Roundabout	Total
Assets				
Equity in pooled cash and equivalents	\$2,150,544	\$7,400,165	\$16,166	\$9,566,875
Due from other governments	0	0	250,000	250,000
Interfund receivables	136,286	0	0	136,286
Total assets	\$2,286,830	\$7,400,165	\$266,166	\$9,953,161
Liabilities				
Accounts and contracts payable	\$171,256	\$0	\$16,024	187,280
Accrued interest payable	0	4,200	0	4,200
Notes payable	0	400,000	0	400,000
Total liabilities	171,256	404,200	16,024	591,480
Deferred inflow s of resources				
Property taxes levied for next year and unavailable resources	0	0	250,000	250,000
Total deferred inflow s of resources	0	0	250,000	250,000
Fund balances				
Restricted	2,115,574	6,995,965	142	9,111,681
Total fund balances	2,115,574	6,995,965	142	9,111,681
Total liabilities, deferred inflow s of resources and fund balances	\$2,286,830	\$7,400,165	\$266,166	\$9,953,161

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2017

	Capital Projects	Central Fire Station	Avon Belden Roundabout	Total
Revenue				
Intergovernmental	\$647,266	\$0	\$693,722	\$1,340,988
Contributions	54,577	0	311,322	365,899
Interest	19,519	69,437	648	89,604
Miscellaneous	0	0	32,400	32,400
Total revenues	<u>721,362</u>	<u>69,437</u>	<u>1,038,092</u>	<u>1,828,891</u>
Expenditures				
Capital outlay	2,751,519	1,156,550	1,037,950	4,946,019
Debt service				
Principal	3,206,248	1,500,000	0	4,706,248
Capital lease	50,558	0	0	50,558
Interest and fiscal charges	139,570	4,200	0	143,770
Total expenditures	<u>6,147,895</u>	<u>2,660,750</u>	<u>1,037,950</u>	<u>9,846,595</u>
Excess (deficiency) of revenues over expenditures	<u>(5,426,533)</u>	<u>(2,591,313)</u>	<u>142</u>	<u>(8,017,704)</u>
Other financing sources (uses)				
Transfers in	1,983,367	469,229	0	2,452,596
Transfers out	(469,229)	0	0	(469,229)
Issuance of notes and loans	2,900,000	1,100,000	0	4,000,000
Total other financing sources (uses)	<u>4,414,138</u>	<u>1,569,229</u>	<u>0</u>	<u>5,983,367</u>
Net change in fund balances	(1,012,395)	(1,022,084)	142	(2,034,337)
Fund balances, beginning of year	<u>3,127,969</u>	<u>8,018,049</u>	<u>0</u>	<u>11,146,018</u>
Fund balances, end of year	<u><u>\$2,115,574</u></u>	<u><u>\$6,995,965</u></u>	<u><u>\$142</u></u>	<u><u>\$9,111,681</u></u>

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COMBINING STATEMENTS - AGENCY FUNDS

Agency Funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds. These funds are purely custodial in nature (assets equal liabilities) and therefore do not involve the measurement of results of operations.

Board of Building Standards Fund – Accounts for fees required by the State to be collected by the City and paid to the State.

Senior Citizens Multi Trust Fund – Accounts for revenue earned and expended by the Senior Citizens Center.

Mayor's Court Bail Trust Fund – Accounts for bail collected.

Trust Miscellaneous Fund – Accounts for deposits held by the City from contractors, developers or individuals to ensure compliance with City Ordinances, and for other various deposits held by the City on behalf of others.

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING STATEMENT OF ASSETS AND LIABILITIES -
 AGENCY FUNDS
 DECEMBER 31, 2017

	Board of Building Standards	Senior Citizens Multi-Trust	Mayor's Court Bail Trust
Assets			
Equity in pooled cash and equivalents	\$566	\$49,437	\$3,201
Total assets	\$566	\$49,437	\$3,201
Liabilities			
Accounts and contracts payable	\$324	\$2,451	\$0
Due to others	242	46,986	3,201
Total liabilities	\$566	\$49,437	\$3,201

Trust Miscellaneous	Total
<u>\$1,214,179</u>	<u>\$1,267,383</u>
<u><u>\$1,214,179</u></u>	<u><u>\$1,267,383</u></u>

\$1,760	\$4,535
<u>1,212,419</u>	<u>1,262,848</u>
<u><u>\$1,214,179</u></u>	<u><u>\$1,267,383</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 AGENCY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2017

	Beginning Balance 12/31/2016	Additions	Reductions	Ending Balance 12/31/2017
Board of Building Standards				
Assets				
Equity in pooled cash and equivalents	\$692	\$4,809	\$4,935	\$566
Total assets	<u>\$692</u>	<u>\$4,809</u>	<u>\$4,935</u>	<u>\$566</u>
Liabilities				
Accounts and contracts payable	\$692	\$4,567	\$4,935	\$324
Due to others	0	242	0	242
Total liabilities	<u>\$692</u>	<u>\$4,809</u>	<u>\$4,935</u>	<u>\$566</u>
	Beginning Balance 12/31/2016	Additions	Reductions	Ending Balance 12/31/2017
Senior Citizens Multi-Trust				
Assets				
Equity in pooled cash and equivalents	\$44,479	\$80,832	\$75,874	\$49,437
Total assets	<u>\$44,479</u>	<u>\$80,832</u>	<u>\$75,874</u>	<u>\$49,437</u>
Liabilities				
Accounts and contracts payable	\$3,763	\$33,846	\$35,158	\$2,451
Due to others	40,716	46,986	40,716	46,986
Total liabilities	<u>\$44,479</u>	<u>\$80,832</u>	<u>\$75,874</u>	<u>\$49,437</u>
	Beginning Balance 12/31/2016	Additions	Reductions	Ending Balance 12/31/2017
Mayor's Court Bail Trust				
Assets				
Equity in pooled cash and equivalents	\$2,986	\$215	\$0	\$3,201
Total assets	<u>\$2,986</u>	<u>\$215</u>	<u>\$0</u>	<u>\$3,201</u>
Liabilities				
Due to others	\$2,986	\$215	\$0	\$3,201
Total liabilities	<u>\$2,986</u>	<u>\$215</u>	<u>\$0</u>	<u>\$3,201</u>

(Continued)

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 AGENCY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2017

	(Concluded)			
	Beginning Balance 12/31/2016	Additions	Reductions	Ending Balance 12/31/2017
Trust Miscellaneous				
Assets				
Equity in pooled cash and equivalents	\$1,103,874	\$2,224,192	\$2,113,887	\$1,214,179
Total assets	<u>\$1,103,874</u>	<u>\$2,224,192</u>	<u>\$2,113,887</u>	<u>\$1,214,179</u>
Liabilities				
Accounts and contracts payable	\$7,578	\$1,760	\$7,578	\$1,760
Due to others	1,096,296	2,222,432	2,106,309	1,212,419
Total liabilities	<u>\$1,103,874</u>	<u>\$2,224,192</u>	<u>\$2,113,887</u>	<u>\$1,214,179</u>
	Beginning Balance 12/31/2016	Additions	Reductions	Ending Balance 12/31/2017
Total All Agency Funds				
Assets				
Equity in pooled cash and equivalents	\$1,152,031	\$2,310,048	\$2,194,696	\$1,267,383
Total assets	<u>\$1,152,031</u>	<u>\$2,310,048</u>	<u>\$2,194,696</u>	<u>\$1,267,383</u>
Liabilities				
Accounts and contracts payable	\$12,033	\$40,173	\$47,671	\$4,535
Due to others	1,139,998	2,269,875	2,147,025	1,262,848
Total liabilities	<u>\$1,152,031</u>	<u>\$2,310,048</u>	<u>\$2,194,696</u>	<u>\$1,267,383</u>

**INDIVIDUAL FUND SCHEDULES OF REVENUES, EXPENDITURES/EXPENSES
AND CHANGES IN FUND BALANCES –
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$1,199,454	\$1,200,254	\$1,192,560	(\$7,694)
Intergovernmental revenue	644,600	708,600	702,341	(6,259)
Fines, licenses, and permits	1,332,000	1,239,000	1,116,334	(122,666)
Interest	10,000	20,000	35,676	15,676
Miscellaneous	803,932	1,006,132	816,831	(189,301)
Total revenues	<u>3,989,986</u>	<u>4,173,986</u>	<u>3,863,742</u>	<u>(310,244)</u>
Expenditures				
Current				
Security of persons and property				
Police				
Personal services	2,942,600	2,959,900	2,888,935	70,965
Other	1,867,526	1,848,726	1,636,368	212,358
Total police	<u>4,810,126</u>	<u>4,808,626</u>	<u>4,525,303</u>	<u>283,323</u>
Fire				
Personal services	1,630,100	1,640,100	1,631,338	8,762
Other	287,725	328,935	289,403	39,532
Total fire	<u>1,917,825</u>	<u>1,969,035</u>	<u>1,920,741</u>	<u>48,294</u>
Humane officer				
Personal services	47,100	47,100	12,923	34,177
Other	10,884	10,884	4,936	5,948
Total humane officer	<u>57,984</u>	<u>57,984</u>	<u>17,859</u>	<u>40,125</u>
Street lighting				
Other	191,902	191,902	179,339	12,563
Total street lighting	<u>191,902</u>	<u>191,902</u>	<u>179,339</u>	<u>12,563</u>
Mayor's court				
Personal services	180,300	180,300	163,288	17,012
Other	161,441	161,441	108,655	52,786
Total mayor's court	<u>341,741</u>	<u>341,741</u>	<u>271,943</u>	<u>69,798</u>
Total security of persons and property	<u>7,319,578</u>	<u>7,369,288</u>	<u>6,915,185</u>	<u>454,103</u>
Public health and welfare				
General government				
Other	105,000	110,000	108,992	1,008
Total general government	<u>105,000</u>	<u>110,000</u>	<u>108,992</u>	<u>1,008</u>
Senior citizens				
Personal services	231,100	231,100	224,848	6,252
Other	156,900	156,900	142,352	14,548
Total senior citizens	<u>388,000</u>	<u>388,000</u>	<u>367,200</u>	<u>20,800</u>
Total public health and welfare	<u>493,000</u>	<u>498,000</u>	<u>476,192</u>	<u>21,808</u>

(Continued)

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Leisure time activities				
Park and recreation				
Personal services	\$160,000	\$160,000	\$155,419	\$4,581
Other	151,452	197,815	179,759	18,056
Total leisure time activities	<u>311,452</u>	<u>357,815</u>	<u>335,178</u>	<u>22,637</u>
Community development				
Building				
Personal services	430,400	430,400	426,156	4,244
Other	279,739	279,739	252,659	27,080
Total building	<u>710,139</u>	<u>710,139</u>	<u>678,815</u>	<u>31,324</u>
Engineer				
Personal services	405,500	412,000	393,499	18,501
Other	206,846	231,846	208,246	23,600
Total engineer	<u>612,346</u>	<u>643,846</u>	<u>601,745</u>	<u>42,101</u>
Total community development	<u>1,322,485</u>	<u>1,353,985</u>	<u>1,280,560</u>	<u>73,425</u>
General government				
Council				
Personal services	210,000	210,000	201,052	8,948
Other	118,228	121,828	109,680	12,148
Total council	<u>328,228</u>	<u>331,828</u>	<u>310,732</u>	<u>21,096</u>
Mayor				
Personal services	177,700	180,700	179,599	1,101
Other	93,143	93,143	85,727	7,416
Total mayor	<u>270,843</u>	<u>273,843</u>	<u>265,326</u>	<u>8,517</u>
Finance				
Personal services	542,700	533,300	511,343	21,957
Other	349,734	344,734	307,041	37,693
Total finance	<u>892,434</u>	<u>878,034</u>	<u>818,384</u>	<u>59,650</u>
Law director				
Personal services	270,600	270,600	267,810	2,790
Other	288,118	388,118	353,384	34,734
Total law director	<u>558,718</u>	<u>658,718</u>	<u>621,194</u>	<u>37,524</u>
Computer services				
Personal services	190,200	190,200	180,658	9,542
Other	335,911	333,125	305,109	28,016
Total computer services	<u>526,111</u>	<u>523,325</u>	<u>485,767</u>	<u>37,558</u>

(Continued)

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Human resources				
Other	\$3,875	\$4,275	\$4,211	\$64
Total human resources	3,875	4,275	4,211	64
Safety service director				
Personal services	171,100	173,600	172,210	1,390
Other	80,343	81,843	74,474	7,369
Total safety service director	251,443	255,443	246,684	8,759
Civil service				
Personal services	8,000	8,000	8,000	0
Other	35,200	35,200	22,752	12,448
Total civil service	43,200	43,200	30,752	12,448
General government				
Personal services	44,100	44,600	37,293	7,307
Other	435,357	411,686	370,203	41,483
Total general government	479,457	456,286	407,496	48,790
Public buildings				
Other	188,732	186,732	171,106	15,626
Total public buildings	188,732	186,732	171,106	15,626
Public grounds/cemetery				
Personal services	318,000	319,600	303,938	15,662
Other	228,599	226,999	210,303	16,696
Total public grounds/cemetery	546,599	546,599	514,241	32,358
Total general government	4,089,640	4,158,283	3,875,893	282,390
Total expenditures	13,536,155	13,737,371	12,883,008	854,363
Excess (deficiency) of revenues over expenditures	(9,546,169)	(9,563,385)	(9,019,266)	544,119

(Continued)

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

(Concluded)

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Other financing sources (uses)				
Transfers-in	\$11,607,600	\$11,607,600	\$11,239,070	(\$368,530)
Advances-in	100,000	100,000	0	(100,000)
Advances-out	(36,000)	(36,000)	(32,000)	4,000
Transfers-out	(150,000)	(150,000)	0	150,000
Total other financing sources (uses)	<u>11,521,600</u>	<u>11,521,600</u>	<u>11,207,070</u>	<u>(314,530)</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	1,975,431	1,958,215	2,187,804	229,589
Prior year encumbrances	283,831	283,831	283,831	0
Fund balances, beginning of year	<u>1,929,218</u>	<u>1,929,218</u>	<u>1,929,218</u>	<u>0</u>
Fund balances, end of year	<u><u>\$4,188,480</u></u>	<u><u>\$4,171,264</u></u>	<u><u>\$4,400,853</u></u>	<u><u>\$229,589</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Center Ridge Road Construction Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Interest	\$0	\$0	\$11,264	\$11,264
Total revenues	0	0	11,264	11,264
Expenditures				
Other	0	3,000,000	2,038,386	961,614
Total expenditures	0	3,000,000	2,038,386	961,614
Excess (deficiency) of revenues over expenditures	0	(3,000,000)	(2,027,122)	972,878
Other financing sources (uses)				
Note proceeds	1,425,000	3,000,000	3,000,000	0
Total other financing sources (uses)	1,425,000	3,000,000	3,000,000	0
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	1,425,000	0	972,878	972,878
Prior year encumbrances	0	0	0	0
Fund balances, beginning of year	0	0	0	0
Fund balances, end of year	\$1,425,000	\$0	\$972,878	\$972,878

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Income Tax Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$11,400,000	\$11,400,000	\$10,903,083	(\$496,917)
Interest	0	0	26,624	26,624
Miscellaneous	0	0	61,353	61,353
Total revenues	<u>11,400,000</u>	<u>11,400,000</u>	<u>10,991,060</u>	<u>(408,940)</u>
Expenditures				
Current				
General government				
Other	420,900	446,950	446,482	468
Total expenditures	<u>420,900</u>	<u>446,950</u>	<u>446,482</u>	<u>468</u>
Excess (deficiency) of revenues over expenditures	<u>10,979,100</u>	<u>10,953,050</u>	<u>10,544,578</u>	<u>(408,472)</u>
Other financing (uses)				
Transfers-out	(13,656,000)	(13,630,850)	(13,222,437)	408,413
Total other financing (uses)	<u>(13,656,000)</u>	<u>(13,630,850)</u>	<u>(13,222,437)</u>	<u>408,413</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(2,676,900)	(2,677,800)	(2,677,859)	(59)
Prior year encumbrances	0	0	0	0
Fund balances, beginning of year	<u>2,677,859</u>	<u>2,677,859</u>	<u>2,677,859</u>	<u>0</u>
Fund balances, end of year	<u>\$959</u>	<u>\$59</u>	<u>\$0</u>	<u>(\$59)</u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Payroll and Benefits Reserve Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Interest	\$0	\$0	\$8,218	\$8,218
Total revenues	<u>0</u>	<u>0</u>	<u>8,218</u>	<u>8,218</u>
Expenditures				
Current				
General government				
Personal services	0	100,000	52,234	47,766
Total expenditures	<u>0</u>	<u>100,000</u>	<u>52,234</u>	<u>47,766</u>
Excess (deficiency) of revenues over expenditures	<u>0</u>	<u>(100,000)</u>	<u>(44,016)</u>	<u>47,766</u>
Other financing sources				
Transfers-in	100,000	100,000	0	(100,000)
Total other financing sources	<u>100,000</u>	<u>100,000</u>	<u>0</u>	<u>(100,000)</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	100,000	0	(44,016)	(52,234)
Prior year encumbrances	0	0	0	0
Fund balances, beginning of year	<u>803,618</u>	<u>803,618</u>	<u>803,618</u>	<u>0</u>
Fund balances, end of year	<u><u>\$903,618</u></u>	<u><u>\$803,618</u></u>	<u><u>\$759,602</u></u>	<u><u>(\$52,234)</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Street Construction, Maintenance and Repair Fund (SCMR)			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$1,300,000	\$1,300,000	\$1,337,550	\$37,550
Charges for services	0	28,000	28,404	404
Interest	1,000	1,000	2,450	1,450
Miscellaneous	4,000	12,000	11,598	(402)
Total revenues	<u>1,305,000</u>	<u>1,341,000</u>	<u>1,380,002</u>	<u>39,002</u>
Expenditures				
Current				
Streets				
Transportation				
Personal services	718,700	733,700	731,549	2,151
Other	740,200	718,870	635,227	83,643
Total expenditures	<u>1,458,900</u>	<u>1,452,570</u>	<u>1,366,776</u>	<u>85,794</u>
Excess (deficiency) of revenues over expenditures	(153,900)	(111,570)	13,226	124,796
Prior year encumbrances	43,621	43,621	43,621	0
Fund balances, beginning of year	<u>152,085</u>	<u>152,085</u>	<u>152,085</u>	<u>0</u>
Fund balances, end of year	<u><u>\$41,806</u></u>	<u><u>\$84,136</u></u>	<u><u>\$208,932</u></u>	<u><u>\$124,796</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	State Highway Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$98,000	\$98,000	\$106,651	\$8,651
Interest	1,100	1,100	371	(729)
Total revenues	<u>99,100</u>	<u>99,100</u>	<u>107,022</u>	<u>7,922</u>
Expenditures				
Current				
Transportation				
Other	116,300	116,300	56,421	59,879
Total expenditures	<u>116,300</u>	<u>116,300</u>	<u>56,421</u>	<u>59,879</u>
Excess (deficiency) of revenues over expenditures	(17,200)	(17,200)	50,601	67,801
Prior year encumbrances	11,300	11,300	11,300	0
Fund balances, beginning of year	<u>9,749</u>	<u>9,749</u>	<u>9,749</u>	<u>0</u>
Fund balances, end of year	<u><u>\$3,849</u></u>	<u><u>\$3,849</u></u>	<u><u>\$71,650</u></u>	<u><u>\$67,801</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Motor Vehicle License Tax Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$660,000	\$660,000	\$509,942	(\$150,058)
Interest	1,000	1,000	2,999	1,999
Miscellaneous	1,000	1,000	3,312	2,312
Total revenues	<u>662,000</u>	<u>662,000</u>	<u>516,253</u>	<u>(145,747)</u>
Expenditures				
Current				
Transportation				
Personal services	312,400	312,400	308,936	3,464
Other	463,453	456,674	415,691	40,983
Debt service				
Principal	0	6,200	6,169	31
Total expenditures	<u>775,853</u>	<u>775,274</u>	<u>730,796</u>	<u>44,478</u>
Excess (deficiency) of revenues over expenditures	(113,853)	(113,274)	(214,543)	(101,269)
Prior year encumbrances	51,684	51,684	51,684	0
Fund balances, beginning of year	<u>245,299</u>	<u>245,299</u>	<u>245,299</u>	<u>0</u>
Fund balances, end of year	<u>\$183,130</u>	<u>\$183,709</u>	<u>\$82,440</u>	<u>(\$101,269)</u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Street Levy Fund			Variance w Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$1,222,142	\$1,229,642	\$1,229,386	(\$256)
Intergovernmental revenue	184,300	184,300	186,831	2,531
Interest	1,731	8,731	13,832	5,101
Miscellaneous	0	75,000	72,655	(2,345)
Total revenues	<u>1,408,173</u>	<u>1,497,673</u>	<u>1,502,704</u>	<u>5,031</u>
Expenditures				
Current				
Transportation				
Other	2,264,069	2,109,589	1,995,161	114,428
Debt service				
Principal	79,900	149,200	149,138	62
Interest and fiscal charges	25,500	35,400	30,457	4,943
Total expenditures	<u>2,369,469</u>	<u>2,294,189</u>	<u>2,174,756</u>	<u>119,433</u>
Excess (deficiency) of revenues over expenditures	(961,296)	(796,516)	(672,052)	124,464
Prior year encumbrances	203,368	203,368	203,368	0
Fund balances, beginning of year	<u>931,108</u>	<u>931,108</u>	<u>931,108</u>	<u>0</u>
Fund balances, end of year	<u><u>\$173,180</u></u>	<u><u>\$337,960</u></u>	<u><u>\$462,424</u></u>	<u><u>\$124,464</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Surface Drainage Fund			Variance w with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Interest	\$0	\$0	\$399	\$399
Miscellaneous	122,000	122,000	120,978	(1,022)
Total revenues	<u>122,000</u>	<u>122,000</u>	<u>121,377</u>	<u>(623)</u>
Expenditures				
Current				
Transportation				
Personal services	71,100	71,100	71,013	87
Other	145,866	138,666	97,055	41,611
Debt service				
Principal	0	7,200	7,180	20
Total expenditures	<u>216,966</u>	<u>216,966</u>	<u>175,248</u>	<u>41,718</u>
Excess (deficiency) of revenues over expenditures	<u>(94,966)</u>	<u>(94,966)</u>	<u>(53,871)</u>	<u>41,095</u>
Other financing sources				
Transfers-in	50,000	50,000	0	(50,000)
Total other financing sources	<u>50,000</u>	<u>50,000</u>	<u>0</u>	<u>(50,000)</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(44,966)	(44,966)	(53,871)	(8,905)
Prior year encumbrances	23,883	23,883	23,883	0
Fund balances, beginning of year	<u>30,892</u>	<u>30,892</u>	<u>30,892</u>	<u>0</u>
Fund balances, end of year	<u><u>\$9,809</u></u>	<u><u>\$9,809</u></u>	<u><u>\$904</u></u>	<u><u>(\$8,905)</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Police Levy Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$1,254,456	\$1,254,456	\$1,261,738	\$7,282
Intergovernmental revenue	189,000	189,000	191,749	2,749
Interest	1,944	1,944	3,469	1,525
Total revenues	<u>1,445,400</u>	<u>1,445,400</u>	<u>1,456,956</u>	<u>11,556</u>
Expenditures				
Current				
Security of persons and property				
Personal services	1,035,100	1,035,100	1,028,712	6,388
Other	219,000	244,400	224,410	19,990
Total expenditures	<u>1,254,100</u>	<u>1,279,500</u>	<u>1,253,122</u>	<u>26,378</u>
Excess (deficiency) of revenues over expenditures	191,300	165,900	203,834	37,934
Prior year encumbrances	0	0	0	0
Fund balances, beginning of year	<u>39,241</u>	<u>39,241</u>	<u>39,241</u>	<u>0</u>
Fund balances, end of year	<u><u>\$230,541</u></u>	<u><u>\$205,141</u></u>	<u><u>\$243,075</u></u>	<u><u>\$37,934</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Police Pension Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$208,200	\$208,200	\$207,065	(\$1,135)
Intergovernmental revenue	29,000	29,000	31,677	2,677
Interest	200	200	1,058	858
Total revenues	<u>237,400</u>	<u>237,400</u>	<u>239,800</u>	<u>2,400</u>
Expenditures				
Current				
Security of persons and property				
Other	233,200	233,200	232,618	582
Total expenditures	<u>233,200</u>	<u>233,200</u>	<u>232,618</u>	<u>582</u>
Excess (deficiency) of revenues over expenditures	4,200	4,200	7,182	2,982
Prior year encumbrances	0	0	0	0
Fund balances, beginning of year	<u>12,664</u>	<u>12,664</u>	<u>12,664</u>	<u>0</u>
Fund balances, end of year	<u><u>\$16,864</u></u>	<u><u>\$16,864</u></u>	<u><u>\$19,846</u></u>	<u><u>\$2,982</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Law Enforcement Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Interest	\$0	\$0	\$54	\$54
Miscellaneous	4,000	1,000	5,571	4,571
Total revenues	<u>4,000</u>	<u>1,000</u>	<u>5,625</u>	<u>4,625</u>
Expenditures				
Current				
Security of persons and property				
Other	6,400	6,700	4,741	1,959
Total expenditures	<u>6,400</u>	<u>6,700</u>	<u>4,741</u>	<u>1,959</u>
Excess (deficiency) of revenues over expenditures	(2,400)	(5,700)	884	6,584
Prior year encumbrances	0	0	0	0
Fund balances, beginning of year	<u>2,487</u>	<u>2,487</u>	<u>2,487</u>	<u>0</u>
Fund balances, end of year	<u><u>\$87</u></u>	<u><u>(\$3,213)</u></u>	<u><u>\$3,371</u></u>	<u><u>\$6,584</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Local Law Enforcement Assistance Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Interest	\$0	\$0	\$162	\$162
Miscellaneous	2,800	300	220	(80)
Total revenues	<u>2,800</u>	<u>300</u>	<u>382</u>	<u>82</u>
Expenditures				
Current				
Security of persons and property				
Other	17,000	14,700	0	14,700
Total expenditures	<u>17,000</u>	<u>14,700</u>	<u>0</u>	<u>14,700</u>
Excess (deficiency) of revenues over expenditures	(14,200)	(14,400)	382	14,782
Prior year encumbrances	0	0	0	0
Fund balances, beginning of year	<u>14,464</u>	<u>14,464</u>	<u>14,464</u>	<u>0</u>
Fund balances, end of year	<u><u>\$264</u></u>	<u><u>\$64</u></u>	<u><u>\$14,846</u></u>	<u><u>\$14,782</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Drug Law Enforcement Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Fines, licenses, and permits	\$1,000	\$1,000	\$1,053	\$53
Miscellaneous	0	0	150	150
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>1,203</u>	<u>203</u>
Expenditures				
Current				
Security of persons and property				
Other	1,500	2,500	1,554	946
Total expenditures	<u>1,500</u>	<u>2,500</u>	<u>1,554</u>	<u>946</u>
Excess (deficiency) of revenues over expenditures	(500)	(1,500)	(351)	1,149
Prior year encumbrances	0	0	0	0
Fund balances, beginning of year	<u>1,564</u>	<u>1,564</u>	<u>1,564</u>	<u>0</u>
Fund balances, end of year	<u><u>\$1,064</u></u>	<u><u>\$64</u></u>	<u><u>\$1,213</u></u>	<u><u>\$1,149</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

DUI Enforcement and Education Fund				Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Fines, licenses, and permits	\$10,000	\$10,000	\$9,032	(\$968)
Interest	0	0	326	326
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>9,358</u>	<u>(642)</u>
Expenditures				
Current				
Security of persons and property				
Other	15,000	35,000	16,316	18,684
Total expenditures	<u>15,000</u>	<u>35,000</u>	<u>16,316</u>	<u>18,684</u>
Excess (deficiency) of revenues over expenditures	(5,000)	(25,000)	(6,958)	18,042
Prior year encumbrances	649	649	649	0
Fund balances, beginning of year	<u>36,424</u>	<u>36,424</u>	<u>36,424</u>	<u>0</u>
Fund balances, end of year	<u>\$32,073</u>	<u>\$12,073</u>	<u>\$30,115</u>	<u>\$18,042</u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Clerk of Courts Computer Service Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Fines, licenses, and permits	\$34,000	\$34,000	\$33,829	(\$171)
Interest	1,000	1,000	2,203	1,203
Total revenues	<u>35,000</u>	<u>35,000</u>	<u>36,032</u>	<u>1,032</u>
Expenditures				
Current				
Security of persons and property				
Other	<u>34,712</u>	<u>34,712</u>	<u>29,521</u>	<u>5,191</u>
Total expenditures	<u>34,712</u>	<u>34,712</u>	<u>29,521</u>	<u>5,191</u>
Excess (deficiency) of revenues over expenditures	288	288	6,511	6,223
Prior year encumbrances	2,164	2,164	2,164	0
Fund balances, beginning of year	<u>196,861</u>	<u>196,861</u>	<u>196,861</u>	<u>0</u>
Fund balances, end of year	<u><u>\$199,313</u></u>	<u><u>\$199,313</u></u>	<u><u>\$205,536</u></u>	<u><u>\$6,223</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Court Computerization Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Fines, licenses, and permits	\$11,000	\$11,000	\$10,155	(\$845)
Interest	0	0	1,161	1,161
Total revenues	<u>11,000</u>	<u>11,000</u>	<u>11,316</u>	<u>316</u>
Expenditures				
Current				
Security of persons and property				
Other	0	0	0	0
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (deficiency) of revenues over expenditures	11,000	11,000	11,316	316
Prior year encumbrances	0	0	0	0
Fund balances, beginning of year	<u>104,037</u>	<u>104,037</u>	<u>104,037</u>	<u>0</u>
Fund balances, end of year	<u><u>\$115,037</u></u>	<u><u>\$115,037</u></u>	<u><u>\$115,353</u></u>	<u><u>\$316</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Fire Levy Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$1,221,845	\$1,221,845	\$1,229,386	\$7,541
Intergovernmental revenue	184,600	184,600	186,831	2,231
Interest	1,955	1,955	2,718	763
Miscellaneous	0	30,000	27,608	(2,392)
Total revenues	<u>1,408,400</u>	<u>1,438,400</u>	<u>1,446,543</u>	<u>8,143</u>
Expenditures				
Current				
Security of persons and property				
Personal services	496,900	496,900	496,835	65
Other	858,400	860,900	799,573	61,327
Total expenditures	<u>1,355,300</u>	<u>1,357,800</u>	<u>1,296,408</u>	<u>61,392</u>
Excess (deficiency) of revenues over expenditures	53,100	80,600	150,135	69,535
Prior year encumbrances	0	0	0	0
Fund balances, beginning of year	<u>34,867</u>	<u>34,867</u>	<u>34,867</u>	<u>0</u>
Fund balances, end of year	<u><u>\$87,967</u></u>	<u><u>\$115,467</u></u>	<u><u>\$185,002</u></u>	<u><u>\$69,535</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Fire Pension Fund			Variance w ith Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$208,081	\$208,081	\$207,066	(\$1,015)
Intergovernmental revenue	29,000	29,000	31,677	2,677
Interest	319	319	748	429
Total revenues	<u>237,400</u>	<u>237,400</u>	<u>239,491</u>	<u>2,091</u>
Expenditures				
Current				
Security of persons and property				
Other	<u>237,000</u>	<u>237,000</u>	<u>235,648</u>	<u>1,352</u>
Total expenditures	<u>237,000</u>	<u>237,000</u>	<u>235,648</u>	<u>1,352</u>
Excess (deficiency) of revenues over expenditures	400	400	3,843	3,443
Prior year encumbrances	0	0	0	0
Fund balances, beginning of year	<u>9,783</u>	<u>9,783</u>	<u>9,783</u>	<u>0</u>
Fund balances, end of year	<u><u>\$10,183</u></u>	<u><u>\$10,183</u></u>	<u><u>\$13,626</u></u>	<u><u>\$3,443</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Paramedic Levy Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$1,126,409	\$1,126,409	\$1,132,329	\$5,920
Intergovernmental revenue	169,000	169,000	172,081	3,081
Interest	1,000	1,000	3,466	2,466
Miscellaneous	791	15,791	14,334	(1,457)
Total revenues	<u>1,297,200</u>	<u>1,312,200</u>	<u>1,322,210</u>	<u>10,010</u>
Expenditures				
Current				
Security of persons and property				
Personal services	695,600	695,600	639,458	56,142
Other	434,518	471,895	422,377	49,518
Total expenditures	<u>1,130,118</u>	<u>1,167,495</u>	<u>1,061,835</u>	<u>105,660</u>
Excess (deficiency) of revenues over expenditures	167,082	144,705	260,375	115,670
Prior year encumbrances	23,484	23,484	23,484	0
Fund balances, beginning of year	<u>37,857</u>	<u>37,857</u>	<u>37,857</u>	<u>0</u>
Fund balances, end of year	<u><u>\$228,423</u></u>	<u><u>\$206,046</u></u>	<u><u>\$321,716</u></u>	<u><u>\$115,670</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Ambulance Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Charges for services	\$725,000	\$725,000	\$760,851	\$35,851
Interest	0	0	4,601	4,601
Miscellaneous	0	0	4,483	4,483
Total revenues	<u>725,000</u>	<u>725,000</u>	<u>769,935</u>	<u>44,935</u>
Expenditures				
Current				
Security of persons and property				
Personal services	310,700	314,700	309,766	4,934
Other	806,915	802,915	744,377	58,538
Total expenditures	<u>1,117,615</u>	<u>1,117,615</u>	<u>1,054,143</u>	<u>63,472</u>
Excess (deficiency) of revenues over expenditures	(392,615)	(392,615)	(284,208)	108,407
Prior year encumbrances	100,844	100,844	100,844	0
Fund balances, beginning of year	<u>334,898</u>	<u>334,898</u>	<u>334,898</u>	<u>0</u>
Fund balances, end of year	<u><u>\$43,127</u></u>	<u><u>\$43,127</u></u>	<u><u>\$151,534</u></u>	<u><u>\$108,407</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	State and Other Grants			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$0	\$73,600	\$35,479	(\$38,121)
Total revenues	<u>0</u>	<u>73,600</u>	<u>35,479</u>	<u>(38,121)</u>
Expenditures				
Current				
General government				
Other	154,379	150,668	87,978	62,690
Total expenditures	<u>154,379</u>	<u>150,668</u>	<u>87,978</u>	<u>62,690</u>
Excess (deficiency) of revenues over expenditures	<u>(154,379)</u>	<u>(77,068)</u>	<u>(52,499)</u>	<u>24,569</u>
Other financing sources (uses)				
Advances-in	52,300	0	0	0
Total other financing sources (uses)	<u>52,300</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(102,079)</u>	<u>(77,068)</u>	<u>(52,499)</u>	<u>24,569</u>
Prior year encumbrances	17,474	17,474	17,474	0
Fund balances, beginning of year	<u>117,716</u>	<u>117,716</u>	<u>117,716</u>	<u>0</u>
Fund balances, end of year	<u><u>\$33,111</u></u>	<u><u>\$58,122</u></u>	<u><u>\$82,691</u></u>	<u><u>\$24,569</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Federal Grants Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$50,000	\$50,000	\$0	(\$50,000)
Interest	0	25,000	25,780	780
Total revenues	<u>50,000</u>	<u>75,000</u>	<u>25,780</u>	<u>(49,220)</u>
Expenditures				
Current				
General government				
Other	55,560	52,101	1,566	50,535
Total expenditures	<u>55,560</u>	<u>52,101</u>	<u>1,566</u>	<u>50,535</u>
Excess (deficiency) of revenues over expenditures	(5,560)	22,899	24,214	1,315
Prior year encumbrances	5,909	5,909	5,909	0
Fund balances, beginning of year	<u>73,106</u>	<u>73,106</u>	<u>73,106</u>	<u>0</u>
Fund balances, end of year	<u><u>\$73,455</u></u>	<u><u>\$101,914</u></u>	<u><u>\$103,229</u></u>	<u><u>\$1,315</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Cemetery Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Charges for services	\$13,000	\$13,000	\$20,650	\$7,650
Interest	1,000	1,000	2,768	1,768
Total revenues	<u>14,000</u>	<u>14,000</u>	<u>23,418</u>	<u>9,418</u>
Expenditures				
Current				
Public health and welfare				
Other	16,575	16,575	6,270	10,305
Total expenditures	<u>16,575</u>	<u>16,575</u>	<u>6,270</u>	<u>10,305</u>
Excess (deficiency) of revenues over expenditures	(2,575)	(2,575)	17,148	19,723
Prior year encumbrances	94	94	94	0
Fund balances, beginning of year	<u>251,714</u>	<u>251,714</u>	<u>251,714</u>	<u>0</u>
Fund balances, end of year	<u><u>\$249,233</u></u>	<u><u>\$249,233</u></u>	<u><u>\$268,956</u></u>	<u><u>\$19,723</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Park and Recreation Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Charges for services	\$185,000	\$185,000	\$215,569	\$30,569
Intergovernmental revenue	0	0	500	500
Interest	1,000	1,000	2,743	1,743
Miscellaneous	0	0	274	274
Total revenues	<u>186,000</u>	<u>186,000</u>	<u>219,086</u>	<u>33,086</u>
Expenditures				
Current				
Leisure time activities				
Personal services	33,100	33,100	24,936	8,164
Other	243,592	243,359	189,811	53,548
Total expenditures	<u>276,692</u>	<u>276,459</u>	<u>214,747</u>	<u>61,712</u>
Excess (deficiency) of revenues over expenditures	(90,692)	(90,459)	4,339	94,798
Prior year encumbrances	22,128	22,128	22,128	0
Fund balances, beginning of year	<u>207,456</u>	<u>207,456</u>	<u>207,456</u>	<u>0</u>
Fund balances, end of year	<u>\$138,892</u>	<u>\$139,125</u>	<u>\$233,923</u>	<u>\$94,798</u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Park and Recreation Improvement Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Fines, licenses, and permits	\$50,000	\$50,000	\$53,500	\$3,500
Interest	1,000	1,000	2,300	1,300
Total revenues	<u>51,000</u>	<u>51,000</u>	<u>55,800</u>	<u>4,800</u>
Expenditures				
Current				
Leisure time activities				
Other	192,400	192,400	77,893	114,507
Debt service				
Principal	20,000	20,000	20,000	0
Interest and fiscal charges	1,200	1,200	1,200	0
Total expenditures	<u>213,600</u>	<u>213,600</u>	<u>99,093</u>	<u>114,507</u>
Excess (deficiency) of revenues over expenditures	(162,600)	(162,600)	(43,293)	119,307
Prior year encumbrances	0	0	0	0
Fund balances, beginning of year	<u>196,411</u>	<u>196,411</u>	<u>196,411</u>	<u>0</u>
Fund balances, end of year	<u><u>\$33,811</u></u>	<u><u>\$33,811</u></u>	<u><u>\$153,118</u></u>	<u><u>\$119,307</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

Senior Citizens Title III Fund				Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$15,600	\$15,600	\$15,265	(\$335)
Interest	0	0	59	59
Total revenues	<u>15,600</u>	<u>15,600</u>	<u>15,324</u>	<u>(276)</u>
Expenditures				
Current				
Public health and welfare				
Personal services	13,000	13,000	13,000	0
Other	2,100	2,100	2,100	0
Total expenditures	<u>15,100</u>	<u>15,100</u>	<u>15,100</u>	<u>0</u>
Excess (deficiency) of revenues over expenditures	500	500	224	(276)
Prior year encumbrances	0	0	0	0
Fund balances, beginning of year	<u>4,540</u>	<u>4,540</u>	<u>4,540</u>	<u>0</u>
Fund balances, end of year	<u>\$5,040</u>	<u>\$5,040</u>	<u>\$4,764</u>	<u>(\$276)</u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	DUI Task Force Fund			Variance w ith Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$225,000	\$225,000	\$190,655	(\$34,345)
Interest	0	0	83	83
Total revenues	<u>225,000</u>	<u>225,000</u>	<u>190,738</u>	<u>(34,262)</u>
Expenditures				
Current				
Public health and welfare				
Personal services	31,000	31,000	30,667	333
Other	194,000	194,000	192,273	1,727
Total expenditures	<u>225,000</u>	<u>225,000</u>	<u>222,940</u>	<u>2,060</u>
Excess (deficiency) of revenues over expenditures	0	0	(32,202)	(32,202)
Prior year encumbrances	0	0	0	0
Fund balances, beginning of year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances, end of year	<u>\$0</u>	<u>\$0</u>	<u>(\$32,202)</u>	<u>(\$32,202)</u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Solid Waste Management Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Charges for services	\$2,526,000	\$2,531,000	\$2,608,950	\$77,950
Interest	4,000	4,000	16,514	12,514
Miscellaneous	0	0	1,003	1,003
Total revenues	<u>2,530,000</u>	<u>2,535,000</u>	<u>2,626,467</u>	<u>91,467</u>
Expenditures				
Current				
General government				
Personal services	84,900	84,900	72,914	11,986
Other	2,909,499	2,909,020	2,740,363	168,657
Total expenditures	<u>2,994,399</u>	<u>2,993,920</u>	<u>2,813,277</u>	<u>180,643</u>
Prior year encumbrances	9,243	9,243	9,243	0
Fund balances, beginning of year	<u>1,324,184</u>	<u>1,324,184</u>	<u>1,324,184</u>	<u>0</u>
Fund balances, end of year	<u><u>\$869,028</u></u>	<u><u>\$874,507</u></u>	<u><u>\$1,146,617</u></u>	<u><u>\$272,110</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	General Obligation Bond Retirement Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$481,771	\$481,771	\$673,059	\$191,288
TIF assessments	40,000	40,000	39,708	(292)
Intergovernmental revenue	24,015	24,015	16,872	(7,143)
Interest	1,000	2,400	7,412	5,012
Total revenues	<u>546,786</u>	<u>548,186</u>	<u>737,051</u>	<u>188,865</u>
Expenditures				
Current				
General government				
Other	0	9,700	8,480	1,220
Debt service				
Principal	1,767,500	1,814,000	1,814,000	0
Interest and fiscal charges	268,800	284,568	283,910	658
Total expenditures	<u>2,036,300</u>	<u>2,108,268</u>	<u>2,106,390</u>	<u>1,878</u>
Excess (deficiency) of revenues over expenditures	<u>(1,489,514)</u>	<u>(1,560,082)</u>	<u>(1,369,339)</u>	<u>190,743</u>
Other financing sources				
Note proceeds	1,500,000	1,500,000	1,500,000	0
Premium on debt issue	0	0	27,112	27,112
Total other financing sources	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,527,112</u>	<u>27,112</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	10,486	(60,082)	157,773	217,855
Prior year encumbrances	0	0	0	0
Fund balances, beginning of year	<u>892,265</u>	<u>892,265</u>	<u>892,265</u>	<u>0</u>
Fund balances, end of year	<u><u>\$902,751</u></u>	<u><u>\$832,183</u></u>	<u><u>\$1,050,038</u></u>	<u><u>217,855</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Special Assessment Bond Retirement Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Special assessments	\$63,000	\$63,000	\$63,066	\$66
Interest	0	1,010	1,106	96
Total revenues	<u>63,000</u>	<u>64,010</u>	<u>64,172</u>	<u>162</u>
Expenditures				
Current				
General government				
Other	0	146,077	1,236	144,841
Debt service				
Principal	38,200	38,200	38,130	70
Interest and fiscal charges	29,700	29,700	29,684	16
Total expenditures	<u>67,900</u>	<u>213,977</u>	<u>69,050</u>	<u>144,927</u>
Excess (deficiency) of revenues over expenditures	<u>(4,900)</u>	<u>(149,967)</u>	<u>(4,878)</u>	<u>145,089</u>
Other financing sources				
Advances-in	0	4,400	0	(4,400)
Total other financing sources	<u>0</u>	<u>4,400</u>	<u>0</u>	<u>(4,400)</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(4,900)	(145,567)	(4,878)	140,689
Prior year encumbrances	0	0	0	0
Fund balances, beginning of year	<u>145,611</u>	<u>145,611</u>	<u>145,611</u>	<u>0</u>
Fund balances, end of year	<u>\$140,711</u>	<u>\$44</u>	<u>\$140,733</u>	<u>140,689</u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Capital Projects Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
TIF assessments	\$0	\$826,600	\$474,109	(\$352,491)
Interest	30,000	41,000	40,239	(761)
Contributions	0	0	35,350	35,350
Total revenues	<u>30,000</u>	<u>867,600</u>	<u>549,698</u>	<u>(317,902)</u>
Expenditures				
Other	5,798,104	5,950,133	5,379,080	571,053
Debt service				
Principal	3,955,800	3,955,800	3,825,248	130,552
Interest and fiscal charges	183,000	182,000	138,846	43,154
Total expenditures	<u>9,936,904</u>	<u>10,087,933</u>	<u>9,343,174</u>	<u>744,759</u>
Excess (deficiency) of revenues over expenditures	<u>(9,906,904)</u>	<u>(9,220,333)</u>	<u>(8,793,476)</u>	<u>426,857</u>
Other financing sources				
Transfers-in	1,650,000	2,050,000	1,983,727	(66,273)
Note proceeds	4,400,000	2,900,000	2,900,000	0
Total other financing sources	<u>6,050,000</u>	<u>4,950,000</u>	<u>4,883,727</u>	<u>(66,273)</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(3,856,904)</u>	<u>(4,270,333)</u>	<u>(3,909,749)</u>	<u>360,584</u>
Prior year encumbrances	1,993,421	1,993,421	1,993,421	0
Fund balances, beginning of year	<u>2,811,892</u>	<u>2,811,892</u>	<u>2,811,892</u>	<u>0</u>
Fund balances, end of year	<u>\$948,409</u>	<u>\$534,980</u>	<u>\$895,564</u>	<u>\$360,584</u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Central Fire Station Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Interest	\$0	\$40,000	\$74,564	\$34,564
Total revenues	<u>0</u>	<u>40,000</u>	<u>74,564</u>	<u>34,564</u>
Expenditures				
Other	7,412,200	7,412,200	6,521,563	890,637
Total expenditures	<u>7,412,200</u>	<u>7,412,200</u>	<u>6,521,563</u>	<u>890,637</u>
Excess (deficiency) of revenues over expenditures	<u>(7,412,200)</u>	<u>(7,372,200)</u>	<u>(6,446,999)</u>	<u>925,201</u>
Prior year encumbrances	660,525	660,525	660,525	0
Fund balances, beginning of year	<u>6,751,766</u>	<u>6,751,766</u>	<u>6,751,766</u>	<u>0</u>
Fund balances, end of year	<u><u>\$91</u></u>	<u><u>\$40,091</u></u>	<u><u>\$965,292</u></u>	<u><u>\$925,201</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Avon Belden Roundabout Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$0	\$950,000	\$693,722	(\$256,278)
Interest	0	0	648	648
Miscellaneous	0	350,000	309,945	(40,055)
Total revenues	<u>0</u>	<u>1,300,000</u>	<u>1,004,315</u>	<u>(295,685)</u>
Expenditures				
Other	0	1,299,900	1,131,279	168,621
Total expenditures	<u>0</u>	<u>1,299,900</u>	<u>1,131,279</u>	<u>168,621</u>
Excess (deficiency) of revenues over expenditures	0	100	(126,964)	(127,064)
Prior year encumbrances	0	0	0	0
Fund balances, beginning of year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances, end of year	<u>\$0</u>	<u>\$100</u>	<u>(\$126,964)</u>	<u>(\$127,064)</u>

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STATISTICAL SECTION

Back of Divider Page.

STATISTICAL SECTION

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	Page
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S 2
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, property tax and municipal income tax.	S 20
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S 29
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	S 35
Operating Information These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	S 38

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

City of North Ridgeville, Ohio
 Net Position by Component
 Last Ten Years
(Accrual Basis of Accounting)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014 (1)</u>
Governmental activities				
Net invested in capital assets	\$90,579,601	\$64,651,250	\$54,640,390	\$54,613,828
Restricted	11,501,162	7,748,511	10,033,563	9,524,770
Unrestricted	<u>(14,360,557)</u>	<u>(6,934,671)</u>	<u>(10,951,995)</u>	<u>(10,169,922)</u>
Total governmental activities net position	<u>\$87,720,206</u>	<u>\$65,465,090</u>	<u>\$53,721,958</u>	<u>\$53,968,676</u>
Business-type activities				
Net invested in capital assets	\$61,348,669	\$58,148,438	\$50,892,626	\$54,726,956
Unrestricted	<u>24,431,376</u>	<u>22,113,540</u>	<u>25,713,944</u>	<u>19,241,885</u>
Total business-type activities net position	<u>\$85,780,045</u>	<u>\$80,261,978</u>	<u>\$76,606,570</u>	<u>\$73,968,841</u>
Primary government				
Net invested in capital assets	151,928,270	122,799,688	105,533,016	109,340,784
Restricted	11,501,162	7,748,511	10,033,563	9,524,770
Unrestricted	<u>10,070,819</u>	<u>15,178,869</u>	<u>14,761,949</u>	<u>9,071,963</u>
Total primary government net position	<u>\$173,500,251</u>	<u>\$145,727,068</u>	<u>\$130,328,528</u>	<u>\$127,937,517</u>

(1) - Restated due to the implementation of GASB No. 68

(2) - Restated to reflect the effects of a prior period adjustment recorded in 2011.

2013	2012	2011	2010 (2)	2009 (2)	2008 (2)
\$56,320,297	\$54,512,935	\$55,632,130	\$56,146,937	\$56,582,855	\$57,741,872
7,426,615	7,178,967	5,588,289	5,549,186	5,577,303	5,741,588
4,764,707	4,918,035	3,748,051	2,062,727	1,729,626	2,467,150
<u>\$68,511,619</u>	<u>\$66,609,937</u>	<u>\$64,968,470</u>	<u>\$63,758,850</u>	<u>\$63,889,784</u>	<u>\$65,950,610</u>
\$54,445,173	\$50,767,163	\$50,366,964	\$50,453,768	\$51,390,803	\$50,892,182
18,970,594	19,536,260	18,042,812	16,420,797	14,866,702	17,021,198
<u>73,415,767</u>	<u>70,303,423</u>	<u>68,409,776</u>	<u>66,874,565</u>	<u>66,257,505</u>	<u>67,913,380</u>
110,765,470	105,280,098	105,999,094	106,600,705	107,973,658	108,634,054
7,426,615	7,178,967	5,588,289	5,549,186	5,577,303	5,741,588
23,735,301	24,454,295	21,790,863	18,483,524	16,596,328	19,488,348
<u>\$141,927,386</u>	<u>\$136,913,360</u>	<u>\$133,378,246</u>	<u>\$130,633,415</u>	<u>\$130,147,289</u>	<u>\$133,863,990</u>

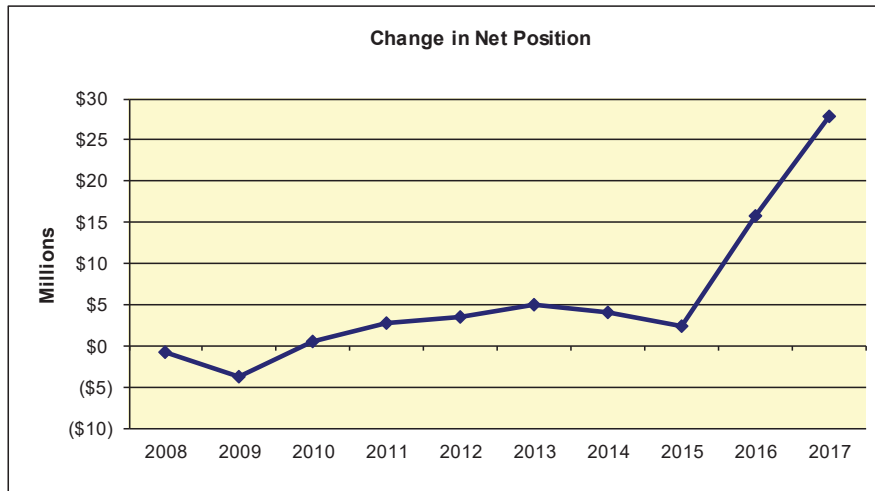
City of North Ridgeville, Ohio
Expenses and Program Revenues
Last Ten Years
(Accrual Basis of Accounting)

	2017	2016	2015	2014
Expenses				
Governmental activities				
Security of persons and property	\$13,407,562	\$12,769,364	\$12,101,884	\$11,709,493
Public health and welfare	684,819	512,127	509,351	441,976
Leisure time activities	651,710	526,175	480,457	461,952
Community environment	1,662,631	1,238,691	1,268,353	1,324,159
Transportation	8,487,747	6,946,308	7,060,537	7,091,008
General government	7,868,802	7,360,007	7,040,124	6,771,265
Interest	445,104	515,797	224,669	313,274
Total governmental activities expenses	<u>33,208,375</u>	<u>29,868,469</u>	<u>28,685,375</u>	<u>28,113,127</u>
Business-type activities				
Water	4,221,529	4,372,236	4,000,392	4,148,258
Sewer	7,096,805	7,790,273	8,710,742	7,106,309
Total business-type activities expenses	<u>11,318,334</u>	<u>12,162,509</u>	<u>12,711,134</u>	<u>11,254,567</u>
Total primary government expenses	<u>\$44,526,709</u>	<u>\$42,030,978</u>	<u>\$41,396,509</u>	<u>\$39,367,694</u>
Program Revenues				
Governmental activities				
Charges for services and sales				
Security of persons and property	\$1,248,287	\$1,464,143	\$1,487,897	\$1,374,232
Public health and welfare	20,650	13,500	20,600	27,615
Leisure time activities	269,069	239,526	214,340	236,380
Community environment	862,299	738,345	719,373	149,468
Transportation	160,980	0	0	0
General government	2,603,434	2,962,245	3,005,150	3,936,945
Operating grants, interest and contributions	2,258,190	3,450,708	2,359,850	2,323,165
Capital grants and contributions	28,614,145	13,467,278	2,481,499	2,983,567
Total governmental activities program revenues	<u>36,037,054</u>	<u>22,335,745</u>	<u>10,288,709</u>	<u>11,031,372</u>
Business-type activities				
Charges for services				
Water	4,649,152	4,430,524	4,233,277	4,262,620
Sewer	8,121,000	7,840,204	7,726,148	7,096,281
Capital grants and contributions	3,866,378	3,425,924	3,316,098	2,247,848
Total business-type program revenues	<u>16,636,530</u>	<u>15,696,652</u>	<u>15,275,523</u>	<u>13,606,749</u>
Total primary government program revenues	<u>\$52,673,584</u>	<u>\$38,032,397</u>	<u>\$25,564,232</u>	<u>\$24,638,121</u>

2013	2012	2011	2010	2009	2008
\$11,519,069	\$10,673,542	\$9,699,133	\$10,462,747	\$10,642,211	\$10,480,106
470,637	442,970	550,435	425,218	438,424	419,527
513,969	417,638	390,554	377,164	426,346	437,223
1,216,716	1,200,276	1,593,165	1,457,665	1,461,279	1,573,541
6,712,678	5,896,752	6,125,333	5,852,535	6,372,633	6,388,903
7,339,010	6,530,544	6,308,755	6,081,311	6,259,737	5,747,511
202,428	228,047	260,588	291,769	321,447	342,242
<u>27,974,507</u>	<u>25,389,769</u>	<u>24,927,963</u>	<u>24,948,409</u>	<u>25,922,077</u>	<u>25,389,053</u>
3,747,642	3,903,422	3,570,377	3,543,351	3,475,600	3,666,817
7,330,082	7,197,260	6,816,986	6,909,990	8,393,945	7,076,010
<u>11,077,724</u>	<u>11,100,682</u>	<u>10,387,363</u>	<u>10,453,341</u>	<u>11,869,545</u>	<u>10,742,827</u>
<u>\$39,052,231</u>	<u>\$36,490,451</u>	<u>\$35,315,326</u>	<u>\$35,401,750</u>	<u>\$37,791,622</u>	<u>\$36,131,880</u>
\$1,258,835	\$1,265,696	\$1,354,143	\$1,234,542	\$1,261,613	\$1,171,193
27,475	32,075	25,290	23,056	27,025	26,360
147,356	217,063	177,407	212,659	195,285	209,039
526,937	648,048	666,022	549,313	608,846	438,324
133,672	0	0	0	0	145,633
4,010,888	3,653,678	2,807,739	2,518,662	2,484,044	2,058,316
2,287,560	1,997,920	2,335,694	2,108,730	2,258,787	2,084,047
4,251,489	2,215,049	1,969,333	2,147,642	1,870,334	2,378,816
<u>12,644,212</u>	<u>10,029,529</u>	<u>9,335,628</u>	<u>8,794,604</u>	<u>8,705,934</u>	<u>8,511,728</u>
4,134,926	4,390,975	3,623,301	3,806,474	3,181,204	2,876,563
6,610,925	6,419,890	5,836,069	5,118,206	4,619,780	4,769,719
3,397,850	2,136,165	2,401,753	2,050,548	2,159,513	3,004,039
<u>14,143,701</u>	<u>12,947,030</u>	<u>11,861,123</u>	<u>10,975,228</u>	<u>9,960,497</u>	<u>10,650,321</u>
<u>\$26,787,913</u>	<u>\$22,976,559</u>	<u>\$21,196,751</u>	<u>\$19,769,832</u>	<u>\$18,666,431</u>	<u>\$19,162,049</u>

City of North Ridgeville, Ohio
 Net (Expense) / Revenue, General Revenues and Total Change in Net Position
 Last Ten Years
 (Accrual Basis of Accounting)

	2017	2016	2015	2014
Net (expense) / revenue				
Governmental activities	\$2,828,679	(\$7,532,724)	(\$18,396,666)	(\$17,081,755)
Business-type activities	5,318,196	3,534,143	2,564,389	2,352,182
Total primary government net (expense) revenue	<u>8,146,875</u>	<u>(3,998,581)</u>	<u>(15,832,277)</u>	<u>(14,729,573)</u>
General revenues and other changes in net position				
Governmental activities				
Taxes				
Property taxes	6,816,506	6,501,595	6,523,869	5,957,574
Municipal income taxes	10,149,683	10,966,144	9,553,855	10,424,502
Unrestricted grants and entitlements	1,195,429	1,684,464	1,483,738	1,518,266
Investment earnings	244,901	127,715	60,237	55,307
Miscellaneous	1,019,918	353,282	528,249	778,266
Total governmental activities	<u>19,426,437</u>	<u>19,633,200</u>	<u>18,149,948</u>	<u>18,733,915</u>
Business-type activities				
Investment earnings	199,871	121,265	73,340	49,977
Total business-type activities	<u>199,871</u>	<u>121,265</u>	<u>73,340</u>	<u>49,977</u>
Change in net position				
Governmental activities	22,255,116	12,100,476	(246,718)	1,652,160
Business-type activities	5,518,067	3,655,408	2,637,729	2,402,159
Total primary government	<u>\$27,773,183</u>	<u>\$15,755,884</u>	<u>\$2,391,011</u>	<u>\$4,054,319</u>



2013	2012	2011	2010	2009	2008
(\$15,330,295)	(\$15,360,240)	(\$15,592,335)	(\$16,153,805)	(\$17,216,143)	(\$16,877,325)
3,065,977	1,846,348	1,473,760	521,887	(1,909,048)	(92,506)
<u>(12,264,318)</u>	<u>(13,513,892)</u>	<u>(14,118,575)</u>	<u>(15,631,918)</u>	<u>(19,125,191)</u>	<u>(16,969,831)</u>
5,773,926	6,259,876	6,149,178	5,724,638	5,254,735	5,345,345
9,361,252	8,658,855	8,532,862	7,668,674	7,454,586	7,846,955
1,671,379	1,898,510	1,606,460	2,310,187	1,968,859	2,208,505
34,563	28,482	36,882	56,592	184,515	339,232
390,857	155,984	476,573	262,780	292,622	39,828
<u>17,231,977</u>	<u>17,001,707</u>	<u>16,801,955</u>	<u>16,022,871</u>	<u>15,155,317</u>	<u>15,779,865</u>
46,367	47,299	61,451	95,173	253,173	467,793
<u>46,367</u>	<u>47,299</u>	<u>61,451</u>	<u>95,173</u>	<u>253,173</u>	<u>467,793</u>
1,901,682	1,641,467	1,209,620	(130,934)	(2,060,826)	(1,097,460)
3,112,344	1,893,647	1,535,211	617,060	(1,655,875)	375,287
<u>\$5,014,026</u>	<u>\$3,535,114</u>	<u>\$2,744,831</u>	<u>\$486,126</u>	<u>(\$3,716,701)</u>	<u>(\$722,173)</u>

City of North Ridgeville, Ohio
Program Revenues by Function / Program
Last Ten Years
(Accrual Basis of Accounting)

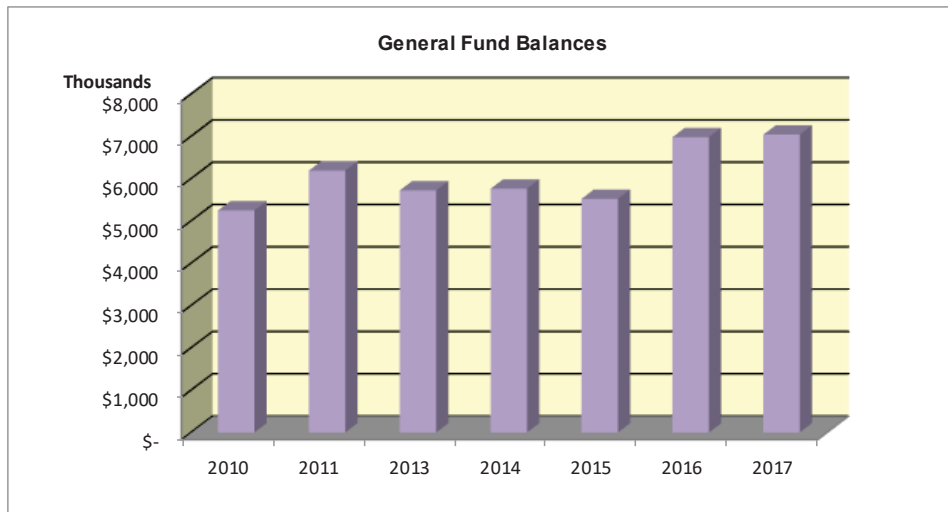
Function / program	2017	2016	2015	2014
Governmental activities				
Security of persons and property	\$1,483,760	\$1,474,257	\$1,525,101	\$1,386,880
Public health and welfare	20,650	25,854	36,595	43,570
Leisure time activities	269,069	240,026	308,235	362,380
Community environment	1,003,373	1,999,067	1,046,929	384,854
Transportation	30,656,768	15,634,296	4,366,699	4,916,743
General government	2,603,434	2,962,245	3,005,150	3,936,945
Total governmental activities	<u>36,037,054</u>	<u>22,335,745</u>	<u>10,288,709</u>	<u>11,031,372</u>
Business-type activities				
Water	5,865,331	5,589,119	5,224,170	4,867,226
Sewer	10,771,199	10,107,533	10,051,353	8,739,523
Total business-type activities	<u>16,636,530</u>	<u>15,696,652</u>	<u>15,275,523</u>	<u>13,606,749</u>
Total primary government	<u>\$52,673,584</u>	<u>\$38,032,397</u>	<u>\$25,564,232</u>	<u>\$24,638,121</u>

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$1,308,419	\$1,540,620	\$1,354,143	\$1,340,100	\$1,277,284	\$1,190,283
43,470	47,013	42,923	54,365	58,509	57,905
215,356	217,063	227,457	265,066	253,628	209,039
918,601	843,403	1,159,054	794,764	896,070	704,186
6,147,478	3,704,102	3,618,949	3,688,501	3,621,598	4,150,573
<u>4,010,888</u>	<u>3,677,328</u>	<u>2,933,102</u>	<u>2,651,808</u>	<u>2,598,845</u>	<u>2,199,742</u>
<u>12,644,212</u>	<u>10,029,529</u>	<u>9,335,628</u>	<u>8,794,604</u>	<u>8,705,934</u>	<u>8,511,728</u>
5,421,467	4,809,743	4,367,670	4,252,962	3,643,556	3,488,591
<u>8,722,234</u>	<u>8,137,287</u>	<u>7,493,453</u>	<u>6,722,266</u>	<u>6,316,941</u>	<u>7,161,730</u>
<u>14,143,701</u>	<u>12,947,030</u>	<u>11,861,123</u>	<u>10,975,228</u>	<u>9,960,497</u>	<u>10,650,321</u>
<u>\$26,787,913</u>	<u>\$22,976,559</u>	<u>\$21,196,751</u>	<u>\$19,769,832</u>	<u>\$18,666,431</u>	<u>\$19,162,049</u>

City of North Ridgeville, Ohio
 Governmental Funds Fund Balances
 Last Eight Years
 (Modified Accrual Basis of Accounting)

	2017	2016	2015	2014
General Fund				
Nonspendable	\$75,400	\$58,800	\$58,000	\$55,000
Committed	1,004,894	1,429,622	985,904	785,077
Assigned	1,052,719	179,147	1,858,068	2,640,151
Unassigned	4,909,829	5,311,652	2,620,814	2,283,848
Total general fund	<u>7,042,842</u>	<u>6,979,221</u>	<u>5,522,786</u>	<u>5,764,076</u>
All Other Governmental Funds				
Nonspendable	3,100	3,500	6,900	6,500
Restricted	15,652,186	16,882,956	6,076,381	5,989,908
Unassigned	0	(11,827)	(43,000)	(101,242)
Total all other governmental funds	<u>\$15,655,286</u>	<u>\$16,874,629</u>	<u>\$6,040,281</u>	<u>\$5,895,166</u>

The City implemented GASB Statement No. 54 in 2011.

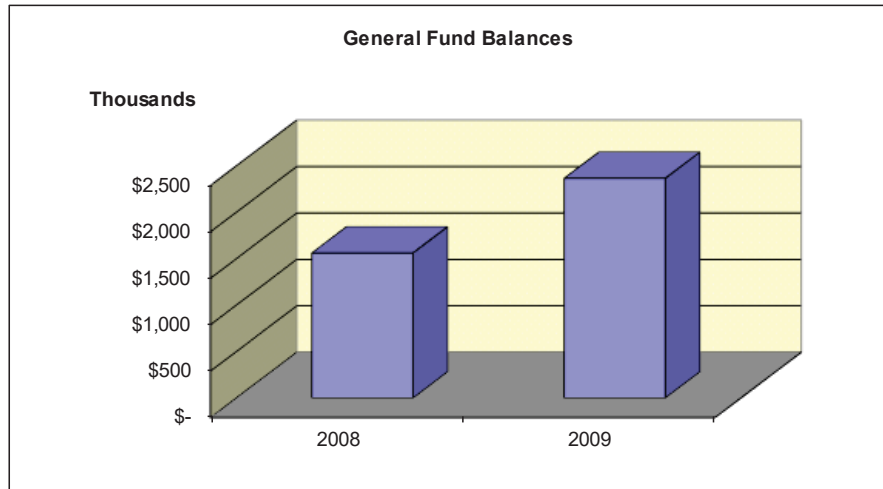


<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$53,300	\$44,700	\$45,500	\$46,200
450,425	525,940	449,432	315,132
1,763,702	3,083,563	75,088	76,639
<u>3,456,125</u>	<u>2,537,627</u>	<u>4,678,328</u>	<u>3,172,829</u>
<u><u>5,723,552</u></u>	<u><u>6,191,830</u></u>	<u><u>5,248,348</u></u>	<u><u>3,610,800</u></u>
4,900	5,000	0	0
5,479,499	5,329,506	3,948,918	3,884,216
(150,701)	(78,576)	(25,720)	(152,058)
<u><u>\$5,333,698</u></u>	<u><u>\$5,255,930</u></u>	<u><u>\$3,923,198</u></u>	<u><u>\$3,732,158</u></u>

City of North Ridgeville, Ohio
 Governmental Funds Fund Balances
 Nine and Ten Years Prior
(Modified Accrual Basis of Accounting)

	2009	2008
General Fund		
Reserved	\$124,217	\$463,552
Unreserved	2,241,155	1,097,996
Total general fund	<u>2,365,372</u>	<u>1,561,548</u>
All Other Governmental Funds		
Reserved	747,984	1,594,856
Unreserved, reported in		
Special revenue funds	3,975,247	4,939,999
Debt service funds	260,354	235,307
Capital projects funds	655,911	677,112
Total all other governmental funds	<u>\$5,639,496</u>	<u>\$7,447,274</u>

The City implemented GASB Statement No. 54 in 2011.



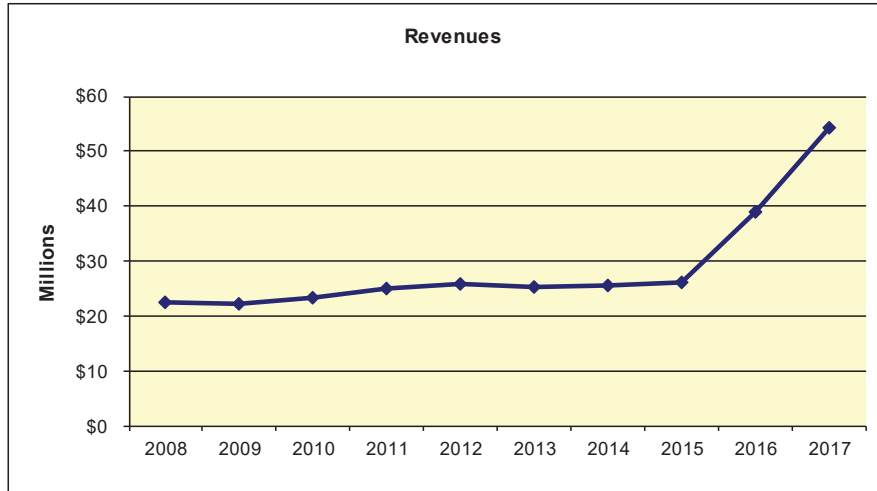
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City of North Ridgeville, Ohio
 Governmental Fund Type – Revenues by Source
 Last Ten Years
 (Modified Accrual Basis of Accounting)

	2017	2016	2015	2014
Local taxes				
Municipal income tax	\$11,046,964	\$10,943,444	\$9,855,055	\$9,234,502
Property and other taxes	6,962,906	6,936,495	6,033,669	5,860,474
Intergovernmental	29,374,513	12,527,270	4,200,203	3,948,199
Contributions	365,899	2,657,000	0	0
Special assessments	102,774	103,530	162,944	114,311
Charges for services	3,650,372	3,581,238	3,524,443	3,864,423
Fines, licenses and permits	1,259,832	1,407,268	1,376,311	1,227,529
Interest	247,322	121,919	38,294	49,527
Miscellaneous	1,178,012	699,587	1,016,503	1,272,297
	<u>\$54,188,594</u>	<u>\$38,977,751</u>	<u>\$26,207,422</u>	<u>\$25,571,262</u>

Table includes all Governmental Funds

Source: City financial records



2013	2012	2011	2010	2009	2008
\$8,756,652	\$8,413,555	\$8,302,962	\$7,751,774	\$7,463,586	\$7,831,255
5,800,626	6,217,776	6,157,278	5,548,740	5,321,267	5,436,726
4,165,196	5,153,476	4,892,507	5,205,123	4,360,187	4,525,151
0	0	0	0	0	0
73,379	145,424	148,018	134,140	138,119	34,417
3,989,115	3,681,698	3,111,124	2,971,112	2,836,288	2,238,452
1,168,167	1,301,110	1,250,793	1,130,994	1,103,493	1,119,558
32,118	27,190	35,289	54,518	176,180	311,718
1,298,809	862,307	1,074,511	636,266	795,385	834,266
<u>\$25,284,062</u>	<u>\$25,802,536</u>	<u>\$24,972,482</u>	<u>\$23,432,667</u>	<u>\$22,194,505</u>	<u>\$22,331,543</u>

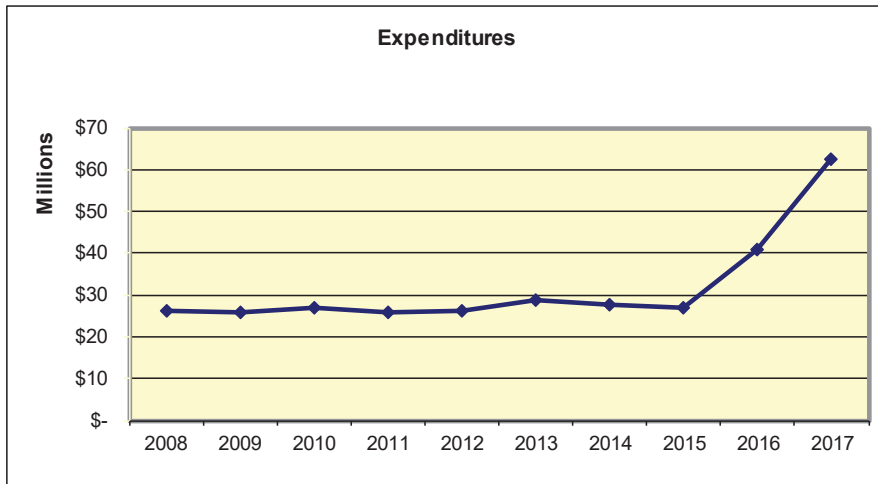
City of North Ridgeville, Ohio
 Governmental Fund Type – Expenditures by Function
 Last Ten Years
 (Modified Accrual Basis of Accounting)

	2017	2016	2015	2014
Current				
Security of persons and property	\$11,806,553	\$11,544,324	\$11,489,090	\$11,102,582
Public health and welfare	479,674	475,941	446,571	421,351
Leisure time activities	640,067	445,499	522,700	412,335
Community environment	1,451,793	1,228,645	1,242,669	1,320,664
Transportation	3,947,134	3,963,294	3,918,768	3,244,895
General government	7,388,606	7,646,683	6,700,237	6,814,538
Capital outlay	31,102,545	11,614,610	1,166,029	981,766
Debt service				
Principal	5,241,929	3,507,892	1,214,875	3,200,436
Capital lease	79,758	28,016	29,073	25,705
Interest and fiscal charges	491,826	566,700	226,963	321,668
	<u>\$62,629,885</u>	<u>\$41,021,604</u>	<u>\$26,956,975</u>	<u>\$27,845,940</u>
Debt service as a percentage of noncapital expenditures	<u>18.14%</u>	<u>16.30%</u>	<u>6.49%</u>	<u>14.21%</u>

Table includes all Governmental Funds.

Noncapital expenditures are total expenditures less capital outlay (to the extent capitalized for the government-wide statement of net assets) and expenditures for capitalized assets included within the functional expenditure categories.

Source: City financial records



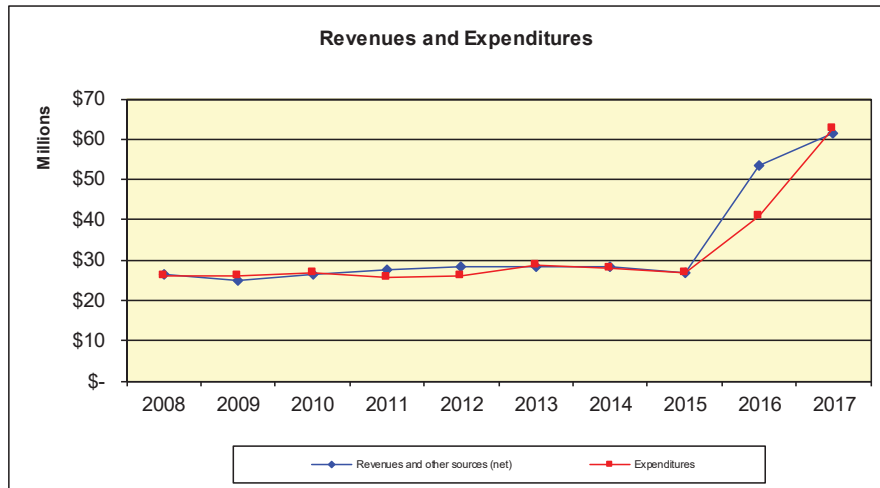
2013	2012	2011	2010	2009	2008
\$11,229,544	\$10,568,473	\$9,949,831	\$10,335,970	\$10,199,689	\$9,781,279
436,974	399,957	415,087	430,594	407,022	381,739
495,055	391,488	368,566	392,533	480,346	486,700
1,213,350	1,171,310	1,389,032	1,465,810	1,469,339	1,573,541
3,407,797	2,686,807	2,803,235	3,015,750	2,370,534	2,533,352
7,095,314	6,253,077	6,567,369	6,438,189	6,034,750	5,561,610
1,658,934	1,297,825	689,698	1,255,751	3,677,460	1,925,852
3,056,891	3,016,891	3,389,265	3,357,177	1,016,177	3,564,928
58,575	24,707	22,879	3,315	0	0
206,928	231,647	262,988	304,569	303,247	371,542
<u>\$28,859,362</u>	<u>\$26,042,182</u>	<u>\$25,857,950</u>	<u>\$26,999,658</u>	<u>\$25,958,564</u>	<u>\$26,180,543</u>
<u>14.86%</u>	<u>14.12%</u>	<u>16.25%</u>	<u>15.83%</u>	<u>6.50%</u>	<u>18.19%</u>

City of North Ridgeville, Ohio
 Other Financing Sources and Uses and Net Change in Fund Balances - Governmental Funds
 Last Ten Years
 (Modified Accrual Basis of Accounting)

	2017	2016	2015	2014
Excess of revenues over (under) expenditures	(\$8,441,291)	(\$2,043,853)	(\$749,553)	(\$2,274,678)
Other financing sources (uses)				
Transfers in	2,452,596	1,398,000	1,737,000	1,367,585
Transfers out	(2,452,596)	(1,398,000)	(2,037,000)	(1,367,585)
Proceeds from capital lease	358,457	0	0	0
Issuance of notes and loans	6,900,000	5,900,000	922,000	550,796
Issuance of bonds	0	9,265,000	0	2,264,000
Proceeds from sale of assets	0	0	15,102	0
Payment to refund bonds escrow	0	(1,727,828)	0	0
Premium on debt issue	27,112	897,464	16,276	61,874
Total other financing sources (uses)	7,285,569	14,334,636	653,378	2,876,670
Net change in fund balances	(\$1,155,722)	\$12,290,783	(\$96,175)	\$601,992

Table includes all Governmental Funds

Source: City financial records



2013	2012	2011	2010	2009	2008
<u>(\$3,575,300)</u>	<u>(\$239,646)</u>	<u>(\$885,468)</u>	<u>(\$3,566,991)</u>	<u>(\$3,764,059)</u>	<u>(\$3,849,000)</u>
1,445,000	1,125,000	1,050,000	6,650,000	8,800,000	7,600,000
(1,445,000)	(1,125,000)	(1,050,000)	(6,650,000)	(8,800,000)	(7,600,000)
139,361	0	0	107,381	0	0
3,045,429	2,515,860	2,714,056	2,797,700	2,755,680	50,000
0	0	0	0	0	3,905,000
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	4,425	0
<u>3,184,790</u>	<u>2,515,860</u>	<u>2,714,056</u>	<u>2,905,081</u>	<u>2,760,105</u>	<u>3,955,000</u>
<u>(\$390,510)</u>	<u>\$2,276,214</u>	<u>\$1,828,588</u>	<u>(\$661,910)</u>	<u>(\$1,003,954)</u>	<u>\$106,000</u>

City of North Ridgeville, Ohio
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Collection Year	Real Property		Public Utility Property		Tangible Personal Property	
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (2)	Assessed Value	Estimated Actual Value (3)
2017	\$774,268,200	\$2,212,194,857	\$15,999,020	\$18,180,705	\$0 (4)	\$0
2016	755,633,080	2,158,951,657	14,348,220	16,304,795	- (4)	0
2015	701,690,140	2,004,828,971	13,705,640	15,574,591	0 (4)	0
2014	688,099,510	1,965,998,600	12,668,630	14,396,170	0 (4)	0
2013	667,660,670	1,907,601,914	12,012,660	13,650,750	0 (4)	0
2012	720,626,020	2,058,931,485	10,994,850	12,494,148	0 (4)	0
2011	708,492,680	2,024,264,800	10,455,350	11,881,080	0 (4)	0
2010	693,460,692	1,981,316,263	9,801,290	11,137,830	555,529 (4)	2,222,116
2009	711,641,722	2,033,262,063	9,364,430	10,641,398	591,014 (4)	2,364,056
2008	682,070,410	1,948,772,600	9,167,490	10,417,602	5,976,264 (4)	23,905,056

Source: Lorain County Auditor maintained by the County Auditor.

- (1) This amount is calculated based upon an assessed value of 35 percent of actual value.
- (2) This amount is calculated based upon the current assessed value of 88 percent of actual value.
- (3) The amount is calculated based upon an assessed value of 25 percent of actual value.
- (4) Decrease is due to effect of State legislation enacted in June 2005 which phases out over four years from 2006 to 2009 the taxation of personal property. Tangible personal property value in 2009 and 2010 consisted of telephone communications tangible personal property at reduced values.

Total		
Assessed Value	Estimated Actual Value	Total Direct Tax Rate
\$790,267,220	\$2,230,375,562	\$12.35
769,981,300	2,175,256,452	12.56
715,395,780	2,020,403,562	11.71
700,768,140	1,980,394,770	11.71
679,673,330	1,921,252,664	11.71
731,620,870	2,071,425,633	11.71
718,948,030	2,036,145,880	11.71
703,817,511	1,994,676,209	11.71
721,597,166	2,046,267,517	11.71
697,214,164	1,983,095,258	11.95

City of North Ridgeville, Ohio
Property Tax Rates – Direct and Overlapping Governments
(Per \$ 1,000 of Assessed Valuation)
Last Ten Years

Collection Year	City of North Ridgeville				Total Direct Tax Rate
	General Fund	Special Revenue Funds	Debt Service Fund	Agency Fund (1)	
2017	\$1.70	\$8.74	\$0.00	\$1.91	\$12.35
2016	1.70	8.94	0.00	1.91	12.55
2015	1.70	8.10	0.00	1.91	11.71
2014	1.70	8.10	0.00	1.91	11.71
2013	1.70	8.10	0.00	1.91	11.71
2012	1.70	8.10	0.00	1.91	11.71
2011	1.70	8.10	0.00	1.91	11.71
2010	1.70	8.10	0.00	1.91	11.71
2009	1.70	8.10	0.00	1.91	11.71
2008	1.70	8.10	0.24	1.91	11.95

Source: County Auditor, Lorain County, Ohio

(1) Includes 1.91 in 2005 and later years, and 1.46 in 2000 through 2004 collected and remitted to the Lorain Public Library System.

North Ridgeville City School District	Lorain County	Lorain County Board of Health	Lorain County Joint Vocational School	Total Direct and Overlapping Governments
\$53.56	\$15.08	\$1.00	\$2.45	\$84.44
54.24	15.08	1.00	2.45	85.32
55.70	14.48	1.00	2.45	85.34
56.29	14.48	1.00	2.45	85.93
51.90	12.65	1.00	2.45	79.71
44.63	13.69	1.00	2.45	73.48
44.79	13.69	1.00	2.45	73.64
42.19	13.39	1.00	2.45	70.74
42.01	13.39	1.00	2.45	70.56
42.28	13.39	1.00	2.45	71.07

City of North Ridgeville, Ohio
Principal Taxpayers – Real Property Taxpayers
As of December 31, 2017 and December 31, 2008

December 31, 2017			
Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation
Riddell Sports Inc	Manufacturer	\$5,441,790	0.69%
Rini Realty Company	Commercial retail property	3,642,810	0.46%
R. W. Beckett Corp.	Manufacturer	3,263,650	0.41%
Ridgeville Two, LLC	Apartment complex	2,807,150	0.36%
Ridgeville One, LLC	Apartment complex	2,380,000	0.30%
Lake Ridge Holdings Ltd.	Education	2,172,290	0.27%
Ridgeville Stafford LLC	Apartment complex	2,045,690	0.26%
Ridgeville Three, LLC	Apartment complex	1,894,370	0.24%
Ridgeville Four LLC	Apartment complex	1,625,770	0.21%
Bliss Investments LLC	Manufacturer	1,555,540	0.20%

December 31, 2008			
Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation
Ohio Edison Co. (a)	Electric utility	\$5,222,450	0.72%
FJD Properties LLC	Residential land developer	3,552,090	0.49%
Pulte Homes	Residential construction	2,870,950	0.40%
Bob Schmitt Homes, Inc.	Residential developer	2,523,740	0.35%
Rini Realty Company	Commercial retail property	2,201,790	0.31%
Valore Properties, Inc.	Commercial developer	1,948,770	0.27%
Sugar Chestnut, LLC	Residential construction	1,900,850	0.26%
Invacare Corporation	Manufacturer	1,822,110	0.25%
R. W. Beckett Corporation	Manufacturer	1,798,700	0.25%
Lake Ridge Holding, Inc	Education	1,420,830	0.20%

Source: County Auditor, Lorain County, Ohio

City of North Ridgeville, Ohio
Principal Taxpayers – Public Utility
As of December 31, 2017 and December 31, 2008

December 31, 2017			
Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation
Ohio Edison Company (a)	Electric	\$7,130,330	0.90%
Columbia Gas of Ohio Inc.	Natural gas	4,704,870	0.60%
American Transmission Systems, Inc. (a)	Electric	3,160,360	0.40%
Cleveland Electric Illuminating Company (a)	Electric	1,685,400	0.21%
Columbia Gas Transmission	Natural gas	823,820	0.10%

December 31, 2008			
Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation
Ohio Edison Company (a)	Electric	\$5,061,020	0.70%
Columbia Gas of Ohio Inc.	Natural gas	1,213,620	0.17%
Cleveland Electric Illuminating Company (a)	Electric	1,179,160	0.16%
Columbia Gas Transmission	Natural gas	869,470	0.12%
American Transmission Systems, Inc (a)	Electric	826,670	0.11%
Norfolk Southern Railroad	Railroad	299,100	0.04%

Source: County Auditor, Lorain County, Ohio

City of North Ridgeville, Ohio
Property Tax Levies and Collections (Real and Public Utilities)
Last Ten Years

Collection Year	Current Tax Levy	Current Tax Collections	Percent Collected	Delinquent Tax Collections (1)	Total Tax Collections (2)	Percent of Total Collections to Current Tax Levy	Outstanding Delinquent Taxes	Percent of Outstanding Delinquent Taxes to Current Tax Levy
2017	\$9,204,009	\$7,935,825	86%	\$90,023	\$8,025,848	87.2%	\$325,832	3.5%
2016	9,143,035	7,915,017	87%	166,134	8,081,151	88.4%	325,468	3.6%
2015	8,203,626	8,000,715	98%	202,911	8,203,626	100.0%	438,991	5.4%
2014	6,808,069	6,566,548	96%	176,546	6,743,094	99.0%	462,592	6.8%
2013	6,647,588	6,471,411	97%	215,735	6,687,146	100.6%	364,650	5.5%
2012	7,161,094	6,964,397	97%	184,262	7,148,659	99.8%	391,521	5.5%
2011	7,036,233	6,829,000	97%	226,828	7,055,828	100.3%	348,873	5.0%
2010	6,375,809	6,126,811	96%	230,945	6,357,756	99.7%	310,830	4.9%
2009	6,119,564	5,919,822	97%	171,653	6,091,475	99.5%	323,540	5.3%
2008	6,104,669	5,908,865	97%	175,465	6,084,330	99.7%	299,019	4.9%

(1) The County of Lorain does not identify delinquent collections by the year for which the tax was levied, however is working on providing this information.

(2) Total collections includes prior year delinquencies collected in current year.

Source: County Auditor, Lorain County, Ohio

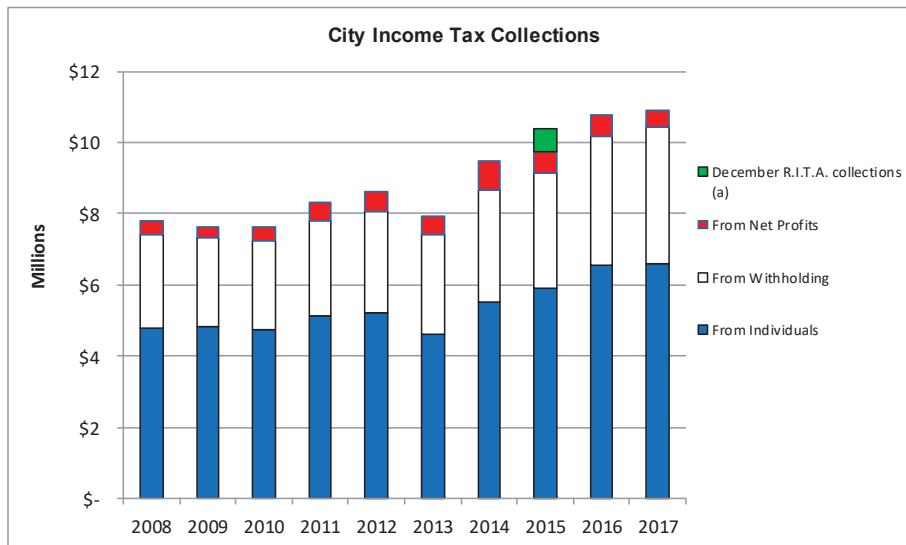
City of North Ridgeville, Ohio
City Income Tax Collections
Last Ten Years
(Cash Basis of Accounting)

Collection Year	Total Taxes Collected	From Individuals		From Withholding		From Net Profits	
		\$	%	\$	%	\$	%
2017	\$10,904,745	\$6,609,406	60.6%	\$3,825,988	35.1%	\$469,351	4.3%
2016	10,785,277	6,568,453	60.9%	3,593,264	33.3%	623,560	5.8%
2015	9,754,045	5,893,031	60.4%	3,255,377	33.4%	605,637	6.2%
2014	9,497,902	5,513,411	58.0%	3,162,254	33.3%	822,237	8.7%
2013 (a)	7,912,952	4,616,665	58.3%	2,812,844	35.5%	483,443	6.1%
2012	8,622,855	5,222,599	60.6%	2,854,160	33.1%	546,096	6.3%
2011	8,326,062	5,149,286	61.8%	2,660,559	32.0%	516,217	6.2%
2010	7,619,773	4,737,423	62.2%	2,492,438	32.7%	389,912	5.1%
2009	7,614,912	4,810,724	63.2%	2,519,471	33.1%	284,717	3.7%
2008	7,792,580	4,800,969	61.6%	2,617,135	33.6%	374,476	4.8%

Note: The City's income tax rate is 1%

Source: City Income Tax Department

(a) - Effective January 1, 2013, the City engaged the Regional Income Tax Agency (R.I.T.A.) a regional council of governments, to collect the City's municipal income taxes. Taxes collected by R.I.T.A. are submitted to the City the month following collection. December 2013 collections of \$ 651,439 were submitted to the City in January 2014, resulting in the comparison disparity in year 2013.



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City of North Ridgeville, Ohio
Ratio of Outstanding Debt by Type
Last Ten Years

Fiscal Year	Governmental Activities						Total Governmental Activities
	Bond Anticipation Notes	General Obligation Bonds	Special Assessment Bonds	Ohio Public Works Loans	Capital Lease	Loan Payable	
2017	\$6,900,000	\$10,686,806	\$843,944	\$841,482	\$333,171	\$180,000	\$19,785,403
2016	4,400,000	11,392,533	882,074	935,033	54,472	240,000	17,904,112
2015	922,000	3,764,977	920,204	1,027,547	82,488	300,000	7,017,216
2014	513,000	4,248,208	985,792	1,120,603	111,561	360,000	7,339,164
2013	2,541,000	3,310,000	60,000	1,282,243	137,266	420,000	7,750,509
2012	2,421,000	3,785,000	90,000	848,705	56,480	480,000	7,681,185
2011	2,396,000	4,250,000	115,000	919,596	81,187	445,140	8,206,923
2010	2,546,000	4,950,000	140,000	683,565	104,066	481,380	8,905,011
2009	2,526,000	5,700,000	165,000	739,742	0	229,680	9,360,422
2008	0	6,635,000	190,000	795,919	0	0	7,620,919

Fiscal Year	Business-type Activities							Total Business-type Activities
	Bond Anticipation Notes	General Obligation Bonds	Special Assessment Bonds	Ohio Public Works Loans	Capital Lease	Ohio Water Development Authority Loan	Water Rights ETL-2 Loan	
2017	\$0	\$18,302,162	\$1,284,000	\$21,125	\$152,022	\$791,359	\$564,735	\$21,115,403
2016	0	20,156,757	1,410,000	29,576	11,994	969,748	595,940	23,174,015
2015	9,375,000	12,899,819	1,630,000	38,027	18,164	1,140,975	625,986	25,727,971
2014	2,300,000	14,221,000	1,745,000	46,478	24,566	1,305,327	654,916	20,297,287
2013	964,000	15,340,000	1,855,000	54,929	30,227	1,463,080	682,772	20,390,008
2012	1,434,000	16,885,000	1,960,000	63,680	3,155	1,614,500	709,593	22,669,928
2011	1,659,000	18,370,000	2,060,000	71,831	4,536	1,759,840	735,418	24,660,625
2010	524,000	19,805,000	2,155,000	80,282	5,815	1,899,345	760,284	25,229,726
2009	299,000	21,185,000	2,245,000	88,733	0	2,033,249	782,265	26,633,247
2008	0	22,510,000	2,335,000	97,184	0	2,161,777	782,265	27,886,226

Fiscal Year	Total Primary Government	Percentage of Personal Income (a)	Amount Per Capita (a)
2017	\$40,900,806	3.90%	1,223
2016	41,078,127	4.07%	1,244
2015	32,745,187	3.72%	1,007
2014	27,636,451	3.21%	867
2013	28,140,517	3.33%	900
2012	30,351,113	3.67%	992
2011	32,867,548	4.04%	1,093
2010	34,134,737	4.27%	1,154
2009	35,993,669	7.01%	1,611
2008	35,507,145	6.92%	1,590

(a) See schedule of Demographic Statistics for personal income and population data S 35.

Source: City financial records.

City of North Ridgeville, Ohio
Ratio of Net General Obligation Bond Debt to Assessed Value
And Net General Obligation Bonded Debt per Capita
Last Ten Years

Year	Gross Debt Value (1)	Debt Service Funds Available	Net Bonded Debt	Assessed Value (2)	Population (3)	Ratio of Net Debt to Assessed Value	Net Bonded Debt Per capita
2017	\$28,988,968	\$1,038,498	\$27,950,470	\$790,267,220	33,436	3.54%	\$836
2016	31,549,290	886,508	30,662,782	769,981,300	33,030	3.98%	928
2015	16,664,796	130,010	16,534,786	715,395,780	32,512	2.31%	509
2014	18,469,208	70,061	18,399,147	700,768,140	31,886	2.63%	577
2013	18,650,000	24,180	18,625,820	679,673,330	31,278	2.74%	595
2012	20,670,000	21,072	20,648,928	731,620,870	30,584	2.82%	675
2011	22,620,000	94,952	22,525,048	718,948,030	30,074	3.13%	749
2010	24,755,000	189,632	24,565,368	703,817,511	29,587	3.49%	830
2009	26,885,000	121,584	26,763,416	721,597,166	22,338	3.71%	1,198
2008	19,006,000	107,649	18,898,351	697,214,164	22,338	2.71%	846

(1) Amount excludes special assessment bonds and includes bonds payable from Enterprise revenues.

(2) Source: County Auditor, Lorain County, Ohio; (reflects collection year)

(3) U.S. Census Bureau

City of North Ridgeville, Ohio
Direct and Overlapping Governmental Activities Debt
December 31, 2017

	General Tax Supported Debt Outstanding	Overlapping Percentage Applicable to City (1)	Amount Applicable to City	Amount Per Capita (2)	% of City's Current Assessed Valuation (3)
City of North Ridgeville	<u>\$19,785,403</u>	<u>100.00%</u>	<u>\$19,785,403</u>	<u>\$599.87</u>	<u>2.42%</u>
Lorain County (4)	46,700,000	11.97%	5,589,990	169.48	0.69%
North Ridgeville City Schools (5)	55,399,944	100.00%	55,399,944	1,679.65	6.79%
Lorain County Joint Vocational School	<u>2,434,319</u>	13.46%	<u>327,659</u>	<u>\$9.93</u>	<u>0.04%</u>
Subtotal, overlapping debt	<u>104,534,263</u>		<u>61,317,593</u>	<u>1,859.06</u>	<u>7.52%</u>
Total direct and overlapping debt	<u><u>\$124,319,666</u></u>		<u><u>\$81,102,996</u></u>	<u><u>\$2,458.93</u></u>	<u><u>9.94%</u></u>

(1) Percentages were determined by dividing the assessed valuation at the political subdivision located within the boundaries of the City by the total assessed valuation of the subdivision. The City and North Ridgeville City Schools boundaries are co-terminus.

(2) Based on 2016 Census of 32,983

(3) The City's assessed valuation was \$ 816,031,180 for collection year 2018 and \$ 790,267,220 for collection year 2017 .

(4) Source: County Auditor, Lorain County, Ohio

(5) Source: North Ridgeville Board of Education

City of North Ridgeville, Ohio
Computation of Legal Debt Margin
Last Ten Years

(Amounts in thousands)

	2017	2016	2015	2014
Assessed value (assessment year)	<u>\$816,031</u>	<u>\$790,267</u>	<u>\$769,981</u>	<u>\$715,396</u>
Legal Debt Margin:				
Debt limitation - 10.5 percent of assessed value	<u>\$85,683</u>	<u>\$82,978</u>	<u>\$80,848</u>	<u>\$75,117</u>
Debt applicable to limitation				
General obligation bonds	26,862	27,470	15,775	18,469
Special assessment bonds	2,128	4,085	3,440	2,731
Bond anticipation notes	<u>6,900</u>	<u>5,014</u>	<u>10,490</u>	<u>3,063</u>
Gross indebtedness				
Total Voted and Unvoted Debt	<u>35,890</u>	<u>36,569</u>	<u>29,705</u>	<u>24,263</u>
Less: Debt outside limitations				
Self-supporting GO Water	2,740	3,070	3,490	2,653
Self-supporting GO Sewer	14,282	14,815	18,625	13,868
Special assessment	2,128	2,372	2,550	2,731
Tax increment financing	<u>203</u>	<u>405</u>	<u>440</u>	<u>485</u>
Total Debt Outside Limitations	<u>19,353</u>	<u>20,662</u>	<u>25,105</u>	<u>19,737</u>
Total nonexempt debt	16,537	15,907	4,600	4,526
Less: Amount available in debt service fund to pay debt applicable to limitation	<u>817</u>	<u>798</u>	<u>17</u>	<u>0</u>
Net debt within 10.5% limitation	<u>15,720</u>	<u>15,109</u>	<u>4,583</u>	<u>4,526</u>
Debt leeway within 10.5% limitation	<u>\$69,963</u>	<u>\$67,869</u>	<u>\$76,265</u>	<u>\$70,591</u>
<hr/>				
Unvoted debt limitation - 5.5% of assessed valuation				
Debt limitation: 5.5% of assessed value	<u>\$44,882</u>	<u>\$43,464</u>	<u>\$42,348</u>	<u>\$39,347</u>
Gross indebtedness authorized by City Council	36,390	36,569	29,705	24,263
Less: Debt outside limitations	19,353	20,662	25,105	19,737
Voted debt	<u>7,605</u>	<u>7,845</u>	<u>0</u>	<u>0</u>
	<u>26,958</u>	<u>28,507</u>	<u>25,105</u>	<u>19,737</u>
Debt within 5.5% limitation	9,432	8,062	4,600	4,526
Less: Amount available in debt service fund to pay debt applicable to limitation	<u>229</u>	<u>96</u>	<u>17</u>	<u>0</u>
Net debt within 5.5% limitation	<u>9,203</u>	<u>7,966</u>	<u>4,583</u>	<u>4,526</u>
Debt leeway within 5.5% unvoted debt limitation	<u>\$35,679</u>	<u>\$35,498</u>	<u>\$37,765</u>	<u>\$34,821</u>

Source: City Financial Records

2013	2012	2011	2010	2009	2008
<u>\$700,768</u>	<u>\$679,673</u>	<u>\$731,620</u>	<u>\$718,948</u>	<u>\$703,818</u>	<u>\$721,597</u>
\$73,581	\$71,366	\$76,820	\$75,489	\$73,900	\$75,767
18,650	20,670	22,620	24,755	26,885	29,145
1,915	2,050	2,175	2,295	2,410	2,525
3,505	3,855	4,055	3,670	2,825	0
24,070	26,575	28,850	30,720	32,120	31,670
2,950	3,465	4,190	4,445	4,910	5,345
12,890	14,390	15,375	15,360	16,275	17,165
2,842	2,960	3,075	3,179	3,278	2,517
525	565	605	645	680	775
19,207	21,380	23,245	23,629	25,143	25,802
4,863	5,195	5,605	7,091	6,977	5,868
0	0	0	0	0	0
4,863	5,195	5,605	7,091	6,977	5,868
<u>\$68,718</u>	<u>\$66,171</u>	<u>\$71,215</u>	<u>\$68,398</u>	<u>\$66,923</u>	<u>\$69,899</u>
\$38,542	\$37,382	\$40,239	\$39,542	\$38,710	\$39,687
24,070	26,575	28,850	30,720	32,120	31,670
19,207	21,380	23,245	23,629	25,143	25,802
0	0	0	0	0	0
19,207	21,380	23,245	23,629	25,143	25,802
4,863	5,195	5,605	7,091	6,977	5,868
0	0	0	0	0	0
4,863	5,195	5,605	7,091	6,977	5,868
<u>\$33,679</u>	<u>\$32,187</u>	<u>\$34,634</u>	<u>\$32,451</u>	<u>\$31,733</u>	<u>\$33,819</u>

City of North Ridgeville, Ohio
Pledged Revenue Coverage
Last Ten Years

	Governmental Activities			
	Special Assessment	Debt Service		Coverage Ratio
	Collections	Principal	Interest	
2017	\$0	\$38,130	\$29,684	0.00
2016	225	38,130	30,542	0.00
2015	21,687	65,588	32,454	0.22
2014	35,653	30,000	2,356	1.10
2013	36,298	30,000	3,450	1.09
2012	35,884	25,000	4,350	1.22
2011	38,870	25,000	5,225	1.29
2010	32,607	25,000	6,037	1.05
2009	37,738	25,000	6,974	1.18
2008	34,417	24,000	7,574	1.09

	Business-type Activities			
	Special Assessment	Debt Service		Coverage Ratio
	Collections	Principal	Interest	
2017	\$192,026	\$126,000	\$38,915	1.16
2016	217,933	1,654,000	61,824	0.13
2015	184,054	115,000	78,845	0.95
2014	190,289	110,000	83,383	0.98
2013	306,887	105,000	87,714	1.59
2012	178,023	100,000	91,714	0.93
2011	160,999	95,000	95,514	0.85
2010	179,202	90,000	99,114	0.95
2009	168,733	90,000	102,714	0.88
2008	198,216	85,000	106,114	1.04

Source: City Financial Records

City of North Ridgeville, Ohio
Demographic Statistics
Last Ten Years

Year	Population (1)	Per Capita Income (1)	Personal Income	Public School Enrollment (2)	Unemployment Rate (3)		
					Metro Area	State	Country
2017	33,436	\$31,399	\$1,049,856,964	4,353	6.2%	5.3%	4.6%
2016	33,030	30,577	1,009,958,310	4,034	4.9%	5.4%	5.1%
2015	32,512	27,040	879,124,480	4,003	4.8%	4.9%	5.4%
2014	31,886	27,040	862,197,440	4,100	6.2%	5.7%	6.2%
2013	31,278	27,040	845,757,120	3,965	7.5%	7.4%	7.4%
2012	30,584	27,040	826,991,360	3,964	7.1%	7.2%	8.1%
2011	30,074	27,040	813,200,960	3,841	7.7%	8.6%	8.9%
2010	29,587	27,040	800,032,480	3,826	9.2%	10.1%	9.6%
2009	22,338	22,971	513,126,198	3,795	9.1%	10.2%	9.3%
2008	22,338	22,971	513,126,198	3,630	6.8%	6.5%	5.8%

Sources: (1) U.S. Census Bureau

(2) North Ridgeville Board of Education

(3) Ohio Department of Jobs and Family Services and U.S. Department of Labor and Bureau of Labor Statistics.

City of North Ridgeville, Ohio
Principal Employers
December 31, 2017 and December 31, 2008

Employer	Nature of Activity or Business	Approximate Number of Employees (1)	Percent of Total
North Ridgeville City School District	Public education	639	5.2%
All American Sports Corp	Manufacturer of helmets	412	3.4%
Beckett Gas, Inc.	Manufacturer of gas burners	245	2.0%
Invacare Corporation	Manufacturer of wheelchairs	245	1.7%
Center Ridge Nursing Home Inc	Skilled nursing home facility	190	1.6%
City of North Ridgeville, Ohio	Municipal government	188	1.5%
Beckett Air, Inc.	Manufacturer of blowers	138	1.1%
R. W. Beckett Corporation	Manufacturer of oil burners	137	1.1%
University Hospitals Health Systems	Healthcare	126	1.0%
Lake Ridge Academy	Private education	114	0.9%
Total of all employees within the city		12,185	

Source: Regional Income Tax Agency

December 31, 2008

Employer	Nature of Activity or Business	Approximate Number of Employees (1)	Percent of Total
North Ridgeville City School District	Public education	490	3.3%
Invacare Corporation	Manufacturer of wheelchairs	370	2.5%
Beckett Gas, Inc.	Manufacturer of gas burners	230	1.6%
R.W. Beckett Corporation	Manufacturer of oil burners	210	1.4%
City of North Ridgeville, Ohio	Municipal government	210	1.4%
Center Ridge Nursing Home, Inc.	Skilled nursing home facility	200	1.4%
Northridge Health Center	Skilled nursing home facility	200	1.4%
Beckett Air, Inc.	Manufacturer of blowers	140	1.0%
Estes Express Lines	Freight carrier	140	1.0%
Riser Foods Company	Retail grocery	115	0.8%
Total of all employees within the city		14,700	

Sources: "2006 Harris Ohio Services Directory" in cooperation with the Ohio Department of Development; respective employers.

(1) Approximate number of employees within the City.

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City of North Ridgeville, Ohio
 Full-Time Equivalent City Government Employees by Function
 Last Ten Fiscal Years

Function	2017	2016	2015	2014
<u>Security of persons and property</u>				
Mayor's court	3	3	3	3
Police department	50	50	49	51
Fire department	36	36	37	37
<u>Public health and welfare</u>				
Senior center	6	6	6	6
<u>Leisure time activities</u>				
Parks and recreation	3	3	3	3
<u>Community environment</u>				
Building	6	6	7	7
Engineering	6	6	6	6
<u>Transportation</u>				
Street department	20	20	19	20
<u>General government:</u>				
Council	6	6	6	6
Mayor	2	2	2	2
Finance	7	7	6	7
Income tax	0	0	0	0
Safety service	2	2	2	2
Legal	3	3	3	3
Computer services	2	2	2	2
Public grounds maintenance	6	5	6	6
Other	2	2	2	1
<u>Sewer</u>				
Treatment Plant	17	18	19	20
Operations	7	7	7	7
<u>Water</u>				
	14	14	14	14
Total	<u>198</u>	<u>198</u>	<u>199</u>	<u>203</u>

Source: Various City departments

Note: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time equivalent of part-time employment is calculated by dividing total labor hours by 2,080.

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
3	3	3	3	3	3
51	50	50	53	51	51
38	37	37	33	37	37
6	6	6	6	6	6
3	3	3	2	3	3
7	7	6	8	8	8
7	7	7	8	8	8
21	20	17	20	20	19
6	6	6	6	6	6
2	2	2	2	2	2
7	6	6	6	6	6
1	3	3	3	3	3
2	2	2	2	2	2
3	3	3	3	3	3
2	1	1	2	2	2
6	6	6	6	7	7
1	1	0	2	2	2
20	21	21	22	22	22
7	9	9	7	7	7
<u>13</u>	<u>12</u>	<u>12</u>	<u>13</u>	<u>14</u>	<u>14</u>
<u><u>206</u></u>	<u><u>205</u></u>	<u><u>200</u></u>	<u><u>207</u></u>	<u><u>212</u></u>	<u><u>211</u></u>

City of North Ridgeville, Ohio
Operating Indicators by Function / Program
Last Ten Years

Function/Program	2017	2016	2015	2014
Police				
Dispatch, calls for service	31,552	34,772	33,504	34,305
Physical arrests	1,239	6,889	6,379	6,469
Persons incarcerated	270	640	296	621
Average daily population	2	0.1	0.9	1.7
Traffic accidents	562	601	636	610
Parking citations	211	202	506	772
Animal warden, calls for service	319	851	714	883
Fire / EMS				
Emergency responses - EMS	3,109	2,817	2,618	2,436
Persons treated	2,312	2,177	2,197	2,547
Emergency responses - fire	553	473	642	603
Fires extinguished	50	37	82	67
Building fires extinguished	20	25	25	24
Building department				
Building permits issued	2,017	1,977	1,899	2,032
Number of inspections	8,925	8,894	8,437	9,852
Estimated value of construction (thousands of dollars)				
Residential - new	35,532	33,441	\$31,844	\$34,693
Residential - other	9,487	14,244	\$9,377	\$7,930
Commercial - new	24,660	22,173	\$55,737 (b)	\$1,205
Commercial - other	6,450	6,162	\$2,481	\$2,938
Total	<u>\$76,129</u>	<u>\$76,020</u>	<u>\$99,439</u>	<u>\$46,766</u>
Engineering department				
Construction plan review - hours	209	263	217	124
Residential lots approved	216	201	200	231
Municipal income tax (year filed) (c)				
Returns filed - individuals	34,843	17,422	15,944	15,605
Returns filed - other	3,317	2,808	2,822	2,152
Park and recreation				
Program participants		12,058	12,436	9,704
Office of Older Adults				
Meals-on-Wheels, meals served	8,323	10,408	6,904	9,930
Activities, participants	11,606	11,128	10,597	9,894
Transportation, riders	2,481	2,749	2,650	2,578
Water				
New connections	225	209	205	248
Average daily consumption (thousands of gallons)	2,433	2,137	2,068	1,999
Water suppliers	3	3	3	3
Water main breaks	19	23	33	15
Wastewater (d)				
Average daily flow treated (thousands of gallons)	5,857	4,753	4,875	5,461
Average daily flow treated				
from North Ridgeville City (thousands of gallons)	3,311	3,038	2,886	3,225
New taps - City	218	209	205	248

Source: Various City departments

(a) Position was vacant in 2009 and part of 2010.

(b) Amount includes a \$ 52,000 permit for the North Ridgeville City School District's School Facilities Project.

(c) Effective January 1, 2013, the City engaged the Regional Income Tax Agency (R.I.T.A.), a regional council of governments, to collect its municipal income taxes.

(d) Volume declines result, in part, from continued improvements made to remedy outside storm water infiltration.

2013	2012	2011	2010	2009	2008
37,415	34,439	38,971	36,520	39,078	46,048
6,646	7,194	7,418	4,292	4,842	5,743
314	483	434	472	547	653
0.8	2.6	2.7	2.5	2.7	3.4
582	576	597	610	546	586
556	237	248	162	158	214
769	670	509	679 (a)	(a)	807
2,371	2,488	2,369	2,380	2,111	1,998
2,643	2,501	2,386	2,372	2,142	2,004
545	595	577	594	535	600
55	60	54	71	66	58
23	22	24	29	23	15
1,897	2,083	2,582	1,768	1,608	1,792
9,110	9,332	8,720	9,568	9,998	10,190
\$28,427	\$29,402	\$26,926	\$29,786	\$28,268	\$30,552
\$12,788	\$14,846	\$13,952	\$6,231	\$5,666	\$6,534
\$1,657	\$433	\$14,076	\$1,187	\$1,100	\$911
\$1,319	\$1,738	\$4,405	\$1,475	\$7,762	\$1,668
<u>\$44,191</u>	<u>\$46,419</u>	<u>\$59,359</u>	<u>\$38,679</u>	<u>\$42,796</u>	<u>\$39,665</u>
209	138	188	133	174	309
224	249	180	236	203	245
15,400	15,217	15,146	14,757	14,387	13,465
2,200	2,222	2,169	2,199	2,149	2,031
9,228	7,742	8,036	8,561	7,918	7,424
10,965	11,721	10,927	12,021	10,551	10,590
9,852	9,222	8,368	8,437	8,222	9,731
2,525	2,280	2,635	2,491	2,802	3,089
238	260	194	282	238	302
2,034	2,192	2,056	2,190	2,102	2,117
3	3	3	3	3	3
21	38	40	23	26	53
5,938	5,840	6,170	4,585	5,712	5,890
3,706	3,697	3,508	2,514	2,434	2,683
238	260	194	282	238	302

City of North Ridgeville, Ohio
Capital Asset Statistics by Function / Program
Last Ten Years

Function/Program	2017	2016	2015	2014
Police				
Police stations	1	1	1	1
Vehicles	45	52	52	52
Fire / EMS				
Fire / EMS stations	2	2	2	2
Fire vehicles	6	6	6	7
EMS vehicles	6	6	6	6
Building department				
Vehicles	4	7	7	7
Engineering department				
Vehicles	4	5	5	5
Transportation				
Streets (lane miles)	322	316	314	310
Storm sew ers (miles)	120	113	113	113
Service vehicles	56	48	46	42
Parks and recreation				
City parks	5	5	5	5
Acreage - parks	184	184	184	184
Buildings	5	5	5	5
Baseball / softball fields	13	13	13	13
Football fields	4	4	4	4
Soccer fields	6	6	6	6
City Hall				
City Hall	1	1	1	1
Waterlines (miles)				
Waterlines (miles)	140	136	133	129
Wastewater				
Treatment plant	1	1	1	1
Sew erlines - City (miles)	133	130	128	124

Source: Various City departments

2013	2012	2011	2010	2009	2008
1	1	1	1	1	1
52	48	51	43	54	44
2	2	2	2	2	2
8	8	8	8	8	8
6	6	5	4	4	5
7	7	7	7	7	7
5	5	5	5	5	5
310	306	303	299	297	294
113	110	108	106	104	100
42	40	41	37	39	40
5	5	5	5	5	5
184	184	184	184	181	159
5	5	5	5	4	4
13	13	13	13	13	13
4	4	4	4	4	4
6	6	6	6	6	6
1	1	1	1	1	1
129	127	127	126	125	123
1	1	1	1	1	1
124	121	121	120	119	115



City of North Ridgeville, Ohio

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Phone: 440.353.0851 www.nridgeville.org



Dave Yost • Auditor of State

CITY OF NORTH RIDGEVILLE

LORAIN 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
OCTOBER, 2 2018