

Wood County, Ohio



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2018

OHIO AUDITOR OF STATE
KEITH FABER



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Columbus, Ohio 43215
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City Council
City of Rossford
133 Osborne Street
Rossford, Ohio 43460

We have reviewed the *Independent Auditor's Report* of the City of Rossford, Wood County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2018 through December 31, 2018. 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 Rossford is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

June 26, 2019

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2018

Issued by:
Department of Finance
Karen M. Freeman
Director

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WOOD COUNTY, OHIO

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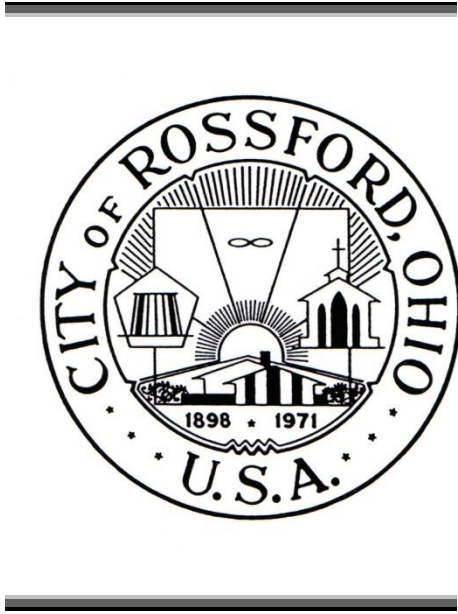
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INTRODUCTORY SECTION





City of Rossford, Ohio

133 Osborn Street

Rossford, Ohio 43460-1236

Phone (419) 666-0210

Fax (419) 661-4279

May 31, 2019

Introduction

To the Honorable Mayor, the City Council and the Citizens of the City of Rossford, Ohio:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Rossford for the year ended December 31, 2018. All municipalities within the State of Ohio are required to submit financial statements, prepared in accordance with accounting principles generally accepted in the United States of America, annually to the Auditor of State of Ohio and to have those financial statements audited. This CAFR is prepared and audited to meet this requirement as well as provide the additional information required by the certificate program.

Management, especially the Department of Finance, assumes full responsibility for the completeness and reliability of the information contained within this report, based upon a comprehensive framework of internal controls that has been established over financial reporting. Because the cost of the internal control structure implemented should not exceed the anticipated benefits of such controls, the objective within the framework is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The Auditor of State of Ohio is the official independent auditor of the City by statute. However, as permitted, the Auditor's Office has determined to contract the annual audit to a certified public accounting firm. In conjunction with the Auditor's Office, the City selected Plattenburg and Associates, Certified Public Accountants, to perform the independent audit of the 2018 financial statements. The unmodified ("clean") opinion issued by Plattenburg on the City's financial statements for the year ended December 31, 2018 is located at the front of the financial section of this report.

Accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditors' report.

***Letter of Transmittal
For the Year Ended December 31, 2018***

PROFILE OF THE CITY OF ROSSFORD

Rossford was first settled in 1989 by Edward Ford, founder of the Edward Ford Plate Glass Company, who constructed his plant across the Maumee River from Toledo. The Edward Ford Plate Glass Company, now Pilkington North America, attracted workers to the area who established a community around the facility. Rossford was incorporated as a village in 1940 and became a city in 1971. The City with an estimated population of 6,499 for 2016, is an ethnic community with a population mix consisting primarily of middle-eastern European nationalities (e.g. Polish, Czechoslovakian, German and Ukrainian). Most of the early residents were employed at the glass plant and today, several generations later many descendants of the original settlers continue to work in the area for automotive manufacturers and suppliers.

The City is located on the banks of the Maumee River. Rossford abuts the southeast boundary of the City of Toledo and is in northern Wood County. North-south interstate highway I-75 and east-west interstate I-80/90, the longest interstate highway in the U.S., intersect inside the City limits. Interstate highway I-75 has three interchanges within the City, and I-80/90 (the Ohio Turnpike) Gate 54 is in an area known as the "Crossroads of America", which was annexed to Rossford in 1994. The City is also served by state highways 65 and 795. CSX rail lines are located within the City and the Toledo Area Regional Transit Authority provides local bus service. Toledo Express Airport, 15 miles west, Detroit Metro Airport, 60 miles north, and Toledo Executive Airport (formerly Metcalf Field) 5 miles east, all provide air transportation. Toledo Express Airport provides ready access to international air cargo services.

The City operates under the council-mayor form of government. Policy-making and legislative authority are vested in the seven-member City Council, all of whom are elected at large for rotating terms of four years, or until their successors are chosen and qualified. The Mayor is also elected to four year terms and serves as the chief executive officer of the City. To assist in the day-to-day administration of the City, the Mayor appoints a City Administrator as well as the heads of the various departments, in consultation with City Council.

The City Council is required to adopt the annual appropriation measure around the beginning of each year. The appropriation measure serves as the foundation of the City financial planning process by allocating available resources to the functions/activities based on the priorities of City Council. The measure is prepared for each fund at the major object level (personal services, contract services, materials and supplies, capital outlay and transfers). Any appropriation adjustments within these classifications for each fund may be made by management; however, any adjustments that modify appropriations of funds or major object levels within the funds must be approved by Council.

***Letter of Transmittal
For the Year Ended December 31, 2018***

Local Economy

In the 1990's the City of Rossford initiated a planned growth program to diversify the City's economic financial base. This program resulted in the annexation of 1,097 acres of primarily farmland located at the intersection of I-80/90 and I-75. Locally, the area is referred to as the "Crossroads of America" or "Crossroads." The City, with regional partners constructed roadways, water lines, sanitary sewers, and storm-water infrastructure improvements to induce private commercial and industrial development. Development has been proceeding at a steady pace with the construction of the Crossroads Center, a multi store retail center, Meijer's, Bass Pro Shops, Meridian Retail Shops and other private investment, which have turned SR 20 into a regional retail/commercial corridor. In 2018, two sports domes designed to host team practices and tournaments were constructed this area, and an 87 acre industrial park (Harmon Business Park) was established. Today, the income tax collected by the City of Rossford from the Crossroads area represents approximately 15% of the City's total income tax collections.

The City is aggressively seeking new development by cooperating with private developers to secure investment in the City and through participation in the Wood County Economic Development Commission and with the Wood County Port Authority. Two Community Entertainment Districts' comprising 203 acres have been created by the City of Rossford under authority of Ohio Revised Code 4301.80. The intended development purposes called out in ORC 4301.80 directly identifies hotels, restaurants, retail sales establishments, enclosed shopping centers, motion picture theaters, convention facilities, sports facilities, educational facilities, and entertainment complexes, all of which are distinct and potential uses for the property and are provided for under the City of Rossford's zoning code.

In 2012, Hollywood Casino, one of four casinos permitted in the State of Ohio, opened in the City of Toledo. The site picked by Penn National for the Toledo casino is immediately adjacent to the City of Rossford on State Route 65. The State of Ohio, Department of Transportation is in the planning stages of replacing the I-75 bridge over the Maumee River adjacent to the Casino. Associated with this bridge replacement project construction of a new access road near the interchange began in 2017. This road will provide access to approximately 50 acres of now undeveloped land in the City. The private sector has shown an interest in this area, looking to expand the entertainment potential of the Hollywood Casino.

The City collects a 6% hotel/motel tax of which one quarter of the collections is committed to support the Rossford Visitors & Convention Bureau (RVCB) and its outreach activities. Revenues from the hotel/motel tax continue to improve year to year. With increased marketing the City expects to see continued growth in these revenues, due to activities attracting overnight guests and additional beds added in 2017. The RVCB opened an office within the City with part-time staff. They continue to look at new ventures to promote the city.

***Letter of Transmittal
For the Year Ended December 31, 2018***

Relevant Financial Policies

The City has instituted financial controls with the primary objective of reducing the potential for fraud or misappropriation, but also with the objective of improving accuracy, collections, and financial reporting. In 2007, the City of Rossford began working with a payroll service to improve the handling of payroll matters and in July 2009, the City joined the Regional Income Tax Agency (R.I.T.A) council of governments, which has allowed the City to expand its income tax tracking, billing and collection efforts while reducing the cost of the tax administration function. Additionally, all tax payments are sent directly to R.I.T.A., and any adjustments to balances due must be jointly approved by the City and R.I.T.A. staff. These moves improved reporting while reducing required staffing and costs and strengthened separation of duties. In 2013, the City installed new finance software, with greater security features, that allow the City to "lock in" separations of duty.

Long-Term Financial Planning

The City produces a 5-year forecast of revenues and expenses which serves as the basis for long-term financial planning. The City refinanced its 2001 and 2002 bond series along with several bond anticipation notes in 2012. This significantly lowered the amount of general obligation debt carried by the City. In the future, it is the City's intention to issue only long-term debt instruments where there is an offsetting revenue stream from a special assessment, levy or service fees.

A significant factor for long-term financial planning was the cost of improving and maintaining the infrastructure of the sanitary sewer and water systems. In 2010, the City signed an agreement to join the Northwestern Water and Sewer District beginning in 2011. The District owns the water and sewer infrastructure within the City and provides for the continuation, development, and support of sanitary-sewer and water systems. In 2012, Northwestern Water and Sewer District assumed all the debt associated with sanitary sewer and water system infrastructure. In 2014, the District completed an update the sanitary sewer system that eliminated sanitary overflows and completed water distribution improvements.

***Letter of Transmittal
For the Year Ended December 31, 2018***

Major Initiatives

In 2014, the City completed an evaluation of the roadway system rating the pavement condition on all roadways within the City. Using this data, Council's Public Works Committee laid out a five-year road improvement schedule which also includes federal aid projects that have been awarded to the City. This plan resulted in the reconstruction of SR 65 through Rossford and allowed the City to improve the storm water system in this area. The plan is scheduled to be updated during 2019.

During 2017, the City of Rossford joined the Wood County Storm Water Management program coordinated by the office of the Wood County Engineer, improving the City's storm water management practices.

The City of Rossford, the first city in Wood County to become part of the Treasure of the State of Ohio's Open Checkbook initiative, continued its participation and has 5 years of expense data on the State website increasing the financial transparency of city operations.

Two new "rolling" TIF districts were created in 2017. One comprised of 74 acres across from the Hollywood Casino along SR 65 at the northeast corner of the City. The second was created by carving out undeveloped parcels in the "Crossroads" that were part of the TIF district created in 2000. These undeveloped parcels (514 acres) became part of a new rolling TIF that will extend the time horizon for collection of payments in lieu of taxes over the time it takes to fully develop the properties.

Awards and Acknowledgements

The publication of this report represents an important achievement in the ability of the City of Rossford to provide significantly enhanced financial information and accountability to the citizens, its elected officials, city administration, and investors. In addition to the citizens of Rossford, the recipients of this report will include city, state and federal officials, schools, libraries, newspapers, investment banking firms, banks and rating agencies. The report is made available to any person or organization requesting it. The extensive effort to prepare and distribute this report is indicative of the continued efforts of the city to improve its overall financial accounting, management and reporting capabilities.

The City received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting in 2017. We believe our 2018 CAFR meets the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for a certificate.

CITY OF ROSSFORD, OHIO

***Letter of Transmittal
For the Year Ended December 31, 2018***

Special acknowledgment is extended to the staff of Donald J. Schonhardt and Associates for their continued guidance in the preparation of this. Finally, special thanks to Mayor Neil MacKinnon, III and the members of the Rossford City Council for their vision and commitment to sound municipal management and to the City Directors and their staff whose support is necessary for the City of Rossford to conform to reporting requirements established for municipal governments.

Respectfully,

The image shows two handwritten signatures in black ink. The signature on the left is 'Edward J. Ciecka' and the signature on the right is 'Karen M. Freeman'. Both are written in a cursive, flowing style.

Edward J. Ciecka
Interim City Administrator

Karen M. Freeman
Finance Director

CITY OF ROSSFORD, OHIO

***List of Principal Officials
For the Year Ended December 31, 2018***

Elected Official

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>	<u>Years In Office</u>	<u>Surety</u>
Neil A. MacKinnon, III	Mayor	11/30/2019	7	A
Larry Oberdorf, Sr.	Council President	11/30/2019	14	A
Gerald Staczek	Council Member	11/30/2021	8	A
Robert Ruse	Council Member	11/30/2019	8	A
Caroline Zuchowski-Eckel	Council Member	11/30/2021	14	A
Gregory Marquette	Council Member	11/30/2019	19	A
Christopher Heban	Council Member	11/30/2021	-	A
Robert Densic	Council Member	11/30/2021	-	A

Administrative Personnel

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>	<u>Years Of Service</u>	<u>Surety</u>
Vacant	City Administrator	Indefinite	N/A	A
Karen Freeman	Director of Finance	Indefinite	12	A
Tyler Kolb	Superintendent of Public Works	Indefinite	5	A
Tobiah Ledesma	Director of Recreation	Indefinite	4	A
Todd Kitzler	Police Chief	Indefinite	1	A
Joshua Drouard	Fire Chief	Indefinite	5	A
Kevin Heban	Director of Law	Indefinite	12	A
Robert Watrol	Clerk of Council	11/30/2019	10	A

(A) Public Officials \$5 Million Per Occurrence, \$6 Million Aggregate General Liability.

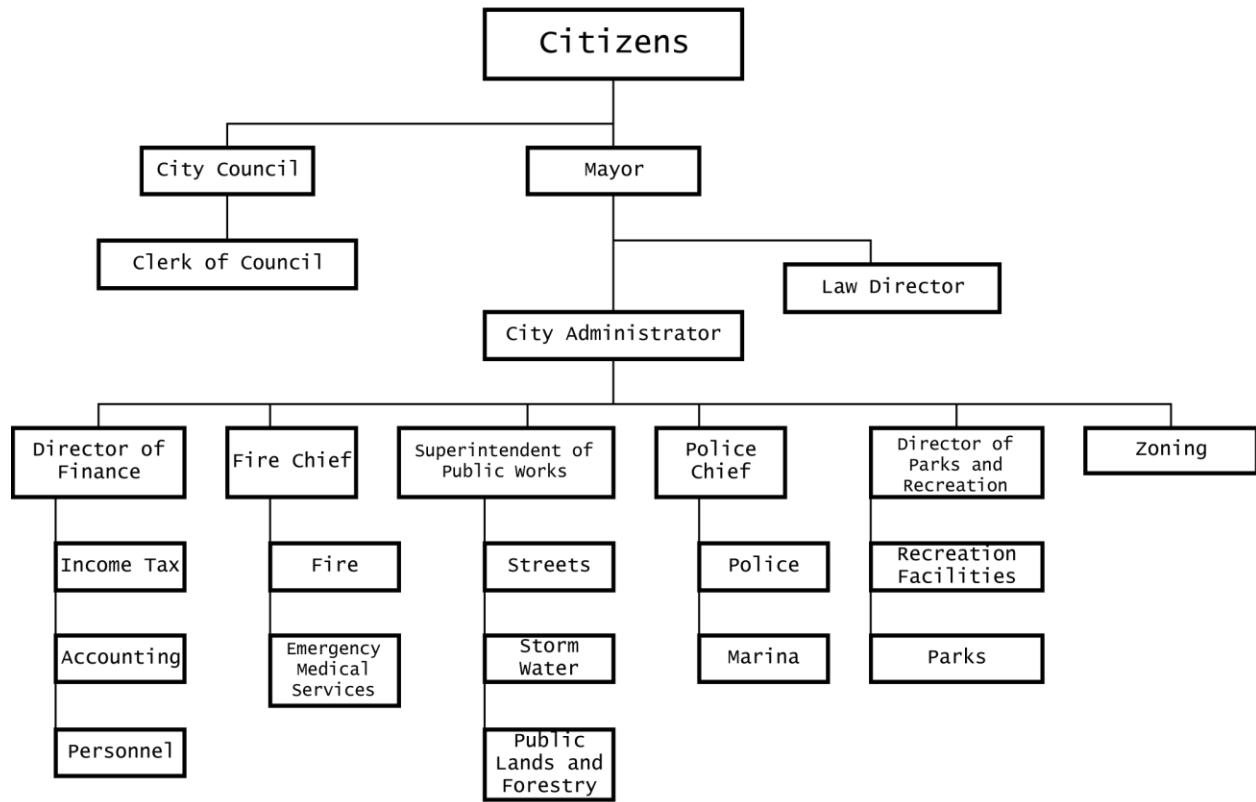
Insurance Term: September 5, 2018 Through September 5, 2019

City Offices:

133 Osborn Street
Rossford, Ohio 43460-1236
Phone (419) 666-0210
FAX (419) 661-4279
<http://rossfordohio.com>

**City Organizational Chart
For the Year Ended December 31, 2018**

City of Rossford



Boards and Commissions

Civil Service Commission
Design Review Commission
Municipal Planning Commission
Records Retention Commission
Street Tree Commission

Board of Tax Review
Board of Zoning Appeals
Recreation Board

*Government Finance Officers Association of the United States and Canada
Certificate of Achievement for Excellence in Financial Reporting*



Government Finance Officers Association

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

Presented to

**City of Rossford
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morrell

Executive Director/CEO



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Rossford

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 Rossford (the City) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements.

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 entity'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 entity'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, as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, during the year ended December 31, 2018, the City adopted the provisions of Government Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pension. We did not modify our opinion regarding this matter.

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 pension information and other postemployment information to 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.

Supplementary and 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 May 31, 2019, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Cincinnati, Ohio
May 31, 2019



***Management's Discussion and Analysis
For the Year Ended December 31, 2018***

Unaudited

The discussion and analysis of the City of Rossford's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2018. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2018 are as follows:

- ❑ In total, net position increased \$2,594,447. Net position of governmental activities increased \$2,568,940 from 2017. Net position of business-type activities increased \$25,507 from 2017.
- ❑ General revenues accounted for \$7.0 million in revenue or 74% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for 26% of total revenues of \$9.5 million.
- ❑ The City had \$6.7 million in expenses related to governmental activities; \$2.4 million of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$7.0 million were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$6.1 million in revenues and \$4.7 million in expenditures. The general fund's fund balance increased \$672,383 to \$7,220,588.
- ❑ Net position for enterprise funds increased by \$25,507.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

These statements are as follows:

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

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

Government-wide Statements

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

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

- Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City you need to consider additional nonfinancial factors such as property tax base, current property tax laws, conditions of the City's streets and general infrastructure and status of growth within the City.

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

- Governmental Activities – Most of the City's programs and services are reported here including security of persons and property, public health and welfare services, leisure time activities, community environment, transportation and general government.
- Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's electric, water, sewer and sanitation services are reported as business-type activities.

Fund Financial Statements

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

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

***Management's Discussion and Analysis
For the Year Ended December 31, 2018***

Unaudited

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

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

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The following tables provide a comparison of the City's net position between 2018 and 2017:

	Governmental Activities		Business-type Activities		Total	
	2018	Restated 2017	2018	Restated 2017	2018	Restated 2017
	Current and other assets	\$21,658,886	\$17,875,964	\$238,593	\$102,251	\$21,897,479
Capital assets, Net	11,129,047	7,993,773	656,104	607,564	11,785,151	8,601,337
Total assets	<u>32,787,933</u>	<u>25,869,737</u>	<u>894,697</u>	<u>709,815</u>	<u>33,682,630</u>	<u>26,579,552</u>
Deferred outflows of resources	1,074,577	1,160,572	16,146	25,825	1,090,723	1,186,397
Net pension liability	3,554,317	4,044,535	48,853	65,378	3,603,170	4,109,913
Net OPEB liability	2,960,390	2,491,624	31,707	28,305	2,992,097	2,519,929
Other long-term liabilities	6,032,084	2,233,118	241,480	180,421	6,273,564	2,413,539
Other liabilities	863,176	611,215	89,568	1,231	952,744	612,446
Total liabilities	<u>13,409,967</u>	<u>9,380,492</u>	<u>411,608</u>	<u>275,335</u>	<u>13,821,575</u>	<u>9,655,827</u>
Deferred inflows of resources	2,461,221	2,227,435	13,812	389	2,475,033	2,227,824
Net position (deficit):						
Net investment in capital assets	6,942,429	6,305,909	414,624	427,143	7,357,053	6,733,052
Restricted	9,801,488	6,946,087	0	0	9,801,488	6,946,087
Unrestricted	1,247,405	2,170,386	70,799	32,773	1,318,204	2,203,159
Total net position	<u>\$17,991,322</u>	<u>\$15,422,382</u>	<u>\$485,423</u>	<u>\$459,916</u>	<u>\$18,476,745</u>	<u>\$15,882,298</u>

The net pension liability (NPL) is reported by the City pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." For fiscal year 2018, the City adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). 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 OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*.

***Management's Discussion and Analysis
For the Year Ended December 31, 2018***

Unaudited

GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the City's proportionate share of each plan's collective:

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

GASB notes that pension and OPEB 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 and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of these liabilities. 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 Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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 retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *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 retirement system is responsible for the administration of the pension and OPEB plans.

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 or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required 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 and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68 and GASB 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability, respectively, not accounted for as deferred inflows/outflows. As a result of implementing GASB 75, the City is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2017 from \$17,899,417 to \$15,422,382 for Governmental Activities and from \$487,824 to \$459,916 for Business-type Activities.

CITY OF ROSSFORD, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2018**

Unaudited

Changes in Net Position – The following table shows the changes in net position for the fiscal year 2018 and 2017:

	Governmental		Business-type		Total	
	2018	2017	2018	2017	2018	2017
Revenues						
Program revenues:						
Charges for Services and Sales	\$714,686	\$496,422	\$95,321	\$93,945	\$810,007	\$590,367
Operating Grants and Contributions	304,438	405,404	0	0	304,438	405,404
Capital Grants and Contributions	1,388,157	637,133	1,457	0	1,389,614	637,133
General revenues:						
Property and Other Local Taxes	1,267,629	1,515,676	0	0	1,267,629	1,515,676
Income Taxes	4,394,945	3,928,036	0	0	4,394,945	3,928,036
Payments in Lieu of Taxes	919,053	870,627	0	0	919,053	870,627
Grants and Entitlements not Restricted to Specific Programs	304,844	291,625	0	0	304,844	291,625
Investment Earnings	98,074	46,167	0	0	98,074	46,167
Miscellaneous	19,660	100,935	0	0	19,660	100,935
Total revenues	9,411,486	8,292,025	96,778	93,945	9,508,264	8,385,970
Program Expenses						
Security of Persons and Property	3,422,950	3,361,943	0	0	3,422,950	3,361,943
Leisure Time Activities	512,826	627,617	0	0	512,826	627,617
Community Environment	0	32	0	0	0	32
Basic Utility Services	361,390	330,067	0	0	361,390	330,067
Transportation	556,428	1,730,834	0	0	556,428	1,730,834
General Government	1,602,142	1,763,144	0	0	1,602,142	1,763,144
Interest and Fiscal Charges	213,860	45,892	0	0	213,860	45,892
Storm Water	0	0	107,532	21,013	107,532	21,013
Marina	0	0	136,689	129,385	136,689	129,385
Total expenses	6,669,596	7,859,529	244,221	150,398	6,913,817	8,009,927
Excess (deficiency) before Transfers	2,741,890	432,496	(147,443)	(56,453)	2,594,447	376,043
Transfers In (Out)	(172,950)	(22,950)	172,950	22,950	0	0
Total Change in Net Position	2,568,940	409,546	25,507	(33,503)	2,594,447	376,043
Beginning Net Position, Restated	15,422,382	N/A	459,916	N/A	15,882,298	N/A
Ending Net Position	\$17,991,322	\$15,422,382	\$485,423	\$459,916	\$18,476,745	\$15,882,298

CITY OF ROSSFORD, OHIO

***Management's Discussion and Analysis
For the Year Ended December 31, 2018***

Unaudited

Governmental Activities

The information necessary to restate the 2017 beginning balances and the 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 is not available. Therefore, 2017 functional expenses still include OPEB expense of \$14,589 for Governmental Activities and \$397 for Business-type Activities computed under GASB 45. GASB 45 required recognizing OPEB expense equal to the contractually required contributions to the plan. Under GASB 75, OPEB expense represents additional amounts earned, adjusted by deferred inflows/outflows.

The contractually required contribution is no longer a component of OPEB expense. Under GASB 75, the 2018 statements report OPEB expense of \$249,249 for Governmental Activities and \$3,026 for Business-type Activities.

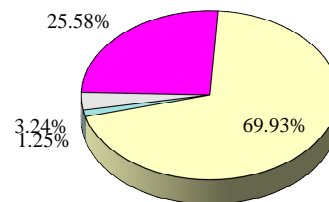
Consequently, in order to compare 2018 total program expenses to 2017, the following adjustments are needed:

	Governmental Activities	Business-type Activities
Total 2018 program expenses under GASB 75	\$6,669,596	\$244,221
OPEB expense under GASB 75	(249,249)	(3,026)
2018 contractually required contribution	4,882	0
Adjusted 2018 program expenses	6,425,229	241,195
Total 2017 program expenses under GASB 45	7,859,529	150,398
Change in program expenses not related to OPEB	(\$1,434,300)	\$90,797

The City also receives an income tax, which is based on 2.25% of all salaries, wages, commissions and other compensation earned from residents living within the City and from nonresidents for work done or services performed or rendered in the City. Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly. Corporations and individuals are required to file a declaration annually. The City allows a 100% credit for income taxes paid to another municipality.

Property taxes and income taxes made up 6% and 47% respectively of revenues for governmental activities for the City in fiscal year 2018. The City's reliance upon tax revenues is demonstrated by the following graph indicating 69.93% of total revenues from general tax revenues:

Revenue Sources	2018	Percent of Total
General Shared Revenues	\$304,844	3.24%
Program Revenues	2,407,281	25.58%
General Tax Revenues	6,581,627	69.93%
General Other	117,734	1.25%
Total Revenue	\$9,411,486	100.00%



***Management's Discussion and Analysis
For the Year Ended December 31, 2018***

Unaudited

Business-Type Activities

Net position of the business-type activities increased by \$25,507 during 2018. This was due to significant storm water improvements made within the City.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$15,279,148, which is an increase from last year's balance of \$13,428,656. The schedule below indicates the fund balance and the total change in fund balance by fund type as of December 31, 2018 and 2017:

	Fund Balance <u>December 31, 2018</u>	Fund Balance <u>December 31, 2017</u>	Increase <u>(Decrease)</u>
General	\$7,220,588	\$6,548,205	\$672,383
Tax Increment Equalization	6,259,093	4,102,481	2,156,612
Capital Improvement	(629,020)	776,958	(1,405,978)
Other Governmental	<u>2,428,487</u>	<u>2,001,012</u>	<u>427,475</u>
Total	<u><u>\$15,279,148</u></u>	<u><u>\$13,428,656</u></u>	<u><u>\$1,850,492</u></u>

CITY OF ROSSFORD, OHIO

***Management's Discussion and Analysis
For the Year Ended December 31, 2018***

Unaudited

General Fund – The City's General Fund balance increase is due to many factors. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2018	2017	Increase
	<u>Revenues</u>	<u>Revenues</u>	<u>(Decrease)</u>
Municipal Income Tax	\$4,176,168	\$4,167,535	\$8,633
Property and Other Taxes	1,074,058	946,810	127,248
Intergovernmental Revenue	433,309	421,329	11,980
Charges for Services	130,232	132,057	(1,825)
Fines, Licenses and Permits	64,257	75,577	(11,320)
Investment Earnings	92,757	43,315	49,442
Special Assessments	16,913	409	16,504
All Other Revenue	160,872	91,501	69,371
Total	<u>\$6,148,566</u>	<u>\$5,878,533</u>	<u>\$270,033</u>

General Fund revenues in 2018 increased \$270,033 compared to revenues in fiscal year 2017 primarily due to an increase in investment earnings and payments received for delinquent hotel/motel taxes.

	2018	2017	Increase
	<u>Expenditures</u>	<u>Expenditures</u>	<u>(Decrease)</u>
Security of Persons and Property	\$2,289,835	\$2,219,765	\$70,070
Leisure Time Activities	8,187	21,067	(12,880)
Basic Utility Services	361,390	330,067	31,323
Transportation	696,679	680,027	16,652
General Government	1,350,546	1,310,675	39,871
Total	<u>\$4,706,637</u>	<u>\$4,561,601</u>	<u>\$145,036</u>

General Fund expenditures increased by \$145,036 compared to the prior year. This was due primarily to increased staffing in the police department. There was also an increase in revenue sharing with the City of Toledo and higher water collection costs.

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

During the course of fiscal year 2018 the City amended its General Fund budget several times, none significant.

CITY OF ROSSFORD, OHIO

***Management's Discussion and Analysis
For the Year Ended December 31, 2018***

Unaudited

For the General Fund, final budget basis revenue of \$6.1 million was a minor change over the original budget estimates of \$6.2 million. The General Fund had an adequate fund balance to cover expenditures.

The City's other major funds, the Tax Increment Equalization and Capital Improvements Funds, reported net change in fund balances of \$2,156,612 and (\$1,405,978), respectively.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal 2018 the City had \$11,785,151 net of accumulated depreciation invested in land, improvements, infrastructure, buildings and machinery and equipment. Of this total, \$11,129,047 was related to governmental activities and \$656,104 to the business-type activities. The following table shows fiscal year 2018 and 2017 balances:

	Governmental Activities		Increase (Decrease)
	2018	2017	
Land	\$476,644	\$460,870	\$15,774
Buildings	4,181,599	4,181,599	0
Improvements Other Than Buildings	220,401	220,401	0
Machinery and Equipment	6,012,275	5,651,943	360,332
Infrastructure	7,718,149	4,373,611	3,344,538
Less: Accumulated Depreciation	(7,480,021)	(6,894,651)	(585,370)
Totals	<u>\$11,129,047</u>	<u>\$7,993,773</u>	<u>\$3,135,274</u>
	Business-Type Activities		Increase (Decrease)
	2018	2017	
Buildings	\$15,000	\$15,000	\$0
Machinery and Equipment	95,208	95,208	0
Infrastructure	994,780	904,781	89,999
Less: Accumulated Depreciation	(448,884)	(407,425)	(41,459)
Totals	<u>\$656,104</u>	<u>\$607,564</u>	<u>\$48,540</u>

The primary increase occurred in infrastructure. Additional information on the City's capital assets can be found in Note 6.

CITY OF ROSSFORD, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2018

Debt

At December 31, 2018, the City had \$3.4 million in bonds outstanding, \$385,000 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2018 and 2017:

	2018	2017
Governmental Activities:		
Long-Term Note Payable	\$1,925,000	\$0
General Obligation Bonds	3,368,704	1,693,003
OPWC Loans Payable	51,312	55,774
Landfill Postclosure Care Liability	267,100	131,189
Capital Lease Payable	103,027	76,354
Compensated Absences	316,941	276,798
Net Pension Liability	3,554,317	4,044,535
Net OPEB Liability	2,960,390	2,491,624
Total Governmental Activities	<u>12,546,791</u>	<u>8,769,277</u>
Business-Type Activities:		
Long-Term Note Payable	\$75,000	\$0
OPWC Loans Payable	166,480	180,421
Net Pension Liability	48,853	65,378
Net OPEB Liability	31,707	28,305
Total Business-Type Activities	<u>322,040</u>	<u>274,104</u>
Totals	<u>\$12,868,831</u>	<u>\$9,043,381</u>

State statutes limit the amount of unvoted general obligation debt the City may issue. The aggregate amount of the City's unvoted debt is also subject to overlapping debt restrictions with other political subdivisions. The actual aggregate amount of the City's unvoted debt, when added to that of other political subdivisions within the respective counties in which Rossford lies, is limited to ten mills. At December 31, 2018, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 13.

ECONOMIC FACTORS

As part of the budget process the City forecasts revenues and expenses for the coming fiscal year and 5 years into the future. Major aspects of this evaluation are projecting income tax, hotel/motel tax and franchise tax revenues and utilizing property tax and shared local government revenues provided by the Wood County Auditor. Hotel/motel tax increased in 2018 due to the opening of a new hotel late in 2017, with payments for delinquent tax received. Hotel/motel and franchise taxes have remained relatively even when compared to the previous year. Over the last few years income tax has increased significantly and become a larger portion of the City's revenue stream as State shared taxes have diminished.

General Fund personnel expenditures increased due to additional staff in the police department. The number of positions in these departments has been increased over the last three years. This increase in staffing has been carefully planned to provide the needed level of service to residents. Except for inflationary increases, other general fund expenses have remained relatively constant. A close watch of current economic conditions is ongoing.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact the Finance Department by calling 419-666-0210 or writing to City of Rossford Finance Department, 133 Osborn Street, Rossford, Ohio 43460.

CITY OF ROSSFORD, OHIO

**Statement of Net Position
December 31, 2018**

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and Cash Equivalents	\$ 16,835,386	\$ 230,412	\$ 17,065,798
Receivables:			
Accounts	44,817	0	44,817
Intergovernmental	892,473	0	892,473
Income Taxes	1,347,637	0	1,347,637
Property Taxes	1,030,526	0	1,030,526
Payments in Lieu of Taxes	1,116,834	0	1,116,834
Special Assessments	228,087	0	228,087
Inventory of Supplies at Cost	21,411	0	21,411
Prepaid Items	130,388	8,181	138,569
Restricted Assets:			
Cash and Cash Equivalents	11,327	0	11,327
Capital Assets:			
Capital Assets Not Being Depreciated	476,644	0	476,644
Capital Assets Being Depreciated, Net	10,652,403	656,104	11,308,507
Total Assets	32,787,933	894,697	33,682,630
Deferred Outflows of Resources:			
Deferred Loss on Debt Refunding	54,822	0	54,822
Pension	698,596	13,011	711,607
OPEB	321,159	3,135	324,294
Total Deferred Outflows of Resources	1,074,577	16,146	1,090,723
Liabilities:			
Accounts Payable	744,202	87,924	832,126
Accrued Wages and Benefits	59,089	0	59,089
Accrued Interest Payable	59,885	1,644	61,529
General Obligation Notes Payable	1,925,000	75,000	2,000,000
Long-Term Liabilities:			
Due Within One Year	519,100	13,936	533,036
Due in More Than One Year	3,587,984	152,544	3,740,528
Net Pension Liability	3,554,317	48,853	3,603,170
Net OPEB Liability	2,960,390	31,707	2,992,097
Total Liabilities	13,409,967	411,608	13,821,575
Deferred Inflows of Resources:			
Property Tax Levy for Next Fiscal Year	901,115	0	901,115
Payments in Lieu of Taxes	1,116,834	0	1,116,834
Pension	361,101	11,450	372,551
OPEB	82,171	2,362	84,533
Total Deferred Inflows of Resources	2,461,221	13,812	2,475,033

CITY OF ROSSFORD, OHIO

	Governmental Activities	Business-Type Activities	Total
Net Position:			
Net Investment in Capital Assets	6,942,429	414,624	7,357,053
Restricted For:			
Capital Projects	7,938,144	0	7,938,144
Law Enforcement Programs	85,592	0	85,592
Security of Persons and Property	332,769	0	332,769
Transportation	619,699	0	619,699
Other Purposes	825,284	0	825,284
Unrestricted (Deficit)	1,247,405	70,799	1,318,204
Total Net Position	\$ 17,991,322	\$ 485,423	\$ 18,476,745

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

**Statement of Activities
For the Year Ended December 31, 2018**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Security of Persons and Property	\$ 3,422,950	\$ 456,303	\$ 12,853	\$ 666,954
Leisure Time Activities	512,826	139,840	1,509	1,509
Basic Utility Services	361,390	0	0	0
Transportation	556,428	6,195	283,283	719,694
General Government	1,602,142	112,348	6,793	0
Interest and Fiscal Charges	213,860	0	0	0
Total Governmental Activities	6,669,596	714,686	304,438	1,388,157
Business-Type Activities:				
Storm Water	107,532	1,050	0	0
Marina	136,689	94,271	0	1,457
Total Business-Type Activities	244,221	95,321	0	1,457
Totals	\$ 6,913,817	\$ 810,007	\$ 304,438	\$ 1,389,614

General Revenues

- Property Taxes
- Municipal Income Taxes
- Other Local Taxes
- Payment in Lieu of Taxes
- Grants and Entitlements not Restricted to Specific Programs
- Investment Earnings
- Miscellaneous
- Transfers
- Total General Revenues and Transfers
- Change in Net Position
- Net Position Beginning of Year, as Restated
- Net Position End of Year

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (2,286,840)	\$ 0	\$ (2,286,840)
(369,968)	0	(369,968)
(361,390)	0	(361,390)
452,744	0	452,744
(1,483,001)	0	(1,483,001)
(213,860)	0	(213,860)
<u>(4,262,315)</u>	<u>0</u>	<u>(4,262,315)</u>
0	(106,482)	(106,482)
<u>0</u>	<u>(40,961)</u>	<u>(40,961)</u>
0	(147,443)	(147,443)
<u>(4,262,315)</u>	<u>(147,443)</u>	<u>(4,409,758)</u>
600,452	0	600,452
4,394,945	0	4,394,945
667,177	0	667,177
919,053	0	919,053
304,844	0	304,844
98,074	0	98,074
19,660	0	19,660
<u>(172,950)</u>	<u>172,950</u>	<u>0</u>
<u>6,831,255</u>	<u>172,950</u>	<u>7,004,205</u>
2,568,940	25,507	2,594,447
<u>15,422,382</u>	<u>459,916</u>	<u>15,882,298</u>
<u>\$ 17,991,322</u>	<u>\$ 485,423</u>	<u>\$ 18,476,745</u>

CITY OF ROSSFORD, OHIO

**Balance Sheet
Governmental Funds
December 31, 2018**

	General	Tax Increment Equalization	Capital Improvement
Assets:			
Cash and Cash Equivalents	\$ 6,368,665	\$ 5,921,295	\$ 1,515,972
Receivables:			
Accounts	42,952	0	0
Intergovernmental	197,500	0	162,884
Income Taxes	1,347,637	0	0
Property Taxes	721,703	0	0
Payments in Lieu of Taxes	0	1,116,834	0
Special Assessments	1,381	0	3,094
Interfund Loans Receivables	50,820	355,925	0
Inventory of Supplies, at Cost	1,048	0	0
Prepaid Items	123,287	0	0
Restricted Assets:			
Cash and Cash Equivalents	11,327	0	0
Total Assets	\$ 8,866,320	\$ 7,394,054	\$ 1,681,950
Liabilities:			
Accounts Payable	\$ 87,900	\$ 18,127	\$ 340,673
Accrued Wages and Benefits Payable	52,844	0	0
Interfund Loans Payable	0	0	0
Accrued Interest Payable	0	0	42,203
General Obligation Notes Payable	0	0	1,925,000
Total Liabilities	140,744	18,127	2,307,876
Deferred Inflows of Resources:			
Unavailable Amounts	882,990	0	3,094
Property Tax Levy for Next Fiscal Year	621,998	0	0
Payments in Lieu of Taxes	0	1,116,834	0
Total Deferred Inflows of Resources	1,504,988	1,116,834	3,094
Fund Balances:			
Nonspendable	134,614	0	0
Restricted	1,400	6,259,093	0
Assigned	1,725,381	0	0
Unassigned	5,359,193	0	(629,020)
Total Fund Balances	7,220,588	6,259,093	(629,020)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 8,866,320	\$ 7,394,054	\$ 1,681,950

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

Other Governmental Funds	Total Governmental Funds
\$ 3,029,454	\$ 16,835,386
1,865	44,817
532,089	892,473
0	1,347,637
308,823	1,030,526
0	1,116,834
223,612	228,087
0	406,745
20,363	21,411
7,101	130,388
0	11,327
<u>\$ 4,123,307</u>	<u>\$ 22,065,631</u>
\$ 297,502	\$ 744,202
6,245	59,089
406,745	406,745
0	42,203
0	1,925,000
<u>710,492</u>	<u>3,177,239</u>
705,211	1,591,295
279,117	901,115
0	1,116,834
<u>984,328</u>	<u>3,609,244</u>
27,464	162,078
1,690,375	7,950,868
959,136	2,684,517
(248,488)	4,481,685
<u>2,428,487</u>	<u>15,279,148</u>
<u>\$ 4,123,307</u>	<u>\$ 22,065,631</u>



CITY OF ROSSFORD, OHIO

***Reconciliation Of Total Governmental Fund Balances
To Net Position Of Governmental Activities
December 31, 2018***

Total Governmental Fund Balances		\$ 15,279,148
<i>Amounts reported for governmental activities in the statement of net position are different because</i>		
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.		11,129,047
Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds.		
Municipal Income Taxes	697,907	
Property Taxes	17,722	
Charges for Services	28,129	
Special Assessments	598,913	
Intergovernmental	<u>248,624</u>	1,591,295
The deferred loss on refunding does not represent a use of current resources and therefore it is not reported in the funds.		54,822
The net pension/OPEB liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:		
Deferred Outflows - Pension	698,596	
Deferred Inflows - Pension	(361,101)	
Deferred Outflows - OPEB	321,159	
Deferred Inflows - OPEB	(82,171)	
Net Pension Liability	(3,554,317)	
Net OEPB Liability	<u>(2,960,390)</u>	(5,938,224)
Accrued interest on outstanding debt is not due and payable in the current period and, therefore, is not reported in the funds: it is reported when due.		(17,682)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Landfill Postclosure Care Liability	(267,100)	
General Obligation Refunding Bonds Payable	(3,330,000)	
Ohio Public Works Commission Loan Payable	(51,312)	
Premium on General Obligation Bonds Payable	(38,704)	
Capital Lease Payable	(103,027)	
Compensated Absences Payable	<u>(316,941)</u>	<u>(4,107,084)</u>
<i>Net Position of Governmental Activities</i>		<u>\$ 17,991,322</u>
See accompanying notes to the basic financial statements		

CITY OF ROSSFORD, OHIO

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2018**

	General	Tax Increment Equalization	Capital Improvement
Revenues:			
Property Taxes	\$ 558,303	\$ 0	\$ 0
Municipal Income Tax	4,176,168	0	0
Other Local Taxes	515,755	0	0
Payments in Lieu of Taxes	0	919,053	0
Intergovernmental Revenues	433,309	224	823,803
Charges for Services	130,232	0	0
Licenses and Permits	23,751	0	0
Investment Earnings	92,757	5,317	0
Special Assessments	16,913	0	6,258
Fines and Forfeitures	40,506	0	0
All Other Revenue	160,872	0	1,553
Total Revenue	6,148,566	924,594	831,614
Expenditures:			
Current:			
Security of Persons and Property	2,289,835	0	0
Leisure Time Activities	8,187	0	0
Basic Utility Services	361,390	0	0
Transportation	696,679	0	0
General Government	1,350,546	0	0
Capital Outlay	0	557,128	1,900,187
Debt Service:			
Principal Retirement	0	100,000	0
Interest and Fiscal Charges	0	110,854	42,203
Total Expenditures	4,706,637	767,982	1,942,390
Excess (Deficiency) of Revenues Over Expenditures	1,441,929	156,612	(1,110,776)
Other Financing Sources (Uses):			
Inception of Capital Lease	0	0	0
General Obligation Bonds Issued	0	2,000,000	0
Transfers In	9,413	0	800,000
Transfers Out	(780,007)	0	(1,095,202)
Total Other Financing Sources (Uses)	(770,594)	2,000,000	(295,202)
Net Change in Fund Balances	671,335	2,156,612	(1,405,978)
Fund Balances at Beginning of Year	6,548,205	4,102,481	776,958
Increase (Decrease) in Inventory Reserve	1,048	0	0
Fund Balances (Deficit) End of Year	\$ 7,220,588	\$ 6,259,093	\$ (629,020)

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

Other Governmental Funds	Total Governmental Funds
\$ 246,329	\$ 804,632
0	4,176,168
151,422	667,177
0	919,053
688,254	1,945,590
128,201	258,433
0	23,751
0	98,074
210,388	233,559
16,098	56,604
26,986	189,411
<u>1,467,678</u>	<u>9,372,452</u>
602,479	2,892,314
397,360	405,547
0	361,390
371,665	1,068,344
148,917	1,499,463
184,691	2,642,006
224,462	324,462
44,692	197,749
<u>1,974,266</u>	<u>9,391,275</u>
(506,588)	(18,823)
49,428	49,428
0	2,000,000
1,350,209	2,159,622
(457,363)	(2,332,572)
<u>942,274</u>	<u>1,876,478</u>
435,686	1,857,655
2,001,012	13,428,656
(8,211)	(7,163)
<u>\$ 2,428,487</u>	<u>\$ 15,279,148</u>

***Reconciliation Of The Statement Of Revenues, Expenditures
And Changes In Fund Balances Of Governmental Funds
To The Statement Of Activities
For The Fiscal Year Ended December 31, 2018***

Net Change in Fund Balances - Total Governmental Funds \$ 1,857,655

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

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

Capital Outlay	3,702,308	
Depreciation	<u>(632,867)</u>	3,069,441

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 loss on the disposal of capital assets net of proceeds received.

(9,167)

Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.

75,000

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

Municipal Income Taxes	218,777	
Property Taxes	(204,180)	
Charges for Services	(21,968)	
Special Assessments	(5,444)	
Intergovernmental	<u>(23,151)</u>	(35,966)

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

Pension	322,239	
OPEB	<u>4,882</u>	327,121

Except for amounts reported as deferred inflows/outflows, changes in the net pension and OPEB liabilities are reported as pension/OPEB expense in the statement of activities:

Pension	(564,356)	
OPEB	<u>(249,249)</u>	(813,605)

The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net position. In addition, repayment of bond, note and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Inception of Capital Lease	(49,428)	
Increase in Estimate of Landfill Closure Costs	(178,067)	
General Obligation Bonds Issued	(2,000,000)	
General Obligation Bonds Principal	320,000	
OPWC Loan Principal	4,462	
Capital Lease Principal	22,755	
Decrease in Landfill Postclosure Liability Estimate	<u>42,156</u>	(1,838,122)

(Continued)

CITY OF ROSSFORD, OHIO

The accounting loss on refunded debt is reported as an expense at the time of refunding but is amortized over the life of the new debt on the statement of activities (6,091)

Interest is reported as an expenditure when due in the governmental funds but is accrued on outstanding debt on the statement of net position. Premiums are reported as revenues when the debt is first issued; however, these amounts are deferred and amortized on the statement of net position.

Accrued Interest Payable	(14,319)	
Amortization of Premium	<u>4,299</u>	(10,020)

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

Decrease in Supplies Inventory	(7,163)	
Increase in Compensated Absences Payable	<u>(40,143)</u>	<u>(47,306)</u>

Change in Net Position of Governmental Activities \$ 2,568,940

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2018**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 564,420	\$ 558,000	\$ 558,303	\$ 303
Municipal Income Tax	4,492,867	4,242,115	4,258,097	15,982
Other Local Taxes	466,510	395,000	429,794	34,794
Intergovernmental Revenue	391,193	426,099	433,759	7,660
Charges for Services	125,192	118,675	128,427	9,752
Licenses and Permits	32,508	19,250	23,751	4,501
Investment Earnings	40,000	65,000	92,757	27,757
Special Assessments	0	16,895	16,913	18
Fines and Forfeitures	37,081	35,175	40,506	5,331
All Other Revenues	26,443	196,731	167,760	(28,971)
Total Revenues	6,176,214	6,072,940	6,150,067	77,127
Expenditures:				
Current:				
Security of Persons and Property	2,476,242	2,488,977	2,308,514	180,463
Leisure Time Activities	12,000	12,000	8,187	3,813
Basic Utility Services	300,000	374,760	354,861	19,899
Transportation	798,442	798,442	706,466	91,976
General Government	1,794,991	1,734,078	1,532,301	201,777
Total Expenditures	5,381,675	5,408,257	4,910,329	497,928
Excess (Deficiency) of Revenues Over (Under) Expenditures	794,539	664,683	1,239,738	575,055
Other Financing Sources (Uses):				
Transfers In	7,364	7,364	7,363	(1)
Transfers Out	(874,847)	(859,847)	(830,007)	29,840
Advances In	265,840	265,840	265,840	0
Advances Out	(29,820)	(29,820)	(29,820)	0
Total Other Financing Sources (Uses):	(631,463)	(616,463)	(586,624)	29,839
Net Change in Fund Balance	163,076	48,220	653,114	604,894
Fund Balance at Beginning of Year	5,050,730	5,050,730	5,050,730	0
Prior Year Encumbrances	183,997	183,997	183,997	0
Fund Balance at End of Year	\$ 5,397,803	\$ 5,282,947	\$ 5,887,841	\$ 604,894

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2018**

	Business-Type Activities		Total
	Enterprise Funds		
	Storm Water	Marina	
ASSETS			
Current assets:			
Cash and Cash Equivalents	\$ 165,662	\$ 64,750	\$ 230,412
Prepaid Items	7,731	450	8,181
Total Current Assets	173,393	65,200	238,593
Noncurrent Assets:			
Capital Assets:			
Property, Plant and Equipment	444,885	660,103	1,104,988
Less Accumulated Depreciation	(27,966)	(420,918)	(448,884)
Total Capital Assets (Net of Accumulated Depr)	416,919	239,185	656,104
Total Noncurrent Assets	416,919	239,185	656,104
Total Assets	590,312	304,385	894,697
Deferred Outflows of Resources:			
Pension	0	13,011	13,011
OPEB	0	3,135	3,135
Total Deferred Outflows of Resources	0	16,146	16,146
LIABILITIES			
Current Liabilities:			
Accounts Payable	87,673	251	87,924
Accrued Interest Payable	1,644	0	1,644
OPWC Loans Payable - Current	13,936	0	13,936
General Obligation Notes Payable	75,000	0	75,000
Total Current Liabilities	178,253	251	178,504
Noncurrent Liabilities:			
OPWC Loans Payable	152,544	0	152,544
Net Pension Liability	0	48,853	48,853
Net OPEB Liability	0	31,707	31,707
Total Noncurrent Liabilities	152,544	80,560	233,104
Total Liabilities	330,797	80,811	411,608
Deferred Inflows of Resources:			
Pension	0	11,450	11,450
OPEB	0	2,362	2,362
Total Deferred Inflows of Resources	0	13,812	13,812
NET POSITION			
Net Investment in Capital Assets	175,439	239,185	414,624
Unrestricted (Deficit)	84,076	(13,277)	70,799
Total Net Position	\$ 259,515	\$ 225,908	\$ 485,423

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

**Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2018**

	Business-Type Activities		
	Enterprise Funds		Total
	Storm Water	Marina	
Operating Revenues:			
Charges for Services	\$ 1,050	\$ 94,271	\$ 95,321
Total Operating Revenues	<u>1,050</u>	<u>94,271</u>	<u>95,321</u>
Operating Expenses:			
Personal Services	0	70,509	70,509
Contractual Services	98,790	23,110	121,900
Materials and Supplies	0	7,098	7,098
Other Operating Expenses	0	1,611	1,611
Depreciation	7,098	34,361	41,459
Total Operating Expenses	<u>105,888</u>	<u>136,689</u>	<u>242,577</u>
Operating Loss	(104,838)	(42,418)	(147,256)
Nonoperating Revenue (Expenses):			
Interest Expense	(1,644)	0	(1,644)
Total Nonoperating Revenues (Expenses)	<u>(1,644)</u>	<u>0</u>	<u>(1,644)</u>
Loss Before Transfers and Contributions	(106,482)	(42,418)	(148,900)
Transfers In	175,000	0	175,000
Transfers Out	0	(2,050)	(2,050)
Capital Contributions	0	1,457	1,457
Change in Net Position	68,518	(43,011)	25,507
Net Position Beginning of Year, as Restated	190,997	268,919	459,916
Net Position End of Year	<u>\$ 259,515</u>	<u>\$ 225,908</u>	<u>\$ 485,423</u>

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2018**

	Business-Type Activities		Totals
	Enterprise Funds		
	Storm Water	Marina	
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$1,050	\$94,435	\$95,485
Cash Payments for Goods and Services	(101,957)	(31,583)	(133,540)
Cash Payments to Employees	0	(60,560)	(60,560)
Net Cash Provided (Used) by Operating Activities	(100,907)	2,292	(98,615)
<u>Cash Flows from Noncapital Financing Activities:</u>			
Transfers In from Other Funds	175,000	0	175,000
Transfers Out to Other Funds	0	(2,050)	(2,050)
Capital Contributions	0	1,457	1,457
Net Cash Provided (Used) by Noncapital Financing Activities	175,000	(593)	174,407
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Capital Assets	(4,999)	0	(4,999)
Short-Term Note Issued	75,000	0	75,000
Principal Paid on Ohio Public Works Commission Loan	(13,941)	0	(13,941)
Net Cash Provided by Capital and Related Financing Activities	56,060	0	56,060
Net Increase in Cash and Cash Equivalents	130,153	1,699	131,852
Cash and Cash Equivalents at Beginning of Year	35,509	63,051	98,560
Cash and Cash Equivalents at End of Year	\$165,662	\$64,750	\$230,412
<u>Reconciliation of Operating Loss to Net Cash Provided (Used) by Operating Activities:</u>			
Operating Loss	(\$104,838)	(\$42,418)	(\$147,256)
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	7,098	34,361	41,459
Changes in Assets and Liabilities:			
Decrease in Accounts Receivable	0	164	164
Increase in Prepays	(4,623)	(31)	(4,654)
Decrease in Deferred Outflows of Resources	0	9,679	9,679
Increase in Accounts Payable	1,456	237	1,693
Decrease in Net Pension Liability	0	(16,525)	(16,525)
Increase in Net OPEB Liability	0	3,402	3,402
Increase in Deferred Inflows of Resources	0	13,423	13,423
Total Adjustments	3,931	44,710	48,641
Net Cash Provided (Used) by Operating Activities	(\$100,907)	\$2,292	(\$98,615)

Schedule of Noncash Investing, Capital and Financing Activities:

As of December 31, 2018, the Storm Water Fund had outstanding liabilities of \$85,000 for the purchase of certain capital assets.

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

***Statement of Assets and Liabilities
Fiduciary Funds
December 31, 2018***

	<u>Agency</u>
Assets:	
Restricted Assets:	
Cash and Cash Equivalents	\$ 16,834
Total Assets	<u>\$ 16,834</u>
Liabilities:	
Due to Others	\$ 16,834
Total Liabilities	<u>\$ 16,834</u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Rossford, Ohio (the "City") is a home-rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Mayor/Administrator form of government, was adopted in 1970 and became effective in 1971.

The financial statements are presented as of December 31, 2018 and for the year then ended and have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the "GASB") is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

A. Reporting Entity

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

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, agencies, boards and commissions that are part of the primary government, which include the following services: police and fire protection, recreation, street maintenance and general administrative services. The City also operates a storm drainage system and a marina which are reported as enterprise funds.

Jointly Governed Organization

Rossford Transportation Improvement District: In May 1997, the Wood County Commissioners approved formation of the Rossford Transportation Improvement District (TID) as permitted under Chapter 5540 of the Ohio Revised Code. In July 2002, at the request of the Wood County Commissioners, the membership and appointments section of the TID bylaws was amended to eliminate the TID as a component unit of Wood County. The board of trustees consists of the following members: two voting members appointed by Wood County, three voting members appointed by the City of Rossford, two voting members appointed by Perrysburg Township, the Wood County Engineer as a voting member, and two nonvoting members of the general assembly in whose legislative district the TID is located. It is empowered to provide for the construction, improvement, alteration or repair of any road, highway, public place or other infrastructure within the limits of the City and to issue bonds. See Note 18 "Jointly Governed Organization."

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting

The accounting policies and financial reporting practices of the City conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of its significant accounting policies:

The accounting system is organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures (expenses). The various funds are summarized by type in the basic financial statements. The following fund types are used by the City:

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Tax Increment Equalization Fund - This fund is used to account for the construction and installation of infrastructure improvements in the Crossroads of America area of the City, including streets, curbs, gutters, sidewalks, walkways, trails, street lighting, traffic signals, signage, storm drainage, water and sanitary sewer improvements, parking facilities, and the construction of public service buildings necessary for purposes of delivering fire, emergency medical and police services within the Crossroads area and other improvements related thereto that directly benefit, or once made will directly benefit that area.

Capital Improvement Fund - This fund is used to account for financial resources used for the major capital projects undertaken by the City.

The other governmental funds of the City account for grants and other resources whose use is restricted, committed, or assigned to a particular purpose.

Proprietary Funds

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, whereby the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City's major enterprise funds are:

Storm Water Fund – This fund is used to account for the operation of the City's storm drainage system.

Marina Fund – This fund is used to account for the operation of the City owned Marina.

Fiduciary Funds

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations or other governments and therefore not available to support the City's own programs. The agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operation. The agency funds of the City include assets being held associated with the Cafeteria Plan, Contractor's Guarantee and Fallen Heroes.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements

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

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

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

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in 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 represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus. Government-wide financial statements are prepared using the accrual basis of accounting.

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

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. Revenue from income taxes is recognized in the period in which the income is earned and is available. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied and the revenue is available. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. Revenue considered susceptible to accrual at year end includes income taxes withheld by employers, interest on investments, special assessments, and certain state levied locally shared taxes (including motor vehicle license fees and local government assistance). Other revenue, including licenses, permits, certain charges for services, income taxes other than those withheld by employers and miscellaneous revenues are recorded as revenue when received in cash because generally this revenue is not measurable until received.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

Special assessment installments, which are measurable, but not available at December 31, are recorded as deferred inflow of resources – unavailable amount. Property taxes measurable as of December 31, 2018, but which are not intended to finance 2018 operations and delinquent property taxes, whose availability is indeterminate, are recorded as deferred inflow of resources as further described in Note 4.

The accrual basis of accounting is utilized for reporting purposes by the proprietary funds and fiduciary funds. Revenues are recognized when they are earned and expenses recognized when incurred. The City's statement of net position includes a deferred outflow amount related to pension.

E. Deferred Inflows/Outflows 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, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expenses/expenditures) until then. For the City, deferred outflows related to pension/OPEB are explained in notes 7 and 8.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, *unavailable amounts*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for delinquent property taxes, income taxes, special assessments, charges for services, interest and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension/OPEB are reported on the government-wide statement of net position. (See Note 7 and 8)

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Budgetary Process

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

All funds other than agency funds are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The primary level of budgetary control for all funds involving operations is at the object level within each department. Certain funds are appropriated at the minimum level of budgetary control as required by Ohio Revised Code section 5705.38 (c) due to the restricted nature of the use of these funds. Budgetary modifications may only be made by ordinance of the City Council.

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Budgetary Process (Continued)

1. Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the original and final amended official certificate of estimated resources issued during 2018.

2. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the fund, department and object level, and may be modified during the year by Ordinance of the City Council. Total fund appropriations may not exceed the current estimated resources as certified by the County Budget Commission. Expenditures may not legally exceed budgeted appropriations at the object level. During 2018, several supplemental appropriations were necessary to budget for unanticipated expenditures.

Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual--General Fund" are provided on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications.

3. Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures in order to constrain that portion of the applicable appropriation and to determine and maintain legal compliance. Encumbrances outstanding at year end, however, are reported as reservations of fund balances for subsequent year expenditures in the accompanying basic financial statements.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Budgetary Process (Continued)

4. Lapsing of Appropriations

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

5. Budgetary Basis of Accounting

The City's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund:

<u>Net Change In Fund Balance</u>	
	<u>General Fund</u>
GAAP Basis (as reported)	\$671,335
Increase (Decrease):	
Accrued Revenues at December 31, 2018 received during 2019	(857,005)
Accrued Revenues at December 31, 2017 received during 2018	1,094,979
Accrued Expenditures at December 31, 2018 paid during 2019	140,744
Accrued Expenditures at December 31, 2017 paid during 2018	(128,242)
2017 Prepays for 2018	115,148
2018 Prepays for 2019	(123,287)
Perspective Budget Difference	(46,666)
Outstanding Encumbrances	(213,892)
Budget Basis	<u><u>\$653,114</u></u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, certificates of deposit with original maturities of three months or less and the State Treasury Asset Reserve (STAR Ohio). STAR Ohio is considered a cash equivalent because it is a highly liquid investment with an original maturity date of three months or less.

The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. For purposes of the statement of cash flows, the proprietary funds' shares of equity in pooled certificates of deposit are considered to be cash equivalents. See Note 3, "Cash, Cash Equivalents and Investments."

H. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the City records all its investments at fair value except for nonparticipating investment contracts which are reported at cost, which approximates fair value. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements. Fair value is determined by quoted market prices. The City deposits interest earned on investments directly into the General Fund. See Note 3, "Cash, Cash Equivalents and Investments."

The City has invested funds in the STAR Ohio during 2018. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2018.

I. Inventory

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2018, 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.

K. Capital Assets and Depreciation

Capital assets are defined by the City as assets with an initial, individual cost of more than \$1,000.

1. Property, Plant and Equipment - Governmental Activities

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

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

The City has elected to not report infrastructure for governmental activities retroactively, as permitted by the GASB. Infrastructure either current or acquired since the beginning of 2004 will be capitalized.

2. Property, Plant and Equipment – Business Type Activities

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Capital Assets and Depreciation (Continued)

3. Depreciation

All capital assets are depreciated, excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives (Years)</u>
Buildings	25-45
Infrastructure	20-50
Machinery, Equipment, Furniture and Fixtures	5 -15
Vehicles	3-10

L. Long-Term Obligations

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

<u>Obligation</u>	<u>Fund</u>
Compensated Absences	General Fund Street Construction, Maintenance and Repair Fund Recreation Fund
Pension Liabilities	General Fund Street Construction, Maintenance and Repair Fund Recreation Fund Marina Fund
OPEB Liabilities	General Fund Street Construction, Maintenance and Repair Fund Recreation Fund Marina Fund
General Obligation Bonds	Landfill Closure Fund Lewis Street Paving and Curbs Fund Capital Improvement Fund Arena Drainage Ditch Fund
OPWC Loan	Storm Water Fund
Landfill Postclosure Care Liability	Landfill Closure Fund

M. Compensated Absences

Full-time employees of the City earn vacation leave at various rates within limits specified under collective bargaining agreements or under statute. Vacation earned in a calendar year must be used during the current year. Vacation time cannot carry over into the subsequent year. At termination or retirement, employees are paid at their full rate for 100% of their unused vacation leave.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Compensated Absences (Continued)

Sick leave is accrued by all full-time employees at the rate of 4.6 hours per completed two weeks of service. Any sick leave accrued but not used in any year is accumulated in succeeding years with no maximum of such accumulation. Employees who retire with five or more years of service may convert 25% of their accrued sick leave into cash at the employee's rate of pay at the time of retirement. Employees who retire with eighteen or more years of service may convert 33.3% of their total accrued sick leave into cash at the employee's rate of pay at the time of retirement. Employees who retire with twenty-five or more years of service may convert 50% of their total accrued sick leave into cash at the employee's rate of pay at the time of retirement.

In accordance with GASB Statement No. 16, "*Accounting for Compensated Absences*," the City records a liability for vacation time and sick leave when the obligation is attributable to services previously rendered or to rights that vest or accumulate, and when payment of the obligation is probable and can be reasonably determined.

For governmental funds, that portion of unpaid compensated absences that has matured and is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." In the government wide statement of net position, "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account. Compensated absences are expensed in the proprietary funds when earned and the related liability is reported within the fund.

N. Net Position

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Fund Balances

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

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

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

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

Assigned – Assigned fund balance consists of amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. The City has no formal policy authorizing a body or official to assign amounts for specific purposes.

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Pensions

The provision for pension cost is recorded when the related payroll is accrued and the obligation is incurred. 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.

Q. Interfund Activity

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 not presented on the financial statements.

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. In addition, interfund transfers between governmental funds are eliminated for reporting on the government-wide financial statements. Only transfers between governmental activities and business-type activities are reported on the statement of activities.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Estimates

The preparation of 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.

S. Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. 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 for water treatment and distribution, wastewater collection and treatment, collection of solid waste refuse and the operation of a marina. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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 Council and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2018.

U. Fair Value

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

CITY OF ROSSFORD, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF NET POSITION/FUND BALANCE

For 2018, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,” Statement No. 85, “Omnibus 2017,” and Statement No. 86, “Certain Debt Extinguishment Issues.”

GASB Statement No. 75 addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to OPEB.

GASB Statement No. 85 addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits). The implementation of GASB Statement No. 85 did not have an effect on the financial statements of the City.

GASB Statement No. 86 improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The implementation of GASB Statement No. 86 did not have an effect on the financial statements of the City.

In addition the City had a cash basis posting correction.

The implementation of GASB 75 and the cash basis posting correction had the following effect on net position/fund balance as reported December 31, 2017:

	Governmental Activities	Business-type Activities	Marina Fund	General Fund	Other Governmental Funds
Net position/fund balance December 31, 2017	\$17,899,417	\$487,824	\$296,827	\$6,553,717	\$1,995,500
Adjustments:					
Cash Basis Posting Correction	0	0	0	(5,512)	5,512
Net OPEB Liability	(2,491,624)	(28,305)	(28,305)	0	0
Deferred Outflow - Payments Subsequent to the Measurement Date	14,589	397	397	0	0
Restated Net Position/fund balance December 31, 2017	<u>\$15,422,382</u>	<u>\$459,916</u>	<u>\$268,919</u>	<u>\$6,548,205</u>	<u>\$2,001,012</u>

Other than employer contributions subsequent to the measurement date, the City made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 3 - CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments. Statutes require the classification of funds held by the City into three categories:

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

Category 2 consists of "inactive" funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing no later than the end of the current period of designation of depositories.

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

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 3 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

A. Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. The City's policy is to place deposits with major local banks.

Ohio law requires that deposits be either insured or be protected by eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

CITY OF ROSSFORD, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 3 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

A. Deposits (Continued)

At year end the carrying amount of the City's deposits was \$14,306,911 and the bank balance was \$14,475,862. This included \$300 petty cash on hand. The Federal Deposit Insurance Corporation (FDIC) covered \$1,700,000 of the bank balance and \$12,775,862 was uninsured. Of the remaining uninsured bank balance, the City was exposed to custodial risk as follows:

	<u>Balance</u>
Uninsured and collateralized with securities held by the pledging institution's trust department not in the City's name	<u>\$12,775,862</u>
Total Balance	<u><u>\$12,775,862</u></u>

Investment earnings of \$58,137 earned by other funds were credited to the General Fund as required by state statute.

B. Investments

The City's investments at December 31, 2018 are summarized below:

	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Fair Value Hierarchy</u>	<u>Investment Maturities (in Years) less than 1</u>
STAR Ohio	<u>\$2,787,048</u>	AAAm ¹	N/A	<u>\$2,787,048</u>
Total Investments	<u><u>\$2,787,048</u></u>			<u><u>\$2,787,048</u></u>

¹ Standard & Poor's

Interest Rate Risk – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date.

Credit Risk – The City's investment policy addresses credit risk by limiting investments to the safest types of securities, pre-qualifying financial institutions, brokers, intermediaries and financial advisors and by diversifying the investment portfolio so that potential losses on individual securities do not exceed income generated from the remaining portfolio.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City has no investment policy dealing with custodial credit risk beyond the requirements of State statute which prohibit payment for investments prior to the delivery of the securities representing the investments to the treasurer or qualified trustee.

Concentration of Credit Risk – The City places no limit on the amount the City may invest in one issuer.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 3 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

C. Reconciliation of Cash, Cash Equivalents and Investments

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

	<u>Cash and Cash Equivalents *</u>	<u>Investments</u>
Per Financial Statements	\$17,093,959	\$0
Investments:		
STAR Ohio	<u>(2,787,048)</u>	<u>2,787,048</u>
Per GASB Statement No. 3	<u>\$14,306,911</u>	<u>\$2,787,048</u>

* Includes Petty Cash

NOTE 4 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real estate and public utility tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2018 were levied after October 1, 2017 on assessed values as of January 1, 2017, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revalued every six years. The last revaluation was completed during 2011 and the equalization adjustment was completed in 2014. Real property taxes are payable annually or semi-annually. The first payment is due January 20; the remainder payable by June 20.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 4 – TAXES (Continued)

A. Property Taxes (Continued)

Public utility real property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100% of its true value. Public utility property taxes are payable on the same dates as real property described previously.

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

The full property tax rate for all City operations for the year ended December 31, 2018 was \$7.70 per \$1,000 of assessed value. The assessed value upon which the 2018 tax receipts were based was \$129,324,300. This amount constitutes \$125,454,500 in real property assessed value and \$3,869,800 in public utility assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .77% (7.7 mills) of assessed value.

B. Income Tax

The City levies a tax of 2.25% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 100% of the tax paid to another municipality to a maximum of the total amount assessed. Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

CITY OF ROSSFORD, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 5 - RECEIVABLES

Receivables at December 31, 2018 consisted of accounts, municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements, shared revenues and special assessments.

NOTE 6 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at December 31, 2018:

Historical Cost:

Class	December 31, 2017	Additions	Deletions	December 31, 2018
<i>Capital assets not being depreciated:</i>				
Land	\$460,870	\$15,774	\$0	\$476,644
Subtotal	460,870	15,774	0	476,644
<i>Capital assets being depreciated:</i>				
Buildings	4,181,599	0	0	4,181,599
Improvements Other Than Buildings	220,401	0	0	220,401
Machinery and Equipment	5,651,943	416,996	(56,664)	6,012,275
Infrastructure	4,373,611	3,344,538	0	7,718,149
Subtotal	14,427,554	3,761,534	(56,664)	18,132,424
Total Cost	\$14,888,424	\$3,777,308	(\$56,664)	\$18,609,068

Accumulated Depreciation:

Class	December 31, 2017	Additions	Deletions	December 31, 2018
Buildings	(\$2,233,886)	(\$72,419)	\$0	(\$2,306,305)
Improvements Other Than Buildings	(125,472)	(5,972)	0	(131,444)
Machinery and Equipment	(4,075,488)	(458,684)	47,497	(4,486,675)
Infrastructure	(459,805)	(95,792)	0	(555,597)
Total Depreciation	(\$6,894,651)	(\$632,867) *	\$47,497	(\$7,480,021)
<i>Net Value:</i>	\$7,993,773			\$11,129,047

* Depreciation expenses were charged to governmental functions as follows:

Security of Persons and Property	\$211,100
Leisure Time Activities	90,739
Transportation	297,944
General Government	33,084
Total Depreciation Expense	\$632,867

CITY OF ROSSFORD, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 6 - CAPITAL ASSETS (continued)

B. Business-Type Activities Capital Assets

Summary by Category at December 31, 2018:

Historical Cost:

<u>Class</u>	<u>December 31, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31, 2018</u>
<i>Capital assets being depreciated:</i>				
Buildings	\$15,000	\$0	\$0	\$15,000
Machinery and Equipment	95,208	0	0	95,208
Infrastructure	904,781	89,999	0	994,780
Total Cost	<u>\$1,014,989</u>	<u>\$89,999</u>	<u>\$0</u>	<u>\$1,104,988</u>

Accumulated Depreciation:

<u>Class</u>	<u>December 31, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31, 2018</u>
Buildings	(\$4,500)	(\$600)	\$0	(\$5,100)
Machinery and Equipment	(109,182)	(24,244)	0	(133,426)
Infrastructure	(293,743)	(16,615)	0	(310,358)
Total Depreciation	<u>(\$407,425)</u>	<u>(\$41,459)</u>	<u>\$0</u>	<u>(\$448,884)</u>
<i>Net Value:</i>	<u>\$607,564</u>			<u>\$656,104</u>

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 7 – DEFINED BENEFIT PENSION PLANS

Net Pension Liability

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police 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.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 7 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

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**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 7 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

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

	<u>State and Local</u>
2018 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2018 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits	<u>0.0</u>
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$142,439 for 2018.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 7 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

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

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

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

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

CITY OF ROSSFORD, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 7 – DEFINED BENEFIT PENSION PLANS (Continued)

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

	<u>Police</u>	<u>Firefighters</u>
2018 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee:		
January 1, 2018 through December 31, 2018	12.25 %	12.25 %
2018 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee:		
January 1, 2018 through December 31, 2018	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OPF was \$185,507 for 2018.

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, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF’s total pension liability was measured as of December 31, 2017, and was determined by rolling forward the total pension liability as of January 1, 2017, to December 31, 2017. 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	\$1,219,197	\$2,383,973	\$3,603,170
Proportion of the Net Pension Liability-Current Measurement Date	0.007771%	0.038843%	
Proportion of the Net Pension Liability-Prior Measurement Date	0.007442%	0.038206%	
Percentage Change	<u>0.000329%</u>	<u>0.000638%</u>	
Pension Expense	\$279,892	\$297,124	\$577,016

CITY OF ROSSFORD, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 7 – DEFINED BENEFIT PENSION PLANS (Continued)

At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes in assumptions	\$145,701	\$103,882	\$249,583
Differences between expected and actual experience	1,245	36,179	37,424
Change in proportionate share	35,395	61,259	96,654
City contributions subsequent to the measurement date	142,439	185,507	327,946
Total Deferred Outflows of Resources	<u>\$324,780</u>	<u>\$386,827</u>	<u>\$711,607</u>
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$261,743	\$82,465	\$344,208
Differences between expected and actual experience	24,028	4,315	28,343
Total Deferred Inflows of Resources	<u>\$285,771</u>	<u>\$86,780</u>	<u>\$372,551</u>

\$327,946 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, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Year Ending December 31:			
2019	\$127,696	\$73,301	\$200,997
2020	(7,534)	51,619	44,085
2021	(777)	(25,593)	(26,370)
2022	(115,258)	(25,069)	(140,327)
2023	(107,557)	32,494	(75,063)
2024	0	7,788	7,788
Total	<u>(\$103,430)</u>	<u>\$114,540</u>	<u>\$11,110</u>

Actuarial Assumptions - OPERS

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 7 – DEFINED BENEFIT PENSION PLANS (Continued)

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

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

During 2017, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 16.82% for 2017.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 7 – DEFINED BENEFIT PENSION PLANS (Continued)

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2017 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.20 %
Domestic Equities	19.00	6.37
Real Estate	10.00	5.26
Private Equity	10.00	8.97
International Equities	20.00	7.88
Other investments	18.00	5.26
Total	100.00 %	5.66 %

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

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$2,164,982	\$1,219,197	\$430,696

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 7 – DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – OPF

OPF’s total pension liability as of December 31, 2017 is based on the results of an actuarial valuation date of January 1, 2017, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2017, are presented below:

Valuation Date	January 1, 2017	January 1, 2016
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.00 percent	8.25 percent
Projected Salary Increases	3.75 percent to 10.5 percent	4.25 percent to 11 percent
Payroll Increases	3.25 percent	3.75 percent
Inflation Assumptions	2.75 percent	3.25 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent for increases based on the lesser of the increase in CPI and 3%.	3.00 percent simple; 2.6 percent for increases based on the lesser of the increase in CPI and 3%.

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120%. Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale.

	Age	Police	Fire
Healthy Mortality			
	67 or less	77%	68%
	68-77	105%	87%
	78 and up	115%	120%
Disabled Mortality			
	59 or less	35%	35%
	60-69	60%	45%
	70-79	75%	70%
	80 and up	100%	90%

The most recent experience study was completed for the five year period ended December 31, 2016.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 7 – DEFINED BENEFIT PENSION PLANS (Continued)

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

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF’s target asset allocation as of December 31, 2017 are summarized below:

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

* levered 2x

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

Discount Rate The total pension liability was calculated using the discount rate of 8.00 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 8.00 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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 7 – DEFINED BENEFIT PENSION PLANS (Continued)

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.00 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 (7.00 percent), or one percentage point higher (9.00 percent) than the current rate.

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$3,304,812	\$2,383,973	\$1,632,945

NOTE 8 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability

The net OPEB liability reported on the statement of net position represents a liability to employees for OPEB. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. OPEB 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 OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net OPEB liability represents the City’s proportionate share of each OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan’s fiduciary net position. The net OPEB 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 these estimates 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 OPEB are financed; however, the City does receive the benefit of employees’ services in exchange for compensation including OPEB.

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 8 - DEFINED BENEFIT OPEB PLANS (Continued)

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - The 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 postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty 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 75. See OPERS' CAFR referenced below for additional information.

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 Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2018, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 8 - DEFINED BENEFIT OPEB PLANS (Continued)

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1.0 percent 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 percent 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 into the RMA for participants in the Member-Directed Plan for 2018 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2018.

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

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment healthcare plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. OP&F provides health care benefits including coverage for medical, prescription drug, dental, vision, and Medicare Part B Premium to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to postretirement 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 OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 75.

The Ohio Revised Code allows, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is 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 for the plan. The report 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.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F 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 percent and 24 percent of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 8 - DEFINED BENEFIT OPEB PLANS (Continued)

OP&F maintains funds for health care in two separate accounts. There is one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. An Internal Revenue Code 401(h) account is maintained for Medicare Part B reimbursements.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2018, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OP&F Board of Trustees is also 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 contractually required contribution to OP&F was \$4,882 for 2018.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2016, rolled forward to the measurement date of December 31, 2017, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2017, and was determined by rolling forward the total OPEB liability as of January 1, 2017, to December 31, 2017. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability	\$791,303	\$2,200,794	\$2,992,097
Proportion of the Net OPEB Liability-2018	0.007287%	0.038843%	
Proportion of the Net OPEB Liability-2017	<u>0.006994%</u>	<u>0.038206%</u>	
Percentage Change	<u>0.000293%</u>	<u>0.000638%</u>	
OPEB Expense	\$75,865	\$176,410	\$252,275

CITY OF ROSSFORD, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 8 - DEFINED BENEFIT OPEB PLANS (Continued)

At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes in assumptions	\$57,615	\$214,751	\$272,366
Differences between expected and actual experience	616	0	616
Change in proportionate share	20,028	26,402	46,430
City contributions subsequent to the measurement date	0	4,882	4,882
Total Deferred Outflows of Resources	<u>\$78,259</u>	<u>\$246,035</u>	<u>\$324,294</u>
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$58,947	\$14,486	\$73,433
Differences between expected and actual experience	0	11,100	11,100
Total Deferred Inflows of Resources	<u>\$58,947</u>	<u>\$25,586</u>	<u>\$84,533</u>

\$4,882 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
2019	\$22,680	\$30,011	\$52,691
2020	22,680	30,011	52,691
2021	(11,312)	30,011	18,699
2022	(14,736)	30,013	15,277
2023	0	33,633	33,633
2024	0	33,633	33,633
2025	0	28,255	28,255
Total	<u>\$19,312</u>	<u>\$215,567</u>	<u>\$234,879</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 8 - DEFINED BENEFIT OPEB PLANS (Continued)

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 and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2016, rolled forward to the measurement date of December 31, 2017. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	3.85 percent
Prior Measurement date	4.23 percent
Investment Rate of Return	6.50 percent
Municipal Bond Rate	3.31 percent
Health Care Cost Trend Rate	7.5 percent, initial 3.25 percent, ultimate in 2028
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

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

The long-term expected rate of return on health care 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.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 8 - DEFINED BENEFIT OPEB PLANS (Continued)

During 2017, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio is 15.2 percent for 2017.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2017 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	1.88 %
Domestic Equities	21.00	6.37
Real Estate Investment Trust	6.00	5.91
International Equities	22.00	7.88
Other investments	17.00	5.39
Total	100.00 %	4.98 %

Discount Rate A single discount rate of 3.85 percent was used to measure the OPEB liability on the measurement date of December 31, 2017. A single discount rate of 4.23 percent was used to measure the OPEB liability on the measurement date of December 31, 2016. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.50 percent and a municipal bond rate of 3.31 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 8 - DEFINED BENEFIT OPEB PLANS (Continued)

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net OPEB liability calculated using the single discount rate of 3.85 percent, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.85 percent) or one-percentage-point higher (4.85 percent) than the current rate:

	1% Decrease (2.85%)	Current Discount Rate (3.85%)	1% Increase (4.85%)
City's proportionate share of the net OPEB liability	\$1,051,280	\$791,303	\$580,984

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2018 is 7.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.25 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$757,108	\$791,303	\$826,625

Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2017, is based on the results of an actuarial valuation date of January 1, 2017, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, 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.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 8 - DEFINED BENEFIT OPEB PLANS (Continued)

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below.

Valuation Date	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Single discount rate:	
Current measurement date	3.24 percent
Prior measurement date	3.79 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

CITY OF ROSSFORD, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 8 - DEFINED BENEFIT OPEB PLANS (Continued)

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale.

Age	Police	Fire
59 or less	35 %	35 %
60-69	60	45
70-79	75	70
80 and up	100	90

The most recent experience study was completed for the five year period ended December 31, 2016. The prior experience study was completed December 31, 2011.

The long-term expected rate of return on OPEB 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 expected. 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, 2017, are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	- %	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 Securities*	20.00	2.33
High Yield	15.00	4.48
Real Estate	12.00	5.65
Private Markets	8.00	7.99
Timber	5.00	6.87
Master Limited Partnerships	8.00	7.36
Total	<u>120.00 %</u>	

Note: Assumptions are geometric.

* levered 2x

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 8 - DEFINED BENEFIT OPEB PLANS (Continued)

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 the 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 OPEB liability was calculated using the discount rate of 3.24 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8 percent. Based on those assumptions, OP&F’s fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 3.16 percent at December 31, 2017 and 3.71 percent at December 31, 2016, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 3.24 percent. The municipal bond rate was determined using the S&P Municipal Bond 20 Year High Grade Rate Index. The OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments until 2025. The long-term expected rate of return on health care investments was applied to projected costs through 2025, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 3.24 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.24 percent), or one percentage point higher (4.24 percent) than the current rate.

	1% Decrease (2.24%)	Current Discount Rate (3.24%)	1% Increase (4.24%)
City's proportionate share of the net OPEB liability	\$2,751,017	\$2,200,794	\$1,777,419

CITY OF ROSSFORD, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 8 - DEFINED BENEFIT OPEB PLANS (Continued)

Sensitivity of the City’s Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate Net OPEB liability is sensitive to changes in the health care cost trend rate. The trend rate is the annual rate at which the cost of covered medical services is assumed to increase from the current year to the next year. Beginning in 2017, the per-capita costs are assumed to change by the following percentages each year:

Year	Non-Medicare	Non-AARP	AARP	Rx Drug	Medicare Part B
2017	-0.47%	-2.50%	4.50%	-0.47%	5.20%
2018	7.00%	7.00%	4.50%	7.00%	5.10%
2019	6.50%	6.50%	4.50%	6.50%	5.00%
2020	6.00%	6.00%	4.50%	6.00%	5.00%
2021	5.50%	5.50%	4.50%	5.50%	5.00%
2022	5.00%	5.00%	4.50%	5.00%	5.00%
2023 and Later	4.50%	4.50%	4.50%	4.50%	5.00%

To illustrate the potential impact, the following table presents the net OPEB liability calculated using the current healthcare cost trend current rates as outlined in the table above, a one percent decrease in the trend rates and a one percent increase in the trend rates.

	1% Decrease	Current Rates	1% Increase
City’s proportionate share of the net OPEB liability	\$1,709,615	\$2,200,794	\$2,862,733

Changes between Measurement Date and Report Date

In March 2018, the OP&F Board of Trustees approved the implementation date and framework for a new health care model. Beginning January 1, 2019, the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. The impact to the City’s NOL is not known.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 9 - COMPENSATED ABSENCES

In accordance with GASB Statement No. 16, "*Accounting for Compensated Absences*," vacation and compensatory time are accrued as liabilities when an employee's right to receive compensation is attributable to services already rendered and it is probable the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met the minimum service time requirement, is accrued to the extent that it is considered to be probable that the conditions for compensation will be met in the future.

Sick leave is accrued using the vesting method, whereby the liability is recorded on the basis of leave accumulated by employees who are eligible to receive termination payments as of the balance sheet date, and on leave balances accumulated by other employees who are expected to become eligible in the future to receive such payments.

Vacation earned in a calendar year must be used during the current year. Vacation time cannot carry over into the subsequent year. At termination or retirement, employees are paid at their full rate for 100% of their unused vacation leave.

At December 31, 2018, the City's accumulated, unpaid compensated absences amounted to \$316,941, all of which is recorded as a liability of the Governmental Activities.

CITY OF ROSSFORD, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 10 - INTERFUND BALANCES

Individual interfund balances at December 31, 2018 that are expected to be paid within one year are as follows:

Fund	Interfund Loans Receivable	Interfund Loans Payable
Governmental Funds:		
General Fund	\$50,820	\$0
Tax Increment Equalization Fund	355,925	0
Fire Capital Improvement Fund	0	21,000
TIEF Urban Redevelopment Fund	0	29,820
TIF Crossroads 2 Fund	0	355,925
Totals	<u>\$406,745</u>	<u>\$406,745</u>

NOTE 11 - TRANSFERS

Following is a summary of transfers in and out for all funds for 2018:

	Transfers In:				
	General Fund	Capital Improvement Fund	Nonmajor Governmental Funds	Storm Water Fund	Total
Transfers Out:					
General Fund	\$0	\$350,000	\$330,007	\$100,000	\$780,007
Capital Improvement Fund	0	0	1,020,202	75,000	1,095,202
Nonmajor Governmental Funds	7,363	450,000	0	0	457,363
Marina Fund	2,050	0	0	0	2,050
	<u>\$9,413</u>	<u>\$800,000</u>	<u>\$1,350,209</u>	<u>\$175,000</u>	<u>\$2,334,622</u>

Transfers are used to (1) move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorization.

The transfer from the Marina Fund to the General Fund is related to monies being deposited into the Unclaimed Monies Fund which is being reported as part of the General Fund on a modified accrual basis.

Transfers from the General Fund and Capital Improvement Fund to the Storm Water Fund and Debt Service Fund were used to finance capital projects and debt service payments on capital related debt.

Transfers in the amount of \$450,000 from the TID Road Acquisition Fund (nonmajor governmental fund) to the Capital Improvement Fund were used to finance new roadway and resignalization projects in the City.

Transfers from the Enforcement and Education Fund (nonmajor governmental fund) to the General Fund were used to pay part of the Resource Officer's salary and were receipted through a grant.

Transfers from the General Fund to the Nonmajor Governmental Funds were used for Recreation projects, landfill closure and debt service payments.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 12 - NOTES PAYABLE

The Ohio Revised Code provides that notes including renewal notes issued in anticipation of the issuance of general obligation bonds may be issued and outstanding from time to time up to a maximum period of 20 years from the date of issuance of the original notes. The maximum maturity for notes anticipating general obligation bonds payable from special assessments is five years. Any period in excess of five years must be deducted from the permitted maximum maturity of the bonds anticipated, and portions of the principal amount of notes outstanding for more than five years must be retired in amounts at least equal to, and payable no later than, those principal maturities required if the bonds had been issued at the expiration of the initial five year period. The notes below were issued on March 13, 2018 and mature on March 13, 2019. They were used for improvements on State Rt. 65 through the City of Rossford.

	Balance December 31, 2017	Issued	(Retired)	Balance December 31, 2018
Capital Projects Funds:				
2.75% Road Improvements	\$0	\$1,925,000	\$0	\$1,925,000
Enterprise Funds:				
2.75% Road Improvements	\$0	\$75,000	\$0	\$75,000
Total Notes Payable	<u>\$0</u>	<u>\$2,000,000</u>	<u>\$0</u>	<u>\$2,000,000</u>

CITY OF ROSSFORD, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 13 - LONG-TERM DEBT

Long-term debt of the City at December 31, 2018 is as follows:

	Balance January 1, 2017	Issued	(Retired)	Balance December 31, 2018	Amount Due Within One Year
Business-Type Activities:					
OPWC Loans:					
0.00% Northwood Drive	\$9,385	\$0	(\$4,695)	\$4,690	\$4,690
Hillside Drive	171,036	0	(9,246)	161,790	9,246
Total OPWC Loans	<u>180,421</u>	<u>0</u>	<u>(13,941)</u>	<u>166,480</u>	<u>13,936</u>
Net Pension Liability Payable	65,378	0	(16,525)	48,853	0
Net OPEB Liability Payable	<u>28,305</u>	<u>3,402</u>	<u>0</u>	<u>31,707</u>	<u>0</u>
Total Business-Type Long-Term Debt	<u>\$274,104</u>	<u>\$3,402</u>	<u>(\$30,466)</u>	<u>\$247,040</u>	<u>\$13,936</u>
Governmental Activities:					
General Obligation Bonds:					
2% - 3% 2012 Refunding Bonds	1,650,000	0	(225,000)	1,425,000	220,000
3.15% 2018 Harmon Industrial Park Bonds	0	2,000,000	(95,000)	1,905,000	165,000
Unamortized Bond Premium	<u>43,003</u>	<u>0</u>	<u>(4,299)</u>	<u>38,704</u>	<u>0</u>
Total General Obligation Bonds	1,693,003	2,000,000	(324,299)	3,368,704	385,000
OPWC Loan Payable	55,774	0	(4,462)	51,312	4,462
Landfill Postclosure Care Liability	131,189	178,067	(42,156)	267,100	39,007
Capital Lease	76,354	49,428	(22,755)	103,027	39,940
Compensated Absences Payable	276,798	316,941	(276,798)	316,941	50,691
Net Pension Liability Payable	4,044,535	0	(490,218)	3,554,317	0
Net OPEB Liability Payable	<u>2,491,624</u>	<u>468,766</u>	<u>0</u>	<u>2,960,390</u>	<u>0</u>
Total Governmental Activities Long-Term Debt	<u>\$8,769,277</u>	<u>\$3,013,202</u>	<u>(\$1,160,688)</u>	<u>\$10,621,791</u>	<u>\$519,100</u>

CITY OF ROSSFORD, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 13 - LONG-TERM DEBT (Continued)

The City issues general obligation bonds to provide funds for the construction and improvement of buildings, roads, storm sewer lines as well as landfill costs. General obligation bonds are direct obligations and pledge the full faith and credit of the City.

In 2012, the City issued \$3,550,000 of general obligation, various purpose improvement (\$610,000) and refunding (\$2,940,000) bonds with interest rates varying from 2.0% to 3.0%. The \$610,000 various purpose improvement bonds (along with a premium of \$20,919 less issuance costs of \$30,919) were used to bond 2011 various purpose notes issued to provide funding for the construction, improvement, alteration or repair of any road or infrastructure with the limits of the Rossford Transportation Improvement District.

In 2018, the City issued \$2,000,000 of general obligation bonds with an interest rate of 3.15%. The bonds were used for capital improvements in the Harmon Industrial Business Park and had an outstanding balance of \$1,905,000 at 12/31/18.

The governmental activities' bonds will be repaid mainly with transfers from the General Fund and with payments in lieu of taxes from the Tax Increment Equivalent Fund.

The City pays obligations related to employee compensation from the fund benefitting from their service.

A Principal and Interest Requirements

A summary of the City's future long-term debt funding requirements including principal and interest payments as of December 31, 2018 follows:

Years	<u>Governmental Activities</u>		OPWC Loan Payable	
	General Obligation Bonds		Principal	Interest
	Principal	Interest	Principal	Interest
2019	\$385,000	\$90,278	\$4,462	\$0
2020	390,000	80,274	4,462	0
2021	405,000	69,629	4,462	0
2022	395,000	64,038	4,462	0
2023	290,000	52,968	4,462	0
2024-2028	1,465,000	124,889	22,310	0
2029-2030	0	0	6,692	0
Totals	<u>\$3,330,000</u>	<u>\$482,076</u>	<u>\$51,312</u>	<u>\$0</u>

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 13 - LONG-TERM DEBT (Continued)

A Principal and Interest Requirements (Continued)

Years	<u>Business Type Activities</u>	
	<u>OPWC Loan Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2019	\$13,936	\$0
2020	9,246	0
2021	9,246	0
2022	9,246	0
2023	9,246	0
2024-2028	46,230	0
2029-2033	46,230	0
2034-2036	23,100	0
Totals	<u>\$166,480</u>	<u>\$0</u>

NOTE 14 - CAPITAL LEASES

The City leases a backhoe and defibrillators under a capital leases. The original cost of the backhoe was \$92,963. The original cost of the defibrillators was \$49,428. The related liability is reported in the Government-Wide Statement of Net Position.

The following is a schedule of future minimum lease payments under the capital lease together with the present value of the net minimum lease payments as of December 31, 2018:

<u>Year Ending December 31,</u>	<u>Capital Lease</u>
2019	\$42,576
2020	42,576
2021	23,978
Minimum Lease Payments	109,130
Less amount representing interest at the City's incremental borrowing rate of interest	(6,103)
Present value of minimum lease payments	<u>\$103,027</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 15 - INSURANCE AND RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. In 1990, the City joined the Ohio Government Risk Management Plan (the "OGRMP"), a public entity risk plan formed under Section 2744.081 of the Ohio Revised Code that operates as a common risk management and insurance program for 585 member political subdivisions. The City pays an annual premium to the OGRMP for its general insurance coverage. The agreement for formation of the OGRMP provides that the organization will be self-sustaining through member premiums and will reinsure all covered claims in excess of a member's deductible through commercial insurance and reinsurance companies.

Workers' Compensations claims are covered through the City's participation in the State of Ohio's program. The City pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll plus administrative costs. The rate is determined based upon the accident history of the City of Rossford.

The City also purchases insurance coverage to provide employee health benefits and pays unemployment claims to the State of Ohio as incurred. There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from the above noted risks have not exceeded commercial insurance coverages during the past three fiscal years.

NOTE 16 - SOLID WASTE LANDFILL POSTCLOSURE CARE COSTS

The City owns a former landfill site known as the Wales Road Landfill. The facility's operation predates most modern regulatory and recordkeeping requirements. The exact date for commencement of waste placement activities is unknown, but in the mid 1960's waste placement activities were modified to follow the layered approach to sanitary landfill operations. The landfill reached its capacity and ceased accepting waste at the 19.71 acre facility in 1990. The Ohio Environmental Protection Agency acting in accordance with applicable state and federal laws required the City to complete final closure of the site during 1994. State and federal laws require that the City monitor and maintain the site for thirty years after closure. For the year ended December 31, 2017, the City re-evaluated the outstanding liability related to post closure care costs. The City's new estimated accrued liability for post-closure costs related to the closed landfill for the next five years is \$267,100. The estimated costs of post-closure care are subject to changes corresponding to the effects of inflation, revision of laws and other variables. The liability will be paid with the general revenues of the City and follows the guidelines set forth by GASB Statement No. 18.

NOTE 17 - CONTINGENCIES

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2018***

NOTE 18 – JOINTLY GOVERNED ORGANIZATION

Rossford Transportation Improvement District: In May 1997, the Wood County Commissioners approved formation of the Rossford Transportation Improvement District (TID) as permitted under Chapter 5540 of the Ohio Revised Code. In July 2002, at the request of the Wood County Commissioners, the membership and appointments section of the TID bylaws was amended to eliminate the TID as a component unit of Wood County. The board of trustees consists of the following members: two voting members appointed by Wood County, three voting members appointed by the City of Rossford, two voting members appointed by Perrysburg Township, the Wood County Engineer as a voting member, and two nonvoting members of the general assembly in whose legislative district the TID is located. It is empowered to provide for the construction, improvement, alteration or repair of any road, highway, public place or other infrastructure within the limits of the City and to issue bonds.

CITY OF ROSSFORD, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2018**

NOTE 19 – FUND BALANCE CLASSIFICATION

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

Fund Balances	General Fund	Tax Increment Equalization	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepays	\$123,287	\$0	\$0	\$7,101	\$130,388
Supplies Inventory	1,048	0	0	20,363	21,411
Unclaimed Monies	10,279	0	0	0	10,279
Total Nonspendable	<u>134,614</u>	<u>0</u>	<u>0</u>	<u>27,464</u>	<u>162,078</u>
Restricted:					
Capital Projects	0	6,259,093	0	395,062	6,654,155
Street Lights	0	0	0	109,157	109,157
Street Construction and Maintenance	0	0	0	502,069	502,069
State Highway Improvements	0	0	0	23,843	23,843
Permissive Tax	0	0	0	66,449	66,449
Drug Fine	0	0	0	24,273	24,273
Enforcement and Education	0	0	0	49,986	49,986
Law Enforcement Trust	0	0	0	11,333	11,333
Recreation	0	0	0	249,772	249,772
Community Entertainment	0	0	0	200	200
Visitors and Conventions	0	0	0	57,570	57,570
Block Grant	0	0	0	163,494	163,494
Landfill Closure	0	0	0	37,167	37,167
Police Donation	1,400	0	0	0	1,400
Total Restricted	<u>1,400</u>	<u>6,259,093</u>	<u>0</u>	<u>1,690,375</u>	<u>7,950,868</u>
Assigned:					
Encumbrances for Purchase Orders	145,609	0	0	0	145,609
Budget Resource	1,314,235	0	0	0	1,314,235
Accrued Compensation	265,537	0	0	0	265,537
Debt Service	0	0	0	959,136	959,136
Total Assigned	<u>1,725,381</u>	<u>0</u>	<u>0</u>	<u>959,136</u>	<u>2,684,517</u>
Unassigned	<u>5,359,193</u>	<u>0</u>	<u>(629,020)</u>	<u>(248,488)</u>	<u>4,481,685</u>
Total Fund Balances	<u>\$7,220,588</u>	<u>\$6,259,093</u>	<u>(\$629,020)</u>	<u>\$2,428,487</u>	<u>\$15,279,148</u>

REQUIRED SUPPLEMENTAL INFORMATION

CITY OF ROSSFORD, OHIO

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

Ohio Public Employees Retirement System

Year	2014	2015	2016	2017	2018
City's proportion of the net pension liability (asset)	0.007225%	0.007225%	0.007421%	0.007442%	0.007771%
City's proportionate share of the net pension liability (asset)	\$851,733	\$871,416	\$1,285,485	\$1,690,013	\$1,219,197
City's covered payroll	\$782,185	\$894,225	\$948,425	\$962,067	\$1,027,200
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	108.89%	97.45%	135.54%	175.66%	118.69%
Plan fiduciary net position as a percentage of the total pension liability	86.36%	86.45%	81.08%	77.25%	84.66%

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

Ohio Police and Fire Pension Fund

Year	2014	2015	2016	2017	2018
City's proportion of the net pension liability (asset)	0.0381342%	0.0381342%	0.0373640%	0.038206%	0.038843%
City's proportionate share of the net pension liability (asset)	\$1,857,255	\$1,975,511	\$2,403,631	\$2,419,900	\$2,383,973
City's covered payroll	\$638,419	\$788,183	\$800,567	\$863,201	\$891,568
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	290.91%	250.64%	300.24%	280.34%	267.39%
Plan fiduciary net position as a percentage of the total pension liability	73.00%	72.20%	66.77%	68.36%	70.91%

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

Notes: The City implemented GASB Statement 68 in 2015.

Information prior to 2014 is not available.

The schedule is reported as of the measurement date of the Net Pension Liability.

See accompanying notes to required supplementary information

CITY OF ROSSFORD, OHIO

***Schedule of City's Pension Contributions
Last Six Years***

Ohio Public Employees Retirement System

Year	<u>2013</u>	<u>2014</u>	<u>2015</u>
Contractually required contribution	\$101,684	\$107,307	\$113,811
Contributions in relation to the contractually required contribution	<u>101,684</u>	<u>107,307</u>	<u>113,811</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$782,185	\$894,225	\$948,425
Contributions as a percentage of covered payroll	13.00%	12.00%	12.00%

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

Ohio Police and Fire Pension Fund

Year	<u>2013</u>	<u>2014</u>	<u>2015</u>
Contractually required contribution	\$109,042	\$160,474	\$160,834
Contributions in relation to the contractually required contribution	<u>109,042</u>	<u>160,474</u>	<u>160,834</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$638,419	\$788,183	\$800,567
Contributions as a percentage of covered payroll	17.08%	20.36%	20.09%

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

Notes: The City implemented GASB Statement 68 in 2015.

Information prior to 2013 is not available.

See accompanying notes to required supplementary information

CITY OF ROSSFORD, OHIO

<u>2016</u>	<u>2017</u>	<u>2018</u>
\$115,448	\$133,537	\$142,439
<u>115,448</u>	<u>133,537</u>	<u>142,439</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$962,067	\$1,027,200	\$1,017,421
12.00%	13.00%	14.00%

<u>2016</u>	<u>2017</u>	<u>2018</u>
\$173,417	\$179,116	\$185,507
<u>173,417</u>	<u>179,116</u>	<u>185,507</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$863,201	\$891,568	\$923,380
20.09%	20.09%	20.09%



CITY OF ROSSFORD, OHIO

***Schedule of City's Proportionate Share of the Net Other Postemployment Benefits (OPEB) Liability
Last Two Years***

Ohio Public Employees Retirement System

Year	2017	2018
City's proportion of the net OPEB liability (asset)	0.006994%	0.007287%
City's proportionate share of the net OPEB liability (asset)	\$706,398	\$791,303
City's covered payroll	\$962,067	\$1,027,200
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	73.43%	77.03%
Plan fiduciary net position as a percentage of the total OPEB liability	54.04%	54.14%

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

Ohio Police and Fire Pension Fund

Year	2017	2018
City's proportion of the net OPEB liability (asset)	0.038206%	0.038843%
City's proportionate share of the net OPEB liability (asset)	\$1,813,531	\$2,200,794
City's covered payroll	\$863,201	\$891,568
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	210.09%	246.85%
Plan fiduciary net position as a percentage of the total OPEB liability	15.96%	14.13%

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

Notes: The City implemented GASB Statement 75 in 2018.

Information prior to 2017 is not available.

The schedule is reported as of the measurement date of the Net OPEB Liability.

See accompanying notes to required supplementary information

CITY OF ROSSFORD, OHIO

***Schedule of City's Other Postemployment Benefit (OPEB) Contributions
Last Six Years***

Ohio Public Employees Retirement System

Year	2013	2014	2015
Contractually required contribution	\$7,822	\$17,885	\$18,969
Contributions in relation to the contractually required contribution	7,822	17,885	18,969
Contribution deficiency (excess)	\$0	\$0	\$0
City's covered payroll	\$782,185	\$894,225	\$948,425
Contributions as a percentage of covered payroll	1.00%	2.00%	2.00%

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

Ohio Police and Fire Pension Fund

Year	2013	2014	2015
Contractually required contribution	\$3,192	\$3,941	\$4,003
Contributions in relation to the contractually required contribution	3,192	3,941	4,003
Contribution deficiency (excess)	\$0	\$0	\$0
City's covered payroll	\$638,419	\$788,183	\$800,567
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%

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

Notes: The City implemented GASB Statement 75 in 2018.

Information prior to 2013 is not available.

See accompanying notes to required supplementary information

CITY OF ROSSFORD, OHIO

<u>2016</u>	<u>2017</u>	<u>2018</u>
\$19,241	\$10,272	\$0
<u>19,241</u>	<u>10,272</u>	<u>0</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$962,067	\$1,027,200	\$1,017,421
2.00%	1.00%	0.00%

<u>2016</u>	<u>2017</u>	<u>2018</u>
\$4,316	\$4,714	\$4,882
<u>4,316</u>	<u>4,714</u>	<u>4,882</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$863,201	\$891,568	\$923,380
0.50%	0.53%	0.53%

***Notes to the Required Supplemental Information
For the Year Ended December 31, 2018***

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms for the period 2014-2018.

Changes in assumptions:

2014-2016: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2017: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- Decrease in wage inflation from 3.75% to 3.25%
- Change in future salary increases from a range of 4.25%-10.02% to 3.25%-10.75%

2018: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms: There were no changes in benefit terms for the period 2014-2018.

Changes in assumptions:

2014-2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2018: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date.

- Reduction in actuarial assumed rate of return from 8.25% to 8.00%
- Decrease salary increases from 3.75% to 3.25%
- Change in payroll growth from 3.75% to 3.25%
- Reduce DROP interest rate from 4.5% to 4.0%
- Reduce CPI-based COLA from 2.6% to 2.2%
- Inflation component reduced from 3.25% to 2.75%

***Notes to the Required Supplemental Information
For the Year Ended December 31, 2018***

NET OPEB LIABILITY

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: For 2018, there were no changes in benefit terms.

Changes in assumptions: For 2018, the single discount rate changed from 4.23% to 3.85%.

OHIO POLICE AND FIRE (OP&F)

Changes in benefit terms: For 2018, there were no changes in benefit terms.

Changes in assumptions: For 2018, the single discount rate changed from 3.79% to 3.24%.

*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

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

Nonmajor Governmental Funds

Special Revenue Funds

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

State Highway Fund

To account for revenues distributed by the State from the motor vehicle taxes, permissive fees and gasoline taxes. Expenditures may only be used for street and state highway improvements and maintenance.

Street Construction, Maintenance and Repair Fund

To account for revenues distributed by the State from the motor vehicle and gasoline taxes. Expenditures may only be used for street construction, maintenance and repair.

Drug Fine Fund

To account for funds received by the police department for mandatory fines for drug related offenses.

Enforcement and Education Fund

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

Law Enforcement Trust Fund

To account for funds received by the police department for contraband per state statute.

Accrued Compensation Fund

To account for monies used to pay accrued liabilities when an employee's right to receive compensation is attributed to services already rendered and it is probable the employee will be compensated through paid time off or other means, such as cash payments at termination or retirement. This fund is rolled up into the General Fund on a modified accrual basis.

Recreation Fund

To account for the revenues from taxes, concession operations and fees. Expenditures may only be used for recreation purposes.

Rossford Community Arts Commission Fund

To account for donations and expenses of the Rossford Community Arts Commission and the associated community programs.

(Continued)

Special Revenue Funds

Block Grant Fund

To account for Federal grants administered through the State designated for community and environmental improvements.

Street Lighting Assessment Fund

To account for special assessments collected to pay for neighborhood street lighting.

Visitors and Conventions Fund

To account for a portion of hotel/motel taxes per state statute to be earmarked for visitors and convention bureau activities benefiting the City of Rossford.

Rossford Permissive Tax Fund

To account for monies To account for the locally levied portion of permissive license taxes which are used for street maintenance.

Debt Service Fund

The Debt Service Funds are used to account for retirement of the County's general obligation bonds, special assessment bonds and loans other than those financed by proprietary funds.

General Bond Obligation Debt Service Fund

To account for financial resources used to cover and monitor the City owned landfill, which ceased operations in 1990.

Capital Projects Funds

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

Landfill Closure Fund

To account for financial resources used to cover and monitor the City owned landfill, which ceased operations in 1990.

Fire Capital Improvement Fund

To account for financial resources received from a voter approved tax levy that are used to provide fire apparatus, buildings or sites.

(Continued)

Capital Projects Funds (Continued)

Permanent Recreation Improvement Fund

To account for financial resources received from a voter approved tax levy that are used to provide for the acquisition of land and/or construction of specific permanent improvements to parks and playgrounds for recreational purposes.

TID Road Acquisition Fund

To account for financial resources associated with the lease-purchase arrangement with the Transportations Improvement District and the road project.

TIEF Urban Redevelopment Fund

To account for financial resources to be used for construction and installation of infrastructure improvements in the 17.09 acre area of the City. (The Statement of Revenues, Expenditures and Changes in Fund Balances is not presented because this fund has no activity on a GAAP basis.)

TIF Crossroads 2 Fund

To account for financial resources to be used for the construction and installation of infrastructure improvements in the TIF/Crossroads area of the City.

CITY OF ROSSFORD, OHIO

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2018**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Assets:				
Cash and Cash Equivalents	\$ 1,104,508	\$ 965,810	\$ 959,136	\$ 3,029,454
Receivables:				
Accounts	1,865	0	0	1,865
Intergovernmental	148,960	383,129	0	532,089
Property Taxes	75,036	233,787	0	308,823
Special Assessments	223,612	0	0	223,612
Inventory of Supplies, at Cost	20,363	0	0	20,363
Prepaid Items	6,357	744	0	7,101
Total Assets	\$ 1,580,701	\$ 1,583,470	\$ 959,136	\$ 4,123,307
Liabilities:				
Accounts Payable	\$ 66,340	\$ 231,162	\$ 0	\$ 297,502
Accrued Wages and Benefits Payable	4,255	1,990	0	6,245
Interfund Loans Payable	0	406,745	0	406,745
Total Liabilities	70,595	639,897	0	710,492
Deferred Inflows of Resources:				
Unavailable Amounts	319,430	385,781	0	705,211
Property Tax Levy for Next Fiscal Year	47,982	231,135	0	279,117
Total Deferred Inflows of Resources	367,412	616,916	0	984,328
Fund Balances:				
Nonspendable	26,720	744	0	27,464
Restricted	1,115,974	574,401	0	1,690,375
Assigned	0	0	959,136	959,136
Unassigned	0	(248,488)	0	(248,488)
Total Fund Balances	1,142,694	326,657	959,136	2,428,487
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,580,701	\$ 1,583,470	\$ 959,136	\$ 4,123,307

CITY OF ROSSFORD, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2018**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Revenues:				
Property Taxes	\$ 41,054	\$ 205,275	\$ 0	\$ 246,329
Other Local Taxes	151,422	0	0	151,422
Intergovernmental Revenues	364,770	323,484	0	688,254
Charges for Services	128,201	0	0	128,201
Special Assessments	210,388	0	0	210,388
Fines and Forfeitures	16,098	0	0	16,098
All Other Revenue	20,506	1,320	5,160	26,986
Total Revenue	932,439	530,079	5,160	1,467,678
Expenditures:				
Current:				
Security of Persons and Property	380,938	221,541	0	602,479
Leisure Time Activities	397,360	0	0	397,360
Transportation	371,665	0	0	371,665
General Government	148,917	0	0	148,917
Capital Outlay	0	184,691	0	184,691
Debt Service:				
Principal Retirement	0	115,000	109,462	224,462
Interest & Fiscal Charges	0	38,965	5,727	44,692
Total Expenditures	1,298,880	560,197	115,189	1,974,266
Excess (Deficiency) of Revenues Over Expenditures	(366,441)	(30,118)	(110,029)	(506,588)
Other Financing Sources (Uses):				
Inception of Capital Lease	0	49,428	0	49,428
Transfers In	235,000	60,000	1,055,209	1,350,209
Transfers Out	(7,363)	(450,000)	0	(457,363)
Total Other Financing Sources (Uses)	227,637	(340,572)	1,055,209	942,274
Net Change in Fund Balances	(138,804)	(370,690)	945,180	435,686
Fund Balances at Beginning of Year	1,289,709	697,347	13,956	2,001,012
Decrease in Inventory Reserve	(8,211)	0	0	(8,211)
Fund Balances End of Year	\$ 1,142,694	\$ 326,657	\$ 959,136	\$ 2,428,487

CITY OF ROSSFORD, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2018**

	State Highway	Street Construction, Maintenance and Repair	Drug Fine	Enforcement and Education	Law Enforcement Trust
Assets:					
Cash and Cash Equivalents	\$ 20,297	\$ 459,226	\$ 24,273	\$ 49,986	\$ 11,333
Receivables:					
Accounts	0	0	0	0	0
Intergovernmental	10,840	134,270	0	0	0
Property Taxes	0	0	0	0	0
Special Assessments	0	0	0	0	0
Inventory of Supplies, at Cost	0	20,363	0	0	0
Prepaid Items	0	0	0	0	0
Total Assets	<u>\$ 31,137</u>	<u>\$ 613,859</u>	<u>\$ 24,273</u>	<u>\$ 49,986</u>	<u>\$ 11,333</u>
Liabilities:					
Accounts Payable	\$ 303	\$ 4,631	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0	0
Total Liabilities	<u>303</u>	<u>4,631</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources:					
Unavailable Amounts	6,991	86,796	0	0	0
Property Tax Levy for Next Fiscal Year	0	0	0	0	0
Total Deferred Inflows of Resources	<u>6,991</u>	<u>86,796</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances:					
Nonspendable	0	20,363	0	0	0
Restricted	23,843	502,069	24,273	49,986	11,333
Total Fund Balances	<u>23,843</u>	<u>522,432</u>	<u>24,273</u>	<u>49,986</u>	<u>11,333</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 31,137</u>	<u>\$ 613,859</u>	<u>\$ 24,273</u>	<u>\$ 49,986</u>	<u>\$ 11,333</u>

CITY OF ROSSFORD, OHIO

Recreation	Rossford Community Arts Commission	Block Grant	Street Lighting Assessment	Visitors and Conventions	Rossford Permissive Tax	Total Nonmajor Special Revenue Funds
\$ 120,804	\$ 200	\$ 163,494	\$ 123,530	\$ 68,061	\$ 63,304	\$ 1,104,508
1,865	0	0	0	0	0	1,865
705	0	0	0	0	3,145	148,960
49,308	0	0	0	25,728	0	75,036
0	0	0	223,612	0	0	223,612
0	0	0	0	0	0	20,363
6,357	0	0	0	0	0	6,357
<u>\$ 179,039</u>	<u>\$ 200</u>	<u>\$ 163,494</u>	<u>\$ 347,142</u>	<u>\$ 93,789</u>	<u>\$ 66,449</u>	<u>\$ 1,580,701</u>
\$ 10,814	\$ 0	\$ 0	\$ 14,373	\$ 36,219	\$ 0	\$ 66,340
4,255	0	0	0	0	0	4,255
15,069	0	0	14,373	36,219	0	70,595
2,031	0	0	223,612	0	0	319,430
47,982	0	0	0	0	0	47,982
50,013	0	0	223,612	0	0	367,412
6,357	0	0	0	0	0	26,720
107,600	200	163,494	109,157	57,570	66,449	1,115,974
113,957	200	163,494	109,157	57,570	66,449	1,142,694
<u>\$ 179,039</u>	<u>\$ 200</u>	<u>\$ 163,494</u>	<u>\$ 347,142</u>	<u>\$ 93,789</u>	<u>\$ 66,449</u>	<u>\$ 1,580,701</u>

CITY OF ROSSFORD, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2018**

	State Highway	Street Construction, Maintenance and Repair	Drug Fine	Enforcement and Education	Law Enforcement Trust
Revenues:					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Local Taxes	0	0	0	0	0
Intergovernmental Revenues	23,190	286,016	0	12,348	505
Charges for Services	0	0	0	0	0
Special Assessments	0	0	0	0	0
Fines and Forfeitures	0	0	2,075	1,243	12,780
All Other Revenue	0	0	0	0	235
Total Revenue	23,190	286,016	2,075	13,591	13,520
Expenditures:					
Current:					
Security of Persons and Property	0	0	0	5,140	3,706
Leisure Time Activities	0	0	0	0	0
Transportation	67,457	304,208	0	0	0
General Government	0	0	0	0	0
Total Expenditures	67,457	304,208	0	5,140	3,706
Excess (Deficiency) of Revenues Over Expenditures	(44,267)	(18,192)	2,075	8,451	9,814
Other Financing Sources (Uses):					
Transfers In	0	0	0	0	0
Transfers Out	0	0	0	(7,363)	0
Total Other Financing Sources (Uses)	0	0	0	(7,363)	0
Net Change in Fund Balances	(44,267)	(18,192)	2,075	1,088	9,814
Fund Balances at Beginning of Year, as Restated	68,110	548,835	22,198	48,898	1,519
Decrease in Inventory Reserve	0	(8,211)	0	0	0
Fund Balances End of Year	\$ 23,843	\$ 522,432	\$ 24,273	\$ 49,986	\$ 11,333

CITY OF ROSSFORD, OHIO

Recreation	Rossford Community Arts Commission	Block Grant	Street Lighting Assessment	Visitors and Conventions	Rossford Permissive Tax	Total Nonmajor Special Revenue Funds
\$ 41,054	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 41,054
0	0	0	0	151,422	0	151,422
7,232	0	1,140	0	0	34,339	364,770
128,201	0	0	0	0	0	128,201
0	0	0	210,388	0	0	210,388
0	0	0	0	0	0	16,098
12,749	0	0	7,522	0	0	20,506
<u>189,236</u>	<u>0</u>	<u>1,140</u>	<u>217,910</u>	<u>151,422</u>	<u>34,339</u>	<u>932,439</u>
0	0	0	372,092	0	0	380,938
397,360	0	0	0	0	0	397,360
0	0	0	0	0	0	371,665
0	0	0	0	148,917	0	148,917
<u>397,360</u>	<u>0</u>	<u>0</u>	<u>372,092</u>	<u>148,917</u>	<u>0</u>	<u>1,298,880</u>
(208,124)	0	1,140	(154,182)	2,505	34,339	(366,441)
235,000	0	0	0	0	0	235,000
0	0	0	0	0	0	(7,363)
<u>235,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>227,637</u>
26,876	0	1,140	(154,182)	2,505	34,339	(138,804)
87,081	200	162,354	263,339	55,065	32,110	1,289,709
0	0	0	0	0	0	(8,211)
<u>\$ 113,957</u>	<u>\$ 200</u>	<u>\$ 163,494</u>	<u>\$ 109,157</u>	<u>\$ 57,570</u>	<u>\$ 66,449</u>	<u>\$ 1,142,694</u>

CITY OF ROSSFORD, OHIO

**Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2018**

	Landfill Closure	Fire Capital Improvement	Permanent Recreation Improvement	TID Road Acquisition
Assets:				
Cash and Cash Equivalents	\$ 46,066	\$ 102,089	\$ 151,797	\$ 315,963
Receivables:				
Intergovernmental	0	11,598	705	370,826
Property Taxes	0	185,805	47,982	0
Prepaid Items	100	644	0	0
Total Assets	\$ 46,166	\$ 300,136	\$ 200,484	\$ 686,789
Liabilities:				
Accounts Payable	\$ 8,899	\$ 0	\$ 9,625	\$ 0
Accrued Wages and Benefits Payable	0	1,990	0	0
Interfund Loans Payable	0	21,000	0	0
Total Liabilities	8,899	22,990	9,625	0
Deferred Inflows of Resources:				
Unavailable Amounts	0	14,250	705	370,826
Property Tax Levy for Next Fiscal Year	0	183,153	47,982	0
Total Deferred Inflows of Resources	0	197,403	48,687	370,826
Fund Balances:				
Nonspendable	100	644	0	0
Restricted	37,167	79,099	142,172	315,963
Unassigned	0	0	0	0
Total Fund Balances	37,267	79,743	142,172	315,963
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 46,166	\$ 300,136	\$ 200,484	\$ 686,789

CITY OF ROSSFORD, OHIO

TIEF Urban Redevelopment	TIF Crossroads 2	Total Nonmajor Capital Projects Funds
\$ 210,664	\$ 139,231	\$ 965,810
0	0	383,129
0	0	233,787
0	0	744
<u>\$ 210,664</u>	<u>\$ 139,231</u>	<u>\$ 1,583,470</u>
\$ 194,511	\$ 18,127	\$ 231,162
0	0	1,990
29,820	355,925	406,745
<u>224,331</u>	<u>374,052</u>	<u>639,897</u>
0	0	385,781
0	0	231,135
<u>0</u>	<u>0</u>	<u>616,916</u>
0	0	744
0	0	574,401
(13,667)	(234,821)	(248,488)
<u>(13,667)</u>	<u>(234,821)</u>	<u>326,657</u>
<u>\$ 210,664</u>	<u>\$ 139,231</u>	<u>\$ 1,583,470</u>

CITY OF ROSSFORD, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2018**

	Landfill Closure	Fire Capital Improvement	Permanent Recreation Improvement	TID Road Acquisition
Revenues:				
Property Taxes	\$ 0	\$ 164,221	\$ 41,054	\$ 0
Intergovernmental Revenues	0	42,384	7,232	273,868
All Other Revenue	0	1,320	0	0
Total Revenue	0	207,925	48,286	273,868
Expenditures:				
Security of Persons and Property	0	221,541	0	0
Capital Outlay	50,181	0	18,297	0
Debt Service:				
Principal Retirement	20,000	0	0	0
Interest & Fiscal Charges	1,690	0	0	0
Total Expenditures	71,871	221,541	18,297	0
Excess (Deficiency) of Revenues Over Expenditures	(71,871)	(13,616)	29,989	273,868
Other Financing Sources (Uses):				
Inception of Capital Lease	0	49,428	0	0
Transfers In	60,000	0	0	0
Transfers Out	0	0	0	(450,000)
Total Other Financing Sources (Uses)	60,000	49,428	0	(450,000)
Net Change in Fund Balances	(11,871)	35,812	29,989	(176,132)
Fund Balances at Beginning of Year	49,138	43,931	112,183	492,095
Fund Balances (Deficit) End of Year	\$ 37,267	\$ 79,743	\$ 142,172	\$ 315,963

CITY OF ROSSFORD, OHIO

TIEF Urban Redevelopment	TIF Crossroads 2	Total Nonmajor Capital Project Funds
\$ 0	\$ 0	\$ 205,275
0	0	323,484
0	0	1,320
0	0	530,079
0	0	221,541
13,667	102,546	184,691
0	95,000	115,000
0	37,275	38,965
13,667	234,821	560,197
(13,667)	(234,821)	(30,118)
0	0	49,428
0	0	60,000
0	0	(450,000)
0	0	(340,572)
(13,667)	(234,821)	(370,690)
0	0	697,347
<u>\$ (13,667)</u>	<u>\$ (234,821)</u>	<u>\$ 326,657</u>

CITY OF ROSSFORD, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2018**

	GENERAL FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Property Taxes	\$ 564,420	\$ 558,000	\$ 558,303	\$ 303
Municipal Income Taxes	4,492,867	4,242,115	4,258,097	15,982
Other Local Taxes	466,510	395,000	429,794	34,794
Intergovernmental Revenues	391,193	426,099	433,759	7,660
Charges for Services	125,192	118,675	128,427	9,752
Licenses and Permits	32,508	19,250	23,751	4,501
Investment Earnings	40,000	65,000	92,757	27,757
Special Assessments	0	16,895	16,913	18
Fines and Forfeitures	37,081	35,175	40,506	5,331
All Other Revenues	26,443	196,731	167,760	(28,971)
Total Revenues	6,176,214	6,072,940	6,150,067	77,127
Expenditures:				
Security of Persons and Property:				
Police:				
Personal Services	1,611,935	1,611,935	1,535,814	76,121
Contractual Services	208,120	220,855	183,186	37,669
Materials and Supplies	91,883	91,883	83,295	8,588
Capital Outlay	27,185	27,185	24,987	2,198
Total Police	1,939,123	1,951,858	1,827,282	124,576
Fire:				
Personal Services	359,550	359,550	327,526	32,024
Contractual Services	121,764	121,764	101,548	20,216
Materials and Supplies	23,645	23,645	20,940	2,705
Capital Outlay	25,660	25,660	24,905	755
Total Fire	530,619	530,619	474,919	55,700
Emergency Management:				
Contractual Services	6,500	6,500	6,313	187
Total Security of Persons and Property	2,476,242	2,488,977	2,308,514	180,463
Leisure Time Activities:				
Parks:				
Contractual Services	10,000	10,000	7,791	2,209
Materials and Supplies	2,000	2,000	396	1,604
Total Leisure Time Activities	12,000	12,000	8,187	3,813

(Continued)

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2018***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Basic Utility Services:				
Solid Waste and Refuse:				
Contractual Services	300,000	374,760	354,861	19,899
Total Basic Utility Services	<u>300,000</u>	<u>374,760</u>	<u>354,861</u>	<u>19,899</u>
Transportation:				
Public Works:				
Personal Services	595,246	595,246	581,357	13,889
Contractual Services	138,069	138,069	80,470	57,599
Materials and Supplies	43,070	43,070	24,680	18,390
Capital Outlay	22,057	22,057	19,959	2,098
Total Transportation	<u>798,442</u>	<u>798,442</u>	<u>706,466</u>	<u>91,976</u>
General Government:				
City Council:				
Personal Services	32,450	32,450	31,073	1,377
Contractual Services	9,898	9,898	9,898	0
Materials and Supplies	100	100	0	100
Total City Council	<u>42,448</u>	<u>42,448</u>	<u>40,971</u>	<u>1,477</u>
Mayor:				
Personal Services	8,950	8,950	8,728	222
Contractual Services	1,200	1,120	742	378
Materials and Supplies	65	145	87	58
Total Mayor	<u>10,215</u>	<u>10,215</u>	<u>9,557</u>	<u>658</u>
Administrator:				
Personal Services	141,910	141,910	128,096	13,814
Contractual Services	5,750	5,750	3,577	2,173
Materials and Supplies	100	100	97	3
Total Administrator	<u>147,760</u>	<u>147,760</u>	<u>131,770</u>	<u>15,990</u>

(Continued)

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2018***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
General Government:				
Contractual Services	261,358	185,444	166,945	18,499
Materials and Supplies	9,000	9,000	5,850	3,150
Other Expenditures	299,481	314,481	313,477	1,004
Capital Outlay	19,880	19,880	19,671	209
Total General Government	<u>589,719</u>	<u>528,805</u>	<u>505,943</u>	<u>22,862</u>
Facilities and Grounds:				
Contractual Services	228,292	228,292	189,585	38,707
Materials and Supplies	3,500	3,500	2,759	741
Capital Outlay	49,000	49,000	44,241	4,759
Total Facilities and Grounds	<u>280,792</u>	<u>280,792</u>	<u>236,585</u>	<u>44,207</u>
Finance/Tax:				
Personal Services	215,900	215,900	201,863	14,037
Contractual Services	145,500	145,500	130,886	14,614
Materials and Supplies	1,000	1,000	209	791
Capital Outlay	5,000	5,000	690	4,310
Total Finance/Tax	<u>367,400</u>	<u>367,400</u>	<u>333,648</u>	<u>33,752</u>
Zoning and Planning:				
Personal Services	22,250	22,250	20,940	1,310
Contractual Services	27,900	27,900	8,785	19,115
Total Zoning and Planning	<u>50,150</u>	<u>50,150</u>	<u>29,725</u>	<u>20,425</u>
Law:				
Contractual Services	241,810	241,810	205,314	36,496
Civil Service Commission:				
Contractual Services	4,500	4,500	1,915	2,585
Street Tree Commission:				
Contractual Services	7,104	7,105	1,406	5,699

(Continued)

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2018***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Planning Commission:				
Personal Services	2,000	2,000	1,472	528
Contractual Services	51,093	51,093	33,995	17,098
Total Planning Commission	<u>53,093</u>	<u>53,093</u>	<u>35,467</u>	<u>17,626</u>
Total General Government	<u>1,794,991</u>	<u>1,734,078</u>	<u>1,532,301</u>	<u>201,777</u>
Total Expenditures	<u>5,381,675</u>	<u>5,408,257</u>	<u>4,910,329</u>	<u>497,928</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	794,539	664,683	1,239,738	575,055
Other Financing Sources (Uses):				
Transfers In	7,364	7,364	7,363	(1)
Transfers Out	(874,847)	(859,847)	(830,007)	29,840
Advances In	265,840	265,840	265,840	0
Advances Out	(29,820)	(29,820)	(29,820)	0
Total Other Financing Sources (Uses)	<u>(631,463)</u>	<u>(616,463)</u>	<u>(586,624)</u>	<u>29,839</u>
Net Change in Fund Balance	163,076	48,220	653,114	604,894
Fund Balance at Beginning of Year	5,050,730	5,050,730	5,050,730	0
Prior Year Encumbrances	183,997	183,997	183,997	0
Fund Balance at End of Year	<u>\$ 5,397,803</u>	<u>\$ 5,282,947</u>	<u>\$ 5,887,841</u>	<u>\$ 604,894</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Projects Fund
For the Year Ended December 31, 2018***

TAX INCREMENT EQUALIZATION FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Payments in Lieu of Taxes	\$ 0	\$ 919,050	\$ 919,053	\$ 3
Intergovernmental Revenues	0	225	224	(1)
Investment Earnings	0	4,000	5,317	1,317
Total Revenues	<u>0</u>	<u>923,275</u>	<u>924,594</u>	<u>1,319</u>
Expenditures:				
Capital Outlay	0	754,243	683,611	70,632
Debt Service:				
Principal Retirement	0	2,005,000	2,005,000	0
Interest and Fiscal Charges	0	451,685	451,683	2
Total Expenditures	<u>0</u>	<u>3,210,928</u>	<u>3,140,294</u>	<u>70,634</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(2,287,653)	(2,215,700)	71,953
Other Financing Sources (Uses):				
General Obligation Bonds Issued	0	1,999,997	2,000,000	3
Advances Out	0	(355,925)	(355,925)	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>1,644,072</u>	<u>1,644,075</u>	<u>3</u>
Net Change in Fund Balance	0	(643,581)	(571,625)	71,956
Fund Balance at Beginning of Year	3,694,626	3,694,626	3,694,626	0
Prior Year Encumbrances	413,234	413,234	413,234	0
Fund Balance at End of Year	<u>\$ 4,107,860</u>	<u>\$ 3,464,279</u>	<u>\$ 3,536,235</u>	<u>\$ 71,956</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Projects Fund
For the Year Ended December 31, 2018***

CAPITAL IMPROVEMENT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 300,000	\$ 961,399	\$ 961,399	\$ 0
Special Assessments	0	6,258	6,258	0
All Other Revenues	0	1,553	1,553	0
Total Revenues	<u>300,000</u>	<u>969,210</u>	<u>969,210</u>	<u>0</u>
Expenditures:				
Capital Outlay	2,628,115	3,013,642	2,714,513	299,129
Total Expenditures	<u>2,628,115</u>	<u>3,013,642</u>	<u>2,714,513</u>	<u>299,129</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,328,115)	(2,044,432)	(1,745,303)	299,129
Other Financing Sources (Uses):				
General Obligation Notes Issued	1,606,000	1,925,000	1,925,000	0
Transfers In	800,000	800,000	800,000	0
Transfers Out	0	(1,095,202)	(1,095,202)	0
Advances Out	(265,840)	(265,840)	(265,840)	0
Total Other Financing Sources (Uses)	<u>2,140,160</u>	<u>1,363,958</u>	<u>1,363,958</u>	<u>0</u>
Net Change in Fund Balance	(187,955)	(680,474)	(381,345)	299,129
Fund Balance at Beginning of Year	54,156	54,156	54,156	0
Prior Year Encumbrances	839,365	839,365	839,365	0
Fund Balance at End of Year	<u>\$ 705,566</u>	<u>\$ 213,047</u>	<u>\$ 512,176</u>	<u>\$ 299,129</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2018***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 25,982	\$ 23,500	\$ 23,830	\$ 330
Total Revenues	<u>25,982</u>	<u>23,500</u>	<u>23,830</u>	<u>330</u>
Expenditures:				
Transportation:				
Contractual Services	16,799	16,799	14,039	2,760
Materials and Supplies	17,075	17,075	5,396	11,679
Capital Outlay	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Total Expenditures	<u>83,874</u>	<u>83,874</u>	<u>69,435</u>	<u>14,439</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(57,892)	(60,374)	(45,605)	14,769
Fund Balance at Beginning of Year	62,775	62,775	62,775	0
Prior Year Encumbrances	<u>2,824</u>	<u>2,824</u>	<u>2,824</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 7,707</u>	<u>\$ 5,225</u>	<u>\$ 19,994</u>	<u>\$ 14,769</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2018***

STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 289,575	\$ 270,000	\$ 293,908	\$ 23,908
Total Revenues	<u>289,575</u>	<u>270,000</u>	<u>293,908</u>	<u>23,908</u>
Expenditures:				
Transportation:				
Contractual Services	119,338	119,338	79,283	40,055
Materials and Supplies	180,171	180,171	134,949	45,222
Capital Outlay	<u>285,548</u>	<u>285,548</u>	<u>104,659</u>	<u>180,889</u>
Total Expenditures	<u>585,057</u>	<u>585,057</u>	<u>318,891</u>	<u>266,166</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(295,482)	(315,057)	(24,983)	290,074
Fund Balance at Beginning of Year	408,040	408,040	408,040	0
Prior Year Encumbrances	<u>62,555</u>	<u>62,555</u>	<u>62,555</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 175,113</u>	<u>\$ 155,538</u>	<u>\$ 445,612</u>	<u>\$ 290,074</u>

CITY OF ROSSFORD, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2018**

	DRUG FINE FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Fines and Forfeitures	\$ 500	\$ 2,000	\$ 2,075	\$ 75
Total Revenues	500	2,000	2,075	75
Expenditures:				
Security of Persons and Property:				
Contractual Services	15,000	15,000	0	15,000
Total Expenditures	15,000	15,000	0	15,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,500)	(13,000)	2,075	15,075
Fund Balance at Beginning of Year	22,198	22,198	22,198	0
Fund Balance at End of Year	\$ 7,698	\$ 9,198	\$ 24,273	\$ 15,075

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2018***

ENFORCEMENT AND EDUCATION FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 5,247	\$ 12,348	\$ 12,348	\$ 0
Fines and Forfeitures	369	1,152	1,243	91
Total Revenues	<u>5,616</u>	<u>13,500</u>	<u>13,591</u>	<u>91</u>
Expenditures:				
Security of Persons and Property:				
Contractual Services	5,765	5,765	3,211	2,554
Materials and Supplies	2,000	2,000	1,929	71
Total Expenditures	<u>7,765</u>	<u>7,765</u>	<u>5,140</u>	<u>2,625</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,149)	5,735	8,451	2,716
Other Financing Sources (Uses):				
Transfers Out	(7,363)	(7,363)	(7,363)	0
Total Other Financing Sources (Uses)	<u>(7,363)</u>	<u>(7,363)</u>	<u>(7,363)</u>	<u>0</u>
Net Change in Fund Balance	(9,512)	(1,628)	1,088	2,716
Fund Balance at Beginning of Year	48,898	48,898	48,898	0
Fund Balance at End of Year	<u>\$ 39,386</u>	<u>\$ 47,270</u>	<u>\$ 49,986</u>	<u>\$ 2,716</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2018***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 505	\$ 505	\$ 0
Fines and Forfeitures	29,566	12,780	12,780	0
All Other Revenues	500	215	235	20
Total Revenues	<u>30,066</u>	<u>13,500</u>	<u>13,520</u>	<u>20</u>
Expenditures:				
Security of Persons and Property:				
Contractual Services	2,000	2,000	1,206	794
Capital Outlay	8,000	8,000	2,500	5,500
Total Expenditures	<u>10,000</u>	<u>10,000</u>	<u>3,706</u>	<u>6,294</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	20,066	3,500	9,814	6,314
Fund Balance at Beginning of Year	<u>1,519</u>	<u>1,519</u>	<u>1,519</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 21,585</u>	<u>\$ 5,019</u>	<u>\$ 11,333</u>	<u>\$ 6,314</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2018***

ACCRUED COMPENSATION FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
General Government:				
Contractual Services	25,000	25,000	2,837	22,163
Materials and Supplies	10,000	10,000	176	9,824
Total Expenditures	35,000	35,000	3,013	31,987
Excess (Deficiency) of Revenues Over (Under) Expenditures	(35,000)	(35,000)	(3,013)	31,987
Other Financing Sources (Uses):				
Transfers In	65,000	65,000	50,000	(15,000)
Total Other Financing Sources (Uses)	65,000	65,000	50,000	(15,000)
Net Change in Fund Balance	30,000	30,000	46,987	16,987
Fund Balance at Beginning of Year	220,972	220,972	220,972	0
Fund Balance at End of Year	<u>\$ 250,972</u>	<u>\$ 250,972</u>	<u>\$ 267,959</u>	<u>\$ 16,987</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2018***

RECREATION FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 43,759	\$ 41,054	\$ 41,054	\$ 0
Intergovernmental Revenues	5,835	7,232	7,232	0
Charges for Services	134,619	135,877	127,661	(8,216)
All Other Revenues	8,282	12,749	12,749	0
Total Revenues	<u>192,495</u>	<u>196,912</u>	<u>188,696</u>	<u>(8,216)</u>
Expenditures:				
Leisure Time Activities:				
Personal Services	316,495	316,495	267,650	48,845
Contractual Services	139,040	139,040	110,183	28,857
Materials and Supplies	33,347	33,347	24,245	9,102
Other Expenditures	3,510	3,510	1,591	1,919
Capital Outlay	9,090	9,090	6,062	3,028
Total Expenditures	<u>501,482</u>	<u>501,482</u>	<u>409,731</u>	<u>91,751</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(308,987)	(304,570)	(221,035)	83,535
Other Financing Sources (Uses):				
Transfers In	235,000	235,000	235,000	0
Total Other Financing Sources (Uses)	<u>235,000</u>	<u>235,000</u>	<u>235,000</u>	<u>0</u>
Net Change in Fund Balance	(73,987)	(69,570)	13,965	83,535
Fund Balance at Beginning of Year	81,148	81,148	81,148	0
Prior Year Encumbrances	18,149	18,149	18,149	0
Fund Balance at End of Year	<u>\$ 25,310</u>	<u>\$ 29,727</u>	<u>\$ 113,262</u>	<u>\$ 83,535</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2018***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	200	200	200	0
Fund Balance at End of Year	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 0</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2018***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 1,140	\$ 1,140	\$ 0
Total Revenues	<u>0</u>	<u>1,140</u>	<u>1,140</u>	<u>0</u>
Expenditures:				
Community Environment:				
Other Expenditures	<u>55,000</u>	<u>55,000</u>	<u>0</u>	<u>55,000</u>
Total Expenditures	<u>55,000</u>	<u>55,000</u>	<u>0</u>	<u>55,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(55,000)	(53,860)	1,140	55,000
Fund Balance at Beginning of Year	<u>162,354</u>	<u>162,354</u>	<u>162,354</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 107,354</u>	<u>\$ 108,494</u>	<u>\$ 163,494</u>	<u>\$ 55,000</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2018***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Special Assessments	\$ 209,818	\$ 210,388	\$ 210,388	\$ 0
All Other Revenues	0	7,522	7,522	0
Total Revenues	<u>209,818</u>	<u>217,910</u>	<u>217,910</u>	<u>0</u>
Expenditures:				
Security of Persons and Property:				
Contractual Services	197,377	197,377	193,376	4,001
Capital Outlay	<u>212,118</u>	<u>212,118</u>	<u>198,105</u>	<u>14,013</u>
Total Expenditures	<u>409,495</u>	<u>409,495</u>	<u>391,481</u>	<u>18,014</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(199,677)	(191,585)	(173,571)	18,014
Fund Balance at Beginning of Year	267,176	267,176	267,176	0
Prior Year Encumbrances	<u>11,043</u>	<u>11,043</u>	<u>11,043</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 78,542</u>	<u>\$ 86,634</u>	<u>\$ 104,648</u>	<u>\$ 18,014</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2018***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Other Local Taxes	\$ 136,938	\$ 130,000	\$ 125,694	\$ (4,306)
Total Revenues	<u>136,938</u>	<u>130,000</u>	<u>125,694</u>	<u>(4,306)</u>
Expenditures:				
General Government:				
Contractual Services	<u>185,720</u>	<u>185,720</u>	<u>185,720</u>	<u>0</u>
Total Expenditures	<u>185,720</u>	<u>185,720</u>	<u>185,720</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(48,782)	(55,720)	(60,026)	(4,306)
Fund Balance at Beginning of Year	42,782	42,782	42,782	0
Prior Year Encumbrances	<u>48,325</u>	<u>48,325</u>	<u>48,325</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 42,325</u>	<u>\$ 35,387</u>	<u>\$ 31,081</u>	<u>\$ (4,306)</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2018***

	ROSSFORD PERMISSIVE TAX FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 30,000	\$ 31,194	\$ 1,194
Total Revenues	<u>0</u>	<u>30,000</u>	<u>31,194</u>	<u>1,194</u>
Expenditures:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	30,000	31,194	1,194
Fund Balance at Beginning of Year	<u>32,110</u>	<u>32,110</u>	<u>32,110</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 32,110</u>	<u>\$ 62,110</u>	<u>\$ 63,304</u>	<u>\$ 1,194</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Fund
For the Year Ended December 31, 2018***

GENERAL OBLIGATION DEBT SERVICE FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
All Other Revenues	\$ 0	2,265	5,160	2,895
Total Revenues	<u>0</u>	<u>2,265</u>	<u>5,160</u>	<u>2,895</u>
Expenditures:				
Debt Service:				
Principal Retirement	113,924	113,924	109,462	4,462
Interest and Fiscal Charges	82,541	65,046	5,727	59,319
Total Expenditures	<u>196,465</u>	<u>178,970</u>	<u>115,189</u>	<u>63,781</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(196,465)	(176,705)	(110,029)	66,676
Other Financing Sources (Uses):				
Transfers In	1,039,667	1,055,209	1,055,209	0
Total Other Financing Sources (Uses)	<u>1,039,667</u>	<u>1,055,209</u>	<u>1,055,209</u>	<u>0</u>
Net Change in Fund Balance	843,202	878,504	945,180	66,676
Fund Balance at Beginning of Year	13,956	13,956	13,956	0
Fund Balance at End of Year	<u>\$ 857,158</u>	<u>\$ 892,460</u>	<u>\$ 959,136</u>	<u>\$ 66,676</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2018***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Capital Outlay	70,000	70,000	53,978	16,022
Debt Service:				
Principal Retirement	20,000	20,000	20,000	0
Interest and Fiscal Charges	1,700	1,700	1,690	10
Total Expenditures	91,700	91,700	75,668	16,032
Excess (Deficiency) of Revenues Over (Under) Expenditures	(91,700)	(91,700)	(75,668)	16,032
Other Financing Sources (Uses):				
Transfers In	60,000	60,000	60,000	0
Total Other Financing Sources (Uses)	60,000	60,000	60,000	0
Net Change in Fund Balance	(31,700)	(31,700)	(15,668)	16,032
Fund Balance at Beginning of Year	55,121	55,121	55,121	0
Prior Year Encumbrances	286	286	286	0
Fund Balance at End of Year	\$ 23,707	\$ 23,707	\$ 39,739	\$ 16,032

CITY OF ROSSFORD, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2018**

FIRE CAPITAL IMPROVEMENT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 168,235	\$ 164,235	\$ 164,221	\$ (14)
Intergovernmental Revenues	26,951	33,799	42,384	8,585
All Other Revenues	0	1,601	1,613	12
Total Revenues	<u>195,186</u>	<u>199,635</u>	<u>208,218</u>	<u>8,583</u>
Expenditures:				
Personal Services	112,092	112,092	104,136	7,956
Contractual Services	49,000	49,000	40,707	8,293
Capital Outlay	26,458	75,886	74,936	950
Total Expenditures	<u>187,550</u>	<u>236,978</u>	<u>219,779</u>	<u>17,199</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,636	(37,343)	(11,561)	25,782
Other Financing Sources (Uses):				
Inception of Capital Lease	0	49,428	49,428	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>49,428</u>	<u>49,428</u>	<u>0</u>
Net Change in Fund Balance	7,636	12,085	37,867	25,782
Fund Balance at Beginning of Year	<u>64,044</u>	<u>64,044</u>	<u>64,044</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 71,680</u>	<u>\$ 76,129</u>	<u>\$ 101,911</u>	<u>\$ 25,782</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2018***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 42,341	\$ 41,050	\$ 41,054	\$ 4
Intergovernmental Revenues	6,707	63,432	54,864	(8,568)
Total Revenues	49,048	104,482	95,918	(8,564)
Expenditures:				
Capital Outlay	99,420	99,908	74,455	25,453
Total Expenditures	99,420	99,908	74,455	25,453
Excess (Deficiency) of Revenues Over (Under) Expenditures	(50,372)	4,574	21,463	16,889
Fund Balance at Beginning of Year	64,551	64,551	64,551	0
Prior Year Encumbrances	47,608	47,608	47,608	0
Fund Balance at End of Year	<u>\$ 61,787</u>	<u>\$ 116,733</u>	<u>\$ 133,622</u>	<u>\$ 16,889</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2018***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 250,000	\$ 273,868	\$ 273,868	\$ 0
Total Revenues	<u>250,000</u>	<u>273,868</u>	<u>273,868</u>	<u>0</u>
Expenditures:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	250,000	273,868	273,868	0
Other Financing Sources (Uses):				
Transfers Out	<u>(450,000)</u>	<u>(450,000)</u>	<u>(450,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(450,000)</u>	<u>(450,000)</u>	<u>(450,000)</u>	<u>0</u>
Net Change in Fund Balance	(200,000)	(176,132)	(176,132)	0
Fund Balance at Beginning of Year	<u>492,095</u>	<u>492,095</u>	<u>492,095</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 292,095</u>	<u>\$ 315,963</u>	<u>\$ 315,963</u>	<u>\$ 0</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2018***

TIEF URBAN REDEVELOPMENT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Capital Outlay	221,920	221,920	29,820	192,100
Total Expenditures	221,920	221,920	29,820	192,100
Excess (Deficiency) of Revenues Over (Under) Expenditures	(221,920)	(221,920)	(29,820)	192,100
Other Financing Sources (Uses):				
Transfers In	30,000	30,000	0	(30,000)
Advances In	0	0	29,820	29,820
Total Other Financing Sources (Uses)	30,000	30,000	29,820	(180)
Net Change in Fund Balance	(191,920)	(191,920)	0	191,920
Fund Balance at Beginning of Year	192,100	192,100	192,100	0
Fund Balance at End of Year	\$ 180	\$ 180	\$ 192,100	\$ 191,920

CITY OF ROSSFORD, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2018**

TIF CROSSROADS 2 FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Capital Outlay	223,650	223,650	223,650	0
Debt Service:				
Principal Retirement	95,000	95,000	95,000	0
Interest and Fiscal Charges	37,275	37,275	37,275	0
Total Expenditures	355,925	355,925	355,925	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(355,925)	(355,925)	(355,925)	0
Other Financing Sources (Uses):				
Advances In	355,921	355,925	355,925	0
Total Other Financing Sources (Uses)	355,921	355,925	355,925	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 0	\$ 0

Fiduciary Funds

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

Agency Fund

Cafeteria Plan Fund

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

Contractor's Guarantee Fund

To account for funds deposited from contractors in guarantee of work performance.

Fallen Heroes Fund

To account for deposits made toward a memorial in honor of war veterans.

CITY OF ROSSFORD, OHIO

***Combining Statement Of Changes In Assets And Liabilities
Agency Fund
For the Year Ended December 31, 2018***

	Balance December 31, 2017	Additions	Deductions	Balance December 31, 2018
<u>Cafeteria Plan</u>				
Assets:				
Equity in Pooled Cash and Investments	\$1,025	\$29,829	(\$18,935)	\$11,919
Total Assets	<u>\$1,025</u>	<u>\$29,829</u>	<u>(\$18,935)</u>	<u>\$11,919</u>
Liabilities:				
Due to Others	\$1,025	\$29,829	(\$18,935)	\$11,919
Total Liabilities	<u>\$1,025</u>	<u>\$29,829</u>	<u>(\$18,935)</u>	<u>\$11,919</u>
<u>Contractor's Guarantee Fund</u>				
Assets:				
Equity in Pooled Cash and Investments	\$4,217	\$0	\$0	\$4,217
Total Assets	<u>\$4,217</u>	<u>\$0</u>	<u>\$0</u>	<u>\$4,217</u>
Liabilities:				
Due to Others	\$4,217	\$0	\$0	\$4,217
Total Liabilities	<u>\$4,217</u>	<u>\$0</u>	<u>\$0</u>	<u>\$4,217</u>
<u>Fallen Heroes Fund</u>				
Assets:				
Equity in Pooled Cash and Investments	\$698	\$0	\$0	\$698
Total Assets	<u>\$698</u>	<u>\$0</u>	<u>\$0</u>	<u>\$698</u>
Liabilities:				
Due to Others	\$698	\$0	\$0	\$698
Total Liabilities	<u>\$698</u>	<u>\$0</u>	<u>\$0</u>	<u>\$698</u>
<u>Total</u>				
Assets:				
Equity in Pooled Cash and Investments	\$5,940	\$29,829	(\$18,935)	\$16,834
Total Assets	<u>\$5,940</u>	<u>\$29,829</u>	<u>(\$18,935)</u>	<u>\$16,834</u>
Liabilities:				
Due to Others	\$5,940	\$29,829	(\$18,935)	\$16,834
Total Liabilities	<u>\$5,940</u>	<u>\$29,829</u>	<u>(\$18,935)</u>	<u>\$16,834</u>

STATISTICAL SECTION

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STATISTICAL TABLES

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

Contents

Financial Trends	S 2 – S 13
These schedules contain trend information to help the reader understand how the City's financial position has changed over time.	
Revenue Capacity	S 14 – S 17
These schedules contain information to help the reader understand and assess the factors affecting the City's ability to generate its most significant local revenue source, income tax.	
Debt Capacity	S 18 – S 25
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Economic and Demographic Information	S 26 – S 29
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 30 – S 35
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	
Sources Note:	
Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.	

CITY OF ROSSFORD, OHIO

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

	2009	2010	2011	2012
Governmental Activities:				
Net Investment in Capital Assets	\$399,498	\$844,106	\$1,101,415	\$1,674,067
Restricted	3,240,909	3,474,771	4,398,663	5,341,888
Unrestricted (Deficit)	3,637,057	4,215,412	4,642,103	5,898,462
Total Governmental Activities Net Position	<u>\$7,277,464</u>	<u>\$8,534,289</u>	<u>\$10,142,181</u>	<u>\$12,914,417</u>
Business-type Activities: (1)				
Net Investment in Capital Assets	\$3,603,052	\$3,621,210	\$420,295	\$417,661
Restricted	0	0	0	0
Unrestricted	765,841	1,088,175	33,955	53,177
Total Business-type Activities Net Position	<u>\$4,368,893</u>	<u>\$4,709,385</u>	<u>\$454,250</u>	<u>\$470,838</u>
Primary Government:				
Net Investment in Capital Assets	\$4,002,550	\$4,465,316	\$1,521,710	\$2,091,728
Restricted	3,240,909	3,474,771	4,398,663	5,341,888
Unrestricted	4,402,898	5,303,587	4,676,058	5,951,639
Total Primary Government Net Position	<u>\$11,646,357</u>	<u>\$13,243,674</u>	<u>\$10,596,431</u>	<u>\$13,385,255</u>

Source: Finance Director's Office

- 1) In 2011, the City transferred the majority of its water and sewer capital assets, as well as some debt obligations, to the Northwestern Water and Sewer District.

CITY OF ROSSFORD, OHIO

2013	2014	2015	2016	2017	2018
\$1,932,205	\$2,630,252	\$3,039,471	\$4,209,647	\$6,305,909	\$6,942,429
6,232,428	7,546,700	7,566,671	7,996,876	6,946,087	9,801,488
6,653,032	6,159,749	4,288,665	5,283,348	4,647,421	1,247,405
<u>\$14,817,665</u>	<u>\$16,336,701</u>	<u>\$14,894,807</u>	<u>\$17,489,871</u>	<u>\$17,899,417</u>	<u>\$17,991,322</u>
\$396,088	\$677,189	\$659,031	\$447,837	\$427,143	\$414,624
0	0	0	0	0	0
75,298	76,938	42,914	73,490	60,681	70,799
<u>\$471,386</u>	<u>\$754,127</u>	<u>\$701,945</u>	<u>\$521,327</u>	<u>\$487,824</u>	<u>\$485,423</u>
\$2,328,293	\$3,307,441	\$3,698,502	\$4,657,484	\$6,733,052	\$7,357,053
6,232,428	7,546,700	7,566,671	7,996,876	6,946,087	9,801,488
6,728,330	6,236,687	4,331,579	5,356,838	4,708,102	1,318,204
<u>\$15,289,051</u>	<u>\$17,090,828</u>	<u>\$15,596,752</u>	<u>\$18,011,198</u>	<u>\$18,387,241</u>	<u>\$18,476,745</u>

CITY OF ROSSFORD, OHIO

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

	2009	2010	2011
Expenses			
Governmental Activities:			
Security of Persons and Property	\$2,262,751	\$2,278,312	\$2,463,233
Leisure Time Activities	362,524	343,283	334,710
Community Environment	0	0	0
Basic Utility Services	256,064	245,451	240,951
Transportation	1,063,345	1,259,259	1,133,391
General Government	1,409,242	1,526,620	1,538,812
Interest and Fiscal Charges	184,578	170,187	154,848
<i>Total Governmental Activities Expenses</i>	<u>5,538,504</u>	<u>5,823,112</u>	<u>5,865,945</u>
Business-type Activities:			
Water	173,946	273,194	124,592
Sewer	431,508	366,184	103,003
Storm Water	9,977	8,485	10,932
Marina	168,606	99,502	110,647
<i>Total Business-type Activities Expenses</i>	<u>784,037</u>	<u>747,365</u>	<u>349,174</u>
<i>Total Primary Government Expenses</i>	<u>\$6,322,541</u>	<u>\$6,570,477</u>	<u>\$6,215,119</u>
Program Revenues			
Governmental Activities:			
Charges for Services			
Security of Persons and Property	\$318,071	\$275,879	\$235,390
Leisure Time Activities	135,709	136,304	141,450
Transportation	0	0	0
General Government	102,385	425,947	530,983
Operating Grants and Contributions	363,725	378,338	362,823
Capital Grants and Contributions	0	2,000	0
<i>Total Governmental Activities Program Revenues</i>	<u>919,890</u>	<u>1,218,468</u>	<u>1,270,646</u>

CITY OF ROSSFORD, OHIO

2012	2013	2014	2015	2016	2017	2018
\$2,426,459	\$2,349,654	\$2,664,585	\$2,843,321	\$2,877,424	\$3,361,943	\$3,422,950
354,398	391,005	476,758	428,713	541,068	627,617	512,826
0	0	0	63,432	31,418	32	0
257,033	394,247	551,667	318,075	343,959	330,067	361,390
788,056	879,242	994,937	1,230,777	995,204	1,730,834	556,428
1,540,986	1,854,569	1,634,589	1,430,432	1,557,087	1,763,144	1,602,142
197,821	75,648	68,249	60,755	53,219	45,892	213,860
<u>5,564,753</u>	<u>5,944,365</u>	<u>6,390,785</u>	<u>6,375,505</u>	<u>6,399,379</u>	<u>7,859,529</u>	<u>6,669,596</u>
24,438	0	0	0	0	0	0
19,935	0	0	0	0	0	0
2,580	0	0	32,386	7,532	21,013	107,532
87,724	100,184	111,839	113,795	114,710	129,385	136,689
<u>134,677</u>	<u>100,184</u>	<u>111,839</u>	<u>146,181</u>	<u>122,242</u>	<u>150,398</u>	<u>244,221</u>
<u>\$5,699,430</u>	<u>\$6,044,549</u>	<u>\$6,502,624</u>	<u>\$6,521,686</u>	<u>\$6,521,621</u>	<u>\$8,009,927</u>	<u>\$6,913,817</u>
\$177,201	\$182,848	\$291,102	\$359,926	\$384,443	\$256,879	\$456,303
148,458	152,815	144,235	154,125	164,959	145,797	139,840
0	0	0	12,589	0	3,157	6,195
549,837	153,365	265,335	27,982	27,875	90,589	112,348
613,213	417,515	325,465	379,823	327,328	405,404	304,438
0	164,675	409,606	390,475	268,173	637,133	1,388,157
<u>1,488,709</u>	<u>1,071,218</u>	<u>1,435,743</u>	<u>1,324,920</u>	<u>1,172,778</u>	<u>1,538,959</u>	<u>2,407,281</u>

(continued)

CITY OF ROSSFORD, OHIO

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

	2009	2010	2011	2012
Business-type Activities:				
Charges for Services				
Water (1)	172,826	150,995	118,408	0
Sewer (1)	539,045	491,520	141,941	0
Storm Water	0	59	1,099	0
Marina	1,630	79,773	86,269	91,837
Capital Grants and Contributions	85,084	15,000	0	0
<i>Total Business-type Activities Program Revenues</i>	<u>798,585</u>	<u>737,347</u>	<u>347,717</u>	<u>91,837</u>
<i>Total Primary Government Program Revenues</i>	<u>1,718,475</u>	<u>1,955,815</u>	<u>1,618,363</u>	<u>1,580,546</u>
Net (Expense)/Revenue				
Governmental Activities	(4,618,614)	(4,604,644)	(4,595,299)	(4,076,044)
Business-type Activities	14,548	(10,018)	(1,457)	(42,840)
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$4,604,066)</u>	<u>(\$4,614,662)</u>	<u>(\$4,596,756)</u>	<u>(\$4,118,884)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property and Other Local Taxes	\$1,285,686	\$1,344,363	\$1,285,512	\$1,344,554
Municipal Income Taxes	2,835,214	3,103,985	3,220,479	3,733,340
Payment in Lieu of Taxes	780,297	873,815	874,505	924,330
Grants and Entitlements not Restricted to Specific Programs	1,062,979	867,975	736,664	548,128
Investment Earnings	22,419	16,054	30,461	38,152
Miscellaneous	156,489	5,787	59,570	260,471
Transfers	(90,000)	(350,510)	0	(4,695)
<i>Total Governmental Activities</i>	<u>6,053,084</u>	<u>5,861,469</u>	<u>6,207,191</u>	<u>6,844,280</u>
Business-type Activities:				
Transfers	90,000	350,510	0	4,695
Special Items			(4,253,678)	54,733
<i>Total Business-type Activities</i>	<u>90,000</u>	<u>350,510</u>	<u>(4,253,678)</u>	<u>59,428</u>
<i>Total Primary Government</i>	<u>\$6,143,084</u>	<u>\$6,211,979</u>	<u>\$1,953,513</u>	<u>\$6,903,708</u>
Change in Net Position				
Governmental Activities	\$1,434,470	\$1,256,825	\$1,611,892	\$2,768,236
Business-type Activities	104,548	340,492	(4,255,135)	16,588
<i>Total Primary Government Change in Net Position</i>	<u>\$1,539,018</u>	<u>\$1,597,317</u>	<u>(\$2,643,243)</u>	<u>\$2,784,824</u>

Source: Finance Director's Office

1) In 2011, the City transferred the operations of its water and sewer utilities to the Northwestern Water and Sewer District

CITY OF ROSSFORD, OHIO

2013	2014	2015	2016	2017	2018
0	0	0	0	0	0
0	0	0	0	0	0
3,555	727	100	5,169	588	1,050
92,482	99,800	95,476	96,710	93,357	94,271
0	0	100	0	0	1,457
<u>96,037</u>	<u>100,527</u>	<u>95,676</u>	<u>101,879</u>	<u>93,945</u>	<u>96,778</u>
<u>1,167,255</u>	<u>1,536,270</u>	<u>1,420,596</u>	<u>1,274,657</u>	<u>1,632,904</u>	<u>2,504,059</u>
(4,873,147)	(4,955,042)	(5,050,585)	(5,226,601)	(6,320,570)	(4,262,315)
(4,147)	(11,312)	(50,505)	(20,363)	(56,453)	(147,443)
<u>(\$4,877,294)</u>	<u>(\$4,966,354)</u>	<u>(\$5,101,090)</u>	<u>(\$5,246,964)</u>	<u>(\$6,377,023)</u>	<u>(\$4,409,758)</u>
\$1,349,964	\$1,353,609	\$1,365,147	\$1,424,610	\$1,515,676	\$1,267,629
3,757,961	3,807,309	3,278,073	4,479,327	3,928,036	4,394,945
998,592	955,654	903,604	942,974	870,627	919,053
489,316	475,800	391,582	469,904	291,625	304,844
13,284	20,368	23,166	38,833	46,167	98,074
171,973	155,391	90,764	305,762	100,935	19,660
(4,695)	(294,053)	(28,100)	160,255	(22,950)	(172,950)
<u>6,776,395</u>	<u>6,474,078</u>	<u>6,024,236</u>	<u>7,821,665</u>	<u>6,730,116</u>	<u>6,831,255</u>
4,695	294,053	28,100	(160,255)	22,950	172,950
0	0	0	0	0	0
<u>4,695</u>	<u>294,053</u>	<u>28,100</u>	<u>(160,255)</u>	<u>22,950</u>	<u>172,950</u>
<u>\$6,781,090</u>	<u>\$6,768,131</u>	<u>\$6,052,336</u>	<u>\$7,661,410</u>	<u>\$6,753,066</u>	<u>\$7,004,205</u>
\$1,903,248	\$1,519,036	\$973,651	\$2,595,064	\$409,546	\$2,568,940
548	282,741	(22,405)	(180,618)	(33,503)	25,507
<u>\$1,903,796</u>	<u>\$1,801,777</u>	<u>\$951,246</u>	<u>\$2,414,446</u>	<u>\$376,043</u>	<u>\$2,594,447</u>

CITY OF ROSSFORD, OHIO

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

	2009	2010	2011	2012
General Fund				
Nonspendable	\$0	\$50,535	\$39,609	\$58,086
Restricted	0	0	0	0
Assigned	0	204,641	488,205	1,246,027
Unassigned	0	4,156,861	4,035,419	4,036,134
Reserved	121,294	0	0	0
Unreserved	3,119,810	0	0	0
Total General Fund	3,241,104	4,412,037	4,563,233	5,340,247
All Other Governmental Funds				
Nonspendable	0	16,111	20,050	84,308
Restricted	0	2,740,699	3,548,268	4,637,731
Assigned	0	0	0	10,248
Unassigned	0	(938,979)	(622,557)	0
Reserved	267,336	0	0	0
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	992,152	0	0	0
Debt Service Funds	(274,889)	0	0	0
Capital Projects Funds	670,735	0	0	0
Total All Other Governmental Funds	1,655,334	1,817,831	2,945,761	4,732,287
Total Governmental Funds	\$4,896,438	\$6,229,868	\$7,508,994	\$10,072,534

Source: Finance Office

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

CITY OF ROSSFORD, OHIO

2013	2014	2015	2016	2017	2018
\$66,857	\$87,042	\$67,069	\$132,999	\$125,772	\$134,614
0	0	0	0	0	1,400
1,582,497	1,067,654	701,307	803,880	1,212,644	1,725,381
4,298,697	4,259,415	5,098,976	5,600,856	5,215,301	5,359,193
0	0	0	0	0	0
0	0	0	0	0	0
<u>5,948,051</u>	<u>5,414,111</u>	<u>5,867,352</u>	<u>6,537,735</u>	<u>6,553,717</u>	<u>7,220,588</u>
32,431	28,871	78,008	38,042	34,078	27,464
5,628,394	6,881,264	7,474,648	7,900,039	6,826,905	7,949,468
4,980	4,946	7,393	5,898	13,956	959,136
0	0	(32,472)	(12,360)	0	(877,508)
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>5,665,805</u>	<u>6,915,081</u>	<u>7,527,577</u>	<u>7,931,619</u>	<u>6,874,939</u>	<u>8,058,560</u>
<u>\$11,613,856</u>	<u>\$12,329,192</u>	<u>\$13,394,929</u>	<u>\$14,469,354</u>	<u>\$13,428,656</u>	<u>\$15,279,148</u>

CITY OF ROSSFORD, OHIO

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

	2009	2010	2011	2012
Revenues:				
Taxes	\$4,555,586	\$5,677,491	\$5,161,189	\$5,633,077
Intergovernmental Revenues	1,418,118	1,236,292	1,123,724	1,114,608
Charges for Services	295,764	272,059	275,420	258,924
Licenses and Permits	46,665	69,483	117,720	66,150
Investment Earnings	22,419	16,054	30,461	38,152
Special Assessments	383,057	485,642	473,548	481,268
Fines and Forfeitures	0	0	0	0
All Other Revenue	156,489	5,787	60,172	298,965
Total Revenue	<u>6,878,098</u>	<u>7,762,808</u>	<u>7,242,234</u>	<u>7,891,144</u>
Expenditures:				
Current:				
Security of Persons and Property	2,066,711	2,026,427	2,236,476	2,207,023
Leisure Time Activities	263,431	310,586	301,426	316,544
Community Environment	0	0	0	0
Basic Utility Services	256,064	245,451	240,951	257,033
Transportation	995,694	1,256,501	919,925	737,565
General Government	973,473	1,096,015	1,463,278	1,434,595
Capital Outlay	841,999	788,085	455,547	660,235
Debt Service:				
Principal Retirement	175,000	185,000	190,000	262,440
Interest and Fiscal Charges	185,144	170,803	155,505	201,252
Total Expenditures	<u>5,757,516</u>	<u>6,078,868</u>	<u>5,963,108</u>	<u>6,076,687</u>
Excess (Deficiency) of Revenues Over Expenditures	1,120,582	1,683,940	1,279,126	1,814,457

CITY OF ROSSFORD, OHIO

2013	2014	2015	2016	2017	2018
\$5,880,232	\$5,965,237	\$6,111,702	\$6,582,365	\$6,367,550	\$6,567,030
1,104,860	1,256,227	1,194,921	1,099,760	1,310,786	1,945,590
298,451	339,382	206,755	293,701	261,466	258,433
51,159	108,259	25,937	16,022	28,903	23,751
13,284	20,368	23,166	38,833	46,167	98,074
215,756	207,290	229,191	225,166	368,291	233,559
0	0	34,198	39,340	53,415	56,604
180,034	165,989	68,503	40,315	122,859	189,411
<u>7,743,776</u>	<u>8,062,752</u>	<u>7,894,373</u>	<u>8,335,502</u>	<u>8,559,437</u>	<u>9,372,452</u>
2,110,972	2,466,247	2,454,400	2,569,812	2,608,071	2,892,314
348,347	401,836	344,138	449,683	417,652	405,547
0	0	63,432	31,418	32	0
6,853	318,993	318,075	343,959	330,067	361,390
809,590	900,158	815,292	929,874	1,261,752	1,068,344
1,663,394	1,413,647	1,414,850	1,496,023	1,446,794	1,499,463
814,130	1,179,569	963,340	1,159,734	3,329,271	2,642,006
370,000	377,231	372,231	391,693	229,462	324,462
74,473	67,073	59,572	52,052	44,473	197,749
<u>6,197,759</u>	<u>7,124,754</u>	<u>6,805,330</u>	<u>7,424,248</u>	<u>9,667,574</u>	<u>9,391,275</u>
1,546,017	937,998	1,089,043	911,254	(1,108,137)	(18,823)

(Continued)

CITY OF ROSSFORD, OHIO

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

	2009	2010	2011	2012
Other Financing Sources (Uses):				
Inception of Capital Lease	0	0	0	0
Loans Issued	0	0	0	0
G.O. Bonds Issued	0	0	0	3,550,000
Premium on Issuance of Bonds	0	0	0	68,797
Payment on Refunding Agent	0	0	0	(2,865,019)
Transfers In	662,120	540,153	660,000	797,623
Transfers Out	(752,120)	(890,663)	(660,000)	(802,318)
Total Other Financing Sources (Uses)	<u>(90,000)</u>	<u>(350,510)</u>	<u>0</u>	<u>749,083</u>
Net Change in Fund Balance	<u>\$1,030,582</u>	<u>\$1,333,430</u>	<u>\$1,279,126</u>	<u>\$2,563,540</u>
Debt Service as a Percentage of Noncapital Expenditures	6.87%	6.35%	6.01%	6.06%

Source: Finance Director's Office

CITY OF ROSSFORD, OHIO

2013	2014	2015	2016	2017	2018
0	0	0	0	92,963	49,428
0	71,391	0	0	0	0
0	0	0	0	0	2,000,000
0	0	0	0	0	0
0	0	0	0	0	0
915,047	1,726,443	787,250	973,539	1,780,050	2,159,622
(919,742)	(2,020,496)	(815,350)	(813,284)	(1,803,000)	(2,332,572)
(4,695)	(222,662)	(28,100)	160,255	70,013	1,876,478
<u>\$1,541,322</u>	<u>\$715,336</u>	<u>\$1,060,943</u>	<u>\$1,071,509</u>	<u>(\$1,038,124)</u>	<u>\$1,857,655</u>
7.65%	7.15%	6.83%	7.30%	3.79%	9.30%

CITY OF ROSSFORD, OHIO

*Income Tax Revenues by Source, Governmental Funds
Last Ten Years*

Tax year	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Income Tax Rate	2.25%	2.25%	2.25%	2.25%	2.25%
Estimated Personal Income	\$230,632,784	\$281,684,192	\$290,134,718	\$305,156,048	\$317,806,048
Total Tax Collected	\$2,568,436	\$3,136,946	\$3,168,408	\$3,358,765	\$3,578,835
Income Tax Receipts					
Withholding	1,971,787	2,359,991	2,376,330	2,547,716	2,659,188
Percentage	76.77%	75.23%	75.00%	75.85%	74.30%
Corporate	115,403	115,680	182,634	208,585	281,560
Percentage	4.49%	3.69%	5.76%	6.21%	7.87%
Individuals	481,246	661,305	609,444	602,585	582,069
Percentage	18.74%	21.08%	19.24%	17.94%	17.83%

Source: City Income Tax Department

CITY OF ROSSFORD, OHIO

2014	2015	2016	2017	2018
2.25%	2.25%	2.25%	2.25%	2.25%
\$347,960,698	\$266,368,014	\$277,919,136	\$286,716,848	\$204,450,752
\$3,799,895	\$3,604,715	\$4,135,455	\$4,128,199	\$4,245,238
2,795,031	2,720,504	3,027,153	2,998,978	3,190,904
73.56%	75.47%	73.20%	72.65%	75.17%
410,682	290,852	392,868	724,145	396,268
10.81%	8.07%	9.50%	17.54%	9.33%
594,182	593,359	715,434	405,076	658,066
15.63%	16.46%	17.30%	9.81%	15.50%



CITY OF ROSSFORD, OHIO

*Income Tax Collections
Current Year and Nine Years Ago*

	Calendar Year 2018	
<u>Income Tax Filers</u>	<u>Income Tax Collections</u>	<u>Percent of Income</u>
Top Ten	\$1,498,657	35.94%
All Others	2,671,474	64.06%
Total	<u>\$4,170,131</u>	<u>100.00%</u>

	Calendar Year 2009	
<u>Income Tax Filers</u>	<u>Income Tax Collections</u>	<u>Percent of Income</u>
Top Ten	\$1,039,896	40.49%
All Others	1,528,541	59.51%
Total	<u>\$2,568,437</u>	<u>100.00%</u>

Source: City Income Tax Department

CITY OF ROSSFORD, OHIO

Ratio of Outstanding Debt By Type Last Ten Years

	2009	2010	2011	2012
Governmental Activities ⁽¹⁾				
General Obligation Bonds Payable	\$3,170,000	\$3,015,000	\$2,855,000	\$3,439,498
Special Assessment Bonds Payable	60,000	30,000	0	0
Ohio Public Works Commission Loan	0	0	0	0
Capital Leases	0	0	0	0
Business-type Activities ⁽¹⁾				
General Obligation Bonds Payable	\$2,790,000	\$2,675,000	\$2,555,000	\$0
Ohio Water Development Authority Loans Payable	967,928	855,331	0	0
Ohio Public Works Commission Loan	46,945	42,250	37,555	32,860
Total Primary Government	<u>\$7,034,873</u>	<u>\$6,617,581</u>	<u>\$5,447,555</u>	<u>\$3,472,358</u>
Population ⁽²⁾				
City of Rossford	6,406	6,293	6,293	6,337
Outstanding Debt Per Capita	\$1,098	\$1,052	\$866	\$548
Income ⁽³⁾				
Personal (in thousands)	230,635	281,681	290,132	305,158
Percentage of Personal Income	3.05%	2.35%	1.88%	1.14%

Sources:

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

CITY OF ROSSFORD, OHIO

2013	2014	2015	2016	2017	2018
\$3,065,199	\$2,685,900	\$2,311,601	\$1,922,302	\$1,693,003	\$3,368,704
0	0	0	0	0	0
0	69,160	66,929	60,236	55,774	51,312
0	0	0	0	76,354	103,027
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
28,165	23,470	18,775	194,362	180,421	166,480
<u>\$3,093,364</u>	<u>\$2,778,530</u>	<u>\$2,397,305</u>	<u>\$2,176,900</u>	<u>\$2,005,552</u>	<u>\$3,689,523</u>
6,499	6,499	6,499	6,512	6,512	6,512
\$476	\$428	\$369	\$334	\$308	\$567
317,808	347,963	266,368	277,919	286,717	204,451
0.97%	0.80%	0.90%	0.78%	0.70%	1.80%

CITY OF ROSSFORD, OHIO

Ratios of General Bonded Debt Outstanding Last Ten Years

Year	2009	2010	2011	2012
Population ⁽¹⁾	6,406	6,293	6,293	6,337
Assessed Value ⁽²⁾	\$141,323,280	\$141,109,678	\$143,916,690	\$128,335,460
General Bonded Debt ⁽³⁾				
General Obligation Bonds	\$5,960,000	\$5,690,000	\$5,410,000	\$3,439,498
Resources Available to Pay Principal ⁽⁴⁾	\$0	\$0	\$0	\$8,533
Net General Bonded Debt	\$5,960,000	\$5,690,000	\$5,410,000	\$3,430,965
Ratio of Net Bonded Debt to Estimated Actual Value	4.22%	4.03%	3.76%	2.67%
Net Bonded Debt per Capita	\$930.38	\$904.18	\$859.69	\$541.42

Sources:

(1) U.S. Bureau of Census of Population

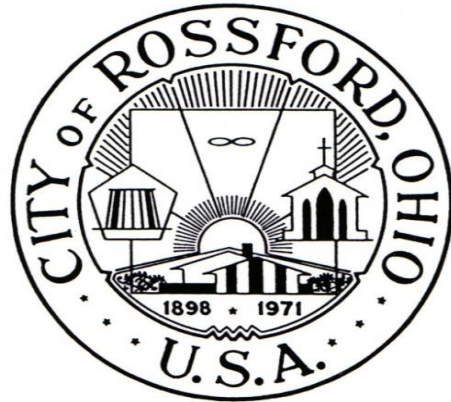
(2) Wood County Auditor

(3) Includes all general obligation bonded debt supported by property taxes.

(4) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

CITY OF ROSSFORD, OHIO

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
6,499	6,499	6,499	6,512	6,512	6,512
\$123,029,480	\$122,689,720	\$123,958,960	\$124,406,510	\$129,324,300	\$130,836,920
\$3,065,199	\$2,685,900	\$2,311,601	\$1,922,302	\$1,693,003	\$3,368,704
\$3,415	\$4,946	\$7,393	\$5,898	\$13,956	\$959,136
\$3,061,784	\$2,680,954	\$2,304,208	\$1,916,404	\$1,679,047	\$2,409,568
2.49%	2.19%	1.86%	1.54%	1.30%	1.84%
\$471.12	\$412.52	\$354.55	\$294.29	\$257.84	\$370.02



CITY OF ROSSFORD, OHIO

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2018*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to the City of Rossford (1)</u>	<u>Amount Applicable to the City of Rossford</u>
Direct:			
City of Rossford	\$3,420,016	100.00%	\$3,420,016
Overlapping:			
Wood County	4,879,976	4.46%	<u>217,647</u>
		Total	<u><u>\$3,637,663</u></u>

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the City by the total assessed valuation of the political subdivision.

Source: Wood County

CITY OF ROSSFORD, OHIO

Debt Limitations Last Ten Years

Collection Year	2009	2010	2011	2012
Total Debt				
Net Assessed Valuation	\$141,323,280	\$141,109,678	\$143,916,690	\$128,335,460
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	14,838,944	14,816,516	15,111,252	13,475,223
City Debt Outstanding (2)	4,453,000	4,126,000	3,705,000	3,439,498
Less: Applicable Debt Service Fund Amounts	0	0	0	(8,533)
Net Indebtedness Subject to Limitation	<u>4,453,000</u>	<u>4,126,000</u>	<u>3,705,000</u>	<u>3,364,752</u>
Overall Legal Debt Margin	<u>\$10,385,944</u>	<u>\$10,690,516</u>	<u>\$11,406,252</u>	<u>\$10,110,471</u>
Unvoted Debt				
Net Assessed Valuation	\$141,323,280	\$141,109,678	\$143,916,690	\$128,335,460
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	7,772,780	7,761,032	7,915,418	7,058,450
City Debt Outstanding (2)	4,453,000	4,126,000	3,705,000	3,439,498
Less: Applicable Debt Service Fund Amounts	0	0	0	(8,533)
Net Indebtedness Subject to Limitation	<u>4,453,000</u>	<u>4,126,000</u>	<u>3,705,000</u>	<u>3,364,752</u>
Overall Legal Debt Margin	<u>\$3,319,780</u>	<u>\$3,635,032</u>	<u>\$4,210,418</u>	<u>\$3,693,698</u>

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

(2) City Debt Outstanding includes Non Self-Supporting General Obligation Bonds and Notes only.
Enterprise Debt is not considered in the computation of the Legal Debt Margin.
The Total Value of the RTID Notes is included.

Source: Finance Director's Office

CITY OF ROSSFORD, OHIO

2013	2014	2015	2016	2017	2018
\$123,029,480	\$122,689,720	\$123,958,960	\$124,406,510	\$129,324,300	\$130,836,920
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
12,918,095	12,882,421	13,015,691	13,062,684	13,579,052	13,737,877
3,065,199	2,755,060	2,378,530	1,982,538	1,748,777	3,420,016
(3,415)	(4,946)	(7,393)	(5,898)	(13,956)	(959,136)
<u>3,000,020</u>	<u>2,750,114</u>	<u>2,371,137</u>	<u>1,976,640</u>	<u>1,734,821</u>	<u>2,460,880</u>
<u>\$9,918,075</u>	<u>\$10,132,307</u>	<u>\$10,644,554</u>	<u>\$11,086,044</u>	<u>\$11,844,231</u>	<u>\$11,276,997</u>
\$123,029,480	\$122,689,720	\$123,958,960	\$124,406,510	\$129,324,300	\$130,836,920
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
6,766,621	6,747,935	6,817,743	6,842,358	7,112,837	7,196,031
3,065,199	2,755,060	2,378,530	1,982,538	1,748,777	3,420,016
(3,415)	(4,946)	(7,393)	(5,898)	(13,956)	(959,136)
<u>3,000,020</u>	<u>2,750,114</u>	<u>2,371,137</u>	<u>1,976,640</u>	<u>1,734,821</u>	<u>2,460,880</u>
<u>\$3,766,601</u>	<u>\$3,997,821</u>	<u>\$4,446,606</u>	<u>\$4,865,718</u>	<u>\$5,378,016</u>	<u>\$4,735,151</u>

CITY OF ROSSFORD, OHIO

Demographic and Economic Statistics Last Ten Years

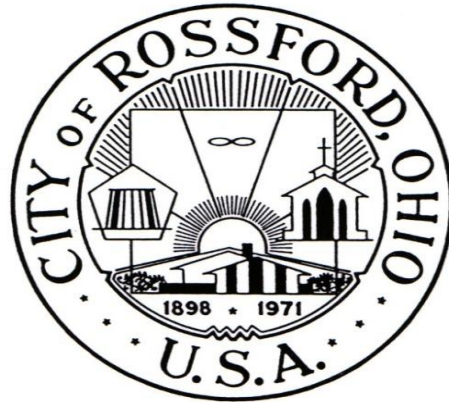
Calendar Year	2009	2010	2011	2012
Population (1)				
City of Rossford	6,406	6,293	6,293	6,337
Wood County	125,399	125,380	125,488	128,200
Income (2) (a)				
Total Personal (in thousands)	230,635	281,681	290,132	305,158
Per Capita	36,003	44,761	46,104	48,155
Unemployment Rate (3)				
Federal	5.8%	9.6%	8.9%	8.1%
State	6.6%	10.4%	8.6%	7.2%
Wood County	6.8%	10.2%	8.3%	6.9%
Civilian Work Force Estimates (3)				
State	5,986,400	5,935,167	5,806,000	5,748,000
Wood County	68,400	67,000	65,500	65,700

Sources:

- (1) US Bureau of Census of Population
- (2) US Department of Commerce, Bureau of Economic Analysis information is only available through 2010 for the presentation of 2011 statistics, the City is using the latest information available.
 - (a) Per Capita Income is only available by County, Total Personal Income is a calculation
- (3) State Department of Labor Statistics

CITY OF ROSSFORD, OHIO

2013	2014	2015	2016	2017	2018
6,499	6,499	6,499	6,512	6,512	6,512
129,264	129,264	129,590	130,806	130,219	130,219
317,808	347,963	266,368	277,919	286,717	204,451
48,901	53,541	40,986	42,678	44,029	31,396
7.4%	6.2%	5.3%	4.5%	4.1%	3.9%
7.4%	5.7%	4.9%	4.9%	4.7%	4.6%
7.2%	5.2%	4.3%	3.9%	4.2%	4.3%
5,766,000	5,719,000	5,727,000	5,708,571	5,782,017	5,802,000
67,000	68,900	69,800	69,938	67,900	70,200



CITY OF ROSSFORD, OHIO

Principal Employers Current Year and Nine Years Ago

Employer	Nature of Business	2018		
		Number of Employees	Rank	Percentage of Total Employment
Pilkington North America Inc.	Float Glass Manufacturer	493	1	0.09
Rossford Exempted School District	Public Education	390	2	0.08
Adecco Employment Services	Employment Agency	390	3	0.08
Meijer Stores	Retail	350	4	0.07
Target Corporation	Retail	350	5	0.07
Industrial Power Systems	HVAC Manufacturer	347	6	0.07
Bass Pro Shops	Retail	242	7	0.05
Home Depot USA	Home Improvement Retailer	150	8	0.03
City of Rossford	Municipal Government	114	9	0.02
Electro Prime	Mfg - automotive industry supplier	85	10	0.02
Total		<u>2,911</u>		
Total Employment within the City		<u><u>5,200</u></u>		

Employer	Nature of Business	2009		
		Number of Employees	Rank	Percentage of Total Employment
Adecco Employment Services	Employment Agency	386	1	0.09
Meijer Stores	Retail	350	2	0.08
Rossford Exempted School District	Public Education	323	3	0.07
Pilkington North America, Inc.	Float Glass Manufacturer	262	4	0.06
Bass Pro Outdoor World	Retail Store	239	5	0.05
Target Corporation	Retail Store	207	6	0.05
Tamarkin Corp.	Grocery	164	7	0.04
Home Depot U.S.A.	Home Improvement Retailer	147	8	0.03
JCIA Enterprises	Business Services	134	9	0.03
City of Rossford	Municipal Government	80	10	0.02
Total		<u>2,292</u>		
Total Employment within the City		<u><u>4,500</u></u>		

Source: City of Rossford Income Tax Department

CITY OF ROSSFORD, OHIO

Full Time Equivalent Employees by Function Last Ten Years

	2009	2010	2011	2012	2013
Governmental Activities					
General Government					
Finance	2.00	2.00	2.00	2.00	2.00
Administration	3.00	3.00	3.00	3.00	3.00
Security of Persons and Property					
Police	14.50	14.00	14.00	14.00	15.00
Fire*	19.50	19.50	19.50	19.50	19.50
Transportation					
Street	9.50	8.50	7.00	6.00	5.00
Leisure Time Activities					
Recreation Center**	6.25	6.25	6.50	6.50	7.50
Business-Type Activities					
Utilities					
Sewer	0.00	0.00	1.00	0.00	0.00
Marina	1.75	1.75	2.75	2.50	2.00
<i>Total Employees *</i>	<u>56.50</u>	<u>55.00</u>	<u>55.75</u>	<u>53.50</u>	<u>54.00</u>

Method: 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

* Fire FTEs based on staffing of Fire Station. Volunteer Firefighters not included in total.

* * Recreation Center contract staff (umpires, etc.) not included in FTEs

Source: Finance Director's Office

CITY OF ROSSFORD, OHIO

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
2.00	2.00	2.00	3.00	3.00
3.00	3.50	3.50	2.50	2.00
16.00	15.25	16.25	18.00	16.50
19.50	7.65	8.50	8.50	8.50
6.00	6.00	7.00	7.00	7.00
6.25	6.75	7.50	7.00	6.50
0.00	0.00	0.00	0.00	0.00
1.75	1.75	1.75	1.75	1.75
<u>54.50</u>	<u>42.90</u>	<u>46.50</u>	<u>47.75</u>	<u>45.25</u>

CITY OF ROSSFORD, OHIO

Operating Indicators by Function Last Ten Years

	2009	2010	2011
Governmental Activities			
General Government			
Population Served (1)	6,406	6,239	6,239
Licenses and Permits			
Number of Building Permits	21	34	38
Value of Building Permits	\$2,266,930	\$3,670,267	\$2,971,087
Security of Persons and Property			
Police			
Number of Citations Issued	624	898	876
Number of Tickets Issued	428	50	83
Number of Criminal Citations Issued	0	0	0
Fire			
Number of Fire Calls	125	155	134
Number of EMS Runs	172	484	595
Transportation			
Street			
Number of Streets Resurfaced	4	2	2
Number of Potholes Repaired (\$ Asphalt for repairs)	\$18,131	\$11,662	\$7,139
Leisure Time Activities			
Recreation/Seniors			
Number of Programs Offered	32	19	15
Individual Memberships	7,083	2,828	1,550
Corporate Memberships	5	4	2
Business-Type Activities			
Water (2)			
Number of Service Connections	2,377	2,445	NA
Water Main Breaks	2	0	NA
Daily Average Consumption (thousands of gallons)	70.6	71.0	NA
Peak Daily Consumption (thousands of gallons)	NA	NA	NA
Sewer			
Number of Service Connections	2,377	2,324	NA
Daily Average Sewage Treatment (thousands of gallons)	71.2	78.3	NA
Marina			
Number of season dock rentals	165	149	170
Number of individual launches	598	611	520

Source: Finance Director's Office

(1) US Bureau of Census, Population Division. 2012 and 2014 based on estimates from Wood County

(2) In 2011, the City transferred the operations of its water and sewer utilities to the Northwestern Water and Sewer District

CITY OF ROSSFORD, OHIO

2012	2013	2014	2015	2016	2017	2018
6,337	6,499	6,499	6,512	6,512	6,512	6,512
24	26	23	19	35	26	24
\$1,454,380	\$6,402,703	\$5,846,864	\$684,012	\$9,157,835	\$8,990,200	\$16,073,890
600	641	627	362	672	765	771
66	47	39	72	117	58	23
0	306	256	108	10	229	281
143	132	145	222	214	170	196
619	674	680	768	817	841	847
2	2	1	9	3	5	3
\$9,189	\$18,663	\$39,458	\$44,904	\$28,545	\$59,639	N/A
19	23	26	28	32	35	32
1,207	1,697	1,668	1,652	1,394	1,317	1,234
4	12	63	53	52	52	48
NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA
178	183	193	182	187	174	165
637	502	575	548	604	548	507

CITY OF ROSSFORD, OHIO

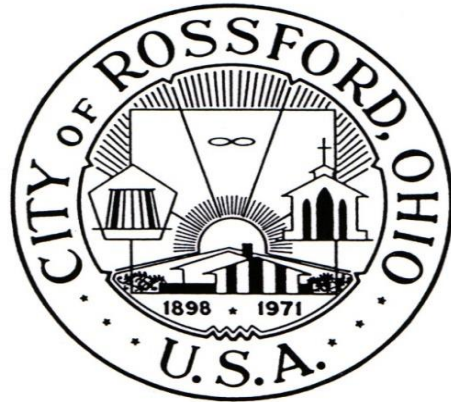
Capital Asset Statistics by Function Last Ten Years

	2009	2010	2011	2012	2013
Governmental Activities					
General Government					
Public Land and Buildings					
Land (square miles)	4.3	4.3	4.3	4.3	4.3
Buildings	1	1	1	1	1
Security of Persons and Property					
Police					
Stations	1	1	1	1	1
Vehicles	8	8	8	10	10
Fire					
Stations	1	1	1	1	1
Vehicles	6	6	6	7	7
Boats	1	1	1	1	1
Transportation					
Street					
Streets (lane miles)	28	28	28	28	28
Street Lights	944	944	944	949	949
Traffic Signals	126	126	126	126	126
Vehicles	12	12	12	12	13
Leisure Time Activities					
Recreation/Seniors					
Park (acres)	21	21	21	21	21
Parks	3	3	3	3	3
Tennis Courts	2	2	2	2	2
Baseball/Softball Diamonds	2	2	2	2	2
Business-Type Activities					
Utilities					
Water					
Waterlines (Miles)	36	36	N/A	N/A	N/A
Number of Service Connections	2,352	2,352	N/A	N/A	N/A
Number of Hydrants	315	315	N/A	N/A	N/A
Sewer					
Sewerlines (Miles)	32	32	N/A	N/A	N/A
Number of Service Connections	3	3	N/A	N/A	N/A
Storm Water Drainage					
Storm Drains (Miles)	18	18	18	18	18
Number of Catch Basins	N/A	N/A	N/A	N/A	N/A
Marina					
Number of Dock Spaces	227	224	213	197	193

Source: Finance Director's Office

CITY OF ROSSFORD, OHIO

2014	2015	2016	2017	2018
4.3 1	4.3 1	4.3 1	4.3 1	4.3 1
1 10	1 10	1 10	1 10	1 10
1 7 1	1 7 1	1 9 1	1 9 1	1 9 1
28 949 126 13	37 958 126 13	37 958 126 13	37 958 126 15	39 993 126 16
21 3 2 2	21 3 2 2	21 3 2 2	21 3 2 2	21 3 2 2
N/A N/A N/A	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A
N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A
18 N/A	18 N/A	18 1,233	19 1,251	19 1,255
193	193	193	193	192



CITY OF ROSSFORD



Yellow Book Report

December 31, 2018

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**INDEPENDENT AUDITORS' 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***

Honorable Mayor and City Council
City of Rossford

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 Rossford (the City), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 31, 2019, wherein we noted the City adopted GASB No. 75 as disclosed in Note 2.

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 entity'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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Cincinnati, Ohio
May 31, 2019

OHIO AUDITOR OF STATE
KEITH FABER



CITY OF ROSSFORD

WOOD COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 9, 2019**