



**CITY OF MARION
MARION COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2019

CITY OF MARION
MARION COUNTY
DECEMBER 31, 2019

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**CITY OF MARION
MARION COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2019**

<u>FEDERAL GRANTOR</u> <i>Pass Through Grantor</i> Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Total Federal Expenditures
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
<i>Passed Through Ohio Development Services Agency</i>			
Community Development Block Grants / State's Program and Non-Entitlement Grants in Hawaii	14.228	A-F-17-2CI-1	\$ 97,088
Community Development Block Grants / State's Program and Non-Entitlement Grants in Hawaii	14.228	A-X-18-2CI-1	9,992
Total Community Development Grants / State's Program and Non-Entitlement Grants in Hawaii			<u>107,080</u>
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>107,080</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Drug Court Discretionary Grant Program (Direct)	16.585	N/A	92,818
<i>Passed Through Ohio Department of Public Safety / Ohio Office of Criminal Justice Services</i>			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2017-JG-B01-6412	33,084
Edward Byrne Memorial Justice Assistance Grant Program (Direct)	16.738	N/A	18,503
Total Edward Byrne Memorial Justice Assistance Grant Program			<u>51,587</u>
TOTAL U.S. DEPARTMENT OF JUSTICE			<u>144,405</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Airport Improvement Program (Direct)	20.106	N/A	104,876
<i>Passed Through Ohio Department of Transportation</i>			
Formula Grants for Rural Areas and Tribal Transit Program	20.509	110-RPTF-19-0100	382,316
Formula Grants for Rural Areas and Tribal Transit Program	20.509	110-INTC-19-0300	1,764
Total Formula Grants for Rural Areas and Tribal Transit Program			<u>384,080</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			<u>488,956</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
<i>Passed Through Ohio District 5 Area Agency on Aging</i>			
Aging Cluster:			
Special Programs for the Aging-Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	N/A	53,928
National Family Caregiver Support, Title III, Part E	93.052	N/A	4,078
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>58,006</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 798,447</u>

The accompanying notes are an integral part of this schedule.

**CITY OF MARION
MARION COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2019**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Marion (the City) under programs of the federal government for the year ended December 31, 2019. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting, except expenditures reported for the Formula Grant for Rural Areas (CFDA #20.509) are presented on an accrual basis. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The City has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) and HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) GRANT PROGRAMS with REVOLVING LOAN CASH BALANCE

The City of Marion has a revolving loan fund (RLF) program to provide low-interest loans to businesses to create jobs for low to moderate income persons and to lend money to eligible persons to rehabilitate homes. The Federal Department of Housing and Urban Development (HUD) grants money for these loans to the City, passed through the Ohio Development Services Agency. The Schedule reports loans made and administrative costs as disbursements on the Schedule. Subsequent loans are subject to the same compliance requirements imposed by HUD as the initial loans. These loans are collateralized by mortgages on the property. The current cash balance on the City's Local Program Income Account as of December 31, 2019 is \$25,609.

NOTE E - MATCHING REQUIREMENTS

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

NOTE F – CORRECTION TO PRIOR YEAR SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal expenditures totaling \$7,196 in 2018 and \$1,686 in 2017 from the U.S. Department of Justice's Drug Court Discretionary Grant Program (CFDA #16.585) were inadvertently included by the City on prior years' Schedule of Expenditures of Federal Awards.

OHIO AUDITOR OF STATE KEITH FABER



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

City of Marion
Marion County
233 W. Center Street
Marion, Ohio 43302

To the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Marion, Marion County, (the City) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 24, 2020, wherein we noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber
Auditor of State

Columbus, Ohio

July 24, 2020

OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

City of Marion
Marion County
233 W. Center Street
Marion, Ohio 43302

To the City Council:

Report on Compliance for the Major Federal Program

We have audited the City of Marion's (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the City of Marion's major federal program for the year ended December 31, 2019. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City's major federal program.

Management's Responsibility

The City's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the City's compliance for the City's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the City's major program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on the Major Federal Program

In our opinion, the City of Marion complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2019.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which Uniform Guidance requires us to report, described in the accompanying schedule of findings as item 2019-001. Our opinion on *the* major federal program is not modified with respect to this matter.

The City's response to our noncompliance finding is described in the accompanying schedule of findings and corrective action plan. We did not subject the City's response to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

Report on Internal Control Over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on the major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program's compliance requirement will not be prevented, or timely detected or corrected. *A significant deficiency in internal control over compliance* is a deficiency or a combination of deficiencies in internal control over compliance with a federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Therefore, we cannot assure we have identified all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. However, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness, described in the accompanying schedule of findings as item 2019-001.

The City's response to our internal control over compliance finding is described in the accompanying schedule of findings and corrective action plan. We did not subject the City's response to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

This report only describes the scope of our tests of internal control over compliance and the results of this testing based on the Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Marion (the City) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated July 24, 2020, wherein we noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. We conducted our audit to opine on the City's basic financial statements as a whole. We have not performed any procedures to the audited financial statements subsequent to July 24, 2020. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule 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, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Keith Faber
Auditor of State

Columbus, Ohio

September 2, 2020

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**CITY OF MARION
MARION COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2019**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	Yes
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	Yes
(d)(1)(vii)	Major Programs (list):	CFDA # 20.509 – Formula Grants for Rural Areas
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	Yes

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

**CITY OF MARION
MARION COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2019
(Continued)**

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
--

Equipment and Real Property Management

Finding Number:	2019-001
CFDA Number and Title:	CFDA # 20.509 Formula Grants for Rural Areas
Federal Award Identification Number / Year:	110-RPTF-19-0100 / 110-INTC-19-0300
Federal Agency:	U.S. Department of Transportation
Compliance Requirement:	Equipment and Real Property Management
Pass-Through Entity:	Ohio Department of Transportation
Repeat Finding from Prior Audit?	Yes
Prior Audit Finding Number:	2018-001

2 CFR § 1201.1 gives regulatory effect to the Department of Transportation for 2 CFR § 200.313(d) which provides that procedures for managing equipment (including replacement equipment), whether acquired in whole or in part under a Federal award, until disposition takes place will, as a minimum, meet the following requirements:

- (1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.
- (2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.
- (3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated.
- (4) Adequate maintenance procedures must be developed to keep the property in good condition.
- (5) If the non-Federal entity is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

Furthermore, the City's Fixed Asset Procedures, Annual Physical Inventory section, provides that each department or division is required to conduct an annual physical inventory. An inventory report as of June 30 will be supplied to each department when all purchases for the month of June have been entered into the Fixed Asset System. Each department will then have 60 days to conduct their physical inventory and submit the required certification to the Auditor's Office.

As of December 31, 2019, the City had not performed a physical inventory of capital assets within the prior two fiscal years. Additionally, the City's capital asset listing does not indicate the percentage of Federal participation in the project costs for the Federal award under which the property was acquired.

Failure to maintain appropriate capital asset records and have adequate internal controls over capital assets may result in the loss, misappropriation, theft, or diversion of assets and noncompliance with federal award requirements and Council policy.

We recommend the City review their capital asset listing to ensure compliance with federal award requirements and Council policy. We further recommend the City perform the required physical inventory.

Officials' Response: See Correction Action Plan



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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

2 CFR 200.511(b)

DECEMBER 31, 2019

Finding Number	Finding Summary	Status	Additional Information
2018-001	Equipment and Real Property Management	Not Corrected	Recurrence due to the timing of the FY18 audit. Refer to the Corrective Action Plan related to Finding 2019-001 for planned corrective action.



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CORRECTIVE ACTION PLAN

2 CFR § 200.511(c)

DECEMBER 31, 2019

Finding Number:	2019-001
Planned Corrective Action:	The City of Marion will be implementing a supplemental inventory/asset form to include the required information to indicate the source of funding for the purchase of items. A physical inventory will be completed on or before October 15, 2020.
Anticipated Completion Date:	10/15/2020
Responsible Contact Person:	Jeff March, Transit and Marden Watts, Deputy Auditor

CITY OF MARION, OHIO

Comprehensive Annual Financial Report

For the Year Ended
December 31, 2019

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**INTRODUCTORY
SECTION**

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CITY OF MARION, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Year Ended December 31, 2019

Prepared By:

City Auditor

ROBERT LANDON

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CITY OF MARION
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2019

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July 24, 2020

Citizens of the City of Marion
Members of Marion City Council

As the newly elected City Auditor, it is my honor to present the City of Marion's Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2019. This report provides a full and complete disclosure of the financial operations of the City of Marion. It is intended to inform elected officials, employees, bondholders, investment bankers, rating agencies, and all interested persons of the financial affairs of the City. The CAFR conforms to generally accepted accounting principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB).

Responsibility for both the accuracy of the presented data and the thoroughness of the presentation rests with the City. The City has a framework of internal controls established to ensure the accuracy of the presented data and the completeness and fairness of the presentation. Because the cost of internal controls should not exceed anticipated benefits, the controls provide reasonable assurance that the financial statements are free of any material misstatements.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The State of Ohio Auditor's Office has issued an unmodified opinion on the City of Marion's financial statements for the year ended December 31, 2019. The Independent Auditor's Report is located at the front of the financial section of this report.

State law requires the City to file basic financial statements with the Auditor of State within one hundred fifty days after year end. This report fulfills that requirement.

PROFILE OF THE CITY

The City of Marion, known as "Americas' Workforce Development Capital", as patented. The City is located in and is the county seat of Marion County in central Ohio, approximately fifty miles north of Columbus, ninety miles southeast of Toledo, and one hundred fifteen miles southwest of Cleveland. It was incorporated as a village in 1830 and became a city in 1890.

The City, with an estimated population of 36,087, is the largest municipality in Marion County and has an area of approximately 11.82 square miles. The City's land use is broken down as follows:

Real Property	
Residential	69.88%
Commercial	17.01
Industrial	4.24
Agricultural	.17
Public Utility Personal	8.65
Public Utility	.05

The City operates under a mayor-council form of government in accordance with general laws. Under the Ohio Constitution, the City may exercise all powers of local self-government and police powers to the extent not in conflict with applicable general laws.

Legislative authority is vested in a nine-member council and a council president, each elected to two-year terms. Three members of council are elected at-large and six are elected from wards. The Council fixes compensation of City officials and employees, enacts ordinances and resolutions relating to City services, tax levies, the appropriating and borrowing of money, licensing and regulating businesses and trades, and other municipal purposes.

The City's chief executive and administrative officer is the Mayor, who is elected by the voters and serves a term of four-years. The Mayor appoints the directors of all City departments, members to a number of boards and commissions, and appoints and removes, in accordance with civil service requirements, all appointed officers and employees, except those appointed by City Council. The Mayor may veto any legislation passed by City Council. A veto may be overridden by a two-thirds vote of all members of City Council.

All other elected officials serve four-year terms and are considered part-time positions, except for the Mayor, Auditor, and Law Director.

Marion is known as the home of the 29th President of the United States, Warren G. Harding (1921-1923). The Harding Home and Museum and the Harding Memorial draw visitors from all over the country.

The City is served by diversified transportation facilities, including seven state and U.S. highways. Interstate I-71 is located twenty-five miles east of the City. The City is served by the CSX and Norfolk Southern railroads. Public mass transit is provided by the Marion Area Transit System. The City owns the Marion Municipal Airport which is located east of the City and outside the corporation limit. The airport is designed for general use.

Banking and financial services are provided to the City by offices of local commercial banks and savings and loan associations, two of which have their principal offices in the City.

One daily newspaper, *The Marion Star*, serves the City. The City is within the broadcast area of four television stations and three local AM and FM radio stations. Multi-channel cable TV service including educational, governmental, and public access channels is provided by Spectrum.

Within commuting distance are several public and private two-year and four-year colleges and universities providing a wide range of educational facilities and opportunities. These include the Marion Campus of The Ohio State University and Marion Technical College. There are ten other colleges and universities within a sixty-minute drive.

The City and its area residents are served by the Marion General Hospital which is operated by Ohio Health. It has two hundred fifty beds and is the largest medical center within a forty-mile radius of the City.

The main branch of the Marion Public Library is located in the City with three branches located in villages within the County. It has approximately 337,493 items available for checkout with a total circulation of 347,860. There is also a digital library with 58,229 downloads available.

Entertainment assets include the Palace Theater which offers performing arts, musical events, and films. Its central location in the City and its architecture were key factors in the theater's privately supported restoration program.

The City maintains nineteen parks with over 325 acres of land. Park facilities include an aquatic center which includes a lazy river, slides, and a concession stand. The City also has bike and jogging trails, tennis courts, baseball diamonds, softball fields, soccer fields, volleyball courts, picnic areas with shelters, and numerous playground facilities.

LOCAL ECONOMY

Major industries located within the City's boundaries or in close proximity include manufacturers of dryers, automobile components, design and manufacture of packaging, metal forming and processing, and steel production. The school system consists of six elementary schools, one middle school, and one high school. The school system is the second largest employer in the City. There is one private prison and one state prison within the City limits that are also large employers.

The unemployment rate in 2019 improved from 4.8 percent to 3.7 percent.

The City continues to work on retention and expansion with local businesses. Multiple renovation projects are in progress in Downtown Marion. In 2019, there were several new businesses that opened in Downtown Marion which has resulted in increased foot traffic.

Vancouver's Enterra Feeds will be putting in a Black Soldier Fly Larvae growing facility at 617 West Center Street. The larvae will be grown in Poet's dried distillery grain production (left over protein after carbs are turned into ethanol) with the addition of some waste food. They will harvest about 4,000 pounds a day. This will be Enterra's first facility in the United States. Enterra is investing approximately \$30,000,000 for their Marion operations.

Ohio Health completed its downtown facility and the Ohio Health Marion General expansion is in progress. This is a \$50,000,000 investment.

U.S. Yachiyo, Inc. is planning an expansion. The estimated investment is about \$40,000,000 and they will be adding two new fuel tank lines.

Amato's Pizza and North High Brewing Company are investing approximately \$1,500,000 in the downtown area. These projects are currently in progress.

Simcote expanded to start epoxy coating rebar to meet federal DOT guidelines. The total investment for this expansion was approximately \$6,000,000.

CenMac Metalworks completed two expansions. The total investment was approximately \$10,000,000 and created several jobs.

Pacific Highway Products built a plant in Marion to serve the east and south coasts of the Country.

The City continues to improve infrastructure to become more business friendly. In 2012, the Northwest Industrial Corridor, a road that creates a link to west side industry, was opened. Construction of an overpass on State Route 309 was completed in 2019. The overpass will enhance access to the intermodal facility and will become a CSX select site.

The Street Construction Maintenance and Repair Fund receives a portion of the income tax to help with street improvements. City Council also approved increasing the permissive motor vehicle tax by \$10. In 2019, the City spent over \$1.1 million on street resurfacing. Two sewer improvement projects were also completed.

Health care costs to the City will increase .6 percent in 2020. The City continues to explore all possibilities to help with health care costs.

The City's finances are stable. Fund balance in the General Fund at year end was 26.2 percent percent of General Fund revenues for 2019. City Council has not established a formal fund balance policy but discussion has recommended an unassigned fund balance in the General Fund of at least 10 percent of revenue.

RELEVANT FINANCIAL POLICIES

It is the City's policy to ensure that current year revenues are sufficient to fund current year expenditures without the use of non-recurring revenues. Appropriations are set based upon available revenues with the City Council determining the level of funding for each department within the City.

The City Treasurer manages the investment of City funds with the oversight of the Investment Board which is made up of the Mayor, Law Director, Auditor, and Treasurer. Any financial institution that holds City funds must also adhere to the requirements of the City's Investment Policy. This policy details the objectives and rules for the safekeeping of City funds.

MAJOR INITIATIVES

Capital improvement proposals are presented to City Council for approval and appropriation. Funding for the projects comes from the Community Development Block Grant (CDBG) Program, Formula Grant, State of Ohio Issue II funds, Federal Aviation Administration (FAA) grants and any other federal or state grants that become available. The City also uses permissive auto license fees, voted income tax restricted for street maintenance and repair, zero interest loans and grants from Ohio Water and Development Authority and the Ohio Public Works Commission.

With the assistance of these grants, the City has improved parks, sidewalks, and assisted low/moderate income households with home repairs.

Three sewer improvement projects are planned for 2020. The Short Street project has an estimated cost of \$600,000, the South Grand Avenue project has an estimated cost of \$1,221,000, and the Colonial Acres subdivision has an estimated cost of \$300,000. The City plans to spend approximately \$1.3 million on street resurfacing projects in 2020.

The City received a Critical Infrastructure Grant from CDBG in 2019, in the amount of \$500,000. This will be used for necessary improvements to Fire Department Station 1.

The City continues to be focused on improvements to its infrastructure. The City instituted a storm water utility in the late 1990's to fund storm water improvements and maintenance activities. The Ohio Environmental Protection Agency (EPA) issued the Phase II storm water regulations and the City has developed and implemented the six minimum control measures along with storm water post construction water quality runoff and erosion and sediment controls and regulations. In 2007, the City had a long-term control plan (LTCP) approved by the EPA as part of the City's national pollutant discharge elimination system (NPDES) permit. Beginning in 2014, the City began work to modify the plan under the advisement of the EPA. As part of this modification, the City has completed a city-wide model and flow analysis and is in the process of developing an adaptive management plan to outline storm and sanitary sewer projects over the next several years. The City has submitted this plan to the EPA. The City currently pursues grants, no interest and low interest loans, and notes and bonds to complement the Storm Water Fund and Sewer Fund for these projects.

We continue to work on projects at the airport. These improvements will put us in line for a grant from the FAA to build a new terminal building. The current terminal was built in the 1950's. The design of the new terminal began in 2017 and construction is anticipated to be completed in 2020. The funding for this project will include FAA grants, ODOT grants, and available City resources. The new terminal building is not designated as 100 percent public use. "Public" use areas, including the pilot's lounge, restroom facilities, and lobby areas are funded 90 percent by the FAA, with ODOT contributing 5 percent, and the City funding the remaining 5 percent. The City will need to fund the remainder of the building's "private" use areas including conference rooms and administrative offices. While project costs are not yet finalized, it is estimated that the FAA share of the project will be approximately \$600,000. City funding for the project will largely come from money earmarked from the sale of airport land and buildings. Project costs to the City is estimated to be approximately \$526,000.

ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting for Comprehensive Annual Financial Reports that conform to the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report meets the Certificate of Achievement requirements and we are submitting it to the GFOA for consideration.

I would like to thank my staff, members of the Administration, City Council, department heads, and our City employees for all the hard work they do that enabled us to prepare the information for the 2019 Comprehensive Annual Financial Report. Their cooperation is greatly appreciated.

I sincerely want to thank the Local Government Services Section of the Auditor of State's office for their guidance and professionalism in helping us prepare our CAFR.

The continued dedication and hard work of my staff is also greatly appreciated. Without the cooperation of all involved, the preparation of this report would not have been possible.

Sincerely,



Robert Landon
Marion City Auditor

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Government Finance Officers Association

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Ohio**

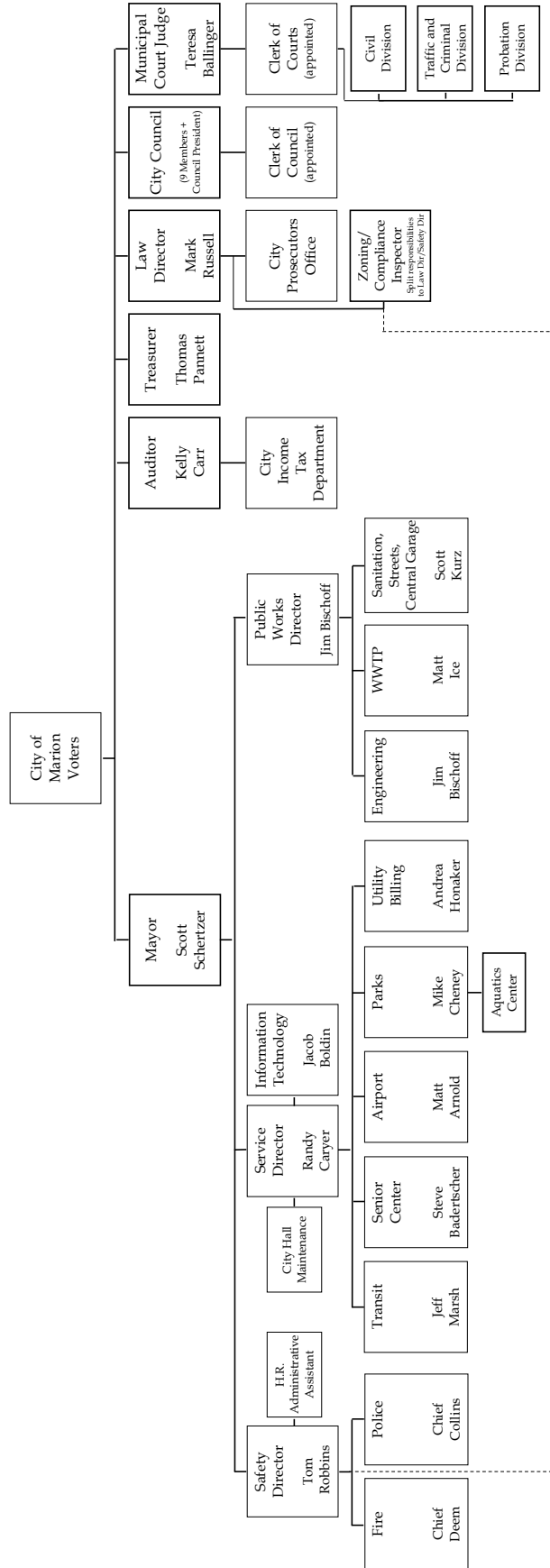
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO

City of Marion Organizational Chart



CITY OF MARION

PRINCIPAL CITY OFFICIALS
DECEMBER 31, 2019

ELECTED OFFICIALS

Mayor.....	J. Scott Schertzer
Auditor.....	Kelly L. Carr (term ended 12/31/19)
	Robert Landon (term began 1/1/20)
Treasurer.....	Thomas Pannett
Law Director.....	Mark D. Russell
Municipal Court Judge.....	Teresa Ballinger
President of Council.....	Todd Schneider
Council Members.....	Robert Landon
	Ayers Ratliff, Jr.
	Jason Schaber
	Deborah Blevins
	Leslie Cunningham
	Rick Huddle
	Mike Thomas
	Kevin Norris
	Josh Daniels

APPOINTED OFFICIALS

Clerk of Council.....	Tarina Rose
Clerk of Courts.....	Amanda Fellows
Service Director.....	Randy Caryer
Safety Director.....	Thomas Robbins

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**FINANCIAL
SECTION**

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OHIO AUDITOR OF STATE KEITH FABER



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Columbus, Ohio 43215-3506
(614) 466-3402 or (800) 443-9275
CentralRegion@ohioauditor.gov

INDEPENDENT AUDITOR'S REPORT

City of Marion
Marion County
233 W. Center Street
Marion, Ohio 43302

To the City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Marion, Marion County, Ohio (the City), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Marion, Marion County, Ohio, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, Street Construction, Maintenance and Repair, and Police, Dispatch and Fire Income Tax funds thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 25 to the financial statements, during 2020, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. 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 this presentation to include *management's discussion and analysis* and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

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

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

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 24, 2020, 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.



Keith Faber
Auditor of State

Columbus, Ohio

July 24, 2020

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CITY OF MARION
Management's Discussion and Analysis
For the Year Ended December 31, 2019
Unaudited

The discussion and analysis of the City of Marion's financial performance provides an overview of the City's financial activities for the year ended December 31, 2019. The intent of this discussion and analysis is to look at the City's financial performance as a whole.

HIGHLIGHTS

Highlights for 2019 are as follows:

In total, the City's net position increased 44 percent from the prior year; an increase of 68 percent for governmental activities and an increase of almost 13 percent for business-type activities.

General revenues made up 71 percent of the total revenues for governmental activities in 2019, and of this amount, 81 percent was provided through municipal income taxes, the most critical of the City's revenue sources.

Program revenues, primarily user charges, made up 97 percent of total revenues for business-type activities.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the City's financial position.

The statement of net position and the statement of activities provide information about the activities of the City as a whole, presenting both an aggregate and a longer-term view of the City.

Fund financial statements provide a greater level of detail. For governmental funds, these statements tell how services were financed in the short-term and what remains for future spending. Fund financial statements report the City's most significant funds individually and the City's non-major funds in a single column. The City's major funds are the General Fund; the Street Construction, Maintenance, and Repair and the Police, Dispatch, and Fire Income Tax special revenue funds; and the Sewer, Sanitation, Landfill, Storm Water, and Aquatics Center enterprise funds.

REPORTING THE CITY AS A WHOLE

The statement of net position and the statement of activities reflect how the City did financially during 2019. These statements include all assets and deferred outflows of resources and all liabilities and deferred inflows of resources using the accrual basis of accounting similar to that used by most private-sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid.

CITY OF MARION
Management's Discussion and Analysis
For the Year Ended December 31, 2019
Unaudited

These statements report the City's net position and changes in net position. This change in net position is important because it tells the reader whether the financial position of the City as a whole has increased or decreased from the prior year. Over time, these increases and/or decreases are one indicator of whether the financial position is improving or deteriorating. Causes for these changes may be the result of many factors, some financial, some not. Non-financial factors can include changes in the City's property tax base and the condition of the City's capital assets (buildings, streets, equipment, sewer and storm water lines). These factors must be considered when assessing the overall health of the City.

In the statement of net position and the statement of activities, the City is divided into two types of activities:

- **Governmental Activities** - Most of the City's programs and services are reported here, including security of persons and property, public health, leisure time activities, community environment, transportation, and general government. These services are primarily funded by property taxes and income taxes and from intergovernmental revenues, including federal and state grants and other shared revenues.
- **Business-Type Activities** - These services are provided on a charge for services basis and are intended to recover all or most of the costs of the services provided. The City's sewer, sanitation, landfill, and storm water services as well as the City's aquatics center are reported here.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund financial statements provide detailed information about the City's major funds, the General Fund; the Street Construction, Maintenance, and Repair and Police, Dispatch, and Fire Income Tax special revenue funds; and the Sewer, Sanitation, Landfill, Storm Water, and Aquatics Center enterprise funds. While the City uses many funds to account for its financial transactions, these are the most significant.

Governmental Funds - The City's governmental funds are used to account for essentially the same programs reported as governmental activities on the government-wide financial statements. Most of the City's basic services are reported in these funds and focus on how money flows into and out of the funds as well as the balances available for spending at year end. These funds are reported on the modified accrual basis of accounting which measures cash and all other financial assets that can be readily converted to cash. The governmental fund financial statements provide a detailed short-term view of the City's general government operations and the basic services being provided.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities on the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to help make this comparison between governmental funds and governmental activities.

CITY OF MARION
Management's Discussion and Analysis
For the Year Ended December 31, 2019
Unaudited

Proprietary Funds - The City has two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities on the government-wide financial statements and use the accrual basis of accounting. The City uses enterprise funds to account for sewer, sanitation, landfill, storm water, and the aquatics center's operations. The internal service fund is an accounting device used to accumulate and allocate internal costs among other programs and activities. The City's internal service fund accounts for the City's central garage which provides vehicle maintenance to departments of the City.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Table 1 provides a summary of the City's net position for 2019 and 2018.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
<u>Assets</u>						
Current and Other Assets	\$18,924,375	\$17,964,931	\$12,346,402	\$11,161,830	\$31,270,777	\$29,126,761
Net Pension Asset	25,422	27,833	12,520	14,989	37,942	42,822
Capital Assets, Net	50,542,795	51,227,590	50,258,263	43,875,972	100,801,058	95,103,562
Total Assets	69,492,592	69,220,354	62,617,185	55,052,791	132,109,777	124,273,145
<u>Deferred Outflows of Resources</u>						
Pension	10,697,307	5,137,023	1,519,162	796,844	12,101,799	5,890,612
OPEB	2,325,362	2,308,767	199,022	178,407	2,450,715	2,459,245
Total Deferred Outflows of Resources	13,022,669	7,445,790	1,718,184	975,251	14,552,514	8,349,857
<u>Liabilities</u>						
Current and Other Liabilities	1,532,566	1,005,326	3,158,330	1,334,566	4,690,896	2,339,892
<u>Long-Term Liabilities</u>						
Pension	36,845,306	25,663,517	5,039,155	3,014,787	41,884,461	28,678,304
OPEB	7,674,845	22,271,666	2,317,714	2,018,575	9,992,559	24,290,241
Other Amounts	8,355,338	8,533,395	40,478,586	37,097,660	48,833,924	45,631,055
Total Liabilities	54,408,055	57,473,904	50,993,785	43,465,588	105,401,840	100,939,492
<u>Deferred Inflows of Resources</u>						
Pension	257,707	2,160,375	169,539	761,959	312,576	2,879,079
OPEB	980,465	547,136	65,380	150,370	972,176	669,577
Other Amounts	1,577,292	1,467,597	0	0	1,577,292	1,467,597
Total Deferred Inflows of Resources	2,815,464	4,175,108	234,919	912,329	2,862,044	5,016,253
<u>Net Position</u>						
Net Investment in Capital Assets	46,918,351	47,671,157	11,217,937	10,513,916	58,136,288	58,185,073
Restricted	7,261,040	7,181,833	0	0	7,261,040	7,181,833
Unrestricted (Deficit)	(28,887,649)	(39,835,858)	1,888,728	1,136,209	(26,998,921)	(38,699,649)
Total Net Position	\$25,291,742	\$15,017,132	\$13,106,665	\$11,650,125	\$38,398,407	\$26,667,257

CITY OF MARION
Management's Discussion and Analysis
For the Year Ended December 31, 2019
Unaudited

The net pension/OPEB liability (asset) reported by the City at December 31, 2019, is reported pursuant to Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". For reasons discussed below, end users of these financial statements 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 (asset), and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

GASB standards are national standards and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB Statement No. 27) and postemployment benefits (GASB Statement No. 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 or net OPEB liability. GASB Statements No. 68 and No. 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 Statements No. 68 and No. 75 require the net pension liability (asset) and the net OPEB liability to equal the City's proportionate share of each plan's collective present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service 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 health care to eligible benefit recipients. The retirement systems may allocate a portion of the employer contribution 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 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.

CITY OF MARION
Management's Discussion and Analysis
For the Year Ended December 31, 2019
Unaudited

Most long-term liabilities have set repayment schedules or in the case of compensated absences (i.e. vacation and sick 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 pension benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the City. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability 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 Statements No. 68 and No. 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 (asset) and the net OPEB liability, respectively, not accounted for as deferred outflows/inflows.

Pension/OPEB changes noted in the above table reflect an overall increase in deferred outflows and overall decrease in deferred inflows. These changes are affected by changes in benefits, contribution rates, return on investments, and actuarial assumptions. The increase in the net pension liability and decrease in the net OPEB liability represent the City's proportionate share of the unfunded benefits. For 2019, OPF recognized a change in benefit terms for their OPEB plan. Under this new model, OPF provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. This new model replaced the self-insured health care plan used in prior years.

Aside from the changes related to pension/OPEB, there were few other changes of note for governmental activities. The increase in current and other assets was primarily from two sources, a modest increase in cash and cash equivalents (\$343,000) and an increase in amounts due from other governments (most significantly from the State increasing the gas tax rate mid-2019 and a return of resources from the Bureau of Workers' Compensation). The increase in current and other liabilities is largely from outstanding contracts at year end related to street resurfacing projects. The change in unrestricted net position is predominately related to pension/OPEB changes.

There were several significant changes from the prior year for business-type activities. The increase in current and other assets was due to resources to be received from the Ohio Water Development Authority for the wastewater treatment plant upgrade. The increase in net capital assets was due to asset additions; while there were additions financed with additional debt, there was also a significant number of additions paid for with cash. With significant ongoing construction, current and other liabilities increased due to liabilities to contractors at year end. The increase in other long-term liabilities is due to additional borrowing from the Ohio Water Development Authority and from the Ohio Public Works Commission for the wastewater treatment plant and for sanitary sewer and storm water improvements.

CITY OF MARION
Management's Discussion and Analysis
For the Year Ended December 31, 2019
Unaudited

Table 2 reflects the change in net position for 2019 and 2018.

Table 2
Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
<u>Revenues</u>						
Program Revenues						
Charges for Services	\$2,921,764	\$3,182,342	\$12,810,050	\$12,042,693	\$15,731,814	\$15,225,035
Operating Grants, Contributions, and Interest	3,727,885	2,929,819	0	0	3,727,885	2,929,819
Capital Grants and Contributions	2,097,822	1,453,864	505,800	19,200	2,603,622	1,473,064
Total Program Revenues	<u>8,747,471</u>	<u>7,566,025</u>	<u>13,315,850</u>	<u>12,061,893</u>	<u>22,063,321</u>	<u>19,627,918</u>
General Revenues						
Property Taxes Levied for General Purposes	1,125,845	1,124,347	0	0	1,125,845	1,124,347
Property Taxes Levied for Police and Fire Pension	206,596	204,618	0	0	206,596	204,618
Payment in Lieu of Taxes	243,963	434,523	0	0	243,963	434,523
Municipal Income Taxes Levied for General Purposes	8,528,149	8,446,373	0	0	8,528,149	8,446,373
Municipal Income Taxes Levied for Street Construction, Maintenance, and Repair	646,790	644,420	0	0	646,790	644,420
Municipal Income Taxes Levied for Police and Fire	7,502,943	7,449,990	0	0	7,502,943	7,449,990
Municipal Income Taxes Levied for Capital Improvements	430,418	427,367	0	0	430,418	427,367
Grants and Entitlements not Restricted to Specific Programs	1,037,866	898,920	0	0	1,037,866	898,920
Franchise Taxes	337,123	333,694	0	0	337,123	333,694
Interest	307,440	218,065	0	0	307,440	218,065
Other	823,593	1,066,332	430,973	481,632	1,254,566	1,547,964
Total General Revenues	<u>21,190,726</u>	<u>21,248,649</u>	<u>430,973</u>	<u>481,632</u>	<u>21,621,699</u>	<u>21,730,281</u>
Total Revenues	<u>29,938,197</u>	<u>28,814,674</u>	<u>13,746,823</u>	<u>12,543,525</u>	<u>43,685,020</u>	<u>41,358,199</u>
<u>Program Expenses</u>						
Security of Persons and Property						
Police	1,871,599	8,876,793	0	0	1,871,599	8,876,793
Fire	136,682	7,770,308	0	0	136,682	7,770,308
Other	296,836	264,532	0	0	296,836	264,532
Public Health	339,155	332,510	0	0	339,155	332,510
Leisure Time Activities	1,458,059	1,296,203	0	0	1,458,059	1,296,203
Community Environment	286,093	273,008	0	0	286,093	273,008
Transportation						
Transit	1,123,124	1,119,659	0	0	1,123,124	1,119,659
Other	7,258,051	6,646,985	0	0	7,258,051	6,646,985

(continued)

CITY OF MARION
Management's Discussion and Analysis
For the Year Ended December 31, 2019
Unaudited

Table 2
Change in Net Position
(continued)

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
<u>Program Expenses (continued)</u>						
General Government						
Court	\$2,286,098	\$1,934,141	\$0	\$0	\$2,286,098	\$1,934,141
Other	4,490,408	3,924,587	0	0	4,490,408	3,924,587
Interest and Fiscal Charges	123,892	112,338	0	0	123,892	112,338
Sewer	0	0	7,745,938	7,450,382	7,745,938	7,450,382
Sanitation	0	0	2,759,452	2,390,970	2,759,452	2,390,970
Landfill	0	0	(12,214)	(19,200)	(12,214)	(19,200)
Storm Water	0	0	1,325,739	1,413,679	1,325,739	1,413,679
Aquatics Center	0	0	464,958	470,004	464,958	470,004
Total Expenses	<u>19,669,997</u>	<u>32,551,064</u>	<u>12,283,873</u>	<u>11,705,835</u>	<u>31,953,870</u>	<u>44,256,899</u>
Increase (Decrease) in Net Position						
Before Transfers	10,268,200	(3,736,390)	1,462,950	837,690	11,731,150	(2,898,700)
Transfers	6,410	591,536	(6,410)	(591,536)	0	0
Increase (Decrease) in Net Position	<u>10,274,610</u>	<u>(3,144,854)</u>	<u>1,456,540</u>	<u>246,154</u>	<u>11,731,150</u>	<u>(2,898,700)</u>
Net Position Beginning of Year	<u>15,017,132</u>	<u>18,161,986</u>	<u>11,650,125</u>	<u>11,403,971</u>	<u>26,667,257</u>	<u>29,565,957</u>
Net Position End of Year	<u>\$25,291,742</u>	<u>\$15,017,132</u>	<u>\$13,106,665</u>	<u>\$11,650,125</u>	<u>\$38,398,407</u>	<u>\$26,667,257</u>

The above table reflects the revenues and expenses for operating the City during 2019. For governmental activities, there was a 16 percent increase in program revenues; however, there was a decrease in charges for services as there were fewer assessments for weed control than in the prior year. The increase in operating grants and contributions is the result of the State rate increase for gas taxes which are then distributed to local governments, resources received for school resource officers, and a grant from the Ohio Department of Transportation not related to capital activities. The increase in capital grants and contributions is due to resources received from the Ohio Department of Transportation for street resurfacing and from monies received from the State to purchase transit vehicles. There was little change in general revenues from the prior year. The substantial decrease in expenses for governmental activities is primarily due to the decrease in OPEB expenses for OPF. As indicated earlier, OPF recognized a change in benefit terms for their OPEB plan changing from a self-insured health care plan to a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. These changes contributed to the OPEB expense decreasing from \$1,501,341 in 2018 to a negative OPEB expense of \$14,597,029 for OPF for 2019. Aside from the police and fire programs, other program expenses did not change significantly from the prior year.

As is to be expected, 97 percent of the revenues for business-type activities are received through program revenues. An increase in sewer rates led to an increase in charges for services revenue. The increase in capital grants and contributions is related to resources received from the Ohio Public Works Commission. The increase in expenses was primarily related to salary and benefit costs in the sewer and sanitation departments.

CITY OF MARION
Management's Discussion and Analysis
For the Year Ended December 31, 2019
Unaudited

Table 3, indicates the total cost of services and the net cost of services for governmental activities. The statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues.

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2019	2018	2019	2018
Security of Persons and Property				
Police	\$1,871,599	\$8,876,793	\$1,414,602	\$8,693,493
Fire	136,682	7,770,308	(966,387)	6,734,833
Other	296,836	264,532	296,836	264,532
Public Health	339,155	332,510	339,155	332,510
Leisure Time Activities	1,458,059	1,296,203	1,232,937	1,080,496
Community Environment	286,093	273,008	175,770	208,376
Transportation				
Transit	1,123,124	1,119,659	342,857	335,075
Other	7,258,051	6,646,985	3,246,888	3,470,496
General Government				
Court	2,286,098	1,934,141	570,910	361,015
Other	4,490,408	3,924,587	4,145,066	3,391,875
Interest and Fiscal Charges	123,892	112,338	123,892	112,338
Total Expenses	<u>\$19,669,997</u>	<u>\$32,551,064</u>	<u>\$10,922,526</u>	<u>\$24,985,039</u>

While the dependence on general revenues (primarily municipal income taxes) to pay for the various services provided by the City is significant, program revenues in several of the programs provide for a considerable portion of the costs. Note the significant change in the total cost of services and net cost of services from the prior year. This change was largely due to the change in the OPEB expense for OPF as discussed previously. However, there continues to be several programs in which program revenues provide for a considerable portion of the costs. For example, a combination of charges for services (fire services contracts with other governments) and grants provided for much of the costs of operations for the fire department. Charges for services and various grants and contributions provided for 57 percent of transportation costs. The transportation program receives permissive motor vehicle license fees as well as motor vehicle and gas taxes. In addition, the City receives grants to assist in operating the public transit system. Lastly, court related fines and charges provided program revenues covering a substantial portion of the costs of court operations.

GOVERNMENTAL FUNDS FINANCIAL ANALYSIS

The City's major governmental funds are the General Fund, and the Street Construction, Maintenance, and Repair and the Police, Dispatch, and Fire Income Tax special revenue funds.

CITY OF MARION
Management's Discussion and Analysis
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There was little change in fund balance in the General Fund with both revenues and expenditures increasing a modest 2 percent.

The decrease in fund balance in the Street Construction, Maintenance, and Repair Fund is due to receiving a lower subsidy for operating costs from the General Fund in 2019 (approximately \$547,000 less than in 2018).

The increase in fund balance in the Police, Dispatch, and Fire Income Tax Fund is due to the resources received for school resource officers as little else changed for revenues or expenditures from the prior year.

BUSINESS-TYPE ACTIVITIES FINANCIAL ANALYSIS

The City's enterprise funds provide for wastewater treatment, trash collection, landfill postclosure activities, the storm water runoff system, and operations of an aquatics center.

A 10 percent increase in charges for services revenue due to a rate increase and a capital contribution from State resources led to an increase in net position in the Sewer Fund.

Modest increases in all costs of operations for the sanitation program resulted in a decrease in net position in the Sanitation Fund. While not significant, personnel costs (salaries and benefits), contracted services, and materials and supplies costs all increased from the prior year.

The Landfill Fund had an increase in net position for 2019; however, continues to reflect a deficit net position. The Landfill stopped accepting waste in 1995; all costs at this point are related to postclosure activities.

The increase in net position in the Storm Water Fund is due to a capital contribution from State resources and a reduction in resources transferred to other funds. In the prior year, the Storm Water Fund transferred approximately \$287,000 to other funds.

The deficit net position for the Aquatics Center Fund increased approximately \$17,500 (2 percent). This fund has had a deficit net position since its inception in 2011 due to construction costs and associated debt. The fund will likely continue to have a deficit net position until the debt is retired.

BUDGETARY HIGHLIGHTS

The City prepares an annual budget of revenues and expenditures/expenses for all funds of the City for use by City officials and department heads and such other budgetary documents as are required by State statute, including the annual appropriations ordinance which is effective the first day of January.

The City's most significant budgeted fund is the General Fund. For revenues, the increase from the original budget to the final budget was primarily due to improved municipal income tax projections, local government resources anticipated from the State, and interest revenue. Changes for the final budget to actual revenues were not significant. For expenditures, changes from the original budget to the final budget and from the final budget to actual expenditures were not significant.

CITY OF MARION
Management's Discussion and Analysis
For the Year Ended December 31, 2019
Unaudited

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - The City's investment in capital assets for governmental and business-type activities as of December 31, 2019, was \$50,542,795 and \$50,258,263, respectively (net of accumulated depreciation). The most significant additions for governmental activities were street improvements, the construction of a new airport terminal, miscellaneous equipment, and vehicles. Disposals were street replacements. The most significant additions for business-type activities were infrastructure improvements. Disposals were minimal. For further information regarding the City's capital assets, refer to Note 11 to the basic financial statements.

Debt - At December 31, 2019, the City had a number of long-term obligations outstanding including \$27,660,240 in general obligation bonds, \$2,086,167 in Ohio Public Works Commission loans, and \$12,283,932 in Ohio Water Development Authority loans. Of this debt, \$38,934,630 will be paid from business-type activities. During 2019, OPWC and OWDA loans were issued for sewer and storm water replacement.

In addition, the City's long-term obligations also include the net pension liability, net OPEB liability, compensated absences, capital leases, and the liability associated with the future payment of landfill postclosure costs. For further information regarding the City's debt, refer to Notes 17, 18, and 19 to the basic financial statements.

CURRENT ISSUES

The City continues to work with the Ohio EPA on its long-term control plan and identifying sewer and storm water projects to meet which would meet the objectives of this plan.

The City will continue with the annual paving program in order to improve infrastructure.

Construction of a new terminal at the Marion Municipal Airport is underway. Final project costs are yet to be determined, however, a combination of FAA resources, ODOT resources, and City resources will be used to fund this project.

Business expansion and development remains a focus for the City of Marion. An expansion project at OhioHealth Marion General Hospital has been started to add additional space to the building. Enterra Feeds is the latest business to commit to opening operations within the City. Several projects to revitalize downtown include the Brickyard on Main, The Union (a fresh produce market), and several other businesses are expected to open in 2020.

Construction of the overpass on State Route 309 was completed by ODOT and has enhanced access to the intermodal facility on the City's east side and will become a CSX select site soon. This development, along with the Northwest Industrial Corridor constructed several years ago, will only enhance development opportunities in the area.

CITY OF MARION
Management's Discussion and Analysis
For the Year Ended December 31, 2019
Unaudited

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those interested in our City's financial well being. Questions concerning any of the information provided in this report or requests for additional information should be directed to Robert Landon, City Auditor, City of Marion, 233 West Center Street, Marion, Ohio 43302.

City of Marion
Statement of Net Position
December 31, 2019

	Governmental Activities	Business-Type Activities *	Total *
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$9,929,679	\$3,992,547	\$13,922,226
Cash and Cash Equivalents with Escrow Agent	902	0	902
Accounts Receivable	721,854	6,086,945	6,808,799
Accrued Interest Receivable	50,391	0	50,391
Due from Other Governments	2,068,112	2,324,583	4,392,695
Municipal Income Taxes Receivable	3,230,737	0	3,230,737
Other Local Taxes Receivable	22,984	0	22,984
Internal Balances	153,072	(153,072)	0
Prepaid Items	75,145	32,708	107,853
Materials and Supplies Inventory	242,932	62,691	305,623
Property Taxes Receivable	1,658,429	0	1,658,429
Payment in Lieu of Taxes Receivable	343,904	0	343,904
Notes Receivable	426,234	0	426,234
Net Pension Asset	25,422	12,520	37,942
Nondepreciable Capital Assets	10,434,914	9,823,032	20,257,946
Depreciable Capital Assets, Net	40,107,881	40,435,231	80,543,112
Total Assets	69,492,592	62,617,185	132,109,777
<u>Deferred Outflows of Resources</u>			
Pension	10,697,307	1,519,162	12,101,799
OPEB	2,325,362	199,022	2,450,715
Total Deferred Outflows of Resources	13,022,669	1,718,184	14,552,514
<u>Liabilities</u>			
Accrued Wages Payable	326,597	68,199	394,796
Accounts Payable	329,831	147,798	477,629
Contracts Payable	414,057	2,433,335	2,847,392
Due to Other Governments	337,833	107,210	445,043
Matured Compensated Absences Payable	37,182	0	37,182
Retainage Payable	0	326,299	326,299
Accrued Interest Payable	9,838	75,489	85,327
Unearned Revenue	77,228	0	77,228
Long-Term Liabilities			
Due Within One Year	1,065,832	3,063,812	4,129,644
Due in More Than One Year			
Net Pension Liability	36,845,306	5,039,155	41,884,461
Net OPEB Liability	7,674,845	2,317,714	9,992,559
Other Amounts Due in More Than One Year	7,289,506	37,414,774	44,704,280
Total Liabilities	54,408,055	50,993,785	105,401,840
<u>Deferred Inflows of Resources</u>			
Property Taxes	1,233,388	0	1,233,388
Payment in Lieu of Taxes	343,904	0	343,904
Pension	257,707	169,539	312,576
OPEB	980,465	65,380	972,176
Total Deferred Inflows of Resources	2,815,464	234,919	2,862,044

(continued)

City of Marion
Statement of Net Position
December 31, 2019
(continued)

	Governmental Activities	Business-Type Activities *	Total *
<u>Net Position</u>			
Net Investment in Capital Assets	\$46,918,351	\$11,217,937	\$58,136,288
Restricted for			
Capital Projects	2,635,156	0	2,635,156
Street Construction, Maintenance, and Repair	1,931,978	0	1,931,978
Court Operations	1,138,353	0	1,138,353
Economic Development	499,783	0	499,783
Senior Citizens	369,873	0	369,873
Other Purposes	685,897	0	685,897
Unrestricted (Deficit)	<u>(28,887,649)</u>	<u>1,888,728</u>	<u>(26,998,921)</u>
Total Net Position	<u>\$25,291,742</u>	<u>\$13,106,665</u>	<u>\$38,398,407</u>

* After deferred outflows and inflows related to the change in internal proportionate share of pension/OPEB related items have been eliminated.

See Accompanying Notes to the Basic Financial Statements

City of Marion
Statement of Activities
For the Year Ended December 31, 2019

	<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants, Contributions, and Interest</u>	<u>Capital Grants and Contributions</u>
<u>Governmental Activities</u>				
Security of Persons and Property				
Police	\$1,871,599	\$64,876	\$392,121	\$0
Fire	136,682	1,076,594	14,908	11,567
Other	296,836	0	0	0
Public Health	339,155	0	0	0
Leisure Time Activities	1,458,059	18,502	206,620	0
Community Environment	286,093	0	14,063	96,260
Transportation				
Transit	1,123,124	98,035	568,306	113,926
Other	7,258,051	292,914	1,842,180	1,876,069
General Government				
Court	2,286,098	1,025,501	689,687	0
Other	4,490,408	345,342	0	0
Interest and Fiscal Charges	123,892	0	0	0
Total Governmental Activities	<u>19,669,997</u>	<u>2,921,764</u>	<u>3,727,885</u>	<u>2,097,822</u>
<u>Business-Type Activities</u>				
Sewer	7,745,938	8,183,684	0	311,248
Sanitation	2,759,452	2,201,997	0	0
Landfill	(12,214)	205,000	0	0
Storm Water	1,325,739	1,999,847	0	194,552
Aquatics Center	464,958	219,522	0	0
Total Business-Type Activities	<u>12,283,873</u>	<u>12,810,050</u>	<u>0</u>	<u>505,800</u>
Total	<u>\$31,953,870</u>	<u>\$15,731,814</u>	<u>\$3,727,885</u>	<u>\$2,603,622</u>

General Revenues

Property Taxes Levied for General Purposes
Property Taxes Levied for Police and Fire Pension
Payment in Lieu of Taxes
Municipal Income Taxes Levied for General Purposes
Municipal Income Taxes Levied for Street Construction,
Maintenance, and Repair
Municipal Income Taxes Levied for Police and Fire
Municipal Income Taxes Levied for Capital Improvements
Grants and Entitlements not Restricted to Specific Programs
Franchise Taxes
Interest
Other

Total General Revenues

Transfers

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See Accompanying Notes to the Basic Financial Statements

Net (Expense) Revenue
and Change in Net Position

Governmental Activities	Business-Type Activities	Total
(\$1,414,602)	\$0	(\$1,414,602)
966,387	0	966,387
(296,836)	0	(296,836)
(339,155)	0	(339,155)
(1,232,937)	0	(1,232,937)
(175,770)	0	(175,770)
(342,857)	0	(342,857)
(3,246,888)	0	(3,246,888)
(570,910)	0	(570,910)
(4,145,066)	0	(4,145,066)
(123,892)	0	(123,892)
<u>(10,922,526)</u>	<u>0</u>	<u>(10,922,526)</u>
0	748,994	748,994
0	(557,455)	(557,455)
0	217,214	217,214
0	868,660	868,660
0	(245,436)	(245,436)
<u>0</u>	<u>1,031,977</u>	<u>1,031,977</u>
<u>(10,922,526)</u>	<u>1,031,977</u>	<u>(9,890,549)</u>
1,125,845	0	1,125,845
206,596	0	206,596
243,963	0	243,963
8,528,149	0	8,528,149
646,790	0	646,790
7,502,943	0	7,502,943
430,418	0	430,418
1,037,866	0	1,037,866
337,123	0	337,123
307,440	0	307,440
823,593	430,973	1,254,566
21,190,726	430,973	21,621,699
6,410	(6,410)	0
10,274,610	1,456,540	11,731,150
15,017,132	11,650,125	26,667,257
<u>\$25,291,742</u>	<u>\$13,106,665</u>	<u>\$38,398,407</u>

City of Marion
Balance Sheet
Governmental Funds
December 31, 2019

	General	Street Construction, Maintenance, and Repair	Police, Dispatch, and Fire Income Tax	Other Governmental	Total Governmental Funds
<u>Assets</u>					
Equity in Pooled Cash and Cash Equivalents	\$2,937,193	\$467,636	\$1,348,635	\$5,174,537	\$9,928,001
Accounts Receivable	721,854	0	0	0	721,854
Accrued Interest Receivable	50,391	0	0	0	50,391
Due from Other Governments	521,633	766,344	122,623	654,781	2,065,381
Municipal Income Taxes Receivable	1,615,369	129,229	1,421,524	64,615	3,230,737
Other Local Taxes Receivable	0	0	0	22,984	22,984
Interfund Receivable	219,340	0	0	105	219,445
Prepaid Items	24,621	7,555	36,307	5,258	73,741
Materials and Supplies Inventory	26,856	68,721	1,602	105	97,284
<u>Restricted Assets</u>					
Cash and Cash Equivalents with Escrow Agent	902	0	0	0	902
Property Taxes Receivable	1,402,426	0	0	256,003	1,658,429
Payment in Lieu of Taxes Receivable	0	0	0	343,904	343,904
Notes Receivable	0	0	0	426,234	426,234
Total Assets	\$7,520,585	\$1,439,485	\$2,930,691	\$6,948,526	\$18,839,287
<u>Liabilities</u>					
Accrued Wages Payable	\$49,850	\$24,682	\$219,953	\$25,721	\$320,206
Accounts Payable	76,033	23,663	118,816	54,950	273,462
Contracts Payable	0	206,410	0	207,647	414,057
Due to Other Governments	91,240	17,422	206,577	18,288	333,527
Matured Compensated Absences Payable	2,181	0	35,001	0	37,182
Interfund Payable	1,756	72,556	14,727	59,996	149,035
Unearned Revenue	0	0	0	77,228	77,228
Total Liabilities	221,060	344,733	595,074	443,830	1,604,697
<u>Deferred Inflows of Resources</u>					
Property Taxes	1,043,181	0	0	190,207	1,233,388
Payment in Lieu of Taxes	0	0	0	343,904	343,904
Unavailable Revenue	2,437,121	700,221	953,849	596,030	4,687,221
Total Deferred Inflows of Resources	3,480,302	700,221	953,849	1,130,141	6,264,513
<u>Fund Balance</u>					
Nonspendable	51,477	76,276	37,909	5,363	171,025
Restricted	0	318,255	1,343,859	5,376,083	7,038,197
Committed	1,762	0	0	0	1,762
Assigned	1,003,285	0	0	0	1,003,285
Unassigned (Deficit)	2,762,699	0	0	(6,891)	2,755,808
Total Fund Balance	3,819,223	394,531	1,381,768	5,374,555	10,970,077
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$7,520,585	\$1,439,485	\$2,930,691	\$6,948,526	\$18,839,287

See Accompanying Notes to the Basic Financial Statements

City of Marion
Reconciliation of Total Governmental Fund Balance
to Net Position of Governmental Activities
December 31, 2019

Total Governmental Fund Balance \$10,970,077

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

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

Governmental Activities	50,542,795	
Internal Service Fund	(1,309,451)	
		49,233,344

Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.

Accounts Receivable	634,176	
Accrued Interest Receivable	36,199	
Due from Other Governments	1,684,015	
Municipal Income Taxes Receivable	1,907,790	
Delinquent Property Taxes Receivable	425,041	
		4,687,221

An internal balance is recorded in governmental activities to reflect overpayments to the internal service fund by the business-type activities.

(39,913)

Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Accrued Interest Payable	(9,838)	
Accrued Interest Payable - Internal Service Fund	2,629	
General Obligation Bonds Payable	(3,076,477)	
General Obligation Bonds Payable - Internal Service Fund	803,750	
OPWC Loan Payable	(19,232)	
Capital Leases Payable	(428,203)	
Compensated Absences Payable	(4,831,426)	
Compensated Absences Payable - Internal Service Fund	58,535	
		(7,500,262)

The net pension asset, net pension liability, and net OPEB liability are not due and payable in the current period, therefore, the asset, liability, and related deferred outflows/inflows are not reported in the governmental funds.

Net Pension Asset	25,422	
Net Pension Asset - Internal Service Fund	(1,139)	
Deferred Outflows - Pension	10,697,307	
Deferred Outflows - Pension - Internal Service Fund	(139,100)	
Deferred Inflows - Pension	(257,707)	
Deferred Inflows - Pension - Internal Service Fund	7,368	
Net Pension Liability	(36,845,306)	
Net Pension Liability - Internal Service Fund	458,105	
Deferred Outflows - OPEB	2,325,362	
Deferred Outflows - OPEB - Internal Service Fund	(18,429)	
Deferred Inflows - OPEB	(980,465)	
Deferred Inflows - OPEB - Internal Service Fund	957	
Net OPEB Liability	(7,674,845)	
Net OPEB Liability - Internal Service Fund	210,701	
		(32,191,769)

(continued)

City of Marion
Reconciliation of Total Governmental Fund Balance
to Net Position of Governmental Activities
December 31, 2019
(continued)

An internal service fund is used by management to charge the cost of motor pool/vehicle maintenance to individual funds. The asset and liabilities of the internal service fund are included in governmental activities on the statement of net position.

\$133,044

Net Position of Governmental Activities

\$25,291,742

See Accompanying Notes to the Basic Financial Statements

City of Marion
Statement of Revenues, Expenditures,
and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2019

	General	Street Construction, Maintenance, and Repair	Police, Dispatch, and Fire Income Tax	Other Governmental	Total Governmental Funds
<u>Revenues</u>					
Property Taxes	\$1,112,479	\$0	\$0	\$203,810	\$1,316,289
Payment in Lieu of Taxes	0	0	0	243,963	243,963
Municipal Income Taxes	8,499,770	644,521	7,477,970	429,282	17,051,543
Other Local Taxes	0	0	0	269,669	269,669
Charges for Services	1,335,197	2,445	0	98,160	1,435,802
Fees, Licenses, and Permits	405,579	20,800	0	0	426,379
Fines and Forfeitures	777,551	0	0	413,223	1,190,774
Intergovernmental	970,376	1,418,355	330,407	1,903,266	4,622,404
Interest	315,368	211	0	15,876	331,455
Other	218,252	42,755	353,074	133,715	747,796
Total Revenues	13,634,572	2,129,087	8,161,451	3,710,964	27,636,074
<u>Expenditures</u>					
Current:					
Security of Persons and Property					
Police	0	0	7,483,351	153,088	7,636,439
Fire	0	0	6,440,957	132,641	6,573,598
Other	296,836	0	0	0	296,836
Public Health	338,919	0	0	0	338,919
Leisure Time Activities	1,002,931	0	0	156,377	1,159,308
Community Environment	161,062	0	0	125,031	286,093
Transportation					
Transit	0	0	0	870,804	870,804
Other	217,715	3,417,074	0	1,271,753	4,906,542
General Government					
Court	1,069,517	0	0	884,570	1,954,087
Other	3,151,367	0	0	415,034	3,566,401
Debt Service:					
Principal Retirement	0	0	0	374,174	374,174
Interest and Fiscal Charges	0	0	0	126,420	126,420
Total Expenditures	6,238,347	3,417,074	13,924,308	4,509,892	28,089,621
Excess of Revenues Over (Under) Expenditures	7,396,225	(1,287,987)	(5,762,857)	(798,928)	(453,547)
<u>Other Financing Sources (Uses)</u>					
Transfers In	0	860,184	5,934,600	680,674	7,475,458
Transfers Out	(7,151,878)	0	0	(317,170)	(7,469,048)
Total Other Financing Sources (Uses)	(7,151,878)	860,184	5,934,600	363,504	6,410
Changes in Fund Balance	244,347	(427,803)	171,743	(435,424)	(447,137)
Fund Balance Beginning of Year	3,574,876	822,334	1,210,025	5,809,979	11,417,214
Fund Balance End of Year	\$3,819,223	\$394,531	\$1,381,768	\$5,374,555	\$10,970,077

See Accompanying Notes to the Basic Financial Statements

City of Marion
 Reconciliation of Statement of Revenues, Expenditures,
 and Changes in Fund Balance
 of Governmental Funds to Statement of Activities
 For the Year Ended December 31, 2019

Changes in Fund Balance - Total Governmental Funds (\$447,137)

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

Governmental funds report capital outlays as expenditures. However, on 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 depreciation exceeded capital outlays in the current year.

Capital Outlay - Nondepreciable Capital Assets	686,293	
Capital Outlay - Depreciable Capital Assets	1,965,270	
Capital Contributions	1,574,253	
Depreciation	(4,840,701)	
Depreciation - Internal Service Fund	<u>44,252</u>	(570,633)

The cost of capital assets is removed from the capital asset account on the statement of net position when disposed of resulting in a loss on disposal of capital assets on the statement of activities. (69,910)

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

Delinquent Property Taxes	16,152	
Municipal Income Taxes	56,757	
Charges for Services	(66,023)	
Fees, Licenses, and Permits	2,286	
Intergovernmental	582,314	
Interest	(9,510)	
Other	<u>145,894</u>	727,870

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

General Obligation Bonds Payable	362,250	
General Obligation Bonds Payable - Internal Service Fund	(58,750)	
OPWC Loan Payable	6,410	
Capital Leases Payable	<u>64,264</u>	374,174

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, this amount is deferred and amortized on the statement of activities.

Accrued Interest Payable	1,610	
Accrued Interest Payable - Internal Service Fund	(147)	
Amortization of Premium	<u>1,065</u>	2,528

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.

Compensated Absences Payable	(255,932)	
Compensated Absences Payable - Internal Service Fund	<u>4,941</u>	(250,991)

(continued)

City of Marion
 Reconciliation of Statement of Revenues, Expenditures,
 and Changes in Fund Balance
 of Governmental Funds to Statement of Activities
 For the Year Ended December 31, 2019
 (continued)

Except for amounts reported as deferred outflows/inflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense on the statement of activities.

Pension Expense	(\$6,112,197)	
Pension Expense - Internal Service Fund	101,576	
OPEB Expense	14,135,768	
OPEB Expense - Internal Service Fund	<u>19,724</u>	8,144,871

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

Contractually Required Contributions - Pension	2,390,949	
Contractually Required Contributions - Pension - Internal Service Fund	(33,608)	
Contractually Required Contributions - OPEB	44,319	
Contractually Required Contributions - OPEB - Internal Service Fund	<u>(244)</u>	2,401,416

The internal service fund used by management to charge the cost of motor pool/vehicle maintenance to individual funds is not reported on the statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The change for governmental funds is reported for the year.

(37,578)

Change in Net Position of Governmental Activities \$10,274,610

See Accompanying Notes to the Basic Financial Statements

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City of Marion
Statement of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund
For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
<u>Revenues</u>				
Property Taxes	\$1,106,944	\$1,106,853	\$1,112,479	\$5,626
Municipal Income Taxes	7,327,000	7,604,035	7,629,106	25,071
Charges for Services	1,311,246	1,330,232	1,336,344	6,112
Fees, Licenses, and Permits	342,525	408,506	405,591	(2,915)
Fines and Forfeitures	869,300	812,224	778,899	(33,325)
Intergovernmental	844,478	965,013	956,714	(8,299)
Interest	135,000	336,026	323,178	(12,848)
Other	249,093	229,428	215,244	(14,184)
Total Revenues	12,185,586	12,792,317	12,757,555	(34,762)
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Other	290,000	286,637	286,637	0
Public Health	338,919	338,919	338,919	0
Leisure Time Activities	995,226	1,058,283	1,006,843	51,440
Community Environment	243,462	154,462	154,462	0
Transportation				
Other	248,658	232,297	222,782	9,515
General Government				
Court	1,061,845	1,067,511	1,059,386	8,125
Other	3,274,108	3,261,803	3,189,159	72,644
Total Expenditures	6,452,218	6,399,912	6,258,188	141,724
Excess of Revenues Over Expenditures	5,733,368	6,392,405	6,499,367	106,962
<u>Other Financing Sources (Uses)</u>				
Other Financing Sources	0	0	1,668	1,668
Advances In	41,000	47,000	47,000	0
Advances Out	0	(150,000)	(150,000)	0
Transfers Out	(6,116,483)	(6,297,725)	(6,205,154)	92,571
Total Other Financing Sources (Uses)	(6,075,483)	(6,400,725)	(6,306,486)	94,239
Changes in Fund Balance	(342,115)	(8,320)	192,881	201,201
Fund Balance Beginning of Year	2,702,418	2,702,418	2,702,418	0
Fund Balance End of Year	\$2,360,303	\$2,694,098	\$2,895,299	\$201,201

See Accompanying Notes to the Basic Financial Statements

City of Marion
Statement of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Street Construction, Maintenance, and Repair Fund
For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Municipal Income Taxes	\$1,507,578	\$1,498,069	\$1,510,790	\$12,721
Charges for Services	2,800	2,895	2,445	(450)
Fees, Licenses, and Permits	19,000	22,000	21,000	(1,000)
Intergovernmental	1,329,300	1,456,135	1,526,335	70,200
Interest	200	200	211	11
Other	12,949	45,039	42,949	(2,090)
Total Revenues	2,871,827	3,024,338	3,103,730	79,392
<u>Expenditures</u>				
Current:				
Transportation				
Other	3,336,261	3,416,275	3,184,342	231,933
Changes in Fund Balance	(464,434)	(391,937)	(80,612)	311,325
Fund Balance Beginning of Year	539,375	539,375	539,375	0
Fund Balance End of Year	<u>\$74,941</u>	<u>\$147,438</u>	<u>\$458,763</u>	<u>\$311,325</u>

See Accompanying Notes to the Basic Financial Statements

City of Marion
Statement of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Police, Dispatch, and Fire Income Tax Fund
For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Municipal Income Taxes	\$7,392,221	\$7,531,214	\$7,544,905	\$13,691
Intergovernmental	0	327,068	327,068	0
Other	36,500	397,674	356,132	(41,542)
Total Revenues	7,428,721	8,255,956	8,228,105	(27,851)
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	7,216,015	7,508,279	7,417,587	90,692
Fire	6,455,407	6,519,681	6,447,589	72,092
Total Expenditures	13,671,422	14,027,960	13,865,176	162,784
Excess of Revenues Under Expenditures	(6,242,701)	(5,772,004)	(5,637,071)	134,933
<u>Other Financing Sources</u>				
Transfers In	6,099,730	5,934,830	5,934,600	(230)
Changes in Fund Balance	(142,971)	162,826	297,529	134,703
Fund Balance Beginning of Year	932,281	932,281	932,281	0
Fund Balance End of Year	\$789,310	\$1,095,107	\$1,229,810	\$134,703

See Accompanying Notes to the Basic Financial Statements

City of Marion
Statement of Fund Net Position
Proprietary Funds
December 31, 2019

	Business-Type Activities			
	Sewer	Sanitation	Landfill	Storm Water
<u>Assets</u>				
<u>Current Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$2,456,453	\$1,061,580	\$0	\$0
Accounts Receivable	2,197,111	3,135,216	0	754,618
Due from Other Governments	2,246,445	9,177	0	67,459
Interfund Receivable	1,311	0	0	180
Prepaid Items	19,382	6,109	378	5,619
Materials and Supplies Inventory	55,681	2,594	0	2,594
Total Current Assets	<u>6,976,383</u>	<u>4,214,676</u>	<u>378</u>	<u>830,470</u>
<u>Non-Current Assets</u>				
<u>Restricted Assets</u>				
Equity in Pooled Cash and Cash Equivalents	0	0	69,406	0
Net Pension Asset	7,588	3,794	0	759
Nondepreciable Capital Assets	9,421,090	0	162,571	239,371
Depreciable Capital Assets, Net	17,635,477	1,061,875	0	18,803,325
Total Non-Current Assets	<u>27,064,155</u>	<u>1,065,669</u>	<u>231,977</u>	<u>19,043,455</u>
Total Assets	<u>34,040,538</u>	<u>5,280,345</u>	<u>232,355</u>	<u>19,873,925</u>
<u>Deferred Outflows of Resources</u>				
Pension	1,017,687	463,661	0	92,920
OPEB	185,236	61,427	0	12,286
Total Deferred Outflows of Resources	<u>1,202,923</u>	<u>525,088</u>	<u>0</u>	<u>105,206</u>
<u>Liabilities</u>				
<u>Current Liabilities</u>				
Accrued Wages Payable	41,351	24,430	0	2,092
Accounts Payable	116,657	5,727	24,417	319
Contracts Payable	2,326,514	0	0	106,821
Due to Other Governments	34,654	69,593	15	2,484
Compensated Absences Payable	64,046	27,699	0	1,940
Interfund Payable	180	25,780	962	167,554
Retainage Payable	314,353	0	0	11,946
Accrued Interest Payable	26,974	0	529	36,014
General Obligation Bonds Payable	474,803	0	0	801,647
OWDA Loans Payable	1,472,123	0	0	0
OPWC Loans Payable	46,235	0	0	24,179
Postclosure Costs Payable	0	0	150,664	0
Total Current Liabilities	<u>4,917,890</u>	<u>153,229</u>	<u>176,587</u>	<u>1,154,996</u>

Aquatics Center	Total Enterprise	Governmental Activity Internal Service
\$405,108	\$3,923,141	\$1,678
0	6,086,945	0
1,502	2,324,583	2,731
0	1,491	134,721
1,220	32,708	1,404
1,822	62,691	145,648
409,652	12,431,559	286,182
0	69,406	0
379	12,520	1,139
0	9,823,032	61,943
2,934,554	40,435,231	1,247,508
2,934,933	50,340,189	1,310,590
3,344,585	62,771,748	1,596,772
46,459	1,620,727	139,100
6,142	265,091	18,429
52,601	1,885,818	157,529
326	68,199	6,391
678	147,798	56,369
0	2,433,335	0
464	107,210	4,306
476	94,161	10,688
0	194,476	12,146
0	326,299	0
11,972	75,489	2,629
0	1,276,450	60,000
0	1,472,123	0
0	70,414	0
0	150,664	0
13,916	6,416,618	152,529

(continued)

City of Marion
Statement of Fund Net Position
Proprietary Funds
December 31, 2019
(continued)

	Business-Type Activities			
	Sewer	Sanitation	Landfill	Storm Water
<u>Non-Current Liabilities</u>				
Compensated Absences Payable	\$346,681	\$74,284	\$0	\$12,693
General Obligation Bonds Payable	8,251,301	0	170,000	11,021,012
OWDA Loans Payable	10,811,809	0	0	0
OPWC Loans Payable	1,058,620	0	0	937,901
Postclosure Costs Payable	0	0	865,050	0
Net Pension Liability	3,054,033	1,527,017	0	305,403
Net OPEB Liability	1,404,675	702,337	0	140,468
Total Non-Current Liabilities	<u>24,927,119</u>	<u>2,303,638</u>	<u>1,035,050</u>	<u>12,417,477</u>
Total Liabilities	<u>29,845,009</u>	<u>2,456,867</u>	<u>1,211,637</u>	<u>13,572,473</u>
<u>Deferred Inflows of Resources</u>				
Pension	150,270	24,558	0	65,504
OPEB	70,097	3,190	0	38,775
Total Deferred Inflows of Resources	<u>220,367</u>	<u>27,748</u>	<u>0</u>	<u>104,279</u>
<u>Net Position</u>				
Net Investment in Capital Assets (Deficit)	3,326,480	1,061,875	162,571	7,144,726
Unrestricted (Deficit)	1,851,605	2,258,943	(1,141,853)	(842,347)
Total Net Position (Deficit)	<u>\$5,178,085</u>	<u>\$3,320,818</u>	<u>(\$979,282)</u>	<u>\$6,302,379</u>

Net position reported for business-type activities on the statement of net position is different because it includes a proportionate share of the net position of the internal service fund.

Net Position of Business-Type Activities

See Accompanying Notes to the Basic Financial Statements

Aquatics Center	Total Enterprise	Governmental Activity Internal Service
\$423	\$434,081	\$47,847
3,865,000	23,307,313	743,750
0	10,811,809	0
0	1,996,521	0
0	865,050	0
152,702	5,039,155	458,105
70,234	2,317,714	210,701
4,088,359	44,771,643	1,460,403
4,102,275	51,188,261	1,612,932
30,772	271,104	7,368
19,387	131,449	957
50,159	402,553	8,325
(477,715)	11,217,937	505,701
(277,533)	1,848,815	(372,657)
(\$755,248)	13,066,752	\$133,044
	39,913	
	\$13,106,665	

City of Marion
Statement of Revenues, Expenses,
and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2019

	Business-Type Activities			
	Sewer	Sanitation	Landfill	Storm Water
<u>Operating Revenues</u>				
Charges for Services	\$8,183,684	\$2,201,997	\$205,000	\$1,999,847
Other	34,464	49,802	50	83,637
Total Operating Revenues	8,218,148	2,251,799	205,050	2,083,484
<u>Operating Expenses</u>				
Personal Services	3,239,729	1,571,092	0	140,847
Contractual Services	1,359,667	940,814	(22,351)	94,178
Materials and Supplies	539,282	135,817	3,793	50,488
Other	724	0	0	0
Depreciation	2,171,949	101,583	0	555,597
Total Operating Expenses	7,311,351	2,749,306	(18,558)	841,110
Operating Income (Loss)	906,797	(497,507)	223,608	1,242,374
<u>Non-Operating Expenses</u>				
Interest Expense	(432,493)	0	(6,344)	(480,764)
Income (Loss) before Contributions and Transfers	474,304	(497,507)	217,264	761,610
Capital Contributions	311,248	0	0	194,552
Transfers Out	(3,205)	0	0	(3,205)
Changes in Net Position	782,347	(497,507)	217,264	952,957
Net Position (Deficit) Beginning of Year	4,395,738	3,818,325	(1,196,546)	5,349,422
Net Position (Deficit) End of Year	\$5,178,085	\$3,320,818	(\$979,282)	\$6,302,379

The change in net position reported for business-type activities on the statement of activities is different because it includes a proportionate share of the net loss of the internal service fund.

Change in Net Position of Business-Type Activities

See Accompanying Notes to the Basic Financial Statements

Aquatics Center	Total Enterprise	Governmental Activity Internal Service
\$219,522	\$12,810,050	\$1,076,254
263,020	430,973	11,946
482,542	13,241,023	1,088,200
132,972	5,084,640	441,056
59,006	2,431,314	53,177
60,566	789,946	570,232
500	1,224	0
68,245	2,897,374	44,252
321,289	11,204,498	1,108,717
161,253	2,036,525	(20,517)
(143,669)	(1,063,270)	(33,166)
17,584	973,255	(53,683)
0	505,800	0
0	(6,410)	0
17,584	1,472,645	(53,683)
(772,832)		186,727
(\$755,248)		\$133,044
	(16,105)	
	\$1,456,540	

City of Marion
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2019

	<u>Business-Type Activities</u>			
	<u>Sewer</u>	<u>Sanitation</u>	<u>Landfill</u>	<u>Storm Water</u>
Increases (Decreases) in Cash and Cash Equivalents				
<u>Cash Flows from Operating Activities</u>				
Cash Received from Customers	\$7,934,326	\$2,316,117	\$205,000	\$1,930,467
Cash Received from Transactions with Other Funds	0	0	0	0
Cash Payments for Personal Services	(2,557,934)	(1,254,970)	0	(217,847)
Cash Payments for Contractual Services	(1,502,970)	(749,772)	(129,627)	(1,703)
Cash Payments to Vendors	(446,355)	(61,082)	(4,041)	(38,412)
Cash Payments for Transactions with Other Funds	(66,863)	(250,265)	1,474	0
Cash Received from Other Revenues	32,899	40,794	50	65,882
Cash Payments for Other Expenses	(724)	0	0	0
Net Cash Provided by Operating Activities	<u>3,392,379</u>	<u>40,822</u>	<u>72,856</u>	<u>1,738,387</u>
<u>Cash Flows from Noncapital Financing Activities</u>				
Advances In	0	0	0	124,600
Advances Out	0	0	0	(68,460)
Transfers Out	(3,205)	0	0	(3,205)
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>(3,205)</u>	<u>0</u>	<u>0</u>	<u>52,935</u>
<u>Cash Flows from Capital and Related Financing Activities</u>				
Capital Grants	271,543	0	0	169,889
Principal Paid on General Obligation Bonds	(446,906)	0	0	(730,844)
Principal Paid on OWDA Loans	(1,500,287)	0	0	0
Principal Paid on OPWC Loans	(89,485)	0	0	(44,478)
Interest Paid on General Obligation Bonds	(356,299)	0	(6,344)	(496,168)
Interest Paid on OWDA Loans	(83,584)	0	0	0
OWDA Loans Issued	4,369,474	0	0	0
OPWC Loans Issued	91,344	0	0	102,891
Acquisition of Capital Assets	(6,468,969)	(180,463)	0	(792,612)
Net Cash Used for Capital and Related Financing Activities	<u>(4,213,169)</u>	<u>(180,463)</u>	<u>(6,344)</u>	<u>(1,791,322)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(823,995)	(139,641)	66,512	0
Cash and Cash Equivalents Beginning of Year	<u>3,280,448</u>	<u>1,201,221</u>	<u>2,894</u>	<u>0</u>
Cash and Cash Equivalents End of Year	<u><u>\$2,456,453</u></u>	<u><u>\$1,061,580</u></u>	<u><u>\$69,406</u></u>	<u><u>\$0</u></u>

Aquatics Center	Total Enterprise	Governmental Activity Internal Service
\$219,522	\$12,605,432	\$0
0	0	1,013,699
(147,543)	(4,178,294)	(346,782)
(60,579)	(2,444,651)	(55,381)
(59,155)	(609,045)	(566,604)
0	(315,654)	0
261,541	401,166	9,260
(500)	(1,224)	0
213,286	5,457,730	54,192
0	124,600	12,080
0	(68,460)	0
0	(6,410)	0
0	49,730	12,080
0	441,432	0
0	(1,177,750)	(58,750)
0	(1,500,287)	0
0	(133,963)	0
(143,669)	(1,002,480)	(33,313)
0	(83,584)	0
0	4,369,474	0
0	194,235	0
0	(7,442,044)	0
(143,669)	(6,334,967)	(92,063)
69,617	(827,507)	(25,791)
335,491	4,820,054	27,469
\$405,108	\$3,992,547	\$1,678

(continued)

City of Marion
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2019
(continued)

	Business-Type Activities			
	Sewer	Sanitation	Landfill	Storm Water
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities</u>				
Operating Income (Loss)	\$906,797	(\$497,507)	\$223,608	\$1,242,374
<u>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities</u>				
Depreciation	2,171,949	101,583	0	555,597
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	(268,642)	114,120	0	(69,308)
Increase in Due from Other Governments	(1,565)	(9,008)	0	(17,755)
(Increase) Decrease in Interfund Receivable	19,284	0	0	104,882
(Increase) Decrease in Prepaid Items	305	34	(38)	(467)
(Increase) Decrease in Materials and Supplies Inventory	7,666	480	0	572
Increase in Net Pension Asset	(2,279)	(1,139)	0	(227)
Increase (Decrease) in Accrued Wages Payable	(5,454)	7,679	0	692
Increase (Decrease) in Accounts Payable	(1,924)	(5,547)	12,022	(2,217)
Increase (Decrease) in Due to Other Governments	(14,617)	8,148	(233)	534
Increase (Decrease) in Compensated Absences Payable	(25,888)	27,201	0	901
Increase (Decrease) Interfund Payable	(106,969)	5,360	(18,726)	1,614
Decrease in Postclosure Costs Payable	0	0	(143,777)	0
Decrease in Net Pension Liability	(3,313)	(1,656)	0	(331)
Increase in Net OPEB Liability	76,945	38,472	0	7,694
Decrease in Deferred Outflows - Pension	809,428	333,763	0	71,635
Decrease in Deferred Outflows - OPEB	140,890	39,473	0	7,894
Decrease in Deferred Inflows - Pension	(253,924)	(107,625)	0	(128,157)
Decrease in Deferred Inflows - OPEB	(56,310)	(13,009)	0	(37,540)
Net Cash Provided by Operating Activities	<u>\$3,392,379</u>	<u>\$40,822</u>	<u>\$72,856</u>	<u>\$1,738,387</u>

Non-Cash Capital Financing Activities

At December 31, 2019, the Sewer enterprise fund had payables related to the acquisition of capital assets, in the amount of \$2,640,867. At December 31, 2018, the Sewer enterprise fund had payables related to the acquisition of capital assets, in the amount of \$920,311. In addition, receivables were recorded, in the amount of \$2,173,060, \$49,305, and \$22,181, for requested and approved reimbursements on OWDA and OPWC projects. In the prior year, receivables were recorded, in the amount of \$430,371 and \$9,600, for requested and approved reimbursements on OWDA and OPWC projects.

At December 31, 2019, the Storm Water enterprise fund had payables related to the acquisition of capital assets, in the amount of \$118,767. At December 31, 2018, the Storm Water enterprise fund had payables related to the acquisition of capital assets, in the amount of \$1,702. In addition, receivables were recorded, in the amount of \$34,263 and \$15,414, for requested and approved reimbursements on OPWC projects. In the prior year, receivables were recorded, in the amount of \$9,600, for requested and approved reimbursements on OPWC projects.

See Accompanying Notes to the Basic Financial Statements

Aquatics Center	Total Enterprise	Governmental Activity Internal Service
\$161,253	\$2,036,525	(\$20,517)
68,245	2,897,374	44,252
0	(223,830)	0
(1,479)	(29,807)	(2,185)
0	124,166	(63,056)
16	(150)	(21)
(48)	8,670	(8,575)
(114)	(3,759)	(342)
55	2,972	1,380
(60)	2,274	10,160
43	(6,125)	411
312	2,526	4,941
0	(118,721)	(46)
0	(143,777)	0
(166)	(5,466)	(498)
3,847	126,958	11,541
37,153	1,251,979	100,952
3,948	192,205	11,842
(40,949)	(530,655)	(32,144)
(18,770)	(125,629)	(3,903)
\$213,286	\$5,457,730	\$54,192

City of Marion
Statement of Fiduciary Net Position
Custodial Funds
December 31, 2019

<u>Assets</u>	
Equity in Pooled Cash and Cash Equivalents	\$49,008
Cash and Cash Equivalents in Segregated Accounts	46,722
Special Assessments Receivable	<u>16,791</u>
Total Assets	<u>112,521</u>
<u>Liabilities</u>	
Accounts Payable	61,078
Due to Other Governments	<u>4,721</u>
Total Liabilities	<u>65,799</u>
<u>Net Position</u>	
Restricted for Individuals, Organizations, and Other Governments	<u><u>\$46,722</u></u>

See Accompanying Notes to the Basic Financial Statements

City of Marion
Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2019

<u>Additions</u>	
Amounts Received as Fiscal Agent	\$3,372
Licenses, Permits, and Fees for Others	22,873
Fines and Forfeitures for Other Governments	1,529,140
Special Assessments Collections for Others	24,188
	<hr/>
Total Additions	1,579,573
 <u>Deductions</u>	
Distributions as Fiscal Agent	4,752
Licenses, Permits, and Fees Distributions to Others	68,303
Fines and Forfeitures Distributions to Other Governments	1,561,513
Special Assessments Distributions to Others	24,188
	<hr/>
Total Deductions	1,658,756
 Net Decrease in Fiduciary Net Position	 (79,183)
 Net Position Beginning of Year	 <hr/> 125,905
 Net Position End of Year	 <hr/> <hr/> \$46,722

See Accompanying Notes to the Basic Financial Statements

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NOTE 1 - DESCRIPTION OF THE CITY OF MARION AND THE REPORTING ENTITY

A. The City

The City of Marion is a statutory municipal corporation established and operated under the laws of the State of Ohio. Marion was incorporated as a city in 1890.

The City operates under a mayor-council form of government. Legislative power is vested in a nine-member council and a council president, each elected to two-year terms. The Mayor is elected to a four-year term and is the chief executive officer of the City. All City officials, with the exception of the Safety Director, Service Director, and Public Works Director are elected positions. The Safety Director, Service Director, and Public Works Director are appointed by the Mayor.

The City is divided into various departments and financial management and control systems. Services provided include police protection, fire protection, street maintenance and repair, parks and recreation, public transit system, sewer, recycling, and sanitation, as well as staff support (i.e., payroll processing, accounts payable, and revenue collection) to the service providers. The operation and control of these activities is provided by the City Council through the budgetary process and by the Mayor through administrative and managerial requirements and procedures.

B. Reporting Entity

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the City of Marion consists of all funds, departments, boards, and agencies that are not legally separate from the City.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes, and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City. There were no component units of the City of Marion in 2019.

The City participates in two insurance pools, the Ohio Municipal Joint Self-Insurance Pool and the Ohio Rural Water Association Workers' Compensation Group Rating Plan, and three jointly-governed organizations, the Marion County General Health District, the Marion Port Authority, and the Marion Energy Special Improvement District (ESID). These organizations are presented in Notes 22 and 23 to the basic financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental in nature and those that are considered business-type activities. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses.

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and business-type 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, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the City.

Fund Financial Statements

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

B. Fund Accounting

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental Funds

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

General Fund - The General Fund accounts for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio.

Street Construction, Maintenance, and Repair Fund - This fund accounts for 92.5 percent of the state gasoline tax and motor vehicle registration fees as well as .075 percent voted municipal income tax restricted for maintenance and repair of streets within the City.

Police, Dispatch, and Fire Income Tax Fund - This fund accounts for a voted .875 income tax levy restricted to subsidizing operations of the police, dispatch, and fire departments.

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

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The City reports two types of proprietary funds, enterprise and internal service:

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

Sewer Fund - The Sewer Fund accounts for the provision of wastewater treatment service to residential and commercial users within the City.

Sanitation Fund - The Sanitation Fund accounts for garbage collection and recycling services provided to residential and commercial users within the City.

Landfill Fund - The Landfill Fund accounts for the ongoing postclosure activities at the landfill which closed in 1995.

Storm Water Fund - The Storm Water Fund accounts for the operation of the storm water runoff system within the City.

Aquatics Center - The Aquatics Center Fund accounts for the operation of the City Aquatics Center.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Internal Service Fund - The internal service fund accounts for the City's central garage which provides for vehicle maintenance for departments of the City.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications; pension (and other employee benefit) trust funds, investment trust funds, private purpose trust funds, and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

The City's fiduciary funds are custodial funds. Custodial funds are used to account for assessments levied by and remitted to the Marion Energy Special Improvement District, traffic fines remitted to the State of Ohio, ticket sales remitted to the Greyhound Bus company, and fines and fees collected by the Marion Municipal Court (excluding those due to the City of Marion).

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net position. The statement of activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

Fund Financial Statements

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

Like the government-wide financial statements, the proprietary and fiduciary funds are accounted for using a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of fund net position. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

For proprietary funds, the statement of revenues, expenses, and changes in fund net position presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position. The statement of cash flows reflects how the City finances and meets the cash flow needs of its proprietary activities.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds.

D. Basis of Accounting

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

Revenues - Exchange and Nonexchange Transactions

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

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

Under the modified accrual basis, the following revenue sources are considered both measurable and available at year end: income taxes, charges for services, fines and forfeitures, state-levied locally shared taxes (including gasoline tax and motor vehicle license fees), grants, and interest.

Unearned revenue represents amounts under the accrual and modified accrual basis of accounting for which asset recognition criteria have been met but for which revenue recognition criteria have not yet been met because these amounts have not yet been earned.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that time. For the City, deferred outflows of resources are reported on the government-wide and proprietary funds statement of net position for pension and OPEB and explained in Notes 14 and 15 to the basic financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In addition to liabilities, the statement of financial position may report deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources consists of property taxes, payment in lieu of taxes, unavailable revenue, pension, and OPEB. Property taxes represent amounts for which there was an enforceable legal claim as of December 31, 2019, but which were levied to finance 2020 operations. Payment in lieu of taxes represents a contractual promise to make payment of property taxes which reflect all or a portion of the taxes which would have been paid if the taxes had not been exempted. These amounts have been recorded as deferred inflows of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental fund balance sheet and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes accrued interest, intergovernmental revenue including grants, municipal income taxes, delinquent property taxes, and other sources. These amounts are deferred and recognized as inflows of resources in the period when the amounts become available. For further details on unavailable revenue, refer to the Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities on page 21. Deferred inflows of resources related to pension and OPEB are reported on the government-wide and proprietary funds statement of net position and explained in Notes 14 and 15 to the basic financial statements.

Expenses/Expenditures

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

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

E. Budgetary Process

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the City Auditor. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources requested by the City prior to year end.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

F. Cash and Investments

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

Cash and cash equivalents that are held separately for the City by an escrow agent for demolition related to an Ohio Department of Transportation project are recorded as “Cash and Cash Equivalents with Escrow Agent”.

Cash and cash equivalents that are held separately within departments of the City are recorded as “Cash and Cash Equivalents in Segregated Accounts”.

During 2019, investments included nonnegotiable and negotiable certificates of deposit, federal agency securities, and mutual funds. Investments are reported at fair value, except for nonnegotiable certificates of deposit which are reported at cost. Fair value is based on quoted market price or current share price.

Interest earnings are allocated to City funds according to State statutes, grant requirements, or debt related restrictions. Interest revenue credited to the General Fund during 2019 was \$315,368, which includes \$250,577 assigned from other City funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2019, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

H. Inventory

Inventory is presented at cost on a first-in, first-out basis and is expended/expensed when used. Inventory consists of expendable supplies held for consumption.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

Resources set aside in a separate escrow account, whose use is limited to payment to contractors for demolition related to an Ohio Department of Transportation project, are reported as restricted.

Monies required to be set aside for postclosure costs at the landfill are reported as restricted.

J. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column on the government-wide statement of net position but are not reported on the fund financial statements. Capital assets used by the enterprise funds are reported in both the business-type activities column on the government-wide statement of net position and in the respective funds. Capital assets used by the internal service fund are reported in both the governmental activities column on the government-wide statement of net position and in the fund.

All capital assets are capitalized at cost and updated for additions and reductions during the year. Donated capital assets are recorded at their acquisition value on the date donated. The City maintains a capitalization threshold of fifteen thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All capital assets are depreciated, except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. The City reports all infrastructure, including that acquired prior to 1980. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land Improvements	20-50 years	N/A
Buildings and Building Improvements	10-100 years	15-75 years
Equipment	5-40 years	10-50 years
Vehicles	5-30 years	5-15 years
Streets	10-40 years	N/A
Sewer and Storm Water Lines	N/A	50 years

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Interfund Assets/Liabilities

On fund financial statements, receivables and payables resulting from interfund loans or interfund services provided and used are classified as “Interfund Receivables/Payables”. Interfund balances within governmental activities and within business-type activities are eliminated on the government-wide statement of net position. The only interfund balances which remain on the government-wide statement of net position are those between governmental and business-type activities. These amounts are reflected as “Internal Balances”.

Deferred inflows of resources and deferred outflows of resources from the change in internal proportionate share related to pension/OPEB items are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts between governmental and business-type activities. These residual amounts are eliminated in the total column on the government-wide statement of net position.

L. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees’ wage rates at year end, taking into consideration any limits specified in City policies or by union contracts. The City records a liability for accumulated unused sick leave for all employees with ten or more years of service.

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

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account “Matured Compensated Absences Payable” in the fund from which the employees who have accumulated unpaid leave are paid.

M. Accrued Liabilities and Long-Term Obligations

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. The net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient to pay those benefits. General obligation bonds, long-term loans, and capital leases are recognized as liabilities on the fund financial statements when due.

N. Unamortized Bond Premiums

Bond premiums are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of bonds payable.

Under Ohio law, premiums on the original issuance of debt are to be deposited to a bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow for premiums on refunding debt to be used as part of the payment to a bond escrow agent.

O. Net Position

Net position represents the difference between all other elements on the statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through constitutional provisions or enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes includes activities for maintenance and repair of State highways, various economic development related grants, the transit system, and a number of law enforcement grants. The City's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

P. Fund Balance

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

Nonspendable - The nonspendable classification includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. The "not in spendable form" includes items that are not expected to be converted to cash.

Restricted - The restricted classification includes amounts restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City ordinances).

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means the City can be compelled by an external party such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for purposes specified by the legislation.

Committed - The committed classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of City Council. The committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. Assigned amounts represent intended uses established by City Council. The City Council has assigned fund balance to cover a gap between estimated resources and appropriations in the 2020 budget, amounts for airport improvements, and other miscellaneous purposes.

Unassigned - Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

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

Q. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for sewer, sanitation, and storm water, charges for anticipated postclosure costs at the landfill, admission charges for the Aquatics Center, and charges for vehicle maintenance in the internal service fund. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

R. Capital Contributions

Capital contributions arise from contributions of capital assets from other governments.

S. Interfund Transactions

Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general revenues.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

T. Pension/Other Postemployment Benefits (OPEB)

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

U. Estimates

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

NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLES

The Governmental Accounting Standards Board (GASB) recently issued GASB Statement No. 95, "Postponement of the Effective Dates of Certain Authoritative Guidance". The City evaluated implementing these certain GASB pronouncements based on the guidance in GASB Statement No. 95.

For 2019, the City has implemented GASB Statement No. 88, "Certain Disclosures Related to Debt including Direct Borrowings and Direct Placements" and Statement No. 90, "Majority Equity Interests- An Amendment of GASB Statements No. 14 and No. 61".

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLES (continued)

For 2019, the City also implemented GASB Implementation Guide No. 2018-1 and No. 2019-2. These changes were incorporated in the City's 2019 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 88 improves the information that is disclosed in the notes to the financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. These changes were incorporated in the City's 2019 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 90 defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if the government's holding of the equity interest meets the definition of an investment. These changes were incorporated in the City's 2019 financial statements; however, there was no effect on beginning net position/fund balance.

NOTE 4 - ACCOUNTABILITY AND COMPLIANCE

A. Accountability

At December 31, 2019, the following funds had a deficit fund balance/net position:

Fund Type/Fund	Deficit
Nonmajor Special Revenue Fund	
Municipal Court Docket Specialist	\$1,035
Marion Area Transit	1,576
Enterprise Funds	
Landfill	979,282
Aquatics Center	755,248

The deficit fund balance in the Municipal Court Docket Specialist and Marion Area Transit special revenue funds resulted from adjustments for accrued liabilities. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

The deficit net position in the Landfill enterprise fund resulted from the requirement to report future postclosure costs. The City is setting aside resources to pay these future costs as they come due. The deficit net position in the Aquatics Center enterprise fund is due to accumulated operating losses from prior years. The fund had an operating income for 2019 and will begin to reduce the deficit as the debt gets paid down.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 4 - ACCOUNTABILITY AND COMPLIANCE (continued)

B. Compliance

The following accounts had expenditures plus encumbrances in excess of appropriations for the year ended December 31, 2019.

Fund Program/Department/Object	Appropriations	Expenditures Plus Encumbrances	Excess
Police, Dispatch, and Fire Income Tax			
Security of Persons and Property - Police			
Police Department			
Contractual Services	\$358,518	\$358,755	\$237
Capital Improvements			
General Government - Other			
Other General Government			
Contractual Services	97	106	9
Sewer			
Principal Retirement	2,038,926	2,039,883	957
Storm Water			
Storm Water Improvement			
Capital Outlay	619,400	631,378	11,978

The City Auditor will monitor budgetary transactions to ensure expenditures are within amounts appropriated.

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statements of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual - for the General Fund and the Street Construction, Maintenance, and Repair, and Police, Dispatch, and Fire Income Tax special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and the GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING (continued)

3. Outstanding year end encumbrances are treated as expenditures (budget basis) rather than restricted, committed, or assigned fund balance (GAAP basis).

Adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis are as follows:

Changes in Fund Balance

	<u>General</u>	<u>Street Construction, Maintenance, and Repair</u>	<u>Police, Dispatch, and Fire Income Tax</u>
GAAP Basis	\$244,347	(\$427,803)	\$171,743
<u>Increases (Decreases) Due To</u>			
Revenue Accruals:			
Accrued 2018, Received in Cash 2019	901,386	309,611	656,952
Accrued 2019, Not Yet Received in Cash	(1,778,095)	664,832	(590,298)
Expenditure Accruals:			
Accrued 2018, Paid in Cash 2019	(166,121)	(86,693)	(427,392)
Accrued 2019, Not Yet Paid in Cash	227,660	344,733	595,074
Cash Adjustments:			
Unrecorded Activity 2018	3,299	200	0
Unrecorded Activity 2019	(82,374)	(8,873)	(118,825)
Prepaid Items	7,627	(233)	3,441
Materials and Supplies Inventory	(8,572)	(16,202)	6,834
Advances In	47,000	0	0
Advances Out	(150,000)	0	0
Transfers In	0	(860,184)	0
Transfer Out	946,724	0	0
Budget Basis	<u>\$192,881</u>	<u>(\$80,612)</u>	<u>\$297,529</u>

NOTE 6 - DEPOSITS AND INVESTMENTS

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

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

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

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

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions 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.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio and, with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio (if training requirements have been met);
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 6 - DEPOSITS AND INVESTMENTS (continued)

6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio); and
8. Certain bankers' acceptances for a period not to exceed one hundred eighty days and commercial paper notes for a period not to exceed two hundred seventy days in an amount not to exceed 40 percent of the interim monies available for investment at any one time (if training requirements have been met).

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

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

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$18,439 of the City's bank balance of \$3,439,733 was exposed to custodial credit risk because it was uninsured and uncollateralized. One of the City's financial institutions participating in the Ohio Pooled Collateral System (OPCS) and was approved for a reduced collateral floor of 50 percent resulting in the uninsured and uncollateralized balance.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be 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 by participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 6 - DEPOSITS AND INVESTMENTS (continued)

Investments

Investments are reported at fair value. As of December 31, 2019, the City had the following investments:

	Measurement Amount	Less Than Six Months	Six Months to One Year	One Year to Two Years	More Than Two Years
Fair Value - Level One Inputs					
Mutual Funds	\$1,028,861	\$1,028,861	\$0	\$0	\$0
Fair Value - Level Two Inputs					
Negotiable Certificates of Deposit	6,036,409	895,824	397,270	1,984,487	2,758,828
Federal Farm Credit Bank Notes	198,964	0	0	0	198,964
Federal Home Loan Bank Notes	2,859,158	0	0	0	2,859,158
Federal Home Loan Mortgage Corporation Notes	1,004,260	0	0	0	1,004,260
Total Fair Value - Level Two Inputs	10,098,791	895,824	397,270	1,984,487	6,821,210
Total Investments	\$11,127,652	\$1,924,685	\$397,270	\$1,984,487	\$6,821,210

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. The above chart identifies the City's recurring fair value measurements as of December 31, 2019. The mutual funds are measured at fair value using quoted market prices (Level 1 inputs). The City's remaining investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored which could require the need to acquire further market data (Level 2 inputs).

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment policy restricts the City from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless they are matched to a specific obligation or debt of the City.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 6 - DEPOSITS AND INVESTMENTS (continued)

The mutual funds carry a rating of Aaa by Moody's. Negotiable certificates of deposit are generally covered by FDIC and/or SIPC insurance. The federal agency securities carry a rating of Aaa by Moody's. The City has no investment policy dealing with credit risk beyond the requirements of State statute. Ohio law requires that mutual funds be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service.

The City places no limit on the amount of its interim monies it may invest in a particular security. The following table indicates the percentage of investments to the City's total portfolio:

	Fair Value	Percentage of Portfolio
Negotiable Certificates of Deposit	\$6,036,409	54.25%
Federal Farm Credit Bank	198,964	1.79
Federal Home Loan Bank	2,859,158	25.69
Federal Home Loan Mortgage Corporation	1,004,260	9.02

NOTE 7 - RECEIVABLES

Receivables at December 31, 2019, consisted of accounts (billings for user charged services, including unbilled utility services); accrued interest; intergovernmental receivables arising from grants, entitlements, and shared revenues; municipal income taxes; other local taxes; interfund; property taxes; payment in lieu of taxes, and notes. Receivables are considered collectible in full and within one year, except for municipal income taxes, property taxes, and notes. Municipal income taxes and property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. Notes receivable, in the amount of \$388,087 will not be received within one year.

Notes receivable represent low interest loans for development projects granted to eligible City businesses under the Federal Community Development Block Grant program. The notes have an annual interest rate of 2 percent and are to be repaid over periods ranging from ten to eleven years. A summary of the changes in notes receivable during 2019 follows:

	Balance December 31, 2018	New Loans	Repayments	Balance December 31, 2019
Special Revenue Fund				
Revolving Loans	\$437,803	\$12,616	\$24,185	\$426,234
Debt Service Fund				
Harding Centre Loan	53,881	0	53,881	0
	\$491,684	\$12,616	\$78,066	\$426,234

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 7 - RECEIVABLES (continued)

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities	
Major Funds	
General Fund	
Homestead and Rollback	\$83,330
Local Government	403,717
Cigarette Tax	850
State of Ohio	33,736
Total General Fund	521,633
Street Construction, Maintenance, and Repair	
Gasoline Tax	512,131
Motor Vehicle License Tax	243,438
State of Ohio	10,775
Total Street Construction, Maintenance, and Repair	766,344
Police, Dispatch, and Fire Income Tax	
Bulletproof Vest Grant	4,016
Department of Public Safety	6,694
Overtime Grant	20,781
State of Ohio	91,132
Total Police, Dispatch, and Fire Income Tax	122,623
Total Major Funds	1,410,600
Nonmajor Funds	
Senior Citizens	
Ohio District 5 Area on Aging	9,896
Municipal Court Docket Specialist	
Municipal Court Docket Specialist	70,000
	(continued)

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 7 - RECEIVABLES (continued)

	Amount
Governmental Activities (continued)	
Nonmajor Funds (continued)	
State Highway	
Gasoline Tax	\$41,524
Motor Vehicle License Tax	8,028
Ohio Department of Transportation	58,528
Total State Highway	108,080
Community Corrections	
Community Based Corrections	352,788
State of Ohio	3,920
Total Community Corrections	356,708
Indigent Alcohol Monitoring	
Department of Public Safety	1,594
Police and Fire Pension	
Homestead and Rollback	15,200
Adult Drug Court	
Adult Drug Court	20,709
Marion Area Transit	
Fuel Tax	840
Marion County	789
Ohio Department of Transportation	64,634
State of Ohio	6,331
Total Marion Area Transit	72,594
Total Nonmajor Funds	654,781
Internal Service Fund	
State of Ohio	2,731
Total Governmental Activities	\$2,068,112

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 7 - RECEIVABLES (continued)

Business-Type Activities	
Sewer	
Ohio Public Works Commission	\$71,486
Ohio Water Development Authority	2,173,060
State of Ohio	1,899
Total Sewer	2,246,445
Sanitation	
State of Ohio	9,177
Storm Water	
Ohio Public Works Commission	49,677
State of Ohio	17,782
Total Storm Water	67,459
Aquatics Center	
State of Ohio	1,502
Total Business-Type Activities	\$2,324,583

NOTE 8 - MUNICIPAL INCOME TAXES

The City levies an income tax of 2 percent on all income earned within the City as well as on income of residents earned outside the City. In the latter case, the City allows a credit of 50 percent of the tax paid to another municipality, not to exceed the amount owed. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually. Income tax revenue is credited to the General Fund; the Street Construction, Maintenance, and Repair and the Police, Dispatch, and Fire Income Tax special revenue funds; and the Capital Improvements capital projects fund, in the amount of 1 percent, .075 percent, .875 percent, and .05 percent, respectively.

NOTE 9 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the City. Real property tax revenues received in 2019 represent the collection of 2018 taxes. Real property taxes received in 2019 were levied after October 1, 2018, on the assessed values as of January 1, 2018, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 9 - PROPERTY TAXES (continued)

Public utility property tax revenues received in 2019 represent the collection of 2018 taxes. Public utility real and tangible personal property taxes received in 2019 became a lien on December 31, 2017, were levied after October 1, 2018, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

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

Accrued property taxes receivable represents real and public utility property taxes which were measurable as of December 31, 2019, and for which there was an enforceable legal claim. In the governmental funds, the portion of the receivable not levied to finance 2019 operations is offset to deferred inflows of resources - property taxes. On the accrual basis, delinquent real property taxes have been recorded as a receivable and revenue while on the modified accrual basis, the revenue has been recorded as deferred inflows of resources - unavailable revenue.

The full tax rate for all City operations for the year ended December 31, 2019, was \$4.20 per \$1,000 of assessed value. The assessed values of real and public utility property upon which 2019 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Estate	
Agricultural/Residential	\$267,409,430
Commercial/Industrial	85,689,580
Public Utility Real	191,660
Public Utility Personal	35,128,510
Total	<u><u>\$388,419,180</u></u>

NOTE 10 - PAYMENT IN LIEU OF TAXES

In accordance with agreements related to tax increment financing districts, the City has entered into agreements with a number of property owners under which the City has granted property tax exemptions to those property owners. The property owners have agreed to make payments to the City which reflect all or a portion of the property taxes which the property owners would have paid if the taxes had not been exempted. The property owners contractually promise to make these payments in lieu of taxes until the agreement expires.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 11 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019, was as follows:

	Balance December 31, 2018	Additions	Reductions	Balance December 31, 2019
Governmental Activities:				
Nondepreciable Capital Assets				
Land	\$8,327,406	\$0	\$0	\$8,327,406
Construction in Progress	1,429,697	2,146,620	(1,468,809)	2,107,508
Total Nondepreciable Capital Assets	<u>9,757,103</u>	<u>2,146,620</u>	<u>(1,468,809)</u>	<u>10,434,914</u>
Depreciable Capital Assets				
Land Improvements	2,566,947	0	0	2,566,947
Buildings and Building Improvements	25,452,428	0	0	25,452,428
Equipment	2,888,634	225,942	0	3,114,576
Vehicles	5,671,498	722,103	0	6,393,601
Streets	141,822,193	2,599,960	(1,236,129)	143,186,024
Total Depreciable Capital Assets	<u>178,401,700</u>	<u>3,548,005</u>	<u>(1,236,129)</u>	<u>180,713,576</u>
Less Accumulated Depreciation for				
Land Improvements	(966,905)	(122,430)	0	(1,089,335)
Buildings and Building Improvements	(6,966,449)	(379,158)	0	(7,345,607)
Equipment	(2,153,065)	(184,899)	0	(2,337,964)
Vehicles	(2,825,896)	(345,732)	0	(3,171,628)
Streets	(124,018,898)	(3,808,482)	1,166,219	(126,661,161)
Total Accumulated Depreciation	<u>(136,931,213)</u>	<u>(4,840,701)</u>	<u>1,166,219</u>	<u>(140,605,695)</u>
Total Depreciable Capital Assets, Net	<u>41,470,487</u>	<u>(1,292,696)</u>	<u>(69,910)</u>	<u>40,107,881</u>
Governmental Activities Capital Assets, Net	<u>\$51,227,590</u>	<u>\$853,924</u>	<u>(\$1,538,719)</u>	<u>\$50,542,795</u>

Governmental funds accepted contributions of capital assets from other governments with a fair value of \$1,574,253.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 11 - CAPITAL ASSETS (continued)

	Balance December 31, 2018	Additions	Reductions	Balance December 31, 2019
Business-Type Activities:				
Nondepreciable Capital Assets				
Land	\$662,633	\$0	\$0	\$662,633
Construction in Progress	1,944,755	8,901,306	(1,685,662)	9,160,399
Total Nondepreciable Capital Assets	<u>2,607,388</u>	<u>8,901,306</u>	<u>(1,685,662)</u>	<u>9,823,032</u>
Depreciable Capital Assets				
Buildings	28,033,642	0	0	28,033,642
Equipment	4,688,307	197,896	0	4,886,203
Vehicles	2,321,027	180,463	0	2,501,490
Sewer and Storm Water Lines	51,898,824	1,685,662	(12,617)	53,571,869
Total Depreciable Capital Assets	<u>86,941,800</u>	<u>2,064,021</u>	<u>(12,617)</u>	<u>88,993,204</u>
Less Accumulated Depreciation for				
Buildings	(21,365,935)	(1,674,631)	0	(23,040,566)
Equipment	(3,667,000)	(187,307)	0	(3,854,307)
Vehicles	(980,412)	(148,524)	0	(1,128,936)
Sewer and Storm Water Lines	(19,659,869)	(886,912)	12,617	(20,534,164)
Total Accumulated Depreciation	<u>(45,673,216)</u>	<u>(2,897,374)</u>	<u>12,617</u>	<u>(48,557,973)</u>
Total Depreciable Capital Assets, Net	<u>41,268,584</u>	<u>(833,353)</u>	<u>0</u>	<u>40,435,231</u>
Business-Type Activities Capital Assets, Net	<u>\$43,875,972</u>	<u>\$8,067,953</u>	<u>(\$1,685,662)</u>	<u>\$50,258,263</u>

Depreciation expense was charged to governmental functions as follows:

Governmental Activities	
Security of Persons and Property - Police	\$157,131
Security of Persons and Property - Fire	117,177
Public Health	236
Leisure Time Activities	49,897
Transportation - Transit	71,502
Transportation - Other	4,038,922
General Government - Court	11,903
General Government - Other	393,933
Total Depreciation Expense - Governmental Activities	<u>\$4,840,701</u>

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 12 - INTERFUND RECEIVABLES/PAYABLES

Interfund balances at December 31, 2019, consisted of the following individual fund receivables and payables:

Due to General Fund from:	
Other Governmental	\$41,320
Storm Water	165,940
Internal Service	12,080
Total General Fund	<u>\$219,340</u>
Due to Other Governmental from:	
Other Governmental	<u>\$105</u>
Due to Sewer Fund from:	
General	\$383
Police, Dispatch, and Fire Income Tax	238
Other Governmental	47
Landfill	577
Internal Service	66
Total Sewer Fund	<u>\$1,311</u>
Due to Storm Water from:	
Sewer	<u>\$180</u>
Due to Internal Service Fund from:	
General	\$1,373
Street Construction, Maintenance, and Repair	72,556
Police, Dispatch, and Fire Income Tax	14,489
Other Governmental	18,524
Sanitation	25,780
Landfill	385
Storm Water	1,614
Total Internal Service Fund	<u>\$134,721</u>

The balance due to the General Fund consists of loans made to provide working capital for operations or projects. This amount is expected to be received within one year.

The amount due to other governmental funds resulted from services provided. This amount is expected to be received within one year.

The amount due to the Sewer Fund resulted from services provided. This amount is expected to be received within one year.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 12 - INTERFUND RECEIVABLES/PAYABLES (continued)

The amount due to the Storm Water Fund resulted from services provided. This amount is expected to be received within one year.

The amount due to the Internal Service Fund resulted from services provided. This amount is expected to be received within one year.

NOTE 13 - RISK MANAGEMENT

The City participates in the Ohio Municipal Joint Self-Insurance Pool, a public entity shared risk pool. The City pays an annual premium to the pool for various types of insurance coverage. Member municipalities agree to share in the coverage of losses and pay all premiums necessary for the specified insurance coverage. Upon withdrawal from the Pool, a participant is responsible for the payment of all liabilities accruing as a result of withdrawal. During 2019, the City had the following insurance coverage:

Type of Coverage	Coverage	Deductible
Property	\$55,957,896	\$1,000
General Liability		
Aggregate	5,000,000	5,000
Law Enforcement Liability	5,000,000	5,000
Emergency Medical Services Liability	5,000,000	5,000
Public Officials Liability	5,000,000	5,000
Automobile Liability	5,000,000	0
Uninsured Motorists	40,000	0

Settled claims have not exceeded this commercial coverage in any of the past three years and there has not been any significant reduction in coverage from the prior year.

For 2019, the City participated in the Ohio Rural Water Association Workers' Compensation Group Rating Plan (Plan), an insurance purchasing pool. The Plan is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for the participants. The workers' compensation experience of the participants is calculated as one experience and a common premium rate is applied to all participants in the Plan. Each participant pays its workers' compensation premium to the State based on the rate for the Plan. To maximize the number of participants in the Plan, the Plan's executive committee annually calculates the total savings which accrued to the Plan through its formation. This savings is then compared to the overall savings percentage of the Plan. The Plan's executive committee then collects rate contributions from or pays rate equalization rebates to the various participants. Participation in the Plan is limited to participants that can meet the Plan's selection criteria. The firm of Comp Management, Inc. provides administrative, cost control, and actuarial services to the Plan. Each year, the City pays an enrollment fee to the Plan to cover the costs of administering the program.

NOTE 13 - RISK MANAGEMENT (continued)

The City may withdraw from the plan if written notice is provided sixty days prior to the prescribed application deadline to the Ohio Bureau of Workers' Compensation. However, the participant is not relieved of the obligation to pay any amounts owed to the Plan prior to withdrawal and any participant leaving the Plan allows representatives of the Plan to access loss experience for three years following the last year of participation.

NOTE 14 - DEFINED BENEFIT PENSION PLANS

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability (Asset)/Net OPEB Liability

The net pension liability (asset) and the net OPEB liability reported on the statement of net position represent a liability to employees for pensions and OPEB, respectively. Pensions/OPEB are a component of exchange transactions, between an employer and its employees, of salaries and benefits for employee services. Pensions/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 pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension/OPEB liability (asset) represents the City's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB liability (asset) 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.

The 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 and OPEB.

GASB Statements No. 68 and No. 75 assume 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 the employers. All pension contributions to date have come solely from the employer (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contribution to provide for OPEB benefits. In addition, health care plan enrollees pay a portion of the health care cost in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within thirty years. If the pension amortization period exceeds thirty years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require, the retirement systems to provide health care to eligible benefit recipients.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 14 - DEFINED BENEFIT PENSION PLANS (continued)

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

The remainder of this note includes the required pension disclosures. See Note 15 for the required OPEB disclosures.

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 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 combination cost-sharing multiple-employer defined benefit/defined contribution pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. 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 in the traditional and combined plans 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 and combined plans as per the reduced benefits adopted by SB 343. (See the OPERS CAFR referenced above for additional information including requirements for reduced and unreduced benefits.)

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
Traditional Plan 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 years	Traditional Plan 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 years	Traditional Plan 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 years

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 14 - DEFINED BENEFIT PENSION PLANS (continued)

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
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30 years	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30 years	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35 years
Public Safety	Public Safety	Public Safety
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
Law Enforcement	Law Enforcement	Law Enforcement
Age and Service Requirements: Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
Public Safety and Law Enforcement	Public Safety and Law Enforcement	Public Safety and Law Enforcement
Traditional Plan Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25 years	Traditional Plan Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25 years	Traditional Plan Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25 years

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 traditional plan benefit recipient has received benefits for twelve months, current law provides an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost of living adjustment on the defined benefit portion of their pension benefit. For those retiring prior to January 7, 2013, current law provides for a 3 percent COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index capped at 3 percent.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 14 - DEFINED BENEFIT PENSION PLANS (continued)

Defined contribution plan benefits are established in the plan documents which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed plan participants must have attained the age of fifty-five, have money on deposit in the defined contribution plan, and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the member's contributions, vested employer contributions, and investment gains or losses resulting from the member's investment selections. Employer contributions and associated investment earnings vest over a five year period at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS account. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of the entire account balance net of taxes withheld, or a combination of these options.

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

	State and Local	Public Safety	Law Enforcement
2019 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1%	18.1 %
Employee *	10.0 %	**	***
2019 Actual Contribution Rates			
Employer			
Pension ****	14.0 %	18.1 %	18.1 %
Postemployment Health Care Benefits ****	0.0	0.0	0.0
Total Employer	14.0 %	18.1 %	18.1 %
Total Employee	10.0 %	12.0 %	13.0 %

* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

** This rate is determined by OPERS' Board and has no maximum rate established by the ORC.

*** This rate is also determined by OPERS' Board but is limited by the ORC to not more than 2 percent greater than the public safety rate.

**** These pension and employer health care rates are for the traditional and combined plans. The employer contribution rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 14 - DEFINED BENEFIT PENSION PLANS (continued)

For 2019, the City's contractually required contribution was \$1,092,982 for the traditional plan, \$27,284 for the combined plan, and \$20,298 for the member-directed plan. Of these amounts, \$108,684 is reported as an intergovernmental payable for the traditional plan, \$2,719 for the combined plan, and \$2,016 for the member-directed plan.

Plan Description - Ohio Police and Fire Pension Fund (OPF)

Plan Description - Full-time police and firefighters participate in the 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, required supplementary information, and detailed information about OPF's fiduciary net position 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, an OPF member 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 fifty-two for normal service retirement with at least twenty-five years of service credit. For members hired on or before July 1, 2013, the minimum retirement age is forty-eight for normal service retirement with at least twenty-five 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 twenty years of service credit, 2 percent for each of the next five years of service credit, and 1.5 percent for each year of service credit in excess of twenty-five years. The maximum pension of 72 percent of the allowable average annual salary is paid after thirty-three years of service credit. (See the OPF CAFR referenced above for additional information including requirements for deferred retirement option plan provisions and reduced and unreduced benefits.)

Under normal service retirement, retired members who are at least fifty-five 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 fifty-five provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit, surviving beneficiaries, and statutory survivors. Members participating in the DROP program have separate eligibility requirements related to COLA.

Members retiring under normal service retirement, with less than fifteen years of service credit on July 1, 2013, will receive a COLA equal to either 3 percent or the percentage increase, if any, in the Consumer Price Index over the thirteen month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least fifteen years of service credit as of July 1, 2013, is equal to 3 percent of their base pension or disability benefit.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 14 - DEFINED BENEFIT PENSION PLANS (continued)

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

	Police	Firefighters
2019 Statutory Maximum Contribution Rates		
Employer	19.50%	24.00%
Employee	12.25%	12.25%
2019 Actual Contribution Rates		
Employer		
Pension	19.00 %	23.50 %
Postemployment Health Care Benefits	.50	.50
Total Employer	19.50 %	24.00 %
Total Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution was \$1,640,371 for 2019. Of this amount, \$175,569 is reported as an intergovernmental payable.

Pension Liability (Asset) , Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pension

The net pension liability (asset) for OPERS was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2018, and was determined by rolling forward the total pension liability as of January 1, 2018, to December 31, 2018. The City's proportion of the net pension liability (asset) 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.

	OPERS Traditional Plan	OPERS Combined Plan	OPF	Total
Proportion of the Net Pension Liability/Asset				
Current Measurement Date	0.05575500%	0.03393100%	0.32605000%	
Prior Measurement Date	0.05490600%	0.03145600%	0.32692100%	
Change in Proportionate Share	0.00084900%	0.00247500%	0.00087100%	
Proportionate Share				
Net Pension Liability	\$15,270,166	\$0	\$26,614,295	\$41,884,461
Net Pension Asset	\$0	\$37,942	\$0	\$37,942
Pension Expense	\$3,375,951	\$9,894	\$3,808,139	\$7,193,984

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 14 - DEFINED BENEFIT PENSION PLANS (continued)

Pension expense for the member-directed defined contribution plan was \$20,298 for 2019. The aggregate pension expense for all pension plans was \$7,214,282 for 2019.

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to defined benefit pensions from the following sources.

	OPERS Traditional Plan	OPERS Combined Plan	OPF	Total
Deferred Outflows of Resources				
Difference Between Expected and Actual Experience	\$705	\$0	\$1,093,475	\$1,094,180
Changes of Assumptions	1,329,306	8,475	705,581	2,043,362
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	2,072,589	8,173	3,278,859	5,359,621
Changes in Proportion and Differences Between City Contributions and the Proportionate Share of Contributions	97,097	0	746,902	843,999
City Contributions Subsequent to the Measurement Date	1,092,982	27,284	1,640,371	2,760,637
Total Deferred Outflows of Resources	\$4,592,679	\$43,932	\$7,465,188	\$12,101,799
Deferred Inflows of Resources				
Difference Between Expected and Actual Experience	\$200,506	\$15,497	\$24,853	\$240,856
Changes in Proportion and Differences Between City Contributions and the Proportionate Share of Contributions	25,661	3,926	42,133	71,720
Total Deferred Inflows of Resources	\$226,167	\$19,423	\$66,986	\$312,576

\$2,760,637 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 or increase in the net pension asset in 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized as pension expense as follows.

	OPERS Traditional Plan	OPERS Combined Plan	OPF	Total
Year Ending December 31,				
2020	\$1,402,990	\$773	\$1,846,096	\$3,249,859
2021	714,357	(860)	1,129,109	1,842,606
2022	192,273	(689)	1,150,437	1,342,021
2023	963,910	1,871	1,536,509	2,502,290
2024	0	(1,490)	95,680	94,190
Thereafter	0	(2,380)	0	(2,380)
Total	\$3,273,530	(\$2,775)	\$5,757,831	\$9,028,586

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 14 - DEFINED BENEFIT PENSION 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 (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 was determined by an actuarial valuation as of December 31, 2018, using the following actuarial assumptions applied to all periods included in the measurement in accordance with GASB Statement No. 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2018, are presented below.

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>
Wage Inflation	3.25 percent	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA		
Pre-January 7, 2013	3 percent simple	3 percent simple
Post-January 7, 2013	3 percent simple through 2018, then 2.15 percent simple	3 percent simple through 2018, then 2.15 percent simple
Investment Rate of Return	7.2 percent	7.2 percent
Actuarial Cost Method	individual entry age	individual entry age

In October 2018, the OPERS Board adopted a change in the investment rate of return assumption reducing it from 7.5 percent to 7.2 percent. This change was effective beginning with the 2018 valuation.

Preretirement mortality rates were 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. Postretirement mortality rates were 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. Postretirement mortality rates for disabled retirees were 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 were 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 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.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 14 - DEFINED BENEFIT PENSION PLANS (continued)

During 2018, 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 of the traditional 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 a loss of 2.94 percent for 2018.

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 2018 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 %	2.79 %
Domestic Equities	19.00	6.21
Real Estate	10.00	4.90
Private Equity	10.00	10.81
International Equities	20.00	7.83
Other Investments	18.00	5.50
Total	<u>100.00 %</u>	

Discount Rate - For 2018, the discount rate used to measure the total pension liability was 7.2 percent for the traditional and the combined plans. For 2017, the discount rate used to measure the total pension liability was 7.5 percent for the traditional and the combined plans. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for all three plans was applied to all periods of projected benefit payments to determine the total pension liability.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 14 - DEFINED BENEFIT PENSION PLANS (continued)

Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate - The following table presents the City's proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 7.2 percent as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.2 percent) or one percentage point higher (8.2 percent) than the current rate.

	1% Decrease (6.2%)	Current Discount Rate (7.2%)	1% Increase (8.2%)
City's Proportionate Share of the Net Pension Liability (Asset)			
OPERS Traditional Plan	\$22,558,473	\$15,270,166	\$9,213,514
OPERS Combined Plan	(\$12,554)	(\$37,942)	(\$56,325)

Actuarial Assumptions - OPF

OPF's total pension liability as of December 31, 2018, is based on the results of an actuarial valuation date of January 1, 2018, 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 payment, DROP interest rate, CPI based COLA, investment returns, salary increases, and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2018, are presented below.

Valuation Date	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	entry age normal
Investment Rate of Return	8 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of .5 percent
Cost of Living Adjustments	3 percent simple; 2.2 percent simple for increases based on lesser of the increase in CPI and 3 percent

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 14 - DEFINED BENEFIT PENSION PLANS (continued)

Mortality for nondisabled participants was 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 Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries were 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

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

<u>Age</u>	<u>Police</u>	<u>Fire</u>
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 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 average 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.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 14 - DEFINED BENEFIT PENSION PLANS (continued)

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2018, are summarized below.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Cash and Cash Equivalents	0.00 %	0.80 %
Domestic Equities	16.00	5.50
Non-U.S. Equities	16.00	5.90
Private Markets	8.00	8.40
Core Fixed Income*	23.00	2.60
High Yield Fixed Income	7.00	4.80
Private Credit	5.00	7.50
U.S. Inflation Linked Bonds*	17.00	2.30
Master Limited Partnerships	8.00	6.40
Real Assets	8.00	7.00
Private Real Estate	12.00	6.10
Total	<u>120.00 %</u>	

Note: assumptions are geometric

* 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 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 pension liability was calculated using the discount rate of 8 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 earnings were calculated using the longer-term assumed investment rate of return of 8 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 14 - 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 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 percent) or one percentage point higher (9 percent) than the current rate.

	1% Decrease (7%)	Current Discount Rate (8%)	1% Increase (9%)
City's Proportionate Share of the Net Pension Liability	\$34,982,657	\$26,614,295	\$19,621,321

NOTE 15 - DEFINED BENEFIT OPEB PLANS

See Note 14 for a description of the net OPEB liability.

Plan Description - Ohio Public Employees Retirement System (OPERS)

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans; the traditional 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 postemployment 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 and combined pension 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 and combined pension plans must have twenty or more years of qualifying Ohio service credit and a minimum age of sixty or generally thirty years of service at any age. 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 postemployment benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 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.

NOTE 15 - DEFINED BENEFIT OPEB PLANS (continued)

Disclosures for the health care plan are presented separately in the OPERS financial report which 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.

Funding Policy - The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by the OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, health care was no longer being funded.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2019, state and local employers contributed 14 percent of earnable salary and public safety and law enforcement employers contributed 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund the health care plans. As recommended by OPERS' actuary, beginning January 1, 2018, OPERS no longer allocated a portion of its employer contribution to health care for the traditional and combined pension 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 of the member-directed plan was 4 percent for 2019.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$8,119 for 2019. Of this amount, \$806 is reported as an intergovernmental payable.

Plan Description - Ohio Police and Fire Pension Fund (OPF)

Plan Description - The City contributes to the Ohio Police and Fire Pension Fund (OPF) sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OPF implemented a new model for health care. Under this new model, OPF provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements.

A retiree is eligible for the OPF health care stipend unless they have access to any other group coverage, including employer and retirement coverage. The eligibility of spouses and dependent children could increase the stipend amount. If the spouse or dependents have access to any other group coverage, including employer or retirement coverage, they are not eligible for stipend support from OPF. Even if an OPF member or their dependents are not eligible for a stipend, they can use the services of the third-party administrator to select and enroll in a plan. The stipend provided by OPF meets the definition of an other postemployment benefit (OPEB) as described in GASB Statement No. 75.

NOTE 15 - DEFINED BENEFIT OPEB PLANS (continued)

The Ohio Revised Code allows, but does not mandate, OPF to provide OPEB benefits. Authority for the OPF Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

OPF issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164 or by visiting the OPF website at www.op-f.org.

Funding Policy - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OPF defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as a percentage of the payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and firefighters, 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.

The Board of Trustees is authorized to allocate a portion of the total employer contribution for retiree health care benefits. For 2019, the portion of the employer contribution allocated to health care was .5 percent of covered payroll. The amount of the employer contribution allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

The OPF 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 OPF was \$38,879 for 2019. Of this amount, \$4,153 is reported as an intergovernmental payable.

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

The net OPEB liability and the total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OPF's total OPEB liability was measured as of December 31, 2018, and was determined by rolling forward the total OPEB liability as of January 1, 2018, to December 31, 2018. 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.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 15 - DEFINED BENEFIT OPEB PLANS (continued)

Following is information related to the proportionate share.

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.05387000%	0.32605000%	
Prior Measurement Date	<u>0.05311000%</u>	<u>0.32692100%</u>	
Change in Proportionate Share	<u>0.00076000%</u>	<u>0.00087100%</u>	
Proportionate Share of the Net OPEB Liability	\$7,023,374	\$2,969,185	\$9,992,559
OPEB Expense	\$657,474	(\$14,597,029)	(\$13,939,555)

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
Deferred Outflows of Resources			
Difference Between Expected and Actual Experience	\$2,378	\$0	\$2,378
Changes of Assumptions	226,442	1,539,082	1,765,524
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	321,980	100,510	422,490
Changes in Proportion and Differences Between City Contributions and the Proportionate Share of Contributions	55,347	157,978	213,325
City Contributions Subsequent to the Measurement Date	<u>8,119</u>	<u>38,879</u>	<u>46,998</u>
Total Deferred Outflows of Resources	<u>\$614,266</u>	<u>\$1,836,449</u>	<u>\$2,450,715</u>
Deferred Inflows of Resources			
Difference Between Expected and Actual Experience	\$19,057	\$79,551	\$98,608
Changes of Assumptions	0	822,011	822,011
Changes in Proportion and Differences Between City Contributions and the Proportionate Share of Contributions	<u>12,838</u>	<u>38,719</u>	<u>51,557</u>
Total Deferred Inflows of Resources	<u>\$31,895</u>	<u>\$940,281</u>	<u>\$972,176</u>

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 15 - DEFINED BENEFIT OPEB PLANS (continued)

\$46,998 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 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows.

Year Ending December 31,	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
2020	\$267,232	\$152,464	\$419,696
2021	90,952	152,464	243,416
2022	53,865	152,464	206,329
2023	162,203	182,864	345,067
2024	0	134,937	134,937
Thereafter	<u>0</u>	<u>82,096</u>	<u>82,096</u>
Total	<u>\$574,252</u>	<u>\$857,289</u>	<u>\$1,431,541</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.

Projections of health care costs 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 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, 2017, rolled forward to the measurement date of December 31, 2018. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB Statement No. 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	3.96 percent
Prior Measurement Date	3.85 percent
Investment Rate of Return	6 percent
Municipal Bond Rate	
Current Measurement Date	3.71 percent
Prior Measurement Date	3.31 percent
Health Care Cost Trend Rate	
Current Measurement Date	10 percent initial
Prior Measurement Date	3.25 percent ultimate in 2029
Prior Measurement Date	7.25 percent initial
Prior Measurement Date	3.25 percent ultimate in 2028
Actuarial Cost Method	individual entry age

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 15 - DEFINED BENEFIT OPEB PLANS (continued)

In October 2018, the OPERS Board adopted a change in the investment rate of return assumption reducing it from 6.5 percent to 6 percent. The change was effective beginning with the 2018 valuation.

Preretirement mortality rates were 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. Postretirement mortality rates were 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. Postretirement mortality rates for disabled retirees were 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 were 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.

During 2018, 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 assets for health care expenses for the traditional plan, the combined plan, and the 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 was a loss of 5.6 percent for 2018.

The allocation of investment assets with the Health Care 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 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.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 15 - DEFINED BENEFIT OPEB PLANS (continued)

The table below displays the Board approved asset allocation policy for 2018 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 %	2.42 %
Domestic Equities	21.00	6.21
Real Estate Investment Trust	6.00	5.98
International Equities	22.00	7.83
Other Investments	17.00	5.57
Total	<u>100.00 %</u>	

Discount Rate - A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. A single discount rate of 3.85 percent was used to measure the OPEB liability on the measurement date of December 31, 2017. 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 twenty 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 the expected rate of return on the health care investment portfolio of 6 percent and a municipal bond rate of 3.71 percent. The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on those assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2031. As a result, the long-term expected rate of return on health care investments was applied to projected costs through 2031 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 - The following table presents the City's proportionate share of the net OPEB liability calculated using the single discount rate of 3.96 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 (2.96 percent) or one percentage point higher (4.96 percent) than the current rate.

	1% Decrease (2.96%)	Current Discount Rate (3.96%)	1% Increase (4.96%)
City's Proportionate Share of the Net OPEB Liability	\$8,985,516	\$7,023,374	\$5,462,957

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 15 - 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 - 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 assumed trend rates and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1 percent lower or 1 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 2019 is 10 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	\$6,750,988	\$7,023,374	\$7,337,094

Actuarial Assumptions - OPF

OPF’s total OPEB liability as of December 31, 2018, is based on the results of an actuarial valuation date of January 1, 2018, and rolled forward using generally accepted actuarial procedures. The total OPEB liability is determined by OPF’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.

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 effect 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 contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 15 - DEFINED BENEFIT OPEB PLANS (continued)

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

Valuation Date	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	entry age normal
Investment Rate of Return	8 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of .5 percent
Single Discount Rate:	
Current Measurement Date	4.66 percent
Prior Measurement Date	3.24 percent
Cost of Living Adjustments	3 percent simple; 2.2 percent simple for increases based on lesser of the increase in CPI and 3 percent

Mortality for nondisabled participants was 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 Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries were adjusted by 120 percent.

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

Mortality for disabled retirees was based on the RP-2014 Disabled Mortality Table rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck 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 OPF health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 14.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 15 - DEFINED BENEFIT OPEB PLANS (continued)

Discount Rate - For 2019, the total OPEB liability was calculated using the discount rate of 4.66 percent. For 2018, 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 contributions from employers and from the 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 of 8 percent. Based on those assumptions, the plan'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 4.13 percent at December 31, 2018, and 3.16 percent at December 31, 2017, was blended with the long-term rate of 8 percent which resulted in a blended discount rate of 4.66 percent for 2018 and 3.24 percent for 2017. The municipal bond rate was determined using the Bond Buyers General Obligation Twenty Year Municipal Bond Index Rate. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2031. The long-term expected rate of return on health care investments was applied to all projected costs through 2031 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 4.66 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 (3.66 percent) or one percentage point higher (5.66 percent) than the current rate.

	1% Decrease (3.66%)	Current Discount Rate (4.66%)	1% Increase (5.66%)
City's Proportionate Share of the Net OPEB Liability	\$3,617,278	\$2,969,185	\$2,425,167

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate - The total OPEB liability is based on a medical benefit that is a flat dollar amount; therefore, it is unaffected by a health care cost trend rate. An increase or decrease in the trend rate would have no effect on the total OPEB liability.

NOTE 16 - OTHER EMPLOYEE BENEFITS

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws.

City employees earn and accumulate vacation at varying rates depending upon length of service and standard work week. Employees are paid for 100 percent of earned unused vacation leave upon termination.

Sick leave is earned at various rates as defined by City policy and union contracts. Upon retirement, employees are entitled to the value of their accumulated unused sick leave at varying percentages to a maximum of one hundred to one hundred twelve and one-half days based on City policy and union contracts.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 17 - LONG-TERM OBLIGATIONS

The City's long-term obligations activity for the year ended December 31, 2019, was as follows:

	Interest Rate	Balance December 31, 2018	Additions	Reductions	Balance December 31, 2019	Due Within One Year
<u>Governmental Activities</u>						
General Obligation Bonds						
2010 Police and Fire Pension Refunding (Original Amount \$794,300)	2-4.3%	\$163,800	\$0	\$80,600	\$83,200	\$83,200
2010 Street Improvement (Original Amount \$1,598,850)	2-4.3	1,026,300	0	69,300	957,000	70,950
2010 Computer Equipment (Original Amount \$775,200)	2-4.3	497,600	0	33,600	464,000	34,400
2010 City Hall Roof (Original Amount \$110,000)	2-3.75	70,000	0	5,000	65,000	5,000
2010 Generator (Original Amount \$225,000)	2-3.75	145,000	0	10,000	135,000	10,000
2010 Fire Truck (Original Amount \$320,000)	2-3.75	70,000	0	35,000	35,000	35,000
2010 Police Records (Original Amount \$355,000)	2-3.75	80,000	0	40,000	40,000	40,000
2010 Central Garage (Original Amount \$1,376,250)	1.75-4	862,500	0	58,750	803,750	60,000
2018 City Hall HVAC (Original Amount \$240,000)	2.5-4	240,000	0	10,000	230,000	10,000
Premium		12,233	0	510	11,723	0
2018 EMS Vehicle (Original Amount \$265,000)	2.5-4	265,000	0	20,000	245,000	25,000
Premium		7,359	0	555	6,804	0
Total General Obligation Bonds		<u>3,439,792</u>	<u>0</u>	<u>363,315</u>	<u>3,076,477</u>	<u>373,550</u>
Other Long-Term Obligations						
OPWC Loan from Direct Borrowing						
#CP10D Marion Williamsport Road Improvements (Original Amount \$128,202)						
	0.00	<u>25,642</u>	<u>0</u>	<u>6,410</u>	<u>19,232</u>	<u>3,205</u>
Net Pension Liability						
Ohio Public Employees Retirement System						
		5,598,900	4,632,111	0	10,231,011	0
Ohio Police and Fire						
		20,064,617	6,549,678	0	26,614,295	0
Total Net Pension Liability		<u>25,663,517</u>	<u>11,181,789</u>	<u>0</u>	<u>36,845,306</u>	<u>0</u>
Net OPEB Liability						
Ohio Public Employees Retirement System						
		3,748,780	956,880	0	4,705,660	0
Ohio Police and Fire						
		18,522,886	0	15,553,701	2,969,185	0
Total Net OPEB Liability		<u>22,271,666</u>	<u>956,880</u>	<u>15,553,701</u>	<u>7,674,845</u>	<u>0</u>
Compensated Absences Payable						
		4,575,494	404,242	148,310	4,831,426	620,995
Capital Leases						
		492,467	0	64,264	428,203	68,082
Total Other Long-Term Obligations		<u>53,028,786</u>	<u>12,542,911</u>	<u>15,772,685</u>	<u>49,799,012</u>	<u>692,282</u>
Total Governmental Activities		<u>\$56,468,578</u>	<u>\$12,542,911</u>	<u>\$16,136,000</u>	<u>\$52,875,489</u>	<u>\$1,065,832</u>

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

	Interest Rate	Balance December 31, 2018	Additions	Reductions	Balance December 31, 2019	Due Within One Year
<u>Business-Type Activities</u>						
General Obligation Bonds						
2010 Various Purpose A						
(Original Amount \$7,786,650)	2-4.3%	\$2,682,300	\$0	\$646,500	\$2,035,800	\$666,450
2010 Various Purpose B						
(Original Amount \$7,183,750)	1.75-4	4,642,500	0	316,250	4,326,250	325,000
2012 Various Purpose						
(Original Amount \$11,235,000)	2-4	11,115,000	0	20,000	11,095,000	20,000
2018 Various Purpose						
(Original Amount \$6,980,000)	2.5-4	6,980,000	0	195,000	6,785,000	265,000
Premium		351,529	0	9,816	341,713	0
Total General Obligation Bonds		25,771,329	0	1,187,566	24,583,763	1,276,450
Other Long-Term Obligations						
OWDA Loans from Direct Borrowings						
#3397 WRRSP						
(Original Amount \$5,366,955)	1.50%	1,205,392	0	294,627	910,765	299,063
#3398 WWTP Upgrade						
(Original Amount \$20,784,201)	1.50	4,728,092	0	1,155,660	3,572,432	1,173,060
#7912/8542 WPC Treatment Enhancement						
(Original Amount \$7,850,735)	0.00	1,738,572	6,112,163	50,000	7,800,735	0
Total OWDA Loans		7,672,056	6,112,163	1,500,287	12,283,932	1,472,123
OPWC Loans from Direct Borrowings						
#CP06G Mary St Sanitary Sewer and Storm Water Replacement						
(Original Amount \$29,232)	0.00	10,228	0	1,461	8,767	731
#CP10F Uncapher Ave/ Florence St Sanitary Sewer and Storm Water Replacement						
(Original Amount \$268,990)	0.00	67,253	0	13,450	53,803	6,725
#CP16E Avondale Ave/ Catalina Dr Storm Water Replacement						
(Original Amount \$119,185)	0.00	20,851	0	5,960	14,891	2,980
#CP33E Water Pollution Control Upgrade						
(Original Amount \$1,070,800)	0.00	294,470	0	53,540	240,930	26,770

(continued)

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

	Interest Rate	Balance December 31, 2018	Additions	Reductions	Balance December 31, 2019	Due Within One Year
<u>Business-Type Activities</u> (continued)						
Other Long-Term Obligations (continued)						
OPWC Loans from Direct Borrowings (continued)						
#CP14L Franconia Avenue Sanitary Sewer and Storm Water Replacement (Original Amount \$107,827)	0.00%	\$80,872	\$0	\$3,594	\$77,278	\$1,798
#CP05K Oakgrove and Waterloo Sanitary Sewer and Storm Water Replacement (Original Amount \$211,153)	0.00	131,968	0	10,558	121,410	5,279
#CP04M Woodrow and Henry Sanitary Sewer and Storm Water Replacement (Original Amount \$60,993)	0.00	46,755	0	2,034	44,721	1,017
#CP04N Milburn Sanitary Sewer and Storm Water Replacement (Original Amount \$73,189)	0.00	63,431	0	2,439	60,992	1,220
#CP12R Latourette Sanitary Sewer and Storm Water Replacement (Original Amount \$27,199)	0.00	24,933	0	906	24,027	453
#CP22Q North Greenwood Sanitary Sewer and Storm Water Replacement (Original Amount \$166,000)	0.00	152,166	0	5,533	146,633	2,767
#CP18S Ballentine Sanitary Sewer and Storm Water Replacement (Original Amount \$114,170)	0.00	106,559	0	3,805	102,754	1,903
#CP23S Main/State Sanitary Sewer and Storm Water Replacement (Original Amount \$119,499)	0.00	115,515	0	3,983	111,532	1,992
#CP26T South Greenwood Sanitary Sewer and Storm Water Replacement (Original Amount \$125,000)	0.00	122,917	0	4,166	118,751	2,083

(continued)

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

	Interest Rate	Balance December 31, 2018	Additions	Reductions	Balance December 31, 2019	Due Within One Year
<u>Business-Type Activities</u> (continued)						
Other Long-Term Obligations (continued)						
OPWC Loans from Direct Borrowings (continued)						
#CP37T Belmont Sanitary Sewer and Storm Water Replacement (Original Amount \$375,000)	0.00%	\$356,250	\$0	\$12,500	\$343,750	\$6,250
#CP06T George Street Sanitary Sewer and Storm Water Replacement (Original Amount \$100,000)	0.00	98,334	0	3,334	95,000	1,668
#CP17U Hane Avenue Sanitary Sewer and Storm Water Replacement (Original Amount \$200,985)	0.00	200,985	0	6,700	194,285	3,351
#CP13V Sharpless Court Sanitary Sewer and Storm Water Replacement (Original Amount \$205,639)	0.00	75,581	130,058	0	205,639	3,427
#CP14V Farming Street Sanitary Sewer and Storm Water Replacement (Original Amount \$64,177)	0.00	0	64,177	0	64,177	0
#CP18W Uhler Avenue Sanitary Sewer and Storm Water Replacement (Original Amount \$37,595)	0.00	0	37,595	0	37,595	0
Total OPWC Loans		1,969,068	231,830	133,963	2,066,935	70,414
Net Pension Liability						
Ohio Public Employees Retirement System		3,014,787	2,024,368	0	5,039,155	0
Net OPEB Liability						
Ohio Public Employees Retirement System		2,018,575	299,139	0	2,317,714	0
Compensated Absences Payable		525,716	103,676	101,150	528,242	94,161
Postclosure Costs Payable		1,159,491	0	143,777	1,015,714	150,664
Total Other Long-Term Obligations		16,359,693	8,771,176	1,879,177	23,251,692	1,787,362
Total Business-Type Activities		\$42,131,022	\$8,771,176	\$3,066,743	\$47,835,455	\$3,063,812

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

General Obligation Bonds

On June 9, 2010, the City issued general obligation refunding bonds, in the amount of \$6,110,000, to refund general obligation bonds previously issued in 2000 to pay the long-term liability to the Police and Fire Pension System and to construct and replace sewer and storm water lines. The bonds were issued for a ten year period, with final maturity in 2020. The bonds will be retired through the Bond Retirement debt service fund and the Sewer and Storm Water enterprise funds.

On June 9, 2010, the City issued unvoted general obligation bonds, in the amount of \$4,845,000; \$708,483 to retire notes previously issued for constructing public infrastructure improvements related to constructing a portion of Wellness Drive, \$485,655 for constructing public infrastructure improvements related to constructing and extending Lakes Boulevard, \$404,712 for improving Barks Road between Delaware Avenue and State Route 529, \$775,200 for acquiring and installing a comprehensive financial management software system, \$1,884,922 for sewer and storm water improvements on Blaine Avenue, and \$586,028 for sewer and storm water improvements on Forest Lawn Boulevard. The bonds were issued for a twenty year period with final maturity in 2030. The bonds will be paid from the Bond Retirement debt service fund and from the Sewer and Storm Water enterprise funds.

As of December 31, 2019, all of the proceeds had been spent and \$326,800 was spent on items which were not capitalized.

The bonds maturing on December 1, 2022, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2021	\$225,000

The remaining principal, in the amount of \$235,000, will be paid at stated maturity on December 1, 2022.

The bonds maturing on December 1, 2024, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2023	\$240,000

The remaining principal, in the amount of \$250,000, will be paid at stated maturity on December 1, 2024.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

The bonds maturing on December 1, 2026, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

<u>Year</u>	<u>Amount</u>
2025	\$260,000

The remaining principal, in the amount of \$270,000, will be paid at stated maturity on December 1, 2026.

The bonds maturing on December 1, 2028, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

<u>Year</u>	<u>Amount</u>
2027	\$285,000

The remaining principal, in the amount of \$295,000, will be paid at stated maturity on December 1, 2028.

The bonds maturing on December 1, 2030, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

<u>Year</u>	<u>Amount</u>
2029	\$305,000

The remaining principal, in the amount of \$320,000, will be paid at stated maturity on December 1, 2030.

The bonds maturing on or after December 1, 2021, are subject to optional redemption prior to maturity, on December 1, 2020, either in whole or in part, in such order as the City shall determine, on any date on or after December 1, 2020, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

On September 30, 2010, the City issued unvoted general obligation bonds, in the amount of \$9,570,000; \$1,010,000 to retire notes previously issued for roof repair and to purchase various equipment and a vehicle, \$1,376,250 for constructing, equipping, and furnishing a central garage building, \$3,085,287 for sewer improvements, and \$4,098,463 for storm water improvements. The bonds were issued for a twenty year period with final maturity in 2030. The bonds will be paid from the Bond Retirement debt service fund, the Sewer and Storm Water enterprise funds, and the Internal Service fund.

The bonds maturing on or after December 1, 2021, are subject to optional redemption prior to maturity, on December 1, 2020, either in whole or in part, in such order as the City shall determine, on any date on or after December 1, 2020, at a redemption price equal 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

On July 11, 2012, the City issued unvoted general obligation bonds, in the amount of \$11,235,000; \$9,400,000 to retire notes previously issued for sewer, landfill, and storm water improvements and construction of an Aquatic Center, \$120,000 for sewer and storm water improvements on Columbia Street, \$320,000 for sewer and storm water improvements on Oak Street, Milburn Avenue, and Meadow Street, \$45,000 for storm water improvements on Robinson Avenue, \$115,000 for sewer improvements on West Center Street, \$20,000 for improving Marion Plaza and Royal Oaks Subdivision, \$20,000 for Landfill improvements, \$365,000 additional proceeds for constructing an Aquatic Center, \$280,000 for sewer and storm water improvements on Latourette Street, \$275,000 for sewer and storm water improvements on Greenwood Street, and \$275,000 for sewer and storm water improvements on Orchard Street. The bonds were issued for a twenty year period with final maturity in 2033. The bonds will be paid from the from the Sewer, Landfill, Storm Water, and Aquatic Center enterprise funds.

As of December 31, 2019, all of the proceeds had been spent and \$827,731 was spent on items which were not capitalized.

The bonds maturing on December 1, 2030, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

<u>Year</u>	<u>Amount</u>
2028	\$870,000
2029	905,000

The remaining principal, in the amount of \$945,000, will be paid at stated maturity on December 1, 2030.

The bonds maturing on December 1, 2033, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

<u>Year</u>	<u>Amount</u>
2031	\$970,000
2032	1,105,000

The remaining principal, in the amount of \$1,055,000, will be paid at stated maturity on December 1, 2033.

On September 5, 2018, the City issued unvoted general obligation bonds, in the amount of \$7,485,000, to retire notes previously issued for City Hall improvements, the purchase of an EMS vehicle, and sewer and storm water improvements. The bonds were issued for a twenty year period with final maturity in 2038. The bonds will be retired through the Bond Retirement debt service fund and the Sewer and Storm Water enterprise funds.

As of December 31, 2019, all of the proceeds had been spent and \$903,036 was spent on items which were not capitalized.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

The bonds maturing on or after December 1, 2029, are subject to optional redemption prior to maturity, on December 1, 2028, either in whole or in part, in such order as the City shall determine, on any date on or after December 1, 2028, at a redemption price equal 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

Net Pension/OPEB Liability - There is no repayment schedule for the net pension/OPEB liability; however, employer pension contributions are made from the General Fund; the Street Construction, Maintenance, and Repair, Police, Dispatch, and Fire Income Tax, Senior Citizens, Municipal Court Docket Specialist, MMC Assistance, Community Corrections, Probation Services, Adult Drug Court, ADAMH Grant, and Marion Area Transit special revenue funds; the Sewer, Sanitation, Storm Water, and Aquatics Center enterprise funds; and the Central Garage internal service fund.

Compensated Absences - The compensated absences liability will be paid from the fund from which the employees' salaries are paid. These funds include the General Fund; the Street Construction, Maintenance, and Repair, Police, Dispatch, and Fire Income Tax, Senior Citizens, MMC Assistance, Community Corrections, Probation Services, and Marion Area Transit special revenue funds; the Sewer, Sanitation, Storm Water, and Aquatics Center enterprise funds; and the Central Garage internal service fund.

Capital Leases Payable - Capital lease obligations will be paid from the fund that maintains custody of the related asset.

OWDA Loans

OWDA loans from direct borrowings consist of money owed to the Ohio Water Development Authority for the preservation of Edison Woods and wastewater treatment plant improvements. OWDA loans will be paid from the Sewer enterprise fund.

In the event of default on the loans, (1) the amount of the default shall bear interest at the default rate from the due date until the date of payment, (2) if any of the charges have not been paid within thirty days, in addition to the interest calculated at the default rate, a late charge of 1 percent on the amount of each default shall also be paid to OWDA, and (3) for each additional thirty days during which the charges remain unpaid, the City shall continue to pay an additional late charge of 1 percent on the amount of the default until such charges are paid.

OWDA monies spent on items which were not capitalized were \$923,171 in the Sewer enterprise fund.

OPWC Loans

OPWC loans from direct borrowings consist of money owed to the Ohio Public Works Commission for road improvements and for construction of sewer and storm water lines and related construction. OPWC loans will be paid from the Tax Incremental Financing capital projects fund and the Sewer and Storm Water enterprise funds.

In the event of default on the loans, (1) OPWC may apply late fees of 8 percent per year, (2) loans more than sixty days late will be turned over to the Attorney General's office for collection and, as provided by law, OPWC may require that the payment be taken from the City's share of the county undivided local government fund, and (3) the outstanding amount shall, at OPWC's option, become immediately due and payable.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

OWDA loans are payable solely from the gross revenues of the Sewer enterprise fund and enterprise fund OPWC loans are payable solely from the gross revenues of the Sewer and Storm Water enterprise funds after provisions for reasonable operating and maintenance expenses. Annual principal and interest payments on the loans are expected to require less than 100 percent of these net revenues. The total principal and interest remaining to be paid on the OWDA loans (on completed projects for which amortization schedules are available) are \$4,483,197 and \$118,416, respectively, and total principal to be paid on the OPWC loans (on completed projects for which amortization schedules are available) is \$1,965,163. Principal and interest paid in the Sewer enterprise fund for the current year was \$1,673,356 and \$44,478 in the Storm Water enterprise fund. Total net revenues for the Sewer enterprise fund was \$3,078,746 and \$1,797,971 in the Storm Water enterprise fund. The OWDA loans are payable through 2022 and the OPWC loans are payable through 2049.

The City's legal debt margin was \$37,726,064 at December 31, 2019.

Principal and interest requirements to retire governmental activities long-term obligations outstanding at December 31, 2019, were as follows:

Year	Governmental Activities		OPWC Loan from Direct Borrowings
	Principal	Interest	
2020	\$373,550	\$118,041	\$3,205
2021	222,750	105,596	9,616
2022	231,400	97,211	6,411
2023	233,850	88,481	0
2024	241,250	79,564	0
2025-2029	1,362,100	248,155	0
2030-2034	343,050	30,193	0
2035-2037	50,000	4,200	0
	\$3,057,950	\$771,441	\$19,232

The OWDA loan #7912/8542 WPC Treatment Enhancement and OPWC loans #CP14V Farming Street Sanitary Sewer and Storm Water Replacement and #CP18W Uhler Avenue Sanitary Sewer and Storm Water Replacement have not been completed. An amortization schedule for the repayment of these loans will not be available until the project is completed and, therefore, are not included in the following schedule. Lines of credit with OWDA and OPWC have been established for these projects which are not yet completed, in the amount of \$30,900,586 for OWDA and \$525,000 for OPWC.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2019, from the enterprise funds were as follows:

Year	Business-Type Activities				OPWC Loans from Direct Borrowings
	General Obligation Bonds		OWDA Loans from Direct Borrowings		
	Principal	Interest	Principal	Interest	
2020	\$1,276,450	\$905,853	\$1,472,123	\$61,748	\$70,414
2021	1,397,250	863,884	1,494,288	39,583	211,227
2022	1,448,600	818,817	1,516,786	17,085	137,832
2023	1,506,150	771,063	0	0	134,860
2024	1,543,750	719,953	0	0	94,639
2025-2029	8,672,900	2,716,144	0	0	333,503
2030-2034	6,561,950	1,037,968	0	0	295,093
2035-2039	1,835,000	186,800	0	0	279,257
2040-2044	0	0	0	0	260,548
2045-2049	0	0	0	0	147,790
	\$24,242,050	\$8,020,482	\$4,483,197	\$118,416	\$1,965,163

NOTE 18 - CAPITAL LEASES - LESSEE DISCLOSURE

The City has entered into a capitalized lease for vehicles. Principal payments in 2019 were \$64,264 for governmental activities.

	Governmental Activities
Vehicles	\$589,671
Less Accumulated Depreciation	(54,706)
Carrying Value, December 31, 2019	\$534,965

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 18 - CAPITAL LEASES - LESSEE DISCLOSURE (continued)

The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the minimum lease payments as of December 31, 2019.

Year	Governmental Activities	
	Principal	Interest
2020	\$68,082	\$21,159
2021	72,131	17,110
2022	18,677	12,815
2023	19,508	11,984
2024	20,376	11,116
2025-2029	116,317	41,143
2030-2033	113,112	12,857
Total	\$428,203	\$128,184

NOTE 19 - LANDFILL POSTCLOSURE COSTS

State and federal laws and regulations require the City to perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. The City stopped accepting waste at its landfill in 1995. The \$1,015,714 reported as landfill postclosure costs at December 31, 2019, represents the estimated costs of maintenance and monitoring through 2025. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The December 31, 2019, liability decreased from the prior year by \$143,777 due to a change in the estimate of postclosure costs.

The City is required by state and federal laws and regulations to provide assurances that financial resources will be available to provide for postclosure care and remediation or containment of environmental hazards at the landfill. The City has passed the financial accountability test proving the ability to self-fund these future costs.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 20 - FUND BALANCE

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

Fund Balance	General	Street Construction, Maintenance, and Repair	Police, Dispatch, and Fire Income Tax	Other Governmental
Nonspendable for:				
Materials and Supplies Inventory	\$26,856	\$68,721	\$1,602	\$105
Prepaid Items	24,621	7,555	36,307	5,258
Total Nonspendable	51,477	76,276	37,909	5,363
Restricted for:				
Airport Improvements	0	0	0	8,138
Court Operations	0	0	0	1,200,678
Economic Development and Rehabilitation	0	0	0	526,228
Permanent Improvements	0	0	0	2,475,118
Police and Fire Operations	0	0	1,343,859	73,471
Railroad Crossing Improvements	0	0	0	64,125
Senior Citizen Activities	0	0	0	369,886
Street Maintenance and Construction	0	318,255	0	656,805
Youth Activities	0	0	0	1,634
Total Restricted	0	318,255	1,343,859	5,376,083
Committed for:				
Termination Benefits	1,762	0	0	0
Assigned for:				
Airport Improvements	155,425	0	0	0
Projected Budget Shortage	754,914	0	0	0
Recreation	50,438	0	0	0
Softball Field Improvements	12,565	0	0	0
Underground Storage Tank	11,000	0	0	0
Wellness	18,943	0	0	0
Total Assigned	1,003,285	0	0	0
Unassigned (Deficit)	2,762,699	0	0	(6,891)
Total Fund Balance	\$3,819,223	\$394,531	\$1,381,768	\$5,374,555

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 21 - INTERNAL BALANCES AND TRANSFERS

The City uses an internal proportionate share to allocate its net pension/OPEB liability (asset) and corresponding deferred outflows/inflows of resources and pension/OPEB expense to its various funds. This allocation creates a change in internal proportionate share. The effects of the internal proportionate share are eliminated from the pension/OPEB deferred outflows/inflows of resources in the governmental and business-type activities columns of the statement of net position except for any net residual amounts between governmental and business-type activities. These residual amounts are eliminated in the total column of the government-wide statement of net position thus allowing the total column to present the change in proportionate share for the City as a whole.

Eliminations made in the total column of the government-wide statement of net position include deferred outflows of resources - pension for the governmental activities and deferred inflows of resources - pension for the business-type activities, in the amount of \$114,670.

Eliminations made in the business-type activities column related to pension include deferred outflows of resources and deferred inflows of resources, in the amount of \$101,565.

Balances related to the internal proportionate share for pension at December 31, 2019, were as follows.

	Deferred Outflows	Deferred Inflows
Governmental Activities		
Governmental Activities	\$93,546	\$21,226
Business-Type Activities		
Sewer	109,784	106,451
Sanitation	9,710	2,046
Storm Water	2,131	58,023
Aquatics Center	1,064	28,489
Total Business-Type Activities	122,689	195,009
Total	\$216,235	\$216,235

Eliminations made in the total column of the government-wide statement of net position include deferred outflows of resources - OPEB for the governmental activities and deferred inflows of resources - OPEB for the business-type activities, in the amount of \$73,669.

Eliminations made in the business-type activities column related to OPEB include deferred outflows of resources and deferred inflows of resources, in the amount of \$66,069.

City of Marion
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 21 - INTERNAL BALANCES AND TRANSFERS (continued)

Balances related to the internal proportionate share for OPEB at December 31, 2019, were as follows.

	Deferred Outflows	Deferred Inflows
Governmental Activities		
Governmental Activities	\$59,091	\$14,578
Business-Type Activities		
Sewer	73,452	66,286
Sanitation	5,535	1,284
Storm Water	1,107	38,394
Aquatics Center	553	19,196
Total Business-Type Activities	80,647	125,160
Total	\$139,738	\$139,738

During 2019, the General Fund made transfers to the Street Construction, Maintenance, and Repair, and Police, Dispatch, and Fire Income Tax special revenue funds and other governmental funds, in the amount of \$860,184, \$5,934,600, and \$357,094, respectively, to subsidize operations in those funds.

Other governmental funds made transfers to other governmental funds, in the amount of \$317,170, to make debt payments as they come due.

The Sewer and Storm Water enterprise funds made transfers to other governmental funds, in the amount of \$3,205 and \$3,205, respectively, to make debt payments as they come due.

NOTE 22 - INSURANCE POOLS

A. Ohio Municipal Joint Self-Insurance Pool

The Ohio Municipal Joint Self-Insurance Pool, a risk-sharing pool, was established in 1987 to provide property and liability insurance coverage to its member municipalities. The Pool's objectives are to formulate, develop, and administer a program of insurance, to obtain lower costs for that coverage, and to develop a comprehensive loss control program on behalf of its member municipalities. The Pool is governed by a Board of Trustees elected from its membership. Each member has one vote on all issues addressed by the Board of Trustees. Participation in the pool is limited to Ohio municipalities and is by written application subject to the terms of the pool agreement. A member may withdraw its membership in the Pool at the end of any coverage period upon sixty days written notice to the Pool. Members who terminate participation in the Pool are subject to a supplemental assessment or a refund, at the discretion of the Board of Trustees, depending on the ultimate loss experience of its members for the coverage period. Financial information for the Pool may be obtained from the Ohio Municipal Joint Self-Insurance Pool, 1340 Depot Street, Cleveland, Ohio 44118.

NOTE 22 - INSURANCE POOLS (continued)

B. Ohio Rural Water Association Workers' Compensation Group Rating Plan

The City participates in a group rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The Ohio Rural Water Association Workers' Compensation Group Rating Plan is an insurance purchasing pool. A group executive committee is responsible for calculating annual rate contributions and rebates, approving the selection of a third party administrator, reviewing and approving proposed third party fees, fees for risk management services and general management fees, determining ongoing eligibility of each participant, and performing any other acts and functions which may be delegated to it by the participating members. Financial information may be obtained from the Ohio Rural Water Association Workers' Compensation Group Rating Plan, 975 Linden Avenue, Zanesville, Ohio 43701.

NOTE 23 - JOINTLY GOVERNED ORGANIZATIONS

A. Marion County General Health District

The City participates in the Marion County General Health District, a jointly governed organization created according to the provisions of Ohio Revised Code Section 3709.07. The General Health District is governed by a Board of Health consisting of three members representing the City of Marion and appointed by the Mayor, three members representing Marion County and appointed by the District Advisory Council, and one member appointed by the Health District Licensing Council. Each participant's ability to influence the operations of the Health District is limited to its representation on the Board. For 2019, the City contributed \$338,919 to the Marion County General Health District. Financial information can be obtained from the Marion County Auditor, 222 West Center Street, Marion, Ohio 43302.

B. Marion Port Authority

The Marion Port Authority is a jointly governed organization between Marion County and the City of Marion. The Port Authority may acquire, purchase, construct, reconstruct, enlarge, furnish, equip, maintain, repair, sell, exchange, lease or rent to or from, operate, manage, or contract for the operation of management of the port authority facilities as defined in the Ohio Revised Code. The Port Authority is governed by a five member board of directors consisting of two members appointed by the Marion County Commissioners, two members appointed by the City of Marion, and one joint appointee. Each participant's ability to influence the operations of the Port Authority is limited to its representation on the board. Financial information can be obtained from the Marion Port Authority, 205 West Center Street, Marion, Ohio 43302.

NOTE 23 - JOINTLY GOVERNED ORGANIZATIONS (continued)

C. Marion Energy Special Improvement District

The City participates in the Marion Energy Special Improvement District, Inc. (ESID), a 501(c)(3) not-for-profit corporation established under Chapter 1710 of the Ohio Revised Code. The ESID was created to encourage property owners to undertake special energy improvement projects. The ESID is governed by at least three representatives of one or more property owners who have voluntarily included their properties in the ESID, one representative appointed by the City Council, and one representative appointed by the Mayor. Financial information can be obtained from the Marion Energy Special Improvement District, 233 West Center Street, Marion, Ohio 43302.

NOTE 24 - CONTINGENT LIABILITIES

A. Litigation

The City of Marion is a party to several legal proceedings seeking damages or injunctive relief generally incidental to its operations and pending projects. The City 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.

B. Federal and State Grants

For the period January 1, 2019, to December 31, 2019, the City received state and federal grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowances, if any, would be immaterial.

NOTE 25 - SUBSEQUENT EVENT

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods for the City. The City's investment portfolio and the investments of the pension and other employee benefit plans in which the City participates fluctuate with market conditions, and due to market volatility, the amount of gains or losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact of the City's future operating costs, revenues, and the amount of any recovery from emergency funding, either federal or state, cannot be estimated.

City of Marion
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the Net Pension Liability
 Ohio Public Employees Retirement System - Traditional
 Last Six Years (1)

	2019	2018	2017	2016
City's Proportion of the Net Pension Liability	0.05575500%	0.05490600%	0.05530600%	0.05679900%
City's Proportionate Share of the Net Pension Liability	\$15,270,166	\$8,613,687	\$12,559,051	\$9,838,302
City's Covered Payroll	\$7,530,636	\$7,255,854	\$7,138,608	\$7,060,707
City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	202.77%	118.71%	175.93%	139.34%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.70%	84.66%	77.25%	81.08%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

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

See Accompanying Notes to the Required Supplementary Information

2015	2014
0.05233800%	0.05233800%
\$6,312,547	\$6,169,968
\$6,416,733	\$6,289,238
98.38%	98.10%
86.45%	86.36%

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City of Marion
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the Net Pension Asset
 Ohio Public Employees Retirement System - Combined
 Last Two Years (1)

	2019	2018
City's Proportion of the Net Pension Asset	0.03393100%	0.03145600%
City's Proportionate Share of the Net Pension Asset	\$37,942	\$42,822
City's Covered Payroll	\$145,121	\$128,831
City's Proportionate Share of the Net Pension Asset as a Percentage of Covered Payroll	-26.15%	-33.24%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	126.64%	137.28%

(1) Amounts for the combined plan are not presented prior to 2018 as the City's participation in this plan was considered immaterial in previous years.

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

See Accompanying Notes to the Required Supplementary Information

City of Marion
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the Net Pension Liability
 Ohio Police and Fire Pension Fund
 Last Six Years (1)

	2019	2018	2017	2016
City's Proportion of the Net Pension Liability	0.32605000%	0.32692100%	0.32190500%	0.31309600%
City's Proportionate Share of the Net Pension Liability	\$26,614,295	\$20,064,617	\$20,389,140	\$20,141,685
City's Covered Payroll	\$7,367,840	\$7,136,374	\$6,901,362	\$6,287,176
City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	361.22%	281.16%	295.44%	320.36%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.07%	70.91%	68.36%	66.77%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

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

See Accompanying Notes to the Required Supplementary Information

<u>2015</u>	<u>2014</u>
0.29544000%	0.29544000%
\$15,305,024	\$14,388,855
\$5,814,402	\$5,699,689
263.23%	252.45%
71.71%	73.00%

City of Marion
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the Net OPEB Liability
 Ohio Public Employees Retirement System
 Last Three Years (1)

	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.05387000%	0.05311000%	0.05347000%
City's Proportionate Share of the Net OPEB Liability	\$7,023,374	\$5,767,355	\$5,400,652
City's Covered Payroll	\$7,813,707	\$7,522,735	\$7,378,233
City's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	89.89%	76.67%	73.20%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.33%	54.14%	54.04%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

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

See Accompanying Notes to the Required Supplementary Information

City of Marion
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the Net OPEB Liability
 Ohio Police and Fire Pension Fund
 Last Three Years (1)

	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.32605000%	0.32692100%	0.32190500%
City's Proportionate Share of the Net OPEB Liability	\$2,969,185	\$18,522,886	\$15,280,106
City's Covered Payroll	\$7,367,840	\$7,136,374	\$6,901,362
City's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	40.30%	259.56%	221.41%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.57%	14.13%	15.96%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

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

See Accompanying Notes to the Required Supplementary Information

City of Marion
Required Supplementary Information
Schedule of the City's Contributions
Ohio Public Employees Retirement System
Last Seven Years (1) (2)

	2019	2018	2017	2016
Net Pension Liability - Traditional Plan				
Contractually Required Contribution	\$1,092,982	\$1,054,289	\$943,261	\$856,633
Contributions in Relation to the Contractually Required Contribution	<u>(1,092,982)</u>	<u>(1,054,289)</u>	<u>(943,261)</u>	<u>(856,633)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$7,807,014	\$7,530,636	\$7,255,854	\$7,138,608
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>13.00%</u>	<u>12.00%</u>
Net Pension Asset - Combined Plan				
Contractually Required Contribution	\$27,284	\$20,317	\$16,748	\$12,441
Contributions in Relation to the Contractually Required Contribution	<u>(27,284)</u>	<u>(20,317)</u>	<u>(16,748)</u>	<u>(12,441)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$194,886	\$145,121	\$128,831	\$103,675
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>13.00%</u>	<u>12.00%</u>
Net OPEB Liability - OPEB Plan (2)				
Contractually Required Contribution	\$8,119	\$5,518	\$79,369	\$150,284
Contributions in Relation to the Contractually Required Contribution	<u>(8,119)</u>	<u>(5,518)</u>	<u>(79,369)</u>	<u>(150,284)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (3)	\$8,204,875	\$7,813,707	\$7,522,735	\$7,378,233
OPEB Contributions as a Percentage of Covered Payroll	<u>0.04%</u>	<u>0.04%</u>	<u>1.02%</u>	<u>2.04%</u>

(1) Information prior to 2013 is not available.

(2) Beginning in 2016, OPERS used one trust as the funding vehicle for all health care plans; therefore, information prior to 2016 is not presented.

(3) The OPEB plan includes the members from the traditional plan, the combined plan, and the member directed plan. The member directed pension plan is a defined contribution pension plan; therefore, the pension side is not included above.

See Accompanying Notes to the Required Supplementary Information

<u>2015</u>	<u>2014</u>	<u>2013</u>
\$847,285	\$770,008	\$817,601
<u>(847,285)</u>	<u>(770,008)</u>	<u>(817,601)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$7,060,707	\$6,416,733	\$6,289,238
<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>
\$13,243	\$9,490	\$16,907
<u>(13,243)</u>	<u>(9,490)</u>	<u>(16,907)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$110,358	\$79,083	\$130,054
<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>

City of Marion
 Required Supplementary Information
 Schedule of the City's Contributions
 Ohio Police and Fire Pension Fund
 Last Ten Years

	2019	2018	2017	2016
Net Pension Liability				
Contractually Required Contribution	\$1,640,371	\$1,555,451	\$1,509,035	\$1,456,886
Contributions in Relation to the Contractually Required Contribution	<u>(1,640,371)</u>	<u>(1,555,451)</u>	<u>(1,509,035)</u>	<u>(1,456,886)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$7,775,799	\$7,367,840	\$7,136,374	\$6,901,362
Contributions as a Percentage of Covered Payroll	21.10%	21.11%	21.15%	21.11%
Net OPEB Liability				
Contractually Required Contribution	\$38,879	\$36,840	\$35,682	\$34,507
Contributions in Relation to the Contractually Required Contribution	<u>(38,879)</u>	<u>(36,840)</u>	<u>(35,682)</u>	<u>(34,507)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$7,775,799	\$7,367,840	\$7,136,374	\$6,901,362
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%

Note: The City's Covered payroll is the same for pension and OPEB.

See Accompanying Notes to the Required Supplementary Information

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$1,335,461	\$1,236,397	\$1,031,887	\$828,535	\$965,813	\$1,054,068
<u>(1,335,461)</u>	<u>(1,236,397)</u>	<u>(1,031,887)</u>	<u>(828,535)</u>	<u>(965,813)</u>	<u>(1,054,068)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$6,287,176	\$5,814,402	\$5,699,689	\$5,496,253	\$6,487,763	\$7,080,192
21.24%	21.26%	18.10%	15.07%	14.89%	14.89%
\$31,436	\$29,072	\$206,139	\$370,997	\$437,924	\$477,913
<u>(31,436)</u>	<u>(29,072)</u>	<u>(206,139)</u>	<u>(370,997)</u>	<u>(437,924)</u>	<u>(477,913)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$6,287,176	\$5,814,402	\$5,699,689	\$5,496,253	\$6,487,763	\$7,080,192
0.50%	0.50%	3.62%	6.75%	6.75%	6.75%

City of Marion
Notes to the Required Supplementary Information
For the Year Ended December 31, 2019

Changes in Assumptions - OPERS Pension - Traditional Plan

Amounts reported beginning in 2019 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2017 and in 2016 and prior are presented below.

	<u>2019</u>	<u>2017</u>	<u>2016 and Prior</u>
Wage Inflation	3.25 percent	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA			
Pre-January 7, 2013	3 percent simple	3 percent simple	3 percent simple
Post-January 7, 2013	3 percent simple through 2018, then 2.15 percent simple	3 percent simple through 2018, then 2.15 percent simple	3 percent simple through 2018, then 2.8 percent simple
Investment Rate of Return	7.2 percent	7.5 percent	8 percent
Actuarial Cost Method	individual entry age	individual entry age	individual entry age

Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant Mortality Table. For males, healthy annuitant mortality tables were used adjusted for mortality improvements 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 Table adjusted for mortality improvements back to the observation period 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 were determined by applying the MP-2015 Mortality Improvement Scale to the above described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected twenty years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 Mortality Table with no projections. For males, 120 percent of the disabled female mortality rates were used, set forward two years. For females, 100 percent of the disabled female mortality rates were used.

Changes in Assumptions - OPERS Pension - Combined Plan

For 2019, the investment rate changed from 7.5 percent to 7.2 percent.

City of Marion
Notes to the Required Supplementary Information
For the Year Ended December 31, 2019

Changes in Assumptions - OPF Pension

Amounts reported beginning in 2018 incorporate changes in assumptions used by OPF in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2017 and prior are presented below.

	2018	2017 and Prior
Valuation Date	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017	January 1, 2016, with actuarial liabilities rolled forward to December 31, 2016
Actuarial Cost Method	individual entry age	individual entry age
Investment Rate of Return	8 percent	8.25 percent
Projected Salary Increases	3.75 percent to 10.5 percent	4.25 percent to 11 percent
Payroll Growth	inflation rate of 2.75 percent plus productivity increase rate of .5 percent	inflation rate of 3.25 percent plus productivity increase rate of .5 percent
Cost of Living Adjustments	3 percent simple; 2.2 percent simple for increase based on the lesser of the increase in CPI and 3 percent	3 percent simple; 2.6 percent simple for increase based on the lesser of the increase in CPI and 3 percent

Amounts reported beginning in 2018 use valuation, mortality for nondisabled participants was 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 Buck/Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

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

Amounts reported beginning in 2018 use valuation, mortality for disabled participants was 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 Buck/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

Amounts reported for 2017 and prior use valuation, rates of death were based on the RP-2000 Combined Table age adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis with a base year of 2009 using Mortality Improvement Scale AA.

City of Marion
Notes to the Required Supplementary Information
For the Year Ended December 31, 2019

Changes in Assumptions - OPERS OPEB

For 2019, the single discount rate changed from 3.85 percent to 3.96 percent and the municipal bond rate changed from 3.31 percent to 3.71 percent. For 2019, the health care cost trend rate was 10 percent initial, 3.25 percent ultimate in 2029.

For 2018, the single discount rate changed from 4.23 percent to 3.85 percent. For 2018, the health care cost trend rate was 7.25 percent initial, 3.25 percent ultimate in 2028.

Changes in Assumptions - OPF OPEB

For 2019, the single discount rate changed from 3.24 percent to 4.66 percent.

For 2018, the single discount rate changed from 3.79 percent to 3.24 percent.

Changes in Benefit Terms - OPF OPEB

For 2019, OPF recognized a change in benefit terms. Under this new model, OPF provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. This new model replaced the self-insured health care plan used in prior years.

**COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**

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Nonmajor Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes, other than for debt service or capital projects. Following is a description of the City's nonmajor special revenue funds:

Insurance Proceeds

To account for insurance proceeds from structures destroyed by fires restricted to assure the property is appropriately remediated. When properly remediated by the property owner, the insurance proceeds are released to the property owner; otherwise, the resources are used by the City to remediate the property. This fund is not included in the entity for which the appropriated budget is adopted; therefore, no budgetary statement is presented.

Senior Citizens

To account for federal and state grants, membership dues, and donations restricted to providing assistance to and activities for senior citizens.

Municipal Court Docket Specialist

To account for grants received from the Marion County Family Court and other resources restricted for the salary of a specialized docket court specialist.

Municipal Motor Vehicle License

To account for permissive motor vehicle registration fees levied by the City and restricted for maintenance of streets within the City.

State Highway

To account for seven and one-half (7.5%) of the state gasoline tax and motor vehicle registration fees restricted for maintenance of state highways within the City.

MMC Assistance

To account for fines collected by the municipal court and other resources restricted to subsidizing probation services.

Court Computerization

To account for fines collected by the municipal court restricted to subsidizing computer related costs for the court.

Police Continuing Training

To account for grants received from the Ohio Attorney General's office restricted for mandatory police training.

Community Corrections

To account for a state grant and other resources restricted to funding probation services for the municipal court. Resources can be used to pay for salaries, benefits, and operational needs of the court.

(continued)

**Nonmajor Special Revenue Funds
(continued)**

Indigent Alcohol Monitoring

To account for fines restricted to paying the cost of treating, at a certified alcohol and drug addiction program, persons convicted of a related violation or municipal ordinance.

Probation Services

To account for fines collected by the clerk of courts restricted for the purchase of equipment, purchase of services, reconciliation programs for offenders and victims, and other treatment programs including alcohol and drug addiction programs.

Enforcement and Education

To account for fines and forfeitures charged for driving under the influence arrests. Resources are restricted to educating the public on laws governing the operation of a motor vehicle while under the influence of alcohol.

Indigent Alcohol Driver

To account for fines and other resources restricted to paying for DUI classes offered through the court.

Railroad Grade Crossing Improvement

To account for fines levied against railroad companies restricted to maintaining railroad crossings and lights.

Special Project Treatment Court

To account for fines charged by the municipal court restricted for special projects within the court.

Police and Fire Pension

To account for property taxes levied and restricted for the payment of the employer pension contribution.

Marion Land Bank Program

To account for sale proceeds from formerly delinquent lands restricted for rehabilitating non-productive properties.

Adult Drug Court

To account for grants received from the U.S. Department of Justice restricted for the implementation and enhancement of a local drug court.

ADAMH Grant

To account for grants received from the Marion-Crawford Mental Health Board restricted for the purchase of supplies and equipment for the probation department.

(continued)

**Nonmajor Special Revenue Funds
(continued)**

Revolving Loans

To account for revolving loan payments restricted to providing loans to qualified local businesses and for related costs.

Marion Area Transit

To account for grants and charges for services restricted for operating the City's transit system.

Youth Recreation

To account for donations restricted to pay for fees associated with youth programs.

Law Enforcement

To account for donations restricted for the benefit of the police department.

Nonmajor Debt Service Funds

Debt service funds are used to account for resources that are restricted, committed, or assigned to expenditure for debt principal, interest, and related costs.

Bond Retirement

To account for resources that are assigned for the payment of debt principal, interest, and debt related costs.

Harding Center Loan

To account for loan repayments committed to debt issued for the Harding Center.

Nonmajor Capital Projects Funds

Capital projects funds are used to account for resources that are restricted, committed, or assigned for the acquisition or construction of major capital facilities and other capital assets (other than those financed by the enterprise funds.)

Critical Infrastructure Grant

To account for grants restricted to rehabilitating one of the City's fire stations.

CDBG

To account for grants restricted under the Community Development Block Grant Program.

Tax Incremental Financing

To account for payment in lieu of taxes restricted for public infrastructure improvements.

(continued)

**Nonmajor Capital Projects Funds
(continued)**

Capital Improvements

To account for a voted .05 percent income tax levy and other resources restricted for capital improvements.

Quarry Park

To account for grants restricted to purchasing and maintaining Quarry Park along Kellogg Parkway.

Busby Downtown Park

To account for grants restricted to purchasing land and completing a downtown park.

Airport Improvement

To account for federal and state grants, along with a local match restricted to rehabilitating or lengthening runways, lights, hangers, or other improvements at the airport.

City of Marion
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$2,593,935	\$2,580,602	\$5,174,537
Due from Other Governments	654,781	0	654,781
Municipal Income Taxes Receivable	0	64,615	64,615
Other Local Taxes Receivable	22,984	0	22,984
Interfund Receivable	105	0	105
Prepaid Items	5,258	0	5,258
Materials and Supplies Inventory	105	0	105
Property Taxes Receivable	256,003	0	256,003
Payment in Lieu of Taxes Receivable	0	343,904	343,904
Notes Receivable	426,234	0	426,234
Total Assets	<u>\$3,959,405</u>	<u>\$2,989,121</u>	<u>\$6,948,526</u>
<u>Liabilities</u>			
Accrued Wages Payable	\$25,721	\$0	\$25,721
Accounts Payable	12,381	42,569	54,950
Contracts Payable	128,095	79,552	207,647
Due to Other Governments	18,288	0	18,288
Interfund Payable	59,996	0	59,996
Unearned Revenue	77,228	0	77,228
Total Liabilities	<u>321,709</u>	<u>122,121</u>	<u>443,830</u>
<u>Deferred Inflows of Resources</u>			
Property Taxes	190,207	0	190,207
Payment in Lieu of Taxes	0	343,904	343,904
Unavailable Revenue	557,874	38,156	596,030
Total Deferred Inflows of Resources	<u>748,081</u>	<u>382,060</u>	<u>1,130,141</u>
<u>Fund Balance</u>			
Nonspendable	5,363	0	5,363
Restricted	2,891,143	2,484,940	5,376,083
Committed	0	0	0
Unassigned (Deficit)	(6,891)	0	(6,891)
Total Fund Balance	<u>2,889,615</u>	<u>2,484,940</u>	<u>5,374,555</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$3,959,405</u>	<u>\$2,989,121</u>	<u>\$6,948,526</u>

City of Marion
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2019

	Insurance Proceeds	Senior Citizens	Municipal Court Docket Specialist	Municipal Motor Vehicle License
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$77,228	\$372,703	\$1,114	\$517,463
Due from Other Governments	0	9,896	70,000	0
Other Local Taxes Receivable	0	0	0	22,984
Interfund Receivable	0	0	0	0
Prepaid Items	0	202	98	0
Materials and Supplies Inventory	0	0	0	0
Property Taxes Receivable	0	0	0	0
Notes Receivable	0	0	0	0
Total Assets	\$77,228	\$382,801	\$71,212	\$540,447
<u>Liabilities</u>				
Accrued Wages Payable	\$0	\$2,162	\$1,380	\$0
Accounts Payable	0	210	0	0
Contracts Payable	0	0	0	35,000
Due to Other Governments	0	1,505	867	0
Interfund Payable	0	8,836	0	0
Unearned Revenue	77,228	0	0	0
Total Liabilities	77,228	12,713	2,247	35,000
<u>Deferred Inflows of Resources</u>				
Property Taxes	0	0	0	0
Unavailable Revenue	0	0	70,000	0
Total Deferred Inflows of Resources	0	0	70,000	0
<u>Fund Balance</u>				
Nonspendable	0	202	98	0
Restricted	0	369,886	0	505,447
Unassigned (Deficit)	0	0	(1,133)	0
Total Fund Balance (Deficit)	0	370,088	(1,035)	505,447
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$77,228	\$382,801	\$71,212	\$540,447

State Highway	MMC Assistance	Court Computerization	Community Corrections	Indigent Alcohol Monitoring	Probation Services
\$182,476	\$225,287	\$328,083	\$16,913	\$113,345	\$134,483
108,080	0	0	356,708	1,594	0
0	0	0	0	0	0
0	0	0	0	0	0
0	122	0	446	0	164
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$290,556</u>	<u>\$225,409</u>	<u>\$328,083</u>	<u>\$374,067</u>	<u>\$114,939</u>	<u>\$134,647</u>
\$0	\$2,270	\$0	\$6,249	\$0	\$2,120
8,100	1,627	0	0	440	560
93,095	0	0	0	0	0
0	1,434	0	3,941	0	1,491
0	0	0	0	0	105
0	0	0	0	0	0
<u>101,195</u>	<u>5,331</u>	<u>0</u>	<u>10,190</u>	<u>440</u>	<u>4,276</u>
0	0	0	0	0	0
<u>38,003</u>	<u>0</u>	<u>0</u>	<u>297,910</u>	<u>0</u>	<u>0</u>
<u>38,003</u>	<u>0</u>	<u>0</u>	<u>297,910</u>	<u>0</u>	<u>0</u>
0	122	0	446	0	164
151,358	219,956	328,083	65,521	114,499	130,207
0	0	0	0	0	0
<u>151,358</u>	<u>220,078</u>	<u>328,083</u>	<u>65,967</u>	<u>114,499</u>	<u>130,371</u>
<u>\$290,556</u>	<u>\$225,409</u>	<u>\$328,083</u>	<u>\$374,067</u>	<u>\$114,939</u>	<u>\$134,647</u>

(continued)

City of Marion
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2019
(continued)

	Enforcement and Education	Indigent Alcohol Driver	Railroad Grade Crossing Improvement	Special Project Treatment Court
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$20,711	\$256,201	\$64,125	\$42,201
Due from Other Governments	0	0	0	0
Other Local Taxes Receivable	0	0	0	0
Interfund Receivable	0	0	0	0
Prepaid Items	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
Property Taxes Receivable	0	0	0	0
Notes Receivable	0	0	0	0
Total Assets	<u>\$20,711</u>	<u>\$256,201</u>	<u>\$64,125</u>	<u>\$42,201</u>
<u>Liabilities</u>				
Accrued Wages Payable	\$0	\$0	\$0	\$0
Accounts Payable	0	0	0	0
Contracts Payable	0	0	0	0
Due to Other Governments	0	0	0	0
Interfund Payable	0	0	0	0
Unearned Revenue	0	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Deferred Inflows of Resources</u>				
Property Taxes	0	0	0	0
Unavailable Revenue	0	0	0	0
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Fund Balance</u>				
Nonspendable	0	0	0	0
Restricted	20,711	256,201	64,125	42,201
Unassigned (Deficit)	0	0	0	0
Total Fund Balance (Deficit)	<u>20,711</u>	<u>256,201</u>	<u>64,125</u>	<u>42,201</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$20,711</u>	<u>\$256,201</u>	<u>\$64,125</u>	<u>\$42,201</u>

<u>Police and Fire Pension</u>	<u>Marion Land Bank Program</u>	<u>Adult Drug Court</u>	<u>ADAMH Grant</u>	<u>Revolving Loans</u>	<u>Marion Area Transit</u>
\$5,828	\$24,761	\$4,775	\$41,681	\$73,549	\$42,300
15,200	0	20,709	0	0	72,594
0	0	0	0	0	0
0	0	0	0	0	105
0	0	136	13	0	4,077
0	0	0	0	0	105
256,003	0	0	0	0	0
0	0	0	0	426,234	0
<u>\$277,031</u>	<u>\$24,761</u>	<u>\$25,620</u>	<u>\$41,694</u>	<u>\$499,783</u>	<u>\$119,181</u>
\$0	\$0	\$1,345	\$603	\$0	\$9,592
0	0	0	0	0	1,302
0	0	0	0	0	0
0	0	839	368	0	7,843
0	0	20,000	0	0	31,055
0	0	0	0	0	0
0	0	22,184	971	0	49,792
190,207	0	0	0	0	0
80,996	0	0	0	0	70,965
271,203	0	0	0	0	70,965
0	0	136	13	0	4,182
5,828	24,761	3,300	40,710	499,783	0
0	0	0	0	0	(5,758)
5,828	24,761	3,436	40,723	499,783	(1,576)
<u>\$277,031</u>	<u>\$24,761</u>	<u>\$25,620</u>	<u>\$41,694</u>	<u>\$499,783</u>	<u>\$119,181</u>

(continued)

City of Marion
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2019
(continued)

	Youth Recreation	Law Enforcement	Total
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$1,634	\$47,074	\$2,593,935
Due from Other Governments	0	0	654,781
Other Local Taxes Receivable	0	0	22,984
Interfund Receivable	0	0	105
Prepaid Items	0	0	5,258
Materials and Supplies Inventory	0	0	105
Property Taxes Receivable	0	0	256,003
Notes Receivable	0	0	426,234
Total Assets	<u>\$1,634</u>	<u>\$47,074</u>	<u>\$3,959,405</u>
<u>Liabilities</u>			
Accrued Wages Payable	\$0	\$0	\$25,721
Accounts Payable	0	142	12,381
Contracts Payable	0	0	128,095
Due to Other Governments	0	0	18,288
Interfund Payable	0	0	59,996
Unearned Revenue	0	0	77,228
Total Liabilities	<u>0</u>	<u>142</u>	<u>321,709</u>
<u>Deferred Inflows of Resources</u>			
Property Taxes	0	0	190,207
Unavailable Revenue	0	0	557,874
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>748,081</u>
<u>Fund Balance</u>			
Nonspendable	0	0	5,363
Restricted	1,634	46,932	2,891,143
Unassigned (Deficit)	0	0	(6,891)
Total Fund Balance (Deficit)	<u>1,634</u>	<u>46,932</u>	<u>2,889,615</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$1,634</u>	<u>\$47,074</u>	<u>\$3,959,405</u>

City of Marion
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2019

	Critical Infrastructure Grant	CDBG	Tax Incremental Financing	Capital Improvements
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$1,700	\$94	\$2,380,629	\$109,489
Municipal Income Taxes Receivable	0	0	0	64,615
Payment in Lieu of Taxes Receivable	0	0	343,904	0
Total Assets	<u>\$1,700</u>	<u>\$94</u>	<u>\$2,724,533</u>	<u>\$174,104</u>
<u>Liabilities</u>				
Accounts Payable	\$110	\$0	\$0	\$41,459
Contracts Payable	0	0	0	0
Total Liabilities	<u>110</u>	<u>0</u>	<u>0</u>	<u>41,459</u>
<u>Deferred Inflows of Resources</u>				
Payment in Lieu of Taxes	0	0	343,904	0
Unavailable Revenue	0	0	0	38,156
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>343,904</u>	<u>38,156</u>
<u>Fund Balance</u>				
Restricted	<u>1,590</u>	<u>94</u>	<u>2,380,629</u>	<u>94,489</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$1,700</u>	<u>\$94</u>	<u>\$2,724,533</u>	<u>\$174,104</u>

(continued)

City of Marion
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2019
(continued)

	Airport Improvement	Total
<u>Assets</u>		
Equity in Pooled Cash and Cash Equivalents	\$88,690	\$2,580,602
Municipal Income Taxes Receivable	0	64,615
Payment in Lieu of Taxes Receivable	0	343,904
Total Assets	\$88,690	\$2,989,121
<u>Liabilities</u>		
Accounts Payable	\$1,000	\$42,569
Contracts Payable	79,552	79,552
Total Liabilities	80,552	122,121
<u>Deferred Inflows of Resources</u>		
Payment in Lieu of Taxes	0	343,904
Unavailable Revenue	0	38,156
Total Deferred Inflows of Resources	0	382,060
<u>Fund Balance</u>		
Restricted	8,138	2,484,940
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$88,690	\$2,989,121

City of Marion
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2019

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Revenues</u>				
Property Taxes	\$203,810	\$0	\$0	\$203,810
Payment in Lieu of Taxes	0	0	243,963	243,963
Municipal Income Taxes	0	0	429,282	429,282
Other Local Taxes	269,669	0	0	269,669
Charges for Services	98,035	0	125	98,160
Fines and Forfeitures	413,223	0	0	413,223
Intergovernmental	1,726,275	0	176,991	1,903,266
Interest	14,525	1,351	0	15,876
Other	129,987	0	3,728	133,715
Total Revenues	<u>2,855,524</u>	<u>1,351</u>	<u>854,089</u>	<u>3,710,964</u>
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	153,088	0	0	153,088
Fire	122,539	0	10,102	132,641
Leisure Time Activities	155,014	0	1,363	156,377
Community Environment	7,942	20,094	96,995	125,031
Transportation				
Transit	870,804	0	0	870,804
Other	935,014	0	336,739	1,271,753
General Government				
Court	884,570	0	0	884,570
Other	136,208	0	278,826	415,034
Debt Service:				
Principal Retirement	0	303,500	70,674	374,174
Interest and Fiscal Charges	0	101,444	24,976	126,420
Total Expenditures	<u>3,265,179</u>	<u>425,038</u>	<u>819,675</u>	<u>4,509,892</u>
Excess of Revenues Over (Under) Expenditures	<u>(409,655)</u>	<u>(423,687)</u>	<u>34,414</u>	<u>(798,928)</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	259,961	414,303	6,410	680,674
Transfers Out	0	0	(317,170)	(317,170)
Total Other Financing Sources (Uses)	<u>259,961</u>	<u>414,303</u>	<u>(310,760)</u>	<u>363,504</u>
Changes in Fund Balance	(149,694)	(9,384)	(276,346)	(435,424)
Fund Balance Beginning of Year	<u>3,039,309</u>	<u>9,384</u>	<u>2,761,286</u>	<u>5,809,979</u>
Fund Balance End of Year	<u>\$2,889,615</u>	<u>\$0</u>	<u>\$2,484,940</u>	<u>\$5,374,555</u>

City of Marion
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019

	Senior Citizens	Municipal Court Docket Specialist	Municipal Motor Vehicle License	State Highway
<u>Revenues</u>				
Property Taxes	\$0	\$0	\$0	\$0
Other Local Taxes	0	0	269,669	0
Charges for Services	0	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	167,989	70,000	0	517,247
Interest	231	0	0	231
Other	32,009	0	0	433
Total Revenues	200,229	70,000	269,669	517,911
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	0	0	0	0
Fire	0	0	0	0
Leisure Time Activities	151,205	0	0	0
Community Environment	0	0	0	0
Transportation				
Transit	0	0	0	0
Other	0	0	330,944	604,070
General Government				
Court	0	72,794	0	0
Other	0	0	0	0
Total Expenditures	151,205	72,794	330,944	604,070
Excess of Revenues Over (Under) Expenditures	49,024	(2,794)	(61,275)	(86,159)
<u>Other Financing Sources</u>				
Transfers In	0	1,165	0	0
Changes in Fund Balance	49,024	(1,629)	(61,275)	(86,159)
Fund Balance (Deficit) Beginning of Year	321,064	594	566,722	237,517
Fund Balance (Deficit) End of Year	\$370,088	(\$1,035)	\$505,447	\$151,358

MMC Assistance	Court Computerization	Police Continuing Training	Community Corrections	Indigent Alcohol Monitoring	Probation Services
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	0	0	0
144,247	87,929	0	0	9,118	142,656
0	0	0	235,191	12,339	0
0	0	0	0	0	0
1,993	0	0	12,598	0	0
<u>146,240</u>	<u>87,929</u>	<u>0</u>	<u>247,789</u>	<u>21,457</u>	<u>142,656</u>
0	0	3,813	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
195,391	112,628	0	371,700	759	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>136,208</u>
<u>195,391</u>	<u>112,628</u>	<u>3,813</u>	<u>371,700</u>	<u>759</u>	<u>136,208</u>
(49,151)	(24,699)	(3,813)	(123,911)	20,698	6,448
<u>0</u>	<u>0</u>	<u>0</u>	<u>133,000</u>	<u>0</u>	<u>0</u>
(49,151)	(24,699)	(3,813)	9,089	20,698	6,448
<u>269,229</u>	<u>352,782</u>	<u>3,813</u>	<u>56,878</u>	<u>93,801</u>	<u>123,923</u>
<u>\$220,078</u>	<u>\$328,083</u>	<u>\$0</u>	<u>\$65,967</u>	<u>\$114,499</u>	<u>\$130,371</u>

(continued)

City of Marion
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019
(continued)

	Enforcement and Education	Indigent Alcohol Driver	Railroad Grade Crossing Improvement	Special Project Treatment Court
<u>Revenues</u>				
Property Taxes	\$0	\$0	\$0	\$0
Other Local Taxes	0	0	0	0
Charges for Services	0	0	0	0
Fines and Forfeitures	7,482	15,135	0	6,656
Intergovernmental	0	9,692	0	0
Interest	0	0	0	0
Other	0	0	0	0
Total Revenues	<u>7,482</u>	<u>24,827</u>	<u>0</u>	<u>6,656</u>
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	0	0	0	0
Fire	0	0	0	0
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	0
Transportation				
Transit	0	0	0	0
Other	0	0	0	0
General Government				
Court	0	3,087	0	19,418
Other	0	0	0	0
Total Expenditures	<u>0</u>	<u>3,087</u>	<u>0</u>	<u>19,418</u>
Excess of Revenues Over (Under) Expenditures	7,482	21,740	0	(12,762)
<u>Other Financing Sources</u>				
Transfers In	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Changes in Fund Balance	7,482	21,740	0	(12,762)
Fund Balance (Deficit) Beginning of Year	<u>13,229</u>	<u>234,461</u>	<u>64,125</u>	<u>54,963</u>
Fund Balance (Deficit) End of Year	<u>\$20,711</u>	<u>\$256,201</u>	<u>\$64,125</u>	<u>\$42,201</u>

Police and Fire Pension	Marion Land Bank Program	Adult Drug Court	ADAMH Grant	Revolving Loans	Marion Area Transit
\$203,810	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	0	0	98,035
0	0	0	0	0	0
28,979	0	102,337	34,628	0	547,873
0	0	0	0	14,063	0
0	16,500	0	0	0	40,543
<u>232,789</u>	<u>16,500</u>	<u>102,337</u>	<u>34,628</u>	<u>14,063</u>	<u>686,451</u>
116,500	0	0	0	0	0
122,539	0	0	0	0	0
0	0	0	0	0	0
0	6,613	0	0	1,329	0
0	0	0	0	0	870,804
0	0	0	0	0	0
0	0	94,956	13,837	0	0
0	0	0	0	0	0
<u>239,039</u>	<u>6,613</u>	<u>94,956</u>	<u>13,837</u>	<u>1,329</u>	<u>870,804</u>
(6,250)	9,887	7,381	20,791	12,734	(184,353)
0	0	0	0	0	125,796
(6,250)	9,887	7,381	20,791	12,734	(58,557)
12,078	14,874	(3,945)	19,932	487,049	56,981
<u>\$5,828</u>	<u>\$24,761</u>	<u>\$3,436</u>	<u>\$40,723</u>	<u>\$499,783</u>	<u>(\$1,576)</u>

(continued)

City of Marion
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019
(continued)

	Youth Recreation	Law Enforcement	Total
<u>Revenues</u>			
Property Taxes	\$0	\$0	\$203,810
Other Local Taxes	0	0	269,669
Charges for Services	0	0	98,035
Fines and Forfeitures	0	0	413,223
Intergovernmental	0	0	1,726,275
Interest	0	0	14,525
Other	0	25,911	129,987
Total Revenues	0	25,911	2,855,524
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Police	0	32,775	153,088
Fire	0	0	122,539
Leisure Time Activities	3,809	0	155,014
Community Environment	0	0	7,942
Transportation			
Transit	0	0	870,804
Other	0	0	935,014
General Government			
Court	0	0	884,570
Other	0	0	136,208
Total Expenditures	3,809	32,775	3,265,179
Excess of Revenues Over (Under) Expenditures	(3,809)	(6,864)	(409,655)
<u>Other Financing Sources</u>			
Transfers In	0	0	259,961
Changes in Fund Balance	(3,809)	(6,864)	(149,694)
Fund Balance (Deficit) Beginning of Year	5,443	53,796	3,039,309
Fund Balance (Deficit) End of Year	\$1,634	\$46,932	\$2,889,615

City of Marion
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Nonmajor Debt Service Funds
For the Year Ended December 31, 2019

	<u>Bond Retirement</u>	<u>Harding Center Loan</u>	<u>Total</u>
<u>Revenues</u>			
Interest	\$0	\$1,351	\$1,351
<u>Expenditures</u>			
Current:			
Community Environment	0	20,094	20,094
Debt Service:			
Principal Retirement	303,500	0	303,500
Interest and Fiscal Charges	100,210	1,234	101,444
Total Expenditures	403,710	21,328	425,038
Excess of Revenues Under Expenditures	(403,710)	(19,977)	(423,687)
<u>Other Financing Sources</u>			
Transfers In	403,710	10,593	414,303
Changes in Fund Balance	0	(9,384)	(9,384)
Fund Balance Beginning of Year	0	9,384	9,384
Fund Balance End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Marion
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2019

	Critical Infrastructure Grant	CDBG	Tax Incremental Financing	Capital Improvements
<u>Revenues</u>				
Payment in Lieu of Taxes	\$0	\$0	\$243,963	\$0
Municipal Income Taxes	0	0	0	429,282
Charges for Services	125	0	0	0
Intergovernmental	11,567	96,260	0	18,503
Other	0	0	0	0
Total Revenues	<u>11,692</u>	<u>96,260</u>	<u>243,963</u>	<u>447,785</u>
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Fire	10,102	0	0	0
Leisure Time Activities	0	0	0	0
Community Environment	0	96,995	0	0
Transportation				
Other	0	0	33	0
General Government				
Other	0	0	0	278,826
Debt Service:				
Principal Retirement	0	0	6,410	64,264
Interest and Fiscal Charges	0	0	0	24,976
Total Expenditures	<u>10,102</u>	<u>96,995</u>	<u>6,443</u>	<u>368,066</u>
Excess of Revenues Over (Under) Expenditures	<u>1,590</u>	<u>(735)</u>	<u>237,520</u>	<u>79,719</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	0	0	6,410	0
Transfers Out	0	0	(110,734)	(206,436)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>(104,324)</u>	<u>(206,436)</u>
Changes in Fund Balance	1,590	(735)	133,196	(126,717)
Fund Balance Beginning of Year	<u>0</u>	<u>829</u>	<u>2,247,433</u>	<u>221,206</u>
Fund Balance End of Year	<u>\$1,590</u>	<u>\$94</u>	<u>\$2,380,629</u>	<u>\$94,489</u>

<u>Quarry Park</u>	<u>Busby Downtown Park</u>	<u>Airport Improvement</u>	<u>Total</u>
\$0	\$0	\$0	\$243,963
0	0	0	429,282
0	0	0	125
0	0	50,661	176,991
0	0	3,728	3,728
<u>0</u>	<u>0</u>	<u>54,389</u>	<u>854,089</u>
0	0	0	10,102
909	454	0	1,363
0	0	0	96,995
0	0	336,706	336,739
0	0	0	278,826
0	0	0	70,674
0	0	0	24,976
<u>909</u>	<u>454</u>	<u>336,706</u>	<u>819,675</u>
<u>(909)</u>	<u>(454)</u>	<u>(282,317)</u>	<u>34,414</u>
0	0	0	6,410
0	0	0	(317,170)
<u>0</u>	<u>0</u>	<u>0</u>	<u>(310,760)</u>
(909)	(454)	(282,317)	(276,346)
<u>909</u>	<u>454</u>	<u>290,455</u>	<u>2,761,286</u>
<u>\$0</u>	<u>\$0</u>	<u>\$8,138</u>	<u>\$2,484,940</u>

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City of Marion
Combining Statements - Custodial Funds

Custodial Funds

Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. These funds do not account for the City's own source revenue. The following is a description of the City's custodial funds.

Energy Special Improvement District

To account for assessments levied by and remitted to the Marion Energy Special Improvement District.

Rotary

To account for Greyhound Bus ticket sales remitted to the Greyhound Bus company.

State Patrol Fines

To account for traffic fines paid to the State of Ohio.

Municipal Court

To account for bonds and other resources deposited with the municipal court pending final disposition of the various cases and payment to third parties, excluding the City.

City of Marion
Combining Statement of Fiduciary Net Position
Custodial Funds
December 31, 2019

	Energy Special Improvement District	Rotary	State Patrol Fines
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$0	\$44,287	\$4,721
Cash and Cash Equivalents in Segregated Accounts	0	0	0
Special Assessments Receivable	16,791	0	0
Total Assets	16,791	44,287	4,721
<u>Liabilities</u>			
Accounts Payable	16,791	44,287	0
Due to Other Governments	0	0	4,721
Total Liabilities	16,791	44,287	4,721
<u>Net Position</u>			
Restricted for Individuals, Organizations, and Other Governments	\$0	\$0	\$0

<u>Municipal Court</u>	<u>Total</u>
\$0	\$49,008
46,722	46,722
<u>0</u>	<u>16,791</u>
<u>46,722</u>	<u>112,521</u>
0	61,078
<u>0</u>	<u>4,721</u>
<u>0</u>	<u>65,799</u>
<u><u>\$46,722</u></u>	<u><u>\$46,722</u></u>

City of Marion
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2019

	Energy Special Improvement District	Rotary	State Patrol Fines
<u>Additions</u>			
Amounts Received as Fiscal Agent	\$0	\$0	\$0
Licenses, Permits, and Fees for Others	0	22,873	0
Fines and Forfeitures for Other Governments	0	0	68,317
Special Assessments Collections for Others	24,188	0	0
Total Additions	24,188	22,873	68,317
<u>Deductions</u>			
Distributions as Fiscal Agent	0	0	0
Licenses, Permits, and Fees Distributions to Others	0	68,303	0
Fines and Forfeitures Distributions to Other Governments	0	0	68,317
Special Assessments Distributions to Others	24,188	0	0
Total Deductions	24,188	68,303	68,317
Net Decrease in Fiduciary Net Position	0	(45,430)	0
Net Position Beginning of Year	0	45,430	0
Net Position End of Year	\$0	\$0	\$0

<u>Municipal Court</u>	<u>Total</u>
\$3,372	\$3,372
0	22,873
1,460,823	1,529,140
<u>0</u>	<u>24,188</u>
<u>1,464,195</u>	<u>1,579,573</u>
4,752	4,752
0	68,303
1,493,196	1,561,513
<u>0</u>	<u>24,188</u>
<u>1,497,948</u>	<u>1,658,756</u>
(33,753)	(79,183)
<u>80,475</u>	<u>125,905</u>
<u>\$46,722</u>	<u>\$46,722</u>

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

City of Marion
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>				
Property Taxes	\$1,106,944	\$1,106,853	\$1,112,479	\$5,626
Municipal Income Taxes	7,327,000	7,604,035	7,629,106	25,071
Charges for Services	1,311,246	1,330,232	1,336,344	6,112
Fees, Licenses, and Permits	342,525	408,506	405,591	(2,915)
Fines and Forfeitures	869,300	812,224	778,899	(33,325)
Intergovernmental	844,478	965,013	956,714	(8,299)
Interest	135,000	336,026	323,178	(12,848)
Other	249,093	229,428	215,244	(14,184)
Total Revenues	12,185,586	12,792,317	12,757,555	(34,762)
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Other				
Street Lighting				
Contractual Services	290,000	286,637	286,637	0
Public Health				
Health Administration				
Contractual Services	338,919	338,919	338,919	0
Leisure Time Activities				
Recreation				
Other	0	395	395	0
Capital Outlay	7,700	7,700	3,415	4,285
Total Recreation	7,700	8,095	3,810	4,285
Senior Citizens				
Personal Services	261,300	263,684	226,857	36,827
Contractual Services	54,500	52,701	50,765	1,936
Materials and Supplies	3,500	3,500	2,672	828
Total Senior Citizens	319,300	319,885	280,294	39,591
Parks				
Personal Services	556,420	574,290	571,412	2,878
Contractual Services	77,800	74,379	70,772	3,607
Materials and Supplies	33,646	34,646	33,832	814
Other	360	360	95	265
Capital Outlay	0	46,628	46,628	0
Total Parks	668,226	730,303	722,739	7,564
Total Leisure Time Activities	995,226	1,058,283	1,006,843	51,440
Community Environment				
Planning and Economic Development				
Contractual Services	243,462	154,462	154,462	0

(continued)

City of Marion
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
Transportation				
Other				
Airport				
Personal Services	\$108,958	\$109,445	\$107,871	\$1,574
Contractual Services	124,550	108,852	102,094	6,758
Materials and Supplies	15,150	14,000	12,817	1,183
Total Transportation	<u>248,658</u>	<u>232,297</u>	<u>222,782</u>	<u>9,515</u>
General Government				
Court				
Municipal Court				
Personal Services	983,565	1,005,945	1,004,092	1,853
Travel and Transportation	0	800	709	91
Contractual Services	48,485	33,971	29,220	4,751
Materials and Supplies	29,795	26,795	25,365	1,430
Total Court	<u>1,061,845</u>	<u>1,067,511</u>	<u>1,059,386</u>	<u>8,125</u>
Other				
Mayor				
Personal Services	159,139	159,642	157,697	1,945
Contractual Services	620	270	41	229
Materials and Supplies	1,000	600	484	116
Total Mayor	<u>160,759</u>	<u>160,512</u>	<u>158,222</u>	<u>2,290</u>
Auditor				
Personal Services	495,099	499,607	493,766	5,841
Travel and Transportation	1,500	289	289	0
Contractual Services	57,700	50,197	49,302	895
Materials and Supplies	4,800	4,600	3,859	741
Total Auditor	<u>559,099</u>	<u>554,693</u>	<u>547,216</u>	<u>7,477</u>
Income Tax				
Personal Services	242,728	244,253	240,793	3,460
Travel and Transportation	100	0	0	0
Contractual Services	13,800	20,546	20,319	227
Materials and Supplies	11,500	9,375	8,820	555
Total Income Tax	<u>268,128</u>	<u>274,174</u>	<u>269,932</u>	<u>4,242</u>
Treasurer				
Personal Services	9,984	9,984	9,828	156
Travel and Transportation	0	500	500	0
Contractual Services	560	560	560	0
Total Treasurer	<u>10,544</u>	<u>11,044</u>	<u>10,888</u>	<u>156</u>

(continued)

City of Marion
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
Law Director				
Personal Services	\$419,934	\$425,275	\$416,558	\$8,717
Travel and Transportation	100	150	90	60
Contractual Services	3,800	1,900	1,732	168
Materials and Supplies	2,100	2,450	2,276	174
Total Law Director	425,934	429,775	420,656	9,119
Safety Director				
Personal Services	260,814	260,764	250,005	10,759
Travel and Transportation	0	377	377	0
Contractual Services	89,035	46,270	38,307	7,963
Materials and Supplies	8,000	8,500	6,519	1,981
Other	1,000	500	0	500
Total Safety Director	358,849	316,411	295,208	21,203
Service Director				
Personal Services	103,281	103,291	102,047	1,244
Civil Service				
Personal Services	5,277	5,277	5,111	166
Contractual Services	5,000	2,000	1,781	219
Materials and Supplies	500	500	0	500
Total Civil Service	10,777	7,777	6,892	885
Council				
Personal Services	155,883	158,764	156,354	2,410
Contractual Services	7,338	8,478	7,015	1,463
Materials and Supplies	750	750	668	82
Total Council	163,971	167,992	164,037	3,955
City Hall				
Personal Services	171,438	178,726	176,695	2,031
Contractual Services	417,300	413,466	406,959	6,507
Materials and Supplies	79,000	73,000	70,036	2,964
Total City Hall	667,738	665,192	653,690	11,502
Engineer				
Personal Services	297,547	339,259	331,265	7,994
Contractual Services	12,446	8,449	7,077	1,372
Materials and Supplies	3,800	3,700	3,383	317
Other	500	0	0	0
Total Engineer	314,293	351,408	341,725	9,683

(continued)

City of Marion
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
Other General Government				
Contractual Services	\$85,535	\$83,783	\$83,713	\$70
Other	145,200	135,751	134,933	818
Total Other General Government	230,735	219,534	218,646	888
Total Other	3,274,108	3,261,803	3,189,159	72,644
Total General Government	4,335,953	4,329,314	4,248,545	80,769
Total Expenditures	6,452,218	6,399,912	6,258,188	141,724
Excess of Revenues Over Expenditures	5,733,368	6,392,405	6,499,367	106,962
<u>Other Financing Sources (Uses)</u>				
Other Financing Sources	0	0	1,668	1,668
Advances In	41,000	47,000	47,000	0
Advances Out	0	(150,000)	(150,000)	0
Transfers Out	(6,116,483)	(6,297,725)	(6,205,154)	92,571
Total Other Financing Sources (Uses)	(6,075,483)	(6,400,725)	(6,306,486)	94,239
Changes in Fund Balance	(342,115)	(8,320)	192,881	201,201
Fund Balance Beginning of Year	2,702,418	2,702,418	2,702,418	0
Fund Balance End of Year	<u>\$2,360,303</u>	<u>\$2,694,098</u>	<u>\$2,895,299</u>	<u>\$201,201</u>

City of Marion
 Retirement/Termination/27th Pay Fund
 Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2019

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0	\$0
<u>Expenditures</u>	0	0	0	0
Changes in Fund Balance	0	0	0	0
Fund Balance Beginning of Year	1,762	1,762	1,762	0
Fund Balance End of Year	\$1,762	\$1,762	\$1,762	\$0

This fund is combined with the General Fund for financial reporting purposes.

City of Marion
Street Construction, Maintenance, and Repair Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>				
Municipal Income Taxes	\$1,507,578	\$1,498,069	\$1,510,790	\$12,721
Charges for Services	2,800	2,895	2,445	(450)
Fees, Licenses, and Permits	19,000	22,000	21,000	(1,000)
Intergovernmental	1,329,300	1,456,135	1,526,335	70,200
Interest	200	200	211	11
Other	12,949	45,039	42,949	(2,090)
Total Revenues	<u>2,871,827</u>	<u>3,024,338</u>	<u>3,103,730</u>	<u>79,392</u>
<u>Expenditures</u>				
Current:				
Transportation				
Other				
Streets				
Personal Services	1,512,777	1,581,906	1,545,789	36,117
Contractual Services	982,730	1,041,565	887,630	153,935
Materials and Supplies	480,000	425,000	384,316	40,684
Other	30,754	46,804	46,597	207
Capital Outlay	330,000	321,000	320,010	990
Total Expenditures	<u>3,336,261</u>	<u>3,416,275</u>	<u>3,184,342</u>	<u>231,933</u>
Changes in Fund Balance	(464,434)	(391,937)	(80,612)	311,325
Fund Balance Beginning of Year	<u>539,375</u>	<u>539,375</u>	<u>539,375</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$74,941</u></u>	<u><u>\$147,438</u></u>	<u><u>\$458,763</u></u>	<u><u>\$311,325</u></u>

City of Marion
Police, Dispatch, and Fire Income Tax Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>				
Municipal Income Taxes	\$7,392,221	\$7,531,214	\$7,544,905	\$13,691
Intergovernmental	0	327,068	327,068	0
Other	36,500	397,674	356,132	(41,542)
Total Revenues	7,428,721	8,255,956	8,228,105	(27,851)
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police				
Police Department				
Personal Services	6,151,592	6,357,402	6,268,845	88,557
Travel and Transportation	6,000	4,000	3,368	632
Contractual Services	343,000	358,518	358,755	(237)
Materials and Supplies	125,000	134,544	133,388	1,156
Other	48,754	48,848	48,848	0
Capital Outlay	0	63,289	62,705	584
Total Police Department	6,674,346	6,966,601	6,875,909	90,692
Dispatch				
Contractual Services	538,419	538,422	538,422	0
Other	3,250	3,256	3,256	0
Total Dispatch	541,669	541,678	541,678	0
Total Police	7,216,015	7,508,279	7,417,587	90,692
Fire				
Fire Department				
Personal Services	5,554,108	5,625,760	5,565,527	60,233
Travel and Transportation	9,000	6,000	5,743	257
Contractual Services	370,835	393,620	384,975	8,645
Materials and Supplies	134,714	120,343	118,185	2,158
Other	61,750	61,958	61,958	0
Capital Outlay	325,000	312,000	311,201	799
Total Fire	6,455,407	6,519,681	6,447,589	72,092
Total Expenditures	13,671,422	14,027,960	13,865,176	162,784
Excess of Revenues				
Under Expenditures	(6,242,701)	(5,772,004)	(5,637,071)	134,933
<u>Other Financing Sources</u>				
Transfers In	6,099,730	5,934,830	5,934,600	(230)
Changes in Fund Balance	(142,971)	162,826	297,529	134,703
Fund Balance Beginning of Year	932,281	932,281	932,281	0
Fund Balance End of Year	\$789,310	\$1,095,107	\$1,229,810	\$134,703

City of Marion
Sewer Enterprise Fund

Schedule of Revenues, Expenses,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$7,706,682	\$7,852,573	\$145,891
General Obligation Bonds Issued	4,571	0	(4,571)
OWDA Loans Issued	6,012,406	4,369,474	(1,642,932)
OPWC Loans Issued	206,160	91,344	(114,816)
Grants	126,311	271,543	145,232
Other	32,748	32,911	163
Total Revenues	14,088,878	12,617,845	(1,471,033)
<u>Expenses</u>			
Personal Services			
Sewer	2,562,529	2,555,471	7,058
Travel and Transportation			
Sewer	1,582	0	1,582
Contractual Services			
Sewage Replacement	114,706	102,185	12,521
Sewer	1,298,570	1,283,900	14,670
Sewage Improvement	1,536,006	1,515,401	20,605
Total Contractual Services	2,949,282	2,901,486	47,796
Materials and Supplies			
Sewer	453,532	446,355	7,177
Other			
Sewer	2,000	724	1,276
Capital Outlay			
Sewage Replacement	247,839	246,406	1,433
Sewage Improvement	5,254,272	4,890,910	363,362
Total Capital Outlay	5,502,111	5,137,316	364,795
Debt Service:			
Principal Retirement	2,038,926	2,039,883	(957)
Interest Expense	439,922	439,883	39
Total Debt Service	2,478,848	2,479,766	(918)
Total Expenses	13,949,884	13,521,118	428,766
Changes in Fund Balance	138,994	(903,273)	(1,042,267)
Fund Balance Beginning of Year	3,666,478	3,666,478	0
Fund Balance End of Year	\$3,805,472	\$2,763,205	(\$1,042,267)

City of Marion
Sanitation Enterprise Fund

Schedule of Revenues, Expenses,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$2,496,004	\$2,392,067	(\$103,937)
Other	40,668	40,806	138
Total Revenues	<u>2,536,672</u>	<u>2,432,873</u>	<u>(103,799)</u>
<u>Expenses</u>			
Personal Services			
Sanitation	1,269,201	1,254,260	14,941
Contractual Services			
Sanitation	977,650	928,191	49,459
Materials and Supplies			
Sanitation	155,050	132,928	22,122
Capital Outlay			
Sanitation	<u>350,000</u>	<u>180,463</u>	<u>169,537</u>
Total Expenses	<u>2,751,901</u>	<u>2,495,842</u>	<u>256,059</u>
Changes in Fund Balance	(215,229)	(62,969)	152,260
Fund Balance Beginning of Year	<u>1,409,325</u>	<u>1,409,325</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$1,194,096</u></u>	<u><u>\$1,346,356</u></u>	<u><u>\$152,260</u></u>

City of Marion
Landfill Enterprise Fund

Schedule of Revenues, Expenses,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$331,000	\$205,000	(\$126,000)
Other	50	50	0
Total Revenues	<u>331,050</u>	<u>205,050</u>	<u>(126,000)</u>
<u>Expenses</u>			
Contractual Services			
Landfill	129,378	128,153	1,225
Materials and Supplies			
Landfill	6,000	4,041	1,959
Capital Outlay			
Landfill	135,000	0	135,000
Debt Service:			
Interest Expense	6,344	6,344	0
Total Expenses	<u>276,722</u>	<u>138,538</u>	<u>138,184</u>
Changes in Fund Balance	54,328	66,512	12,184
Fund Balance Beginning of Year	<u>2,894</u>	<u>2,894</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$57,222</u></u>	<u><u>\$69,406</u></u>	<u><u>\$12,184</u></u>

City of Marion
Storm Water Enterprise Fund

Schedule of Revenues, Expenses,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$2,010,688	\$1,897,650	(\$113,038)
General Obligation Bonds Issued	876	0	(876)
OPWC Loans Issued	500,000	102,891	(397,109)
Grants	500,000	169,889	(330,111)
Other	65,782	65,894	112
Total Revenues	3,077,346	2,236,324	(841,022)
<u>Expenses</u>			
Personal Services			
Storm Water Utility	223,025	217,781	5,244
Contractual Services			
Storm Water Utility	92,826	91,121	1,705
Storm Water Improvement	89,700	71,816	17,884
Total Contractual Services	182,526	162,937	19,589
Materials and Supplies			
Storm Water Utility	43,050	38,412	4,638
Capital Outlay			
Storm Water Improvement	619,400	631,378	(11,978)
Debt Service:			
Principal Retirement	779,794	778,527	1,267
Interest Expense	496,832	496,168	664
Total Debt Service	1,276,626	1,274,695	1,931
Total Expenses	2,344,627	2,325,203	19,424
Excess of Revenues Over (Under) Expenses	732,719	(88,879)	(821,598)
Advances In	150,000	124,600	(25,400)
Changes in Fund Balance	882,719	35,721	(846,998)
Fund Balance Beginning of Year	27,682	27,682	0
Fund Balance End of Year	\$910,401	\$63,403	(\$846,998)

City of Marion
 Aquatics Center Enterprise Fund
 Schedule of Revenues, Expenses,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$222,768	\$219,522	(\$3,246)
Other	263,421	261,541	(1,880)
Total Revenues	<u>486,189</u>	<u>481,063</u>	<u>(5,126)</u>
<u>Expenses</u>			
Personal Services			
Aquatics Center	149,075	147,307	1,768
Contractual Services			
Aquatics Center	64,110	59,120	4,990
Materials and Supplies			
Aquatics Center	59,155	59,155	0
Other			
Aquatics Center	500	500	0
Capital Outlay			
Aquatics Center	1,500	1,459	41
Debt Service:			
Interest Expense	<u>143,669</u>	<u>143,669</u>	<u>0</u>
Total Expenses	<u>418,009</u>	<u>411,210</u>	<u>6,799</u>
Changes in Fund Balance	68,180	69,853	1,673
Fund Balance Beginning of Year	<u>335,366</u>	<u>335,366</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$403,546</u></u>	<u><u>\$405,219</u></u>	<u><u>\$1,673</u></u>

City of Marion
Senior Citizens Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$163,299	\$160,546	(\$2,753)
Interest	300	231	(69)
Other	<u>30,374</u>	<u>32,029</u>	<u>1,655</u>
Total Revenues	<u>193,973</u>	<u>192,806</u>	<u>(1,167)</u>
<u>Expenditures</u>			
Current:			
Leisure Time Activities			
Senior Citizens			
Personal Services	167,171	118,535	48,636
Travel and Transportation	2,500	2,289	211
Contractual Services	28,500	20,936	7,564
Materials and Supplies	<u>10,150</u>	<u>8,633</u>	<u>1,517</u>
Total Expenditures	<u>208,321</u>	<u>150,393</u>	<u>57,928</u>
Changes in Fund Balance	(14,348)	42,413	56,761
Fund Balance Beginning of Year	<u>329,540</u>	<u>329,540</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$315,192</u></u>	<u><u>\$371,953</u></u>	<u><u>\$56,761</u></u>

City of Marion
Municipal Court Docket Specialist Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$70,000	\$70,000	\$0
<u>Expenditures</u>			
Current:			
General Government			
Court			
Municipal Court			
Personal Services	74,591	71,063	3,528
Excess of Revenues Under Expenditures	(4,591)	(1,063)	3,528
<u>Other Financing Sources</u>			
Transfers In	4,020	1,165	(2,855)
Changes in Fund Balance	(571)	102	673
Fund Balance Beginning of Year	571	571	0
Fund Balance End of Year	<u>\$0</u>	<u>\$673</u>	<u>\$673</u>

City of Marion
Municipal Motor Vehicle License Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Other Local Taxes	\$266,475	\$266,475	\$0
<u>Expenditures</u>			
Current:			
Transportation			
Other			
Streets			
Contractual Services	295,944	295,944	0
Changes in Fund Balance	(29,469)	(29,469)	0
Fund Balance Beginning of Year	546,932	546,932	0
Fund Balance End of Year	\$517,463	\$517,463	\$0

City of Marion
State Highway Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$586,884	\$499,617	(\$87,267)
Interest	2,000	231	(1,769)
Total Revenues	<u>588,884</u>	<u>499,848</u>	<u>(89,036)</u>
<u>Expenditures</u>			
Current:			
Transportation			
Other			
Streets			
Contractual Services	430,000	158,726	271,274
Capital Outlay	387,313	387,313	0
Total Expenditures	<u>817,313</u>	<u>546,039</u>	<u>271,274</u>
Changes in Fund Balance	(228,429)	(46,191)	182,238
Fund Balance Beginning of Year	<u>228,667</u>	<u>228,667</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$238</u></u>	<u><u>\$182,476</u></u>	<u><u>\$182,238</u></u>

City of Marion
MMC Assistance Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Fines and Forfeitures	\$156,434	\$145,498	(\$10,936)
Other	2,045	2,045	0
Total Revenues	<u>158,479</u>	<u>147,543</u>	<u>(10,936)</u>
<u>Expenditures</u>			
Current:			
General Government			
Court			
Municipal Court			
Personal Services	112,622	101,888	10,734
Travel and Transportation	10,000	8,289	1,711
Contractual Services	62,300	56,931	5,369
Materials and Supplies	19,000	1,996	17,004
Capital Outlay	55,000	24,596	30,404
Total Expenditures	<u>258,922</u>	<u>193,700</u>	<u>65,222</u>
Excess of Revenues			
Under Expenditures	(100,443)	(46,157)	54,286
<u>Other Financing Sources</u>			
Transfers In	9,516	0	(9,516)
Changes in Fund Balance	(90,927)	(46,157)	44,770
Fund Balance Beginning of Year	<u>260,509</u>	<u>260,509</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$169,582</u></u>	<u><u>\$214,352</u></u>	<u><u>\$44,770</u></u>

City of Marion
 Court Computerization Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Fines and Forfeitures	\$93,317	\$88,691	(\$4,626)
<u>Expenditures</u>			
Current:			
General Government			
Court			
Municipal Court			
Contractual Services	73,000	47,097	25,903
Materials and Supplies	20,000	3,458	16,542
Capital Outlay	90,099	62,073	28,026
Total Expenditures	183,099	112,628	70,471
Changes in Fund Balance	(89,782)	(23,937)	65,845
Fund Balance Beginning of Year	345,724	345,724	0
Fund Balance End of Year	<u>\$255,942</u>	<u>\$321,787</u>	<u>\$65,845</u>

City of Marion
Police Continuing Training Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Police			
Police Department			
Contractual Services	3,813	3,813	0
Changes in Fund Balance	(3,813)	(3,813)	0
Fund Balance Beginning of Year	3,813	3,813	0
Fund Balance End of Year	\$0	\$0	\$0

City of Marion
Community Corrections Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$262,162	\$235,191	(\$26,971)
Other	12,675	12,637	(38)
Total Revenues	<u>274,837</u>	<u>247,828</u>	<u>(27,009)</u>
<u>Expenditures</u>			
Current:			
General Government			
Court			
Municipal Court			
Personal Services	342,084	333,152	8,932
Travel and Transportation	825	825	0
Contractual Services	10,000	10,000	0
Materials and Supplies	10,869	10,869	0
Capital Outlay	15,000	15,000	0
Total Expenditures	<u>378,778</u>	<u>369,846</u>	<u>8,932</u>
Excess of Revenues			
Under Expenditures	(103,941)	(122,018)	(18,077)
<u>Other Financing Sources</u>			
Transfers In	<u>144,520</u>	<u>133,000</u>	<u>(11,520)</u>
Changes in Fund Balance	40,579	10,982	(29,597)
Fund Balance Beginning of Year	<u>3,922</u>	<u>3,922</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$44,501</u></u>	<u><u>\$14,904</u></u>	<u><u>(\$29,597)</u></u>

City of Marion
Indigent Alcohol Monitoring Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Fines and Forfeitures	\$8,899	\$8,598	(\$301)
Intergovernmental	<u>12,000</u>	<u>11,751</u>	<u>(249)</u>
Total Revenues	20,899	20,349	(550)
<u>Expenditures</u>			
Current:			
General Government			
Court			
Municipal Court			
Contractual Services	<u>5,000</u>	<u>319</u>	<u>4,681</u>
Changes in Fund Balance	15,899	20,030	4,131
Fund Balance Beginning of Year	<u>92,795</u>	<u>92,795</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$108,694</u></u>	<u><u>\$112,825</u></u>	<u><u>\$4,131</u></u>

City of Marion
 Probation Services Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Fines and Forfeitures	\$143,792	\$143,792	\$0
<u>Expenditures</u>			
Current:			
General Government			
Other			
Other General Government			
Personal Services	114,913	114,158	755
Travel and Transportation	3,000	2,558	442
Contractual Services	18,600	13,821	4,779
Materials and Supplies	7,000	4,384	2,616
Capital Outlay	3,000	356	2,644
Total Expenditures	<u>146,513</u>	<u>135,277</u>	<u>11,236</u>
Excess of Revenues Over (Under) Expenditures	(2,721)	8,515	11,236
<u>Other Financing Sources</u>			
Transfers In	<u>9,516</u>	<u>0</u>	<u>(9,516)</u>
Changes in Fund Balance	6,795	8,515	1,720
Fund Balance Beginning of Year	<u>117,223</u>	<u>117,223</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$124,018</u></u>	<u><u>\$125,738</u></u>	<u><u>\$1,720</u></u>

City of Marion
Enforcement and Education Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Fines and Forfeitures	\$7,456	\$7,456	\$0
<u>Expenditures</u>	<u>0</u>	<u>0</u>	<u>0</u>
Changes in Fund Balance	7,456	7,456	0
Fund Balance Beginning of Year	<u>13,229</u>	<u>13,229</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$20,685</u></u>	<u><u>\$20,685</u></u>	<u><u>\$0</u></u>

City of Marion
Indigent Alcohol Driver Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Fines and Forfeitures	\$16,276	\$15,571	(\$705)
Intergovernmental	9,692	9,692	0
Total Revenues	25,968	25,263	(705)
<u>Expenditures</u>			
Current:			
General Government			
Court			
Other General Government			
Contractual Services	11,000	5,135	5,865
Changes in Fund Balance	14,968	20,128	5,160
Fund Balance Beginning of Year	235,151	235,151	0
Fund Balance End of Year	<u>\$250,119</u>	<u>\$255,279</u>	<u>\$5,160</u>

City of Marion
 Railroad Grade Crossing Improvement Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2019

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>			
Current:			
Transportation			
Other			
Railroad Grade Crossing			
Capital Outlay	25,000	0	25,000
Changes in Fund Balance	(25,000)	0	25,000
Fund Balance Beginning of Year	64,125	64,125	0
Fund Balance End of Year	\$39,125	\$64,125	\$25,000

City of Marion
Special Project Treatment Court Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Fines and Forfeitures	\$8,100	\$6,776	(\$1,324)
<u>Expenditures</u>			
Current:			
General Government			
Court			
Municipal Court			
Contractual Services	5,500	1,896	3,604
Materials and Supplies	12,000	4,526	7,474
Capital Outlay	24,000	12,996	11,004
Total Expenditures	41,500	19,418	22,082
Changes in Fund Balance	(33,400)	(12,642)	20,758
Fund Balance Beginning of Year	54,343	54,343	0
Fund Balance End of Year	<u>\$20,943</u>	<u>\$41,701</u>	<u>\$20,758</u>

City of Marion
Police and Fire Pension Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Property Taxes	\$210,434	\$203,810	(\$6,624)
Intergovernmental	31,191	28,979	(2,212)
Total Revenues	<u>241,625</u>	<u>232,789</u>	<u>(8,836)</u>
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Police			
Police Department			
Personal Services	<u>116,500</u>	<u>116,500</u>	<u>0</u>
Fire			
Fire Department			
Personal Services	116,500	116,500	0
Contractual Services	<u>6,039</u>	<u>6,039</u>	<u>0</u>
Total Fire	<u>122,539</u>	<u>122,539</u>	<u>0</u>
Total Expenditures	<u>239,039</u>	<u>239,039</u>	<u>0</u>
Changes in Fund Balance	2,586	(6,250)	(8,836)
Fund Balance Beginning of Year	<u>12,078</u>	<u>12,078</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$14,664</u></u>	<u><u>\$5,828</u></u>	<u><u>(\$8,836)</u></u>

City of Marion
Marion Land Bank Program Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Other	\$16,500	\$16,500	\$0
<u>Expenditures</u>			
Current:			
Community Environment			
Marion Land Bank Program			
Contractual Services	7,825	6,613	1,212
Changes in Fund Balance	8,675	9,887	1,212
Fund Balance Beginning of Year	14,874	14,874	0
Fund Balance End of Year	\$23,549	\$24,761	\$1,212

City of Marion
Adult Drug Court Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$118,753	\$81,628	(\$37,125)
<u>Expenditures</u>			
Current:			
General Government			
Court			
Adult Drug Court			
Personal Services	93,673	87,669	6,004
Travel and Transportation	4,275	4,275	0
Contractual Services	750	0	750
Materials and Supplies	3,070	2,420	650
Total Expenditures	101,768	94,364	7,404
Changes in Fund Balance	16,985	(12,736)	(29,721)
Fund Balance Beginning of Year	17,175	17,175	0
Fund Balance End of Year	<u>\$34,160</u>	<u>\$4,439</u>	<u>(\$29,721)</u>

City of Marion
ADAMH Grant Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$34,628	\$34,628	\$0
<u>Expenditures</u>			
Current:			
General Government			
Court			
ADAMH Grant			
Personal Services	30,000	7,740	22,260
Contractual Services	2,500	0	2,500
Materials and Supplies	15,933	5,387	10,546
Total Expenditures	48,433	13,127	35,306
Changes in Fund Balance	(13,805)	21,501	35,306
Fund Balance Beginning of Year	19,932	19,932	0
Fund Balance End of Year	<u>\$6,127</u>	<u>\$41,433</u>	<u>\$35,306</u>

City of Marion
Revolving Loans Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Interest	\$1,505	\$1,447	(\$58)
Other	24,182	24,185	3
Total Revenues	25,687	25,632	(55)
<u>Expenditures</u>			
Current:			
Community Environment			
Revolving Loan			
Travel and Transportation	1,003	1,003	0
Contractual Services	326	326	0
Total Expenditures	1,329	1,329	0
Changes in Fund Balance	24,358	24,303	(55)
Fund Balance Beginning of Year	49,246	49,246	0
Fund Balance End of Year	\$73,604	\$73,549	(\$55)

City of Marion
Marion Area Transit Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$101,033	\$97,489	(\$3,544)
Intergovernmental	560,854	547,873	(12,981)
Other	40,101	41,048	947
Total Revenues	<u>701,988</u>	<u>686,410</u>	<u>(15,578)</u>
<u>Expenditures</u>			
Current:			
Transportation			
Transit			
Marion Area Transit			
Personal Services	675,403	671,767	3,636
Contractual Services	119,921	96,910	23,011
Materials and Supplies	103,000	89,730	13,270
Capital Outlay	9,403	3,626	5,777
Total Expenditures	<u>907,727</u>	<u>862,033</u>	<u>45,694</u>
Excess of Revenues Under Expenditures	<u>(205,739)</u>	<u>(175,623)</u>	<u>30,116</u>
<u>Other Financing Sources</u>			
Advances In	13,320	13,320	0
Transfers In	125,796	125,796	0
Total Other Financing Sources	<u>139,116</u>	<u>139,116</u>	<u>0</u>
Changes in Fund Balance	(66,623)	(36,507)	30,116
Fund Balance Beginning of Year	<u>73,897</u>	<u>73,897</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$7,274</u></u>	<u><u>\$37,390</u></u>	<u><u>\$30,116</u></u>

City of Marion
Youth Recreation Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>			
Current:			
Leisure Time Activities			
Recreation			
Contractual Services	4,442	3,809	633
Changes in Fund Balance	(4,442)	(3,809)	633
Fund Balance Beginning of Year	5,443	5,443	0
Fund Balance End of Year	\$1,001	\$1,634	\$633

City of Marion
Law Enforcement Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Other	\$10,000	\$25,911	\$15,911
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Police			
Police Department			
Contractual Services	28,030	23,985	4,045
Materials and Supplies	9,195	9,107	88
Total Expenditures	37,225	33,092	4,133
Changes in Fund Balance	(27,225)	(7,181)	20,044
Fund Balance Beginning of Year	54,255	54,255	0
Fund Balance End of Year	<u>\$27,030</u>	<u>\$47,074</u>	<u>\$20,044</u>

City of Marion
 Bond Retirement Debt Service Fund
 Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Municipal Income Taxes	\$86,540	\$86,540	\$0
<u>Expenditures</u>			
Debt Service:			
Principal Retirement	303,500	303,500	0
Interest and Fiscal Charges	100,210	100,210	0
Total Expenditures	403,710	403,710	0
Excess of Revenues Under Expenditures	(317,170)	(317,170)	0
<u>Other Financing Sources</u>			
Transfers In	322,601	317,170	(5,431)
Changes in Fund Balance	5,431	0	(5,431)
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	<u>\$5,431</u>	<u>\$0</u>	<u>(\$5,431)</u>

City of Marion
Harding Center Loan Debt Service Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Interest	\$4,486	\$1,351	(\$3,135)
Other	33,444	27,187	(6,257)
Total Revenues	37,930	28,538	(9,392)
<u>Expenditures</u>			
Debt Service:			
Interest and Fiscal Charges	3,623	1,234	2,389
Excess of Revenues Over Expenditures	34,307	27,304	(7,003)
<u>Other Financing Sources (Uses)</u>			
Advances Out	(47,000)	(47,000)	0
Transfers In	10,593	10,593	0
Total Other Financing Sources (Uses)	(36,407)	(36,407)	0
Changes in Fund Balance	(2,100)	(9,103)	(7,003)
Fund Balance Beginning of Year	9,103	9,103	0
Fund Balance End of Year	<u>\$7,003</u>	<u>\$0</u>	<u>(\$7,003)</u>

City of Marion
Critical Infrastructure Grant Capital Projects Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$125	\$125	\$0
Intergovernmental	<u>11,567</u>	<u>11,567</u>	<u>0</u>
Total Revenues	11,692	11,692	0
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Fire			
Critical Infrastructure Grant			
Contractual Services	<u>9,992</u>	<u>9,992</u>	<u>0</u>
Changes in Fund Balance	1,700	1,700	0
Fund Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$1,700</u></u>	<u><u>\$1,700</u></u>	<u><u>\$0</u></u>

City of Marion
CDBG Capital Projects Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$96,260	\$96,260	\$0
<u>Expenditures</u>			
Current:			
Community Environment			
CDBG Formula Grant			
Contractual Services	96,995	96,995	0
Changes in Fund Balance	(735)	(735)	0
Fund Balance Beginning of Year	829	829	0
Fund Balance End of Year	\$94	\$94	\$0

City of Marion
Tax Incremental Financing Capital Projects Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Payment in Lieu of Taxes	\$243,963	\$243,963	\$0
<u>Expenditures</u>			
Current:			
Transportation			
Other			
Street			
Contractual Services	25,063	33	25,030
Debt Service:			
Principal Retirement	6,420	0	6,420
Total Expenditures	<u>31,483</u>	<u>33</u>	<u>31,450</u>
Excess of Revenues Over Expenditures	212,480	243,930	31,450
<u>Other Financing Uses</u>			
Transfers Out	<u>(110,734)</u>	<u>(110,734)</u>	<u>0</u>
Changes in Fund Balance	101,746	133,196	31,450
Fund Balance Beginning of Year	<u>2,247,433</u>	<u>2,247,433</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$2,349,179</u></u>	<u><u>\$2,380,629</u></u>	<u><u>\$31,450</u></u>

City of Marion
Capital Improvements Capital Projects Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Municipal Income Taxes	\$428,685	\$432,324	\$3,639
Intergovernmental	18,503	18,503	0
Total Revenues	<u>447,188</u>	<u>450,827</u>	<u>3,639</u>
<u>Expenditures</u>			
Current:			
General Government			
Other			
Other General Government			
Contractual Services	97	106	(9)
Other	6,506	6,506	0
Capital Outlay	<u>328,626</u>	<u>324,626</u>	<u>4,000</u>
Total Expenditures	<u>335,229</u>	<u>331,238</u>	<u>3,991</u>
Excess of Revenues Over Expenditures	111,959	119,589	7,630
<u>Other Financing Uses</u>			
Transfers Out	<u>(215,969)</u>	<u>(206,436)</u>	<u>9,533</u>
Changes in Fund Balance	(104,010)	(86,847)	17,163
Fund Balance Beginning of Year	<u>196,336</u>	<u>196,336</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$92,326</u></u>	<u><u>\$109,489</u></u>	<u><u>\$17,163</u></u>

City of Marion
 Quarry Park Capital Projects Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2019

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>			
Current:			
Leisure Time Activities			
Parks			
Materials and Supplies	909	909	0
Changes in Fund Balance	(909)	(909)	0
Fund Balance Beginning of Year	909	909	0
Fund Balance End of Year	\$0	\$0	\$0

City of Marion
 Busby Downtown Park Capital Projects Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2019

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>			
Current:			
Leisure Time Activities			
Parks			
Materials and Supplies	454	454	0
Changes in Fund Balance	(454)	(454)	0
Fund Balance Beginning of Year	454	454	0
Fund Balance End of Year	\$0	\$0	\$0

City of Marion
 Airport Improvement Capital Projects Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$50,661	\$50,661	\$0
Other	3,728	3,728	0
Total Revenues	<u>54,389</u>	<u>54,389</u>	<u>0</u>
<u>Expenditures</u>			
Current:			
Transportation			
Other			
Airport			
Contractual Services	55,159	55,159	0
Capital Outlay	200,995	200,995	0
Total Expenditures	<u>256,154</u>	<u>256,154</u>	<u>0</u>
Changes in Fund Balance	(201,765)	(201,765)	0
Fund Balance Beginning of Year	<u>290,455</u>	<u>290,455</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$88,690</u></u>	<u><u>\$88,690</u></u>	<u><u>\$0</u></u>

City of Marion
Central Garage Internal Service Fund

Schedule of Revenues, Expenses,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$1,040,403	\$1,013,699	(\$26,704)
Other	9,260	9,260	0
Total Revenues	<u>1,049,663</u>	<u>1,022,959</u>	<u>(26,704)</u>
<u>Expenses</u>			
Personal Services			
Central Garage	<u>347,096</u>	<u>346,390</u>	<u>706</u>
Contractual Services			
Central Garage	<u>62,531</u>	<u>55,381</u>	<u>7,150</u>
Materials and Supplies			
Central Garage	<u>575,000</u>	<u>566,604</u>	<u>8,396</u>
Debt Service:			
Principal Retirement	58,750	58,750	0
Interest Expense	<u>34,894</u>	<u>33,313</u>	<u>1,581</u>
Total Debt Service	<u>93,644</u>	<u>92,063</u>	<u>1,581</u>
Total Expenses	<u>1,078,271</u>	<u>1,060,438</u>	<u>17,833</u>
Excess of Revenues Under Expenses	(28,608)	(37,479)	(8,871)
Advances In	<u>12,080</u>	<u>12,080</u>	<u>0</u>
Changes in Fund Balance	(16,528)	(25,399)	(8,871)
Fund Balance Beginning of Year	<u>24,871</u>	<u>24,871</u>	<u>0</u>
Fund Balance (Deficit) End of Year	<u><u>\$8,343</u></u>	<u><u>(\$528)</u></u>	<u><u>(\$8,871)</u></u>

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**STATISTICAL
SECTION**

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**City of Marion
Statistical Section**

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

Contents **Page**

Financial Trends..... S-2

These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.

Revenue Capacity S-14

These schedules contain information to help the reader assess the City’s most significant local revenue sources.

Debt Capacity..... S-52

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.

Demographic and Economic Information..... S-61

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.

Operating Information S-64

These schedules contain service 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.

City of Marion
Net Position
Last Ten Years
(Accrual Basis of Accounting)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Governmental Activities				
Net Investment in Capital Assets	\$46,918,351	\$47,671,157	\$47,939,722	\$50,948,369
Restricted for				
Capital Projects	2,635,156	2,798,306	2,338,998	2,141,229
Other Purposes	4,625,884	4,383,527	5,272,839	4,734,671
Unrestricted (Deficit)	<u>(28,887,649)</u>	<u>(39,835,858)</u>	<u>(37,389,573)</u>	<u>(16,443,700)</u>
Total Governmental Activities Net Position	<u>25,291,742</u>	<u>15,017,132</u>	<u>18,161,986</u>	<u>41,380,569</u>
Business-Type Activities				
Net Investment in Capital Assets	11,217,937	10,513,916	9,153,560	8,048,384
Unrestricted (Deficit)	<u>1,888,728</u>	<u>1,136,209</u>	<u>2,250,411</u>	<u>4,716,894</u>
Total Business-Type Activities Net Position	<u>13,106,665</u>	<u>11,650,125</u>	<u>11,403,971</u>	<u>12,765,278</u>
Primary Government				
Net Investment in Capital Assets	58,136,288	58,185,073	57,093,282	58,996,753
Restricted	7,261,040	7,181,833	7,611,837	6,875,900
Unrestricted (Deficit)	<u>(26,998,921)</u>	<u>(38,699,649)</u>	<u>(35,139,162)</u>	<u>(11,726,806)</u>
Total Primary Government Net Position	<u>\$38,398,407</u>	<u>\$26,667,257</u>	<u>\$29,565,957</u>	<u>\$54,145,847</u>

Note: The City reported the impact of GASB Statement No. 68 beginning in 2014 and GASB Statement No. 75 beginning in 2017.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$54,707,860	\$57,981,379	\$59,629,506	\$63,770,617	\$66,187,425	\$69,544,904
2,136,499	1,752,457	1,635,812	1,471,021	3,764,288	3,528,533
4,132,108	5,122,009	4,744,112	3,967,713	3,388,543	4,082,600
<u>(14,340,021)</u>	<u>(15,921,607)</u>	<u>(1,082,449)</u>	<u>(2,829,014)</u>	<u>(2,644,101)</u>	<u>(2,899,468)</u>
<u>46,636,446</u>	<u>48,934,238</u>	<u>64,926,981</u>	<u>66,380,337</u>	<u>70,696,155</u>	<u>74,256,569</u>
8,611,292	9,800,721	10,522,092	11,273,829	11,772,304	11,323,625
<u>3,392,909</u>	<u>498,654</u>	<u>1,241,798</u>	<u>501,707</u>	<u>(2,969,263)</u>	<u>(3,706,206)</u>
<u>12,004,201</u>	<u>10,299,375</u>	<u>11,763,890</u>	<u>11,775,536</u>	<u>8,803,041</u>	<u>7,617,419</u>
63,319,152	67,782,100	70,151,598	75,044,446	77,959,729	80,868,529
6,268,607	6,874,466	6,379,924	5,438,734	7,152,831	7,611,133
<u>(10,947,112)</u>	<u>(15,422,953)</u>	<u>159,349</u>	<u>(2,327,307)</u>	<u>(5,613,364)</u>	<u>(6,605,674)</u>
<u>\$58,640,647</u>	<u>\$59,233,613</u>	<u>\$76,690,871</u>	<u>\$78,155,873</u>	<u>\$79,499,196</u>	<u>\$81,873,988</u>

City of Marion
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<u>Expenses</u>				
Governmental Activities				
Security of Persons and Property				
Police	\$1,871,599	\$8,876,793	\$7,760,073	\$7,704,885
Fire	136,682	7,770,308	6,785,552	6,917,973
Other	296,836	264,532	262,241	279,024
Public Health	339,155	332,510	391,220	475,974
Leisure Time Activities	1,458,059	1,296,203	1,126,742	1,024,675
Community Environment	286,093	273,008	615,208	675,217
Transportation				
Transit	1,123,124	1,119,659	1,108,187	1,121,255
Other	7,258,051	6,646,985	6,870,206	6,786,744
General Government				
Court	2,286,098	1,934,141	1,833,153	1,598,237
Other	4,490,408	3,924,587	4,020,092	3,872,566
Interest and Fiscal Charges	123,892	112,338	117,917	132,223
Total Governmental Activities Expenses	<u>19,669,997</u>	<u>32,551,064</u>	<u>30,890,591</u>	<u>30,588,773</u>
Business-Type Activities				
Sewer	7,745,938	7,450,382	6,735,102	6,024,098
Sanitation	2,759,452	2,390,970	2,527,701	2,278,028
Landfill	(12,214)	(19,200)	19,858	(18,644)
Storm Water	1,325,739	1,413,679	1,640,883	1,911,468
Aquatics Center	464,958	470,004	535,160	491,402
Total Business-Type Activities Expenses	<u>12,283,873</u>	<u>11,705,835</u>	<u>11,458,704</u>	<u>10,686,352</u>
Total Primary Government Expenses	<u>31,953,870</u>	<u>44,256,899</u>	<u>42,349,295</u>	<u>41,275,125</u>

2015	2014	2013	2012	2011	2010
\$6,937,590	\$5,937,127	\$6,485,461	\$5,757,434	\$6,641,183	\$7,637,515
6,001,795	5,608,955	5,662,188	4,843,734	5,864,658	6,205,475
273,558	296,116	270,226	297,776	258,206	274,704
450,276	391,194	391,484	447,973	489,284	636,408
932,334	933,611	860,761	920,509	1,126,954	1,420,937
686,208	803,809	563,133	1,401,447	2,572,072	1,363,569
976,397	1,065,270	1,175,948	1,071,114	922,873	820,298
7,323,163	6,257,831	6,177,970	5,767,795	6,600,017	5,090,213
1,252,947	1,260,331	1,226,544	1,042,867	976,447	1,001,001
3,122,100	3,399,848	3,052,278	4,455,649	2,994,209	3,874,215
144,154	149,091	158,712	175,311	182,157	315,718
<u>28,100,522</u>	<u>26,103,183</u>	<u>26,024,705</u>	<u>26,181,609</u>	<u>28,628,060</u>	<u>28,640,053</u>
6,088,099	6,150,351	5,452,035	5,270,225	5,796,461	5,795,346
1,936,929	1,992,690	1,666,855	2,146,238	2,196,659	2,039,259
(58,216)	(49,243)	36,750	125,998	(5,259)	108,154
1,852,887	1,813,918	2,411,967	1,883,897	2,299,682	1,640,079
447,437	400,506	486,210	690,856	297,524	0
<u>10,267,136</u>	<u>10,308,222</u>	<u>10,053,817</u>	<u>10,117,214</u>	<u>10,585,067</u>	<u>9,582,838</u>
<u>38,367,658</u>	<u>36,411,405</u>	<u>36,078,522</u>	<u>36,298,823</u>	<u>39,213,127</u>	<u>38,222,891</u>

(continued)

City of Marion
Changes in Net Position
Last Ten Years
(continued)
(Accrual Basis of Accounting)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<u>Program Revenues</u>				
Governmental Activities				
Charges for Services				
Security of Persons and Property				
Police	\$64,876	\$57,452	\$47,838	\$59,724
Fire	1,076,594	1,014,138	890,713	782,978
Public Health	0	0	0	0
Leisure Time Activities	18,502	0	24,175	20,522
Community Environment	0	21,487	20	120
Transportation				
Transit	98,035	93,591	98,872	95,924
Other	292,914	326,062	279,108	17,702
General Government				
Court	1,025,501	1,136,900	1,137,443	1,136,660
Other	345,342	532,712	357,310	293,158
Total Charges for Services	<u>2,921,764</u>	<u>3,182,342</u>	<u>2,835,479</u>	<u>2,406,788</u>
Operating Grants, Contributions, and Interest	3,727,885	2,929,819	3,016,232	3,211,132
Capital Grants and Contributions	<u>2,097,822</u>	<u>1,453,864</u>	<u>1,084,220</u>	<u>484,605</u>
Total Governmental Activities Program Revenues	<u>8,747,471</u>	<u>7,566,025</u>	<u>6,935,931</u>	<u>6,102,525</u>
Business-Type Activities				
Charges for Services				
Sewer	8,183,684	7,404,686	6,146,311	6,634,544
Sanitation	2,201,997	2,364,716	2,827,571	1,903,911
Landfill	205,000	128,000	143,000	94,374
Storm Water	1,999,847	1,939,467	1,670,702	1,702,935
Aquatics Center	219,522	205,824	182,112	202,439
Total Charges for Services	<u>12,810,050</u>	<u>12,042,693</u>	<u>10,969,696</u>	<u>10,538,203</u>
Operating Grants, Contributions, and Interest	0	0	0	0
Capital Grants and Contributions	<u>505,800</u>	<u>19,200</u>	<u>570,852</u>	<u>515,161</u>
Total Business-Type Activities Program Revenues	<u>13,315,850</u>	<u>12,061,893</u>	<u>11,540,548</u>	<u>11,053,364</u>
Total Primary Government Program Revenues	<u>22,063,321</u>	<u>19,627,918</u>	<u>18,476,479</u>	<u>17,155,889</u>
<u>Net Expense (Revenue)</u>				
Governmental Activities	10,922,526	24,985,039	23,954,660	24,486,248
Business-Type Activities	<u>(1,031,977)</u>	<u>(356,058)</u>	<u>(81,844)</u>	<u>(367,012)</u>
Total Primary Government Net Expense	<u>9,890,549</u>	<u>24,628,981</u>	<u>23,872,816</u>	<u>24,119,236</u>

2015	2014	2013	2012	2011	2010
\$55,261	\$76,404	\$66,656	\$65,097	\$83,637	\$45,231
1,216,658	613,965	1,163,379	558,023	1,096,237	0
0	4,022	0	0	92,729	66,786
18,340	23,138	21,423	21,382	64,557	397,010
0	0	150	0	0	0
103,810	112,973	115,998	109,913	138,484	21,751
15,500	18,700	23,350	30,343	47,411	108,231
1,044,646	967,956	977,759	906,277	952,556	1,115,245
313,424	292,603	319,159	340,371	287,796	431,029
<u>2,767,639</u>	<u>2,109,761</u>	<u>2,687,874</u>	<u>2,031,406</u>	<u>2,763,407</u>	<u>2,185,283</u>
3,569,668	4,002,743	3,679,557	4,852,977	5,328,581	4,403,920
285,858	2,074,956	145,317	766,305	342,991	263,176
<u>6,623,165</u>	<u>8,187,460</u>	<u>6,512,748</u>	<u>7,650,688</u>	<u>8,434,979</u>	<u>6,852,379</u>
6,135,568	6,214,889	5,877,295	5,580,190	5,777,897	5,757,769
2,463,223	2,514,897	1,841,691	2,823,504	2,660,450	1,636,510
273,968	271,000	593,251	0	207,000	0
1,404,306	1,110,075	1,049,516	1,134,130	1,089,014	1,224,273
169,444	127,156	164,528	271,288	0	0
<u>10,446,509</u>	<u>10,238,017</u>	<u>9,526,281</u>	<u>9,809,112</u>	<u>9,734,361</u>	<u>8,618,552</u>
0	0	0	0	131,206	0
<u>1,174,973</u>	<u>71,739</u>	<u>158,246</u>	<u>292,397</u>	<u>1,990,553</u>	<u>1,373,492</u>
<u>11,621,482</u>	<u>10,309,756</u>	<u>9,684,527</u>	<u>10,101,509</u>	<u>11,856,120</u>	<u>9,992,044</u>
<u>18,244,647</u>	<u>18,497,216</u>	<u>16,197,275</u>	<u>17,752,197</u>	<u>20,291,099</u>	<u>16,844,423</u>
21,477,357	17,915,723	19,511,957	18,530,921	20,193,081	21,787,674
<u>(1,354,346)</u>	<u>(1,534)</u>	<u>369,290</u>	<u>15,705</u>	<u>(1,271,053)</u>	<u>(409,206)</u>
<u>20,123,011</u>	<u>17,914,189</u>	<u>19,881,247</u>	<u>18,546,626</u>	<u>18,922,028</u>	<u>21,378,468</u>

(continued)

City of Marion
Changes in Net Position
Last Ten Years
(continued)
(Accrual Basis of Accounting)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<u>General Revenues and Other Changes in Net Position</u>				
<u>Governmental Activities</u>				
Property Taxes Levied for General Purposes	\$1,125,845	\$1,124,347	\$1,092,591	\$1,114,039
Property Taxes Levied for Police and Fire Pension	206,596	204,618	199,790	202,528
Payment in Lieu of Taxes	243,963	434,523	383,876	519,826
Municipal Income Taxes Levied for General Purposes	8,528,149	8,446,373	7,808,668	7,774,050
Municipal Income Taxes Levied for Street Construction, Maintenance, and Repair	646,790	644,420	618,417	626,470
Municipal Income Taxes Levied for Police and Fire	7,502,943	7,449,990	7,073,961	6,871,565
Municipal Income Taxes Levied for Capital Improvements	430,418	427,367	406,028	389,641
Grants and Entitlements not Restricted to Specific Programs	1,037,866	898,920	819,578	922,016
Franchise Taxes	337,123	333,694	292,236	286,507
Interest	307,440	218,065	134,977	107,283
Other	823,593	1,066,332	608,125	406,036
Transfers	6,410	591,536	6,410	10,410
Total Governmental Activities	<u>21,197,136</u>	<u>21,840,185</u>	<u>19,444,657</u>	<u>19,230,371</u>
<u>Business-Type Activities</u>				
Other	430,973	481,632	420,386	404,475
Transfers	(6,410)	(591,536)	(6,410)	(10,410)
Total Business-Type Activities	<u>424,563</u>	<u>(109,904)</u>	<u>413,976</u>	<u>394,065</u>
Total Primary Government	<u>21,621,699</u>	<u>21,730,281</u>	<u>19,858,633</u>	<u>19,624,436</u>
<u>Changes in Net Position</u>				
Governmental Activities	10,274,610	(3,144,854)	(4,510,003)	(5,255,877)
Business-Type Activities	1,456,540	246,154	495,820	761,077
Total Primary Government	<u>\$11,731,150</u>	<u>(\$2,898,700)</u>	<u>(\$4,014,183)</u>	<u>(\$4,494,800)</u>

Note: Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in 2015 and GASB Statement No. 75 beginning in 2018.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$1,082,897	\$1,092,263	\$1,044,608	\$1,039,593	\$1,081,136	\$1,138,506
196,921	198,845	191,397	190,451	196,399	207,376
399,460	363,665	339,296	375,340	366,126	361,716
8,043,383	7,516,504	11,876,892	12,233,801	11,166,623	11,831,522
606,726	561,668	595,076	369,225	279,941	377,602
7,067,946	6,586,927	1,396,953	0	0	0
404,006	377,378	332,204	370,907	317,767	377,602
728,315	873,541	1,318,417	1,273,569	2,146,727	1,936,793
278,403	287,074	307,730	312,562	297,964	288,289
115,561	137,188	105,396	78,660	166,410	333,457
255,947	673,618	514,059	213,899	252,278	137,018
0	500	36,573	(2,242,904)	361,296	1,643,729
<u>19,179,565</u>	<u>18,669,171</u>	<u>18,058,601</u>	<u>14,215,103</u>	<u>16,632,667</u>	<u>18,633,610</u>
350,480	340,678	394,217	745,296	275,865	296,571
0	(500)	(36,573)	2,242,904	(361,296)	(1,643,729)
<u>350,480</u>	<u>340,178</u>	<u>357,644</u>	<u>2,988,200</u>	<u>(85,431)</u>	<u>(1,347,158)</u>
<u>19,530,045</u>	<u>19,009,349</u>	<u>18,416,245</u>	<u>17,203,303</u>	<u>16,547,236</u>	<u>17,286,452</u>
(2,297,792)	753,448	(1,453,356)	(4,315,818)	(3,560,414)	(3,154,064)
1,704,826	341,712	(11,646)	2,972,495	1,185,622	(937,952)
<u>(\$592,966)</u>	<u>\$1,095,160</u>	<u>(\$1,465,002)</u>	<u>(\$1,343,323)</u>	<u>(\$2,374,792)</u>	<u>(\$4,092,016)</u>

City of Marion
Fund Balance
Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
General Fund				
Reserved	\$0	\$0	\$0	\$0
Unreserved (Deficit)	0	0	0	0
Nonspendable	51,477	77,132	119,795	158,412
Committed	1,762	1,762	1,762	1,762
Assigned	1,003,285	606,351	674,902	803,464
Unassigned (Deficit)	<u>2,762,699</u>	<u>2,889,631</u>	<u>2,535,128</u>	<u>1,957,415</u>
Total General Fund	<u>3,819,223</u>	<u>3,574,876</u>	<u>3,331,587</u>	<u>2,921,053</u>
All Other Governmental Funds				
Reserved	0	0	0	0
Unreserved, Designated for Termination Benefits	0	0	0	0
Unreserved, Reported in Special Revenue Funds	0	0	0	0
Debt Service Funds (Deficit)	0	0	0	0
Capital Projects Funds	0	0	0	0
Nonspendable	119,548	114,045	175,853	174,757
Restricted	7,038,197	7,723,028	5,788,540	5,638,046
Committed	0	9,384	8,723	7,948
Assigned	0	0	0	0
Unassigned (Deficit)	<u>(6,891)</u>	<u>(4,119)</u>	<u>(434,517)</u>	<u>(418,551)</u>
Total All Other Governmental Funds	<u>7,150,854</u>	<u>7,842,338</u>	<u>5,538,599</u>	<u>5,402,200</u>
Total Governmental Funds	<u>\$10,970,077</u>	<u>\$11,417,214</u>	<u>\$8,870,186</u>	<u>\$8,323,253</u>

Note: The City implemented GASB Statement No. 54 in 2011.

2015	2014	2013	2012	2011	2010
\$0	\$0	\$0	\$0	\$0	\$422,439
0	0	0	0	0	(1,247,645)
175,653	211,891	298,172	58,799	333,735	n/a
1,762	1,713	1,416	464	159,519	n/a
735,720	541,532	211,336	170,522	158,086	n/a
1,825,622	1,246,057	865,934	(791,952)	(1,365,380)	n/a
<u>2,738,757</u>	<u>2,001,193</u>	<u>1,376,858</u>	<u>(562,167)</u>	<u>(714,040)</u>	<u>(825,206)</u>
0	0	0	0	0	1,977,893
0	0	0	0	0	504,426
0	0	0	0	0	742,483
0	0	0	0	0	(385,823)
0	0	0	0	0	2,916,582
118,704	212,130	144,841	149,341	82,256	n/a
5,790,423	5,671,537	5,554,752	4,777,943	7,075,213	n/a
7,079	6,130	5,110	0	0	n/a
0	0	0	0	1,372	n/a
(361,421)	(207,369)	(1,491,256)	(1,075,648)	(1,103,141)	n/a
<u>5,554,785</u>	<u>5,682,428</u>	<u>4,213,447</u>	<u>3,851,636</u>	<u>6,055,700</u>	<u>5,755,561</u>
<u>\$8,293,542</u>	<u>\$7,683,621</u>	<u>\$5,590,305</u>	<u>\$3,289,469</u>	<u>\$5,341,660</u>	<u>\$4,930,355</u>

City of Marion
Changes in Fund Balance
Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2019	2018	2017	2016
<u>Revenues</u>				
Property Taxes	\$1,316,289	\$1,327,793	\$1,306,974	\$1,259,812
Payment in Lieu of Taxes	243,963	434,523	383,876	519,826
Municipal Income Taxes	17,051,543	16,940,727	15,865,055	15,882,193
Other Local Taxes	269,669	300,512	262,108	4,102
Charges for Services	1,435,802	1,352,110	1,487,429	1,222,509
Fees, Licenses, and Permits	426,379	414,220	361,911	356,898
Fines and Forfeitures	1,190,774	1,287,713	1,260,450	1,260,652
Intergovernmental	4,622,404	4,492,006	4,534,327	4,506,210
Interest	331,455	188,008	158,041	95,893
Other	747,796	982,860	682,731	461,082
Total Revenues	27,636,074	27,720,472	26,302,902	25,569,177
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	7,636,439	7,612,296	7,002,332	6,854,807
Fire	6,573,598	6,489,646	5,926,163	6,002,927
Other	296,836	264,532	262,241	279,024
Public Health	338,919	332,274	390,984	475,738
Leisure Time Activities	1,159,308	1,176,081	1,044,269	946,093
Community Environment	286,093	273,008	615,208	705,212
Transportation				
Transit	870,804	930,118	915,956	1,069,843
Other	4,906,542	4,336,184	4,208,921	3,756,286
General Government				
Court	1,954,087	1,736,552	1,593,391	1,558,747
Other	3,566,401	3,328,500	3,329,432	3,435,843
Debt Service:				
Principal Retirement	374,174	420,556	354,730	343,050
Interest and Fiscal Charges	126,420	111,266	118,752	132,981
Total Expenditures	28,089,621	27,011,013	25,762,379	25,560,551
Excess of Revenues Over (Under) Expenditures	(453,547)	709,459	540,523	8,626
<u>Other Financing Sources (Uses)</u>				
Bond Anticipation Notes Issued	0	0	0	0
General Obligation Bonds Issued	0	505,000	0	0
Current Refunding	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0
Premium on Bonds Issued	0	19,592	0	0
Inception of Capital Lease	0	550,216	0	0
Sale of Capital Assets	0	171,225	0	10,675
Transfers In	7,475,458	8,400,202	6,759,003	6,374,072
Transfers Out	(7,469,048)	(7,808,666)	(6,752,593)	(6,363,662)
Total Other Financing Sources (Uses)	6,410	1,837,569	6,410	21,085
Changes in Fund Balance	(\$447,137)	\$2,547,028	\$546,933	\$29,711
Debt Service as a Percentage of Noncapital Expenditures	1.97%	2.13%	1.99%	1.98%

2015	2014	2013	2012	2011	2010
\$1,263,885	\$1,270,829	\$1,232,257	\$1,213,171	\$1,221,951	\$1,306,032
399,460	363,665	339,296	375,340	366,126	361,716
16,072,587	14,853,318	14,324,676	12,679,571	12,740,356	11,743,061
0	0	0	0	0	0
1,190,348	1,294,317	1,178,391	1,242,226	1,198,228	1,676,046
342,233	343,397	382,259	366,646	351,163	326,653
1,157,497	1,110,859	1,129,885	1,059,463	1,124,168	1,249,299
4,663,703	6,742,967	5,594,429	6,623,132	7,670,115	6,299,197
96,990	137,753	136,337	95,821	192,345	374,695
354,653	666,356	607,434	292,905	955,275	474,041
<u>25,541,356</u>	<u>26,783,461</u>	<u>24,924,964</u>	<u>23,948,275</u>	<u>25,819,727</u>	<u>23,810,740</u>
6,673,542	6,001,812	6,426,618	5,492,807	6,778,386	7,552,410
5,927,259	5,641,142	5,920,835	4,812,830	5,526,469	6,125,357
273,558	296,116	270,226	297,776	258,206	274,704
447,537	390,859	391,149	447,638	488,966	636,090
880,589	901,399	805,801	932,545	1,114,921	1,403,075
686,208	803,809	623,338	1,401,447	2,572,072	1,363,569
1,134,617	992,516	1,171,823	1,578,161	1,197,923	807,806
4,191,048	4,694,570	2,448,841	2,793,121	3,354,214	4,682,823
1,247,813	1,252,603	1,200,327	1,014,527	976,173	997,407
3,102,998	3,256,433	2,790,803	4,349,368	3,081,972	4,066,325
336,462	393,015	407,701	397,628	634,053	3,905,795
144,844	154,340	161,905	175,472	192,662	296,264
<u>25,046,475</u>	<u>24,778,614</u>	<u>22,619,367</u>	<u>23,693,320</u>	<u>26,176,017</u>	<u>32,111,625</u>
<u>494,881</u>	<u>2,004,847</u>	<u>2,305,597</u>	<u>254,955</u>	<u>(356,290)</u>	<u>(8,300,885)</u>
0	0	0	0	0	2,650,000
0	0	0	0	0	4,178,350
0	0	0	0	0	(250,000)
0	0	0	0	0	(790,010)
0	0	0	0	0	0
0	0	0	0	0	0
115,040	87,969	3,850	23,400	0	2,300
6,290,774	6,386,264	1,353,929	1,551,743	2,029,580	3,585,003
<u>(6,290,774)</u>	<u>(6,385,764)</u>	<u>(1,362,540)</u>	<u>(3,882,289)</u>	<u>(1,663,985)</u>	<u>(1,941,274)</u>
<u>115,040</u>	<u>88,469</u>	<u>(4,761)</u>	<u>(2,307,146)</u>	<u>365,595</u>	<u>7,434,369</u>
<u>\$609,921</u>	<u>\$2,093,316</u>	<u>\$2,300,836</u>	<u>(\$2,052,191)</u>	<u>\$9,305</u>	<u>(\$866,516)</u>
2.08%	2.51%	2.58%	2.67%	3.30%	14.16%

City of Marion
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Collection Year	Real Property			Public Utility Personal Property	
	Assessed Value		Estimated Actual Value	Assessed Value	Estimated Actual Value
	Residential/ Agricultural	Commercial/ Industrial/ Public Utility			
2019	\$267,409,430	\$85,881,240	\$1,009,401,914	\$35,128,510	\$39,918,761
2018	267,590,050	83,181,740	1,002,205,114	34,230,780	38,898,614
2017	267,962,400	82,697,930	1,001,886,657	33,446,790	38,007,716
2016	262,477,660	80,394,660	979,635,200	30,764,640	34,959,818
2015	263,070,800	81,120,760	983,404,457	29,015,140	32,971,750
2014	263,816,600	82,467,090	989,381,971	25,412,110	28,877,398
2013	271,196,890	76,113,830	992,316,343	23,688,270	26,918,489
2012	272,472,140	76,487,530	997,027,629	22,353,570	25,401,784
2011	273,732,270	77,803,200	1,004,387,057	21,945,680	24,938,273
2010	295,173,850	77,401,950	1,064,502,286	21,834,590	24,812,034

Source: Marion County Auditor

Note: Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated actual value. The assessed value of public utility personal property ranges from 25 percent of actual value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent of actual value for machinery and equipment and 23 percent for inventory. The general business tangible personal property tax has been phased out. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four-year phase out on the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes have been collected since 2010.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent, and homestead exemptions before being billed.

Tangible Personal Property		Total		Percentage of Total Assessed Value to Total Estimated Actual Value	Direct Tax Rate
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$0	\$0	\$388,419,180	\$1,049,320,675	37.02%	\$4.20
0	0	385,002,570	1,041,103,728	36.98	4.20
0	0	384,107,120	1,039,894,373	36.94	4.20
0	0	373,636,960	1,014,595,018	36.83	4.20
0	0	373,206,700	1,016,376,207	36.72	4.20
0	0	371,695,800	1,018,259,369	36.50	4.20
0	0	370,998,990	1,019,234,832	36.40	4.20
0	0	371,313,240	1,022,429,413	36.32	4.20
0	0	373,481,150	1,029,325,330	36.28	4.20
416,300	416,300	394,826,690	1,089,730,620	36.23	4.20

City of Marion
Property Tax Rates - Direct and All Overlapping Governments
(Per \$1,000 of Assessed Values)
Last Ten Years

	2019	2018	2017	2016
City of Marion				
Unvoted Millage				
General	\$3.600	\$3.600	\$3.600	\$3.600
Fire Pension	0.3000	0.3000	0.3000	0.3000
Police Pension	0.3000	0.3000	0.3000	0.3000
Total Unvoted Millage	4.2000	4.2000	4.2000	4.2000
Total Millage (Total Direct Rate)	4.2000	4.2000	4.2000	4.2000
Total Effective Millage by Type of Property				
Residential/Agriculture	4.2000	4.2000	4.2000	4.2000
Commerical/Industrial	4.2000	4.2000	4.2000	4.2000
Tangible/Public Utility Personal	4.2000	4.2000	4.2000	4.2000
Marion County	11.1700	11.1700	11.1700	11.1700
Marion City School District	40.3000	40.9100	40.7700	41.1200
Elgin Local School District	42.4600	43.5200	43.3100	44.8600
Pleasant Local School District	45.4100	45.5300	45.4500	46.5300
Ridgedale Local School District	44.2300	44.6600	44.4400	44.7000
River Valley Local School District	37.9100	38.4300	38.4300	38.6200
Tri-Rivers Joint Vocational School District	4.4000	4.4000	4.4000	4.4000
Marion Township	2.1500	2.1500	12.1500	12.1500

Source: Marion County Auditor

Note: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year. The basic property tax rate can be increased only by a majority vote of the City's residents.

Overlapping rates are those of local and county governments that apply to property owners within the City. Property tax rates for all overlapping governments are based upon the original voted levy.

2015	2014	2013	2012	2011	2010
\$3.600	\$3.600	\$3.600	\$3.600	\$3.600	\$3.600
0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
4.2000	4.2000	4.2000	4.2000	4.2000	4.2000
4.2000	4.2000	4.2000	4.2000	4.2000	4.2000
4.2000	4.2000	4.2000	4.2000	4.2000	4.2000
4.2000	4.2000	4.2000	4.2000	4.2000	4.2000
4.2000	4.2000	4.2000	4.2000	4.2000	4.2000
11.1700	11.1700	11.1700	11.1700	11.1700	11.1700
41.1200	41.1200	41.2200	41.2500	40.3600	40.3600
44.8600	44.8600	45.7500	45.7800	46.1700	46.1700
46.5300	46.5300	47.1300	47.1300	47.5900	47.5900
44.7000	44.7000	45.6900	45.7000	46.5200	46.5200
38.6200	38.6200	38.8900	38.8900	38.4100	38.4100
4.4000	4.4000	4.4000	4.4000	4.4000	4.4000
10.1000	10.1000	10.1000	10.1000	7.8000	7.8000

City of Marion
Real Property Tax Levies and Collections
Last Ten Years

Year	Current Tax Levy (1)	Delinquent Tax Levy (2)	Total Tax Levy	Current Tax Collections	Percentage of Current Tax Collections to Current Tax Levy
2019	\$1,598,918	\$248,962	\$1,847,880	\$1,462,344	91.46%
2018	1,497,449	151,475	1,648,924	1,474,789	98.49
2017	1,487,155	147,083	1,634,238	1,456,683	97.95
2016	1,487,097	186,857	1,673,954	1,415,851	95.21
2015	1,447,461	149,502	1,596,963	1,422,034	98.24
2014	1,450,102	156,740	1,606,842	1,432,159	98.76
2013	1,444,568	168,149	1,612,717	1,391,261	96.31
2012	1,441,507	161,131	1,602,638	1,378,578	95.63
2011	1,461,010	153,047	1,614,057	1,338,329	91.60
2010	1,461,010	54,755	1,515,765	1,511,805	103.48

Source: Marion County Auditor

(1) State reimbursement of rollback and homestead exemptions are included.

(2) Amounts listed include penalties and interest.

Note: The County's current reporting system does not track delinquency tax collections by tax year. Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent. Penalties and interest are applied to the total outstanding delinquent balance. The presentation will be updated as new information becomes available.

<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percentage of Total Tax Collections to Total Tax Levy</u>	<u>Outstanding Delinquent Taxes (2)</u>	<u>Percentage of Outstanding Delinquent Taxes to Total Tax Levy</u>
\$112,388	\$1,574,732	85.22%	\$425,041	23.00%
128,815	1,603,604	97.25	408,889	24.80
116,611	1,573,294	96.27	407,717	24.95
115,613	1,531,464	91.49	422,310	25.23
124,075	1,546,109	96.82	365,555	22.89
138,797	1,570,956	97.77	349,622	21.76
114,833	1,506,094	93.39	329,343	20.42
98,201	1,476,779	92.15	325,595	20.32
99,983	1,438,312	89.11	308,722	19.13
105,549	1,617,354	106.70	253,138	16.70

City of Marion
Tangible Personal Property Tax Levies and Collections
Last Ten Years

Year	Current Tax Levy	Delinquent Tax Levy	Total Tax Levy	Current Tax Collections	Percentage of Current Tax Collections to Current Tax Levy
2019	\$0	\$0	\$0	\$0	0.00%
2018	0	0	0	0	0.00
2017	0	0	0	0	0.00
2016	0	0	0	0	0.00
2015	0	598	598	0	0.00
2014	0	833	833	0	0.00
2013	0	6,891	6,891	0	0.00
2012	0	6,957	6,957	0	0.00
2011	86	9,919	10,005	0	0.00
2010	1,691	11,120	12,811	1,522	90.01

Source: Marion County Auditor

Note: The County's current reporting system does not track delinquency tax collections by tax year. Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent. Penalties and interest are applied to the total outstanding delinquent balance. The presentation will be updated as new information becomes available.

<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percentage of Total Tax Collections to Total Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percentage of Outstanding Delinquent Taxes to Total Tax Levy</u>
\$0	\$0	0.00%	\$0	0.00%
0	0	0.00	0	0.00
0	0	0.00	0	0.00
0	0	0.00	0	0.00
0	0	0.00	598	100.00
0	0	0.00	833	100.00
6,002	6,002	87.10	833	12.09
65	65	0.93	6,896	99.12
2,911	2,911	29.10	6,945	69.42
191	1,713	13.37	9,864	77.00

City of Marion
Principal Taxpayers
Current Year and Eight Years Ago

Taxpayer	Type of Business	2019		
		Real Property Assessed Valuation	Rank	Percentage of Total City Assessed Valuation (2019 Collection Year)
Aqua Ohio	Utility	\$16,809,000	1	4.32%
Ohio Edison Company	Utility	9,959,800	2	2.56
Marion General Hospital	Hospital	8,370,900	3	2.16
Columbia Gas	Utility	5,418,540	4	1.40
American Transmission	Manufacturing	3,821,250	5	0.98
DOFASCO Marion, Inc.	Real Estate	3,093,460	6	0.80
Store Master Funding	Real Estate	2,656,450	7	0.68
Marion Plaza Association	Real Estate	2,160,630	8	0.56
US Yachiyo, Inc.	Manufacturing	2,147,120	9	0.55
Nucor Steel	Manufacturing	2,078,070	10	0.54
Kinman Real Estate	Real Estate			
HCRA Properties	Real Estate			
Ohio American Water	Utility			
Clinic Investment	Medical			
John and Judy Curr	Real Estate			
MV/ALG Mallard Landing	Real Estate			
	Total	56,515,220		14.55
	All Other Taxpayers	331,903,960		85.45
	Total Assessed Valuation	\$388,419,180		100.00%

Source: Marion County Auditor

Note: Information prior to 2011 is not available.

2011		
<u>Real Property Assessed Valuation</u>	<u>Rank</u>	<u>Percentage of Total City Assessed Valuation (2011 Collection Year)</u>
\$7,252,160	2	1.94%
1,775,530	6	0.48
2,167,490	4	0.58
2,082,610	5	0.56
1,401,210	7	0.38
1,245,480	10	0.33
12,161,490	1	3.26
3,334,180	3	0.89
1,319,740	8	0.35
<u>1,312,500</u>	<u>9</u>	<u>0.35</u>
34,052,390		9.12
<u>339,428,760</u>		<u>90.88</u>
<u><u>\$373,481,150</u></u>		<u><u>100.00%</u></u>

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City of Marion
Income Tax Revenue Base and Collections
Last Ten Years
(Accrual Basis of Accounting)

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes from Net Profits	Percentage of Taxes from Net Profits	Taxes from Individual Payments	Percentage of Taxes from Individual Payments
2019	2.00%	\$17,108,300	\$14,490,094	84.70%	\$1,376,305	8.04%	\$1,241,901	7.26%
2018	2.00	16,968,150	14,133,724	83.29	1,638,410	9.66	1,196,016	7.05
2017	2.00	15,907,074	13,201,215	82.99	1,546,874	9.72	1,158,985	7.29
2016	2.00	15,661,726	13,100,797	83.65	1,423,323	9.09	1,137,606	7.26
2015	2.00	16,122,061	12,832,078	79.59	2,145,803	13.31	1,144,180	7.10
2014	2.00	15,042,477	12,371,604	82.24	1,497,107	9.95	1,173,766	7.81
2013	2.00	14,201,125	11,632,480	81.91	1,469,045	10.34	1,099,600	7.74
2012	1.75	12,973,933	11,064,451	85.28	1,160,201	8.94	749,281	5.78
2011	1.75	11,764,331	9,747,314	82.85	1,201,216	10.21	815,801	6.93
2010	1.75	12,586,726	10,905,471	86.64	945,066	7.51	736,189	5.85

Source: City Records

City of Marion
Sewer Utility Statistics
Last Ten Years

Type of Customer	2019			2018		
	Consumption (CCF)	Billings	Rate	Consumption (CCF)	Billings	Rate
Residential						
Inside City Limits						
Through 8/31/2017	n/a	n/a	n/a	n/a	n/a	n/a
8/31/2017 through 5/1/2019	219,553	\$1,104,376	\$3.72	630,897	\$3,162,035	\$3.72
After 5/1/2019	400,015	2,077,469	\$3.91	n/a	n/a	n/a
Outside City Limits						
Through 8/31/2017	n/a	n/a	n/a	n/a	n/a	n/a
8/31/2017 through 5/1/2019	9,409	\$53,866	4.21	26,596	151,583	4.21
After 5/1/2019	18,294	107,584	4.42	n/a	n/a	n/a
Commercial						
Inside City Limits						
Through 8/31/2017	n/a	n/a	n/a	n/a	n/a	n/a
8/31/2017 through 5/1/2019	271,747	1,078,983	3.91	488,303	1,959,317	3.91
After 5/1/2019	380,032	1,287,210	3.97	n/a	n/a	n/a
Outside City Limits	45,644	<u>180,363</u>	4.42	60,346	<u>229,100</u>	4.21
Subtotal		<u>5,889,851</u>			<u>5,502,035</u>	
Residential Well						
Well	n/a	1,499	12.19	n/a	1,501	12.19
Sewer Well 1 Person	n/a	1,975	12.19	n/a	1,935	12.19
Sewer Well 2 People	n/a	6,326	18.68	n/a	5,892	18.68
Sewer Well 3 People	n/a	1,083	23.54	n/a	1,318	23.54
Sewer Well 4 People	n/a	938	26.78	n/a	964	26.78
Sewer Well 5 People	n/a	682	28.40	n/a	682	28.40
Sewer Well 8 People	n/a	<u>559</u>	46.58	n/a	<u>652</u>	46.58
Subtotal		<u>13,062</u>			<u>12,944</u>	
Grand Total		<u><u>\$5,902,913</u></u>			<u><u>\$5,514,979</u></u>	

2017			2016			2015		
Consumption (CCF)	Billings	Rate	Consumption (CCF)	Billings	Rate	Consumption (CCF)	Billings	Rate
421,420	\$1,701,185	\$2.78	637,300	\$2,566,928	\$2.78	664,495	\$2,635,043	\$2.78
208,449	993,664	3.72	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
17,714	83,281	3.24	26,821	125,697	3.24	27,779	127,694	3.24
9,080	49,662	4.21	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
427,733	1,280,408	2.92	1,085,911	1,524,005	2.92	554,110	1,667,994	2.92
189,398	720,449	3.91	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
52,119	<u>179,244</u>	4.21	42,488	<u>141,353</u>	3.09	59,465	<u>196,272</u>	3.09
	<u>5,007,893</u>			<u>4,357,983</u>			<u>4,627,003</u>	
n/a	39	12.19	n/a	475	12.19	n/a	2,187	12.19
n/a	2,017	12.19	n/a	2,075	12.19	n/a	4,269	12.19
n/a	5,604	18.68	n/a	5,245	18.68	n/a	1,153	18.68
n/a	1,412	23.54	n/a	1,695	23.54	n/a	902	23.54
n/a	964	26.78	n/a	964	26.78	n/a	902	26.78
n/a	74	28.40	n/a	0	28.40	n/a	404	28.40
n/a	<u>978</u>	46.58	n/a	<u>559</u>	46.58	n/a	<u>0</u>	28.40
	<u>11,088</u>			<u>11,013</u>			<u>9,817</u>	
	<u>\$5,018,981</u>			<u>\$4,368,996</u>			<u>\$4,636,820</u>	

(continued)

City of Marion
Sewer Utility Statistics
Last Ten Years
(continued)

Type of Customer	2014			2013		
	Consumption (CCF)	Billings	Rate	Consumption (CCF)	Billings	Rate
Residential						
Inside City Limits						
Through 8/31/2017	713,152	\$2,845,852	\$2.78	726,914	\$2,978,103	\$2.61
8/31/2017 through 5/1/2019	n/a	n/a	n/a	n/a	n/a	n/a
After 5/1/2019	n/a	n/a	n/a	n/a	n/a	n/a
Outside City Limits						
Through 8/31/2017	28,458	129,996	3.24	28,822	130,399	3.09
8/31/2017 through 5/1/2019	n/a	n/a	n/a	n/a	n/a	n/a
After 5/1/2019	n/a	n/a	n/a	n/a	n/a	n/a
Commercial						
Inside City Limits						
Through 8/31/2017	475,506	1,381,162	2.92	504,307	1,506,463	2.77
8/31/2017 through 5/1/2019	n/a	n/a	n/a	n/a	n/a	n/a
After 5/1/2019	n/a	n/a	n/a	n/a	n/a	n/a
Outside City Limits	45,779	<u>151,697</u>	3.09	41,271	<u>138,412</u>	3.09
Subtotal		<u>4,508,707</u>			<u>4,753,377</u>	
Residential Well						
Well	n/a	5,619	12.19	n/a	197,102	23.03
Sewer Well 1 Person	n/a	2,202	12.19	n/a	2,004	23.03
Sewer Well 2 People	n/a	4,202	18.68	n/a	3,763	33.42
Sewer Well 3 People	n/a	1,552	23.54	n/a	1,265	43.82
Sewer Well 4 People	n/a	796	26.78	n/a	922	54.21
Sewer Well 5 People	n/a	0	28.40	n/a	258	64.61
Sewer Well 8 People	n/a	<u>0</u>	28.40	n/a	<u>0</u>	64.61
Subtotal		<u>14,371</u>			<u>205,314</u>	
Grand Total		<u>\$4,523,078</u>			<u>\$4,958,691</u>	

Source: City Utility Department

Note: In 2014, the billing cycle was changed to a monthly cycle.

n/a - not applicable

2012			2011			2010		
Consumption (CCF)	Billings	Rate	Consumption (CCF)	Billings	Rate	Consumption (CCF)	Billings	Rate
588,011	\$2,283,210	\$2.61	761,031	\$2,760,144	\$2.35	n/a	\$2,295,334	\$2.30
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
20,076	116,242	3.09	30,567	129,469	2.83	n/a	116,865	2.77
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
443,243	1,271,528	2.77	545,917	1,509,213	2.50	n/a	1,296,241	2.45
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
34,498	<u>116,509</u>	3.09	41,147	<u>133,335</u>	2.83	n/a	<u>125,528</u>	2.77
	<u>3,787,489</u>			<u>4,532,161</u>			<u>3,833,968</u>	
n/a	36,202	23.03	n/a	21,013	20.82	n/a	17,618	20.60
n/a	1,668	23.03	n/a	1,703	20.82	n/a	1,379	20.60
n/a	2,877	33.42	n/a	3,540	30.22	n/a	2,947	29.70
n/a	1,271	43.82	n/a	1,748	39.62	n/a	1,482	38.97
n/a	597	54.21	n/a	815	49.02	n/a	861	48.16
n/a	258	64.61	n/a	0	58.42	n/a	0	57.34
n/a	<u>0</u>	64.61	n/a	<u>0</u>	58.42	n/a	<u>0</u>	57.34
	<u>42,873</u>			<u>28,819</u>			<u>24,287</u>	
	<u>\$3,830,362</u>			<u>\$4,560,980</u>			<u>\$3,858,255</u>	

City of Marion
Sanitation Utility Statistics
Last Ten Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Number of Accounts	13,773	13,892	13,111	13,112
Total Billed	\$3,154,604	\$3,015,588	\$3,159,209	\$3,022,373
Flat Rate Bi-Monthly				
Residential				
Residential Through 4/30/13	n/a	n/a	n/a	n/a
Residential 5/1/13 Through 3/17/14	n/a	n/a	n/a	n/a
Residential After 3/18/14	22.00	22.00	22.00	22.00
Senior Residential Through 4/30/13	n/a	n/a	n/a	n/a
Senior Residential 5/1/13 Through 3/17/14	n/a	n/a	n/a	n/a
Senior Residential After 3/18/14	11.00	11.00	11.00	11.00

2015	2014	2013	2012	2011	2010
13,258	12,293	12,439	11,930	10,002	10,002
\$3,591,083	\$3,443,328	\$3,189,987	\$2,717,722	\$2,227,749	\$1,761,468
n/a	n/a	40.66	38.50	38.50	38.50
n/a	42.66	42.66	n/a	n/a	n/a
22.00	22.00	n/a	n/a	n/a	n/a
n/a	n/a	20.33	24.25	24.25	24.25
n/a	21.33	21.33	n/a	n/a	n/a
11.00	11.00	n/a	n/a	n/a	n/a

(continued)

City of Marion
Sanitation Utility Statistics
Last Ten Years
(continued)

	2019	2018	2017	2016
Commerical				
Commercial Bi-Monthly Pickup Through 4/30/13	n/a	n/a	n/a	n/a
Commercial Bi-Monthly Pickup 5/1/13 Through 3/17/14	n/a	n/a	n/a	n/a
Commercial Bi-Monthly Pickup After 3/18/14	\$39.13	\$39.13	\$39.13	\$39.13
5 Bags 1 Pickup Monthly Through 4/30/13	n/a	n/a	n/a	n/a
5 Bags 1 Pickup Monthly 5/1/13 Through 3/17/14	n/a	n/a	n/a	n/a
5 Bags 1 Pickup Monthly After 3/18/14	27.00	27.00	27.00	27.00
5 Bags 2 Pickup Monthly Through 4/30/13	n/a	n/a	n/a	n/a
5 Bags 2 Pickup Monthly 5/1/13 Through 3/17/14	n/a	n/a	n/a	n/a
5 Bags 2 Pickup Monthly After 3/18/14	27.00	27.00	27.00	27.00
6 Bags 1 Pickup Monthly Through 4/30/13	n/a	n/a	n/a	n/a
6 Bags 1 Pickup Monthly 5/1/13 Through 3/17/14	n/a	n/a	n/a	n/a
6 Bags 1 Pickup Monthly After 3/18/14	39.15	39.15	39.15	39.15
6 Bags 2 Pickup Monthly Through 4/30/13	n/a	n/a	n/a	n/a
6 Bags 2 Pickup Monthly 5/1/13 Through 3/17/14	n/a	n/a	n/a	n/a
6 Bags 2 Pickup Monthly After 3/18/14	77.66	77.66	77.66	77.66
6 Bags 3 Pickup Monthly Through 4/30/13	n/a	n/a	n/a	n/a
6 Bags 3 Pickup Monthly 5/1/13 Through 3/17/14	n/a	n/a	n/a	n/a
6 Bags 3 Pickup Monthly After 3/18/14	113.03	113.03	113.03	113.03
Trailer Park Flat Rate	280.24	280.24	280.24	280.24

Source: City Utility Department

n/a - not applicable

2015	2014	2013	2012	2011	2010
n/a	n/a	\$37.46	n/a	n/a	n/a
n/a	\$38.46	38.46	n/a	n/a	n/a
\$39.13	39.13	n/a	n/a	n/a	n/a
n/a	n/a	25.33	\$24.25	\$24.25	\$24.25
n/a	26.33	26.33	n/a	n/a	n/a
27.00	27.00	n/a	n/a	n/a	n/a
n/a	n/a	50.66	48.50	48.50	48.50
n/a	52.66	52.66	n/a	n/a	n/a
27.00	27.00	n/a	n/a	n/a	n/a
n/a	n/a	37.48	36.40	36.40	36.40
n/a	38.48	38.48	n/a	n/a	n/a
39.15	39.15	n/a	n/a	n/a	n/a
n/a	n/a	74.96	72.80	72.80	72.80
n/a	76.99	76.99	n/a	n/a	n/a
77.66	77.66	n/a	n/a	n/a	n/a
n/a	n/a	111.36	109.20	109.20	109.20
n/a	112.36	112.36	n/a	n/a	n/a
113.03	113.03	n/a	n/a	n/a	n/a
280.24	280.24	279.57	279.57	279.57	279.57

City of Marion
Storm Water Utility Statistics
Last Ten Years

Type of Customer	2019		2018		2017	
	Billings	Flat Rate	Billings	Flat Rate	Billings	Flat Rate
Residential						
Bi-Monthly Through 3/18/14	n/a	n/a	n/a	n/a	n/a	n/a
Monthly 3/18/14 Through 4/30/15	n/a	n/a	n/a	n/a	n/a	n/a
Monthly 4/30/15 Through 8/31/17	n/a	n/a	n/a	n/a	\$566,516	\$6.14
Monthly After 8/31/17	\$1,019,947	\$7.20	\$1,028,706	\$7.20	330,194	7.20
Senior Bi-Monthly Discount Through 3/18/14	n/a	n/a	n/a	n/a	n/a	n/a
Senior Monthly Discount 3/18/14 Through 4/30/15	n/a	n/a	n/a	n/a	n/a	n/a
Senior Monthly Discount 4/30/15 Through 8/31/17	n/a	n/a	n/a	n/a	10,089	3.07
Senior Monthly Discount After 8/31/17	1,280	3.60	3,320	3.60	1,395	3.60
Commercial						
Bi-Monthly	n/a	n/a	n/a	n/a	n/a	n/a
Monthly Through 4/30/15	n/a	n/a	n/a	n/a	n/a	n/a
Monthly 4/30/15 Through 8/31/17	n/a	n/a	n/a	n/a	502,296	6.14
Monthly After 8/31/17	<u>521,564</u>	7.20	<u>892,016</u>	7.20	<u>285,373</u>	7.20
Grand Total	<u><u>\$1,542,791</u></u>		<u><u>\$1,924,042</u></u>		<u><u>\$1,695,863</u></u>	

2016		2015		2014		2013	
Billings	Flat Rate	Billings	Flat Rate	Billings	Flat Rate	Billings	Flat Rate
n/a	n/a	n/a	n/a	n/a	n/a	\$613,527	\$8.32
n/a	n/a	\$186,999	\$4.16	\$565,870	\$4.16	n/a	n/a
\$835,885	\$6.14	553,963	6.14	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	21,838	4.16
n/a	n/a	6,011	2.08	18,430	2.08	n/a	n/a
22,655	3.07	16,634	3.07	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	355,578	8.32
n/a	n/a	166,203	4.16	554,353	4.16	243,879	4.16
750,120	6.14	499,488	6.14	n/a	n/a	n/a	n/a
<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
<u>\$1,608,660</u>		<u>\$1,429,298</u>		<u>\$1,138,653</u>		<u>\$1,234,822</u>	

(continued)

City of Marion
Storm Water Utility Statistics
Last Ten Years
(continued)

Type of Customer	2012		2011		2010	
	Billings	Flat Rate	Billings	Flat Rate	Billings	Flat Rate
Residential						
Bi-Monthly Through 3/18/14	\$503,850	\$8.32	\$626,222	\$8.32	\$542,317	\$8.32
Monthly 3/18/14 Through 4/30/15	n/a	n/a	n/a	n/a	n/a	n/a
Monthly 4/30/15 Through 8/31/17	n/a	n/a	n/a	n/a	n/a	n/a
Monthly After 8/31/17	n/a	n/a	n/a	n/a	n/a	n/a
Senior Bi-Monthly Discount Through 3/18/14	15,866	4.16	17,790	4.16	14,925	4.16
Senior Monthly Discount 3/18/14 Through 4/30/15	n/a	n/a	n/a	n/a	n/a	n/a
Senior Monthly Discount 4/30/15 Through 8/31/17	n/a	n/a	n/a	n/a	n/a	n/a
Senior Monthly Discount After 8/31/17	n/a	n/a	n/a	n/a	n/a	n/a
Commercial						
Bi-Monthly	276,382	8.32	219,952	8.32	232,566	8.32
Monthly Through 4/30/15	191,854	4.16	352,789	4.16	268,344	4.16
Monthly 4/30/15 Through 8/31/17	n/a	n/a	n/a	n/a	n/a	n/a
Monthly After 8/31/17	n/a	n/a	n/a	n/a	n/a	n/a
Grand Total	<u>\$987,952</u>		<u>\$1,216,753</u>		<u>\$1,058,152</u>	

Source: City Utility Department

Note: In 2014, the billing cycle was changed to a monthly cycle.

City of Marion
Aquatics Center Statistics
Last Four Years

	2019	2018	2017	2016
Scheduled Operating Days	87	93	89	89
Early Closure for Weather, Attendance, or Technical Issues	24	21	16	n/a
Closed for Weather	10	14	8	n/a
Actual Operating Days (Includes Early Closures)	77	79	81	89
Average High Temperature	77	79	81	80
Average Median Temperature	75	76	71	74
Average Low Temperature	57	58	61	64
Days With a Rain Event	44	38	31	42
General Admissions	16,588	17,806	12,331	15,111
Member Check-Ins	10,457	10,120	9,684	9,306
Total Attendance	27,045	27,926	22,015	24,417
Number of Members	1,659	1,742	1,921	n/a
Average Number of Member Check-Ins Per Season	6	6	5	n/a
Average Daily General Admissions	215	225	152	170
Average Daily Member Check-Ins	136	128	120	105
Total Average Daily Attendance	351	353	272	274
Number of Children Receiving Swimming Lessons	82	60	40	n/a
Revenue from General Admissions	\$90,949	\$91,718	\$76,033	\$94,439
Revenue from Memberships	\$57,733	\$55,791	\$49,669	\$41,336
Concession Sales	\$53,607	\$51,700	\$52,338	\$56,629
Rental Revenue	\$12,387	\$7,026	\$3,922	\$5,181
Total Number of Transactions	34,656.00	34,504.00	20,798.00	25,841.00
Average Revenue per Transaction	\$6.19	\$5.98	\$8.75	\$7.65
Average Daily Revenue from General Admissions	\$1,181.16	\$1,160.99	\$938.68	\$1,061.11
Average Daily Revenue from Memberships	\$749.78	\$706.22	\$613.20	\$464.45
Average Daily Concession Sales	\$696.19	\$654.43	\$646.15	\$636.28
Average Daily Rental Revenue	\$160.87	\$88.94	\$48.42	\$58.21
Total Average Daily Revenue	\$2,788.00	\$2,610.57	\$2,246.44	\$2,220.06

Source: City Recreation Department

Note: Information prior to 2016 is not available.

n/a - not available

City of Marion
Principal Sewer Customers
Last Ten Years

Customer	2019			2018		
	Amount	Rank	Percentage	Amount	Rank	Percentage
Marion Correctional Institute	\$820,212	1	13.89%	\$495,623	2	8.99%
North Central Correctional Institute	515,090	2	8.73	506,794	1	9.19
Arcelormittal Tubular	57,683	3	0.98			
Marion Water Pollution Control	41,920	4	0.71			
Sika Corporation	38,835	5	0.66	27,535	10	0.50
HCR Manor Care	31,049	6	0.53	32,276	7	0.59
Marion Care Leasing, LLC	29,098	7	0.49			
Silverline Building Products	28,861	8	0.49	28,391	8	0.51
Multi County Correctional Institute	28,608	9	0.48	28,382	9	0.51
Kinman Real Estate	26,787	10	0.45			
333 Joseph				108,105	3	1.96
Nucor Steel				43,850	4	0.80
ODRC				40,314	5	0.73
Nachurs				34,427	6	0.62
Fairview 1						
Mark Kamann						
Dale Hamm						
North Central Correctional Facility						
Marion Village Apartments						
Community Nursing						
Chartwell Group						
TSM Management						
CSX Transportation, Inc.						
John Curry						
Rotary Towers						
Total	1,618,143		27.41	1,345,697		24.40
Balance from Other Customers	4,284,770		72.59	4,169,282		75.60
Total Billed	<u>\$5,902,913</u>		<u>100.00%</u>	<u>\$5,514,979</u>		<u>100.00%</u>

2017			2016			2015		
Amount	Rank	Percentage	Amount	Rank	Percentage	Amount	Rank	Percentage
\$528,163	1	10.53%	\$527,133	1	12.07%	\$546,322	1	11.77%
504,735	2	10.06	310,918	2	7.12	342,787	2	7.39
33,513	4	0.67	28,539	5	0.65	22,248	7	0.48
31,433	5	0.63	19,908	9	0.46			
21,562	8	0.43	17,565	10	0.40	15,291	9	0.33
24,756	6	0.49	23,118	8	0.53	24,851	4	0.54
37,158	3	0.74	27,487	7	0.63	23,634	6	0.51
23,767	7	0.47	27,881	6	0.64	24,465	5	0.53
18,786	9	0.37						
14,736	10	0.29						
			144,351	3	3.30			
			50,370	4	1.15	48,189	3	1.04
						16,087	8	0.35
						14,868	10	0.32
<u>1,238,609</u>		<u>24.68</u>	<u>1,177,270</u>		<u>26.95</u>	<u>1,078,742</u>		<u>23.26</u>
<u>3,780,372</u>		<u>75.32</u>	<u>3,191,726</u>		<u>73.05</u>	<u>3,558,078</u>		<u>76.74</u>
<u>\$5,018,981</u>		<u>100.00%</u>	<u>\$4,368,996</u>		<u>100.00%</u>	<u>\$4,636,820</u>		<u>100.00%</u>

(continued)

City of Marion
Principal Sewer Customers
Last Ten Years
(continued)

Customer	2014			2013		
	Amount	Rank	Percentage	Amount	Rank	Percentage
Marion Correctional Institute	\$617,240	1	13.65%	\$624,814	1	12.60%
North Central Correctional Institute	363,053	2	8.03	304,596	2	6.14
Arcelormittal Tubular				14,176	10	0.29
Marion Water Pollution Control						
Sika Corporation	32,993	3	0.73			
HCR Manor Care						
Marion Care Leasing, LLC						
Silverline Building Products				14,850	8	0.30
Multi County Correctional Institute	15,565	10	0.34	17,876	7	0.36
Kinman Real Estate	23,713	5	0.52	24,170	3	0.49
333 Joseph						
Nucor Steel	22,611	6	0.50			
ODRC						
Nachurs	17,214	9	0.38	18,785	6	0.38
Fairview 1	18,115	8	0.40	14,455	9	0.29
Mark Kamann	31,188	4	0.69	22,721	4	0.46
Dale Hamm						
North Central Correctional Facility						
Marion Village Apartments						
Community Nursing	21,057	7	0.47	20,907	5	0.42
Chartwell Group						
TSM Management						
CSX Transportation, Inc.						
John Curry						
Rotary Towers						
Total	1,162,749		25.71	1,077,350		21.73
Balance from Other Customers	3,360,329		74.29	3,881,341		78.27
Total Billed	<u>\$4,523,078</u>		<u>100.00%</u>	<u>\$4,958,691</u>		<u>100.00%</u>

Source: City Utility Department

Note: Charges are based on collection cycles which will differ from billing cycles as reflected on the Statement of Revenues, Expenses, and Changes in Fund Net Position.

Does not include industrial pre-treatment customers.

2012			2011			2010		
Amount	Rank	Percentage	Amount	Rank	Percentage	Amount	Rank	Percentage
\$453,378	1	11.84%	\$547,820	1	12.02%	\$414,838	1	10.46%
244,885	2	6.39	349,098	2	7.64	308,287	2	7.99
20,955	5	0.55	15,387	9	0.34	15,684	7	0.41
13,348	10	0.35	15,819	8	0.35	14,805	9	0.38
24,870	3	0.65	26,131	4	0.57	24,708	5	0.64
						60,630	3	1.57
24,159	4	0.63	26,144	3	0.57	26,219	4	0.68
18,070	6	0.47	18,651	6	0.41	15,229	8	0.39
16,246	7	0.42						
14,569	8	0.38	16,531	7	0.36			
13,520	9	0.35						
			24,919	5	0.55	23,771	6	0.62
			12,985	10	0.28	12,487	10	0.32
844,000		22.03	1,053,485		23.10	916,658		23.76
2,986,362		77.97	3,507,495		76.90	2,941,597		76.24
<u>\$3,830,362</u>		<u>100.00%</u>	<u>\$4,560,980</u>		<u>100.00%</u>	<u>\$3,858,255</u>		<u>100.00%</u>

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City of Marion
Principal Sanitation Customers
Last Ten Years

Customer	2019			2018			2017		
	Amount	Rank	Percentage	Amount	Rank	Percentage	Amount	Rank	Percentage
Villas at Center Park	\$15,840	1	0.51%	\$15,840	1	0.54%	\$15,840	1	0.51%
Kinman Real Estate	11,335	2	0.36	11,235	2	0.37	11,235	2	0.36
Hampton Woods	10,514	3	0.33	9,705	3	0.32	9,705	3	0.31
Lakes of Marion	7,920	4	0.25	7,920	4	0.26	7,923	4	0.25
Melinda Fishpaw	1,584	5	0.05	1,611	7	0.05	1,617	6	0.05
Joe Brewer	1,584	6	0.05	1,584	8	0.05			
CWA Local 4371	1,225	7	0.04	1,225	9	0.04	1,225	7	0.04
Dldamen Whabi	1,062	8	0.03						
Diane Caldwell	1,056	9	0.03				1,092	10	0.03
William Your	968	10	0.03						
April Ellinwood				4,956	5	0.16			
Ana Griffith Malone				1,619	6	0.05			
Linda Cluff				1,122	10	0.04			
USWA Local 1949							1,807	5	0.06
Larry Short							1,092	8	0.03
M & H Construction							1,092	9	0.03
Larry Isles									
Alan Gale									
William Hesson									
Marry Jolly-Fletcher									
John Osborne									
James Troy									
Gretchen Haley									
Myrtle Zornes									
David Delauder									
Michael Gamble									
Bryan Timmon									
Vernie Williams									
Ethel Cochroan									
Carola Woodrum									
Sonja Troutman									
Reginald Blair									
Michael Cox									
Rebecca Lyons									
Mary Houston									
N & L Rentals									
Bobby May									
Janeth Watkins									
Harold Large									
Lois Partipilo									
Rocky Bradford									
Charles Levings									
Rose Ann Seiter									
Martis Bracy									
Fairpark Baptist Church									
Mobile Meals									
Church of Nazarene									
Marion Public Library									
The Bainbridge Firm									
Debra Haire									
J & D Properties									
Total	53,088		1.68	56,817		1.88	52,628		1.67
Balance from Other Customers	<u>3,101,516</u>		<u>98.32</u>	<u>2,958,771</u>		<u>98.12</u>	<u>3,106,581</u>		<u>98.33</u>
Total Billed	<u>\$3,154,604</u>		<u>100.00%</u>	<u>\$3,015,588</u>		<u>100.00%</u>	<u>\$3,159,209</u>		<u>100.00%</u>

(continued)

City of Marion
Principal Sanitation Customers
Last Ten Years
(continued)

Customer	2016			2015			2014		
	Amount	Rank	Percentage	Amount	Rank	Percentage	Amount	Rank	Percentage
Villas at Center Park	\$8,272	3	0.27%	\$2,112	5	0.06%	\$2,621	5	0.08%
Kinman Real Estate	11,235	1	0.37	11,235	1	0.31	11,233	2	0.37
Hampton Woods	9,705	2	0.32	9,705	2	0.27	12,938	1	0.37
Lakes of Marion	7,920	4	0.26	7,920	3	0.22	8,480	3	0.25
Melinda Fishpaw	1,620	8	0.05						
Joe Brewer									
CWA Local 4371									
Dldamen Whabi									
Diane Caldwell									
William Your									
April Ellinwood									
Ana Griffith Malone									
Linda Cluff									
USWA Local 1949	1,807	7	0.06	1,807	7	0.05	1,654	8	0.05
Larry Short									
M & H Construction									
Larry Isles	2,039	5	0.07						
Alan Gale	1,872	6	0.06	1,857	6	0.05	1,424	10	0.04
William Hesson	1,394	9	0.05						
Marry Jolly-Fletcher	1,392	10	0.05						
John Osborne				2,352	4	0.07			
James Troy				1,418	8	0.04			
Gretchen Haley				1,282	9	0.04			
Myrtle Zornes				1,238	10	0.03			
David Delauder							3,936	4	0.11
Michael Gamble							2,089	6	0.06
Bryan Timmon							1,688	7	0.05
Vernie Williams							1,534	9	0.04
Ethel Cochroan									
Carola Woodrum									
Sonja Troutman									
Reginald Blair									
Michael Cox									
Rebecca Lyons									
Mary Houston									
N & L Rentals									
Bobby May									
Janeth Watkins									
Harold Large									
Lois Partipilo									
Rocky Bradford									
Charles Levings									
Rose Ann Seiter									
Martis Bracy									
Fairpark Baptist Church									
Mobile Meals									
Church of Nazarene									
Marion Public Library									
The Bainbridge Firm									
Debra Haire									
J & D Properties									
Total	47,256		1.56	40,926		1.14	47,597		1.38
Balance from Other Customers	<u>2,975,117</u>		<u>98.44</u>	<u>3,550,157</u>		<u>98.86</u>	<u>3,395,731</u>		<u>98.62</u>
Total Billed	<u>\$3,022,373</u>		<u>100.00%</u>	<u>\$3,591,083</u>		<u>100.00%</u>	<u>\$3,443,328</u>		<u>100.00%</u>

Source: City Utility Department

Note: Charges are based on collection cycles which will differ from billing cycles as reflected on the Statement of Revenues, Expenses, and Changes in Fund Net Position.

2013			2012			2011			2010		
Amount	Rank	Percentage	Amount	Rank	Percentage	Amount	Rank	Percentage	Amount	Rank	Percentage
\$1,984	7	0.06%	\$1,952	8	0.07%	\$1,896	4	0.09%			
12,163	1	0.40	10,292	1	0.38	10,981	1	0.50	\$10,632	1	0.61%
9,397	2	0.29	9,245	2	0.34	8,982	2	0.40			
7,439	3	0.23	7,319	3	0.27	7,110	3	0.32			
									486	7	0.03
									728	5	0.04
			2,028	7	0.07						
2,630	4	0.08									
2,296	5	0.07									
2,020	6	0.06									
1,922	8	0.06									
1,656	9	0.05									
1,480	10	0.05									
			2,297	4	0.08						
			2,087	5	0.08						
			2,083	6	0.08						
			1,917	9	0.07						
			1,788	10	0.07						
						1,870	5	0.08			
						1,820	6	0.08			
						1,654	7	0.07			
						1,533	8	0.04			
						1,495	9	0.07			
						1,445	10	0.06	1,424	2	0.08
									893	3	0.05
									874	4	0.05
									583	6	0.03
									437	8	0.02
									385	9	0.02
									323	10	0.02
42,987	1.35	41,008	1.51	38,786	1.74	16,765	0.95				
<u>3,147,000</u>	<u>98.65</u>	<u>2,676,714</u>	<u>98.49</u>	<u>2,188,963</u>	<u>98.26</u>	<u>1,744,703</u>	<u>99.05</u>				
<u>\$3,189,987</u>	<u>100.00%</u>	<u>\$2,717,722</u>	<u>100.00%</u>	<u>\$2,227,749</u>	<u>100.00%</u>	<u>\$1,761,468</u>	<u>100.00%</u>				

2017			2016			2015		
Amount	Rank	Percentage	Amount	Rank	Percentage	Amount	Rank	Percentage
\$33,765	1	1.99%	\$32,368	1	2.01%	\$28,888	1	2.02%
32,543	2	1.92	31,196	2	1.94	27,843	2	1.95
30,668	3	1.81	29,398	3	1.83	26,238	3	1.84
25,256	5	1.49	24,211	4	1.51	21,337	5	1.49
25,303	4	1.49	24,160	5	1.50	22,034	4	1.54
20,967	6	1.24	20,100	6	1.25	17,939	6	1.26
18,838	7	1.11	18,059	7	1.12	13,009	8	0.91
13,904	9	0.82						
			11,246	10	0.70			
15,065	8	0.89	14,441	8	0.90	16,268	7	1.14
13,435	10	0.79	12,879	9	0.80	11,495	10	0.80
						11,896	9	0.83
<hr/>			<hr/>			<hr/>		
229,744		13.55	218,058		13.56	196,947		13.78
1,466,119		86.45	1,390,602		86.44	1,232,351		86.22
<u>\$1,695,863</u>		<u>100.00%</u>	<u>\$1,608,660</u>		<u>100.00%</u>	<u>\$1,429,298</u>		<u>100.00%</u>

(continued)

City of Marion
Principal Storm Water Customers
Last Ten Years
(continued)

Customer	2014			2013		
	Amount	Rank	Percentage	Amount	Rank	Percentage
Marion Correctional Institute	\$21,930	3	1.93%	\$25,524	2	2.07%
Nucor Steel	24,659	1	2.15	49,200	1	4.00
GPS LLC	19,918	4	1.75	24,842	3	2.01
Central Ohio Farmers Coop						
Marion Medical Center	16,369	5	1.44	17,687	5	1.43
Graphic Packaging	13,618	6	1.20	15,850	6	1.28
North Central Correctional Facility						
Ohio Department of Rehabilitation and Correction						
Sims Brothers, Inc.						
General Machine and Saw	7,588	10	0.67			
North Central Correctional Institute	22,019	2	1.93	14,241	7	1.15
Marion City School District	8,726	9	0.77	10,156	9	0.82
General Recycling	10,009	8	0.88	10,536	8	0.85
Bunge North American Granary	10,938	7	0.96	17,771	4	1.44
Kinman Real Estate				8,390	10	0.68
Clinic Investment						
Ohio Department of Youth Services						
Total	155,774		13.68	194,197		15.73
Balance from Other Customers	<u>982,879</u>		<u>86.32</u>	<u>1,040,625</u>		<u>84.27</u>
Total Billed	<u>\$1,138,653</u>		<u>100.00%</u>	<u>\$1,234,822</u>		<u>100.00%</u>

Source: City Utility Department

Note: Charges are based on collection cycles which will differ from billing cycles as reflected on the Statement of Revenues, Expenses, and Changes in Fund Net Position.

Does not include industrial pre-treatment customers.

2012			2011			2010		
Amount	Rank	Percentage	Amount	Rank	Percentage	Amount	Rank	Percentage
\$18,275	2	1.85%	\$21,930	2	1.80%	\$21,930	1	2.07%
38,750	1	3.92	42,096	1	3.44	17,613	3	1.67
18,258	3	1.85	19,918	3	1.64	19,918	2	1.88
12,483	5	1.26	13,618	6	1.12	13,618	6	1.29
9,177	7	0.93	12,236	7	1.01	12,235	7	1.16
7,999	8	0.81	8,726	9	0.72			
7,525	9	0.76	10,536	8	0.87	7,525	9	0.71
12,365	6	1.25	16,404	4	1.35	16,404	4	1.55
6,608	10	0.67	7,208	10	0.59	7,208	10	0.68
15,005	4	1.52	16,369	5	1.35	16,369	5	1.55
						9,784	8	0.92
146,445		14.82	169,041		13.89	142,604		13.48
841,507		85.18	1,047,712		86.11	915,548		86.52
<u>\$987,952</u>		<u>100.00%</u>	<u>\$1,216,753</u>		<u>100.00%</u>	<u>\$1,058,152</u>		<u>100.00%</u>

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City of Marion
Wastewater Treated with Parameter Removal Data
Last Ten Years

Year	Gallons Treated (Per Million)	Parameter	Removal Rate	Average Pounds Removed (Per Day)
2019	3,806	Ammonia	97.5	823
		Biochemical Oxygen Demand	98.3	8,994
		Total Suspended Solids	96.4	9,014
		Phosphorus	71.0	197
2018	3,723	Ammonia	96.2	919
		Biochemical Oxygen Demand	98.2	9,102
		Total Suspended Solids	97.4	9,327
		Phosphorus	55.5	137
2017	3,738	Ammonia	94.4	871
		Biochemical Oxygen Demand	98.2	10,395
		Total Suspended Solids	97.4	10,729
		Phosphorus	65.5	229
2016	3,068	Ammonia	95.6	722
		Biochemical Oxygen Demand	98.8	10,700
		Total Suspended Solids	97.5	9,938
		Phosphorus	76.0	220
2015	3,480	Ammonia	91.3	680
		Biochemical Oxygen Demand	97.6	9,938
		Total Suspended Solids	97.6	9,415
		Phosphorus	58.2	147
2014	3,234	Ammonia	94.8	n/a
		Biochemical Oxygen Demand	94.9	n/a
		Total Suspended Solids	87.3	n/a
		Phosphorus	62.5	n/a
2013	3,651	Ammonia	96.9	n/a
		Biochemical Oxygen Demand	97.4	n/a
		Total Suspended Solids	97.0	n/a
		Phosphorus	73.9	n/a
2012	3,273	Ammonia	96.4	612
		Biochemical Oxygen Demand	98.3	8,933
		Total Suspended Solids	97.6	8,523
		Phosphorus	57.5	138
2011	4,641	Ammonia	95.5	n/a
		Biochemical Oxygen Demand	97.8	n/a
		Total Suspended Solids	96.4	n/a
		Phosphorus	62.7	n/a
2010	3,792	Ammonia	95.9	n/a
		Biochemical Oxygen Demand	98.3	n/a
		Total Suspended Solids	97.9	n/a
		Phosphorus	50.4	n/a

Source: City Utility Department

n/a - not available

City of Marion
Ratios of Outstanding Debt by Type
Last Ten Years

Year	Governmental Activities					
	Bond Anticipation Notes	General Obligation Bonds	ODOT DRIP TIF	OPWC Loans	Capital Loans	Capital Leases
2019	\$0	\$3,076,477	\$0	\$19,232	\$0	\$428,203
2018	0	3,439,792	0	25,642	0	492,467
2017	0	3,233,700	95,397	32,052	0	0
2016	0	3,544,650	187,767	38,462	0	0
2015	0	3,846,850	277,207	44,872	0	0
2014	0	4,141,550	363,809	51,282	0	0
2013	0	4,429,950	447,664	57,692	64,350	0
2012	0	4,715,800	528,859	64,102	147,346	0
2011	0	4,997,250	607,478	70,512	227,245	0
2010	2,650,000	5,269,350	683,602	76,922	304,164	0

Source: City Records

(1) See Schedule on S-61 for population and personal income.

Business-Type Activities

General Obligation Bonds	OWDA Loans	OPWC Loans	Total Debt	Per Capita (1)	Percentage of Personal Income (1)
\$24,583,763	\$12,283,932	\$2,066,935	\$42,458,542	\$1,176.56	3.29%
25,771,329	7,672,056	1,969,068	39,370,354	1,093.71	3.07
19,386,300	7,362,259	1,876,121	31,985,829	868.31	2.49
20,305,350	8,769,841	1,646,881	34,492,951	939.84	2.82
21,213,150	10,243,963	1,166,058	36,792,100	1,004.70	3.00
22,093,450	11,977,694	1,087,974	39,715,759	1,078.15	2.65
22,950,050	13,675,355	1,189,379	42,814,440	1,123.27	2.71
23,794,200	15,337,917	1,286,934	45,875,158	1,243.09	3.81
13,362,750	16,966,329	1,423,009	37,654,573	1,019.40	3.22
14,150,650	18,561,506	1,382,428	43,078,622	1,170.46	3.75

City of Marion
Ratio of General Bonded Debt to Estimated Actual Value
and Bonded Debt Per Capita
Last Ten Years

<u>Year</u>	<u>Population</u>	<u>Estimated Actual Value</u>	<u>Gross Bonded Debt</u>	<u>Bonded Debt Per Capita</u>	<u>Bonded Debt to Estimated Actual Value</u>
2019	36,087	\$1,049,320,675	\$27,660,240	\$766.49	2.64%
2018	35,997	1,041,103,728	29,211,121	811.49	2.81
2017	36,837	1,039,894,373	22,620,000	614.06	2.18
2016	36,701	1,014,595,018	23,850,000	649.85	2.35
2015	36,620	1,016,376,207	25,060,000	684.33	2.47
2014	36,837	1,018,259,369	26,235,000	712.19	2.58
2013	38,116	1,019,234,832	27,380,000	718.33	2.69
2012	36,904	1,022,429,413	28,510,000	772.54	2.79
2011	36,938	1,029,325,330	18,360,000	497.05	1.78
2010	36,805	1,089,730,620	19,420,000	527.65	1.78

Source: City Records
Marion County Auditor

City of Marion
 Computation of Direct and Overlapping Debt for Governmental Activities
 December 31, 2019

Political Subdivision	Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
City of Marion	\$3,523,912	100%	\$3,523,912
Marion County	7,995,000	32.36	2,587,182
Marion City School District	4,627,466	94.34	4,365,551
Elgin Local School District	14,015,000	0.47	65,871
Pleasant Local School District	33,440,000	19.29	6,450,576
River Valley Local School District	5,280,000	2.82	148,896
Tri-Rivers Joint Vocational School District	2,443,070	19.19	468,825
Total Overlapping Debt	67,800,536		14,086,902
Total	\$71,324,448		\$17,610,814

Source: Marion County Auditor

(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. The valuations used were for the 2019 collection year.

City of Marion
Computation of Legal Debt Margin
Last Ten Years

	2019	2018	2017	2016
Total Assessed Valuation	<u>\$388,419,180</u>	<u>\$385,002,570</u>	<u>\$384,107,120</u>	<u>\$373,636,960</u>
Overall Debt Limitation - 10.5 Percent of Assessed Valuation	40,784,014	40,425,270	40,331,248	39,231,881
Gross Indebtedness	41,670,099	38,506,766	39,674,329	41,681,451
Less Debt Outside Limitation				
Bond Anticipation Notes	0	0	7,176,500	6,676,500
General Obligation Bonds	24,242,050	25,419,800	19,386,300	20,305,350
OWDA Loans	12,283,932	7,672,056	7,362,259	8,769,841
OPWC Loans	2,086,167	1,994,710	1,908,173	1,685,343
ODOT DRIP TIF	<u>0</u>	<u>0</u>	<u>95,397</u>	<u>187,767</u>
Net Indebtedness	3,057,950	3,420,200	3,745,700	4,056,650
Less Fund Balance in Debt Service Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Debt Within 10.5 Percent Limitation	<u>3,057,950</u>	<u>3,420,200</u>	<u>3,745,700</u>	<u>4,056,650</u>
Legal Debt Margin Within 10.5 Percent Limitation	<u>\$37,726,064</u>	<u>\$37,005,070</u>	<u>\$36,585,548</u>	<u>\$35,175,231</u>
Legal Debt Margin as a Percentage of the Overall Debt Limitation	92.50%	91.54%	90.71%	89.66%
Unvoted Debt Limitation - 5.5 Percent of Assessed Valuation	\$21,363,055	\$21,175,141	\$21,125,892	\$20,550,033
Gross Indebtedness	41,670,099	38,506,766	39,674,329	41,681,451
Less Debt Outside Limitation				
Bond Anticipation Notes	0	0	7,176,500	6,676,500
General Obligation Bonds	24,242,050	25,419,800	19,386,300	20,305,350
OWDA Loans	12,283,932	7,672,056	7,362,259	8,769,841
OPWC Loans	2,086,167	1,994,710	1,908,173	1,685,343
ODOT DRIP TIF	<u>0</u>	<u>0</u>	<u>95,397</u>	<u>187,767</u>
Net Indebtedness	3,057,950	3,420,200	3,745,700	4,056,650
Less Fund Balance in Debt Service Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Debt Within 5.5 Percent Limitation	<u>3,057,950</u>	<u>3,420,200</u>	<u>3,745,700</u>	<u>4,056,650</u>
Legal Debt Margin Within 5.5 Percent Limitation	<u>\$18,305,105</u>	<u>\$17,754,941</u>	<u>\$17,380,192</u>	<u>\$16,493,383</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	85.69%	83.85%	82.27%	80.26%

Source: City Records

2015	2014	2013	2012	2011	2010
<u>\$373,206,700</u>	<u>\$371,695,800</u>	<u>\$370,998,990</u>	<u>\$371,313,240</u>	<u>\$373,481,150</u>	<u>\$394,826,690</u>
39,186,704	39,028,059	38,954,894	38,987,890	39,215,521	41,456,802
44,133,600	43,259,359	48,994,440	47,205,158	47,054,573	48,978,622
6,613,500	2,588,500	5,680,000	1,030,000	9,400,000	5,900,000
21,213,150	22,093,450	22,950,050	23,794,200	13,362,750	14,150,650
10,243,963	11,977,694	13,675,355	15,337,917	16,966,329	18,561,506
1,210,930	1,139,256	1,247,071	1,351,036	1,493,521	1,459,350
277,207	363,809	447,664	528,859	607,478	683,602
4,574,850	5,096,650	4,994,300	5,163,146	5,224,495	8,223,514
0	0	0	0	1,372	0
<u>4,574,850</u>	<u>5,096,650</u>	<u>4,994,300</u>	<u>5,163,146</u>	<u>5,223,123</u>	<u>8,223,514</u>
<u>\$34,611,854</u>	<u>\$33,931,409</u>	<u>\$33,960,594</u>	<u>\$33,824,744</u>	<u>\$33,992,398</u>	<u>\$33,233,288</u>
88.33%	86.94%	87.18%	86.76%	86.68%	80.16%
\$20,526,369	\$20,443,269	\$20,404,944	\$20,422,228	\$20,541,463	\$21,715,468
44,133,600	43,259,359	48,994,440	47,205,158	47,054,573	48,978,622
6,613,500	2,588,500	5,680,000	1,030,000	9,400,000	5,900,000
21,213,150	22,093,450	22,950,050	23,794,200	13,362,750	14,150,650
10,243,963	11,977,694	13,675,355	15,337,917	16,966,329	18,561,506
1,210,930	1,139,256	1,247,071	1,351,036	1,493,521	1,459,350
277,207	363,809	447,664	1,286,934	1,423,009	1,382,428
4,574,850	5,096,650	4,994,300	4,405,071	4,408,964	7,524,688
0	0	0	0	1,372	0
<u>4,574,850</u>	<u>5,096,650</u>	<u>4,994,300</u>	<u>4,405,071</u>	<u>4,407,592</u>	<u>7,524,688</u>
<u>\$15,951,519</u>	<u>\$15,346,619</u>	<u>\$15,410,644</u>	<u>\$16,017,157</u>	<u>\$16,133,871</u>	<u>\$14,190,780</u>
77.71%	75.07%	75.52%	78.43%	78.54%	65.35%

City of Marion
Pledged Revenue
Sewer Enterprise Fund
Last Ten Years

Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2019	\$8,218,148	\$5,139,402	\$3,078,746	\$1,589,772	\$83,584	\$1,673,356	1.84
2018	7,519,447	4,877,518	2,641,929	1,512,396	105,096	1,617,492	1.63
2017	6,208,372	4,175,569	2,032,803	1,484,523	126,289	1,610,812	1.26
2016	6,690,096	3,453,944	3,236,152	1,545,529	147,130	1,692,659	1.91
2015	6,183,058	3,543,493	2,639,565	1,605,091	177,526	1,782,617	1.48
2014	6,262,241	3,501,196	2,761,045	1,621,739	205,241	1,826,980	1.51
2013	5,913,398	2,907,549	3,005,849	1,594,653	232,328	1,826,981	1.65
2012	5,811,035	2,602,260	3,208,775	1,770,227	258,804	2,029,031	1.58
2011	5,798,469	3,324,699	2,473,770	2,771,987	284,688	3,056,675	0.81
2010	5,880,088	3,162,262	2,717,826	1,682,590	309,999	1,992,589	1.36

Source: City Records

(1) Includes operating revenues and interest.

(2) Total operating expenses exclusive of depreciation.

Note: Includes OWDA and OPWC loans.

City of Marion
Pledged Revenue
Landfill Enterprise Fund
Last Ten Years

Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2019	\$205,050	(\$18,558)	\$205,050	\$0	\$0	\$0	0.00
2018	131,747	(25,544)	131,747	0	0	0	0.00
2017	146,748	13,514	133,234	0	0	0	0.00
2016	109,371	(24,988)	109,371	0	0	0	0.00
2015	277,716	(71,071)	277,716	198,563	6,511	205,074	1.35
2014	274,747	(70,452)	274,747	190,209	14,865	205,074	1.34
2013	593,251	7,529	585,722	182,197	22,877	205,074	2.86
2012	12,787	82,998	(70,211)	174,523	30,551	205,074	(0.34)
2011	207,925	(45,748)	207,925	298,328	37,902	336,230	0.62
2010	0	63,211	(63,211)	160,130	44,943	205,073	(0.31)

Source: City Records

(1) Includes operating revenues and interest.

(2) Total operating expenses exclusive of depreciation.

City of Marion
Pledged Revenue
Storm Water Enterprise Fund
Last Ten Years

Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Principal	Coverage
2019	\$2,083,484	\$285,513	\$1,797,971	\$44,478	40.42
2018	1,989,253	371,344	1,617,909	39,896	40.55
2017	1,736,574	671,870	1,064,704	32,590	32.67
2016	1,758,664	943,273	815,391	24,848	32.82
2015	1,434,887	819,685	615,202	23,114	26.62
2014	1,127,688	894,822	232,866	21,787	10.69
2013	1,072,763	1,497,969	(425,206)	21,787	(19.52)
2012	1,396,536	905,080	491,456	21,787	22.56
2011	1,104,209	1,204,884	(100,675)	720,012	(0.14)
2010	1,378,693	776,897	601,796	261,980	2.30

Source: City Records

- (1) Includes operating revenues and interest.
- (2) Total operating expenses exclusive of depreciation.

City of Marion
Demographic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (2)	Personal Income Per Capita	School Enrollment (3)	Marion County Unemployment Rate (4)
2019	36,087	\$1,292,058,948	\$35,804	4,625	3.70%
2018	35,997	1,282,069,152	35,616	4,496	4.80
2017	36,837	1,286,790,084	34,932	4,206	4.80
2016	36,701	1,224,528,865	33,365	4,203	5.00
2015	36,620	1,225,817,880	33,474	4,190	5.20
2014	36,837	1,497,534,561	40,653	4,377	5.30
2013	38,116	1,582,766,900	41,525	4,460	7.90
2012	36,904	1,205,395,352	32,663	4,521	7.20
2011	36,938	1,169,826,460	31,670	4,606	8.40
2010	36,805	1,148,352,805	31,201	4,798	10.20

Source: (1) United States Census Bureau

(2) Computation of per capita personal income multiplied by population

(3) Marion City School District

(4) U.S. Department of Labor: Bureau of Labor Statistics

Note: Unemployment rate for City was not available.

City of Marion
Principal Employers
Current Year and Nine Years Ago

Employer	Type of Business	December 31, 2019		
		Number of Employees	Rank	Percentage of Total Employment
Marion General Hospital	Hospital	1,608	1	13.04%
Marion City School District	School District	925	2	7.50
Marion County	Government	546	3	4.43
North Central Correctional Institute	Correctional Facility	456	4	3.70
Marion Correctional Institute	Correctional Facility	446	5	3.62
Marion Area Physicians	Medical	410	6	3.33
US Yachiyo, Inc.	Manufacturing	397	7	3.22
Marion Industries	Manufacturing	350	8	2.84
City of Marion	Government	300	9	2.43
Nucor Steel	Manufacturing	280	10	2.27
Frederick C Smith Clinic	Medical			
	Total	<u>5,718</u>		<u>46.38%</u>
	Total City Employment	<u>12,328</u>		

Source: City Auditor

December 31, 2010

<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
1,305	1	10.73%
928	2	7.62
539	3	4.43
508	4	4.17
455	5	3.74
205	10	1.68
271	9	2.23
386	7	3.17
283	8	2.32
<u>440</u>	<u>6</u>	<u>3.61</u>
<u>5,320</u>		<u>43.70%</u>
<u>12,174</u>		

City of Marion
 Full-Time City Government Employees by Program/Department
 Last Ten Years

Program/Department	2019	2018	2017	2016
Security of Persons and Property				
Police	60	58	56	58
Fire	58	58	58	56
Leisure Time Activities	21	23	18	18
Transportation				
Transit	18	17	19	19
Other	19	20	17	17
Basic Utility Services				
Sewer	33	29	32	31
Solid Waste	16	17	14	17
Billing Services	4	4	3	4
General Government				
Court	26	29	28	22
Other	45	45	51	54
Totals	<u>300</u>	<u>300</u>	<u>296</u>	<u>296</u>

Source: City Auditor

Method: Only full-time employees are included as of December 31.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
65	63	57	52	69	75
56	57	53	49	51	59
17	19	19	22	28	29
19	19	20	20	21	19
17	17	22	21	22	26
30	28	29	28	32	32
16	16	16	13	18	15
4	4	4	4	4	4
21	20	21	21	19	19
51	49	44	45	46	49
<u>296</u>	<u>292</u>	<u>285</u>	<u>275</u>	<u>310</u>	<u>327</u>

City of Marion
Operating Indicators by Program/Department
Last Ten Years

Program/Department	2019	2018	2017
Security of Persons and Property - Police			
Total Calls for Services	35,094	34,382	38,472
Number of Traffic Citations Issued	1,285	1,319	1,570
Number of Felony Criminal Arrests	654	535	560
Number of Accident Reports Completed	547	701	964
DUI Arrests	94	97	204
Motor Vehicle Accidents	884	1,114	496
Gasoline Costs of Fleet	\$72,395	\$74,743	\$61,303
Gasoline Usage in Gallons	35,068	32,379	29,890
Community Policing Auxillary Hours	4,400	3,900	4,500
Security of Persons and Property - Fire			
Structure Fires	51	72	64
Fires with Loss	33	92	48
Fires with Losses Exceeding \$10,000	17	32	29
Total Fire Losses	\$565,732	\$879,890	\$1,628,963
Number of EMS Calls	6,230	6,219	6,168
Leisure Time Activities			
Swimming Pool Receipts	\$219,522	\$205,824	\$182,112
Aquatics Center Seasonal Admissions	27,045	27,926	22,015
Park Shelter Rentals	\$9,267	\$9,346	\$8,900
Concession Receipts	\$53,607	\$51,700	\$52,338
Basic Utility Services			
Refuse Disposal per Year (in tons)	13,505	13,207	12,811
Yard Waste per Year (in tons)	467	372	336
Leaf Pickup (in yards)	3,813	2,654	2,351
Salt Usage (in tons)	2,252	1,376	1,926
Sanitary Sewer Customers	13,389	13,434	13,341
Sanitation Customers	13,773	13,892	13,111
Storm Water Customers	13,677	13,775	13,694
Sanitary Sewer Inspections	8,236	8,068	8,635
Storm Water Inspections	2,588	2,138	3,521
Sanitary Blockage	69	32	85
Odor Complaints	30	26	38
Sanitary Lines Cleaned or Jetted (in feet)	589,621	527,995	535,254
Storm Water Lines Cleaned or Jetted (in feet)	264,630	183,963	148,541
Excavations	35	41	38
Manhole Repairs	64	32	25
Catch Basins Repaired	152	138	105
Degreased (in feet)	19,500	127,390	12,500
Root Cut or Control in Feet	5,584	5,820	6,610
Sanitary Lines Televised (in feet)	2,500	46,940	2,000
Storm Water Lines Televised (in feet)	1,495	5,300	2,546
Percentage of Biosolides Suspended or Removed	96%	97%	97%
Biosolids Land Applied	4,255	4,424	4,217
Gallons of Wastewater Treated (in millions)	3,806	3,723	3,738
Gallons of Wastewater ByPass (in millions)	89	93	67

2016	2015	2014	2013	2012	2011	2010
36,737	43,822	37,828	39,106	36,711	38,481	43,162
1,380	922	915	594	319	1,838	3,780
606	687	2,789	565	593	635	536
963	975	605	887	732	743	821
154	89	62	39	60	110	118
498	793	1,037	1,149	2,142	2,115	2,377
\$53,191	\$55,195	\$113,449	\$122,394	\$105,178	\$104,028	\$120,043
25,888	23,572	36,295	38,043	31,614	n/a	45,357
4,148	4,783	1,000	2,790	2,553	2,608	3,222
62	66	69	69	48	48	50
45	45	50	63	47	42	43
23	35	22	33	7	19	20
\$621,301	\$916,886	\$779,776	\$979,720	\$304,100	\$900,880	\$650,206
6,948	6,755	5,902	6,140	6,041	5,916	4,529
\$202,439	\$144,549	\$94,789	\$122,778	\$195,061	n/a	\$16,209
24,417	23,999	16,920	18,038	40,979	n/a	n/a
\$10,206	\$9,405	\$16,075	\$11,631	\$15,575	\$8,056	\$10,220
\$56,629	\$40,848	\$44,327	\$41,777	\$78,363	n/a	\$465
12,120	12,048	11,847	12,240	12,277	13,362	12,543
344	398	315	554	533	521	703
3,000	3,122	3,081	1,320	2,280	2,550	3,562
1,842	2,262	2,226	1,526	1,016	2,738	2,282
13,310	13,289	12,206	12,298	12,526	12,598	12,618
13,112	13,258	12,293	12,439	11,930	10,002	10,002
13,635	13,716	12,316	12,660	12,779	12,871	12,891
8,982	8,736	7,696	5,497	3,841	3,525	3,528
684	236	190	145	111	180	144
323	398	390	369	238	208	243
61	75	75	65	85	127	156
672,908	679,970	521,096	373,540	336,880	453,767	498,878
97,994	26,000	17,000	6,800	8,800	4,748	5,622
20	56	51	44	40	50	79
22	17	17	18	13	41	34
169	95	82	235	203	232	290
15,000	10,000	19,000	600	500	n/a	1,100
61,761	1,100	9,139	5,299	5,060	6,088	5,520
3,500	4,702	11,054	8,539	8,297	3,484	10,933
1,500	1,419	3,877	946	4,743	585	1,969
98%	98%	87%	97%	98%	96%	98%
2,060	2,883	1,362	1,160	1,305	269	n/a
3,068	3,480	3,234	3,651	3,273	4,641	3,792
24	84	50	106	28	179	n/a

(continued)

City of Marion
 Operating Indicators by Program/Department
 Last Ten Years
 (continued)

Program/Department	2019	2018	2017
Transportation			
Total Transit Ridership	116,822	140,611	119,457
Hot Mix Asphalt (in tons)	580	395	1,039
Cold Mix Asphalt (in tons)	349	172	201
Tack Used (in gallons)	4,546	7,773	772
Aggregate Used (in tons)	73	335	217
General Government			
Council and Clerk			
Number of Ordinances Passed	71	83	66
Number of Resolutions Passed	21	28	20
Engineering Excavation Permits Issued	733	766	802

Source: City Records

n/a - not available

2016	2015	2014	2013	2012	2011	2010
149,094	167,680	177,000	195,139	193,283	190,480	184,068
603	367	196	786	211	486	90
165	361	359	184	209	276	250
356	64	185	738	339	816	591
1,032	1,368	905	0	12	590	70
86	95	81	91	84	99	119
27	20	27	24	26	27	21
660	667	779	694	721	708	656

City of Marion
Capital Assets by Program/Department
Last Ten Years

Program/Department	2019	2018	2017	2016
Security of Persons and Property-Police				
Stations	1	1	1	1
Vehicles	27	24	27	27
Security of Persons and Property-Fire				
Stations	3	3	3	3
Vehicles	14	13	14	15
Public Health				
Buildings	1	1	1	1
Leisure Time Activities				
Buildings	8	8	7	7
Number of Parks	19	19	19	19
Number of Playgrounds	12	12	12	12
Number of Swimming Pools	1	1	1	1
Vehicles	13	13	12	10
Transportation - Transit				
Bus Terminal	1	1	1	1
Vehicles	13	11	15	15
Transportation - Other				
Airport Buildings	2	2	3	3
Other Buildings	3	3	3	3
Streets (miles)	311	311	311	311
Vehicles	29	27	27	27
General Government - Court				
Buildings	1	1	1	1
Vehicles	3	2	2	2
General Government - Other				
Buildings	4	4	4	4
Vehicles	2	2	2	2
Sewer				
Sewer Lines (miles)	134	134	134	134
Vehicles	17	17	19	19
Sanitation				
Vehicles	23	21	21	21
Storm Water				
Storm Water Lines (miles)	135	135	135	135
Vehicles	9	9	14	14

Source: City Records

2015	2014	2013	2012	2011	2010
1 30	1 30	1 30	1 33	1 38	1 36
3 14	3 13	3 13	3 13	3 14	3 14
1	2	2	2	2	2
7 19 12 1 9	7 19 12 1 9	7 19 12 1 8	7 19 12 1 8	7 19 12 1 10	7 19 12 1 10
1 18	1 15	1 16	1 16	1 19	1 15
3 3 311 24	3 3 311 22	3 3 311 21	3 3 311 21	3 3 311 21	3 3 311 21
1 0	1 0	1 1	1 1	1 1	1 1
4 3	4 1	4 1	4 1	4 2	4 2
134 17	134 16	134 15	134 14	134 16	132 16
18	13	13	13	14	14
135 15	135 15	135 15	135 15	135 17	134 17

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OHIO AUDITOR OF STATE KEITH FABER



CITY OF MARION

MARION COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 10/1/2020

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

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