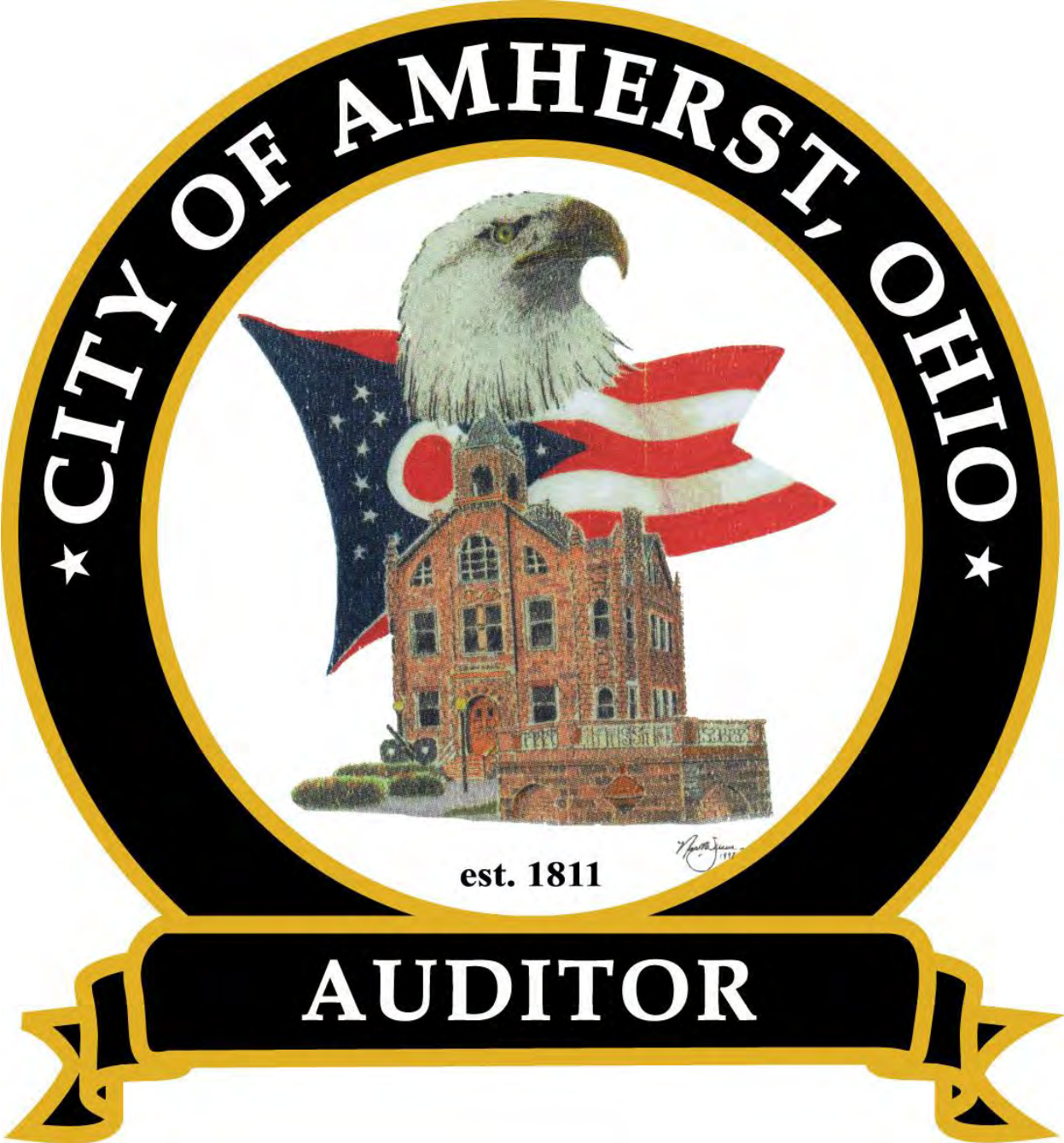


Comprehensive Annual  
Financial Report



For the Year Ended  
December 31, 2019



OHIO AUDITOR OF STATE  
KEITH FABER



88 East Broad Street  
Columbus, Ohio 43215  
IPARepor@ohioauditor.gov  
(800) 282-0370

Members of Council  
City of Amherst  
480 Park Avenue  
Amherst, Ohio 44001

We have reviewed the *Independent Auditor's Report* of the City of Amherst, Lorain County, prepared by Rea & Associates, Inc., for the audit period January 1, 2019 through December 31, 2019. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

September 8, 2020

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**CITY OF AMHERST  
LORAIN COUNTY, OHIO**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT  
FOR THE YEAR ENDED  
DECEMBER 31, 2019**

Prepared by:  
Derek M. Pittak, City Auditor



**City of Amherst**  
**Lorain County, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2019*

Table of Contents

**Introductory Section**

	<b>Page</b>
Table of Contents .....	i
Letter of Transmittal .....	v
Certificate of Achievement for Excellence in Financial Reporting .....	xii
Organization Chart .....	xiii
List of Principal Officials.....	xiv

**Financial Section**

Independent Auditor’s Report.....	1
Management’s Discussion and Analysis.....	5

Basic Financial Statements:

*Government-wide Financial Statements:*

Statement of Net Position.....	16
Statement of Activities .....	17

*Fund Financial Statements:*

Balance Sheet – Governmental Funds.....	18
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities .....	19
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds .....	20
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	21
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual – General Fund .....	22
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual – Street Maintenance Repair Fund .....	23
Statement of Fund Net Position – Proprietary Funds .....	24
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds .....	25
Statement of Cash Flows – Proprietary Funds .....	26
Statement of Fiduciary Net Position – Fiduciary Funds .....	27
Statement of Changes in Fiduciary Net Position – Fiduciary Funds .....	28

Notes to the Basic Financial Statements .....	29
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**City of Amherst**  
**Lorain County, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2019*

Table of Contents (continued)

Required Supplementary Information:

Schedule of the City’s Proportionate Share of the Net Pension Liability .....	80
Schedule of City’s Contributions - Pension .....	82
Schedule of the City’s Proportionate Share of the Net OPEB Liability .....	85
Schedule of City’s Contributions - OPEB .....	86
Notes to the Required Supplementary Information .....	88

Combining Statements and Individual Fund Schedules:

*Combining Statements - Nonmajor Funds:*

Description of Funds .....	91
Combining Balance Sheet – Nonmajor Governmental Funds .....	94
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds .....	95
Combining Balance Sheet – Nonmajor Special Revenue Funds .....	96
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds .....	100
Combining Balance Sheet – Nonmajor Capital Projects Funds .....	104
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds .....	106

*Combining Statements - Fiduciary Funds:*

Description of Funds .....	108
Combining Statement of Fiduciary Net Position – Fiduciary Funds.....	109
Combining Statement of Changes in Fiduciary Net Position - Fiduciary Funds .....	110

Governmental Funds Individual Fund Schedules of Revenues, Expenditures and Changes in

Fund Balance – Budget (Non-GAAP Basis) and Actual:

Major Funds:

General Fund .....	112
Developer Deposit Fees.....	115
Unclaimed Monies.....	116
Street Maintenance Repairs Fund.....	117
Street Improvement Income Tax Fund.....	118
Issue II Fund .....	119
General Obligation Bond Retirement Fund.....	120
Water Fund .....	121
Sewer Fund.....	122
Electric Fund .....	123



**City of Amherst**  
**Lorain County, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2019*

Table of Contents (continued)

Nonmajor Funds:

State Highway Fund .....	124
Street Maintenance and Repair Permissive Fund .....	125
Park and Pool Fund .....	126
Office on Aging Fund .....	127
Planning Commission Fund .....	128
Park Trust Fund .....	129
FEMA Grant Fund.....	130
Assistance to Firefighters Fund .....	131
Cable Television Fund.....	132
CPT Grant Fund .....	133
Law Enforcement Fund.....	134
Drug Law Enforcement Fund .....	135
DUI Enforcement Fund.....	136
Bullet Proof Vest Fund .....	137
Disabled Parking Fund .....	138
Housing Program Fund.....	139
Community Improvement Fund .....	140
Street Opening Fund.....	141
Fire Apparatus Levy Fund .....	142
CDBG Improvements Fund .....	143
General Improvement Fund.....	144
Lorain County CDBG Fund .....	145
City Hall Auditorium Fund .....	146
Cemetery Trust Fund.....	147
Health Insurance Fund .....	148

General Fund Equivalent Funds:

Municipal Income Tax Fund .....	149
Downtown Director Fund.....	150

**Statistical Section**

Net Position by Component - Last Ten Years	
(Accrual Basis of Accounting) .....	S-2
Changes in Net Position - Last Ten Years (Accrual Basis of Accounting) .....	S-4
Fund Balances of Governmental Funds	
Last Ten Years (Modified Accrual Basis of Accounting) .....	S-8
Changes in Fund Balances of Governmental Funds	
Last Ten Years (Modified Accrual Basis of Accounting) .....	S-10
Enterprise Funds Summary Data – Last Ten Years .....	S-12

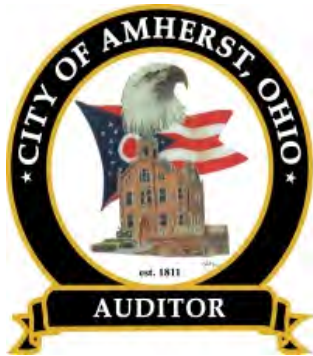
**City of Amherst**  
**Lorain County, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2019*

Table of Contents (continued)

Assessed Valuations and Estimated Actual Values	
of Taxable Property – Last Ten Years.....	S-14
Property Tax Rates (Per \$1,000 of Assessed Valuation) – Last Ten Years.....	S-16
Property Tax Levies and Collections – Last Ten Years.....	S-18
Principal Property Taxpayers 2019 and 2010.....	S-20
Income Tax Revenue Base and Collection – Last Ten Years.....	S-21
Ratio of Outstanding Debt to Total Personal Income and Debt	
Per Capita – Last Ten Years.....	S-22
Ratio of Net General Bonded Debt to Assessed Value	
and Net Bonded Debt Per Capita – Last Ten Years.....	S-24
Pledged Revenues Coverage – Sewer System Revenue Bonds.....	S-25
Computation of Direct and Overlapping Governmental Activities Debt.....	S-26
Legal Debt Margin – Last Ten Years.....	S-28
Principal Employers – 2019 and 2010.....	S-31
Demographic and Economic Statistics – Last Ten Years.....	S-32
Full-Time Equivalent City Government Employees by Function/ Program – Last Ten Years.....	S-34
Operating Indicators by Function/Program – Last Ten Years.....	S-36
Capital Assets Statistics by Function/Program – Last Ten Years.....	S-40

# **INTRODUCTORY SECTION**





*City of Amherst AUDITOR's Office*

*480 Park Avenue*

*Amherst, OH 44001*

Telephone: (440) 988-3742 Fax: (440) 984-2808

E-mail Address: [auditor@amherstohio.org](mailto:auditor@amherstohio.org)

*Derek M. Pittak, Auditor*

July 28, 2020

Honorable Mayor

Members of City Council and

Citizens of Amherst, Ohio

We are pleased to submit to you the City of Amherst's (the City) eighteenth Comprehensive Annual Financial Report (CAFR) using the reporting model required by Governmental Accounting Standards Board Statement Number 34 for the year ended December 31, 2019.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data as presented is accurate in all material respects, that it is present in a manner designed to present fairly the financial position and results of the operations of the City as measured by financial activity of its various funds, and that all disclosures necessary to enable the reader to gain the maximum understanding to the City's financial activity have been included.

The City of Amherst's financial statements have been audited by Rea & Associates, Inc., a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Amherst for the year ended December 31, 2019, are free of material misstatement. An independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. Based upon the results of the audit, the independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the year ended December 31, 2019 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

This transmittal letter should be read in conjunction with Management's Discussion and Analysis, which provides a narrative introduction, overview, and analysis of the basic financial statements.

**The Reporting Entity**

The City has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board (GASB) Statement No.14 "The Financial Reporting Entity" as amended by

GASB Statement No.'s 34, 39, 61, 68, 75 and 84. In evaluating how to define the City of Amherst for financial reporting purposes, management has considered all agencies, departments and organizations making up the City (the primary government) and its potential component units.

Numerous entities operate within the City's geographical boundaries. These entities have been excluded from the accompanying financial statements because the City cannot legally access their resources, the City has no obligation to finance deficits to provide financial support to them and the City is not obligated for their debts.

### **General Introduction**

The City is located in Lorain County in northeastern Ohio, approximately 28 miles west of Cleveland. The Village of Amherst was founded in 1811, and was incorporated in 1962.

The City's 2010 population of 12,021 placed it as the sixth largest city in the County.

The City's area is approximately 5.26 square miles, broken down by land use as follows:

Percent of Assessed Valuation of Real Property (Collection Year 2019):

Residential	79.61%
Commercial/Industrial	19.52%
Public Utility	00.87%
Undeveloped	(a)

(a) Included in above categories. Source: County Auditor

The City is served by diversified transportation facilities, including three State and US highways and I-90 and I-80 (Ohio Turnpike).

The City features a good mix of high-tech business, a quaint downtown, an excellent school system and a safe place to learn and live. The City is served by several medical centers:

1. Mercy Health – Lorain Hospital is 3.5 miles north of the City
2. University Hospitals Siedman Cancer Center at Mercy Cancer Center is 5 miles east of the City
3. Mercy Health - Allen Hospital is 7.5 miles south of the City
4. University Hospitals Elyria Medical Center is 15 miles from the City
5. University Hospital Amherst which is served by Metro Health medical Center Life Flight and Life Care ambulance service.

The City owns and operates five parks including the 72 acres Amherst Beaver Creek Reservation in conjunction with the Lorain County Metropolitan Park District. The City also operates one public swimming pool and various soccer fields and Vietnam Veteran Memorial throughout the City.

Banking and financial services are provided to the City residents and businesses by offices of local commercial banks and savings and loan associations such as Fifth third, Northwest Bank, US Bank, JP Morgan Chase, Huntington Bank, PNC Bank and First Federal Savings of Lorain.

The City is within commuting distance of several public and private two-year and four-year colleges and universities which provide a wide range of educational facilities and opportunities. These include Kent State University, the University of Akron, Cleveland State University, and Bowling Green State University (Firelands campus) (four of Ohio's 13 state universities). Lorain County Community College (which includes the University Partnership Program), Cuyahoga Community College, Ashland University, Oberlin

College, Baldwin-Wallace College, John Carroll University and Case Western Reserve University and The Lorain Business College rounds out the colleges in the area.

### **City Government**

The City operates under and is governed by mayor-council format 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 seven-member Council. The Council fixes compensation of City officials and employees, and enacts ordinances and resolutions relating to the City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal purposes. The presiding officer is the president of council, who is elected for a two-year term and votes only in case of a tie.

The City's chief executive and administrative officer is the Mayor, who is elected by the voters specifically to that office for a four-year term.

The Mayor appoints the directors of City departments. The Mayor also appoints members to a number of boards and commissions, and appoints and removes, in accordance with civil service requirements, all appointed officers and employees, except Council officers and employees and those of the City Auditor, the City Treasurer and the Director of Law.

The Mayor may veto legislation passed by the council. A veto may be overridden by a two-thirds vote of all members of the Council.

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

### **City Facilities**

The City facilities estimated replacement value is \$60,405,031.

City property is exempt from ad valorem taxation. The estimated values are based on current insurance replacement values.

The City currently carries real property and contents casualty insurance in the amount of \$60,405,031 with a deductible of \$5,000.

### **Economic and Demographic Information**

Population: Recent Census population has been:

<u>Year</u>	<u>City</u>	<u>County</u>	<u>CMSA</u>
1970	9,902	256,843	3,098,513
1980	10,638	274,909	2,938,277
1990	10,332	271,126	2,859,644
2000	11,797	284,664	2,945,831
2010	12,021	301,356	n/a

N/A – Not available at time of report

## **Utilities; Public Safety and Services**

Water service within the City is provided by the City water system and is purchased by the City and distributed by the City to consumers. Sewage collection and disposal is provided by the City. Electricity is purchased and distributed by the City (with approximately 2% of the customers being supplied by Ohio Edison), and natural gas is supplied by Columbia Gas of Ohio, Inc. Fire protection is provided by the City's 35-member Part-Time Fire Department. Solid waste collection is by subscription and is provided by Republic Services. Solid waste is sent to a Lorain County landfill owned by Republic Services.

The City owns and operates a sanitary sewer system consisting of a wastewater treatment plant, 72 miles of sanitary sewers and eight pump stations, and serving approximately 5,093 residential and commercial users living both within and outside the City. In addition, the City has 73 miles of storm sewers. The treatment plant was built in 1927, expanded in 1956, 1970 and 1986, and upgraded in 1990, 1994 and 2005. The City is currently in compliance with State environmental laws. The City has a National Pollutant Discharge Elimination System Permit for both Sewer and Wastewater. With the expanded plant the quantity of sewage permitted to be treated was increased. In 2019 the city replaced 3,000 feet of 10" clay tile with 18" plastic on Plaza Drive to help control flooding.

The City's electric distribution system consists of two substations, 51 miles of overhead lines and approximately 17 miles of underground lines, and serves approximately 5,956 residential and commercial users within and outside the City. The City began to operate an electric utility during the 1920s. During the 1940s it constructed an electric generating plant and began providing electric service to residential and commercial customers from its generating facilities and electricity purchased from commercial sources. In the early 1950s the City retired its generating plant but continued distributing electric power purchased from other sources. The electric system was renovated in 1972 and 1980. In 1988 the entire system was upgraded with a new substation on the City's west side and in 1999 the City rebuilt the Gordon Avenue substation. In 1992 the City entered into a contract with American Municipal Power – Ohio, Inc. (AMP-Ohio) under which AMP-Ohio agreed to supply 100% of the electricity required by the City. In 2000 the Northeast Service Group entered into a joint venture (JV1) agreement to purchase peak generation. In 2007 the City entered into an agreement with AMP-Ohio to purchase capacity from AMP-Ohio proposed ownership interest in Prairie State Energy Campus and AMP-Ohio Hydroelectric Projects. In 2019 the city sold AMP Transmission the two substations and 6,900 of transmission line.

The City owns and operates a water distribution system with over 70 miles of water lines. The City purchases water from the Cities of Elyria and Lorain and distributes it to approximately 6,168 residential and commercial users within and outside the City. The system was built in 1922, renovated in 1964, 1968 and 1990 and most recently expanded in 1996. The initial terms of the contract with Elyria expire on December 31, 2024, with a right to continue in five year increments until either party wishes to terminate giving a two year notice. The City's contract with Lorain expires on December 31, 2035 with a right to continue in five year increments until either party wishes to terminate giving a three year notice. The price will be readjusted every five years.

## **Economic Activity**

The City is primarily a residential community. However, offices of the Nordson Corporation, an industrial application equipment manufacturer founded by City native Walter G. Nord, are located in the City. Nordson offices located in the City include, among others, divisions of its customer service center, automotive, container systems, electronics and coating business groups. Nordson has offices worldwide and is one of the world's leaders in production of precision dispensing equipment that applies adhesives, sealants and coatings to consumer and industrial products during manufacturing operations.



The Nord Family Foundation, one of the successors to the charitable trust originally established by Walter G. Nord in 1952, is also located in the City. The Foundation has contributed over \$111 million to charitable and philanthropic purposes predominantly in northern Ohio.

University Hospital Amherst is under the umbrella of University Hospitals Elyria Medical Center and now has an emergency room capacity of nine patients.

In 1999 the City annexed 57 acres of land southeast of the City. In 2000 Council voted to maintain the zoning on this land as light industrial use so that the tax base of the City might be expanded and diversified. Work has begun on an industrial park at the location. Restore – Habitat for Humanity has opened operations on the site. The city continues to discuss the possibility of annexing more property in the same southeastern area. Core & Main, a distributor of waterworks, and R E Rice, an excavator contractor, are also located on this site.

Tyson Foods (Cloverdale Farms, LLS) has expanded its operation in the City of Amherst by investing approximately \$3,000,000 to remodel its current site. Tyson Foods currently has 694 employees.

## **Financial Matters**

### Introduction

The City's Fiscal Year corresponds with the calendar year.

The main sources of City revenue have been and are property and income taxes, and State distributions as described below.

The responsibilities for the major financial functions of the City are divided among the Mayor, City Auditor (or Fiscal Officer), City Treasurer, and Council. Other important financial functions include general financial recommendations and planning by the Mayor; budget preparation by the Mayor with the assistance of the City Auditor, and express approval of appropriations by Council.

The City Auditor is the City's fiscal and chief accounting officer. Among that officer's duties are to keep the books and accurate statements of all moneys received and expended and of all taxes and assessments at the end of each Fiscal year, or more often if requested by Council, to examine all accounts of City offices and departments; and not to allow the amount set aside for any appropriation to be overdrawn, or the amount appropriated for any one item of expense to be drawn upon for any other purpose, or a voucher to be paid unless sufficient funds are in the City treasury to the credit of the fund on which the voucher is drawn.

The City Treasurer is responsible for receiving, maintaining custody of investing, and disbursing all City funds. Investments and deposits of City funds are governed by the Uniform Depository Law (chapter 135 of the Revised Code) applicable to all subdivisions. The City Treasurer is responsible for those investments and deposits. Under recent and current practices, and the City's adopted investment policy, in addition to deposits evidenced by interest bearing certificates of deposits, investments are made in the State Treasurer's subdivision investment pool (STAR Ohio) and other banking organizations.

For property taxation purposes, assessment of real property is by the County Auditor subject to supervision by the State Tax commissioner, and assessment of public utility property is by the State Tax commissioner. Property taxes and assessments are billed and collected by County officials.

## **Budgeting, Tax Levy and Appropriations Procedures**

Detailed provisions for budgeting, tax levies and appropriations are made in the Revised Code, including a requirement that the City levy a property tax in a sufficient amount, with any other moneys available for the purpose, to pay the debt charges on securities payable from property taxes.

The law requires generally that a subdivision prepare, and then adopt after a public hearing, a tax budget approximately six months before the start of the next fiscal year. The tax budget then is presented for review by the county budget commission, which is comprised of the county auditor, treasurer and prosecuting attorney. However, a county budget commission may waive the requirement for a tax budget and require an alternative form of more limited information required by the commission to perform its duties. The Lorain County Budget Commission waived the tax budget requirements for 2019 and permitted an alternative form of a tax budget from the City.

The Lorain County budget Commission then determines and approves levies for debt charges outside and inside the ten-mil limitation. The Revised Code provides that “if any debt charge is omitted from the budget, the commission shall include it therein.” The Lorain County Budget commission then certifies to each subdivision its action on the tax budget together with the estimate by the county auditor of the tax rates outside and inside the ten-mil limitation. Thereafter, and before the end of the Fiscal Year, the taxing authority (Council in the case of the City) approves the tax levies and certifies them to the county auditor. The approved and certified tax rates are then reflected in the tax bills sent to property owners. Real property taxes are payable in two equal installments, the first usually in February and the second in July.

Council adopts a temporary appropriation measure and then by April 1, a permanent appropriation measure for that Fiscal year. Although called “permanent, the annual appropriation measure may be, and often is, amended during the Fiscal Year. Annual appropriations may not exceed the Lorain County budget commission’s official estimates of resources, and the County Auditor must certify that the City’s appropriation measures do not appropriate moneys in excess of the amounts set forth in those estimates.

## **Financial Reports and Audits**

The City maintains its accounts, appropriations and other fiscal records in accordance with the procedures established and prescribed by the Ohio Auditor of State (the State Auditor). The State Auditor is charged by law with the responsibility of inspecting and supervising the accounts and records of each taxing subdivision and most public agencies and institutions.

City receipts and expenditures are compiled on a cash basis, pursuant to accounting procedures prescribed by the State Auditor which are generally applicable to all Ohio political subdivisions. Beginning with Fiscal Year 1999, the records of these cash receipts and expenditures have been converted annually for reporting purposes to a modified accrual basis of accounting for governmental funds and an accrual basis for proprietary funds. These accounting procedures conform to accounting principles generally accepted on the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) including, most recently, GASB Statement 34. Those principles, among other things, provide for a full accrual basis of accounting for the government-wide financial statements, modified accrual basis of accounting for the general fund, all special revenue funds, capital projects funds, and the debt service (bond retirement) fund and for a full accrual basis of accounting for all other funds, and for the preparation for each fund of balance sheets, statements of revenues and expenditures, and statements showing changes in fund balances.

## **Awards**

The City has issued a Comprehensive Annual Financial Report (CAFR), including General Purpose Financial Statements for each of the years ended December 31, 1999 through 2001 and Basic Financial Statements each of the years ended December 31, 2002 through 2018. The CAFR's through December 31, 2018 were awarded the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting, which is awarded to those governmental reporting agencies that comply with the GFOA reporting standards. The City has submitted its 2019 CAFR to GFOA for consideration.

Audits are made by the State Auditor or by CPAs at the direction of that officer, pursuant to Ohio law and under certain federal program requirements. No other independent examination or audit of the City's financial records is made.

The most recent audit (including compliance audit) of the City's accounts by Rea & Associates, Inc. was completed for the year ended December 31, 2018. The Basic Financial Statements of the City of the year ended December 31, 2019, have been audited by Rea & Associates, Inc., as stated in its report appearing in these statements.

Annual financial reports are prepared by the City, and filed as required by law with the State Auditor after the close of each year.

## **Internal Control**

The management of the City is responsible for establishing and maintaining internal control designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits require estimates and judgements by management.

As a recipient of federal and state financial assistance, the City also is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. These internal controls are subject to periodic evaluation by management.

## **Acknowledgements**

The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Auditor's Department. I would like to express my appreciation to all staff members who have contributed or assisted in its preparation.

Special appreciation is expressed to Rea & Associates, Inc. for assistance in planning, designing and reviewing this financial report.

In closing, I would also like to thank the Mayor and the members of Amherst City Council, for without your continued support, the preparation of this report to help ensure the continued financial integrity of the City, would not have been possible.

Respectfully submitted,



Derek M. Pittak  
Amherst City Auditor



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Amherst  
Ohio**

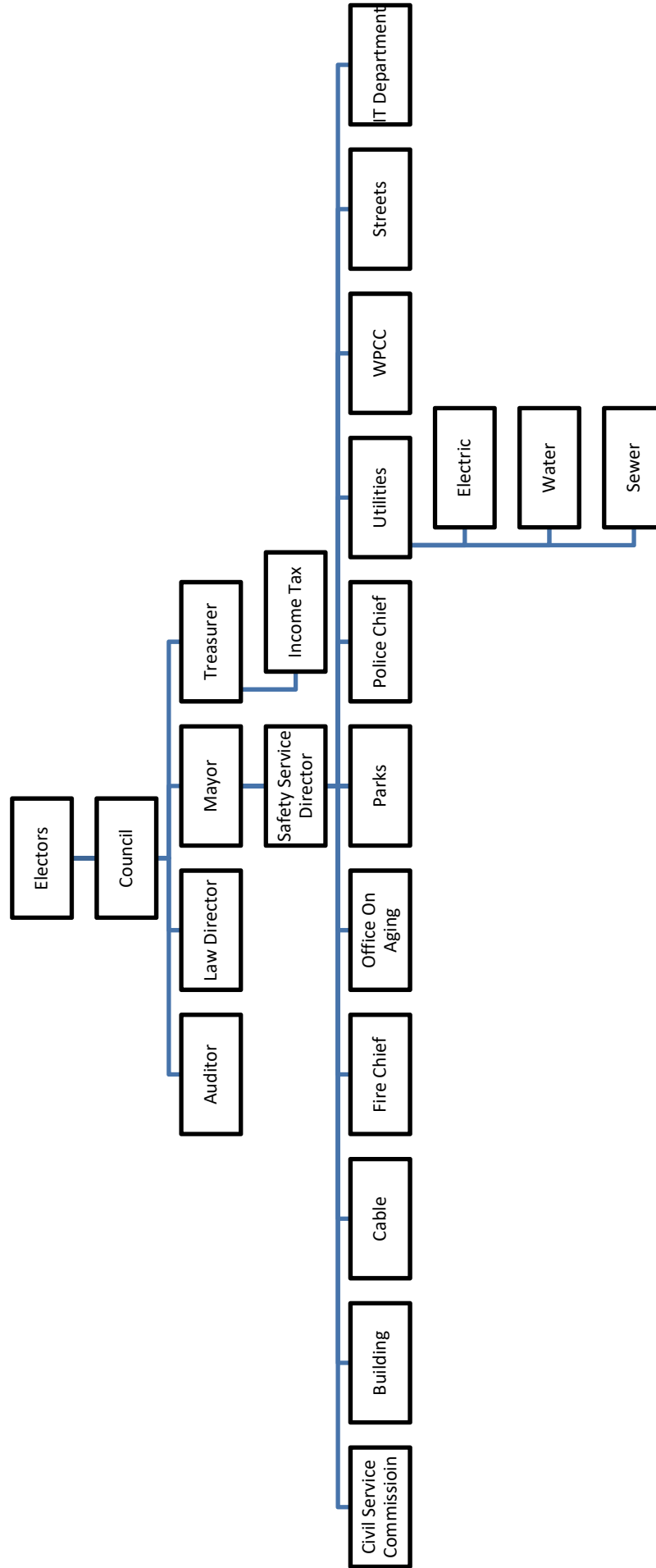
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2018**

*Christopher P. Morvill*

Executive Director/CEO

# City of Amherst Management Structure Departmental Organizational Chart



**City of Amherst  
Lorain County, Ohio**

*Principal Officials  
December 31, 2019*

*Elected Officials*

Mayor	Mark Costilow
President of Council	Jennifer L. Scott-Wasilk
Council Member - Ward 1	Brian J. Dembinski
Council Member - Ward 2	Edwin R. Cowger
Council Member - Ward 3	Jake Wachholz
Council Member - Ward 4	Matthew W. Nahorn
Council Member-at-Large	David Janik
Council Member-at-Large	Martin M. Heberling III
Council Member-at-Large	Philip D. Van Treuren
Auditor	Derek M. Pittak
Director of Law	Anthony R. Pecora
Treasurer	Richard Ramsey

*Appointed Officials*

Council Clerk	Olga Sivinski
Secretary to the Mayor and Safety/Service Director	Jami L. Anderson
Assistant Law Director/Prosecutor	John Wheeler
Safety/Service Director	John Jeffreys
Deputy Auditor	Gwen Melbar
Budgetary Clerk	Carole Shawver
Income Tax Secretary	Laura Kemp
Treasurer's Administrative Assistant	Karen Flynn
Building Inspector	David Macartney
Utilities Superintendent	Ron Merthe
Amherst Area Office on Aging Director	Carrie Adams
Police Chief	Joseph K. Kucirek
Fire Chief	James Wilhelm
Park Commission Chairman	Dave Anderson

# **FINANCIAL SECTION**





July 28, 2020

To the City Council  
City of Amherst  
Lorain County, Ohio  
206 S. Main St.  
Amherst, OH 44001

## **Independent Auditor's Report**

### **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 Amherst, Lorain 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 the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

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

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

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

### ***Opinions***

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

### ***Emphasis of a Matter***

As described in Note 2, the City restated the net position and fund balances to account for the implementation of GASB Statement No. 84, *Fiduciary Activities* and restated net position of enterprise funds for the detection of an error in the calculation of accounts receivable for utility customers. Also, as discussed in Note 21 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 these matters.

### ***Other Matters***

#### ***Required Supplementary Information***

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

#### ***Other Information***

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

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other

records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated July 28, 2020 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's 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 City's internal control over financial reporting and compliance.

*Rea & Associates, Inc.*

Medina, Ohio

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**City of Amherst**  
**Lorain County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2019*

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The discussion and analysis of the City of Amherst's (the "City") financial performance provides an overall review 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 performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

***Financial Highlights***

Key financial highlights for 2019 are as follows:

- In total, net position increased \$4,635,091 which represents a 9 percent increase from 2018 restated net position. Net position of governmental activities increased \$5,187,856. Net position of business-type activities decreased \$552,765.
- Total capital assets increased \$1,373,357 during 2019. Capital assets of governmental activities increased \$3,044,942 and capital assets of business-type activities decreased \$1,671,585.
- Outstanding debt decreased from \$10,905,007 to \$10,478,221.

***Using this Annual Financial Report***

This report is designed to allow the reader to look at the financial activities of the City of Amherst as a whole and is intended to allow the reader to obtain a summary view or a more detailed view of the City's operations, as they prefer.

The Statement of Net Position and the Statement of Activities provide information from a summary perspective showing the effects of the operations for the year 2019 and how they affected the operations of the City as a whole.

***Reporting the City of Amherst as a Whole***

*Statement of Net Position and the Statement of Activities*

The *Statement of Net Position and Statement of Activities* provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column. In the case of the City of Amherst, the general fund is by far the most significant governmental fund. Business-type funds consist of the water, sewer and electric funds.

A question typically asked about the City's finances "How did we do financially during 2019?" The Statement of Net Position and the Statement of Activities answer this question. These statements include *all assets and deferred outflows of resources and liabilities and deferred inflows of resources* using the *accrual basis of accounting* similar to the accounting method used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

**City of Amherst**  
**Lorain County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2019*

---

These two statements report the City's *net position* and *changes in net position*. This change in net position is important because it tells the reader that, for the City as a whole, the *financial position* of the City has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, current property tax laws in Ohio which restrict revenue growth, facility conditions, and other factors.

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

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

***Reporting the City of Amherst's Most Significant Funds***

*Fund Financial Statements*

A fund is a grouping of related accounts that is used to maintain control over resources that have been safeguarded for specific activities or objectives. The City uses many funds to account for financial transactions. However, these fund financial statements focus on the City's most significant funds. The City's major governmental funds are general, street maintenance repair, street improvement income tax, issue II and general obligation bond retirement funds.

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

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

***Fiduciary Funds*** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for the fiduciary funds is much like that used for proprietary funds.

**City of Amherst**  
**Lorain County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2019*

**The City of Amherst as a Whole**

Recall that the Statement of Net Position provides the perspective of the City as a whole. Table 1 provides a summary of the City's net position for 2019 compared to 2018:

**Table 1**  
**Net Position**

	Governmental Activities			Business-Type Activities		
	2019	Restated 2018	Change	2019	Restated 2018	Change
<b>Assets</b>						
Current and Other Assets	\$ 14,833,427	\$ 13,055,537	\$ 1,777,890	\$ 14,771,279	\$ 14,894,740	\$ (123,461)
Capital Assets	34,886,961	31,842,019	3,044,942	18,004,827	19,676,412	(1,671,585)
<i>Total Assets</i>	<u>49,720,388</u>	<u>44,897,556</u>	<u>4,822,832</u>	<u>32,776,106</u>	<u>34,571,152</u>	<u>(1,795,046)</u>
<b>Deferred Outflows of Resources</b>						
Pension & OPEB	3,329,241	1,440,868	1,888,373	1,179,314	736,367	442,947
<i>Total Deferred Outflows of Resources</i>	<u>3,329,241</u>	<u>1,440,868</u>	<u>1,888,373</u>	<u>1,179,314</u>	<u>736,367</u>	<u>442,947</u>
<b>Liabilities</b>						
Current and Other Liabilities	1,120,901	696,270	424,631	1,353,987	1,877,242	(523,255)
Long-Term Liabilities:						
Due within One Year	465,614	3,253,687	(2,788,073)	1,524,045	1,485,980	38,065
Due in More Than One Year:						
Net Pension Liability	8,789,593	5,609,198	3,180,395	3,415,935	1,969,908	1,446,027
Net OPEB Liability	2,383,994	4,654,950	(2,270,956)	1,625,615	1,354,533	271,082
Other Amounts	6,331,247	2,513,392	3,817,855	3,117,824	4,643,119	(1,525,295)
<i>Total Liabilities</i>	<u>19,091,349</u>	<u>16,727,497</u>	<u>2,363,852</u>	<u>11,037,406</u>	<u>11,330,782</u>	<u>(293,376)</u>
<b>Deferred Inflows of Resources</b>						
Property Taxes	1,198,334	1,203,256	(4,922)	0	0	0
Pension & OPEB	954,595	1,790,176	(835,581)	59,264	565,222	(505,958)
<i>Total Deferred Inflows of Resources</i>	<u>2,152,929</u>	<u>2,993,432</u>	<u>(840,503)</u>	<u>59,264</u>	<u>565,222</u>	<u>(505,958)</u>
<b>Net Position</b>						
Net Investment in Capital Assets	28,543,807	26,951,753	1,592,054	14,930,775	16,044,057	(1,113,282)
Restricted	6,315,574	5,243,438	1,072,136	0	0	0
Unrestricted	(3,054,030)	(5,577,696)	2,523,666	7,927,975	7,367,458	560,517
<i>Total Net Position</i>	<u>\$ 31,805,351</u>	<u>\$ 26,617,495</u>	<u>\$ 5,187,856</u>	<u>\$ 22,858,750</u>	<u>\$ 23,411,515</u>	<u>\$ (552,765)</u>

Collectively, the net pension liability (NPL), reported pursuant to GASB Statement 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27* and the net OPEB liability (NOL) are two of the largest liabilities reported by the City at December 31, 2019. In a prior year, the City adopted GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

**City of Amherst**  
**Lorain County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2019*

---

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

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

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

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

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



**City of Amherst**  
**Lorain County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2019*

---

In accordance with GASB 68 and GASB 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

At year end, capital assets represented 64 percent of total assets. Capital assets include land, construction in progress, buildings, improvements other than buildings, machinery and equipment, vehicles, and infrastructure. Capital assets, net of related debt were \$43,474,582 at December 31, 2019, with \$28,543,807 in governmental activities and \$14,930,775 in business-type activities. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the City's net position, \$6,315,574 represents resources that are subject to external restrictions on how they may be used. The balance of unrestricted net position of \$4,873,945, may be used to meet the government's ongoing obligations to citizens and creditors.

Equity in pooled cash and investments increased significantly during the year as a result of increased income tax receipts paired with conservative spending by the City.

The governmental activities non-depreciable capital assets and contracts payables increased in 2019 primarily due to several road infrastructure projects in progress at year end. The long-term liabilities due within one year decreased due to a bond anticipation note retired in 2019. Long-term liabilities due in more than one year increased as a result of the issuance of general obligation bonds during the year.

For business-type activities, the City returned refunds owed from a prior year. Other amounts due in more than one year decreased due to principal payments made during 2019. Depreciable capital assets decreased as a result of the sale of electric assets to American Municipal Power.

For both governmental and business-type activities, the changes reflected in NPL, NOL and deferred outflows/inflows of resources relating to pension and OPEB are based on estimates at the plan level. For additional details on GASB 68 and 75, see aforementioned discussion.

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**City of Amherst**  
**Lorain County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2019*

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2019 and 2018.

**Table 2**  
**Changes in Net Position**

	Governmental Activities			Business-Type Activities		
	2019	2018	Change	2019	2018	Change
<b>Revenues</b>						
<i>Program Revenues:</i>						
Charges for Services	\$ 1,313,174	\$ 1,229,744	\$ 83,430	\$ 17,752,652	\$ 18,372,487	\$ (619,835)
Operating Grants	1,620,675	738,593	882,082	0	0	0
Capital Grants	638,074	689,872	(51,798)	0	0	0
<i>General Revenues:</i>						
Property Taxes	1,175,626	1,280,969	(105,343)	0	0	0
Income Taxes	5,843,092	5,516,304	326,788	0	0	0
Grants and Entitlements	380,540	390,064	(9,524)	0	0	0
Gain on Sale of Capital Assets	0	592	(592)	12,886	10,036	2,850
Other Taxes - Hotel	38,591	43,219	(4,628)	0	0	0
Kilowatt Taxes	451,268	442,057	9,211	0	0	0
OWDA Interest Subsidy	0	0	0	19,955	23,021	(3,066)
Interest	704,076	189,612	514,464	0	0	0
Other	595,157	47,334	547,823	0	0	0
<i>Total Revenues</i>	<u>12,760,273</u>	<u>10,568,360</u>	<u>2,191,913</u>	<u>17,785,493</u>	<u>18,405,544</u>	<u>(620,051)</u>
<b>Program Expenses</b>						
General Government	1,871,280	1,742,024	129,256	0	0	0
Security of Persons and Property	1,950,830	4,446,577	(2,495,747)	0	0	0
Public Health	133,848	143,041	(9,193)	0	0	0
Leisure Time Services	246,476	240,726	5,750	0	0	0
Community Development	311,425	254,816	56,609	0	0	0
Transportation	2,976,629	2,863,302	113,327	0	0	0
Interest and Fiscal Charges	97,697	18,075	79,622	0	0	0
<i>Enterprise Operations:</i>						
Water	0	0	0	2,676,218	2,907,990	(231,772)
Sewer	0	0	0	2,453,277	3,332,913	(879,636)
Electric	0	0	0	13,192,995	13,634,957	(441,962)
<i>Total Program Expenses</i>	<u>7,588,185</u>	<u>9,708,561</u>	<u>(2,120,376)</u>	<u>18,322,490</u>	<u>19,875,860</u>	<u>(1,553,370)</u>
<i>Increase (Decrease) in Net Position</i>	5,172,088	859,799	4,312,289	(536,997)	(1,470,316)	933,319
Transfers	15,768	0	15,768	(15,768)	0	(15,768)
<i>Change in Net Position</i>	5,187,856	859,799	4,328,057	(552,765)	(1,470,316)	917,551
<i>Net Position Beginning of Year</i>	26,617,495	25,707,633	909,862	23,411,515	26,020,237	(2,608,722)
<i>Restatement - See Note 2</i>	0	50,063	(50,063)	0	(1,138,406)	1,138,406
<i>Net Position End of Year</i>	<u>\$ 31,805,351</u>	<u>\$ 26,617,495</u>	<u>\$ 5,187,856</u>	<u>\$ 22,858,750</u>	<u>\$ 23,411,515</u>	<u>\$ (552,765)</u>

The City's overall net position increased \$4,635,091 from the prior year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

### Governmental Activities

Several revenue sources fund the City's governmental activities. These sources are grouped as either program or general revenues. Municipal income tax contributes the largest share of resources for the governmental activities. City Ordinance 67-50 passed on 9-25-67 established Amherst municipal income tax. Chapter 191 of the Codified Ordinances of the City discusses the subject in depth.

**City of Amherst**  
**Lorain County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2019*

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Although the municipal income tax produces the largest share of revenue in the governmental activities, only approximately 20 percent of the residents in the City pay the 1.5 percent income tax. Residents working outside of the City are forgiven 1 percent of the 1.5 percent – “It is the intent of this section that a resident who pays tax to another municipality shall not pay tax to the City on the same income in excess of one-half of one percent” (191.16(a)).

General property and other taxes are also a significant source of revenues and are a much more stable tax. In addition to general property and other taxes, the City has a one-mill levy for the Fire Apparatus Levy Fund. Although the operating expenses of the Fire Department come from the General Fund, the Fire Apparatus Levy Fund provides resources for all equipment and facility maintenance.

Intergovernmental revenues, particularly local government subsidies have, in the past, provided a very stable, predictable and significant contribution to the City's General Fund. Over the past several years, local government subsidies have become less stable with State Budget cuts.

Miscellaneous forms of income are becoming more important in the current economic climate. The City has been diligent recently about making efforts to see that charges for services we provide, particularly to other governmental entities, completely cover the cost of providing those services.

The City has pursued grants and donations to help fund particular projects that might have been funded through the General Fund. Grants have helped fund park projects, police work, renovations of City Hall, beautification efforts, and downtown revitalization.

The City saw an increase in operating grants due to FEMA grant funding paired with the Ohio gas tax increase in July 2019. Interest revenue increased significantly as the City saw significant gains in its investment portfolio.

The second largest program function of the City is for security of persons and property, which includes the police department. This significant decrease in security of persons and property for police is a result of OP&F changing its retiree health care model to a stipend-based health care model thus reducing its total OPEB liability, which translates to a significant lower net OPEB liability reported by employers.

Transportation expense is largest component of total expenses and increased slightly from prior year.

### **Business-Type Activities**

The City provides water, sewer and electric services to the residents and businesses within the City limits whose revenue is generated primarily from charges for services. The City is a participant along with 35 other subdivisions within the State of Ohio in a joint venture to provide supplemental reserve electric power to the participants on a cooperative basis. This electric service is at a cost savings to the users.

Operating revenues within the Water, Sewer and Electric Fund decreased slightly from the prior year.

Expenses decreased in all business-type activities. The Sewer Fund saw a significant decrease as a result of cost savings related to materials and supplies expense.

**City of Amherst**  
**Lorain County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2019*

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***The City's Funds***

***Governmental Funds***

As noted earlier, the City's governmental funds are accounted for using the modified accrual method of accounting. The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of the fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City's Council.

The general fund is the chief operating fund of the City. The fund balance of the general fund increased by \$256,020 during the current year as revenues continue to outpace expenditures due to cost saving measures. Interest revenue increased from the prior year as a result of fluctuations in the market.

The street maintenance repair fund increased \$465,749 as a result of an increase of transfers in from the general fund for ongoing street projects.

The street improvement income tax fund had a \$73,164 increase in fund balance as the result of an increase in income tax revenue and contributions and donations, when compared to the prior year.

The issue II fund decreased by \$318,595 due to expenditures relating to the Lincoln Sipple, North Main Cooper Foster Road Rehabilitation and Cooper Foster Road Widening projects.

The general obligation bond retirement fund decreased \$124,558 as a result of general obligation debt payments.

***Proprietary Funds***

The City's proprietary funds provide the same type of information found in the government-wide financial statements for the business-type activities, but in more detail.

Unrestricted net position of the water fund at the end of the year was \$1,277,524, the sewer fund was \$1,153,152 and the electric fund was \$5,497,299. The water, sewer and electric funds net position decreased \$9,166, \$73,829 and \$469,770, respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of the business-type activities.

***General Fund Budgeting Highlights***

The City's budget is prepared according to the laws of the State of Ohio and is based on accounting for certain transactions on a cash basis for receipts, expenditures, and encumbrances. Our budget is adopted at the object level within each department. Any budgetary modifications at that level may only be made by Council action.

During the course of 2019, the City amended its general fund budget on various occasions. All recommendations for appropriation changes come to Council from the City Auditor.

**City of Amherst**  
**Lorain County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2019*

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**Original Budget Compared to Final Budget** During the year there was no need for any significant amendments to increase either the original estimated revenues or original budgeted appropriations. However, there was a need to make an amendment to reallocate appropriations among departments at times. Generally, the movement of the appropriations between departments was not significant.

**Final Budget Compared to Actual Results** The most significant differences between estimated revenues and actual revenues were as follows:

The City saw unexpected increases in income taxes during 2019 that can be attributed to an improving local economy. Interest revenue had an unexpected increase due to the City's investment portfolio performing better than expected. Charges for services was lower than expected as the City billed less than the prior year for information technology fees.

Expenditures within the general fund were lower than budgets in general government and security of persons and property. This was primarily due to conservative spending by the City.

Transfers in the general fund relate to income tax revenues allocated to the general fund. With income tax revenue higher than anticipated during 2019, coupled with cost savings within the general fund as discussed above, not all budgeted transfers were determined necessary.

**Capital Assets and Debt Administration**

**Capital Assets**

Table 3 shows fiscal year 2019 balances compared with 2018. See Note 9 for additional information about the capital assets of the City.

**Table 3**  
**Capital Assets at December 31**  
**(Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 1,408,648	\$ 1,408,648	\$ 65,121	\$ 65,121	\$ 1,473,769	\$ 1,473,769
Construction in Progress	3,270,102	2,661,817	13,200	13,200	3,283,302	2,675,017
Buildings	2,078,005	2,171,111	3,860,543	4,000,810	5,938,548	6,171,921
Improvements Other Than Buildings	129,872	180,338	870,275	1,075,154	1,000,147	1,255,492
Machinery and Equipment	1,809,224	1,477,431	3,217,857	3,556,327	5,027,081	5,033,758
Vehicles	815,844	839,745	337,694	432,505	1,153,538	1,272,250
Infrastructure	25,375,266	23,102,929	9,640,137	10,533,295	35,015,403	33,636,224
<i>Total</i>	<u>\$ 34,886,961</u>	<u>\$ 31,842,019</u>	<u>\$ 18,004,827</u>	<u>\$ 19,676,412</u>	<u>\$ 52,891,788</u>	<u>\$ 51,518,431</u>

The City completed the Lincoln Sipple project and added to infrastructure during 2019. At the end of the year the City had several construction projects in process.

**City of Amherst**  
**Lorain County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2019*

**Debt**

Table 4 summarizes outstanding debt. See Note 14 for additional details.

**Table 4**  
**Outstanding Debt, at December 31**

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
General Obligation Bonds	\$ 4,402,450	\$ 655,000	\$ 307,550	\$ 355,000	\$ 4,710,000	\$ 1,010,000
Bond Anticipation Note	0	3,000,000	0	0	0	3,000,000
911 Improvement Loan	14,600	29,200	0	0	14,600	29,200
OPWC Loans	1,427,395	1,307,026	11,026	13,028	1,438,421	1,320,054
OWDA Loans	0	0	2,705,286	3,190,070	2,705,286	3,190,070
AMP-Ohio	0	0	379,216	435,297	379,216	435,297
Lease Purchases	85,158	125,347	50,190	74,257	135,348	199,604
Capital Leases	226,483	0	868,867	1,720,782	1,095,350	1,720,782
<i>Total</i>	<u>\$ 6,156,086</u>	<u>\$ 5,116,573</u>	<u>\$ 4,322,135</u>	<u>\$ 5,788,434</u>	<u>\$ 10,478,221</u>	<u>\$ 10,905,007</u>

The City paid off the bond anticipation note and issued various purpose bonds during the fiscal year.

***Current Issues***

The City is currently in a positive cash position having a total equity in pooled cash and investments (excluding Fiduciary Funds) of \$20,682,088 as of December 31, 2019. The major strength of the cash balance is in the General Fund, Street Improvement Income Tax Fund, Street Maintenance Repair and in the Enterprise Funds. Both of these areas continue to have extensive capital projects underway. Each year since its inception in 1999, the Street Improvement Income Tax Fund has financed an aggressive street improvement program. All roads have been repaired and are in good working order. The second water tower has been upgraded and renovated; however, a study is continuing to determine pressure problems in the system that may have to be corrected. Water meters are currently being replaced with electronic read meters.

***Economic Factors***

The City is predominantly a residential community. The City has only one major manufacturing facility within its boundary. Nordson Corporation was founded by a native Amherst resident and continues to operate. It is a clean industry with a pleasant, well-landscaped facility. There has been some concern about major cutbacks in employees within the corporation, which substantially affected the City's revenues. However, the company seems to have stabilized. Cloverdale Farms, Inc., which is now operating under the name Tyson Foods is also a major manufacturer in the City. It has increased the number of employees from 101 to approximately 694 over the past several years. Amherst Hospital, another large employer in the community was experiencing some financial difficulties, reorganized its operation, and now seems to be stable as it was taken over by University Hospitals in late 2014 and has an employee count of approximately 250.

Although the City is land locked on the north by the City of Lorain; that is not the case on the southern edge of town. In 1999 the City annexed 57 acres of land on the southeastern edge of the City. This property was zoned for light industrial use by the township. In 2000, the City council voted to maintain this zoning so that the tax base of the City might be expanded and diversified. Currently, work is being done to build a light industrial park at that location. Several companies have opened there. This is the area that would be impacted by the Turnpike Exit on Route 58. At this point it is still undetermined just what the situation will be with that expansion.

**City of Amherst**  
**Lorain County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2019*

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As of the date of this report, the City of Amherst, as other communities in Ohio and across the country, are dealing with the effects of the COVID 19 pandemic. With both the Federal and State governments extending the income tax filing deadline, the City will not realize the full extent of the impact of this pandemic until much later in 2020.

***Contacting the City's Finance Department***

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City's finances and to show the City's accountability for all money it receives, spends or invests. If you have questions about this report or need financial information, contact the Auditor, Derek M. Pittak, City of Amherst, 480 Park Avenue, Amherst, Ohio 44001; telephone 440-988-3742; email [auditor@amherstohio.org](mailto:auditor@amherstohio.org).

**City of Amherst**  
**Lorain County, Ohio**  
*Statement of Net Position*  
*December 31, 2019*

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 10,257,470	\$ 10,424,618	\$ 20,682,088
Cash and Cash Equivalents with Escrow Agents	0	389,493	389,493
Accounts Receivable	149,995	2,823,068	2,973,063
Intergovernmental Receivable	934,857	9,587	944,444
Property and Other Local Taxes Receivable	1,215,201	0	1,215,201
Income Taxes Receivable	1,901,941	0	1,901,941
Recovered Purchase Power Receivable	0	379,216	379,216
Investment in Joint Venture	0	119,418	119,418
Prepaid Items	81,284	33,612	114,896
Materials and Supplies Inventory	292,679	346,107	638,786
Restricted Assets	0	246,160	246,160
Non-Depreciable Capital Assets	4,678,750	78,321	4,757,071
Depreciable Capital Assets, Net	30,208,211	17,926,506	48,134,717
<i>Total Assets</i>	<u>49,720,388</u>	<u>32,776,106</u>	<u>82,496,494</u>
<b>Deferred Outflows of Resources</b>			
Pension	2,637,702	1,028,355	3,666,057
OPEB	691,539	150,959	842,498
<i>Total Deferred Outflows of Resources</i>	<u>3,329,241</u>	<u>1,179,314</u>	<u>4,508,555</u>
<b>Liabilities</b>			
Accounts Payable	57,157	875,732	932,889
Accrued Wages	137,285	75,983	213,268
Contracts Payable	638,871	0	638,871
Retainage Payable	55,776	0	55,776
Intergovernmental Payable	47,787	146,525	194,312
Accrued Interest Payable	0	9,587	9,587
Claims Payable	161,841	0	161,841
Customer Deposits	0	246,160	246,160
Payroll Withholdings Payable	22,184	0	22,184
Long-Term Liabilities:			
Due Within One Year	465,614	1,524,045	1,989,659
Due In More Than One Year:			
Net Pension Liability	8,789,593	3,415,935	12,205,528
Net OPEB Liability	2,383,994	1,625,615	4,009,609
Other Amounts Due in More Than One Year	6,331,247	3,117,824	9,449,071
<i>Total Liabilities</i>	<u>19,091,349</u>	<u>11,037,406</u>	<u>30,128,755</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for the Next Year	1,198,334	0	1,198,334
Pension	469,074	54,497	523,571
OPEB	485,521	4,767	490,288
<i>Total Deferred Inflows of Resources</i>	<u>2,152,929</u>	<u>59,264</u>	<u>2,212,193</u>
<b>Net Position</b>			
Net Investment in Capital Assets	28,543,807	14,930,775	43,474,582
Restricted for:			
Capital Projects	2,834,329	0	2,834,329
Debt Service	369,888	0	369,888
Street Maintenance & Repair	1,895,677	0	1,895,677
Planning Commission	357,937	0	357,937
Park Trust	267,483	0	267,483
Perpetual Care:			
Expendable	2,447	0	2,447
Nonexpendable	2,000	0	2,000
Cable Television	154,687	0	154,687
Other Purposes	431,126	0	431,126
Unrestricted	(3,054,030)	7,927,975	4,873,945
<i>Total Net Position</i>	<u>\$ 31,805,351</u>	<u>\$ 22,858,750</u>	<u>\$ 54,664,101</u>

See accompanying notes to the basic financial statements.



**City of Amherst**  
**Lorain County, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2019

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities</b>							
General Government	\$ 1,871,280	\$ 559,367	\$ 705	\$ 2,513	\$ (1,308,695)	\$ 0	\$ (1,308,695)
Security of Persons and Property	1,950,830	203,442	315,533	51,993	(1,379,862)	0	(1,379,862)
Public Health	133,848	33,562	298	0	(99,988)	0	(99,988)
Leisure Time Services	246,476	114,768	20,525	0	(111,183)	0	(111,183)
Community Development	311,425	399,352	0	0	87,927	0	87,927
Transportation	2,976,629	2,683	1,283,614	583,568	(1,106,764)	0	(1,106,764)
Interest and Fiscal Charges	97,697	0	0	0	(97,697)	0	(97,697)
<i>Total Governmental Activities</i>	<u>7,588,185</u>	<u>1,313,174</u>	<u>1,620,675</u>	<u>638,074</u>	<u>(4,016,262)</u>	<u>0</u>	<u>(4,016,262)</u>
<b>Business-Type Activities</b>							
Water	2,676,218	2,659,424	0	0	0	(16,794)	(16,794)
Sewer	2,453,277	2,369,394	0	0	0	(83,883)	(83,883)
Electric	13,192,995	12,723,834	0	0	0	(469,161)	(469,161)
<i>Total Business-Type Activities</i>	<u>18,322,490</u>	<u>17,752,652</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(569,838)</u>	<u>(569,838)</u>
<i>Total</i>	<u>\$ 25,910,675</u>	<u>\$ 19,065,826</u>	<u>\$ 1,620,675</u>	<u>\$ 638,074</u>	<u>(4,016,262)</u>	<u>(569,838)</u>	<u>(4,586,100)</u>
<b>General Revenues:</b>							
Property Taxes Levied for:							
General Purposes					866,885	0	866,885
Debt Service					57,802	0	57,802
Capital Projects and Equipment					250,939	0	250,939
Income Taxes Levied for:							
General Purposes					4,451,137	0	4,451,137
Capital Projects and Equipment					1,391,955	0	1,391,955
Grants and Entitlements not Restricted to Specific Programs					380,540	0	380,540
Gain on Sale of Capital Assets					0	12,886	12,886
Other Taxes - Hotel					38,591	0	38,591
Kilowatt Taxes					451,268	0	451,268
OWDA Interest Subsidy					0	19,955	19,955
Interest					704,076	0	704,076
Miscellaneous					595,157	0	595,157
<i>Total General Revenues</i>					<u>9,188,350</u>	<u>32,841</u>	<u>9,221,191</u>
Transfers					<u>15,768</u>	<u>(15,768)</u>	<u>0</u>
<i>Change in Net Position</i>					<u>5,187,856</u>	<u>(552,765)</u>	<u>4,635,091</u>
<i>Net Position Beginning of Year (Restated, See Note 2)</i>					<u>26,617,495</u>	<u>23,411,515</u>	<u>50,029,010</u>
<i>Net Position End of Year</i>					<u>\$ 31,805,351</u>	<u>\$ 22,858,750</u>	<u>\$ 54,664,101</u>

See accompanying notes to the basic financial statements.

**City of Amherst**  
**Lorain County, Ohio**  
*Balance Sheet*  
*Governmental Funds*  
*December 31, 2019*

	General	Street Maintenance Repair	Street Improvement Income Tax	Issue II	General Obligation Bond Retirement	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>							
Equity in Pooled Cash and Investments	\$ 4,178,956	\$ 1,055,781	\$ 1,424,393	\$ 231,408	\$ 365,027	\$ 2,664,477	\$ 9,920,042
Accounts Receivable	149,995	0	0	0	0	0	149,995
Intergovernmental Receivable	166,889	664,811	0	0	4,158	98,999	934,857
Property and Other Local Taxes Receivable	894,801	0	0	0	59,653	260,747	1,215,201
Income Taxes Receivable	1,448,857	0	453,084	0	0	0	1,901,941
Prepaid Items	63,018	14,442	0	0	0	3,824	81,284
Materials and Supplies Inventory	182,225	110,454	0	0	0	0	292,679
<i>Total Assets</i>	<u>\$ 7,084,741</u>	<u>\$ 1,845,488</u>	<u>\$ 1,877,477</u>	<u>\$ 231,408</u>	<u>\$ 428,838</u>	<u>\$ 3,028,047</u>	<u>\$ 14,495,999</u>
<b>Liabilities</b>							
Accounts Payable	\$ 35,358	\$ 11,820	\$ 0	\$ 0	\$ 0	\$ 9,979	\$ 57,157
Accrued Wages	115,461	20,065	0	0	0	1,759	137,285
Contracts Payable	0	144,644	186,574	203,563	0	104,090	638,871
Retainage Payable	0	40,565	0	15,211	0	0	55,776
Intergovernmental Payable	41,984	5,328	0	0	0	475	47,787
Payroll Withholdings Payable	22,184	0	0	0	0	0	22,184
<i>Total Liabilities</i>	<u>214,987</u>	<u>222,422</u>	<u>186,574</u>	<u>218,774</u>	<u>0</u>	<u>116,303</u>	<u>959,060</u>
<b>Deferred Inflows of Resources</b>							
Property Taxes Levied for the Next Year	884,259	0	0	0	58,950	255,125	1,198,334
Unavailable Revenue - Other	41,749	0	0	0	0	0	41,749
Unavailable Revenue - Income Taxes	1,075,832	0	336,433	0	0	0	1,412,265
Unavailable Revenue - Delinquent Taxes	10,542	0	0	0	703	3,042	14,287
Unavailable Revenue - Intergovernmental	130,820	493,341	0	0	4,158	58,624	686,943
<i>Total Deferred Inflows of Resources</i>	<u>2,143,202</u>	<u>493,341</u>	<u>336,433</u>	<u>0</u>	<u>63,811</u>	<u>316,791</u>	<u>3,353,578</u>
<b>Fund Balances</b>							
Nonspendable	245,849	124,896	0	0	0	5,824	376,569
Restricted	0	1,004,829	1,354,470	12,634	365,027	2,444,312	5,181,272
Committed	32,949	0	0	0	0	144,817	177,766
Assigned	2,211,758	0	0	0	0	0	2,211,758
Unassigned	2,235,996	0	0	0	0	0	2,235,996
<i>Total Fund Balances</i>	<u>4,726,552</u>	<u>1,129,725</u>	<u>1,354,470</u>	<u>12,634</u>	<u>365,027</u>	<u>2,594,953</u>	<u>10,183,361</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 7,084,741</u>	<u>\$ 1,845,488</u>	<u>\$ 1,877,477</u>	<u>\$ 231,408</u>	<u>\$ 428,838</u>	<u>\$ 3,028,047</u>	<u>\$ 14,495,999</u>

See accompanying notes to the basic financial statements.

**City of Amherst**  
**Lorain County, Ohio**  
*Reconciliation of Total Governmental Fund Balances to*  
*Net Position of Governmental Activities*  
*December 31, 2019*

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**Total Governmental Fund Balances** \$ 10,183,361

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 34,886,961

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:

Delinquent Property Taxes	\$ 14,287	
Income Tax	1,412,265	
Intergovernmental	686,943	
Other	41,749	
	2,155,244	2,155,244

An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position. 175,587

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

Deferred Outflows - Pension	2,637,702	
Deferred Outflows - OPEB	691,539	
Deferred Inflows - Pension	(469,074)	
Deferred Inflows - OPEB	(485,521)	
Net Pension Liability	(8,789,593)	
Net OPEB Liability	(2,383,994)	(8,798,941)
	(8,798,941)	

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:

General Obligation Bonds	(4,402,450)	
OPWC Loans	(1,427,395)	
911 Improvement Loan	(14,600)	
Capital Lease	(226,483)	
Lease Purchase	(85,158)	
Compensated Absences	(640,775)	
	(6,796,861)	(6,796,861)

*Net Position of Governmental Activities* \$ 31,805,351

See accompanying notes to the basic financial statements.

**City of Amherst**  
**Lorain County, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2019*

	General	Street Maintenance Repair	Street Improvement Income Tax	Issue II	General Obligation Bond Retirement	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>							
Property and Other Local Taxes	\$ 867,211	\$ 0	\$ 0	\$ 0	\$ 57,814	\$ 290,064	\$ 1,215,089
Income Taxes	4,236,500	0	1,353,521	0	0	0	5,590,021
Special Assessments	0	0	0	58,136	0	0	58,136
Charges for Services	373,948	2,683	0	0	0	194,205	570,836
Fees, Licenses and Permits	667,373	0	0	0	0	0	667,373
Fines and Forfeitures	31,396	0	0	0	0	1,489	32,885
Intergovernmental	369,190	802,180	0	325,432	8,310	561,028	2,066,140
Interest	703,986	0	0	0	0	3,497	707,483
Kilowatt Taxes	451,268	0	0	0	0	0	451,268
Contributions and Donations	0	0	200,000	0	0	109	200,109
Other	25,472	0	0	0	0	65,012	90,484
<i>Total Revenues</i>	<u>7,726,344</u>	<u>804,863</u>	<u>1,553,521</u>	<u>383,568</u>	<u>66,124</u>	<u>1,115,404</u>	<u>11,649,824</u>
<b>Expenditures</b>							
Current:							
General Government	1,221,879	0	0	0	947	46,837	1,269,663
Security of Persons and Property	4,049,123	0	0	0	0	84,479	4,133,602
Public Health	56,476	0	0	0	0	63,861	120,337
Leisure Time Services	0	0	0	0	0	213,475	213,475
Community Development	274,345	0	0	0	0	0	274,345
Transportation	0	935,313	6,035	0	0	148,677	1,090,025
Capital Outlay	197,577	1,099,381	1,285,447	2,038,674	0	739,983	5,361,062
Debt Service:							
Principal Retirement	0	96,829	91,142	0	3,174,728	14,600	3,377,299
Interest and Fiscal Charges	0	10,714	0	0	280,023	0	290,737
Current Refunding Escrow	0	0	65,611	0	0	19,389	85,000
<i>Total Expenditures</i>	<u>5,799,400</u>	<u>2,142,237</u>	<u>1,448,235</u>	<u>2,038,674</u>	<u>3,455,698</u>	<u>1,331,301</u>	<u>16,215,545</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,926,944</u>	<u>(1,337,374)</u>	<u>105,286</u>	<u>(1,655,106)</u>	<u>(3,389,574)</u>	<u>(215,897)</u>	<u>(4,565,721)</u>
<b>Other Financing Sources (Uses)</b>							
Inception of Capital Lease	0	283,123	0	0	0	0	283,123
Proceeds from Sale of Assets	0	0	0	0	0	537,584	537,584
Issuance of OPWC Loans	0	0	0	211,511	0	0	211,511
Issuance of Refunding General Obligation Bonds	0	0	0	1,000,000	3,577,178	0	4,577,178
Premium on Debt Issuance	0	0	0	0	200,599	0	200,599
Payment to Refunded Bond Escrow Agent	0	0	0	0	(577,559)	0	(577,559)
Transfers In	0	1,520,000	1,368	125,000	64,798	10,000	1,721,166
Transfers Out	(1,670,924)	0	(33,490)	0	0	(984)	(1,705,398)
<i>Total Other Financing Sources (Uses)</i>	<u>(1,670,924)</u>	<u>1,803,123</u>	<u>(32,122)</u>	<u>1,336,511</u>	<u>3,265,016</u>	<u>546,600</u>	<u>5,248,204</u>
<i>Net Change in Fund Balance</i>	<u>256,020</u>	<u>465,749</u>	<u>73,164</u>	<u>(318,595)</u>	<u>(124,558)</u>	<u>330,703</u>	<u>682,483</u>
<i>Fund Balance Beginning of Year - (Restated, See Note 2)</i>	<u>4,470,532</u>	<u>663,976</u>	<u>1,281,306</u>	<u>331,229</u>	<u>489,585</u>	<u>2,264,250</u>	<u>9,500,878</u>
<i>Fund Balance End of Year</i>	<u>\$ 4,726,552</u>	<u>\$ 1,129,725</u>	<u>\$ 1,354,470</u>	<u>\$ 12,634</u>	<u>\$ 365,027</u>	<u>\$ 2,594,953</u>	<u>\$ 10,183,361</u>

See accompanying notes to the basic financial statements.

**City of Amherst**  
**Lorain County, Ohio**  
*Reconciliation of the Statement of Revenues, Expenditures and Changes*  
*in Fund Balances of Governmental Funds to the Statement of Activities*  
*For the Year Ended December 31, 2019*

<b>Net Change in Fund Balances - Total Governmental Funds</b>	\$	682,483
 <i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital Asset Additions	\$ 4,958,715	
Current Year Depreciation	<u>(1,841,970)</u>	3,116,745
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal and adjustments for changes in value.		
		(71,803)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property Taxes	(872)	
Income Tax	253,071	
Intergovernmental	311,497	
Licenses and Permits	<u>9,169</u>	572,865
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
General Obligation Bonds	174,728	
Bond Anticipation Notes	3,000,000	
OPWC Loans	91,142	
911 Improvement Loan	14,600	
Capital Lease	56,640	
Lease Purchase	40,189	
Payment to Refunded Bond Escrow Agent	577,559	
Current Refunding Escrow	<u>85,000</u>	4,039,858
Debt proceeds issued in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues.		
General Obligation Bonds	(4,577,178)	
OPWC Loans	<u>(211,511)</u>	(4,788,689)
Inception of capital lease in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues.		
		(283,123)
In the statement of activities, interest is accrued on outstanding bonds, and bond premium and the gain/loss on refunding are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.		
Amortization of Refunding Loss		(7,559)
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	581,346	
OPEB	<u>8,392</u>	589,738
Except for amount reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.		
Pension	(1,376,091)	
OPEB	<u>2,600,868</u>	1,224,777
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the entity-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		
		102,833
Some expenses reported in the statement of activities, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated Absences		<u>9,731</u>
<i>Change in Net Position of Governmental Activities</i>	<u>\$</u>	<u>5,187,856</u>

See accompanying notes to the basic financial statements.

**City of Amherst**  
**Lorain County, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2019*

	Budgeted Amounts			Variance with Final Budget Over (Under)
	Original	Final	Actual	
<b>Revenues</b>				
Property Taxes	\$ 885,417	\$ 885,417	\$ 867,211	\$ (18,206)
Income Taxes	1,200,000	1,200,000	1,409,487	209,487
Kilowatt Taxes	420,000	420,000	451,268	31,268
Charges for Services	511,137	511,137	334,715	(176,422)
Fees, Licenses and Permits	531,925	531,925	625,919	93,994
Fines and Forfeitures	32,200	32,200	29,797	(2,403)
Intergovernmental	332,431	332,431	367,494	35,063
Interest	300,000	300,000	476,721	176,721
Other	55,000	55,500	20,877	(34,623)
<i>Total Revenues</i>	<u>4,268,110</u>	<u>4,268,610</u>	<u>4,583,489</u>	<u>314,879</u>
<b>Expenditures</b>				
Current:				
General Government	1,780,352	1,770,687	1,147,297	623,390
Security of Persons and Property	4,636,027	4,653,042	4,153,686	499,356
Public Health	66,000	66,000	56,476	9,524
Community Development	284,555	281,810	226,941	54,869
Capital Outlay	302,131	294,141	215,423	78,718
<i>Total Expenditures</i>	<u>7,069,065</u>	<u>7,065,680</u>	<u>5,799,823</u>	<u>1,265,857</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,800,955)</u>	<u>(2,797,070)</u>	<u>(1,216,334)</u>	<u>1,580,736</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Capital Assets	1,000	1,000	0	(1,000)
Transfers In	2,310,000	2,309,500	1,732,500	(577,000)
Transfers Out	(200,000)	(200,000)	(160,924)	39,076
<i>Total Other Financing Sources (Uses)</i>	<u>2,111,000</u>	<u>2,110,500</u>	<u>1,571,576</u>	<u>(538,924)</u>
<i>Net Change in Fund Balance</i>	(689,955)	(686,570)	355,242	1,041,812
<i>Fund Balance Beginning of Year</i>	1,264,617	1,264,617	1,264,617	0
Prior Year Encumbrances Appropriated	152,426	152,426	152,426	0
<i>Fund Balance End of Year</i>	<u>\$ 727,088</u>	<u>\$ 730,473</u>	<u>\$ 1,772,285</u>	<u>\$ 1,041,812</u>

See accompanying notes to the basic financial statements.

**City of Amherst**  
**Lorain County, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Maintenance Repair*  
*For the Year Ended December 31, 2019*

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$ 350	\$ 350	\$ 2,683	\$ 2,333
Intergovernmental	507,000	657,000	727,348	70,348
<i>Total Revenues</i>	<u>507,350</u>	<u>657,350</u>	<u>730,031</u>	<u>72,681</u>
<b>Expenditures</b>				
Current:				
Transportation	1,236,657	1,236,519	990,189	246,330
Capital Outlay	608,017	1,038,017	1,015,993	22,024
Debt Service:				
Principal Retirement	96,829	96,829	96,829	0
Interest and Fiscal Charges	10,714	10,714	10,714	0
<i>Total Expenditures</i>	<u>1,952,217</u>	<u>2,382,079</u>	<u>2,113,725</u>	<u>268,354</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,444,867)</u>	<u>(1,724,729)</u>	<u>(1,383,694)</u>	<u>341,035</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	990,000	1,520,000	1,520,000	0
<i>Net Change in Fund Balance</i>	(454,867)	(204,729)	136,306	341,035
<i>Fund Balance Beginning of Year</i>	100,346	100,346	100,346	0
Prior Year Encumbrances Appropriated	410,712	410,712	410,712	0
<i>Fund Balance End of Year</i>	<u>\$ 56,191</u>	<u>\$ 306,329</u>	<u>\$ 647,364</u>	<u>\$ 341,035</u>

See accompanying notes to the basic financial statements.

**City of Amherst**  
**Lorain County, Ohio**  
*Statement of Fund Net Position*  
*Proprietary Funds*  
*December 31, 2019*

	Enterprise Funds				Governmental Activities - Internal Service Fund
	Water	Sewer	Electric	Total	
<b>Assets</b>					
<i>Current Assets:</i>					
Equity in Pooled Cash and Investments	\$ 1,964,411	\$ 2,582,688	\$ 5,877,519	\$ 10,424,618	\$ 337,428
Cash and Cash Equivalents with Escrow Agents	77,897	155,798	155,798	389,493	0
Accounts Receivable	425,915	388,376	2,008,777	2,823,068	0
Intergovernmental Receivable	0	9,587	0	9,587	0
Recovered Purchase Power Receivable	0	0	60,000	60,000	0
Prepaid Items	5,005	11,179	17,428	33,612	0
Materials and Supplies Inventory	19,125	142,524	184,458	346,107	0
<i>Total Current Assets</i>	<u>2,492,353</u>	<u>3,290,152</u>	<u>8,303,980</u>	<u>14,086,485</u>	<u>337,428</u>
<i>Non-Current Assets:</i>					
<i>Restricted Assets:</i>					
Customer Deposits	65,095	27,103	153,962	246,160	0
Recovered Purchase Power Receivable	0	0	319,216	319,216	0
Investment in Joint Venture	0	0	119,418	119,418	0
Non-Depreciable Capital Assets	58,200	13,121	7,000	78,321	0
Depreciable Capital Assets, Net	3,409,982	10,576,595	3,939,929	17,926,506	0
<i>Total Non-Current Assets</i>	<u>3,533,277</u>	<u>10,616,819</u>	<u>4,539,525</u>	<u>18,689,621</u>	<u>0</u>
<i>Total Assets</i>	<u>6,025,630</u>	<u>13,906,971</u>	<u>12,843,505</u>	<u>32,776,106</u>	<u>337,428</u>
<b>Deferred Outflows of Resources</b>					
Pension	226,113	408,334	393,908	1,028,355	0
OPEB	37,694	55,389	57,876	150,959	0
<i>Total Deferred Outflows of Resources</i>	<u>263,807</u>	<u>463,723</u>	<u>451,784</u>	<u>1,179,314</u>	<u>0</u>
<b>Liabilities</b>					
<i>Current Liabilities:</i>					
Accounts Payable	10,317	20,165	845,250	875,732	0
Accrued Wages	14,765	31,317	29,901	75,983	0
Intergovernmental Payable	127,917	8,407	10,201	146,525	0
Accrued Interest Payable	0	9,587	0	9,587	0
Claims Payable	0	0	0	0	161,841
Compensated Absences Payable	4,027	7,359	7,952	19,338	0
Capital Leases Payable	173,773	347,547	347,547	868,867	0
AMP Ohio Payable	0	0	60,000	60,000	0
Lease Purchase Payable	0	0	24,746	24,746	0
OPWC Loans Payable	0	1,002	0	1,002	0
OWDA Loans Payable	0	502,641	0	502,641	0
General Obligation Bonds Payable	47,451	0	0	47,451	0
Deposits Held and Due to Others	65,095	27,103	153,962	246,160	0
<i>Total Current Liabilities</i>	<u>443,345</u>	<u>955,128</u>	<u>1,479,559</u>	<u>2,878,032</u>	<u>161,841</u>
<i>Long-Term Liabilities:</i>					
Compensated Absences Payable - Net of Current Portion	62,557	114,310	123,529	300,396	0
AMP Ohio Payable - Net of Current Portion	0	0	319,216	319,216	0
Lease Purchase Payable - Net of Current Portion	0	0	25,444	25,444	0
OPWC Loans Payable - Net of Current Portion	0	10,024	0	10,024	0
OWDA Loans Payable - Net of Current Portion	0	2,202,645	0	2,202,645	0
General Obligation Bonds Payable - Net of Current Portion	260,099	0	0	260,099	0
Net Pension Liability	726,795	1,380,910	1,308,230	3,415,935	0
Net OPEB Liability	345,876	657,163	622,576	1,625,615	0
<i>Total Long-Term Liabilities</i>	<u>1,395,327</u>	<u>4,365,052</u>	<u>2,398,995</u>	<u>8,159,374</u>	<u>0</u>
<i>Total Liabilities</i>	<u>1,838,672</u>	<u>5,320,180</u>	<u>3,878,554</u>	<u>11,037,406</u>	<u>161,841</u>
<b>Deferred Inflows of Resources</b>					
Pension	11,595	22,031	20,871	54,497	0
OPEB	1,014	1,927	1,826	4,767	0
<i>Total Deferred Inflows of Resources</i>	<u>12,609</u>	<u>23,958</u>	<u>22,697</u>	<u>59,264</u>	<u>0</u>
<b>Net Position</b>					
Net Investment in Capital Assets	3,160,632	7,873,404	3,896,739	14,930,775	0
Unrestricted	1,277,524	1,153,152	5,497,299	7,927,975	175,587
<i>Total Net Position</i>	<u>\$ 4,438,156</u>	<u>\$ 9,026,556</u>	<u>\$ 9,394,038</u>	<u>\$ 22,858,750</u>	<u>\$ 175,587</u>

See accompanying notes to the basic financial statements.



**City of Amherst**  
**Lorain County, Ohio**  
*Statement of Revenues, Expenses and Changes in Fund Net Position*  
*Proprietary Funds*  
For the Year Ended December 31, 2019

	Enterprise Funds				Governmental Activities - Internal Service Fund
	Water	Sewer	Electric	Total	
<b>Operating Revenues</b>					
Charges for Services	\$ 2,659,424	\$ 2,369,394	\$ 12,723,834	\$ 17,752,652	\$ 1,135,688
<i>Total Operating Revenues</i>	<u>2,659,424</u>	<u>2,369,394</u>	<u>12,723,834</u>	<u>17,752,652</u>	<u>1,135,688</u>
<b>Operating Expenses</b>					
Personal Services	635,512	1,225,160	979,998	2,840,670	0
Contractual Services	1,611,499	243,507	10,395,508	12,250,514	383,008
Materials and Supplies	250,574	261,056	467,526	979,156	0
Claims	0	0	0	0	649,847
Depreciation	163,049	587,925	220,821	971,795	0
<i>Total Operating Expenses</i>	<u>2,660,634</u>	<u>2,317,648</u>	<u>12,063,853</u>	<u>17,042,135</u>	<u>1,032,855</u>
<i>Operating Income (Loss)</i>	<u>(1,210)</u>	<u>51,746</u>	<u>659,981</u>	<u>710,517</u>	<u>102,833</u>
<b>Non-Operating Revenues (Expense)</b>					
OWDA Interest Subsidy	0	19,955	0	19,955	0
Gain on Sale of Capital Assets	8,492	4,394	0	12,886	0
Loss on Sale of Capital Assets	0	0	(984,875)	(984,875)	0
Loss on Investment in Joint Venture	0	0	(128,070)	(128,070)	0
Interest and Fiscal Charges	(15,584)	(135,629)	(16,197)	(167,410)	0
<i>Total Non-Operating Revenues (Expense)</i>	<u>(7,092)</u>	<u>(111,280)</u>	<u>(1,129,142)</u>	<u>(1,247,514)</u>	<u>0</u>
<i>Income (Loss) Before Transfers</i>	<u>(8,302)</u>	<u>(59,534)</u>	<u>(469,161)</u>	<u>(536,997)</u>	<u>102,833</u>
Transfers Out	(864)	(14,295)	(609)	(15,768)	0
<i>Change in Net Position</i>	<u>(9,166)</u>	<u>(73,829)</u>	<u>(469,770)</u>	<u>(552,765)</u>	<u>102,833</u>
<i>Net Position Beginning of Year (Restated, See Note 2)</i>	<u>4,447,322</u>	<u>9,100,385</u>	<u>9,863,808</u>	<u>23,411,515</u>	<u>72,754</u>
<i>Net Position End of Year</i>	<u>\$ 4,438,156</u>	<u>\$ 9,026,556</u>	<u>\$ 9,394,038</u>	<u>\$ 22,858,750</u>	<u>\$ 175,587</u>

See accompanying notes to the basic financial statements.

**City of Amherst**  
**Lorain County, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Year Ended December 31, 2019

	Enterprise Funds				Governmental
	Water	Sewer	Electric	Total	Activities - Internal Service Fund
<b>Cash Flows from Operating Activities</b>					
Cash Received from Customers	\$ 2,747,263	\$ 2,445,811	\$ 12,356,494	\$ 17,549,568	\$ 1,135,688
Cash Received from Customer Deposits	500	64	1,000	1,564	0
Cash Payments to Suppliers for Goods and Services	(230,812)	(267,907)	(462,815)	(961,534)	0
Cash Payments to Employees for Services and Benefits	(467,615)	(927,398)	(730,464)	(2,125,477)	0
Cash Payments for Contractual Services	(1,714,049)	(237,315)	(10,442,734)	(12,394,098)	(348,325)
Cash Payments for Claims	0	0	0	0	(715,444)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>335,287</u>	<u>1,013,255</u>	<u>721,481</u>	<u>2,070,023</u>	<u>71,919</u>
<b>Cash Flows from Noncapital Financing Activities</b>					
Transfers Out for Debt Payments	(864)	(14,295)	(609)	(15,768)	0
Principal Payments on Noncapital Debt	(170,383)	(340,766)	(340,766)	(851,915)	0
Interest Payments on Noncapital Debt	(35,528)	(59,635)	(100,646)	(195,809)	0
<i>Net Cash Provided by (Used for) Noncapital Financing Activities</i>	<u>(206,775)</u>	<u>(414,696)</u>	<u>(442,021)</u>	<u>(1,063,492)</u>	<u>0</u>
<b>Cash Flows from Capital and Related Financing Activities</b>					
OWDA Interest Subsidy	0	21,502	0	21,502	0
Proceeds of Refunding General Obligation Bonds	312,822	0	0	312,822	0
Premium of Refunding General Obligation Bonds	9,288	0	0	9,288	0
Acquisition of Capital Assets	(8,783)	(119,332)	(12,731)	(140,846)	0
Proceeds from Sale of Capital Assets	8,492	4,394	0	12,886	0
Payment to Refunding Escrow Bond Escrow Agent	(313,138)	0	0	(313,138)	0
Payment to Current Refunding Escrow	(45,000)	0	0	(45,000)	0
Principal Payments on Debt	(5,272)	(486,786)	(24,067)	(516,125)	0
Interest Payments on Debt	(7,842)	(113,601)	(2,094)	(123,537)	0
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(49,433)</u>	<u>(693,823)</u>	<u>(38,892)</u>	<u>(782,148)</u>	<u>0</u>
<i>Net Increase (Decrease) in Cash and Investments</i>	79,079	(95,264)	240,568	224,383	71,919
<i>Cash and Investments Beginning of Year</i>	<u>2,028,324</u>	<u>2,860,853</u>	<u>5,946,711</u>	<u>10,835,888</u>	<u>265,509</u>
<i>Cash and Investments End of Year</i>	<u>\$ 2,107,403</u>	<u>\$ 2,765,589</u>	<u>\$ 6,187,279</u>	<u>\$ 11,060,271</u>	<u>\$ 337,428</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>					
Operating Income (Loss)	\$ (1,210)	\$ 51,746	\$ 659,981	\$ 710,517	\$ 102,833
Adjustments:					
Depreciation	163,049	587,925	220,821	971,795	0
(Increase)/ Decrease in Assets and Deferred Outflows:					
Accounts Receivable	87,839	76,417	(15,026)	149,230	0
Prepaid Items	(240)	258	(3,056)	(3,038)	34,683
Materials and Supplies Inventory	25,270	1,209	(10,525)	15,954	0
Deferred Outflows - Pension/OPEB	(89,830)	(183,376)	(169,741)	(442,947)	0
Increase/ (Decrease) in Liabilities and Deferred Inflows:					
Accounts Payable	(9,843)	612	(32,084)	(41,315)	0
Accrued Wages	2,218	740	(4,376)	(1,418)	0
Refund Payable	0	0	(352,314)	(352,314)	0
Claims Payable	0	0	0	0	(65,597)
Deposits Held Due to Others	500	64	1,000	1,564	0
Compensated Absences Payable	3,473	2,428	(26,832)	(20,931)	0
Intergovernmental Payable	(103,642)	(14,372)	(10,211)	(128,225)	0
Deferred Inflows - Pension/OPEB	(107,640)	(204,546)	(193,772)	(505,958)	0
Net Pension Liability	307,666	584,564	553,797	1,446,027	0
Net OPEB Liability	57,677	109,586	103,819	271,082	0
<i>Net Cash Provided by (Used For) Operating Activities</i>	<u>\$ 335,287</u>	<u>\$ 1,013,255</u>	<u>\$ 721,481</u>	<u>\$ 2,070,023</u>	<u>\$ 71,919</u>

**Capital Financing Activities:**

The City paid \$56,081 of electric fund debt through contractual service billings related to the debt.

See accompanying notes to the basic financial statements.

**City of Amherst**  
*Statement of Fiduciary Net Position*  
*Fiduciary Funds*  
*December 31, 2019*

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	<u>Custodial Funds</u>
<b>Assets</b>	
Equity in Pooled Cash and Investments	<u>\$ 3,009</u>
<b>Net Position</b>	
Restricted for Individuals, Organizations and Other Governments	<u>3,009</u>
<i>Total Net Position</i>	<u><u>\$ 3,009</u></u>

See accompanying notes to the basic financial statements.

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

	Custodial Funds
<b>Additions</b>	
Licenses, Permits & Fees for Other Governments	\$ 5,718
Sales Tax Collections for Other Governments	84
<i>Total Additions</i>	5,802
<b>Deductions</b>	
Licenses, Permits & Fee Distributions to Other Governments	5,583
Sales Tax Distributions to Other Governments	88
<i>Total Deductions</i>	5,671
<i>Change in Net Position</i>	131
<i>Net Position Beginning of Year - (Restated, See Note 2)</i>	2,878
<i>Net Position End of Year</i>	\$ 3,009

See accompanying notes to the basic financial statements.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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**Note 1: The Reporting Entity**

The City of Amherst (the "City") is a municipal corporation established and operated under the laws of the State of Ohio. The City was first incorporated in 1962. The City provides for a Mayor-Council form of government. Elected officials include eight council members, mayor, law director, auditor, and treasurer.

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City of Amherst, this includes the departments that provide the following services: police and fire protection, the construction and maintenance of highways, streets and infrastructure, recreational activities, family and child health care, senior services, community planning, zoning and development, water, sewer, electric, and sanitation.

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, authorizes the issuance of debt, or the levying of taxes. The City has no component units.

The City is associated with the Lorain County General Health District, a jointly governed organization and the Ohio Municipal Electric Generation Agency (JV2) joint venture. These organizations are discussed in Notes 15 and 16 of the basic financial statements.

**Note 2: Summary of Significant Accounting Policies**

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City follows GASB guidance as applicable to its governmental and business-type activities. The most significant of the City's accounting policies are described below.

**Basis of Presentation**

The City's basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

*Government-wide Financial Statements* - The Statement of Net Position and the Statement of Activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. The effect of interfund services provided and used between activities are not eliminated on the statement of activities. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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The Statement of Net Position presents the financial condition of the governmental and business-type activities of the City at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues 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 function or business-type 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 face of the proprietary fund statements. Fiduciary funds are reported by type.

### **Fund Accounting**

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

**Governmental Funds** - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes 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 plus 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 not accounted for and reported in another fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the charter of the City of Amherst and/or the general laws of Ohio.

**Street Maintenance Repair Fund** - This Special Revenue Fund is used to account for street maintenance and repair. The primary source of revenue for this fund is intergovernmental revenue.

**Street Improvement Income Tax Fund** - This Capital Projects Fund is used to account for 0.5% of the Municipal Income Tax to be used for improvements to the various City roads. The primary source of revenue for this fund is income tax revenue.

**Issue II Fund** - This Capital Projects Fund is used to account for funds received from the Ohio Public Works Commission and local match monies for capital projects.

**General Obligation Bond Retirement Fund** - The Debt Service Fund accounts for transfers in and tax levies that are utilized for the repayment of general obligation debt.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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

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

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

**Water Fund** - The Water Fund accounts for the provision of water service to the residents and commercial users located within the City. The primary source of revenue for this fund is water service charges.

**Sewer Fund** - The Sewer Fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City. The primary source of revenue for this fund is sewer service charges.

**Electric Fund** - The Electric Fund accounts for the provision of electric light and power service to the residents and commercial users located within the City. The primary source of revenue for this fund is electric service charges.

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

**Fiduciary Funds** - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and custodial funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City has no trust funds. The City's custodial funds account for building assessment fees and sales tax collections.

### **Measurement Focus**

**Government-wide Financial Statements** - The government-wide financial statements are prepared using the economic resources measurement focus. All assets, liabilities and deferred inflows/outflows of resources associated with the operation of the City are included on the Statement of Net Position, except for fiduciary funds. 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 deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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Like the government-wide statements, all proprietary and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets, all liabilities, and deferred inflows/outflows associated with the operation of these funds are included on the Statement of Fund Net Position. The Statement of Revenues, Expenses, and Changes in Fund Net Position presents increases (i.e. revenues) and decreases (i.e. expenses) in total net position. The Statement of Cash Flows for proprietary funds provides information about how the City finances and meets the cash flow needs of its proprietary activities.

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

**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; proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual bases of accounting arise in the recognition of revenue, the recording of unavailable revenue, the presentation of expenses versus expenditures, the recording of deferred inflows and outflows of resources related to net pension/OPEB liabilities, and the recording of net pension/OPEB liabilities.

***Revenues - Exchange and Non-Exchange Transactions*** - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Measurable means the amount of the transaction can be determined and available means that 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. The available period for the City is sixty days after year-end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements, and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6). Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from a nonexchange transaction 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 tax, state-levied locally shared taxes (including gasoline tax), fines and forfeitures, licenses and permits, interest, grants and rentals.

***Deferred Outflows and Deferred Inflows of Resources*** - In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB are explained in Notes 10 and 11.



**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2019, but which were levied to finance 2020 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue may include delinquent property taxes, income taxes, intergovernmental grants, and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the reconciliation of total governmental fund balances to net position of governmental activities. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 10 and 11).

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

***Budgetary Process***

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

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 in effect when the final appropriations were passed by Council. The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution 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 Council during the year.

***Cash and Cash Equivalents***

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through City records. Each fund's interest in the pool is presented as "equity in pooled cash and investments."

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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Investments are reported at fair value, with the exception of nonparticipating repurchase agreements, which are reported at cost.

During 2019, investments were limited to State Treasury Asset Reserve of Ohio (STAR Ohio), Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Farm Credit Banks, commercial paper, negotiable certificates of deposit, and the Government Obligation Fund.

STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2019, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

The City also invests in STAR Plus, a federally insured cash account powered by the Federally Insured Cash Account (FICA) program. STAR Plus enables political subdivisions to generate a competitive yield on cash deposits in a network of carefully-selected FDIC-insured banks via a single, convenient account. STAR Plus offers attractive yields with no market or credit risk, weekly liquidity and penalty free withdrawals. All deposits with STAR Plus have full FDIC insurance with no term commitment on deposits.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2019 amounted to \$703,986, where \$579,800 was assigned from other funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the City are presented on the basic financial statements as "equity in pooled in cash and investments."

The City maintains a separate bank account for unexpended proceeds from a lease-purchase agreement for contractor payments and this amount is reported as "Cash and Cash Equivalents with Escrow Agents" on the financial statements.

### ***Inventory***

Inventories are stated at cost on the first-in, first-out basis and are expended/expensed when used. Inventory consists of expendable supplies.

### ***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.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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***Restricted Assets***

Water, sewer, and electric customer deposits have been restricted because the deposit remains the property of the customer. The restricted asset account is balanced by a customer deposits payable liability account.

***Capital Assets***

General capital assets are capital assets which are associated with and generally arise from governmental activities. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide Statement of Net Position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The City maintains a capitalization threshold of five thousand dollars. The City's infrastructure consists of bridges, culverts, curbs, sidewalks, storm sewers, streets, irrigation systems and water, sewer and electric lines. 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. Interest incurred during the construction of capital assets is also 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. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings	10 - 65 years
Improvements other Than Buildings	10 - 50 years
Machinery and Equipment	3 - 30 years
Vehicles	3 - 30 years
Infrastructure	10 - 65 years

***Interfund Balances***

On the fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables." Interfund transactions which do not represent available expendable resources are offset by a fund balance reserve account. Interfund balance amounts are eliminated in the Statement of Net Position, except for any residual amounts due between governmental and business-type activities, which are presented as internal balances.

***Compensated Absences***

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributed to services already rendered and it is probable that 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 when earned for all employees with more than one year of service.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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Sick leave benefits are accrued as a liability using the termination method. An accrual for sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the City's past experience of making termination payments.

***Accrued Liabilities and Long-Term Obligations***

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements; and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. 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, claims and judgments, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. 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 for payment of those benefits.

***Fund Balance***

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

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

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

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

*Assigned* Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, City Council has provided the City Auditor with the authority to record assigned amounts which is primarily done through the issuance of purchase orders. The Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

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

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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

***Net Position***

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

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. Of the City's restricted net position, none is restricted for enabling legislation.

***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 water, sewer and electric services and premiums for self-insurance programs. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the fund. All revenues and expenses not meeting these definitions are reported as non-operating.

***Interfund Activity***

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

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

***Estimates***

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

***Pensions/Other Postemployment Benefits (OPEB)***

For purposes of measuring the net pension/OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and 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 pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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***Implementation of New Accounting Principles and Restatement of Net Position/Fund Balances***

***Implementation of New Accounting Principles***

For the year ended December 31, 2019, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. GASB Statement No. 95 postpones the effective dates of certain provisions in the statements that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

The following statements are postponed by one year:

- Statement No. 83, *Certain Asset Retirement Obligations*
- Statement No. 84, *Fiduciary Activities*
- Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 90, *Majority Equity Interests*
- Statement No. 91, *Conduit Debt Obligations*

Certain provisions in the following statements are postponed by one year:

- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*

The following statement is postponed by 18 months:

- Statement No. 87, *Leases*

For the year ended December 31, 2019, the City has early implemented GASB No. 83, *Certain Asset Retirement Obligations*, GASB Statement No. 84, *Fiduciary Activities*, GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, and GASB Statement No. 90, *Majority Equity Interests and amendment of GASB Statements No. 14 and No. 61*.

GASB Statement No. 83 establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations. The implementation of GASB Statement No. 83 did not have an effect on the financial statements of the City.

GASB Statement No. 84 establishes specific criteria for identifying activities that should be reported as fiduciary activities and clarifies whether and how business type activities should report their fiduciary activities. Due to the implementation of GASB Statement No. 84, the City will no longer be reporting agency funds. The City reviewed its funds for proper classification, and any fund reclassifications resulted in the restatement of the City's financial statements (see below).

GASB Statement No. 88 establishes additional financial statement note disclosure requirements related to debt obligations of governments, including direct borrowings and direct placements. These changes were incorporated in the City's 2019 financial statements; however, there was no effect on beginning net position.

GASB Statement No. 89 establishes accounting requirements for interest cost incurred before the end of a construction period. The implementation of GASB Statement No. 89 did not have an effect on the financial statements of the City.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

GASB Statement No. 90 improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units. The implementation of GASB Statement No. 90 did not have an effect on the financial statements of the City.

***Restatement of Net Position/Fund Balances***

The implementation of GASB 84 had the following effect on net position as reported December 31, 2018:

	Governmental Activities
Net Position, December 31, 2018	\$ 26,567,432
GASB Statement No. 84	50,063
Restated Net Position, December 31, 2018	\$ 26,617,495

The implementation of GASB 84 had the following effect on fund balance as reported December 31, 2018:

	General Fund	Other Governmental Funds
Fund Balance, December 31, 2018	\$ 4,433,168	\$ 2,251,551
GASB Statement No. 84	37,364	12,699
Restated Fund Balance, December 31, 2018	\$ 4,470,532	\$ 2,264,250

The implementation of GASB 84 had the following effect on fiduciary net position as reported December 31, 2018:

	Fiduciary Funds		
	Private Purpose		
	Agency	Trust	Custodial
Net Position, December 31, 2018	\$ 0	\$ 4,357	\$ 0
GASB Statement No. 84	0	0	2,878
Adjustments:			
Assets	(55,634)	(4,357)	0
Liabilities	55,634	0	0
Restated Net Position, December 31, 2018	\$ 0	\$ 0	\$ 2,878

The City also restated beginning net position of the enterprise funds for the detection of an error in the calculation of accounts receivable for utility customers. Beginning net position has been adjusted as follows:

	Enterprise			
	Water	Sewer	Electric	Total
Net Position, December 31, 2018	\$ 4,594,289	\$ 9,248,411	\$ 10,707,221	\$ 24,549,921
Accounts Receivable	(146,967)	(148,026)	(843,413)	(1,138,406)
Restated Net Position, December 31, 2018	\$ 4,447,322	\$ 9,100,385	\$ 9,863,808	\$ 23,411,515

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

**Note 3: Budgetary Basis of Accounting**

While the City is 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 Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual presented for the General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues and other financing sources are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a restricted, committed, or assigned fund balance (GAAP).
4. Some funds are included in the general fund, (GAAP basis), but have separate legally adopted budgets (budget basis).

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

	General	Street Maintenance Repair
GAAP Basis	\$ 256,020	\$ 465,749
Net Adjustment for Revenue Accruals	274,478	(357,955)
Net Adjustment for Expenditure Accruals	(76,628)	434,467
Funds Budgeted Elsewhere *	11,628	0
Adjustment for Encumbrances	(110,256)	(405,955)
Budget Basis	\$ 355,242	\$ 136,306

\* As part of Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the municipal income tax, downtown director, developer's deposits and fees and unclaimed monies funds.

**Note 4: Deposits and Investments**

Monies held by the City are classified by State statute into three categories.

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



**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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Inactive deposits are public deposits that 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 evidence by time certificates of deposits maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

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 obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (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;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and with certain limitations bonds and other obligations of political subdivisions of the State of Ohio;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days and two hundred seventy days, respectively, 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; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

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

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

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

***Undeposited Cash***

At year-end, the City had \$1,100 undeposited cash on hand which is included as part of “equity in pooled cash and investments.”

***Deposits***

Custodial credit risk is the risk that in the event of 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, \$1,730,530 of the City’s bank balance of \$2,231,410 was exposed to custodial credit risk. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the Federal Deposit Insurance Corporation.

The City does not have a deposit policy for custodial credit 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
- 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 required the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

At December 31, 2019, the financial institution still maintained its own collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least 105 percent of the deposits being secured.

***Investments***

As of December 31, 2019, the City had the following investment and maturity:

Rating	Investment	Measurement Amount	Investment Maturities in Months			% of Investments
			0-12	13-36	Over 36	
	Net Asset Value (NAV):					
AAAm	STAR Ohio	\$ 7,167,312	\$ 7,167,312	\$ 0	\$ 0	38%
Aaa-mf	Federated Government Obligation Fund	275,606	275,606	0	0	1%
	Fair Value:					
N/A	Negotiable Certificates of Deposit	4,929,409	1,735,257	1,247,937	1,946,215	26%
P-1	Commercial Paper	1,761,583	1,761,583	0	0	9%
Aaa	Federal National Mortgage Association	1,533,587	769,421	270,027	494,139	8%
Aaa	Federal Farm Credit Banks	1,218,685	0	0	1,218,685	6%
Aaa	Federal Home Loan Mortgage	2,288,180	500,020	747,023	1,041,137	12%
	<b>Total</b>	<b>\$ 19,174,362</b>	<b>\$ 12,209,199</b>	<b>\$ 2,264,987</b>	<b>\$ 4,700,176</b>	<b>100%</b>

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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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 table identifies the City's recurring fair value measurements as of December 31, 2019. The City's investments measured at fair value (Level 2) 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.

**Interest rate risk** – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio. The weighted average maturity of STAR Ohio is 56 days. The City has no specific investment policy dealing with interest rate risk.

**Credit risk** – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

Investments in STAR Ohio were rated AAAM by S&P Global Ratings. Investments in Federal Home Loan Mortgage Association, Federal National Mortgage Association, and Federal Home Credit Banks were rated Aaa by Moody's. The City's investments in individual marketable certificates of deposit are fully insured by the Federal Deposit Insurance Corporation. The commercial paper was rated P-1 by Moody's. The City's investment policy does not address credit risk beyond the requirements of the Ohio Revised Code. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market fund be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service.

Custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal national mortgage association notes, federal home loan mortgage corporation notes, and the federal home loan bank notes are exposed to custodial credit risk as they are uninsured, unregistered, and held by the counterparty's trust department or agent but not in the City's name.

The City has no investment policy dealing with investment custodial risk beyond the requirements in ORC 135.14(M)(2) which states, "Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee."

**Concentration of credit risk** – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single user. The City's investment policy allows investments in those authorized under the Ohio Revised Code.

#### **Note 5: Receivables**

Receivables at December 31, 2019, consisted of accounts (billings for user charged services, including unbilled utility services), property taxes, income taxes, intergovernmental receivables, entitlements and shared revenues, and recovered purchase power receivable.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant. All receivables are expected to be collected within one year, except for recovered purchase power receivable (see Note 16), and property taxes. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

**Note 6: Property Tax**

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2019 for real and public utility property taxes represents collections of the 2018 taxes. 2019 real property taxes are levied after October 1, 2019, on the assessed value as of January 1, 2019, the lien date. Assessed values are established by State law at 35% of appraised market value. 2019 real property taxes are collected in and intended to finance 2020.

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 tangible personal property upon which 2019 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
<i>Real Property</i>	
Agricultural/Residential	\$ 264,551,720
Commerical/Industrial/Mineral	64,869,890
<i>Tangible Personal Property</i>	
Public Utility	<u>2,880,740</u>
Total Assessed Value	<u>\$ 332,302,350</u>

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

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Amherst. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2019 and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2019 operations is offset to deferred inflows of resources – property taxes levied for the next year. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

**Note 7: Income Tax**

The City levies a municipal income tax of one and one-half percent on substantially all income earned within the City; in addition, residents are required to pay tax on income earned outside of the City. The City allows a credit of one percent of the income taxed by another taxing entity.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. Income tax proceeds were credited to the General Fund and Street Improvement Income Tax Capital Projects Fund.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

**Note 8: Transfers**

A summary of interfund transfers for the year ended December 31, 2019 follows:

Transfer To	Transfer From						Total
	General Fund	Street Improvement Income Tax	Nonmajor Governmental Funds	Water Fund	Sewer Fund	Electric Fund	
Street Maintenance Repair	\$ 1,520,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,520,000
Street Improvement Income Tax	0	0	0	144	1,155	69	1,368
Issue II	125,000	0	0	0	0	0	125,000
General Obligation Bond Retirement	15,924	33,490	984	720	13,140	540	64,798
Nonmajor Governmental Funds	10,000	0	0	0	0	0	10,000
<b>Grand Total</b>	<b>\$ 1,670,924</b>	<b>\$ 33,490</b>	<b>\$ 984</b>	<b>\$ 864</b>	<b>\$ 14,295</b>	<b>\$ 609</b>	<b>\$ 1,721,166</b>

The transfers to the street improvement income tax and general obligation bond retirement funds were for principal payments of debt. The transfers from the general fund to the street maintenance repair, issue II and nonmajor governmental funds were to provide additional resources for current operations. These transfers comply with all applicable laws.

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**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

**Note 9: Capital Assets**

A summary of changes in capital assets during 2019 follows:

	Balance 12/31/2018	Additions	Adjustments*	Deletions	Balance 12/31/2019
<b>Governmental Activities:</b>					
<i>Capital Assets Not Being Depreciated:</i>					
Land	\$ 1,408,648	\$ 0	\$ 0	\$ 0	\$ 1,408,648
Construction in Progress	2,661,817	3,996,455	0	(3,388,170)	3,270,102
<i>Total Capital Assets, Not Being Depreciated</i>	<u>4,070,465</u>	<u>3,996,455</u>	<u>0</u>	<u>(3,388,170)</u>	<u>4,678,750</u>
<i>Capital Assets, Being Depreciated:</i>					
Buildings	5,118,922	46,903	0	0	5,165,825
Improvements other than Buildings	1,197,888	0	0	0	1,197,888
Machinery and Equipment	4,531,562	567,759	0	(126,627)	4,972,694
Vehicles	3,807,433	142,821	0	(17,400)	3,932,854
Infrastructure					
Roads	37,287,021	3,592,947	(45,071)	0	40,834,897
<i>Total Capital Assets, Being Depreciated</i>	<u>51,942,826</u>	<u>4,350,430</u>	<u>(45,071)</u>	<u>(144,027)</u>	<u>56,104,158</u>
<i>Less Accumulated Depreciation:</i>					
Buildings	(2,947,811)	(140,009)	0	0	(3,087,820)
Improvements other than Buildings	(1,017,550)	(50,466)	0	0	(1,068,016)
Machinery and Equipment	(3,054,131)	(209,234)	0	99,895	(3,163,470)
Vehicles	(2,967,688)	(166,722)	0	17,400	(3,117,010)
Infrastructure					
Roads	(14,184,092)	(1,275,539)	0	0	(15,459,631)
<i>Total Accumulated Depreciation</i>	<u>(24,171,272)</u>	<u>(1,841,970)</u>	<u>0</u>	<u>117,295</u>	<u>(25,895,947)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>27,771,554</u>	<u>2,508,460</u>	<u>(45,071)</u>	<u>(26,732)</u>	<u>30,208,211</u>
<i>Total Governmental Activities Capital Assets, Net</i>	<u>\$31,842,019</u>	<u>\$ 6,504,915</u>	<u>\$ (45,071)</u>	<u>\$(3,414,902)</u>	<u>\$34,886,961</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 339,058
Security of Persons and Property	109,622
Transportation	1,365,275
Public Health	3,628
Leisure Time Services	24,387
<b>Total Depreciation Expense</b>	<u>\$ 1,841,970</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

	Balance 12/31/2018	Additions	Adjustments*	Deletions	Balance 12/31/2019
<b>Business-Type Activities:</b>					
<i>Capital Assets Not Being Depreciated:</i>					
Land	\$ 65,121	\$ 0	\$ 0	\$ 0	\$ 65,121
Construction in Progress	13,200	0	0	0	13,200
<i>Total Capital Assets, Not Being Depreciated</i>	<u>78,321</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>78,321</u>
<i>Capital Assets, Being Depreciated:</i>					
Buildings	6,870,741	80,528	256,892	(377,933)	6,830,228
Improvements other than Buildings	3,416,143	0	(3,500)	0	3,412,643
Machinery and Equipment	9,261,940	10,718	61,652	(1,569,093)	7,765,217
Vehicles	1,025,354	0	22,000	0	1,047,354
Infrastructure					
Water Lines	4,387,065	5,600	1,200	0	4,393,865
Sewer Lines	9,480,755	44,000	2,000		9,526,755
Electric Lines	4,652,994	0	4,800	(947,781)	3,710,013
<i>Total Capital Assets, Being Depreciated</i>	<u>39,094,992</u>	<u>140,846</u>	<u>345,044</u>	<u>(2,894,807)</u>	<u>36,686,075</u>
<i>Less Accumulated Depreciation:</i>					
Buildings	(2,869,931)	(145,956)	(101,192)	147,394	(2,969,685)
Improvements other than Buildings	(2,340,989)	(170,379)	(31,000)	0	(2,542,368)
Machinery and Equipment	(5,705,613)	(255,827)	(56,833)	1,470,913	(4,547,360)
Vehicles	(592,849)	(106,498)	(10,313)	0	(709,660)
Infrastructure					
Water Lines	(2,371,021)	(61,210)	(220)	0	(2,432,451)
Sewer Lines	(4,603,492)	(118,491)	(367)	0	(4,722,350)
Electric Lines	(1,013,006)	(113,434)	(880)	291,625	(835,695)
<i>Total Accumulated Depreciation</i>	<u>(19,496,901)</u>	<u>(971,795)</u>	<u>(200,805)</u>	<u>1,909,932</u>	<u>(18,759,569)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>19,598,091</u>	<u>(830,949)</u>	<u>144,239</u>	<u>(984,875)</u>	<u>17,926,506</u>
<i>Total Business-Type Activities Capital Assets, Net</i>	<u>\$19,676,412</u>	<u>\$ (830,949)</u>	<u>\$ 144,239</u>	<u>\$ (984,875)</u>	<u>\$18,004,827</u>

\* Adjustments represent changes in values of capital assets needed to report capital assets in accordance with appraised amounts. Amount not deemed significant to restate.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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**Note 10: Defined Benefit Pension Plans**

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

***Net Pension Liability/Net OPEB Liability***

Pensions and OPEB are components of exchange transactions - between an employer and its employees - of salaries and benefits for employee services. Pensions and 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 net pension liability and the net OPEB liability represent the City's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension/OPEB liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

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

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 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. Resulting adjustments to the net pension/OPEB liability 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.

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

The remainder of this note includes the pension disclosures. See Note 11 for the OPEB disclosures.

***Plan Description – Ohio Public Employees Retirement System (OPERS)***

The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan, and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.



**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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

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

<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
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
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

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

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

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

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

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

	State and Local
<b>2019 Statutory Maximum Contribution Rates</b>	
Employer	14.00 %
Employee	10.00 %
<b>2019 Actual Contribution Rates</b>	
Employer:	
Pension	14.00 %
Post-Employment Health Care Benefits	0.00 %
Total Employer	14.00 %
Employee	10.00 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$495,221 for 2019. Of this amount, \$40,217 is reported as an intergovernmental payable.

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

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

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

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit. See OP&F CAFR referenced above for additional information, including requirements for Deferred Retirement Option Plan (DROP) provisions and reduced and unreduced benefits.

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

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will receive a COLA equal to a percentage of the member's base pension benefit where the percentage is the lesser of three percent or the percentage increase in the consumer price index, if any, over the 12 month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

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

	Police
<b>2019 Statutory Maximum Contribution Rates</b>	
Employer	19.50 %
Employee	12.25 %
 <b>2019 Actual Contribution Rates</b>	
Employer:	
Pension	19.00 %
Post-Employment Health Care Benefits	0.50 %
Total Employer	19.50 %
 Employee	 12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$318,879 for 2019. Of this amount, \$24,523 is reported as an intergovernmental payable.

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

The net pension liability for OPERS was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 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 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	OP&F	Total
Proportion of the Net Pension Liability:			
Current Measurement Period	0.026537%	0.060490%	
Prior Measurement Period	0.026716%	0.055199%	
Change in Proportion	-0.000179%	0.005291%	
 Proportionate Share of the Net			
Pension Liability	\$ 7,267,946	\$ 4,937,582	\$ 12,205,528
Pension Expense	\$ 1,572,072	\$ 636,342	\$ 2,208,414

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

Other than contributions made subsequent to the measurement date and differences between projected and actual earnings on investments; deferred inflows/outflows of resources are recognized in pension expense beginning in the current period, using a straight line method over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions, determined as of the beginning of the measurement period. Net deferred inflows/outflows of resources pertaining to the differences between projected and actual investment earnings are similarly recognized over a closed five year period. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS	OP&F	Total
<b>Deferred Outflows of Resources</b>			
Net Difference between Projected and Actual Earnings on Pension Plan Investments	\$ 986,467	\$ 608,307	\$ 1,594,774
Differences between Expected and Actual Experience	336	202,867	203,203
Changes of Assumptions	632,690	130,902	763,592
Changes in Proportionate Share	34,439	255,949	290,388
City Contributions Subsequent to the Measurement Date	495,221	318,879	814,100
<b>Total Deferred Outflows of Resources</b>	<b>\$ 2,149,153</b>	<b>\$ 1,516,904</b>	<b>\$ 3,666,057</b>
<b>Deferred Inflows of Resources</b>			
Differences between Expected and Actual Experience	\$ 95,433	\$ 4,612	\$ 100,045
Changes in Proportionate Share	105,970	317,556	423,526
<b>Total Deferred Inflows of Resources</b>	<b>\$ 201,403</b>	<b>\$ 322,168</b>	<b>\$ 523,571</b>

\$814,100 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2020	\$ 593,735	\$ 277,801	\$ 871,536
2021	308,499	144,785	453,284
2022	91,515	172,932	264,447
2023	458,780	270,590	729,370
2024	0	9,749	9,749
	<b>\$ 1,452,529</b>	<b>\$ 875,857</b>	<b>\$ 2,328,386</b>

**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.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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 key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 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>Actuarial Information</u>	<u>Traditional Pension Plan</u>
Valuation Date	December 31, 2018
Wage Inflation	3.25 percent
Projected Salary Increases, including wage inflation	3.25 percent to 10.75 percent (includes wage inflation at 3.25 percent)
Investment Rate of Return	
Measurement Date	7.20 percent
Prior Measurement Date	7.50 percent
Actuarial Cost Method	Individual Entry Age
Cost-of-Living Adjustments	Pre-1/7/2013 Retirees: 3.00 percent Simple Post-1/7/2013 Retirees: 3.00 percent Simple through 2018, then 2.15 percent Simple

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

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

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

During 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 Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 2.94 percent for 2018.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

The allocation of investment assets within 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	23.00 %	2.79 %
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	<u>18.00</u>	<u>5.50</u>
Total	<u>100.00 %</u>	<u>5.95 %</u>

**Discount Rate** The discount rate used to measure the total pension liability was 7.20 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the 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 was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** The following table presents the City’s proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.20 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.20 percent) or one-percentage-point higher (8.20 percent) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City's Proportionate Share of the Net Pension Liability	\$ 10,736,870	\$ 7,267,946	\$ 4,385,239

**Actuarial Assumptions – OP&F**

OP&F’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 OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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

Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Investment Rate of Return	8.00 percent
Projected Salary Increases	3.75 percent to 10.50 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.50 percent
Cost-of-Living Adjustments	3.00 percent simple; 2.20 percent simple for increases based on lesser of the increase in CPI and 3.00 percent

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

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

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

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

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

The long-term expected rate of return on 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 expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2018, are summarized below:

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

<u>Asset Class</u>	<u>Target Allocation</u>	<u>10 Year Expected Real Rate of Return**</u>	<u>30 Year Expected Real Rate of Return**</u>
Cash and Cash Equivalents	0.00 %	1.00 %	0.80 %
Domestic Equity	16.00	5.30	5.50
Non-U.S. Equity	16.00	6.10	5.90
Private Markets	8.00	8.40	8.40
Core Fixed Income*	23.00	2.20	2.60
High Yield Fixed Income	7.00	4.20	4.80
Private Credit	5.00	8.30	7.50
U.S. Inflation Linked Bonds*	17.00	1.30	2.30
Master Limited Partnerships	8.00	6.70	6.40
Real Assets	8.00	7.00	7.00
Private Real Estate	12.00	5.70	6.10
Total	<u>120.00 %</u>		

Note: Assumptions are geometric.

\* Levered 2x

\*\* Numbers are net of expected inflation

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.20 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate** The total pension liability was calculated using the discount rate of 8.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8.00 percent. Based on those assumptions, OP&F's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City's Proportionate Share of the Net Pension Liability	\$ 6,490,112	\$ 4,937,582	\$ 3,640,220



**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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**Note 11: Defined Benefit OPEB Plans**

See Note 10 for a description of the net OPEB liability.

***Plan Description – Ohio Public Employees Retirement System (OPERS)***

OPERS administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' CAFR referenced below for additional information.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

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

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, health care was not being funded.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2019, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2018 decreased to 0 percent for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2019 was 4.0 percent.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2019.

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

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

OP&F provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 75.

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

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

**Funding Policy** – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2019, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

Beginning January 1, 2019, OP&F changed its retiree health care model and the self-insured health care plan is no longer offered. In its place is a stipend-based health care model. A stipend funded by OP&F is placed in individual Health Reimbursement Accounts that retirees use to be reimbursed for health care expenses.

The City's contractually required contribution to OP&F was \$8,392 for 2019. Of this amount, \$645 is reported as an intergovernmental payable.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 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. OP&F'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. Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportion of the Net OPEB Liability:			
Current Measurement Period	0.026529%	0.060490%	
Prior Measurement Period	<u>0.026539%</u>	<u>0.055199%</u>	
Change in Proportion	<u>-0.000010%</u>	<u>0.005291%</u>	
Proportionate Share of the Net			
OPEB Liability	\$ 3,458,755	\$ 550,854	\$ 4,009,609
OPEB Expense	\$ 284,483	\$ (2,716,716)	\$ (2,432,233)

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>OP&amp;F</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Net Difference between Projected and Actual			
Earnings on OPEB Plan Investments	\$ 158,564	\$ 18,647	\$ 177,211
Differences between Expected and			
Actual Experience	1,171	0	1,171
Changes of Assumptions	111,515	285,537	397,052
Changes in Proportionate Share	23,471	235,201	258,672
City Contributions Subsequent			
to the Measurement Date	<u>0</u>	<u>8,392</u>	<u>8,392</u>
Total Deferred Outflows of Resources	<u>\$ 294,721</u>	<u>\$ 547,777</u>	<u>\$ 842,498</u>
<b>Deferred Inflows of Resources</b>			
Differences between Expected and			
Actual Experience	\$ 9,384	\$ 14,759	\$ 24,143
Changes of Assumptions	0	152,503	152,503
Changes in Proportionate Share	<u>55,417</u>	<u>258,225</u>	<u>313,642</u>
Total Deferred Inflows of Resources	<u>\$ 64,801</u>	<u>\$ 425,487</u>	<u>\$ 490,288</u>

\$8,392 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 in OPEB expense as follows:

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

Year Ending December 31:	OPERS	OP&F	Total
2020	\$ 95,023	\$ 19,049	\$ 114,072
2021	28,910	19,049	47,959
2022	26,107	19,049	45,156
2023	79,880	24,688	104,568
2024	0	15,797	15,797
Thereafter	0	16,266	16,266
	\$ 229,920	\$ 113,898	\$ 343,818

***Actuarial Assumptions - OPERS***

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

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 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 74:

Wage Inflation	3.25 percent
Projected Salary Increases, Including Inflation	3.25 percent to 10.75 percent (includes wage inflation at 3.25 percent)
Single Discount Rate:	
Current Measurement Date	3.96 percent
Prior Measurement Date	3.85 percent
Investment Rate of Return	
Current Measurement Date	6.00 percent
Prior Measurement Date	6.50 percent
Municipal Bond Rate	
Current Measurement Date	3.71 percent
Prior Measurement Date	3.31 percent
Health Care Cost Trend Rate	
Measurement Date	10.00 percent, initial, 3.25 percent ultimate in 2029
Prior Measurement Date	7.50 percent, initial, 3.25 percent ultimate in 2028
Actuarial Cost Method	Individual Entry Age Normal

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

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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 the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 5.60 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. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	34.00 %	2.42 %
Domestic Equities	21.00	6.21
Real Estate Investment Trusts	6.00	5.98
International Equities	22.00	7.83
Other Investments	17.00	5.57
Total	<u>100.00 %</u>	<u>5.16 %</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 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 3.71 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2031. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2031, and the municipal bond rate was applied to all health care costs after that date.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

***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	Current Discount Rate	1% Increase
City's Proportionate Share of the Net OPEB Liability	\$ 4,425,037	\$ 3,458,755	\$ 2,690,306

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

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2019 is 10.00 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 Trend Rate	1% Increase
City's Proportionate Share of the Net OPEB Liability	\$ 3,324,614	\$ 3,458,755	\$ 3,613,250

***Actuarial Assumptions – OP&F***

OP&F'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 OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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 (Level Percent of Payroll)
Projected Salary Increases	3.75 percent to 10.50 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Stipend Increase Rate	The stipend is not assumed to increase over the projection period.
Investment Rate of Return	
Current Measurement Date	8.00 percent
Prior Measurement Date	8.00 percent
Single Discount Rate:	
Current Measurement Date	4.66 percent
Prior Measurement Date	3.24 percent
Municipal Bond Rate	
Current Measurement Date	4.13 percent
Prior Measurement Date	3.16 percent
Health Care Cost Trend Rate	N/A-based on a medical benefit that is a flat dollar amount, therefore, it is unaffected by a health care cost trend rate.
Cost of Living Adjustments	3.00 percent simple; 2.20 percent simple for increases based on the lessor of the increase in CPI and 3.00 percent

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

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

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

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

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

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2018, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	0.00 %	0.80 %
Domestic Equity	16.00	5.50
Non-U.S. Equity	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
<b>Total</b>	<b>120.00 %</b>	

Note: Assumptions are geometric.

\* Levered 2x

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.20 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate** The total OPEB liability was calculated using the discount rate of 4.66 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 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. The municipal bond rate was determined using the S&P Municipal Bond 20 Year High Grade Rate Index. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2031. 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** 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.



**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

	1% Decrease	Current Discount Rate	1% Increase
City's Proportionate Share of the Net OPEB Liability	\$ 671,091	\$ 550,854	\$ 449,926

**Note 12: Employee Benefits**

***Compensated Absences***

The criteria for determining vested vacation and sick leave benefits are derived from negotiated agreements and State laws. Employees can earn five to twenty-five days of vacation per year, depending upon length of service. Earned, unused vacation time is paid upon termination of employment.

All employees earn 4.6 hours of sick leave per each completed bi-weekly pay period in active status. Sick leave accrual is continuous, without limit. The payment of accrued sick leave to a retired employee is specified in the employee's legislated contract. At the present time, the various contracts for the City's employees stipulate that a retiring employee may receive payment for anywhere from a minimum of one-quarter of unused sick hours to a maximum of one thousand hours of accrued sick leave depending upon the employee's department and longevity.

***Severance***

Per City Ordinance, certain employees with retirement payouts exceeding defined balance amounts are to be paid over a three year period. This liability is reported as severance liability within these financial statements.

**Note 13: Risk Management**

***Property and Liability***

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2019, the City contracted with a private insurance carrier for various types of insurance as follows:

Type of Liability Coverage	Carrier	Coverage
Property	U.S. Specialty	\$ 55,579,412
General	U.S. Specialty	1,000,000 per occurrence
	U.S. Specialty	3,000,000 general aggregate
Automobile Fleet	U.S. Specialty	1,000,000 per occurrence
Stop Gap	U.S. Specialty	1,000,000 per occurrence
Employee Benefits	U.S. Specialty	1,000,000
Employment Practices	U.S. Specialty	1,000,000 annual aggregate
Public Officials	U.S. Specialty	1,000,000 / 1,000,000
Umbrella	U.S. Specialty	10,000,000
Law Enforcement	U.S. Specialty	1,000,000

The City carries commercial insurance coverage for all risks. There has not been a significant reduction of coverage from the prior year and settled claims have not exceeded commercial coverage in any of the last three years.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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***Workers' Compensation***

Workers' Compensation coverage is provided by the State. The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

***Medical***

The City has elected to provide employees' major medical, hospitalization, and prescription coverage through a self-insured program. The City maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. All full time employees receive dental, vision, hearing and life coverage through AFSCME.

The City purchases a stop-loss insurance policy premium cost of \$183,639 in aggregate for all employees. The claims liability of \$161,841 reported in the self-insurance fund at December 31, 2019, is estimated by the third party administrator and is based on the requirements of Governmental Accounting Standards Board Statement No. 30, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claims adjustments expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the fund's claims liability amount for the last three years follow:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2018	156,475	871,671	800,708	227,438
2019	227,438	649,847	715,444	161,841

*This space intentionally left blank.*

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

**Note 14: Long-Term Obligations**

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

	Original Issue Date	Interest Rate	Original Issue Amount	Date of Maturity
<b>General Obligation Bonds</b>				
Various Purpose	2019	2.00 - 4.00%	\$ 4,890,000	12/1/2038
Bond Anticipation Note	2018	2.35%	3,000,000	4/12/2019
Various Purpose	2006	3.50 - 4.10%	2,275,000	12/1/2025
<b>Direct Borrowings</b>				
<b>Loans</b>				
911 Loan	2015	0.00%	73,000	4/1/2020
<b>OPWC Loans</b>				
Milan Avenue	2004	0.00%	78,496	1/1/2024
Martin Avenue	1999	0.00%	88,698	1/1/2019
North Lake Street	2006	0.00%	53,283	1/1/2026
Park Avenue Reconstruction	2006	0.00%	135,847	7/1/2026
Henry & Tenney	2005	0.00%	40,094	7/1/2025
Church Street	2007	0.00%	163,000	7/1/2027
Jackson Street Bridge	2008	0.00%	69,556	1/1/2028
State Route 58	2008	0.00%	128,736	7/1/2028
South Lake Street	2010	0.00%	38,620	1/1/2020
South Downtown Storm Sewer Interceptor	2014	0.00%	300,000	1/1/2034
OPWC - Cooper Foster Park Road	2016	0.00%	74,016	7/1/2039
OPWC - Cooper Foster Park Road Rehabilitation	2016	0.00%	240,474	1/1/2020
OPWC - Cooper Foster Park Road Rehabilitation Phase 2	2017	0.00%	271,526	7/1/2037
Elyria Avenue Resurfacing	2017	0.00%	192,475	7/1/2038
Lincoln and Sipple Area Resurfacing	2018	0.00%	250,000	7/1/2037
North Main Street and Cooper Foster Road Improvements	2019	0.00%	350,000	*
OWDA Loan	2003	3.65%	8,419,656	1/1/2025

\* Project not complete and therefore a maturity date is not provided.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

A schedule of changes in bonds and other long-term obligations of the City during 2019 follows:

	Balance 1/1/2019	Additions	(Reductions)	Balance 12/31/2019	Due in One Year
<b>Governmental Activities:</b>					
<b>General Obligation Bonds:</b>					
2019 Various Purpose	\$ 0	\$ 4,577,178	\$ (174,728)	\$ 4,402,450	\$ 267,549
2006 Various Purpose	655,000	0	(655,000)	0	0
<i>Total General Obligation Bonds</i>	<u>655,000</u>	<u>4,577,178</u>	<u>(829,728)</u>	<u>4,402,450</u>	<u>267,549</u>
<b>Direct Borrowings:</b>					
Bond Anticipation Notes	3,000,000	0	(3,000,000)	0	0
OPWC Loans	1,307,026	211,511	(91,142)	1,427,395	49,644
911 Improvement Loan	29,200	0	(14,600)	14,600	14,600
Lease Purchase	125,347	0	(40,189)	85,158	41,762
<i>Total Direct Borrowings</i>	<u>4,461,573</u>	<u>211,511</u>	<u>(3,145,931)</u>	<u>1,527,153</u>	<u>106,006</u>
<b>Other Long-term Obligations:</b>					
Capital Lease	0	283,123	(56,640)	226,483	53,304
Compensated Absences	650,506	39,122	(48,853)	640,775	38,755
Net Pension Liability	5,609,198	3,180,395	0	8,789,593	0
Net OPEB Liability	4,654,950	0	(2,270,956)	2,383,994	0
<i>Total Other Long-term Obligations</i>	<u>10,914,654</u>	<u>3,502,640</u>	<u>(2,376,449)</u>	<u>12,040,845</u>	<u>92,059</u>
<i>Total Governmental Activities</i>	<u>\$ 16,031,227</u>	<u>\$ 8,291,329</u>	<u>\$ (6,352,108)</u>	<u>\$ 17,970,448</u>	<u>\$ 465,614</u>
<b>Business-Type Activities:</b>					
<b>General Obligation Bonds:</b>					
2019 Various Purpose	\$ 0	\$ 312,822	\$ (5,272)	\$ 307,550	\$ 47,451
2006 Various Purpose	355,000	0	(355,000)	0	0
<i>Total General Obligation Bonds</i>	<u>355,000</u>	<u>312,822</u>	<u>(360,272)</u>	<u>307,550</u>	<u>47,451</u>
<b>Direct Borrowings:</b>					
OWDA Loan	3,190,070	0	(484,784)	2,705,286	502,641
OPWC Loan	13,028	0	(2,002)	11,026	1,002
Lease Purchase	74,257	0	(24,067)	50,190	24,746
<i>Total Direct Borrowings</i>	<u>3,277,355</u>	<u>0</u>	<u>(510,853)</u>	<u>2,766,502</u>	<u>528,389</u>
<b>Other Long-term Obligations:</b>					
AMP-Ohio Payable	435,297	0	(56,081)	379,216	60,000
Capital Lease	1,720,782	0	(851,915)	868,867	868,867
Compensated Absences	340,665	3,653	(24,584)	319,734	19,338
Net Pension Liability	1,969,908	1,446,027	0	3,415,935	0
Net OPEB Liability	1,354,533	271,082	0	1,625,615	0
<i>Total Other Long-term Obligations</i>	<u>5,821,185</u>	<u>1,720,762</u>	<u>(932,580)</u>	<u>6,609,367</u>	<u>948,205</u>
<i>Total Business-Type Activities</i>	<u>\$ 9,453,540</u>	<u>\$ 2,033,584</u>	<u>\$ (1,803,705)</u>	<u>\$ 9,683,419</u>	<u>\$ 1,524,045</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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***General Obligation Bonds***

The City issued \$2,275,000 (\$1,475,000 for governmental activities and \$800,000 for water fund purposes) in various purpose general obligation bonds on March 15, 2006 to maintain storm sewers and related drainage facilities, reconstruct and improve Jackson Street Bridge, and rehabilitate an existing water tower and water pumping station. These bonds are being paid out of the street maintenance and repair permissive, street improvement income tax and water fund.

The City issued \$4,890,000 (\$4,577,178 for governmental activities and \$312,822 for water fund purposes) in various purpose general obligation bonds on February 6, 2019. A portion of the bonds advance refunded \$655,000, (governmental) and \$355,000, (business-type), of outstanding 2006 General Obligation Bonds. The remainder of the debt was issued for governmental road projects and to retire the City's bond anticipation note. The bonds are being paid out of the general, street improvement income tax, street maintenance and repair permissive, general obligation bond retirement, water, sewer and electric funds.

At the date of refunding, \$579,847 and \$314,269 (including premium and after underwriting fees and other issuance costs) for governmental and business type activities, respectively, was received to pay off old debt. As a result, \$655,000 and \$355,000 for governmental and business type activities, respectively, of the 2006 Various Purpose General Obligation Bonds are considered to be defeased and the liability for those bonds has been removed from the 2019 financial statements.

The bonds were issued with a premium of \$200,599 and \$9,288 for governmental and business type activities, respectively, which were written off to interest expense in the current year. The issuance costs and underwriters discount of \$113,334 and \$7,842 for governmental and business type activities, respectively, were expensed in 2019. The refunding resulted in a difference between the net carrying amount of the debt and the acquisition price of \$7,559 and \$3,138 for governmental and business type activities, respectively. These differences were expensed in 2019.

The City's outstanding general obligation bonds are backed by the full faith and credit of the City.

***Direct Borrowings***

OPWC loans are direct obligations of the City and will be paid from taxes receipted in the general obligation bond retirement fund, street improvement income tax fund, water, sewer and electric funds.

In the event of default, as defined by each OPWC loan agreement, the amount of default will be subject to 8 percent interest on all amounts due from date of default. Additionally, the Lender may declare all amounts immediately due and payable or require the City treasurer to pay the amounts due from funds appropriated to the county's undivided local government fund. The lender will also be entitled to collect any cost incurred in the event of default.

On April 7, 2020, OPWC deferred all July 2020 loan payments with no payment due until January 2021 billing cycle with a six-month deferment for the life of the loan. This is reflected in the due within one year amount and the amortization schedules above.

OWDA loans were issued in 2003. Proceeds from the loans provided financing for the construction of the wastewater treatment facilities upgrade. The loans are payable solely from sewer customer net revenues and are payable through 2025.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

Total net customer revenues was \$639,671, resulting in principal and interest payments to net revenues of 90 percent. Excluding current year impact of GASB 68 and 75 accruals, these amounts would be \$945,899 and 61 percent.

In the event of default, as defined by each OWDA loan agreement, the lender may declare the full amount of the unpaid Project Participation Principal amount immediately due and payable and require the City to pay any fines or penalties incurred with interest.

During a prior year the City entered into lease purchase agreements for a wheel loader and an electric truck. The leases are being paid from the street maintenance repair and electric funds, respectively. In the event of default, as defined in both lease agreements, lessor may declare all contract payments and other amounts payable to the end of the current budget year immediately due and payable. Lessor may require the surrender and delivery, at the expense of the lessee, the equipment and any additional collateral within 15 days after default occurs. If surrender and delivery doesn't occur lessor may enter premise and take possession of equipment and charge lessee for any costs incurred.

Compensated absences liability will be paid from the general fund, street maintenance and repair permissive, street maintenance repair, park and pool, office on aging, water, sewer and electric funds. There are no repayment schedules for the net pension liability and net OPEB liability; however, employer pension and OPEB contributions are primarily made from the general fund and water, sewer, and electric funds. For additional information related to the net pension liability and net OPEB liability see Notes 10 and 11.

As more fully described in Note 19, the City has capital leases which are being repaid from the street maintenance repair, water, sewer and electric funds.

The AMP-Ohio payable will be paid by the electric fund.

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

	Governmental Activities							
	General Obligation Bond		Direct Borrowings				Total	
	Various Purpose		OPWC Loans*	911 Loan	Lease Purchase			
	Principal	Interest	Principal	Principal	Principal	Interest	Principal	Interest
2020	\$ 267,549	\$ 146,900	\$ 49,644	\$ 14,600	\$ 41,762	\$ 3,330	\$ 373,555	\$ 150,230
2021	275,792	140,212	99,285	0	43,396	1,696	418,473	141,908
2022	284,035	133,317	99,284	0	0	0	383,319	133,317
2023	287,277	126,216	99,284	0	0	0	386,561	126,216
2024	292,277	119,034	97,321	0	0	0	389,598	119,034
2025-2029	1,125,520	475,665	419,130	0	0	0	1,544,650	475,665
2030-2034	955,000	300,800	331,687	0	0	0	1,286,687	300,800
2035-2039	915,000	93,400	163,053	0	0	0	1,078,053	93,400
Totals	<u>\$ 4,402,450</u>	<u>\$ 1,535,544</u>	<u>\$ 1,358,688</u>	<u>\$ 14,600</u>	<u>\$ 85,158</u>	<u>\$ 5,026</u>	<u>\$ 5,860,896</u>	<u>\$ 1,540,570</u>

\* The OPWC Loan balance does not tie to the amount on the previous page due to the North Main Street and Cooper Foster Park Road Improvements project not being completed and no amortization schedule being available.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

	Business-Type Activities									
	General Obligation Bonds				Direct Borrowings				Total	Total
	Various Purpose		OWDA Loan		OPWC		Lease Purchase			
	Principal	Interest	Principal	Interest	Principal	Principal	Interest	Principal	Interest	
2020	\$ 47,451	\$ 8,225	\$ 502,641	\$ 77,423	\$ 1,002	\$ 24,746	\$ 1,415	\$ 575,840	\$ 87,063	
2021	49,208	7,039	521,154	62,206	2,005	25,444	718	597,811	69,963	
2022	50,965	5,808	540,350	46,428	2,005	0	0	593,320	52,236	
2023	52,723	4,534	560,252	30,070	2,005	0	0	614,980	34,604	
2024	52,723	3,216	580,889	13,109	2,005	0	0	635,617	16,325	
2025	54,480	1,634	0	0	2,004	0	0	56,484	1,634	
Totals	<u>\$ 307,550</u>	<u>\$ 30,456</u>	<u>\$2,705,286</u>	<u>\$ 229,236</u>	<u>\$ 11,026</u>	<u>\$ 50,190</u>	<u>\$ 2,133</u>	<u>\$3,074,052</u>	<u>\$ 261,825</u>	

**Note 15: Jointly Governed Organization**

The Lorain County General Health District provides health services to the citizens within the Health District. The Health District is governed by the Board of Health which represents the area served by the Health District and oversees the operation of the Health District. The Board of Health members are appointed to staggered four-year terms. One member is appointed by the City of North Ridgeville, one member is jointly appointed by the Cities of Amherst and Oberlin, and one member is elected jointly by the Cities of Avon and Sheffield Lake. The remaining four members are appointed by the various mayors of villages, chairmen of the township trustees and the County Commissioners. The City contributed \$42,131 during 2019 for the operation of the Health District. Complete financial statements can be obtained from the Lorain County General Health District, 9880 South Murray Ridge Road, Elyria, Ohio 44035.

**Note 16: Joint Venture**

*Ohio Municipal Electric Generation Agency Joint Venture 2 (JV2)*

The City of Amherst is a Non-Financing Participant and an Owner Participant with an ownership percentage of 3.73% and shares participation with thirty-five other subdivisions within the State of Ohio in the Ohio Municipal Electric Generation Agency (OMEGA JV2). Owner Participants own undivided interests, as tenants in common, in the OMEGA JV2 Project in the amount of their respective Project Shares. Purchaser Participants agree to purchase the output associated with their respective Project shares, ownership of which is held in trust for such Purchaser Participants.

Pursuant to the OMEGA JV2 Agreement, the participants jointly undertook as either Financing Participants or Non-Financing Participants and as either Owner Participants or Purchaser Participants, the acquisition, construction, and equipping of OMEGA JV2, including such portions of OMEGA JV2 as have been acquired, constructed or equipped by AMP and to pay or incur the costs of the same in accordance with the JV2 Agreement.

OMEGA JV2 was created to provide additional sources of reliable, reasonably priced electric power and energy when prices are high or during times of generation shortages or transmission constraints, and to improve the reliability and economic status of the participants' respective municipal electric utility system. The Project consists of 138.65 MW of distributed generation of which 134.081MW is the participant's entitlement and 4.569MW are held in reserve. On dissolution of OMEGA JV2, the net assets will be shared by the participants on a percentage of ownership basis. OMEGA JV2 is managed by AMP, which acts as the joint venture's agent. During 2001, AMP issued \$50,260,000 of 20 year fixed rate bonds on behalf of the Financing Participants of OMEGA JV2. The net proceeds of the bond issue of \$45,904,712 were contributed to OMEGA JV2. On January 3, 2011, AMP redeemed all of the \$31,110,000 OMEGA JV2 Project Distributive Generation Bonds then outstanding by borrowing on AMP's revolving credit facility. As such, the remaining outstanding bond principal of the OMEGA JV2 indebtedness was reduced to zero,

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

with the remaining principal balance now residing on the AMP credit facility. As of December 31, 2019, \$4,957,273 on AMP's Line of Credit was allocable to the financing of costs related to the JV2 Project. The City's net investment and its share of operating results of OMEGA JV2 are reported in the City's electric fund (an enterprise fund). The City's net investment in OMEGA JV2 was \$119,418 at December 31, 2019. Complete financial statements for OMEGA JV2 may be obtained from AMP or from the State Auditor's website at [www.auditor.state.oh.us](http://www.auditor.state.oh.us).

The thirty-six participating subdivisions and their respective ownership shares at December 31, 2019 are:

Municipality	Percent Ownership	KW Entitlement	Municipality	Percent Ownership	KW Entitlement
Hamilton	23.87%	32,000	Grafton	0.79%	1,056
Bowling Green	14.32%	19,198	Brewster	0.75%	1,000
Niles	11.48%	15,400	Monroeville	0.57%	764
Cuyahoga Falls	7.46%	10,000	Milan	0.55%	737
Wadsworth	5.81%	7,784	Oak Harbor	0.55%	737
Painesville	5.22%	7,000	Elmore	0.27%	364
Dover	5.22%	7,000	Jackson Center	0.22%	300
Galion	4.29%	5,753	Napoleon	0.20%	264
Amherst	3.73%	5,000	Lodi	0.16%	218
St. Mary's	2.98%	4,000	Genoa	0.15%	199
Montpelier	2.98%	4,000	Pemberville	0.15%	197
Shelby	1.89%	2,536	Lucas	0.12%	161
Versailles	1.24%	1,660	South Vienna	0.09%	123
Edgerton	1.09%	1,460	Bradner	0.09%	119
Yellow Springs	1.05%	1,408	Woodville	0.06%	81
Oberlin	0.91%	1,217	Haskins	0.05%	73
Pioneer	0.86%	1,158	Arcanum	0.03%	44
Seville	0.80%	1,066	Custar	0.00%	4
	<u>95.20%</u>	<u>127,640</u>		<u>4.80%</u>	<u>6,441</u>
			<b>Grand Total</b>	<b><u>100.00%</u></b>	<b><u>134,081</u></b>

The City is a member of American Municipal Power (AMP) and has participated in the AMP Generating Station (AMPGS) Project. This project was intended to develop a pulverized coal power plant in Meigs County, Ohio. The City's project share was 5,000 kilowatts (kW) of a total 771,281 kW, giving the City a 0.65 percent project share. The AMPGS Project required participants to sign "take or pay" contracts with AMP. As such, the participants are obligated to pay any costs incurred for the project. In November 2009, the participants voted to terminate the AMPGS Project due to projected escalating costs. All project costs incurred prior to the cancellation and related to the cancellation were therefore deemed impaired and participants were obligated to pay those incurred costs. In prior years, payment of these costs was not required due to AMP's pursuit of legal action to collect them from Bechtel. As a result of a March 2014 legal ruling, the AMP Board of Trustees on April 15, 2014 and the AMPGS participants on April 16, 2014 approved the collection of the impaired costs and provided the participants with an estimate of their liability. The City's estimated share of the impaired costs at March 31, 2014 was \$870,998. The City received a credit of \$94,567 related to their participation in the AMP Fremont Energy Center (AFEC) Project, and another credit of \$226,124 related to the AMPGS costs deemed to have future benefit for the project participants, classified as Plant Held for Future Use (PHFU), leaving an estimated net impaired costs balance of \$550,307. Because payment is now probable and reasonably estimable, the City is reporting a payable to AMP in its business-type activities and in its electric enterprise fund for these impaired costs. AMP financed these costs on its revolving line of credit. Any



**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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additional costs (including line-of-credit interest and legal fees) or amounts received related to the project will impact the City's net impaired cost balance either positively or negatively. These amounts will be recorded as they become estimable.

In late 2016, AMP reached a Settlement in the Bechtel Corporation litigation. On December 8, 2016, at the AMPGS Participants meeting, options for the allocation of the Settlement funds were approved. The AMPGS Participants and the AMP Board of Trustees voted to allocate the Settlement among the participants and the AMP General Fund based on each participant's original project share in kW including the AMP General Fund's project share.

Since March 31, 2014 the City has made payments of \$232,714 to AMP toward its net impaired cost estimate. Also since March 31, 2014, the City's allocation of additional costs incurred by the project is \$10,499 and interest expense incurred on AMP's line-of-credit of \$51,124, resulting in a net impaired cost estimate of \$379,216. The City does have a potential PHFU Liability of \$251,090, resulting in a net total potential liability of \$630,306, assuming the assets making up the PHFU (principally the land comprising the Meigs County site) have no value and also assuming the City's credit balance would earn zero interest. Stranded costs as well as PHFU costs are subject to change, including future borrowing costs on the AMP line of credit. Activities include items such negative items as property taxes as well as positive items revenue from leases or sale of all or a portion of the Meigs County site property.

The City intends to recover these costs and repay AMP over the next 8 years through a power cost adjustment, thus this incurred cost has been capitalized and reported as a regulated asset, as allowed by GASB Codification Re10. The City has agreed to pay \$5,000 per month through the year 2025.

The following are the latest projects and purchase commitments of AMP:

Prairie State Energy Campus (PSEC)

On December 20, 2007, AMP acquired a 23.26% undivided ownership interest (the "PSEC Ownership Interest") in PSEC, a two-unit, supercritical coal-fired power plant designed to have a net rated capacity of approximately 1,582 MW and associated facilities in southwest Illinois. The PSEC Ownership Interest is held by AMP 368 LLC, a single-member Delaware limited liability company ("AMP 368 LLC"). AMP is the owner of the sole membership interest in AMP 368 LLC. Construction of the PSEC commenced in October 2007. Unit 1 of the PSEC commenced operations in the second quarter of 2012 and Unit 2 of the PSEC commenced operations in the fourth quarter of 2012.

From July 2008 through September 2010, AMP issued five series of Prairie State Energy Campus Revenue Bonds (collectively, the "Initial Prairie State Bonds") to finance PSEC project costs and PSEC related expenses. The Initial Prairie State Bonds consist of tax-exempt, taxable and tax advantaged Build America Bonds issued in the original aggregate principal amount of \$1,696,800,000. . In 2015, 2017 and 2019, AMP issued bonds (the "*Prairie State Refunding Bonds*" and, together with the Initial Prairie State Bonds, the "*Prairie State Bonds*") to refund all of the callable tax-exempt Initial Prairie State Bonds issued in 2008 and 2009, certain of callable outstanding Initial Prairie State Bonds issued as Build America Bonds and certain of the bonds issued in 2015 to refund the Initial Prairie State Bonds. As of December 31, 2019, AMP had \$1,495,245,000 aggregate principal amount of Prairie State Bonds.

AMP sells the power and energy from the PSEC Ownership Interest pursuant to a take-or-pay power sales contract with 68 Members (the "Prairie State Participants"). The Prairie State Bonds are net revenue obligations of AMP, secured by a master trust indenture, payable primarily from the payments to be made by the Prairie State Participants under the terms of the Prairie State Power Sales Contract.

The City has executed a take-or-pay power sales contract with AMP as a participant of the PSEC of 4,976 kW or 1.35% of capacity and associated energy from the PSEC.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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AFEC

On July 28, 2011, AMP acquired from FirstEnergy Generation Corporation (“FirstEnergy”) the AFEC, then nearing completion of construction and located in Fremont, Sandusky County, Ohio. Following completion of the commissioning and testing, AMP declared AFEC to be in commercial operation as of January 20, 2012. The AMP Fremont Energy Center is a natural gas fired, combined cycle, electric power generation plant with a capacity of 512 MW (unfired)/675 MW (fired), consisting of two combustion turbines, two heat recovery steam generators and one steam turbine and condenser.

AMP subsequently sold a 5.16% undivided ownership interest in AFEC to Michigan Public Power Agency and entered into a power sales contract with the Central Virginia Electric Cooperative for the output associated with a 4.15% undivided ownership interest in AFEC. The output of AFEC associated with the remaining 90.69% undivided ownership interest (the “90.69% Interest”) is sold to AMP Members pursuant to a take-or-pay power sales contract with 87 of its members (the “AFEC Power Sales Contract”).

To provide permanent financing for the 90.69% Interest, in 2012, AMP issued, in two series \$546,085,000 of its AMP Fremont Energy Center Project Revenue Bonds (the “AFEC Bonds”), consisting of taxable and tax-exempt obligations. The AFEC Bonds are net revenue obligations of AMP, secured by a master trust indenture and payable from amounts received by AMP under the AFEC Power Sales Contract. On December 20, 2017, AMP issued bonds to refund all of the callable tax-exempt AFEC Bonds issued in 2012. As of December 31, 2019, \$489,280,000 aggregate principal amount of AFEC Bonds was outstanding.

The City has executed a take-or-pay power sales contract with AMP as a participant of the AFEC of 880 kW or 0.19% of capacity and associated energy from the AFEC.

Combined Hydroelectric Projects

AMP owns and operates three hydroelectric projects, the Cannelton, the Smithland and the Willow Island hydroelectric generating facilities (the “Combined Hydroelectric Projects”), all on the Ohio River, with an aggregate generating capacity of approximately 208 MW. Each of the Combined Hydroelectric Projects is in commercial operation and consists of run-of-the-river hydroelectric generating facilities on existing Army Corps dams and includes associated transmission facilities. AMP holds the licenses from FERC for the Combined Hydroelectric Projects.

To provide financing for the Combined Hydroelectric Projects, AMP has issued eight series of its Combined Hydroelectric Projects Revenue Bonds (the “Combined Hydroelectric Bonds”), in an original aggregate principal amount of \$2,254,955,000 and consisting of taxable, tax-exempt and tax advantaged obligations (Build America Bonds, Clean Renewable Energy Bonds and New Clean Renewable Energy Bonds). The Combined Hydroelectric Bonds are secured by a master trust indenture and payable from amounts received by AMP under a take-or-pay power sales contract with 79 of its Members. As of December 31, 2019, \$2,194,396,471 aggregate principal amount of the Combined Hydroelectric Bonds and approximately \$31.1 million aggregate principal amount of subordinate obligations, consisting of notes evidencing draws on the Line of Credit, were outstanding under the indenture securing the Combined Hydroelectric Bonds.

The City has executed a take-or-pay power sales contract with AMP as a participant of the Combined Hydroelectric Projects of 2,398 kW or 1.15% of capacity and associated energy from the Combined Hydroelectric Projects.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

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Meldahl Hydroelectric Project

AMP owns and, together with the City of Hamilton, Ohio, an AMP Member, developed and constructed a 108.8 MW, three-unit hydroelectric generation facility on the Captain Anthony Meldahl Locks and Dam, an existing Army Corps dam on the Ohio River, and related equipment and associated transmission facilities (the “Meldahl Project”). The Meldahl Project is operated by the City of Hamilton. In order to finance the construction of the Meldahl Project and related costs, AMP issued seven series of its Meldahl Hydroelectric Project Revenue Bonds (“Meldahl Bonds”) in an original aggregate principal amount of \$820,185,000 consisting of taxable, tax-exempt and tax advantaged obligations (Build America Bonds, Clean Renewable Energy Bonds and New Clean Renewable Energy Bonds). The Meldahl Bonds are secured by a master trust indenture and payable from amounts received by AMP under a take-or-pay power sales contract with 48 of its Members. As of December 31, 2019, \$675,680,000 aggregate principal amount of the Meldahl Bonds and approximately \$3.6 million aggregate principal amount of subordinate obligations, consisting of notes evidencing draws on the Line of Credit, were outstanding under the indenture securing the Meldahl Bonds.

The City has executed a take-or-pay power sales contract with AMP as a participant of the Meldahl Project of 756 kW or 0.72% of capacity and associated energy from the Meldahl Project.

Greenup Hydroelectric Project

In connection with the development of the Meldahl Project, Hamilton agreed to sell and AMP agreed to purchase a 48.6% undivided ownership interest (the “AMP Interest”) in the Greenup Hydroelectric Facility. On May 11, 2016, AMP issued \$125,630,000 aggregate principal amount of its Greenup Hydroelectric Project Revenue Bonds, Series 2016A (the “2016 Greenup Bonds”) and, with a portion of the proceeds thereof, acquired the AMP Interest. The 2016 Greenup Bonds are secured by a separate power sales contract that has been executed by the same Members (with the exception of Hamilton, which retained title to a 51.4% ownership interest in the Greenup Hydroelectric Facility) that executed the Meldahl Power Sales Contract. As of December 31, 2019, \$124,035,000 aggregate principal amount of the 2016 Greenup Bonds and approximately \$0.9 million aggregate principal amount of subordinate obligations, consisting of notes evidencing draws on the Line of Credit, were outstanding under the indenture securing the 2016 Greenup Bonds.

The City has executed a take-or-pay power sales contract with AMP as a participant of the Greenup Hydroelectric Facility of 495 kW or 1.45% of capacity and associated energy from the Greenup Hydroelectric Facility.

**Note 17: Contingencies**

***Grants***

The City received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2019.

***Litigation***

The City is not currently party to legal proceedings seeking damages or injunctive relief generally incidental to its operations.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

**Note 18: 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 the governmental funds. The constraints placed on the fund balance for the major governmental funds and all other governmental funds are presented below:

	General Fund	Street Maintenance Repair Fund	Street Improvement Income Tax Fund	Issue II Fund	General Obligation Bond Retirement Fund	Other Governmental Funds	Total
Nonspendable for:							
Inventory	\$ 182,225	\$ 110,454	\$ 0	\$ 0	\$ 0	\$ 0	\$ 292,679
Prepaid Items	63,018	14,442	0	0	0	3,824	81,284
Unclaimed Monies	606	0	0	0	0	0	606
Perpetual Care	0	0	0	0	0	2,000	2,000
<b>Total Nonspendable</b>	<b>245,849</b>	<b>124,896</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,824</b>	<b>376,569</b>
Restricted for:							
Road Improvements	0	1,004,829	0	0	0	261,646	1,266,475
Safety Forces	0	0	0	0	0	90,752	90,752
Leisure Time Services	0	0	0	0	0	347,691	347,691
Community Development	0	0	0	0	0	35,457	35,457
Capital Outlay	0	0	1,354,470	12,634	0	1,211,358	2,578,462
Debt Service	0	0	0	0	365,027	0	365,027
Other Purposes	0	0	0	0	0	497,408	497,408
<b>Total Restricted</b>	<b>0</b>	<b>1,004,829</b>	<b>1,354,470</b>	<b>12,634</b>	<b>365,027</b>	<b>2,444,312</b>	<b>5,181,272</b>
Committed for:							
Developer Deposits	32,949	0	0	0	0	0	32,949
Community Improvement	0	0	0	0	0	144,817	144,817
<b>Total Committed</b>	<b>32,949</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>144,817</b>	<b>177,766</b>
Assigned:							
Encumbrances							
General Government	22,639	0	0	0	0	0	22,639
Security of Persons & Property	47,397	0	0	0	0	0	47,397
Community Development	325	0	0	0	0	0	325
Capital Outlay	16,851	0	0	0	0	0	16,851
Subsequent Year Appropriations	2,124,546	0	0	0	0	0	2,124,546
<b>Total Assigned</b>	<b>2,211,758</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,211,758</b>
Unassigned	2,235,996	0	0	0	0	0	2,235,996
<b>Total Fund Balance</b>	<b>\$ 4,726,552</b>	<b>\$ 1,129,725</b>	<b>\$ 1,354,470</b>	<b>\$ 12,634</b>	<b>\$ 365,027</b>	<b>\$ 2,594,953</b>	<b>\$ 10,183,361</b>

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

**Note 19: Capital Lease**

During a prior year, the City entered into a capital lease for a meter project. In 2019 the City entered into a capital lease for a street sweeper. The terms of the agreements provide options to bargain purchase the equipment. The leases meet the criteria of a capital lease as defined by GASB Statement No. 62. Capital lease payments have been reclassified and are reflected as debt service in the basic financial statements for the street maintenance repair, water, sewer and electric funds. These expenditures are reflected as program/object expenditures on a budgetary basis in these funds.

The street sweeper acquired by the lease has been capitalized in the statement of net position for governmental activities in the amount of \$283,123, which is equal to the present value of the minimum lease payments at the time of acquisition. A corresponding liability was recorded on the statement of net position. As of December 31, 2019, \$389,493 is held in escrow for a meter project; however, the assets do not meet the capitalization criteria of the City and were not capitalized. Principal payments in fiscal year 2019 totaled \$56,640 in the governmental funds and \$851,915 in business-type funds. As of December 31, 2019, the leased assets had depreciated in the amount of \$12,583.

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

		Governmental Activities	Business-Type Activities
Year ending December 31,	2020	\$ 62,452	\$ 886,158
	2021	62,452	0
	2022	62,452	0
	2023	62,452	0
Minimum lease payments		249,808	886,158
Less: amount representing interest		(23,325)	(17,291)
Present value of net minimum lease payments		\$ 226,483	\$ 868,867

**Note 20: Significant Commitments**

***Encumbrance Commitments***

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed or assigned classifications of fund balance. At year end, the City's commitments for encumbrances were as follows:

Fund	Amount
<i>Governmental Funds</i>	
General Fund	\$ 107,956
Street Maintenance Repair	202,747
Street Improvement Income Tax	172,575
Other Governmental Funds	204,554
	\$ 687,832

**City of Amherst**  
**Lorain County, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2019*

***Contractual Commitments***

<u>Project</u>	<u>Contract Amount</u>	<u>Expended</u>	<u>Outstanding Commitment</u>
Sidewalk Improvements	\$ 154,000	\$ 142,192	\$ 11,808
North Main and Cooper Foster Rehabilitation	1,313,000	1,067,196	245,804
2019 Street Program	1,195,760	998,631	197,129
Cooper Foster Road Widening	1,209,532	770,193	439,339
	<u>\$ 3,872,292</u>	<u>\$ 2,978,212</u>	<u>\$ 894,080</u>

Contractual commitments identified above may or may not be included in the outstanding encumbrance commitments previously disclosed in this note. Reasons for this may include timing of when contracts are encumbered and contracts paid from enterprise funds, which are not required to disclose encumbrance commitments.

**Note 21: 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 of the City. The City’s investment portfolio and the investments of the pension and other employee benefit plan in which the City participates have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the City’s future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

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**City of Amherst**  
**Lorain County, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net Pension Liability*  
*Last Six Years (1)*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b><i>Ohio Public Employees' Retirement System (OPERS)</i></b>				
City's Proportion of the Net Pension Liability	0.026537%	0.026716%	0.027776%	0.026865%
City's Proportionate Share of the Net Pension Liability	\$ 7,267,946	\$ 4,191,293	\$ 6,307,457	\$ 4,653,357
City's Covered Payroll	\$ 3,584,229	\$ 3,759,277	\$ 3,788,067	\$ 3,512,092
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	202.78%	111.49%	166.51%	132.50%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.70%	84.66%	77.25%	81.08%
<b><i>Ohio Police and Fire Pension Fund (OPF)</i></b>				
City's Proportion of the Net Pension Liability	0.060490%	0.055199%	0.062502%	0.063420%
City's Proportionate Share of the Net Pension Liability	\$ 4,937,582	\$ 3,387,813	\$ 3,958,814	\$ 4,079,853
City's Covered Payroll	\$ 1,490,056	\$ 1,339,226	\$ 1,493,553	\$ 1,432,016
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	331.37%	252.97%	265.06%	284.90%
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.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.



	<b>2015</b>	<b>2014</b>
	0.027831%	0.027831%
\$	3,356,730	\$ 3,280,912
\$	3,488,342	\$ 3,699,946
	96.23%	88.67%
	86.45%	86.36%
	0.063863%	0.063863%
\$	3,389,915	\$ 3,184,200
\$	1,370,632	\$ 1,728,401
	247.32%	184.23%
	71.71%	72.53%

See accompanying notes to the required supplementary information.

**City of Amherst**  
**Lorain County, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Contributions - Pension*  
*Last Ten Years*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b><i>Ohio Public Employees' Retirement System (OPERS)</i></b>				
Contractually Required Contribution	\$ 495,221	\$ 501,792	\$ 488,706	\$ 454,568
Contributions in Relation to the Contractually Required Contribution	<u>(495,221)</u>	<u>(501,792)</u>	<u>(488,706)</u>	<u>(454,568)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
City's Covered Payroll	\$ 3,537,293	\$ 3,584,229	\$ 3,759,277	\$ 3,788,067
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	13.00%	12.00%
<b><i>Ohio Police and Fire Pension Fund (OPF)</i></b>				
Contractually Required Contribution	\$ 318,879	\$ 283,111	\$ 254,453	\$ 283,775
Contributions in Relation to the Contractually Required Contribution	<u>(318,879)</u>	<u>(283,111)</u>	<u>(254,453)</u>	<u>(283,775)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
City's Covered Payroll	\$ 1,678,313	\$ 1,490,056	\$ 1,339,226	\$ 1,493,553
Contributions as a Percentage of Covered Payroll	19.00%	19.00%	19.00%	19.00%

(n/a) Information prior to 2013 is not available.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 421,451	\$ 418,601	\$ 480,993	n/a	n/a	n/a
<u>(421,451)</u>	<u>(418,601)</u>	<u>(480,993)</u>	n/a	n/a	n/a
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	n/a	n/a	n/a
\$ 3,512,092	\$ 3,488,342	\$ 3,699,946	n/a	n/a	n/a
12.00%	12.00%	13.00%	n/a	n/a	n/a
\$ 272,083	\$ 260,420	\$ 274,470	\$ 246,016	\$ 238,984	\$ 260,003
<u>(272,083)</u>	<u>(260,420)</u>	<u>(274,470)</u>	<u>(246,016)</u>	<u>(238,984)</u>	<u>(260,003)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 1,432,016	\$ 1,370,632	\$ 1,728,401	\$ 1,929,537	\$ 1,874,384	\$ 2,039,239
19.00%	19.00%	15.88%	12.75%	12.75%	12.75%

See accompanying notes to the required supplementary information.

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**City of Amherst**  
**Lorain County, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net OPEB Liability*  
*Last Three Years (1)*

	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b><i>Ohio Public Employees' Retirement System (OPERS)</i></b>			
City's Proportion of the Net OPEB Liability	0.026529%	0.026539%	0.027414%
City's Proportionate Share of the Net OPEB Liability	\$ 3,458,755	\$ 2,881,985	\$ 2,768,907
City's Covered Payroll	\$ 3,584,229	\$ 3,759,277	\$ 3,788,067
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	96.50%	76.66%	73.10%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.33%	54.14%	54.04%
<b><i>Ohio Police and Fire Pension Fund (OPF)</i></b>			
City's Proportion of the Net OPEB Liability	0.060490%	0.055199%	0.062502%
City's Proportionate Share of the Net OPEB Liability	\$ 550,854	\$ 3,127,498	\$ 2,966,829
City's Covered Payroll	\$ 1,490,056	\$ 1,339,226	\$ 1,493,553
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	36.97%	233.53%	198.64%
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.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

**City of Amherst**  
**Lorain County, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Contributions - OPEB*  
*Last Ten Years*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b><i>Ohio Public Employees' Retirement System (OPERS)</i></b>				
Contractually Required Contribution	\$ 0	\$ 0	\$ 37,577	\$ 75,788
Contributions in Relation to the Contractually Required Contribution	<u>0</u>	<u>0</u>	<u>(37,577)</u>	<u>(75,788)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
City's Covered Payroll (1)	\$ 3,537,293	\$ 3,584,229	\$ 3,759,277	\$ 3,788,067
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	1.00%	2.00%
<b><i>Ohio Police and Fire Pension Fund (OPF)</i></b>				
Contractually Required Contribution	\$ 8,392	\$ 7,450	\$ 6,685	\$ 7,455
Contributions in Relation to the Contractually Required Contribution	<u>(8,392)</u>	<u>(7,450)</u>	<u>(6,685)</u>	<u>(7,455)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
City's Covered Payroll	\$ 1,678,313	\$ 1,490,056	\$ 1,339,226	\$ 1,493,553
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%

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

(1) The OPEB plan includes the members from the traditional plan, the combined plan and the member directed plan.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
\$ 7,260	\$ 7,105	\$ 50,865	\$ 85,122	\$ 82,689	\$ 89,961
<u>(7,260)</u>	<u>(7,105)</u>	<u>(50,865)</u>	<u>(85,122)</u>	<u>(82,689)</u>	<u>(89,961)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 1,432,016	\$ 1,370,632	\$ 1,728,401	\$ 1,929,537	\$ 1,874,384	\$ 2,039,239
0.50%	0.50%	2.94%	4.41%	4.41%	4.41%

See accompanying notes to the required supplementary information.

**City of Amherst**  
**Lorain County, Ohio**  
*Notes to the Required Supplementary Information*  
*For the Year Ended December 31, 2019*

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**Note 1 - Net Pension Liability**

***Changes in Assumptions – OPERS***

For fiscal year 2019, the single discount rate changed from 7.50 percent to 7.20 percent.

Amounts reported in calendar year 2017 reflect an adjustment of the rates of withdrawal, disability, retirement and mortality to more closely reflect actual experience. The expectation of retired life mortality was based on RP-2014 Healthy Annuitant mortality table and RP-2014 Disabled mortality table. The following reductions were also made to the actuarial assumptions:

- Discount rate from 8.00 percent to 7.50 percent
- Wage inflation rate from 3.75 percent to 3.25 percent
- Price inflation from 3.00 percent to 2.50 percent

***Changes in Assumptions – OP&F***

For 2018, the single discount rate changed from 8.25 percent to 8.00 percent.

**Note 2 - Net OPEB Liability**

***Changes in Assumptions - OPERS***

For calendar year 2019, the following changes were made to the actuarial assumptions:

- Discount rate from 3.85 percent to 3.96 percent
- Investment rate of return from 6.50 percent to 6.00 percent
- Municipal bond rate from 3.31 percent to 3.71 percent
- Health Care Cost Trend Rate from 7.50 percent to 10.00 percent

For calendar year 2018, the single discount rate changed from 4.23 percent to 3.85 percent.

***Changes in Assumptions – OP&F***

For calendar year 2019, the discount rate increased from 3.24 percent to 4.66 percent and the municipal bond rate from 3.16 percent to 4.13 percent.

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

***Changes in Benefit Terms – OP&F***

Beginning January 1, 2019 OP&F changed its retiree health care model to a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses.



**COMBINING STATEMENTS  
AND  
INDIVIDUAL FUND SCHEDULES**

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**City of Amherst**  
**Lorain County, Ohio**  
*Combining Statements – Nonmajor Funds*

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**Nonmajor Special Revenue Funds**

Special Revenue Funds are used to account for the proceeds of specific sources that are legally restricted or committed to expenditure for specified purposes other than debt service or capital projects. The title of each special revenue fund is descriptive of the activities accounted for therein. A description of the City's special revenue funds follows:

***State Highway Fund***

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

***Street Maintenance and Repair Permissive Fund***

To account for local license fees designated for the maintenance of streets within the City.

***Park and Pool Fund***

To account for hotel tax monies used to operate the park and pool.

***Office on Aging Fund***

To account for revenues and expenditures of the Office on Aging.

***Planning Commission Fund***

To account for the revenue collected from developers for engineering studies of subdivisions and the expenditures the planning commission incurred for those engineering studies.

***Park Trust Fund***

To account for the impact fees and the interest earned from them to maintain the park.

***FEMA Grant Fund***

To account for grants for the Fire Department.

***Assistance to Firefighters Fund***

To account for Federal grant monies for the purchase of materials and suppliers for the Amherst fire department.

***Cable Television Fund***

To account for the revenues received from Media One and the expenditures incurred running the cable station.

***CPT Grant Fund***

To account for monies received from the Continuing Professional Training Grant, as required by the Ohio Revised Code.

**City of Amherst**  
**Lorain County, Ohio**  
*Combining Statements – Nonmajor Funds*

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**Nonmajor Special Revenue Funds (continued)**

***Law Enforcement Fund***

To account for monies received from the Federal Law Enforcement Agencies designated for law enforcement related purposes, as required by the Ohio Revised Code.

***Drug Law Enforcement Fund***

To account for the portion of the fine money awarded to the City as a result of a drug conviction and earmarked for drug law enforcement.

***DUI Enforcement Fund***

To account for fines for DUI convictions awarded by the court which may be used for enforcement, education, or equipment relating to the DUI enforcement laws.

***Bullet Proof Vest Fund***

To account for the Federal grant monies to purchase bullet proof vests for officers.

***Disabled Parking Fund***

To account for the monies collected from tickets issued to motorists parking in disabled parking spaces.

***Housing Program Fund***

To account for funds returned from homeowners from the original Community Housing Improvement Projects.

***Community Improvement Fund***

To account for funds received from a long term easement agreement with Tristar Investors for the use of land for a cell tower.

***Street Opening Fund***

To account for monies collected and disbursed for a bond and permit fee to assure repair of streets opened for repairs or tap-ins.

**Nonmajor Capital Projects Funds**

Capital projects funds are established to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the construction or acquisition of major capital facilities and other capital assets.

***Fire Apparatus Levy Fund***

To account for the money collected from the Fire Apparatus Levy and intended to be spent for capital improvements in the fire department.

***CDBG Improvements Fund***

To account for federal grant monies designated for community development within the City and the restoration of City Hall.

**City of Amherst**  
**Lorain County, Ohio**  
*Combining Statements – Nonmajor Funds*

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**Nonmajor Capital Projects Funds (continued)**

***General Improvements Fund***

To account for any general capital improvements of city assets.

***Lorain County CDBG Fund***

To account for a downtown parking lot expansion project.

***City Hall Auditorium Fund***

To account for renovations and improvements to the City Hall Auditorium.

**Permanent Fund**

Permanent funds report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City programs. A description of the City's permanent fund follows:

***Cemetery Trust Fund***

To account for monies used for perpetual care for the cemetery mausoleum and cemetery improvements.

**Funds Reported Separately for Budgetary Purposes**

***Municipal Income Tax Fund***

To account for taxes collected to be used for general operations, maintenance of equipment, enlargement and improvements of municipal services and facilities and capital improvement.

***Downtown Director Fund***

To account for federal monies designated for downtown restoration.

***Developer Deposits and Fees***

To account for builders deposits and fees for development projects within the City.

***Unclaimed Monies***

To account for Fund required by Ohio Revised Code to account for monies received or collected and not otherwise paid out according to law. Monies that are deemed to be unclaimed and credited to this fund that are not claimed within a five-year period revert to the general fund.

**City of Amherst**  
**Lorain County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2019*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Cemetery Endowment Fund	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 1,446,998	\$ 1,213,032	\$ 4,447	\$ 2,664,477
Intergovernmental Receivable	80,375	18,624	0	98,999
Property Taxes Receivable	2,580	258,167	0	260,747
Prepaid Items	3,824	0	0	3,824
<i>Total Assets</i>	<u>\$ 1,533,777</u>	<u>\$ 1,489,823</u>	<u>\$ 4,447</u>	<u>\$ 3,028,047</u>
<b>Liabilities</b>				
Accounts Payable	\$ 8,305	\$ 1,674	\$ 0	\$ 9,979
Accrued Wages	1,759	0	0	1,759
Contracts Payable	104,090	0	0	104,090
Intergovernmental Payable	475	0	0	475
<i>Total Liabilities</i>	<u>114,629</u>	<u>1,674</u>	<u>0</u>	<u>116,303</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes Levied for the Next Year	0	255,125	0	255,125
Unavailable Revenue - Delinquent Taxes	0	3,042	0	3,042
Unavailable Revenue - Grants	40,000	18,624	0	58,624
<i>Total Deferred Inflows of Resources</i>	<u>40,000</u>	<u>276,791</u>	<u>0</u>	<u>316,791</u>
<b>Fund Balances</b>				
Nonspendable	3,824	0	2,000	5,824
Restricted	1,230,507	1,211,358	2,447	2,444,312
Committed	144,817	0	0	144,817
<i>Total Fund Balances</i>	<u>1,379,148</u>	<u>1,211,358</u>	<u>4,447</u>	<u>2,594,953</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 1,533,777</u>	<u>\$ 1,489,823</u>	<u>\$ 4,447</u>	<u>\$ 3,028,047</u>

**City of Amherst**  
**Lorain County, Ohio**

*Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances - Nonmajor Governmental Funds  
For the Year Ended December 31, 2019*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Cemetery Endowment Fund	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Property Taxes	\$ 38,591	\$ 251,473	\$ 0	\$ 290,064
Charges for Services	194,205	0	0	194,205
Fines and Forfeitures	1,489	0	0	1,489
Intergovernmental	523,700	37,328	0	561,028
Interest	894	2,513	90	3,497
Contributions and Donations	109	0	0	109
Other	65,012	0	0	65,012
<i>Total Revenues</i>	<u>824,000</u>	<u>291,314</u>	<u>90</u>	<u>1,115,404</u>
<b>Expenditures</b>				
Current:				
General Government	46,837	0	0	46,837
Security of Persons and Property	28,059	56,420	0	84,479
Public Health	63,861	0	0	63,861
Leisure Time Services	213,475	0	0	213,475
Transportation	148,677	0	0	148,677
Capital Outlay	625,034	114,949	0	739,983
Debt Service:				
Principal Retirement	14,600	0	0	14,600
Interest and Fiscal Charges	19,389	0	0	19,389
<i>Total Expenditures</i>	<u>1,159,932</u>	<u>171,369</u>	<u>0</u>	<u>1,331,301</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(335,932)</u>	<u>119,945</u>	<u>90</u>	<u>(215,897)</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Assets	107,517	430,067	0	537,584
Transfers In	10,000	0	0	10,000
Transfers Out	(984)	0	0	(984)
<i>Total Other Financing Sources (Uses)</i>	<u>116,533</u>	<u>430,067</u>	<u>0</u>	<u>546,600</u>
<i>Net Change in Fund Balance</i>	(219,399)	550,012	90	330,703
<i>Fund Balance Beginning of Year (Restated-See Note 2)</i>	<u>1,598,547</u>	<u>661,346</u>	<u>4,357</u>	<u>2,264,250</u>
<i>Fund Balance End of Year</i>	<u>\$ 1,379,148</u>	<u>\$ 1,211,358</u>	<u>\$ 4,447</u>	<u>\$ 2,594,953</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2019*

	State Highway Fund	Street Maintenance and Repair Permissive	Park and Pool Fund	Office on Aging Fund	Planning Commission Fund
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 83,605	\$ 156,831	\$ 77,628	\$ 89,734	\$ 357,937
Intergovernmental Receivable	53,903	5,947	0	0	0
Property Taxes Receivable	0	0	2,580	0	0
Prepaid Items	0	0	2,790	1,034	0
<i>Total Assets</i>	<u>\$ 137,508</u>	<u>\$ 162,778</u>	<u>\$ 82,998</u>	<u>\$ 90,768</u>	<u>\$ 357,937</u>
<b>Liabilities</b>					
Accounts Payable	\$ 0	\$ 6,982	\$ 0	\$ 1,323	\$ 0
Accrued Wages	0	0	0	1,759	0
Contracts Payable	0	0	0	0	0
Intergovernmental Payable	0	0	0	475	0
<i>Total Liabilities</i>	<u>0</u>	<u>6,982</u>	<u>0</u>	<u>3,557</u>	<u>0</u>
<b>Deferred Inflows of Resources</b>					
Unavailable Revenue - Grants	40,000	0	0	0	0
<b>Fund Balance</b>					
Nonspendable	0	0	2,790	1,034	0
Restricted	97,508	155,796	80,208	86,177	357,937
Committed	0	0	0	0	0
<i>Total Fund Balance (Deficit)</i>	<u>97,508</u>	<u>155,796</u>	<u>82,998</u>	<u>87,211</u>	<u>357,937</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 137,508</u>	<u>\$ 162,778</u>	<u>\$ 82,998</u>	<u>\$ 90,768</u>	<u>\$ 357,937</u>

*(continued)*



**City of Amherst**  
**Lorain County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2019*

	Park Trust Fund	FEMA Grant Fund	Assistance to Firefighters Fund	Cable Television Fund	CPT Grant Fund
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 246,958	\$ 1,847	\$ 1,793	\$ 154,687	\$ 16,505
Intergovernmental Receivable	20,525	0	0	0	0
Property Taxes Receivable	0	0	0	0	0
Prepaid Items	0	0	0	0	0
<i>Total Assets</i>	<u>\$ 267,483</u>	<u>\$ 1,847</u>	<u>\$ 1,793</u>	<u>\$ 154,687</u>	<u>\$ 16,505</u>
<b>Liabilities</b>					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages	0	0	0	0	0
Contracts Payable	0	0	0	104,090	0
Intergovernmental Payable	0	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>104,090</u>	<u>0</u>
<b>Deferred Inflows of Resources</b>					
Unavailable Revenue - Grants	0	0	0	0	0
<b>Fund Balance</b>					
Nonspendable	0	0	0	0	0
Restricted	267,483	1,847	1,793	50,597	16,505
Committed	0	0	0	0	0
<i>Total Fund Balance (Deficit)</i>	<u>267,483</u>	<u>1,847</u>	<u>1,793</u>	<u>50,597</u>	<u>16,505</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 267,483</u>	<u>\$ 1,847</u>	<u>\$ 1,793</u>	<u>\$ 154,687</u>	<u>\$ 16,505</u>

*(continued)*

**City of Amherst**  
**Lorain County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2019*

	Law Enforcement Fund	Drug Law Enforcement Fund	DUI Enforcement Fund	Bullet Proof Vest Fund	Disabled Parking Fund
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 44,905	\$ 9,341	\$ 13,618	\$ 2,743	\$ 250
Intergovernmental Receivable	0	0	0	0	0
Property Taxes Receivable	0	0	0	0	0
Prepaid Items	0	0	0	0	0
<i>Total Assets</i>	<u>\$ 44,905</u>	<u>\$ 9,341</u>	<u>\$ 13,618</u>	<u>\$ 2,743</u>	<u>\$ 250</u>
<b>Liabilities</b>					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages	0	0	0	0	0
Contracts Payable	0	0	0	0	0
Intergovernmental Payable	0	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Deferred Inflows of Resources</b>					
Unavailable Revenue - Grants	0	0	0	0	0
<b>Fund Balance</b>					
Nonspendable	0	0	0	0	0
Restricted	44,905	9,341	13,618	2,743	250
Committed	0	0	0	0	0
<i>Total Fund Balance (Deficit)</i>	<u>44,905</u>	<u>9,341</u>	<u>13,618</u>	<u>2,743</u>	<u>250</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 44,905</u>	<u>\$ 9,341</u>	<u>\$ 13,618</u>	<u>\$ 2,743</u>	<u>\$ 250</u>

*(continued)*

**City of Amherst**  
**Lorain County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2019*

	Housing Program Fund	Community Improvement Fund	Street Opening Fund	Total Nonmajor Special Revenue Funds
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 35,457	\$ 144,817	\$ 8,342	\$ 1,446,998
Intergovernmental Receivable	0	0	0	80,375
Property Taxes Receivable	0	0	0	2,580
Prepaid Items	0	0	0	3,824
<i>Total Assets</i>	<u>\$ 35,457</u>	<u>\$ 144,817</u>	<u>\$ 8,342</u>	<u>\$ 1,533,777</u>
<b>Liabilities</b>				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 8,305
Accrued Wages	0	0	0	1,759
Contracts Payable	0	0	0	104,090
Intergovernmental Payable	0	0	0	475
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>114,629</u>
<b>Deferred Inflows of Resources</b>				
Unavailable Revenue - Grants	0	0	0	40,000
<b>Fund Balance</b>				
Nonspendable	0	0	0	3,824
Restricted	35,457	0	8,342	1,230,507
Committed	0	144,817	0	144,817
<i>Total Fund Balance (Deficit)</i>	<u>35,457</u>	<u>144,817</u>	<u>8,342</u>	<u>1,379,148</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 35,457</u>	<u>\$ 144,817</u>	<u>\$ 8,342</u>	<u>\$ 1,533,777</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2019*

	State Highway Fund	Street Maintenance and Repair Permissive	Park and Pool Fund	Office on Aging Fund	Planning Commission Fund
<b>Revenues</b>					
Property Taxes	\$ 0	\$ 0	\$ 38,591	\$ 0	\$ 0
Charges for Services	0	0	82,388	22,837	78,100
Fines and Forfeitures	0	0	0	0	0
Intergovernmental	65,043	122,599	0	0	0
Interest	0	0	0	189	0
Contributions and Donations	0	0	0	109	0
Other	0	0	13,023	1,784	0
<i>Total Revenues</i>	<u>65,043</u>	<u>122,599</u>	<u>134,002</u>	<u>24,919</u>	<u>78,100</u>
<b>Expenditures</b>					
Current:					
General Government	0	0	0	0	0
Security of Persons and Property	0	0	0	0	0
Public Health	0	0	0	63,861	0
Leisure Time Services	0	0	128,222	0	0
Transportation	33,000	115,677	0	0	0
Capital Outlay	0	0	0	19,284	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	19,389	0	0	0
<i>Total Expenditures</i>	<u>33,000</u>	<u>135,066</u>	<u>128,222</u>	<u>83,145</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	32,043	(12,467)	5,780	(58,226)	78,100
<b>Other Financing Sources (Uses)</b>					
Proceeds from Sale of Assets	0	0	0	0	0
Transfers In	0	0	10,000	0	0
Transfers Out	0	(984)	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(984)</u>	<u>10,000</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	32,043	(13,451)	15,780	(58,226)	78,100
<i>Fund Balance Beginning of Year (Restated-See Note 2)</i>	<u>65,465</u>	<u>169,247</u>	<u>67,218</u>	<u>145,437</u>	<u>279,837</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 97,508</u>	<u>\$ 155,796</u>	<u>\$ 82,998</u>	<u>\$ 87,211</u>	<u>\$ 357,937</u>

*(continued)*

**City of Amherst**  
**Lorain County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2019*

	Park Trust Fund	FEMA Grant Fund	Assistance to Firefighters Fund	Cable Television Fund	CPT Grant Fund
<b>Revenues</b>					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Charges for Services	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	0
Intergovernmental	20,525	313,396	0	0	0
Interest	0	0	0	0	0
Contributions and Donations	0	0	0	0	0
Other	50,205	0	0	0	0
<i>Total Revenues</i>	<u>70,730</u>	<u>313,396</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Expenditures</b>					
Current:					
General Government	0	0	0	46,837	0
Security of Persons and Property	0	0	0	0	0
Public Health	0	0	0	0	0
Leisure Time Services	85,253	0	0	0	0
Transportation	0	0	0	0	0
Capital Outlay	53,035	311,549	0	241,166	0
Debt Service:					
Principal Retirement	0	0	0	14,600	0
Interest and Fiscal Charges	0	0	0	0	0
<i>Total Expenditures</i>	<u>138,288</u>	<u>311,549</u>	<u>0</u>	<u>302,603</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(67,558)	1,847	0	(302,603)	0
<b>Other Financing Sources (Uses)</b>					
Proceeds from Sale of Assets	0	0	0	0	0
Transfers In	0	0	0	0	0
Advances In	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(67,558)	1,847	0	(302,603)	0
<i>Fund Balance Beginning of Year (Restated-See Note 2)</i>	<u>335,041</u>	<u>0</u>	<u>1,793</u>	<u>353,200</u>	<u>16,505</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 267,483</u>	<u>\$ 1,847</u>	<u>\$ 1,793</u>	<u>\$ 50,597</u>	<u>\$ 16,505</u>

*(continued)*

**City of Amherst**  
**Lorain County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2019*

	Law Enforcement Fund	Drug Law Enforcement Fund	DUI Enforcement Fund	Bullet Proof Vest Fund	Disabled Parking Fund
<b>Revenues</b>					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Charges for Services	10,880	0	0	0	0
Fines and Forfeitures	0	0	1,489	0	0
Intergovernmental	0	0	0	2,137	0
Interest	0	0	0	0	0
Contributions and Donations	0	0	0	0	0
Other	0	0	0	0	0
<i>Total Revenues</i>	<u>10,880</u>	<u>0</u>	<u>1,489</u>	<u>2,137</u>	<u>0</u>
<b>Expenditures</b>					
Current:					
General Government	0	0	0	0	0
Security of Persons and Property	28,059	0	0	0	0
Public Health	0	0	0	0	0
Leisure Time Services	0	0	0	0	0
Transportation	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
<i>Total Expenditures</i>	<u>28,059</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(17,179)	0	1,489	2,137	0
<b>Other Financing Sources (Uses)</b>					
Proceeds from Sale of Assets	0	0	0	0	0
Transfers In	0	0	0	0	0
Transfers Out	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(17,179)	0	1,489	2,137	0
<i>Fund Balance Beginning of Year (Restated-See Note 2)</i>	<u>62,084</u>	<u>9,341</u>	<u>12,129</u>	<u>606</u>	<u>250</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 44,905</u>	<u>\$ 9,341</u>	<u>\$ 13,618</u>	<u>\$ 2,743</u>	<u>\$ 250</u>

*(continued)*

**City of Amherst**  
**Lorain County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2019*

	Housing Program Fund	Community Improvement Fund	Street Opening Fund	Total Nonmajor Special Revenue Funds
<b>Revenues</b>				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 38,591
Charges for Services	0	0	0	194,205
Fines and Forfeitures	0	0	0	1,489
Intergovernmental	0	0	0	523,700
Interest	705	0	0	894
Contributions and Donations	0	0	0	109
Other	0	0	0	65,012
<i>Total Revenues</i>	<u>705</u>	<u>0</u>	<u>0</u>	<u>824,000</u>
<b>Expenditures</b>				
Current:				
General Government	0	0	0	46,837
Security of Persons and Property	0	0	0	28,059
Public Health	0	0	0	63,861
Leisure Time Services	0	0	0	213,475
Transportation	0	0	0	148,677
Capital Outlay	0	0	0	625,034
Debt Service:				
Principal Retirement	0	0	0	14,600
Interest and Fiscal Charges	0	0	0	19,389
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,159,932</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	705	0	0	(335,932)
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Assets	0	107,517	0	107,517
Transfers In	0	0	0	10,000
Transfers Out	0	0	0	(984)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>107,517</u>	<u>0</u>	<u>116,533</u>
<i>Net Change in Fund Balance</i>	705	107,517	0	(219,399)
<i>Fund Balance Beginning of Year (Restated-See Note 2)</i>	<u>34,752</u>	<u>37,300</u>	<u>8,342</u>	<u>1,598,547</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 35,457</u>	<u>\$ 144,817</u>	<u>\$ 8,342</u>	<u>\$ 1,379,148</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2019*

	Fire Apparatus Levy Fund	CDBG Improvements Fund	General Improvement Fund
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 646,644	\$ 1,385	\$ 430,067
Intergovernmental Receivable	18,624	0	0
Property Taxes Receivable	258,167	0	0
<i>Total Assets</i>	<u>\$ 923,435</u>	<u>\$ 1,385</u>	<u>\$ 430,067</u>
<b>Liabilities</b>			
Accounts Payable	\$ 1,674	\$ 0	\$ 0
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for the Next Year	255,125	0	0
Unavailable Revenue - Delinquent Taxes	3,042	0	0
Unavailable Revenue - Grants	18,624	0	0
<i>Total Deferred Inflows of Resources</i>	<u>276,791</u>	<u>0</u>	<u>0</u>
<b>Fund Balance</b>			
Restricted	644,970	1,385	430,067
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 923,435</u>	<u>\$ 1,385</u>	<u>\$ 430,067</u>

*(continued)*



**City of Amherst**  
**Lorain County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2019*

	Lorain County CDBG Fund	City Hall Auditorium Fund	Total Nonmajor Capital Projects Totals
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 8,514	\$ 126,422	\$ 1,213,032
Intergovernmental Receivable	0	0	18,624
Property Taxes Receivable	0	0	258,167
<i>Total Assets</i>	<u>\$ 8,514</u>	<u>\$ 126,422</u>	<u>\$ 1,489,823</u>
<b>Liabilities</b>			
Accounts Payable	\$ 0	\$ 0	\$ 1,674
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for the Next Year	0	0	255,125
Unavailable Revenue - Delinquent Taxes	0	0	3,042
Unavailable Revenue - Grants	0	0	18,624
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>276,791</u>
<b>Fund Balance</b>			
Restricted	<u>8,514</u>	<u>126,422</u>	<u>1,211,358</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 8,514</u>	<u>\$ 126,422</u>	<u>\$ 1,489,823</u>

**City of Amherst  
Lorain County, Ohio**

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

	Fire Apparatus Levy Fund	CDBG Improvements Fund	General Improvement Fund
<b>Revenues</b>			
Property Taxes	\$ 251,473	\$ 0	\$ 0
Intergovernmental	37,328	0	0
Interest	0	0	0
<i>Total Revenues</i>	<u>288,801</u>	<u>0</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property	56,420	0	0
Capital Outlay	114,949	0	0
<i>Total Expenditures</i>	<u>171,369</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	117,432	0	0
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Assets	<u>0</u>	<u>0</u>	<u>430,067</u>
<i>Net Change in Fund Balance</i>	117,432	0	430,067
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>527,538</u>	<u>1,385</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 644,970</u>	<u>\$ 1,385</u>	<u>\$ 430,067</u>

*(continued)*

**City of Amherst  
Lorain County, Ohio**

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

	Lorain County CDBG Fund	City Hall Auditorium Fund	Total Nonmajor Capital Projects Totals
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 251,473
Intergovernmental	0	0	37,328
Interest	0	2,513	2,513
<i>Total Revenues</i>	<u>0</u>	<u>2,513</u>	<u>291,314</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property	0	0	56,420
Capital Outlay	0	0	114,949
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>171,369</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	0	2,513	119,945
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Assets	0	0	430,067
<i>Net Change in Fund Balance</i>	0	2,513	550,012
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>8,514</u>	<u>123,909</u>	<u>661,346</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 8,514</u>	<u>\$ 126,422</u>	<u>\$ 1,211,358</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Combining Statements – Fiduciary Funds*

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**Fiduciary Funds**

Fiduciary funds are used to account for assets held by the County in a trustee capacity, or as custodial for individuals, private organizations, other governments, and/or funds. The County only reports custodial funds within the fiduciary fund type.

**Custodial Funds**

***Sales Tax Revenue Fund***

To account for monies collected and disbursed for purchases of products at the pool.

***Building Standards Assessment Fund***

To account for the collection and disbursement of the three percent assessment fee required on all commercial building permits. This three percent is remitted to the State Board of Building Standards monthly.

**City of Amherst**  
**Lorain County, Ohio**  
*Combining Statement of Fiduciary Net Position*  
*Fiduciary Funds*  
*December 31, 2019*

	Sales Tax Revenue Fund	Building Standards Assessment Fund	Total
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 58	\$ 2,951	\$ 3,009
<b>Net Position</b>			
Restricted for Individuals, Organizations and Other Governments	58	2,951	3,009
<i>Total Net Position</i>	<u>\$ 58</u>	<u>\$ 2,951</u>	<u>\$ 3,009</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Combining Statement of Changes in Fiduciary Net Position*  
*Fiduciary Funds*  
*For the Year Ended December 31, 2019*

	Sales Tax Revenue Fund	Building Standards Assessment Fund	Totals
<b>Additions</b>			
Licenses, Permits & Fees for Other Governments	\$ 0	\$ 5,718	\$ 5,718
Sales Tax Collections for Other Governments	84	0	84
<i>Total Additions</i>	<u>84</u>	<u>5,718</u>	<u>5,802</u>
<b>Deductions</b>			
Licenses, Permits & Fee Distributions to Other Governments	0	5,583	5,583
Sales Tax Distributions to Other Governments	88	0	88
<i>Total Deductions</i>	<u>88</u>	<u>5,583</u>	<u>5,671</u>
<i>Change in Net Position</i>	(4)	135	131
<i>Net Position Beginning of Year, (Restated, See Note 2)</i>	<u>62</u>	<u>2,816</u>	<u>2,878</u>
<i>Net Position End of Year</i>	<u>\$ 58</u>	<u>\$ 2,951</u>	<u>\$ 3,009</u>

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

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Property Taxes	\$ 885,417	\$ 867,211	\$ (18,206)
Income Taxes	1,200,000	1,409,487	209,487
Kilowatt Taxes	420,000	451,268	31,268
Charges for Services	511,137	334,715	(176,422)
Fees, Licenses and Permits	531,925	625,919	93,994
Fines and Forfeitures	32,200	29,797	(2,403)
Intergovernmental	332,431	367,494	35,063
Interest	300,000	476,721	176,721
Other	55,500	20,877	(34,623)
<i>Total Revenues</i>	<u>4,268,610</u>	<u>4,583,489</u>	<u>314,879</u>
<b>Expenditures</b>			
Current:			
General Government			
Mayor			
Salaries and Wages	124,995	116,382	8,613
Fringe Benefits	44,111	32,236	11,875
Contractual Services	35,100	7,654	27,446
Materials and Supplies	6,400	720	5,680
Total Mayor	<u>210,606</u>	<u>156,992</u>	<u>53,614</u>
Safety Services			
Salaries and Wages	20,286	19,006	1,280
Fringe Benefits	3,511	2,783	728
Contractual Services	91,175	55,575	35,600
Materials and Supplies	3,200	0	3,200
Total Safety Services	<u>118,172</u>	<u>77,364</u>	<u>40,808</u>
City Council			
Salaries and Wages	84,960	79,887	5,073
Fringe Benefits	15,198	11,520	3,678
Contractual Services	27,150	14,283	12,867
Materials and Supplies	15,000	13,023	1,977
Total City Council	<u>142,308</u>	<u>118,713</u>	<u>23,595</u>
Auditor			
Salaries and Wages	133,054	117,756	15,298
Fringe Benefits	43,466	28,219	15,247
Contractual Services	75,310	41,458	33,852
Materials and Supplies	7,000	1,951	5,049
Total Auditor	<u>258,830</u>	<u>189,384</u>	<u>69,446</u>
Treasurer			
Salaries and Wages	82,172	74,067	8,105
Fringe Benefits	44,185	24,761	19,424
Contractual Services	28,823	19,769	9,054
Materials and Supplies	18,500	13,855	4,645
Total Treasurer	<u>173,680</u>	<u>132,452</u>	<u>41,228</u>

*(continued)*



**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
Law Director			
Salaries and Wages	181,500	165,787	15,713
Fringe Benefits	33,200	21,883	11,317
Contractual Services	94,532	55,678	38,854
Materials and Supplies	500	110	390
Total Law Director	<u>309,732</u>	<u>243,458</u>	<u>66,274</u>
City Hall			
Contractual Services	45,100	29,861	15,239
Materials and Supplies	20,887	9,131	11,756
Total City Hall	<u>65,987</u>	<u>38,992</u>	<u>26,995</u>
Civil Service Commission			
Salaries and Wages	2,400	2,232	168
Fringe Benefits	600	331	269
Contractual Services	6,250	0	6,250
Materials and Supplies	250	0	250
Total Civil Service Commission	<u>9,500</u>	<u>2,563</u>	<u>6,937</u>
IT Department			
Salaries and Wages	78,500	71,388	7,112
Fringe Benefits	35,162	26,964	8,198
Contractual Services	219,260	44,652	174,608
Materials and Supplies	56,750	6,066	50,684
Total IT Department	<u>389,672</u>	<u>149,070</u>	<u>240,602</u>
Miscellaneous			
Fringe Benefits	5,000	0	5,000
Contractual Services	77,200	38,309	38,891
Materials and Supplies	10,000	0	10,000
Total Miscellaneous	<u>92,200</u>	<u>38,309</u>	<u>53,891</u>
<i>Total General Government</i>	<u>1,770,687</u>	<u>1,147,297</u>	<u>623,390</u>
Security of Persons and Property			
Police Department			
Salaries and Wages	2,456,695	2,275,319	181,376
Fringe Benefits	1,044,761	860,001	184,760
Contractual Services	291,697	256,355	35,342
Materials and Supplies	122,002	113,327	8,675
Capital Outlay	1,169	1,162	7
Total Police Department	<u>3,916,324</u>	<u>3,506,164</u>	<u>410,160</u>
Fire Department			
Salaries and Wages	562,129	523,470	38,659
Fringe Benefits	105,264	73,098	32,166
Contractual Services	67,325	50,397	16,928
Materials and Supplies	2,000	557	1,443
Total Fire Department	<u>736,718</u>	<u>647,522</u>	<u>89,196</u>
<i>Total Security of Persons and Property</i>	<u>4,653,042</u>	<u>4,153,686</u>	<u>499,356</u>

*(continued)*

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
Public Health			
Cemetery			
Contractual Services	18,000	14,345	3,655
County Health District			
Contractual Services	48,000	42,131	5,869
<i>Total Public Health</i>	<u>66,000</u>	<u>56,476</u>	<u>9,524</u>
Community Development			
Building Inspector			
Salaries and Wages	165,238	145,452	19,786
Fringe Benefits	75,800	57,963	17,837
Contractual Services	33,486	18,553	14,933
Materials and Supplies	3,936	3,339	597
Total Building Inspector	<u>278,460</u>	<u>225,307</u>	<u>53,153</u>
Planning Commission			
Contractual Services	500	221	279
Materials and Supplies	250	0	250
Total Planning Commission	<u>750</u>	<u>221</u>	<u>529</u>
Board of Zoning Appeals			
Contractual Services	2,200	1,259	941
Materials and Supplies	400	154	246
Total Board of Zoning Appeals	<u>2,600</u>	<u>1,413</u>	<u>1,187</u>
<i>Total Community Development</i>	<u>281,810</u>	<u>226,941</u>	<u>54,869</u>
Capital Outlay	<u>294,141</u>	<u>215,423</u>	<u>78,718</u>
<i>Total Expenditures</i>	<u>7,065,680</u>	<u>5,799,823</u>	<u>1,265,857</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,797,070)</u>	<u>(1,216,334)</u>	<u>1,580,736</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Capital Assets	1,000	0	(1,000)
Transfers In	2,309,500	1,732,500	(577,000)
Transfers Out	(200,000)	(160,924)	39,076
<i>Total Other Financing Sources (Uses)</i>	<u>2,110,500</u>	<u>1,571,576</u>	<u>(538,924)</u>
<i>Net Change in Fund Balance</i>	(686,570)	355,242	1,041,812
<i>Fund Balance (Deficit) Beginning of Year</i>	1,264,617	1,264,617	0
Prior Year Encumbrances Appropriated	152,426	152,426	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 730,473</u>	<u>\$ 1,772,285</u>	<u>\$ 1,041,812</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Developer Deposits and Fees*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fees, Licenses and Permits	\$ 44,540	\$ 43,935	\$ (605)
<b>Expenditures</b>			
Current:			
Community Development			
Building Inspector			
Other	76,144	76,144	0
<i>Net Change in Fund Balance</i>	(31,604)	(32,209)	(605)
<i>Fund Balance (Deficit) Beginning of Year</i>	44,414	44,414	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 12,810	\$ 12,205	\$ (605)

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Unclaimed Monies*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Other	\$ 0	\$ 606	\$ 606
<i>Net Change in Fund Balance</i>	0	606	606
<i>Fund Balance (Deficit) Beginning of Year</i>	0	0	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 0</u>	<u>\$ 606</u>	<u>\$ 606</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Maintenance Repair Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$ 657,000	\$ 727,348	\$ 70,348
Charges for Services	350	2,683	2,333
<i>Total Revenues</i>	<u>657,350</u>	<u>730,031</u>	<u>72,681</u>
<b>Expenditures</b>			
Current:			
Transportation			
Street Maintenance and Repair			
Salaries and Wages	559,281	473,655	85,626
Fringe Benefits	260,238	180,648	79,590
Contractual Services	334,483	280,930	53,553
Materials and Supplies	82,517	54,956	27,561
Capital Outlay	1,038,017	1,015,993	22,024
<i>Total Street Maintenance and Repair</i>	<u>2,274,536</u>	<u>2,006,182</u>	<u>268,354</u>
Debt Service			
Principal Retirement	96,829	96,829	0
Interest and Fiscal Charges	10,714	10,714	0
<i>Total Debt Service</i>	<u>107,543</u>	<u>107,543</u>	<u>0</u>
<i>Total Expenditures</i>	<u>2,382,079</u>	<u>2,113,725</u>	<u>268,354</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,724,729)</u>	<u>(1,383,694)</u>	<u>341,035</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	1,520,000	1,520,000	0
<i>Net Change in Fund Balance</i>	(204,729)	136,306	341,035
<i>Fund Balance (Deficit) Beginning of Year</i>	102,838	102,838	0
Prior Year Encumbrances Appropriated	410,711	410,711	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 308,820</u>	<u>\$ 649,855</u>	<u>\$ 341,035</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Improvement Income Tax Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Municipal Income Taxes	\$ 1,315,000	\$ 1,409,488	\$ 94,488
<b>Expenditures</b>			
Current:			
Street Improvement Income Tax			
Contractual Services	35,160	18,319	16,841
Capital Outlay	1,663,203	1,297,286	365,917
Debt Service			
Principal Retirement	106,362	91,142	15,220
Interest and Fiscal Charges	86,611	65,611	21,000
<i>Total Expenditures</i>	<u>1,891,336</u>	<u>1,472,358</u>	<u>418,978</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(576,336)</u>	<u>(62,870)</u>	<u>513,466</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	1,368	1,368	0
Transfers Out	(215,000)	(33,490)	181,510
<i>Total Other Financing Sources (Uses)</i>	<u>(213,632)</u>	<u>(32,122)</u>	<u>181,510</u>
<i>Net Change in Fund Balance</i>	(789,968)	(94,992)	694,976
<i>Fund Balance (Deficit) Beginning of Year</i>	726,918	726,918	0
Prior Year Encumbrances Appropriated	433,321	433,321	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 370,271</u>	<u>\$ 1,065,247</u>	<u>\$ 694,976</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Issue II Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Special Assessments	\$ 247,000	\$ 58,136	\$ (188,864)
Intergovernmental	691,656	325,432	(366,224)
<i>Total Revenues</i>	<u>938,656</u>	<u>383,568</u>	<u>(555,088)</u>
<b>Expenditures</b>			
Current:			
Transportation			
Capital Outlay	2,508,689	1,955,805	552,884
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,570,033)</u>	<u>(1,572,237)</u>	<u>(2,204)</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds of Bonds	1,000,000	1,000,000	0
Proceeds of OPWC Loan	211,511	211,511	0
Transfers In	125,000	125,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>1,336,511</u>	<u>1,336,511</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(233,522)	(235,726)	(2,204)
<i>Fund Balance (Deficit) Beginning of Year</i>	5,293	5,293	0
Prior Year Encumbrances Appropriated	418,862	418,862	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 190,633</u>	<u>\$ 188,429</u>	<u>\$ (2,204)</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Obligation Bond Retirement Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Property Taxes	\$ 58,025	\$ 57,814	\$ (211)
Intergovernmental	11,635	8,310	(3,325)
<i>Total Revenues</i>	<u>69,660</u>	<u>66,124</u>	<u>(3,536)</u>
<b>Expenditures</b>			
Current:			
General Government			
Contractual Services	4,600	947	3,653
Debt Service			
Principal Retirement	3,176,300	3,174,728	1,572
Interest and Fiscal Charges	282,183	280,023	2,160
<i>Total Expenditures</i>	<u>3,463,083</u>	<u>3,455,698</u>	<u>7,385</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,393,423)</u>	<u>(3,389,574)</u>	<u>3,849</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds of Bonds	3,577,178	3,577,178	0
Premium on Debt Issued	200,599	200,599	0
Payment to Refunded Bond Escrow Agent	(577,559)	(577,559)	0
Transfers In	321,400	64,798	(256,602)
<i>Total Other Financing Sources (Uses)</i>	<u>3,521,618</u>	<u>3,265,016</u>	<u>(256,602)</u>
<i>Net Change in Fund Balance</i>	128,195	(124,558)	(252,753)
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>489,585</u>	<u>489,585</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 617,780</u>	<u>\$ 365,027</u>	<u>\$ (252,753)</u>



**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Water Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Charges for Services	\$ 2,799,031	\$ 2,747,263	\$ (51,768)
Miscellaneous	100	500	400
<i>Total Revenues</i>	<u>2,799,131</u>	<u>2,747,763</u>	<u>(51,368)</u>
<b>Expenditures</b>			
Salaries and Wages	388,779	343,743	45,036
Fringe Benefits	170,500	123,872	46,628
Contractual Services	2,360,729	1,741,557	619,172
Materials and Supplies	292,616	216,935	75,681
Capital Outlay	95,407	13,503	81,904
Debt Service			
Principal Retirement	535,661	533,793	1,868
Interest and Fiscal Charges	39,299	21,734	17,565
<i>Total Expenditures</i>	<u>3,882,991</u>	<u>2,995,137</u>	<u>887,854</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,083,860)</u>	<u>(247,374)</u>	<u>836,486</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds of Bonds	312,822	312,822	0
Proceeds from Sale of Assets	0	8,492	8,492
Premium on Debt Issuance	9,288	9,288	0
Transfers Out	(864)	(864)	0
<i>Total Other Financing Sources (Uses)</i>	<u>321,246</u>	<u>329,738</u>	<u>8,492</u>
<i>Net Change in Fund Balance</i>	(762,614)	82,364	844,978
<i>Fund Balance (Deficit) Beginning of Year - Restated</i>	1,857,940	1,857,940	0
Prior Year Encumbrances Appropriated	73,389	73,389	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,168,715</u>	<u>\$ 2,013,693</u>	<u>\$ 844,978</u>

*Beginning fund balance was restated to the reclassification of the guarantee deposit fund*

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Sewer Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Charges for Services	\$ 2,576,522	\$ 2,445,811	\$ (130,711)
Miscellaneous	100	64	(36)
<i>Total Revenues</i>	<u>2,576,622</u>	<u>2,445,875</u>	<u>(130,747)</u>
<b>Expenditures</b>			
Salaries and Wages	726,513	677,643	48,870
Fringe Benefits	342,680	249,755	92,925
Contractual Services	759,736	308,705	451,031
Materials and Supplies	671,265	237,654	433,611
Capital Outlay	302,811	138,696	164,115
Debt Service			
Principal Retirement	829,173	827,552	1,621
Interest and Fiscal Charges	139,199	137,176	2,023
<i>Total Expenditures</i>	<u>3,771,377</u>	<u>2,577,181</u>	<u>1,194,196</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,194,755)</u>	<u>(131,306)</u>	<u>1,063,449</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Assets	0	4,394	4,394
Intergovernmental	21,502	21,502	0
Transfers Out	(14,295)	(14,295)	0
<i>Total Other Financing Sources (Uses)</i>	<u>7,207</u>	<u>11,601</u>	<u>4,394</u>
<i>Net Change in Fund Balance</i>	(1,187,548)	(119,705)	1,067,843
<i>Fund Balance (Deficit) Beginning of Year-Restated</i>	2,581,879	2,581,879	0
Prior Year Encumbrances Appropriated	82,278	82,278	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,476,609</u>	<u>\$ 2,544,452</u>	<u>\$ 1,067,843</u>

*Beginning fund balance was restated to the reclassification of the guarantee deposit fund*

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Electric Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Charges for Services	\$ 11,564,485	\$ 12,356,494	\$ 792,009
Miscellaneous	300	1,000	700
<i>Total Revenues</i>	<u>11,564,785</u>	<u>12,357,494</u>	<u>792,709</u>
<b>Expenditures</b>			
Salaries and Wages	607,000	534,157	72,843
Fringe Benefits	295,292	196,307	98,985
Contractual Services	13,296,458	10,545,985	2,750,473
Materials and Supplies	727,256	459,107	268,149
Capital Outlay	98,919	45,646	53,273
Debt Service			
Principal Retirement	364,849	364,833	16
Interest and Fiscal Charges	16,216	16,197	19
<i>Total Expenditures</i>	<u>15,405,990</u>	<u>12,162,232</u>	<u>3,243,758</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,841,205)</u>	<u>195,262</u>	<u>4,036,467</u>
<b>Other Financing Sources (Uses)</b>			
Transfers Out	(609)	(609)	0
<i>Net Change in Fund Balance</i>	(3,841,814)	194,653	4,036,467
<i>Fund Balance (Deficit) Beginning of Year-Restated</i>	5,684,591	5,684,591	0
Prior Year Encumbrances Appropriated	75,773	75,773	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,918,550</u>	<u>\$ 5,955,017</u>	<u>\$ 4,036,467</u>

*Beginning fund balance was restated to the reclassification of the guarantee deposit fund*

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*State Highway Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$ 38,750	\$ 58,975	\$ 20,225
<b>Expenditures</b>			
Current:			
Transportation			
Contractual Services	24,943	19,890	5,053
Materials and Supplies	65,485	14,958	50,527
<i>Total Expenditures</i>	<u>90,428</u>	<u>34,848</u>	<u>55,580</u>
<i>Net Change in Fund Balance</i>	(51,678)	24,127	75,805
<i>Fund Balance (Deficit) Beginning of Year</i>	50,736	50,736	0
Prior Year Encumbrances Appropriated	8,743	8,743	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 7,801</u>	<u>\$ 83,606</u>	<u>\$ 75,805</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Maintenance and Repair Permissive Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$ 64,000	\$ 133,798	\$ 69,798
<b>Expenditures</b>			
Current:			
Transportation			
Capital Outlay	150,000	124,540	25,460
Debt Service			
Principal Retirement	20,000	19,389	611
Interest and Fiscal Charges	6,100	0	6,100
<i>Total Debt Service</i>	<u>26,100</u>	<u>19,389</u>	<u>6,711</u>
<i>Total Expenditures</i>	<u>176,100</u>	<u>143,929</u>	<u>32,171</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(112,100)</u>	<u>(10,131)</u>	<u>101,969</u>
<b>Other Financing Sources (Uses)</b>			
Transfers Out	(5,100)	(984)	4,116
<i>Net Change in Fund Balance</i>	(117,200)	(11,115)	106,085
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>152,102</u>	<u>152,102</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 34,902</u>	<u>\$ 140,987</u>	<u>\$ 106,085</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Park and Pool Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Property Taxes	\$ 37,500	\$ 40,120	\$ 2,620
Charges for Services	75,500	82,388	6,888
Rent	3,000	7,380	4,380
Miscellaneous	4,750	5,643	893
<i>Total Revenues</i>	<u>120,750</u>	<u>135,531</u>	<u>14,781</u>
<b>Expenditures</b>			
Current:			
Leisure Time Activities			
Salaries and Wages	126,063	95,880	30,183
Fringe Benefits	22,700	14,357	8,343
Contractual Services	13,200	8,791	4,409
Materials and Supplies	19,120	10,712	8,408
<i>Total Expenditures</i>	<u>181,083</u>	<u>129,740</u>	<u>51,343</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(60,333)</u>	<u>5,791</u>	<u>66,124</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	<u>10,000</u>	<u>10,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(50,333)	15,791	66,124
<i>Fund Balance (Deficit) Beginning of Year</i>	61,639	61,639	0
Prior Year Encumbrances Appropriated	<u>197</u>	<u>197</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 11,503</u>	<u>\$ 77,627</u>	<u>\$ 66,124</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Office on Aging Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Charges for Services	\$ 28,500	\$ 22,837	\$ (5,663)
Contributions and Donations	50	109	59
Interest	100	189	89
Miscellaneous	1,250	1,784	534
<i>Total Revenues</i>	<u>29,900</u>	<u>24,919</u>	<u>(4,981)</u>
<b>Expenditures</b>			
Current:			
Public Health and Welfare			
Salaries and Wages	54,168	40,627	13,541
Fringe Benefits	8,100	5,524	2,576
Contractual Services	38,870	21,386	17,484
Materials and Supplies	5,850	3,392	2,458
Capital Outlay	26,000	19,284	6,716
<i>Total Expenditures</i>	<u>132,988</u>	<u>90,213</u>	<u>42,775</u>
<i>Net Change in Fund Balance</i>	(103,088)	(65,294)	37,794
<i>Fund Balance (Deficit) Beginning of Year</i>	147,138	147,138	0
Prior Year Encumbrances Appropriated	1,849	1,849	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 45,899</u>	<u>\$ 83,693</u>	<u>\$ 37,794</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Planning Commission Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Charges for Services	\$ 55,000	\$ 78,100	\$ 23,100
<b>Expenditures</b>			
Current:			
Community Development			
Contractual Services	40,000	0	40,000
Capital Outlay	174,000	0	174,000
<i>Total Expenditures</i>	<u>214,000</u>	<u>0</u>	<u>214,000</u>
<i>Net Change in Fund Balance</i>	(159,000)	78,100	237,100
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>279,837</u>	<u>279,837</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 120,837</u>	<u>\$ 357,937</u>	<u>\$ 237,100</u>



**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Park Trust Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Rent	\$ 45,000	\$ 25,000	\$ (20,000)
Miscellaneous	17,750	25,205	7,455
<i>Total Revenues</i>	<u>62,750</u>	<u>50,205</u>	<u>(12,545)</u>
<b>Expenditures</b>			
Current:			
Leisure Time Activities			
Contractual Services	91,950	86,788	5,162
Capital Outlay	90,000	53,035	36,965
<i>Total Expenditures</i>	<u>181,950</u>	<u>139,823</u>	<u>42,127</u>
<i>Net Change in Fund Balance</i>	(119,200)	(89,618)	29,582
<i>Fund Balance (Deficit) Beginning of Year</i>	335,967	335,967	0
Prior Year Encumbrances Appropriated	610	610	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 217,377</u>	<u>\$ 246,959</u>	<u>\$ 29,582</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*FEMA Grant Fund*  
*For the Year Ended December 31, 2019*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues</b>			
Intergovernmental	\$ 378,396	\$ 313,396	\$ (65,000)
<b>Expenditures</b>			
Capital Outlay	378,396	313,396	65,000
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) Beginning of Year</i>	0	0	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Assistance to Firefighters Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Materials and Supplies	\$ 1,793	\$ 0	\$ 1,793
<i>Net Change in Fund Balance</i>	(1,793)	0	1,793
<i>Fund Balance (Deficit) Beginning of Year</i>	1,793	1,793	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 0	\$ 1,793	\$ 1,793

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Cable Television Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Expenditures</b>			
Current:			
General Government			
Contractual Services	\$ 102,600	\$ 45,358	\$ 57,242
Materials and Supplies	11,000	2,940	8,060
Capital Outlay	216,840	213,909	2,931
Debt Service			
Principal Retirement	14,600	14,600	0
<i>Total Expenditures</i>	<u>345,040</u>	<u>276,807</u>	<u>68,233</u>
<i>Net Change in Fund Balance</i>	(345,040)	(276,807)	68,233
<i>Fund Balance (Deficit) Beginning of Year</i>	296,993	296,993	0
Prior Year Encumbrances Appropriated	<u>57,667</u>	<u>57,667</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 9,620</u>	<u>\$ 77,853</u>	<u>\$ 68,233</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*CPT Grant Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Expenditures</b>			
Current:			
Community Environment			
Capital Outlay	\$ 15,000	\$ 0	\$ 15,000
<i>Net Change in Fund Balance</i>	(15,000)	0	15,000
<i>Fund Balance (Deficit) Beginning of Year</i>	16,505	16,505	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 1,505	\$ 16,505	\$ 15,000

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Law Enforcement Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Charges for Services	\$ 6,500	\$ 10,880	\$ 4,380
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Capital Outlay	62,750	28,559	34,191
<i>Net Change in Fund Balance</i>	(56,250)	(17,679)	38,571
<i>Fund Balance (Deficit) Beginning of Year</i>	62,581	62,581	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 6,331	\$ 44,902	\$ 38,571

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Drug Law Enforcement Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 50	\$ 0	\$ (50)
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Capital Outlay	8,050	0	8,050
<i>Net Change in Fund Balance</i>	(8,000)	0	8,000
<i>Fund Balance (Deficit) Beginning of Year</i>	9,341	9,341	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 1,341	\$ 9,341	\$ 8,000

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*DUI Enforcement Fund*  
*For the Year Ended December 31, 2019*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues</b>			
Fines and Forfeitures	\$ 1,100	\$ 1,489	\$ 389
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Capital Outlay	9,100	0	9,100
<i>Net Change in Fund Balance</i>	(8,000)	1,489	9,489
<i>Fund Balance (Deficit) Beginning of Year</i>	12,129	12,129	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 4,129</u>	<u>\$ 13,618</u>	<u>\$ 9,489</u>



**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Bullet Proof Vest Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$ 2,000	\$ 2,137	\$ 137
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Fringe Benefits	2,500	0	2,500
<i>Net Change in Fund Balance</i>	(500)	2,137	2,637
<i>Fund Balance (Deficit) Beginning of Year</i>	605	605	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 105	\$ 2,742	\$ 2,637

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Disabled Parking Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Materials and Supplies	\$ 250	\$ 0	\$ 250
<i>Net Change in Fund Balance</i>	(250)	0	250
<i>Fund Balance (Deficit) Beginning of Year</i>	250	250	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 0	\$ 250	\$ 250

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Housing Program Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Interest	\$ 325	\$ 705	\$ 380
<i>Net Change in Fund Balance</i>	325	705	380
<i>Fund Balance (Deficit) Beginning of Year</i>	34,752	34,752	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 35,077	\$ 35,457	\$ 380

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Community Improvement Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Contractual Services	\$ 37,200	\$ 0	\$ 37,200
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Assets	0	107,517	107,517
<i>Net Change in Fund Balance</i>	(37,200)	107,517	144,717
<i>Fund Balance (Deficit) Beginning of Year</i>	37,300	37,300	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 100	\$ 144,817	\$ 144,717

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Opening Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Expenditures</b>			
Current:			
Transportation			
Contractual Services	\$ 2,000	\$ 0	\$ 2,000
<i>Net Change in Fund Balance</i>	(2,000)	0	2,000
<i>Fund Balance (Deficit) Beginning of Year (Restated)</i>	8,342	8,342	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 6,342	\$ 8,342	\$ 2,000

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Apparatus Levy Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Property and Other Taxes	\$ 254,688	\$ 251,473	\$ (3,215)
Intergovernmental	35,000	37,328	2,328
<i>Total Revenues</i>	<u>289,688</u>	<u>288,801</u>	<u>(887)</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Contractual Services	15,800	6,568	9,232
Materials and Supplies	112,568	57,985	54,583
Capital Outlay	285,075	199,659	85,416
<i>Total Expenditures</i>	<u>413,443</u>	<u>264,212</u>	<u>149,231</u>
<i>Net Change in Fund Balance</i>	(123,755)	24,589	148,344
<i>Fund Balance (Deficit) Beginning of Year</i>	524,722	524,722	0
Prior Year Encumbrances Appropriated	<u>3,105</u>	<u>3,105</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 404,072</u>	<u>\$ 552,416</u>	<u>\$ 148,344</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*CDBG Improvements Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<i>Net Change in Fund Balance</i>	\$ 0	\$ 0	\$ 0
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>1,385</u>	<u>1,385</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,385</u>	<u>\$ 1,385</u>	<u>\$ 0</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Improvement Fund*  
*For the Year Ended December 31, 2019*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Assets	\$ 0	\$ 430,067	\$ 430,067
<i>Net Change in Fund Balance</i>	0	430,067	430,067
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 0</u>	<u>\$ 430,067</u>	<u>\$ 430,067</u>



**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Lorain County CDBG Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<i>Net Change in Fund Balance</i>	\$ 0	\$ 0	\$ 0
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>8,514</u>	<u>8,514</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 8,514</u></u>	<u><u>\$ 8,514</u></u>	<u><u>\$ 0</u></u>

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*City Hall Auditorium Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Interest	\$ 1,000	\$ 2,513	\$ 1,513
<b>Expenditures</b>			
Current:			
General Government			
Contractual Services	25,000	0	25,000
Materials and Supplies	20,000	0	20,000
Capital Outlay	50,000	0	50,000
<i>Total Expenditures</i>	<u>95,000</u>	<u>0</u>	<u>95,000</u>
<i>Net Change in Fund Balance</i>	(94,000)	2,513	96,513
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>123,910</u>	<u>123,910</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 29,910</u>	<u>\$ 126,423</u>	<u>\$ 96,513</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Cemetery Trust Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Interest	\$ 40	\$ 90	\$ 50
<b>Expenditures</b>			
Current:			
Public Health			
Capital Outlay	1,500	0	1,500
<i>Net Change in Fund Balance</i>	(1,460)	90	1,550
<i>Fund Balance (Deficit) Beginning of Year</i>	4,357	4,357	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 2,897	\$ 4,447	\$ 1,550

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Health Insurance Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Charges for Services	\$ 1,425,000	\$ 1,135,688	\$ (289,312)
<b>Expenditures</b>			
Claims	1,180,000	715,444	464,556
Contractual Services	489,700	348,325	141,375
<i>Total Expenditures</i>	<u>1,669,700</u>	<u>1,063,769</u>	<u>605,931</u>
<i>Net Change in Fund Balance</i>	(244,700)	71,919	316,619
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>265,510</u>	<u>265,510</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 20,810</u>	<u>\$ 337,429</u>	<u>\$ 316,619</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Municipal Income Tax Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Municipal Income Taxes	\$ 2,645,000	\$ 3,106,326	\$ 461,326
<b>Expenditures</b>			
Current:			
Legislative and Executive			
Salaries and Wages	88,160	68,451	19,709
Fringe Benefits	38,500	23,683	14,817
Contractual Services	76,042	26,559	49,483
Materials and Supplies	16,014	11,403	4,611
<i>Total Expenditures</i>	<u>218,716</u>	<u>130,096</u>	<u>88,620</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,426,284</u>	<u>2,976,230</u>	<u>549,946</u>
<b>Other Financing Sources (Uses)</b>			
Transfers Out	<u>(3,835,352)</u>	<u>(3,252,500)</u>	<u>582,852</u>
<i>Net Change in Fund Balance</i>	(1,409,068)	(276,270)	1,132,798
<i>Fund Balance (Deficit) Beginning of Year</i>	2,424,675	2,424,675	0
Prior Year Encumbrances Appropriated	<u>9,373</u>	<u>9,373</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,024,980</u>	<u>\$ 2,157,778</u>	<u>\$ 1,132,798</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Downtown Director Fund*  
*For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget
<b>Expenditures</b>			
Current:			
General Government			
Contractual Services	\$ 10,000	\$ 10,000	\$ 0
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(10,000)</u>	<u>(10,000)</u>	<u>0</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	<u>10,000</u>	<u>10,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

# **STATISTICAL SECTION**





## Statistical Section

This part of the City of Amherst, Lorain County'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.

<u>Contents</u>	<u>Page(s)</u>
<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S-2 - S-11
<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax, and the municipal income tax.	S-12 - S-21
<b>Debt Capacity</b>	
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S-22 - S-30
<b>Economic and Demographic Information</b>	
These schedules offer economic and demographic indicators 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.	S-31 - S-33
<b>Operating Information</b>	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the service the City provides and the activities it performs.	S-34 - S-41

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

### NOTE:

With the implementation of GASB No. 54 for 2011, there have been minor reclassifications of funds (example special revenue funds consolidated with the general fund for GAAP purposes). Prior year amounts have not been adjusted to reflect this change.

During 2013, the City implemented GASB 65. Prior year amounts have not been adjusted to reflect this change.

With the implementation of GASB 68 in 2015, the calculation of pension expense has changed; however, government-wide expenses for 2014 and prior years were not restated to reflect this change.

With the implementation of GASB 75 in 2018, the calculation of pension expense has changed; however, government-wide expenses for 2017 and prior years were not restated to reflect this change.

With the implementation of GASB 84 in 2019, there have been reclassifications of funds, agency funds have been reclassified

**City of Amherst**  
**Lorain County, Ohio**  
*Net Position By Component*  
*Last Ten Years*  
*(Accrual Basis of Accounting)*

	2019	2018 (5)	2017 (4)	2016
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$ 28,543,807	\$ 26,951,753	\$ 27,407,624	\$ 25,702,950
Restricted:				
Capital Projects	2,834,329	305,344	1,470,815	2,060,450
Debt Service	369,888	225,016	472,330	491,725
Other Purposes	3,111,357	849,843	2,016,303	2,063,453
Unrestricted	<u>(3,054,030)</u>	<u>(1,714,461)</u>	<u>(5,659,439)</u>	<u>(92,892)</u>
<i>Total Governmental Activities Net Position</i>	<u>\$ 31,805,351</u>	<u>\$ 26,617,495</u>	<u>\$ 25,707,633</u>	<u>\$ 30,225,686</u>
<b>Business Type - Activities</b>				
Net Investment in Capital Assets	\$ 14,930,775	\$ 16,044,057	\$ 13,495,776	\$ 15,892,973
Restricted:				
Unrestricted	<u>7,927,975</u>	<u>7,367,458</u>	<u>12,524,461</u>	<u>11,140,754</u>
<i>Total Business-Type Activities Net Position</i>	<u>\$ 22,858,750</u>	<u>\$ 23,411,515</u>	<u>\$ 26,020,237</u>	<u>\$ 27,033,727</u>
<b>Primary Government</b>				
Net Investment in Capital Assets	\$ 43,474,582	\$ 42,995,810	\$ 40,903,400	\$ 41,595,923
Restricted	6,315,574	1,380,203	3,959,448	4,615,628
Unrestricted	<u>4,873,945</u>	<u>5,652,997</u>	<u>6,865,022</u>	<u>11,047,862</u>
<i>Total Primary Government Net Position</i>	<u>\$ 54,664,101</u>	<u>\$ 50,029,010</u>	<u>\$ 51,727,870</u>	<u>\$ 57,259,413</u>

Note: (1) As Restated in 2012 CAFR  
(2) 2014 figures were adjusted to reflect a prior period adjustment and the implementation of GASB Statement No. 68  
(3) As Restated in 2016 CAFR  
(4) 2017 figures were adjusted to reflect a prior period adjustment and the implementation of GASB Statement No. 75  
(5) 2018 figures were adjusted for the implementation of GASB Statement No. 84 and a correction to business type accounts receivable

Source: Respective comprehensive annual financial statements

2015 (3)	2014 (2)	2013	2012	2011 (1)	2010
\$ 24,654,542	\$ 23,854,006	\$ 23,140,628	\$ 21,025,115	\$ 21,005,542	\$ 19,761,957
2,628,512	2,978,910	3,724,617	5,301,032	4,892,597	5,203,193
471,269	451,068	415,979	415,822	428,456	409,208
2,084,727	2,133,163	2,366,263	2,422,760	2,434,810	1,637,405
(289,662)	(1,336,068)	3,408,642	3,215,419	2,751,516	4,434,550
<u>\$ 29,549,388</u>	<u>\$ 28,081,079</u>	<u>\$ 33,056,129</u>	<u>\$ 32,380,148</u>	<u>\$ 31,512,921</u>	<u>\$ 31,446,313</u>
\$ 15,139,933	\$ 13,696,676	\$ 13,244,106	\$ 12,322,668	\$ 12,329,752	\$ 12,497,793
10,670,782	12,203,322	13,358,229	13,354,631	13,018,446	12,643,263
<u>\$ 25,810,715</u>	<u>\$ 25,899,998</u>	<u>\$ 26,602,335</u>	<u>\$ 25,677,299</u>	<u>\$ 25,348,198</u>	<u>\$ 25,141,056</u>
\$ 39,794,475	\$ 37,550,682	\$ 36,384,734	\$ 33,347,783	\$ 33,335,294	\$ 32,259,750
5,184,508	5,563,141	6,506,859	8,139,614	7,755,863	7,249,806
10,381,120	10,867,254	16,766,871	16,570,050	15,769,962	17,077,813
<u>\$ 55,360,103</u>	<u>\$ 53,981,077</u>	<u>\$ 59,658,464</u>	<u>\$ 58,057,447</u>	<u>\$ 56,861,119</u>	<u>\$ 56,587,369</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Changes in Net Position*  
*Last Ten Years*  
*(Accrual Basis of Accounting)*

	2019	2018 (5)	2017 (4)	2016
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
General Government	\$ 559,367	\$ 357,897	\$ 123,376	\$ 99,634
Security of Persons and Property	203,442	158,580	389,902	351,526
Public Health	33,562	58,998	23,237	25,693
Leisure Time Services	114,768	146,416	44,954	41,285
Community Development	399,352	504,386	29,954	23,268
Transportation	2,683	3,467	276,881	252,255
Charges for Services	<u>1,313,174</u>	<u>1,229,744</u>	<u>888,304</u>	<u>793,661</u>
Operating Grants and Contributions:				
General Government	705	1,000	64,482	15,960
Security of Persons and Property	315,533	3,631	0	0
Public Health	298	462	41,338	42,789
Leisure Time Services	20,525	22,880	105,500	83,280
Community Development	0	570	17,674	12,696
Transportation	1,283,614	710,050	649,788	508,850
Operating Grants and Contributions	<u>1,620,675</u>	<u>738,593</u>	<u>878,782</u>	<u>663,575</u>
Capital Grants and Contributions:				
General Government	2,513	2,036	0	0
Security of Persons and Property	51,993	0	132,553	269,909
Community Development	0	0	0	0
Transportation	583,568	687,836	74,004	105,234
Interest and Fiscal Charges	0	0	0	0
Capital Grants and Contributions	<u>638,074</u>	<u>689,872</u>	<u>206,557</u>	<u>375,143</u>
<i>Total Governmental Activities Program Revenues</i>	<u>3,571,923</u>	<u>2,658,209</u>	<u>1,973,643</u>	<u>1,832,379</u>
Business-Type Activities:				
Charges for Services:				
Water	2,659,424	2,718,330	2,733,616	2,843,667
Sewer	2,369,394	2,514,083	2,541,257	2,539,901
Electric	12,723,834	13,140,074	11,278,639	11,622,572
Charges for Services	<u>17,752,652</u>	<u>18,372,487</u>	<u>16,553,512</u>	<u>17,006,140</u>
<i>Total Business-Type Activities Program Revenues</i>	<u>17,752,652</u>	<u>18,372,487</u>	<u>16,553,512</u>	<u>17,006,140</u>
<i>Total Primary Government Program Revenues</i>	<u>\$ 21,324,575</u>	<u>\$ 21,030,696</u>	<u>\$ 18,527,155</u>	<u>\$ 18,838,519</u>
<b>Expenses</b>				
Governmental Activities:				
General Government	\$ 1,871,280	\$ 1,742,024	\$ 1,502,606	\$ 1,437,645
Security of Persons and Property	1,950,830	4,446,577	4,336,337	4,454,885
Public Health	133,848	143,041	135,452	141,227
Leisure Time Services	246,476	240,726	195,778	178,348
Community Development	311,425	254,816	297,380	247,036
Transportation	2,976,629	2,863,302	2,763,104	2,307,241
Interest and Fiscal Charges	97,697	18,075	51,721	64,070
<i>Total Governmental Activities Expenses</i>	<u>7,588,185</u>	<u>9,708,561</u>	<u>9,282,378</u>	<u>8,830,452</u>
Business-Type Activities				
Water	\$ 2,676,218	\$ 2,907,990	\$ 2,489,437	\$ 2,676,933
Sewer	2,453,277	3,332,913	2,780,366	2,259,411
Electric	13,192,995	13,634,957	11,574,181	11,346,328
<i>Total Business-Type Activities Expenses</i>	<u>18,322,490</u>	<u>19,875,860</u>	<u>16,843,984</u>	<u>16,282,672</u>
<i>Total Primary Government Program Expenses</i>	<u>25,910,675</u>	<u>29,584,421</u>	<u>26,126,362</u>	<u>25,113,124</u>

2015 (3)	2014	2013	2012	2011	2010
\$ 74,731	\$ 100,204	\$ 74,303	\$ 75,126	\$ 75,132	\$ 63,034
274,514	354,249	296,483	310,235	232,392	268,332
22,724	28,156	30,555	39,086	32,117	22,630
37,214	46,481	42,691	55,850	46,043	28,876
13,584	17,319	14,017	11,165	6,069	9,454
214,341	222,274	199,224	298,986	237,537	143,830
637,108	768,683	657,273	790,448	629,290	536,156
27,555	41,121	29,497	30,039	45,692	43,355
3,703	10,062	7,462	2,001	3,121	10,348
48,452	48,916	62,369	57,057	50,963	71,669
92,918	96,112	99,705	89,394	80,713	108,149
2,836	0	2,604	5,123	0	9,306
535,172	455,677	465,290	478,569	416,398	538,701
710,636	651,888	666,927	662,183	596,887	781,528
0	0	0	0	0	0
160,015	62,340	57,731	10,586	61,140	4,316
0	23,759	1,237	0	5,422	0
62,986	114,089	155,995	33,547	265,455	12,590
0	0	0	0	0	0
223,001	200,188	214,963	44,133	332,017	16,906
1,570,745	1,620,759	1,539,163	1,496,764	1,558,194	1,334,590
2,772,009	2,944,542	2,833,901	2,758,514	2,324,385	2,752,551
2,481,044	2,512,968	2,517,070	2,624,620	2,443,723	2,399,136
10,612,139	11,008,886	10,797,108	10,260,109	10,274,294	10,029,935
15,865,192	16,466,396	16,148,079	15,643,243	15,042,402	15,181,622
15,865,192	16,466,396	16,148,079	15,643,243	15,042,402	15,181,622
\$ 17,435,937	\$ 18,087,155	\$ 17,687,242	\$ 17,140,007	\$ 16,600,596	\$ 16,516,212
\$ 1,045,731	\$ 1,284,075	\$ 1,161,096	\$ 1,142,487	\$ 1,253,538	\$ 1,167,524
3,419,372	3,858,130	3,812,406	3,622,582	3,630,708	3,685,288
119,309	160,129	166,722	180,141	182,119	181,171
141,268	217,490	187,167	195,425	208,193	192,890
160,500	263,640	209,047	138,690	120,958	136,730
2,095,314	2,272,946	2,132,285	2,058,750	2,158,982	2,153,207
76,020	102,505	128,543	133,033	156,333	143,550
7,057,514	8,158,915	7,797,266	7,471,108	7,710,831	7,660,360
\$ 2,620,169	\$ 2,810,984	\$ 2,774,393	\$ 2,864,731	\$ 2,455,719	\$ 2,535,722
2,646,293	2,518,925	2,338,324	2,457,752	2,211,743	2,455,905
11,131,893	10,670,785	10,115,871	10,006,040	9,533,399	9,252,218
16,398,355	16,000,694	15,228,588	15,328,523	14,200,861	14,243,845
23,455,869	24,159,609	23,025,854	22,799,631	21,911,692	21,904,205

**City of Amherst**  
**Lorain County, Ohio**  
*Changes in Net Position*  
*Last Ten Years*  
*(Accrual Basis of Accounting)*

	2019	2018 (5)	2017 (4)	2016
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(4,016,262)	(7,050,352)	(7,308,735)	(6,998,073)
Business-Type Activities	(569,838)	(1,503,373)	(290,472)	723,468
<i>Total Primary Government Net Expense</i>	<u>(4,586,100)</u>	<u>(8,553,725)</u>	<u>(7,599,207)</u>	<u>(6,274,605)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities				
Taxes:				
Property and Other Local Taxes Levied For:				
General Purposes	\$ 866,885	\$ 818,103	\$ 796,994	\$ 819,592
Other Purposes	57,802	254,452	247,386	253,969
Debt Service	250,939	208,414	209,674	166,128
Municipal Income Taxes Levied for:				
General Purposes	4,451,137	4,211,920	4,331,230	4,384,870
Capital Outlay	1,391,955	1,304,384	1,001,632	1,368,306
Grants and Entitlements not Restricted to				
Specific Programs	380,540	390,064	390,353	417,401
Investment Income	704,076	189,612	181,928	177,499
Kilowatt Taxes (1) (2)	489,859	485,276	465,782	494,928
Miscellaneous	595,157	47,926	75,726	45,335
Transfers	15,768	0	(395,752)	(453,657)
<i>Total Governmental Activities</i>	<u>9,204,118</u>	<u>7,910,151</u>	<u>7,304,953</u>	<u>7,674,371</u>
Business-Type Activities				
Miscellaneous	32,841	33,057	58,433	45,887
Transfers	(15,768)	0	395,752	453,657
<i>Total Business-Type Activities</i>	<u>17,073</u>	<u>33,057</u>	<u>454,185</u>	<u>499,544</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>9,221,191</u>	<u>7,943,208</u>	<u>7,759,138</u>	<u>8,173,915</u>
<b>Change in Net Position</b>				
Governmental Activities	5,187,856	859,799	(3,782)	676,298
Business-Type Activities	(552,765)	(1,470,316)	163,713	1,223,012
<i>Total Primary Government Change in Net Position</i>	<u>\$ 4,635,091</u>	<u>\$ (610,517)</u>	<u>\$ 159,931</u>	<u>\$ 1,899,310</u>

Source: Respective comprehensive annual financial reports.

- Note:
- (1) 2012 was the first year that other taxes were reported separately.
  - (2) 2015 was the first year that Kilowatt taxes were reported as part of other taxes.
  - (3) Restated in 2016 CAFR
  - (4) With the implementation of GASB 75 in 2018, the calculation of pension expense has changed; however, government-wide expenses for 2017 and prior years were not restated to reflect this change.
  - (5) With the implementation of GASB 84 in 2019, certain activity previously reported as fiduciary is now reported as governmental, however, government-wide activity for 2018 and prior years were not restated to reflect this change. Additionally, accounts receivable in business type activities were restated for 2018, however business type revenue for 2018 and prior years were not restated to reflect this change.

2015 (3)	2014	2013	2012	2011	2010
(5,486,769)	(6,538,156)	(6,258,103)	(5,974,344)	(6,152,637)	(6,325,770)
(533,163)	465,702	919,491	314,720	841,541	937,777
(6,019,932)	(6,072,454)	(5,338,612)	(5,659,624)	(5,311,096)	(5,387,993)
\$ 773,328	\$ 775,076	\$ 794,868	\$ 821,602	\$ 895,499	\$ 936,250
240,109	240,094	240,148	239,478	244,633	256,654
175,351	183,582	186,950	196,464	201,799	208,017
3,808,844	3,579,967	3,668,851	3,347,157	3,055,377	2,968,455
1,227,654	1,165,593	1,226,500	1,130,048	975,915	961,087
528,279	653,965	631,703	896,214	670,001	694,228
98,770	53,622	47,471	49,631	89,343	78,161
483,353	41,274	43,701	48,618	0	0
60,962	86,887	93,892	112,359	86,678	211,979
(441,572)	0	0	0	0	0
6,955,078	6,780,060	6,934,084	6,841,571	6,219,245	6,314,831
2,308	2,919	5,545	14,381	21,914	91,956
441,572	0	0	0	0	0
443,880	2,919	5,545	14,381	21,914	91,956
7,398,958	6,782,979	6,939,629	6,855,952	6,241,159	6,406,787
1,468,309	241,904	675,981	867,227	66,608	(10,939)
(89,283)	468,621	925,036	329,101	863,455	1,029,733
\$ 1,379,026	\$ 710,525	\$ 1,601,017	\$ 1,196,328	\$ 930,063	\$ 1,018,794

**City of Amherst**  
**Lorain County, Ohio**  
*Fund Balances of Governmental Funds*  
*Last Ten Years*  
*(Modified Accrual Basis of Accounting)*

	2019	2018 (2)	2017	2016
<b>General Fund</b>				
Reserved	\$ 0	\$ 0	\$ 0	\$ 0
Unreserved	0	0	0	0
Nonspendable	245,849	227,020	217,372	184,812
Committed	32,949	37,364	0	0
Assigned	2,211,758	1,183,756	873,135	951,279
Unassigned	2,235,996	3,022,392	2,751,734	1,917,879
<b>Total General Fund</b>	<u>4,726,552</u>	<u>4,470,532</u>	<u>3,842,241</u>	<u>3,053,970</u>
<b>All Other Governmental Funds</b>				
Reserved	0	0	0	0
Unreserved, Undesignated, Reported in:				
Special Revenue funds	0	0	0	0
Debt Service funds	0	0	0	0
Capital Projects funds	0	0	0	0
Nonspendable	130,720	116,637	76,373	484,896
Committed	144,817	37,300	37,200	49,000
Restricted	5,181,272	4,876,409	4,384,869	4,597,699
Unassigned	0	0	(320,968)	(213,152)
<b>Total All Other Governmental Funds</b>	<u>5,456,809</u>	<u>5,030,346</u>	<u>4,177,474</u>	<u>4,918,443</u>
<b>Total Governmental Funds</b>	<u>\$ 10,183,361</u>	<u>\$ 9,500,878</u>	<u>\$ 8,019,715</u>	<u>\$ 7,972,413</u>

Note:

- (1) Change in Accounting Principles - Implementation of GASB 54
- (2) Change in Accounting Principles - Implementation of GASB 84

Source: Respective comprehensive annual financial reports.



2015	2014	2013	2012	2011 (1)	2010
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 74,392
0	0	0	0	0	2,188,112
184,842	168,395	163,773	154,041	153,001	0
0	0	0	0	0	0
52,459	117,607	7,206	16,106	74,755	0
2,581,075	2,253,996	2,355,339	2,295,875	2,096,842	0
2,818,376	2,539,998	2,526,318	2,466,022	2,324,598	2,262,504
0	0	0	0	0	707,709
0	0	0	0	0	2,238,470
0	0	0	0	0	408,420
0	0	0	0	0	5,109,556
93,080	91,394	65,387	82,491	73,462	0
49,000	50,000	50,000	50,000	0	0
5,132,368	5,402,063	6,195,815	7,891,108	7,547,819	0
0	0	0	0	0	0
5,274,448	5,543,457	6,311,202	8,023,599	7,621,281	8,464,155
\$ 8,092,824	\$ 8,083,455	\$ 8,837,520	\$ 10,489,621	\$ 9,945,879	\$ 10,726,659

**City of Amherst**  
**Lorain County, Ohio**  
*Changes in Fund Balances of Governmental Funds*  
*Last Ten Years*  
*(Modified Accrual Basis of Accounting)*

	2019	2018	2017	2016
<b>Revenues</b>				
Property and Other Local Taxes	\$ 1,215,089	\$ 1,319,116	\$ 1,295,873	\$ 1,285,633
Municipal Income Taxes	5,590,021	5,507,134	5,530,201	5,323,244
Kilowatt Taxes (1)	451,268	442,057	425,036	453,657
Special Assessments	58,136	5,293	0	0
Charges for Services	570,836	474,295	380,009	339,424
Fees, Licenses and Permits	667,373	614,363	471,668	407,343
Fines and Forfeitures	32,885	27,699	36,627	46,893
Intergovernmental Revenue	2,066,140	1,827,458	1,472,801	1,451,150
Interest	707,483	192,680	181,928	177,499
Contributions and Donations	200,109	0	0	0
Miscellaneous	90,484	129,141	65,418	45,335
<i>Total Revenues</i>	<u>11,649,824</u>	<u>10,539,236</u>	<u>9,859,561</u>	<u>9,530,178</u>
<b>Expenditures</b>				
Current:				
General Government	1,269,663	1,268,595	1,084,465	1,141,232
Security of Persons and Property	4,133,602	3,999,140	3,589,377	3,717,047
Public Health	120,337	134,471	128,579	140,557
Leisure Time Services	213,475	197,981	151,903	157,568
Community Development	274,345	257,944	270,802	240,925
Transportation	1,090,025	1,413,215	1,002,955	931,659
Capital Outlay	5,361,062	4,778,178	3,036,054	2,530,439
Debt Service:				
Principal Retirement	3,377,299	453,817	392,399	365,079
Interest and Fiscal Charges	290,737	20,111	52,611	64,912
Current Refunding Escrow	85,000	0	0	0
<i>Total Expenditures</i>	<u>16,215,545</u>	<u>12,523,452</u>	<u>9,709,145</u>	<u>9,289,418</u>
<i>Excess of Revenues Over</i> <i>(Under) Expenditures</i>	<u>(4,565,721)</u>	<u>(1,984,216)</u>	<u>150,416</u>	<u>240,760</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Assets	537,584	592	16,738	0
Refunding Bonds Issued	4,577,178	0	0	0
Notes Issued	211,511	3,000,000	0	0
Premium on Debt Issuance	200,599	0	0	0
Other Financing Sources	0	244,286	275,900	92,486
Payment to Refunding Bond Escrow Agent	(577,559)	0	0	0
Inception of Capital Lease	283,123	170,438	0	0
Transfers In	1,721,166	784,585	399,117	576,277
Transfers Out	(1,705,398)	(784,585)	(794,869)	(1,029,934)
<i>Total Other Financing Sources (Uses)</i>	<u>5,248,204</u>	<u>3,415,316</u>	<u>(103,114)</u>	<u>(361,171)</u>
<i>Net Change in Fund Balances</i>	<u>\$ 682,483</u>	<u>\$ 1,431,100</u>	<u>\$ 47,302</u>	<u>\$ (120,411)</u>
Debt Service as a Percentage of Noncapital Expenditures	33%	6%	7%	6%

Source: Respective comprehensive annual financial reports.

(1) Fiscal year 2015 was the first year that this revenue category was reported.

	2015	2014	2013	2012	2011	2010
\$	1,237,617	\$ 1,238,339	\$ 1,246,626	\$ 1,308,812	\$ 1,341,406	\$ 1,395,354
	5,283,218	4,732,241	4,710,526	4,119,912	4,241,385	4,032,726
	441,572	0	0	0	0	0
	0	0	0	0	0	0
	330,066	400,023	313,445	371,670	274,819	306,221
	264,326	302,645	274,271	320,963	298,857	156,399
	42,716	66,015	69,557	97,815	55,614	73,536
	1,440,020	1,495,492	1,506,580	1,592,383	1,633,485	1,490,940
	98,770	53,622	47,471	49,631	89,343	78,161
	4,615	33,906	14,645	18,515	10,331	19,522
	53,427	59,826	85,653	109,109	82,382	192,457
	<u>9,196,347</u>	<u>8,382,109</u>	<u>8,268,774</u>	<u>7,988,810</u>	<u>8,027,622</u>	<u>7,745,316</u>
	1,085,642	1,091,763	995,678	975,841	1,064,572	965,526
	3,548,118	3,609,814	3,558,898	3,494,924	3,337,281	3,356,393
	135,856	156,262	163,029	166,855	169,824	177,478
	156,258	198,148	167,203	174,434	189,708	175,803
	216,651	263,640	209,047	138,690	120,958	136,730
	917,677	1,161,236	1,073,319	1,176,587	1,117,085	1,099,304
	2,565,017	2,314,792	3,622,695	900,285	2,367,753	1,707,790
	333,008	327,915	342,826	332,352	315,308	305,308
	76,837	81,323	88,180	97,980	125,913	116,905
	0	0	0	0	0	0
	<u>9,035,064</u>	<u>9,204,893</u>	<u>10,220,875</u>	<u>7,457,948</u>	<u>8,808,402</u>	<u>8,041,237</u>
	161,283	(822,784)	(1,952,101)	530,862	(780,780)	(295,921)
	12,356	0	0	0	0	0
	0	0	0	0	0	0
	73,000	0	0	0	0	0
	0	0	0	0	0	0
	204,302	68,719	300,000	12,880	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	390,000	485,000	577,800	520,000	575,711	773,461
	(831,572)	(485,000)	(577,800)	(520,000)	(575,711)	(773,461)
	<u>(151,914)</u>	<u>68,719</u>	<u>300,000</u>	<u>12,880</u>	<u>0</u>	<u>0</u>
\$	<u>9,369</u>	<u>(754,065)</u>	<u>(1,652,101)</u>	<u>543,742</u>	<u>(780,780)</u>	<u>(295,921)</u>
	6%	6%	6%	7%	7%	6%

**City of Amherst**  
**Lorain County, Ohio**  
*Enterprise Funds Summary Data*  
*Last Ten Years*

	2019	2018 ***	2017	2016
<b>Water Fund</b>				
Assets	\$ 6,025,630	\$ 6,192,050	\$ 6,640,624	\$ 6,003,776
Net Position	4,438,156	4,447,322	5,018,843	4,770,081
Operating Revenue	2,659,424	2,571,363	2,733,616	2,843,667
Operating Expense	2,660,634	2,878,686	2,464,225	2,646,470
Operating Income (Loss)	(1,210)	(307,323)	269,391	197,197
Nonoperating:				
Interest and Fiscal Charges	(15,584)	(29,304)	(25,212)	(30,463)
Other, net	7,628	0	4,583	0
Changes in Net Position/Net Income	(9,166)	(336,627)	248,762	166,734
Number of Employees	5	5	5	5
Pumpage (millions of gallons)				
Average Day	1.50	1.44	1.43	1.58
Total Year's Pumpage	549	526	523	580
<b>Sewer Fund</b>				
Assets	\$ 13,906,971	\$ 14,514,199	\$ 16,223,435	\$ 15,718,285
Net Position	9,026,556	9,100,385	10,535,859	10,748,982
Operating Revenue	2,369,394	2,366,057	2,541,257	2,539,901
Operating Expense	2,317,648	3,204,974	2,629,121	2,089,650
Operating Income (Loss)	51,746	(838,917)	(87,864)	450,251
Nonoperating:				
Interest and Fiscal Charges	(135,629)	(127,939)	(151,245)	(169,761)
Other, net	10,054	23,021	25,986	45,887
Changes in Net Position/Net Income	(73,829)	(943,835)	(213,123)	327,377
Number of Employees	10	10	10	10
Treatment Data (millions of gallons per day)				
Minimum Day	1.14	1.34	1.10	1.18
Maximum Day	8.59	8.53	7.43	8.32
Average Day	2.36	2.53	2.67	2.01
Maximum Capacity				
Design	3.50	3.50	3.50	3.50
Hydraulic	7.00	7.00	7.00	7.00
<b>Electric Fund</b>				
Assets	\$ 12,843,505	\$ 13,864,903	\$ 15,273,883	\$ 13,952,211
Net Position	9,394,038	9,863,808	11,642,738	11,514,664
Operating Revenue	12,723,834	12,296,661	11,278,639	11,622,572
Operating Expense	12,063,853	13,480,499	11,430,200	11,211,266
Operating Income (Loss)	659,981	(1,183,838)	(151,561)	411,306
Nonoperating:				
Interest and Fiscal Charges	(16,197)	(27,457)	(21,945)	(13,012)
Loss on Investment in Joint Venture	(128,070)	(127,001)	(122,036)	(122,050)
Other, net	(985,484)	10,036	27,864	0
Transfers In	0	0	395,752	453,657
Changes in Net Position/Net Income	(469,770)	(1,328,260)	128,074	729,901
Number of Employees	6	7	5	7

Source: Respective comprehensive annual financial reports.

\* - As restated, see Note 20 in 2012 CAFR.

\*\* - As restated, see Note 21 in 2016 CAFR.

\*\*\* - As restated, see Note 2 in 2019 CAFR.

	2015 **	2014	2013	2012	2011 *	2010
\$	5,894,403	\$ 5,765,218	\$ 5,727,916	\$ 5,723,917	\$ 5,870,834	\$ 6,058,097
	4,603,347	4,552,305	4,418,747	4,359,239	4,462,900	4,562,569
	2,772,009	2,944,542	2,833,901	2,761,070	2,328,245	2,782,168
	2,417,698	2,770,450	2,729,566	2,815,635	2,402,743	2,479,134
	354,311	174,092	104,335	(54,565)	(74,498)	303,034
	(35,702)	40,534	(44,827)	(49,096)	(52,976)	(56,588)
	1,064	0	0	0	0	0
	319,673	133,558	59,508	(103,661)	(127,474)	246,446
	5	5	5	5	5	5
	2	1.53	1.58	1.75	1.64	1.56
	593	559	576	637	600	570
\$	15,827,052	\$ 16,161,370	\$ 16,646,315	\$ 16,893,805	\$ 17,302,777	\$ 18,837,660
	10,422,605	10,788,616	10,791,654	10,608,053	10,437,739	11,189,196
	2,481,044	2,515,887	2,521,925	2,628,066	2,447,400	2,401,303
	2,128,873	2,314,024	2,116,774	2,211,439	1,945,078	2,170,078
	352,171	201,863	405,151	416,627	502,322	231,225
	(187,715)	(204,901)	(221,550)	(246,313)	(266,665)	(285,827)
	620	0	0	0	0	0
	165,076	(3,038)	183,601	170,314	235,657	(54,602)
	10	10	10	10	10	10
	1.24	1.26	1.17	1.27	1.43	1.15
	9.95	9.40	6.62	12.55	12.34	7.25
	2.16	2.42	2.24	2.27	2.86	2.05
	3.50	3.50	3.50	3.50	3.50	3.50
	7.00	7.00	7.00	7.00	7.00	7.00
\$	13,243,964	\$ 13,108,213	\$ 13,037,768	\$ 12,022,237	\$ 12,075,772	\$ 11,366,856
	10,784,763	11,730,035	11,391,934	10,710,007	10,447,559	9,389,291
	10,612,139	11,008,886	10,797,798	10,380,939	10,392,271	10,183,315
	10,680,628	10,525,601	9,951,522	9,953,268	9,474,168	9,169,871
	(68,489)	483,285	846,276	427,671	918,103	1,013,444
	(18,718)	(32,263)	(37,625)	(52,772)	(59,231)	(82,347)
	(118,177)	(112,921)	(126,724)	(112,451)	(103,600)	(93,208)
	624	0	0	0	0	0
	441,572	0	0	0	0	0
	236,812	338,101	681,927	262,448	755,272	837,889
	7	7	7	7	7	7

**City of Amherst**  
*Lorain County, Ohio*  
*Assessed Valuations and Estimated Actual Values of Taxable Property*  
*Last Ten Years*

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2019	\$ 264,551,720	\$ 64,869,890	\$ 941,204,600	\$ 2,880,740	\$ 3,273,569
2018	248,270,620	55,438,480	867,740,286	2,736,440	3,109,591
2017	247,164,720	54,318,660	861,381,086	2,618,010	2,975,011
2016	246,077,300	53,964,610	857,262,600	2,472,340	2,809,477
2015	245,186,460	53,534,310	853,487,914	2,284,920	2,596,500
2014	243,222,770	54,469,020	850,547,971	2,193,560	2,492,682
2013	240,368,870	55,298,290	844,763,314	1,962,860	2,230,523
2012	258,815,400	57,825,180	904,687,371	1,735,160	1,971,773
2011	259,507,720	57,697,850	906,301,629	1,632,060	1,854,614
2010	258,430,748	57,377,490	902,309,251	1,573,510	1,788,080

Source: Lorain County Auditor

- (1) This amount is calculated based on the following percentages:  
 Real property is assessed at thirty-five percent of actual value.  
 Public utility is assessed at eighty-eight percent of actual value.  
 Tangible personal property is assessed at twenty-five percent of the true value for capital assets and twenty-four percent of true value for inventory.
- (2) The tangible personal property tax temporarily applies to telephone and inter-exchange telecommunications companies, which was phased out to 10 percent for 2009, 5 percent for 2010 and zero for 2011.

<u>Tangible Personal Property</u>						
<u>General Business</u>			<u>Total</u>			
<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Ratio</u>		
\$ 0	\$ 0	\$ 332,302,350	\$ 944,478,169	35.18%		
0	0	306,445,540	870,849,877	35.19		
40,440	0	304,141,830	864,356,097	35.19		
45,210	0	302,559,460	860,072,077	35.18		
47,600	0	301,053,290	856,084,414	35.17		
45,280	0	299,930,630	853,040,653	35.16		
42,250	0	297,672,270	846,993,837	35.14		
37,060	0	318,412,800	906,659,144	35.12		
35,610	0	318,873,240	908,156,242	35.11		
242,563	4,851,260	317,624,311	908,948,591	34.94		

**City of Amherst, Ohio**  
*Property Tax Rates*  
*(Per \$1,000 of Assessed Valuation)*  
*Last Ten Years*

Fiscal Year	Effective Rate			City			
	Class 1 Res/Agr	Class 2 All other	Total Rate	General Fund	Bond Retirement		Fire - Voted
					Inside	Voted	
2019 for 2020	57.67	59.26	95.4	3.00	0.20	0.00	1.00
2018 for 2019	57.96	59.18	95.54	3.00	0.20	0.00	1.00
2017 for 2018	61.72	65.46	96.93	3.00	0.20	0.58	1.00
2016 for 2017	62.28	65.57	97.43	3.00	0.20	0.40	1.00
2015 for 2016	62.2	65.59	94.43	3.00	0.20	0.47	1.00
2014 for 2015	62.57	65.23	94.01	3.00	0.20	0.47	1.00
2013 for 2014	62.78	64.89	96.2	3.00	0.20	0.51	1.00
2012 for 2013	61.64	63.33	95.47	3.00	0.20	0.50	1.00
2011 for 2012	53.39	56.83	89.79	3.00	0.20	0.50	1.00
2010 for 2011	52.58	56.02	90.17	3.00	0.20	0.50	1.00

Source: Lorain County Auditor



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<u>Health District</u>	<u>Total</u>	<u>County</u>	<u>Amherst Exempted School District</u>	<u>Lorain County Joint Vocational School</u>
0.50	4.70	15.08	73.17	2.45
0.50	4.70	15.08	73.31	2.45
1.00	5.78	15.82	74.21	2.45
1.00	5.60	15.82	74.30	2.45
1.00	5.67	14.48	74.41	2.45
1.00	5.67	14.48	74.41	2.45
1.00	5.71	14.48	74.57	2.45
1.00	5.70	13.65	74.65	2.45
1.00	5.70	13.69	67.95	2.45
1.00	5.70	13.39	68.63	2.45

**City of Amherst**  
*Lorain County, Ohio*  
*Property Tax Levies and Collections*  
*Last Ten Years*

Year	Total Tax Levy	Current Tax Collections (1)	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections
2019	\$ 1,353,055	\$ 1,353,909	100.06	\$ 11,029	\$ 1,364,939
2018	1,441,843	1,456,370	101.01	14,344	1,470,714
2017	1,433,535	1,431,256	99.84	33,078	1,464,334
2016	1,371,851	1,345,703	98.09	68,204	1,413,907
2015	1,385,774	1,369,020	98.79	22,092	1,391,112
2014	1,388,710	1,365,009	98.29	13,248	1,378,257
2013	1,380,673	1,374,191	99.53	26,877	1,401,068
2012	1,454,112	1,446,202	99.46	25,016	1,471,218
2011	1,504,030	1,459,375	97.03	38,006	1,497,381
2010	1,509,548	1,419,521	94.04	40,997	1,460,518

Source: Lorain County Auditor

(1) State reimbursement of rollback and homestead exemptions are included.

Note: The County does not identify delinquent collections by the year for which the tax was levied.

<u>Percent of Total Tax Collections To Tax Levy</u>	<u>Accumulated Outstanding Delinquent Taxes</u>	<u>Percentage of Delinquent Taxes to Total Tax Levy</u>
100.88%	\$ 51,427	3.80%
102.00	59,870	4.15%
102.15	50,841	3.55%
103.07	46,082	3.36%
100.39	88,867	6.41%
99.25	82,803	5.96%
101.48	79,188	5.74%
101.18	68,932	4.74%
99.56	63,348	4.21%
96.75	69,484	4.60%

**City of Amherst**  
*Lorain County, Ohio*  
*Principal Property Taxpayers*  
*2019 and 2010*

Taxpayer	2019	
	Assessed Valuation (1)	Percentage of Real Assessed Value
Nordson Corp	\$ 4,348,430	1.31%
Amherst Marketplace Station LLC	3,990,360	1.20%
Amherst Manor Company LTD	2,706,870	0.81%
Target Corporation	2,597,350	0.78%
Amherst Plaza Limited Partnership	1,899,250	0.57%
LRF Properties LLC	1,886,050	0.57%
Clovervale Farms LLC	1,613,390	0.49%
Spitzer A Team Limited Partnership	1,549,480	0.47%
Columbia Gas of Ohio Inc.	1,519,940	0.46%
KTM North America Inc.	1,315,140	0.40%
<b>Total</b>	<b>\$ 23,426,260</b>	<b>7.06%</b>
<b>Total Assessed Valuation</b>	<b>\$ 332,302,350</b>	

(1) The amounts presents represent the assessed values upon which 2019 collections were based.

Taxpayer	2010 (2)	
	Assessed Valuation (1)	Percentage of Real Assessed Value
Nordson Corp.	\$ 4,166,930	1.31%
Target Corporation	2,617,060	0.82%
Amherst Ridge Equities LLC	2,011,380	0.63%
Amherst Plaza Limited Partnership	1,615,880	0.51%
LFR Properties LLC	1,343,340	0.42%
Pierre Real Property LLC	1,313,100	0.41%
KTM North America Inc	1,188,710	0.37%
Spitzer A Team Limited Partnership	1,177,020	0.37%
Lormet Community Federal Credit Union	1,086,820	0.34%
Amherst Manor Company LTD	990,092	0.31%
<b>Total</b>	<b>\$ 17,510,332</b>	<b>5.49%</b>
<b>Total Assessed Valuation</b>	<b>\$ 317,624,311</b>	

Source: Lorain County Auditor

(2) The amounts presented represent the assessed values upon which 2010 collections were based.

**City of Amherst**  
**Lorain County, Ohio**  
*Income Tax Revenue Base and Collections*  
*Last Ten Years*

<u>Tax Year (1)</u>	<u>Tax Rate</u>	<u>Total Tax Collected</u>	<u>Taxes from Withholding</u>	<u>Percentage of Taxes from Withholding</u>	<u>Taxes From Net Profits</u>	<u>Percentage of Taxes from Net Profits</u>	<u>Taxes From Individuals</u>	<u>Percentage of Taxes from Individuals</u>
2019	1.50%	\$ 6,168,466	\$ 3,601,746	58.39%	\$ 834,244	13.52%	\$ 1,732,476	28.09%
2018	1.50%	5,663,570	3,422,412	60.43%	618,649	10.92%	1,622,509	28.65%
2017	1.50%	5,475,316	3,129,828	57.16%	652,293	11.91%	1,693,195	30.92%
2016	1.50%	5,642,523	3,428,523	60.76%	608,366	10.78%	1,605,634	28.46%
2015	1.50%	4,997,901	2,871,810	57.46%	509,473	10.19%	1,616,618	32.35%
2014	1.50%	4,699,828	2,758,977	58.70%	434,982	9.26%	1,505,869	32.04%
2013	1.50%	4,734,985	2,699,203	57.01%	471,685	9.96%	1,564,097	33.03%
2012	1.50%	4,369,746	2,491,129	57.01%	377,846	8.65%	1,500,771	34.34%
2011	1.50%	4,170,867	2,430,851	58.28%	352,133	8.44%	1,387,884	33.28%
2010	1.50%	3,971,792	2,275,471	57.29%	347,396	8.75%	1,348,926	33.96%

Source: City Income Tax Department

Note: The City is prohibited by statute from presenting information regarding individual taxpayers.

(1) All years are shown on a cash basis.

**City of Amherst**  
**Lorain County, Ohio**  
*Ratio of Outstanding Debt to*  
*Total Personal Income and Debt Per Capita*  
*Last Ten Years*

Year	Governmental Activities						Notes
	General Obligation Bonds	Loans	Lease Purchase (1)	Capital Lease	OPWC Loans		
2019	\$ 4,402,450	\$ 14,600	\$ 85,158	\$ 226,483	\$ 1,427,395	\$ 0	
2018	655,000	29,200	125,347	0	1,307,026	3,000,000	
2017	970,000	43,800	0	0	1,141,866	0	
2016	1,275,000	58,400	461	0	938,304	0	
2015	1,565,000	73,000	3,011	0	903,747	0	
2014	1,845,000	0	5,711	0	749,753	0	
2013	2,098,631	0	8,318	0	731,342	0	
2012	2,362,866	0	10,836	0	466,650	0	
2011	2,622,147	0	0	0	501,958	0	
2010	2,871,015	0	0	0	537,266	0	

Source: City of Amherst Financial Records

Note: Population and Personal Income data are presented on page S30.

(1) Due to implementation of GASB 88 - the capital lease was reclassified to lease purchase

Business-Type Activities								
General Obligation Bonds	Notes Payable	Lease Purchase (1)	Capital Lease	OWDA Loans	OPWC Loans	Total Debt	Percentage of Personal Income	Per Capita
\$ 307,550	\$ 0	\$ 50,190	\$ 868,867	\$ 2,705,286	\$ 11,026	\$ 10,099,005	3.03%	\$ 840
355,000	0	74,257	1,720,782	3,190,070	13,028	10,469,710	3.14%	871
650,000	0	0	2,653,738	3,657,633	19,466	9,136,503	2.74%	760
925,000	0	0	0	4,108,587	27,004	7,332,756	2.20%	610
1,195,000	0	0	0	4,543,520	35,652	8,318,930	2.50%	692
1,455,000	180,000	0	0	4,963,002	44,300	9,242,766	2.78%	769
1,700,000	355,000	0	0	5,367,582	52,948	10,313,821	3.10%	858
1,935,000	515,000	0	0	5,757,790	61,596	11,109,738	3.34%	924
2,414,996	672,000	0	0	6,134,135	70,244	12,415,480	3.73%	1,033
2,874,996	832,000	0	0	6,497,111	78,892	13,691,280	4.11%	1,139

**City of Amherst  
Lorain County, Ohio**

*Ratio of Net General Bonded Debt to  
Assessed Value and Net Bonded Debt Per Capita  
Last Ten Years*

Year	(1) Population	Assessed Valuation(2)	Gross Bonded Debt(3)	Debt Service Monies Available	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Valuation	Net Bonded Debt Per Capita
2019	12,021    b	\$ 944,478,169	\$ 4,710,000	\$ 369,888	\$ 4,340,112	0.46%	\$ 361
2018	12,021    b	870,849,877	4,010,000	225,016	3,784,984	0.43%	315
2017	12,021    b	864,356,097	1,620,000	472,678	1,147,322	0.13%	95
2016	12,021    b	860,072,077	2,200,000	489,193	1,710,807	0.20%	142
2015	12,021    b	856,084,414	2,760,000	474,230	2,285,770	0.27%	190
2014	12,021    b	853,040,653	3,300,000	450,870	2,849,130	0.33%	237
2013	12,021    b	846,993,837	3,798,631	416,115	3,382,516	0.40%	281
2012	12,021    b	906,659,144	4,297,866	416,255	3,881,611	0.43%	323
2011	12,021    b	908,156,242	5,037,143	428,497	4,608,646	0.51%	383
2010	12,021    a	908,948,591	5,746,011	408,420	5,337,591	0.59%	444

(1) Source: U.S. Bureau of Census, Census of Population  
(a) 2000 Federal Census  
(b) 2010 Federal Census

(2) Source: County Auditor

(3) Includes all general obligation bonded debt with the exception  
of Special Assessment debt.



**City of Amherst**  
**Lorain County, Ohio**  
*Pledged Revenue Coverage*  
*Sewer System Revenue Bonds*  
*Last Ten Years*

Year	Sewer Service Charges and Interest (1)	Direct Operating Expenses (2)	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
2019	\$ 2,369,394	\$ 1,729,723	\$ 639,671	\$ 484,784	\$ 112,054	1.07
2018	2,514,083	2,579,555	(65,472)	467,562	129,276	(0.11)
2017	2,541,257	2,012,605	528,652	450,953	145,886	0.89
2016	2,539,901	1,477,724	1,062,177	434,933	161,905	1.78
2015	2,481,044	1,522,903	958,141	419,482	177,357	1.61
2014	2,515,887	1,713,042	802,845	404,580	192,258	1.35
2013	2,521,925	1,527,871	994,054	390,208	206,631	1.67
2012	2,628,066	1,630,953	997,113	376,345	220,493	1.67
2011	2,447,400	1,392,030	1,055,370	362,976	233,862	1.77
2010	2,401,303	1,617,413	783,890	350,082	246,757	1.31

(1) Includes other operating revenues.

(2) Direct operating expenses do not include depreciation and amortization expense.

**City of Amherst  
Lorain County, Ohio**

*Computation of Direct and Overlapping Governmental Activities Debt  
December 31, 2019*

<u>Jurisdiction</u>	<u>Governmental Activities Debt Outstanding</u>	<u>Percentage Applicable to City (1)</u>	<u>Amount Applicable to City</u>
<b>Direct:</b>			
City of Amherst	\$ 6,156,086	100.00%	\$ 6,156,086
<i>Total Direct Debt</i>	<u>6,156,086</u>		<u>6,156,086</u>
<b>Overlapping:</b>			
Lorain County	58,720,000	4.47%	2,624,784
Amherst XI School District	24,600,000	53.27%	13,104,420
Firelands L School District	33,855,000	3.80%	1,286,490
Lorain County Career Center	1,989,293	5.01%	99,664
<i>Total Overlapping Debt</i>	<u>119,164,293</u>		<u>17,115,358</u>
Total	<u>\$ 125,320,379</u>		<u>\$ 23,271,444</u>

Source: Ohio Municipal Advisory Council

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

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**City of Amherst**  
**Lorain County, Ohio**  
*Legal Debt Margin*  
*Last Ten Years*

	2019	2018	2017	2016
Total Assessed Property Value	\$ 332,302,350	\$ 306,445,540	\$ 304,141,830	\$ 302,559,460
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	34,891,747	32,176,782	31,934,892	31,768,743
Debt Outstanding:				
General Obligation Bonds	4,710,000	1,010,000	1,620,000	2,200,000
Notes Payable	0	3,000,000	0	0
Loans Payable	14,600	29,200	43,800	58,400
OPWC Loans	1,438,421	1,320,054	1,161,332	965,308
OWDA Loans	2,705,286	3,190,070	3,657,633	4,108,587
Total Gross Indebtedness	8,868,307	8,549,324	6,482,765	7,332,295
Less:				
General Obligation Bonds	0	0	(650,000)	(925,000)
Special Assessment Bonds	0	0	0	0
OPWC Loans	(1,438,421)	(1,320,054)	(19,466)	(27,004)
OWDA Loans	(2,705,286)	(3,190,070)	(3,657,633)	(4,108,587)
Amount Available in Bond Retirement Fund	(365,027)	(489,585)	0	0
Total Net Debt Applicable to Debt Limit	4,359,573	3,549,615	2,155,666	2,271,704
Legal Debt Margin Within 10 ½ % Limitations	\$ 30,532,174	\$ 28,627,167	\$ 29,779,226	\$ 29,497,039
Legal Debt Margin as a Percentage of the Debt Limit	87.51%	88.97%	93.25%	92.85%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	\$ 18,276,629	\$ 16,854,505	\$ 16,727,801	\$ 16,640,770
Total Gross Indebtedness	8,868,307	8,549,324	6,482,765	7,332,295
Less:				
General Obligation Bonds	0	0	(650,000)	(925,000)
Special Assessment Bonds	0	0	0	0
OPWC Loans	(1,438,421)	(1,320,054)	(19,466)	(27,004)
OWDA Loans	(2,705,286)	(3,190,070)	(3,657,633)	(4,108,587)
Amount Available in Bond Retirement Fund	(365,027)	(489,585)	0	0
Net Debt Within 5 ½ % Limitations	4,359,573	3,549,615	2,155,666	2,271,704
Unvoted Legal Debt Margin Within 5 ½ % Limitations	\$ 13,917,056	\$ 13,304,890	\$ 14,572,135	\$ 14,369,066
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	76.15%	78.94%	87.11%	86.35%

**Source:**

City Financial Records

2015	2014	2013	2012	2011	2010
<u>\$ 301,053,290</u>	<u>\$ 299,930,630</u>	<u>\$ 297,672,270</u>	<u>\$ 318,412,800</u>	<u>\$ 318,873,240</u>	<u>\$ 317,624,311</u>
31,610,595	31,492,716	31,255,588	33,433,344	33,481,690	33,350,553
2,760,000	3,300,000	3,642,906	4,105,000	4,879,996	5,619,996
0	180,000	355,000	515,000	672,000	832,000
73,000	0	0	0	0	0
939,399	794,053	784,290	528,246	572,202	616,158
<u>4,543,520</u>	<u>4,963,002</u>	<u>5,367,582</u>	<u>5,757,790</u>	<u>6,134,135</u>	<u>6,497,111</u>
8,315,919	9,237,055	10,149,778	10,906,036	12,258,333	13,565,265
(1,195,000)	(1,455,000)	(1,700,000)	(1,935,000)	(2,414,996)	(2,874,996)
0	(180,000)	(355,000)	(515,000)	(672,000)	(832,000)
(35,652)	(44,300)	(52,948)	(61,596)	(70,244)	(78,892)
<u>(4,543,520)</u>	<u>(4,963,002)</u>	<u>(5,367,582)</u>	<u>(5,757,790)</u>	<u>(6,134,135)</u>	<u>(6,497,111)</u>
0	0	0	0	0	0
<u>2,541,747</u>	<u>2,594,753</u>	<u>2,674,248</u>	<u>2,636,650</u>	<u>2,966,958</u>	<u>3,282,266</u>
<u>\$ 29,068,848</u>	<u>\$ 28,897,963</u>	<u>\$ 28,581,340</u>	<u>\$ 30,796,694</u>	<u>\$ 30,514,732</u>	<u>\$ 30,068,287</u>
91.96%	91.76%	91.44%	92.11%	91.14%	90.16%
<u>\$ 16,557,931</u>	<u>\$ 16,496,185</u>	<u>\$ 16,371,975</u>	<u>\$ 17,512,704</u>	<u>\$ 17,538,028</u>	<u>\$ 17,469,337</u>
8,315,919	9,237,055	10,149,778	10,906,036	12,258,333	13,565,265
(1,195,000)	(1,455,000)	(1,700,000)	(1,935,000)	(2,414,996)	(2,874,996)
0	(180,000)	(355,000)	(515,000)	(672,000)	(832,000)
(35,652)	(44,300)	(52,948)	(61,596)	(70,244)	(78,892)
<u>(4,543,520)</u>	<u>(4,963,002)</u>	<u>(5,367,582)</u>	<u>(5,757,790)</u>	<u>(6,134,135)</u>	<u>(6,497,111)</u>
0	0	0	0	0	0
<u>2,541,747</u>	<u>2,594,753</u>	<u>2,674,248</u>	<u>2,636,650</u>	<u>2,966,958</u>	<u>3,282,266</u>
<u>\$ 14,016,184</u>	<u>\$ 13,901,432</u>	<u>\$ 13,697,727</u>	<u>\$ 14,876,054</u>	<u>\$ 14,571,070</u>	<u>\$ 14,187,071</u>
84.65%	84.27%	83.67%	84.94%	83.08%	81.21%

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**City of Amherst**  
**Lorain County, Ohio**  
*Principal Employers*  
*2019 and 2010*

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2019		
Employer	Type of Business	Rank
Nordson Corporation	Manufacturing	1
Amherst Exempted Village Schools	Education	2
Cloverdale Farms, Inc.	Manufacturing	3
City of Amherst	Government	4
Mercy Health Physicians	Healthcare	5
Amherst Manor	Healthcare	6
University Hospitals Health System	Healthcare	7
Giant Eagle, Inc.	Grocery Store	8
Premier Toyota	Auto Sales	9
Mercy Health	Healthcare	10

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2010		
Employer	Rank	Rank
Nordson Corporation	Manufacturing	1
Amherst Exempted Village Schools	Education	2
City of Amherst	Government	3
Amherst Hospital	Healthcare	4
Giant Eagle, Inc.	Grocery Store	5
Amherst Manor	Healthcare	6
Spitzer Auto World Amherst, Inc.	Auto Sales	7
Grace Hospital	Healthcare	8
KTM North America, Inc.	Manufacturing	9
Drug Mart	Retail	10

Source: City Tax Department

Note: Due to legal restrictions and confidentiality requirements, the City cannot disclose the number of employees by employer.

**City of Amherst**  
**Lorain County, Ohio**  
*Demographic and Economic Statistics*  
*Last Ten Years*

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (5)</u>	<u>Personal Income Per Capita (1)</u>	<u>Median Household Income (1)</u>	<u>Median Age (1)</u>	<u>Educational Attainment: Bachelor's Degree or Higher (1)</u>
2019	12,021	\$ 332,981,700	\$ 27,700	\$ 61,458	44.6	3,065
2018	12,021	332,981,700	27,700	61,458	44.6	3,065
2017	12,021	332,981,700	27,700	61,458	44.6	3,065
2016	12,021	332,981,700	27,700	61,458	44.6	3,065
2015	12,021	332,981,700	27,700	61,458	44.6	3,065
2014	12,021	332,981,700	27,700	61,458	44.6	3,065
2013	12,021	332,981,700	27,700	61,458	44.6	3,065
2012	12,021	332,981,700	27,700	61,458	44.6	3,065
2011	12,021	332,981,700	27,700	61,458	44.6	3,065
2010	12,021	332,981,700	27,700	61,458	44.6	3,065

(1) Source: U.S. Census

(2) Source: Amherst Exempted Village Board of Education

(3) Source: Ohio Department of Unemployment, Labor Market Information Department

(4) Source: County Auditor

(5) Computed by taking per capital personal income multiplied by population



School Enrollment (2)	Lorain County Unemployment Rate (3)	Average Sales Price of Residential Property (4)	Total Assessed Property Value (4)
3,533	4.3%	\$ 159,489	\$ 332,302,350
3,551	5.4%	148,358	306,445,540
3,756	5.0%	147,916	304,141,830
3,867	5.9%	148,189	302,559,460
3,937	5.4%	148,163	301,053,290
3,937	6.6%	147,927	299,930,630
3,990	8.1%	148,959	297,672,270
4,168	7.7%	159,920	318,412,800
4,274	8.0%	159,668	318,873,240
4,247	9.7%	159,447	317,624,311

**City of Amherst  
Lorain County, Ohio**

*Full-Time Equivalent City Government Employees by Function/Program  
Last Ten Years*

Function/Program	2019	2018	2017	2016
<b>General Government</b>				
Council	4.50	4.50	4.50	4.50
Finance	3.50	3.50	3.50	3.50
Tax	1.50	1.00	1.00	1.00
Law	1.50	1.50	1.50	2.00
Administration	2.50	2.50	2.50	2.50
Civil Service	2.00	2.00	2.00	2.00
<b>Security of Persons and Property</b>				
Police	21.50	22.00	21.00	22.00
Police - Dispatchers/Office/Other	8.00	9.00	8.00	9.00
Fire (1)	17.00	17.00	17.00	16.50
<b>Public Health Services</b>				
Social Services	1.00	1.00	1.00	1.00
<b>Leisure Time Activities</b>				
Parks and Recreation	1.00	1.00	1.00	1.00
<b>Community Development</b>				
Building	3.00	3.50	3.50	3.50
<b>Transportation</b>				
Street M&R	7.00	7.00	7.00	7.00
<b>Basic Utility Services</b>				
Electric	6.00	7.00	5.00	7.00
Utility Office	4.00	4.00	4.00	4.00
Water	5.00	5.00	5.00	5.00
Sanitation	10.00	10.00	10.00	10.00
<b>Totals:</b>	<u>99.00</u>	<u>101.50</u>	<u>98.50</u>	<u>101.50</u>

**Sources:**

- (a) Years 2012 through 2018 - City Payroll Department Time Card Proof as of last pay in December.
- (b) Years 2010 through 2011 - City Payroll Department W2 Audit Listing.

**Method:**

Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee at year end.

- (1) Beginning in 2015, part-time paid volunteer firefighters are included in the fire total.

2015	2014	2013	2012	2011	2010
4.50	4.50	4.50	4.50	4.50	4.50
3.00	3.00	3.00	3.50	3.50	3.50
1.00	1.00	1.00	1.00	1.00	1.00
1.50	1.50	1.50	1.50	1.50	1.50
2.50	2.50	2.50	2.50	2.50	2.50
2.00	2.00	2.00	2.00	2.00	2.00
26.00	26.00	26.00	26.00	25.00	24.00
5.50	5.50	5.50	5.50	7.00	7.00
18.00	18.00	18.00	16.50	16.50	17.50
1.50	1.50	1.50	1.50	1.50	2.00
1.00	1.00	1.00	1.00	1.00	1.00
3.00	3.00	3.00	2.00	2.00	2.00
7.00	7.00	7.00	7.00	7.00	7.00
7.00	7.00	7.00	7.00	7.00	7.00
4.00	5.00	5.00	5.00	5.00	5.00
5.00	5.00	5.00	5.00	5.00	5.00
10.00	10.00	10.00	10.00	10.00	10.00
<u>102.50</u>	<u>103.50</u>	<u>103.50</u>	<u>101.50</u>	<u>102.00</u>	<u>102.50</u>

**City of Amherst**  
**Lorain County, Ohio**  
*Operating Indicators by Function/Program*  
*Last Ten Years*

Function/Program	2019	2018	2017	2016
<b>General Government</b>				
<i>Council and Clerk</i>				
Number of Ordinances Passed	62	48	59	53
Number of Resolutions Passed	9	10	7	12
Number of Planning Commission docket items	6	15	10	9
Zoning Board of Appeals docket items	26	17	15	19
<i>Finance Department</i>				
Number of checks/ vouchers issued	3,091	2,949	2,808	3,041
Amount of checks written	\$ 38,443,867	\$ 34,655,092	\$ 29,623,115	\$ 31,419,221
Interest earnings for fiscal year (cash basis)	\$ 447,998	\$ 357,252	\$ 232,272	\$ 170,820
Number of Receipts issued	723	781	786	707
Number of Journal Entries issued	417	481	469	489
Number of Budget Adjustments issued	5	4	5	3
Agency Ratings - Moody's Financial Services	Aa3	Aa3	Aa3	Aa3
Health Insurance Costs vs General Fund Expenditures %	6.84%	8.95%	7.65%	4.52%
General Fund Receipts (cash basis in thousands)	\$ 6,286	\$ 5,727	\$ 5,412	\$ 5,800
General Fund Expenditures (cash basis in thousands)	\$ 5,850	\$ 5,413	\$ 5,451	\$ 5,719
General Fund Cash Balances (in thousands)	\$ 1,853	\$ 1,265	\$ 1,044	\$ 1,143
<i>Income Tax Department</i>				
Number of Individual Returns	7,346	7,584	5,816	6,604
Number of Business Returns	1,330	1,361	1,392	1,422
Number of business withholding accounts	1,138	1,049	1,070	1,032
Amount of Penalties and Interest Collected	\$ 110,832	\$ 110,096	\$ 98,855	\$ 83,311
Annual number of Corporate withholding forms processed	8,593	8,011	7,791	7,314
Annual number of balance due statements forms processed	2,104	3,528	2,149	2,209
Annual number of estimated payment forms processed	1,408	1,288	1,493	1,532
Annual number of reconciliations of withholdings processed	1,086	1,040	1,018	986
<i>Civil Service</i>				
Number of police entry tests administered	13	18	0	1
Number of police promotional tests administered	0	0	1	0
Number of fire promotional tests administered	0	0	0	0
Number of hires of Police Officers from certified lists	3	3	2	2
Number of promotions from police certified lists	0	0	1	0
Number of promotions from fire certified lists	0	0	0	0
<i>Building Department Indicators</i>				
Construction Permits Issued	1,454	1,329	1,056	967
Estimated Value of Construction	\$ 27,203,665	\$ 4,671,850	\$ 21,227,252	\$ 17,248,597
Amount of Revenue generated from permits	\$ 597,920	\$ 688,104	\$ 409,328	\$ 268,521
Number of contract registrations issued	579	512	594	510
<b>Security of Persons &amp; Property</b>				
<i>Police</i>				
Total Calls for Services (Amherst City only)	11,066	10,800	11,140	11,088
Number of traffic citations issued	1,795	904	1,210	936
Number of parking citations issued	11	30	32	14
Number of criminal arrests	552	616	707	676
Number of accident reports completed	462	507	446	499
Police Dept. Auxiliary hours worked	420	495	342	433
DUI Arrests	41	42	45	91
Prisoners	152	177	175	201
Prisoner Meal Costs	0	0	\$ 3,370	\$ 5,283
Motor Vehicle Accidents	462	507	446	499
Fatalities from Motor Vehicle Accidents	0	0	2	0
Gasoline costs of fleet	\$ 56,355	\$ 50,793	\$ 44,298	\$ 37,604
Community Diversion Program Youths	7	18	15	20
Community Diversion Program - community service hours	49	126	105	140

	2015	2014	2013	2012	2011	2010
	42	49	36	42	70	65
	10	2	5	9	9	7
	8	1	4	3	8	11
	10	25	18	22	9	35
	3,036	3,175	3,043	2,975	2,918	2,958
\$	30,648,728	\$ 30,185,144	\$ 30,608,947	\$ 27,707,865	\$ 27,863,437	\$ 26,828,779
\$	83,551	\$ 48,876	\$ 55,983	\$ 65,593	\$ 107,092	\$ 67,858
	677	642	577	576	616	641
	490	437	436	422	421	432
	5	2	2	5	5	3
	Aa3 8.06%	Aa3 7.97%	Aa3 8.37%	Aa3 7.93%	Aa3 7.78%	Aa3 7.77%
\$	6,539	\$ 5,071	\$ 5,228	\$ 5,338	\$ 5,100	\$ 4,987
\$	5,478	\$ 5,207	\$ 5,212	\$ 5,011	\$ 4,884	\$ 5,001
\$	1,061	\$ 1,025	\$ 1,124	\$ 1,110	\$ 725	\$ 560
	5,530	5,353	5,240	5,139	5,354	5,305
	1,467	1,238	1,193	1,187	1,174	1,136
	1,031	988	950	964	935	997
\$	76,177	\$ 78,039	\$ 71,741	\$ 64,184	\$ 49,690	\$ 39,144
	4,319	4,235	4,282	4,087	3,993	4,007
	2,267	2,150	2,389	2,186	1,946	2,216
	1,587	2,155	2,428	2,431	2,367	2,130
	1,226	1,008	986	986	904	957
	0	2	1	1	0	1
	0	2	2	2	3	0
	2	0	0	0	0	0
	5	2	1	1	2	0
	0	3	1	1	0	0
	1	0	0	0	0	0
	773	839	941	1,013	989	775
\$	8,492,485	\$ 10,810,346	\$ 7,972,000	\$ 15,242,707	\$ 11,207,276	\$ 10,490,529
\$	119,242	\$ 164,258	\$ 177,628	\$ 241,743	\$ 136,485	\$ 160,595
	423	514	533	468	441	439
	9,262	10,200	10,442	10,525	8,765	9,698
	2,140	1,675	1,751	2,348	2,005	2,291
	37	86	92	42	96	268
	1,278	710	771	1,003	1,014	1,314
	394	425	427	418	441	445
	316	236	293	470	576	900
	83	87	72	54	65	97
	183	199	138	272	225	326
\$	5,962	\$ 3,395	\$ 5,147	\$ 2,834	\$ 1,070	\$ 1,632
	394	425	427	418	441	445
	2	0	2	0	3	1
\$	43,162	\$ 68,530	\$ 65,559	\$ 65,897	\$ 68,243	\$ 55,508
	24	30	29	22	35	41
	168	210	203	154	245	287

**City of Amherst**  
**Lorain County, Ohio**  
*Operating Indicators by Function/Program*  
*Last Ten Years*

Function/Program	2019	2018	2017	2016
<b>Fire</b>				
EMS Calls	351	267	266	198
Fire Calls	494	446	343	612
Fires with Loss	10	17	10	16
Fires with Losses exceeding \$10K	5	7	4	11
Fire Losses \$	\$ 431,700	\$ 256,150	\$ 125,750	\$ 528,500
Fire Inspections	162	585	540	516
Number of times Mutual Aid given to Fire and EMS	32	23	27	45
Number of times Mutual Aid received for Fire and EMS	15	4	2	9
<b>Public Health and Welfare</b>				
Cemetery sale of lots	11	11	14	10
Cemetery receipts	\$ 10,725	\$ 11,700	\$ 17,525	\$ 15,688
<b>Leisure Time Activities</b>				
<b>Recreation</b>				
Recreation Swimming pool receipts	70,984	67,952	62,039	60,860
Recreation Mens & Womens Leagues receipts	11,400	10,400	9,700	9,900
Senior Van Fees	1,784	1,250	2,339	1,627
Beaver Creek Facilities rentals	0	0	0	0
Total Recreation Department receipts	<u>\$ 84,168</u>	<u>\$ 79,602</u>	<u>\$ 74,078</u>	<u>\$ 72,387</u>
<b>Community Development</b>				
Grant amounts received due to Economic Development Dept.	\$ 0	\$ 0	\$ 0	\$ 0
<b>Transportation</b>				
Cost of salt purchased	\$ 196,751	\$ 122,203	\$ 59,744	\$ 188,741
<b>Water Department</b>				
Water Rates per 1st 3,000 gallons of water used	16.12	16.12	16.12	16.27
Average number of Water Accounts Billed Monthly	6,356	6,284	6,229	6,218
Total Water Collections Annually (Including P & I)	2,640,932	2,636,229	2,627,417	2,729,167
Payments to Elyria and Lorain for bulk water purchase	1,460,751	1,291,084	1,313,319	1,514,218
<b>Wastewater Department</b>				
Wastewater Rates per 1st 300 Cu ft of water used	\$25.00	\$25.00	\$25.00	\$25.00
Total flow of wastewater treatment plant (Billions of Gallons)	0.863	0.925	0.820	0.736
Tons of dry sludge removed	293.73	221.01	219.80	272.88

Source: City of Amherst Department Records

- (2) There is a three tier rate depending on whether there is a monthly or quarterly reading:  
 Quarterly reading - minimum use 600 cu. ft. then next 9,900 cu. ft. and over 10,500 cu. ft.  
 Monthly reading - minimum use 200 cu. ft. then next 3,300 cu. ft. and over 3,500 cu. ft.

N/A Information not readily available.

2015	2014	2013	2012	2011	2010
151	143	110	130	143	148
357	338	312	334	338	323
14	6	11	10	18	21
11	6	9	8	15	18
\$ 792,000	\$ 211,000	\$ 401,600	\$ 323,000	\$ 640,000	\$ 843,600
610	356	350	390	400	450
35	35	17	28	15	15
7	1	3	7	5	7
7	33	13	7	7	7
\$ 17,654	\$ 27,903	\$ 15,540	\$ 12,420	\$ 10,216	\$ 14,098
49,776	41,453	48,644	66,724	62,839	63,834
8,142	7,876	8,083	8,274	7,682	9,492
1,062	750	1,072	1,560	2,476	2,858
9,400	20,420	20,265	17,535	17,330	17,275
<u>\$ 68,380</u>	<u>\$ 70,499</u>	<u>\$ 78,064</u>	<u>\$ 94,093</u>	<u>\$ 90,327</u>	<u>\$ 93,459</u>
\$ 0	\$ 0	\$ 0	\$ 18,270	\$ 32,103	\$ 0
\$ 162,101	\$ 162,655	\$ 68,598	\$ 146,525	\$ 147,911	\$ 170,138
16.07	19.60	19.19	13.11	13.11	13.17
6,194	5,916	5,920	5,908	5,909	5,889
2,615,867	2,868,178	2,567,413	2,510,416	2,234,324	2,111,159
1,281,915	1,797,961	1,704,257	1,726,522	1,417,414	1,176,408
\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
0.789	0.879	0.803	0.830	1.044	0.747
312.01	274.88	222.41	251.78	135.33	276.05

**City of Amherst**  
**Lorain County, Ohio**  
*Capital Assets Statistics by Function/Program*  
*Last Ten Years*

Function/Program	2019	2018	2017	2016
<b>General Government</b>				
Square Footage City Hall	13,002	13,002	13,002	13,002
Lands & Buildings Vehicles	1	1	1	1
<b>Police</b>				
Square Footage Police Station	20,000	20,000	20,000	20,000
Vehicles	23	21	20	19
<b>Fire</b>				
Square Footage Station	18,050	18,050	18,050	18,050
Vehicles	10	9	9	9
<b>Recreation</b>				
Number of Parks	6	6	6	6
Number of Pools	1	1	1	1
Number of Soccer Fields	3	3	3	3
Vehicles	2	2	3	3
<b>Other Public Works</b>				
Streets (miles)	71	71	71	71
Service Vehicles	19	16	16	16
<b>Wastewater</b>				
Sanitary Sewers (miles)	69	69	69	69
Storm Sewers (miles)	40	40	40	40
Vehicles	7	6	5	5
<b>Water Department</b>				
Water Lines (miles)	6	70	70	70
Vehicles	5	5	5	5

Source: City of Amherst Department Records



2015	2014	2013	2012	2011	2010
13,002 0	13,002 0	13,002 0	13,002 0	13,002 0	13,002 0
20,000 20	20,000 20	20,000 19	20,000 19	20,000 19	20,000 19
18,050 9	18,050 9	18,050 10	18,050 10	18,050 10	18,050 10
6 1 3 3	6 1 3 3	6 1 3 3	6 1 3 3	6 1 3 3	6 1 3 3
71 13	71 13	71 13	71 13	71 13	71 13
69 40 4	69 40 4	69 40 4	69 40 4	69 40 4	69 40 4
70 6	70 6	70 6	70 6	70 6	70 6

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City of Amherst  
Lorain County, Ohio

*Reports Issued Pursuant to  
Government Auditing Standards*

For the Year Ended  
December 31, 2019

**City of Amherst**  
**Lorain County, Ohio**  
*Table of Contents*  
*December 31, 2019*

	<i>Page</i>
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	1

July 28, 2020

To the City Council  
City of Amherst  
Lorain County, Ohio  
206 S. Main St.  
Amherst, OH 44001

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Amherst, Lorain 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, and have issued our report thereon dated July 28, 2020, in which we noted the City restated beginning net position and fund balances to account for the implementation of GASB Statement No. 84, *Fiduciary Activities*, restated net position of enterprise funds for the detection of an error in the calculation of accounts receivable for utility customers, and referred to the financial impact of COVID-19 and the ensuing emergency measures that will impact subsequent periods.

**Internal Control Over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

*Rea & Associates, Inc.*

Medina, Ohio

# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF AMHERST**

**LORAIN 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 9/22/2020**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)