



2019 COMPREHENSIVE ANNUAL FINANCIAL REPORT



Charles H. Johnson, *Mayor*

I. Denise Jarnigan-Holt, 1st Vice-Mayor

Rosalind Moore, 2nd Vice-Mayor

Council Members

Aharon C. Brown

Diana J. Herbe

Chelsea Nuss

Reginald Sylvester

Donnie R. Jones, *City Manager*



OHIO AUDITOR OF STATE
KEITH FABER

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

City Council
City of Forest Park
1201 W. Kemp Rd
Forest Park, OH 45240

We have reviewed the *Independent Auditor's Report* of the City of Forest Park, Hamilton County, prepared by Plattenburg & 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 Forest Park is responsible for compliance with these laws and regulations.



Keith Faber
Auditor of State
Columbus, Ohio

November 30, 2020

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CITY OF FOREST PARK, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2019

**PREPARED BY:
DEPARTMENT OF FINANCE
HARLITA H. Tomlinson
DIRECTOR OF FINANCE**

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INTRODUCTORY SECTION



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City of Forest Park

FINANCE DEPARTMENT - Income Tax Office

September 15, 2020

The Citizens of Forest Park, Ohio,
Honorable Mayor and Members of City Council,
Lenders and Other Interested Parties,

THE COMPREHENSIVE ANNUAL FINANCIAL REPORT

We are pleased to present our 2019 Comprehensive Annual Financial Report (CAFR) for the City of Forest Park for your review. This report has been prepared in conformity with generally accepted accounting principles (GAAP) and is audited in accordance with generally accepted auditing standards. State law requires that every general purpose local government publish a complete set of financial statements. This report is published to fulfill that requirement for the year ended December 31, 2019. This report contains the basic financial statements and other financial and statistical data that provide a complete and full disclosure of all material financial aspects of the City of Forest Park.

A complete CAFR is not required to be prepared, but by doing so it represents a commitment by the City of Forest Park (the City) to achieve the highest nationally recognized standards of excellence in financial reporting as established by the Government Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Plattenburg and Associates. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2019 are free of material misstatement. The independent audit involved 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. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the

City's financial statements for the fiscal year ended December 31, 2019, are fairly presented in conformity with GAAP. The independent auditor's opinion is presented as the first component of the financial section of this report.

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

CITY OVERVIEW

The City is located in the southwestern portion of the State of Ohio between the cities of Cincinnati and Dayton, and is entirely within the County of Hamilton. The City traces its roots to the mid-1950's when the Federal Government encouraged the development of a second greenbelt community in the Cincinnati area. The Village of Greenhills (Greenhills) was the first greenbelt community, a concept patterned after the famed garden cities of England. In contrast to Greenhills, however, development of Forest Park was handled through private enterprise, specifically the Warner-Kanter Corporation. That was in 1954. Within two years, the first homes were ready for occupancy. Forest Park progressed rapidly with the formation of a civic association in 1958, a volunteer fire department and incorporation as a village in 1961, and city status (population in excess of 5,000) in 1968 with the adoption of a Home Rule Charter that same year. The City of Forest Park was also the site of Homearama in 1963 and 1971.

As of the 2010 U. S. Census Report, Forest Park was the third largest city in Hamilton County, with a population of 18,720. Its 62 miles of streets and 3,800-plus acres are bounded by Hamilton Avenue to the west, Springfield Pike (Route 4) to the east, Sharon Road to the south and the Hamilton County line north of I-275 to the north. Forest Park is 14 miles north of downtown Cincinnati, 35 miles south of Dayton, and within 125 miles of the cities of Columbus, Indianapolis, Lexington, and Louisville. Via I-275, the City is only 35 minutes from the Greater Cincinnati International Airport. Because of this ideal location, the City enjoys a reputation as a premier site for both residential and commercial development.

The City operates under the City Manager-Council plan pursuant to its Charter, but is also subject to the general statutes of the State of Ohio governing municipalities. In addition, the City may exercise all powers of local self-government under Article XVIII, Section 3, of the Ohio Constitution. The legislative authority of the City is vested in a seven member Council whose members are elected to four-year overlapping terms with an election of three (or four in alternate council election years) council seats every two years. The Council enacts ordinances and resolutions to provide for city services, to levy taxes, to make appropriations, to borrow money, to set salaries of all employees of the City, whether elected or appointed, to adopt a budget and to perform such other duties and exercise such other rights, not inconsistent with the City Charter, as may be granted to the legislative authority of any municipality of Ohio. The presiding officer of the Council is the Mayor, who is chosen by the council every two years under the Charter. All Council members are from the City at large.

The City Manager is the chief executive, administrative, and law enforcement officer of the City. The Manager is charged with responsibility for enforcing the laws and ordinances of the City. The Manager

appoints and removes all heads of departments and all subordinate officers and employees of the City, except the City Law Director and Clerk of Council. He exercises control over all departments created by the City Council. The Law Director serves as legal advisor and attorney for the City and performs duties as provided under the Charter and general laws of Ohio pertaining to municipal legal advisors. The Director of Finance is appointed by the City Manager with the concurrence of the City Council to supervise the Department of Finance and performs the powers, duties and functions of the fiscal officer of the City pursuant to the Charter and general laws of Ohio.

The City provides numerous services including police, fire and emergency services protection, the construction and maintenance of highways and streets; parks and recreational program services, and stormwater management.

ECONOMIC CONDITIONS AND OUTLOOK

In 2019, the City of Forest Park made significant investments to facilitate private investment, improve public infrastructure, and ultimately strengthen its first class business environment. Equally important, city leaders established effective programs (some unique to Forest Park) to improve the community's position as a true destination for business investment. Consequently, companies continue to find long term success here in Forest Park.

Our economic development opportunities produce impressive results. Since 2013, local companies have invested more than \$90 million on projects that created or retained over 3,000 jobs, demonstrating that Forest Park is a top choice for business development. With our competitive household and per capita income numbers, Forest Park remains a great place for families and businesses alike. Forest Park has 621 businesses employing more than 10,000 people, and the City's growing business community provides job opportunities for residents (source: HCD).

Redevelopment and revitalization are important goals of our Economic Development Department. In 2019, we secured two important projects in our City's original business district. Faxon Machining completed its purchase and renovation of a building adjacent to their headquarters on Adwood Drive, and the Hamilton County Library announced plans for a new facility to replace its popular Parkdale Branch.

Faxon Machining started operations in 1978 and moved to Forest Park in 1994. After moving to their new home on Adwood Drive, the Faxon family moved into specialty machining and automotive work. Over the years, their company has expanded into other industries including oil and gas, aerospace, general machining, and national defense. The Faxons acquired a nearby building at the beginning of 2019 and quickly added another 35,000 square feet to that building. Today, total facilities for Faxon Machining exceed 220,000 square feet on almost 15 acres. The Faxons invested \$4 million on the two projects, creating or retaining 175 jobs in our community.



City officials were invited to serve on an advisory committee, created at in the first quarter of 2019, to assist Hamilton County Library officials with a comprehensive evaluation of their existing facilities. After several months of discussion, Library officials decided to build a NEXTGEN facility at or near the existing Forest Park location. Customer mapping and visitor counts show that the library is already a regional destination.



Now, Library officials will invest more than \$10 million to build a NEW 25,000 square foot state of the art facility. Construction will take place in 2022. No doubt this announcement will help us attract investment to the City's original business district on Northland Boulevard.

The retention and expansion of existing businesses is another key component of the City's economic redevelopment program. Over the years, retention projects have contributed much to our success. We work closely with REDI Cincinnati, Jobs Ohio, and HCDC to identify companies considering expansion or relocation and create solutions for their space needs. In addition to Faxon, several other companies elected to stay and expand their Forest Park operations in 2019.

Enriching Spaces specializes in the design of inspired work spaces for professional offices, institutions of higher learning, and healthcare environments. The company has an impressive customer base both regionally and nationwide. In 1989, Enriching Spaces built an impressive headquarters facility in Forest Park. The company completed a major renovation of its award-winning office in 2019, as well as a lower level studio, all consistent with their pursuit of WELL Building certification. The project is a collaboration between City officials and the company's management team. Other options including relocation were on the table, but ultimately the company invested \$300,000 on a project that kept 15 full-time jobs in the City.



Our next project is yet another example of a successful business choosing to stay and grow its operations here in Forest Park. Environmental Quality Management was founded in 1990. The company offers expert response for challenges involving environmental remediation; environmental design; remedial construction and site management, regulatory compliance, sampling and monitoring; and, health and safety services.



One of the original tenants at Carillon Park, EQM had participated in the construction of an impressive 38,000 square foot building several years ago. As the company approached the end of its lease, the

executive management team explored a number of options. Thanks to our City's advantageous location and easy access to the region's transportation network, EQM decided to stay in Forest Park. They plan to invest \$900,000 over the next several years to extend their lease and renovate the building, keeping 60 full-time engineering jobs in our community.

The attraction of business investment from outside of the community allows us to create job opportunities for residents and generate new tax revenue for the city. We work closely with regional partners (e.g. HCDC, REDI Cincinnati, Duke Energy, Port Authority and Jobs Ohio) to identify such prospects. We also collaborate with developers, commercial real estate brokers, and existing Forest Park companies to secure new business investment. In 2019, there were a number of new additions to our business community including a couple of notable projects.

National Powersport Auctions (NPA) invested more than \$10 million to buy and renovate a vacant building on Carillon Boulevard bringing two dozen jobs to our community. The company converted a vacant and underperforming building into a true community asset. Established in 1990, NPA is the world's largest provider of sport vehicle re-marketing services. Its national footprint serves the industry's largest financial institutions, OEMs and dealers with a multitude of live and online selling platforms. The company offers comprehensive data services including their NPA Value Guide, the industry's top wholesale valuation tool.



OHI Electric made a significant investment to buy and renovate a building in the Northland Industrial Park in 2019. This family-owned company is a full service electrical contractor that is licensed for both residential and commercial work in Ohio and Kentucky. In business since 2007, the company has multiple certifications. Because of their excellent customer service, the company was recognized as one of the best businesses in our region by Cincinnati Magazine in 2012 and by Home Advisor in 2017. They made Forest Park their permanent home for their business after renting space here for several years. In 2019, they bought a vacant building on Ashburn Road, citing the City's excellent proximity to the highway and safe environment as the key reasons for their decision to stay in Forest Park.



The future for Forest Park's business community is positive. Manufacturing areas continue to be strong, as demonstrated by major projects at Faxon, OHI Electric, and Magna Machine. In 2019, AE Door and Window opened a new multi-million-dollar showroom on Sharon Road, and Speedway celebrated the completion of an impressive renovation on Smiley Avenue. Three companies that had recently received enterprise zone incentives to facilitate expansions have far exceeded expectations. Collectively, Ameritas, Cincinnati Testing Laboratories, and FRY Fastening

Systems invested more \$22.3 million on projects involving the retention or creation of 423 jobs.

In spite of these notable successes, the City of Forest Park still faces significant challenges. New commercial construction has slowed, and the City still has double-digit vacancy rates at some of its multi-tenant office buildings. Current trends in retail have left several shopping centers with significant vacancies. For example, the City continues to struggle with the condition of Forest Fair Village. This 1.6 million square foot regional shopping mall continues to have a high level of vacancies and has even fallen into disrepair. Unfortunately, the current owner has yet to advance a plan to redevelop this 90-acre site, in spite of legitimate inquiries by others to acquire the property.

Consequently, redevelopment and revitalization will continue to be important goals of our Economic Development Department. The repositioning of underperforming retail properties in particular will become increasingly important. Converting vacant buildings and raw land into true assets that bring jobs and investment to the community is critical to our City's future success. The Magna Machine conversion of an abandoned retail center and attraction of the new Library facility are two examples of how we can successfully transition such properties. The creation of an Opportunity Zone in the community provides us with yet another economic development tool to create mutually beneficial outcomes for the City and potential investors.

BUSINESS INCENTIVES

The Governmental Accounting Standards Board released Statement No. 77 in 2015. This standard required all governmental entities to disclose essential information about the nature and amount of tax revenue abatements granted by local jurisdictions. The details of the tax abatements for the City of Forest Park are disclosed in Note 20 entitled "Tax Abatements". The standard focuses only on tax revenue lost; this is only one side of the story. There are benefits derived from the City participating in business incentives programs as noted in the previous section.

The City of Forest Park participates in the Ohio Enterprise Zone program. Business incentives are tools that cities can utilize to entice a business to commit to making investments to improve or construct buildings and also to create or retain jobs within a community. The Ohio Enterprise Zone Program is administered through Hamilton County and legislated by Ohio Revised Code Sections 5709.61 through 5709.85. One of the goals of the program is to increase private investment in Forest Park for the zones established within the City. Another goal is to bring new income and foster growth within the City by retaining or creating new employment opportunities for residents.

The process begins with a potential business submitting an application to the City. After reviewing the application, the City can accept, amend or deny a business request based upon specific goals and objectives the City would like to achieve, such as a specific level of new payroll, or retained payroll; or a specific level of capital investment in the community. The City will then prepare legislation and publicly discuss and make recommendations to City Council on how any decisions were made. City council has the authority to confirm or deny the City's request within the passage or failure of legislation put before them. When an agreement impacts Winton Woods School District, a long-standing agreement exists that the City will share some of the new income tax revenue within the school district.

The City of Forest Park and Hamilton County administer an Ohio Enterprise Zone Program that provides partial property tax exemptions for companies that invest in a designated area. No new agreements were negotiated in 2019, but the City has three agreements in place from previous years. Ameritas, Cincinnati Testing Laboratories and FRY Fastening Systems recently completed projects in the City's enterprise zone. Collectively these companies invested more \$22 million on projects involving the retention or creation of 423 jobs and approximately \$30 million in annual payroll. The City of Forest Park also operates its own redevelopment incentive program. This initiative allows the city to provide dollars that facilitate redevelopment projects at sites identified as priorities in its comprehensive redevelopment plan. In 2019, the City of Forest Park provided redevelopment grants to three companies: Faxon Machining, Enriching Spaces, and Environmental Quality Management. The City invested \$185,000 on these projects. In return, the three companies invested close to \$2 million on projects that involved the retention or creation of 250 jobs and more than \$10 million in annual payroll.

LONG-TERM FINANCIAL PLANNING

The general fund year-end balance is at 21.57% of total revenues, which is slightly above the City's targeted goal to maintain a general fund balance of at least 20% of total revenue. The City's ability to maintain a fund balance near its targeted goal is a reflection of our financial strength and quantifies the ability of the general fund to support all other City funds. The City will strive to maintain this ideal percentage of carryover despite future demands placed on the general fund.

FINANCIAL INFORMATION

The City utilizes a fully-automated accounting system. The Finance Department audits each voucher prior to payment and ensures that the financial information is both accurate and reliable. All funds are included in the annual appropriated budget. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is at the department level and within each department at the levels of personal services, contractual services and supplies and materials. Budgetary control is maintained by encumbering the estimated purchase amounts prior to the release of purchase orders to vendors. Purchase orders that result in overruns of budgeted balances are not released until additional appropriations are made available through transfers or council action. Appropriations, initial and supplemental, must be authorized by City Council. As demonstrated by the statements and schedules included in the financial section of this Comprehensive Annual Financial Report, the City continues to meet its responsibility for sound fiscal management.

CITY INCOME TAX

Beginning January 1st of 2014 and forward, residents of the City receive 25% credit for taxes paid to another jurisdiction with a maximum credit of .375% of total wages. The income tax modification has allowed the City to maintain the quality of public services delivered to the residents of Forest Park. This change in the taxing structure is evident in the table below where income tax revenue increased by 8.15% from 2014 to 2015. The income tax revenues help fund operating expenses in the General Fund as well as provide debt service for the General Obligation Bonds. Revenues from this tax are directly related to employment levels and the general economic conditions in the Cincinnati area. It also applies

to net income of business organizations derived from business activities conducted in the City. Revenues for the past five years as reported in the General Fund are as follows:

<u>Revenues</u>	
2019.....	\$10,683,111
2018.....	\$9,640,862
2017.....	\$9,699,717
2016.....	\$9,748,448
2015.....	\$9,258,358

The recent incline in municipal income tax revenue is a combination of economic development business retention efforts and changes in collection procedures regarding delinquent income tax collection. The change in delinquent income tax collections was a necessary step to off-set the recent changes in Ohio state law regarding standardization of income tax collection and the change in how business net profit tax is collected. Ohio's House Bill 49 provided an option for businesses to file through the State of Ohio instead of the City of Forest Park Income Tax Office. This change has made it extremely difficult to know for certain if the City is receiving all the net profit tax it is due. House Bill 49 became effective January 1st of 2018 for the 2017 tax season. Since the implementation of the new net profit options, the City has approximately 30% of our business residents opting into the state income collection option.

CASH MANAGEMENT

The City's cash management program addresses the issues of safety, liquidity and yield while maximizing return on idle cash. The City utilizes the Star Ohio program investment pool operated by the Treasurer of the State of Ohio for ready cash. The City invests temporarily idle cash in order to maximize the return on dollars available to support expenditures. An investment policy was implemented in order to provide the highest investment return with maximum security. This policy also allows the City to meet the daily cash flow needs and conforms to all Ohio and City statutes governing the investment of public funds. The City utilized two investment managers to oversee the City's portfolio.

RISK MANAGEMENT

The City is exposed to a variety of accidental losses and has established a risk management strategy that attempts to minimize losses and carrying costs of insurance.

Risk control techniques have been established to reasonably assure that the City's employees are aware of their responsibilities regarding loss exposures related to their duties. Similarly, risk control techniques have been established to reduce possible losses to property owned or under the control of the City. Furthermore, supervisory personnel are held responsible for monitoring risk control techniques on an operational basis. See Note 5 for further information on risk management.

The primary techniques used for risk financing are the purchase of insurance policies from commercial insurers that include a large deductible amount. The use of a large deductible clause reduces the cost

of insurance. However, if losses occur, the portion of the uninsured losses is not expected to be significant with respect to the financial position of the City.

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Forest Park for its comprehensive annual financial report for the fiscal year ended December 31, 2018. This was the twenty-sixth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

POPULAR ANNUAL FINANCIAL REPORTING AWARD

In 2017, the City received its first award for Popular Annual Financial Reporting from the GFOA for our 2016 Community Report. The Community Report summarizes information from our comprehensive annual financial report. It is specifically designed to be easy to understand for general public use. It serves as a user-friendly companion to the City's Comprehensive Annual Financial Report, which presents a detailed picture of the City's financial health. The City has received an award for our Community Report for the past three years. It is the City's plan to produce and distribute to our residents a Community Report for 2019 and apply once again for this award.

DISTINGUISHED BUDGET PRESENTATION AWARD

The GFOA presented a Distinguished Budget Presentation Award to the City of Forest Park, Ohio for our Annual Budget Document 2020. This was the sixth time the City has received this award. The Distinguished Budget Presentation Award marks the City's membership in an elite group of about 1,623 jurisdictions in the US and Canada that receive this award out of over 80,000 eligible jurisdictions. In Ohio, only 28 budgets received this award.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

ACKNOWLEDGEMENTS

This report is the culmination of months of hard work by many individuals. We want to thank our Office Associate II for Accounts Payable, Calvin Robinson, Office Associate II for Accounts Receivable, Sherry

Powell, Office Associate II for Payroll, Noah Keating-Adams, as well as our additional support staff Joy Vetere, Assistant to the Finance Director, and Philip Solademi, Finance College Intern. We also want to thank Maria Scott, Business Auditor for income tax collections, and our three Tax Office Associate IIs - Brenda Reinert, Kevin Moeller and Tekiquia Bailey for their assistance with this Comprehensive Annual Financial Report and their continued high-quality work in diligently carrying out their responsibilities within the Finance Department. Additionally, we wish to thank the independent accounting firm of Plattenburg and Associates, Certified Public Accountants for their assistance with the GAAP conversion and independent audit. Members of the Plattenburg firm contributed to the preparation and examination of these financial statements along with the City's finance department staff.

Finally, a special word of thanks is necessary to recognize the efforts of members of City Council and the City Administration past and present whose conservative fiscal management and solid decision-making are reflected in the sound financial position of the City of Forest Park. As a result of their hard work model format, this report presents information in an organized manner to provide greater insight regarding the City's finances. We hope readers of this financial report will find the report beneficial in understanding the City's financial organization, financial position and condition, net assets and results of operations.

Sincerely,



Harlita R. Tomlinson, CPA, ACPFA, ACPFIM
Director of Finance & Tax Commissioner



Matthew T. Sanders
Assistant Finance Director

Public Officials

CITY COUNCIL



Charles H. Johnson,
Mayor



I. Denise
Jarnigan-Holt,
1st Vice Mayor



Rosalind Moore,
2nd Vice Mayor



Councilwoman
Diane J. Herbe



Councilwoman
Chelsea Nuss



Councilman Aharon
C. Brown



Councilwoman
Reginald Sylvester

APPOINTED OFFICIALS

City Manager
Director of Building
Community Development Director
Economic Development Director
Director of Finance & Tax Commissioner
Fire Chief
Assistant City Manager & Human Resources Director
Police Chief
Public Works & Stormwater Utility Director
Information Services Director
Law Director
Clerk of Council

Don R. Jones, CPA
Rafic M. Nakouzi
Christopher A. Anderson
Paul W. Brehm
Harlita R. Tomlinson, CPA
Alfonza Jones II
Andrew T. Levandusky
William D. Arns
David L. Buesking
Robert G. Silber
John R. Wykoff
Sally D. Boyd

DEPARTMENT OF FINANCE

Harlita R. Tomlinson, CPA, ACPFA, ACPFIM
Matthew T. Sanders
Joy H. Vetere

Director of Finance & Tax Comm
Assistant Finance Director
Assistant to the Finance Director

DIVISION OF ACCOUNTING

Sherry A. Powell
Calvin W. Robinson
Noah Keating-Adams

Finance Associate - Accounts Receivable
Finance Associate - Accounts Payable
Finance Associate - Payroll

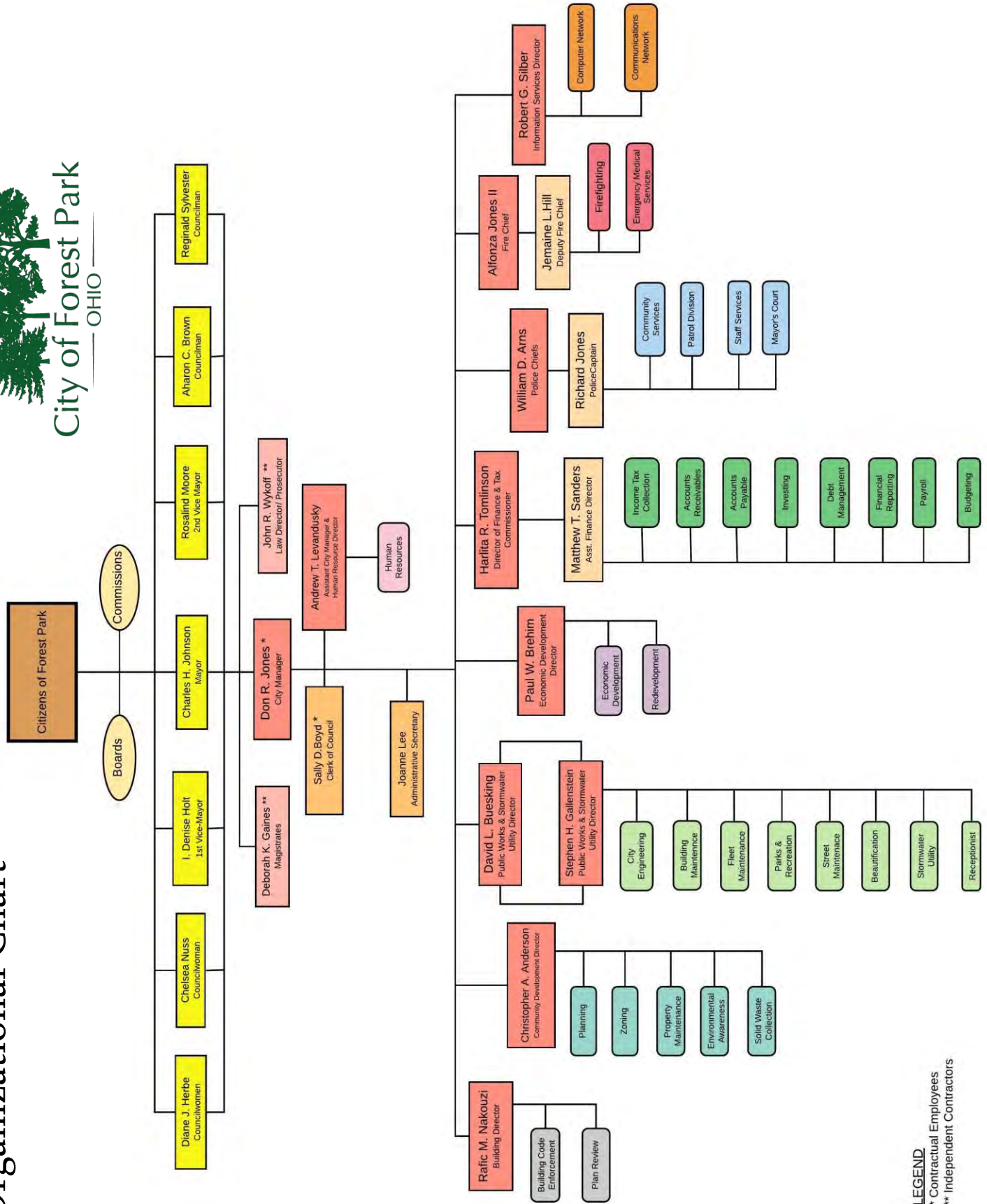
DIVISION OF TAXATION

Maria L. Scott
Brenda S. Reniert
Kevin R. Moeller
Tekiquia Bailey

Business Auditor
Tax Associate
Tax Associate
Tax Associate



Organizational Chart



LEGEND
 * Contractual Employees
 ** Independent Contractors



Government Finance Officers Association

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

Presented to

**City of Forest Park
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



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INDEPENDENT AUDITOR'S REPORT

City Council
City of Forest Park
Hamilton County
1201 West Kemper Road
Forest Park, Ohio 45240

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 Forest Park, 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

Emphasis of Matter

As discussed in Note 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 this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, and schedules of pension information and other postemployment information 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.

Supplementary and Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 15, 2020, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Plattenburg & Associates, Inc.

Cincinnati, Ohio
September 15, 2020

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City of Forest Park, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2019
(Unaudited)

The City of Forest Park's discussion and analysis of the annual financial reports provides a review of the financial performance for the fiscal year ended December 31, 2019. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's performance.

Financial Highlights

Key financial highlights for 2019 are as follows:

- In total, net position increased \$10,207,838.
- General revenues accounted for \$19,021,179 in revenue or 81% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$4,552,610 or 19% of total revenues of \$23,573,789.
- The City had \$11,663,676 in expenses related to governmental activities; only \$2,973,982 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues of \$18,796,632 provided for the remainder of these programs.
- Business-type operations reflected an operating income of \$65,238.

Overview of the Financial Statements

This annual report consists of a series of financial statements. These statements are presented so that the reader can understand the City's financial situation as a whole and to give a detailed view of the City's fiscal condition.

The Statement of Net Position and Statement of Activities provide information about the activities of the City as a whole and present a long-term view of the City's finances. Major 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 the amount of funds available 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.

Government-Wide Financial Statements

The analysis of the City as a whole begins with the Government-Wide Financial Statements. These reports provide information that will help the reader to determine if the City of Forest Park is financially better off or worse off as a result of the year's activities. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

City of Forest Park, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2019
(Unaudited)

These two statements report the City's net position and changes to those assets. This change informs the reader whether the City's financial position, as a whole, has improved or diminished. In evaluating the overall financial health, the reader of these financial statements needs to take into account non-financial factors that also impact the City's financial well-being. Some of these factors include the City's tax base and the condition of capital assets.

In the Government-Wide Financial Statements, the overall financial position of the City is presented in the following manner:

- **Governmental Activities** - Most of the City's services are reported here including police, fire, rescue, street maintenance, parks and recreation, and general administration. Income taxes, property taxes, intergovernmental revenue, charges for services, and interest finance most of these activities.
- **Business-Type Activities** - These services include Stormwater Management Utility and Solid Waste Collection. Service fees for these operations are charged based upon the amount of usage or a usage fee. The intent is that the fees charged recoup operational costs.

Fund Financial Statements

Information about the City's major funds are presented in the Fund Financial Statements (see table of contents). Fund financial statements provide detailed information about the City's major funds - not the City as a whole. Some funds are required by State law and bond covenants. Other funds may be established by the City, with approval of the Council, to help control, manage and report money received for a particular purpose or to show that the City is meeting legal responsibilities for use of grants. The City's major funds are General Fund, Fire Fund, Cincinnati Mall TIF Fund, Economic Development Fund, Stormwater Management Utility and Solid Waste Collection.

Governmental Funds - The City's services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. 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 to determine whether there are more or less financial resources that can be spent in the near future on services provided to our residents. 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 - When the City charges citizens for the services it provides, with the intent of recapturing operating costs, these services are generally reported in proprietary funds. Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

City of Forest Park, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2019
(Unaudited)

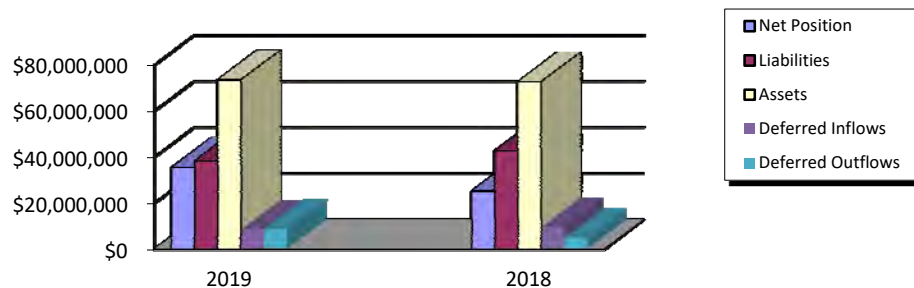
Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the Government-Wide Financial Statements because the resources of those funds are *not* available to support the City's own programs. All of the City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position.

The City as a Whole

As stated previously, the Statement of Net Position looks at 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		Total	
	2019	2018	2019	2018	2019	2018
Assets:						
Current and Other Assets	\$23,790,629	\$22,891,632	\$2,285,038	\$2,356,622	26,075,667	\$25,248,254
Capital Assets	45,013,037	45,043,545	2,420,734	2,297,566	47,433,771	47,341,111
Total Assets	68,803,666	67,935,177	4,705,772	4,654,188	73,509,438	72,589,365
Deferred Outflows of Resources:						
OPEB	1,574,644	1,511,970	7,140	5,022	1,581,784	1,516,992
Pension	7,052,757	3,170,552	50,306	24,120	7,103,063	3,194,672
Total Deferred Outflows of Resources	8,627,401	4,682,522	57,446	29,142	8,684,847	4,711,664
Liabilities:						
Long-Term Liabilities	37,318,611	36,974,309	256,993	167,913	37,575,604	37,142,222
Other Liabilities	737,207	5,417,885	46,971	128,822	784,178	5,546,707
Total Liabilities	38,055,818	42,392,194	303,964	296,735	38,359,782	42,688,929
Deferred Inflows of Resources:						
Property Taxes	5,034,448	4,778,620	0	0	5,034,448	4,778,620
OPEB	1,007,767	768,907	1,346	7,231	1,009,113	776,138
Revenue in Lieu of Taxes	1,857,936	1,896,381	0	0	1,857,936	1,896,381
Pension	534,647	1,948,084	3,859	26,215	538,506	1,974,299
Total Deferred Inflows of Resources	8,434,798	9,391,992	5,205	33,446	8,440,003	9,425,438
Net Position:						
Net Investment In Capital Assets	38,838,311	38,943,244	2,420,734	2,297,566	41,259,045	41,240,810
Restricted	7,724,881	5,734,229	0	0	7,724,881	5,734,229
Unrestricted	(15,622,741)	(23,843,960)	2,033,315	2,055,583	(13,589,426)	(21,788,377)
Total Net Position	\$30,940,451	\$20,833,513	\$4,454,049	\$4,353,149	\$35,394,500	\$25,186,662



City of Forest Park, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2019
(Unaudited)

Net position of the City's governmental activities increased \$10,106,938. The City had an unrestricted net position balance of (\$15,622,741). A positive unrestricted net position balance may be used to meet the government's ongoing obligations to citizens and creditors. Current and Other Assets increased mainly due to an increase in cash. Total Long-Term Liabilities increased mainly due to the issuance of a long term bond anticipation note.

Table 2 shows the changes in net position for the year ended December 31, 2019, and revenue and expense comparisons to 2018.

Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Program Revenues:						
Charges for Services	\$1,310,589	\$1,000,595	\$1,578,628	\$1,686,629	\$2,889,217	\$2,687,224
Operating Grants and Contributions	1,663,393	1,389,169	0	0	1,663,393	1,389,169
Capital Grants and Contributions	0	1,979	0	0	0	1,979
Total Program Revenues	2,973,982	2,391,743	1,578,628	1,686,629	4,552,610	4,078,372
General Revenues:						
Income Taxes	10,280,740	9,414,248	0	0	10,280,740	9,414,248
Property Taxes	5,355,883	5,460,302	0	0	5,355,883	5,460,302
Grants and Entitlements	571,232	312,153	0	0	571,232	312,153
Investment Earnings	512,898	110,858	35,662	33,470	548,560	144,328
Other Revenues	2,075,879	2,254,542	188,885	218,961	2,264,764	2,473,503
Total General Revenues	18,796,632	17,552,103	224,547	252,431	19,021,179	17,804,534
Total Revenues	21,770,614	19,943,846	1,803,175	1,939,060	23,573,789	21,882,906
Program Expenses:						
General Government	3,043,152	4,013,016	0	0	3,043,152	4,013,016
Public Safety	4,872,618	12,687,015	0	0	4,872,618	12,687,015
Community Environment	504,958	967,903	0	0	504,958	967,903
Leisure Time Activities	319,410	360,611	0	0	319,410	360,611
Public Works and Streets	2,714,900	3,551,729	0	0	2,714,900	3,551,729
Public Health and Welfare	0	47,524	0	0	0	47,524
Interest and Other Charges	208,638	82,363	0	0	208,638	82,363
Stormwater Management Utility	0	0	551,076	348,319	551,076	348,319
Solid Waste Collection	0	0	1,151,199	1,109,372	1,151,199	1,109,372
Total Program Expenses	11,663,676	21,710,161	1,702,275	1,457,691	13,365,951	23,167,852
Change in Net Position	10,106,938	(1,766,315)	100,900	481,369	10,207,838	(1,284,946)
Net Position - Beginning of Year	20,833,513	22,599,828	4,353,149	3,871,780	25,186,662	26,471,608
Net Position - End of Year	\$30,940,451	\$20,833,513	\$4,454,049	\$4,353,149	\$35,394,500	\$25,186,662

Governmental Activities

The City receives an income tax, which is based on 1.5% of all salaries, wages, commissions, and other compensation and on net profits earned from businesses and residents living within the City.

Property taxes and income taxes made up 72% of revenues for governmental activities for the City during 2019. The City's reliance upon tax revenues is demonstrated by the chart below indicating approximately 72% of total revenues from municipal income and property taxes:

City of Forest Park, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2019
(Unaudited)

	2019	Percent of Total
Charges for Services	\$1,310,589	6.0%
Operating Grants and Contributions	1,663,393	7.6%
Municipal Income Taxes	10,280,740	47.2%
Property Taxes	5,355,883	24.6%
Revenue in Lieu of Taxes	1,867,264	8.6%
Grants and Entitlements not Restricted	571,232	2.6%
Investment Earnings	512,898	2.4%
Other Revenues	208,615	1.0%
Total Revenues	<u>\$21,770,614</u>	<u>100.0%</u>

General Government includes legislative and administration expenses, including City Council, the City Manager's office, the Law Director, Finance, Human Resources, Building Maintenance, Fleet Maintenance, Public Works Administration and various non-department charges.

Income tax revenue increased mainly due to an increase in income tax receipt collections. Public Works and Streets decreased mainly due to a decrease in street repairs and maintenance throughout the City. Public Safety expenses decreased mainly due to changes related to net pension and OPEB liabilities.

Business-Type Activities

Business-type activities include Stormwater Management Utility and Solid Waste Collection. These programs had operating revenues of \$1,767,513 and expenses of \$1,702,275 for fiscal year 2019. Business activities receive no support from tax revenues. The business activities net position at the end of the year was \$4,454,049, which increased \$100,900 from 2018 mainly due to operating revenues exceeding operating expenditures in 2019.

The Stormwater Management Utility fund had operating income of \$20,645 in 2019. The Solid Waste Collection fund had operating income of \$44,593 in 2019.

The City has four major governmental funds: the General Fund, the Fire Fund, the Cincinnati Mall TIF Fund and the Economic Development Fund. Assets of these funds comprised \$18,611,919 (78%) of the total \$23,768,309 governmental funds' assets.

General Fund: Fund balance at December 31, 2019 was \$7,224,551, an increase in fund balance of \$2,351,513 from 2018. The fund balance increased due to an increase in income tax revenues along with a smaller amount being transferred out of the fund compared to the prior year.

Fire Fund: Fund balance at December 31, 2019 was \$2,915,564, an increase in fund balance of \$771,571 from 2018. The fund balance increased due to revenues exceeding expenditures during the year.

Cincinnati Mall TIF Fund: Fund balance at December 31, 2019 was \$355, a decrease in fund balance of \$13,571 from 2018. The fund balance decreased due to expenditures exceeding revenues during the year.

City of Forest Park, Ohio
Management’s Discussion and Analysis
For The Year Ended December 31, 2019
(Unaudited)

Economic Development Fund: Fund balance at December 31, 2019 was \$313,116 an increase in fund balance of \$1,153,083. The fund balance increased mainly due to note proceeds from the issuance of a long term bond anticipation note.

General Fund Budgeting Highlights

The City’s General Fund budget is formally adopted at the expenditure legal level of control for each fund (activity within a program within a fund). Financial reports, which compare actual performance with the budget, are prepared monthly and presented to the Council so the Council is able to review the financial status and measure the effectiveness of the budgetary controls.

As the City completed the year, its General Fund balance reported an actual fund balance of \$6,050,294, on a Non-GAAP Budgetary Basis.

Variations from the final budget amounts to the original amounts are primarily due to the following reasons: The City underestimated the public safety and general government expenditures for 2019. Variations from actual expenditures to the final budget expenditures are primarily due to the following reasons: The City overestimated the public safety and general government expenditures for 2019.

Capital Assets and Debt Administration

Capital Assets

At year end, the City had \$47,433,771 invested in land, buildings and improvements, equipment and infrastructure. Table 3 shows 2019 balances compared to 2018:

Table 3
Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$14,401,401	\$14,391,776	\$179,780	\$179,780	\$14,581,181	\$14,571,556
Construction in Progress	0	0	0	8,955	0	8,955
Buildings and Improvements	8,993,480	8,581,675	48,616	48,616	9,042,096	8,630,291
Equipment	11,800,880	10,850,088	64,278	64,278	11,865,158	10,914,366
Infrastructure	46,721,826	46,128,796	2,713,477	2,479,759	49,435,303	48,608,555
Accumulated Depreciation	(36,904,550)	(34,908,790)	(585,417)	(483,822)	(37,489,967)	(35,392,612)
Total Net Capital Assets	<u>\$45,013,037</u>	<u>\$45,043,545</u>	<u>\$2,420,734</u>	<u>\$2,297,566</u>	<u>\$47,433,771</u>	<u>\$47,341,111</u>

The slight increase in Capital Assets is mainly due to current year depreciation expense being less than current year additions.

See Note 6 to the basic financial statements for further details on the City’s capital assets.

City of Forest Park, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2019
(Unaudited)

Debt

At December 31, 2019, the City had \$1,986,726 in leases outstanding, \$4,188,000 in long term bond anticipation notes, and \$4,961,291 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2019 and 2018:

Table 4
Outstanding Debt at Year End

		2019	2018
Governmental Activities:			
Unvoted General Obligation Bonds:			
Refunding Various Purpose	3.89%	\$0	\$270,000
Premium on Refunding		0	9,433
Long Term Bond Anticipation Notes	2.50%	4,188,000	0
Capital Leases	2.37%	1,986,726	2,454,113
Total Governmental Activities		<u>\$6,174,726</u>	<u>\$2,733,546</u>

See Notes 9 and 10 to the basic financial statements for further details on the City's long-term debt.

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, customers and investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Director of Finance, City of Forest Park, 1201 West Kemper Road, Forest Park, Ohio 45240.

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City of Forest Park, Ohio
Statement of Net Position
December 31, 2019

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in Pooled Cash and Investments	\$13,500,845	\$1,954,777	\$15,455,622
Receivables (Net):			
Taxes	7,141,480	0	7,141,480
Accounts	150,022	325,686	475,708
Interest	17,010	2,149	19,159
Intergovernmental	2,862,920	0	2,862,920
Prepaid Items	118,352	2,426	120,778
Nondepreciable Capital Assets	14,401,401	179,780	14,581,181
Depreciable Capital Assets, Net	30,611,636	2,240,954	32,852,590
Total Assets	68,803,666	4,705,772	73,509,438
Deferred Outflows of Resources:			
Pension	7,052,757	50,306	7,103,063
OPEB	1,574,644	7,140	1,581,784
Total Deferred Outflows of Resources	8,627,401	57,446	8,684,847
Liabilities:			
Accounts Payable	198,953	33,599	232,552
Accrued Wages and Benefits	477,178	13,372	490,550
Accrued Interest Payable	61,076	0	61,076
Long-Term Liabilities:			
Due Within One Year	4,961,291	357	4,961,648
Due In More Than One Year			
Net Pension Liability	25,612,719	171,849	25,784,568
Net OPEB Liability	5,158,988	83,042	5,242,030
Other Amounts	1,585,613	1,745	1,587,358
Total Liabilities	38,055,818	303,964	38,359,782
Deferred Inflows of Resources:			
Property Taxes	5,034,448	0	5,034,448
Revenue in Lieu of Taxes	1,857,936	0	1,857,936
Pension	534,647	3,859	538,506
OPEB	1,007,767	1,346	1,009,113
Total Deferred Inflows of Resources	8,434,798	5,205	8,440,003
Net Position:			
Net Investment in Capital Assets	38,838,311	2,420,734	41,259,045
Restricted for:			
Capital Projects	1,183,943	0	1,183,943
Street Improvements	1,694,805	0	1,694,805
State Highway	234,094	0	234,094
Fire	3,363,998	0	3,363,998
Community Development	898,755	0	898,755
Other Purposes	349,286	0	349,286
Unrestricted	(15,622,741)	2,033,315	(13,589,426)
Total Net Position	\$30,940,451	\$4,454,049	\$35,394,500

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio
Statement of Activities
For the Fiscal Year Ended December 31, 2019

	Expenses	Program Revenues	
		Charges for Services and Sales	Operating Grants and Contributions
Governmental Activities:			
General Government	\$3,043,152	\$56,765	\$6,353
Public Safety	4,872,618	823,910	342,389
Community Environment	504,958	29,734	0
Leisure Time Activities	319,410	61,500	0
Public Works and Streets	2,714,900	0	1,314,651
Public Health and Welfare	0	338,680	0
Interest and Other Charges	208,638	0	0
Total Governmental Activities	11,663,676	1,310,589	1,663,393
Business-Type Activities:			
Stormwater Management Utility	551,076	571,721	0
Solid Waste Collection	1,151,199	1,006,907	0
Total Business-Type Activities	1,702,275	1,578,628	0
Totals	\$13,365,951	\$2,889,217	\$1,663,393

General Revenues:
Income Taxes
Property Taxes Levied for:
 General Purposes
 Special Revenue Purposes
Grants and Entitlements, Not Restricted
Revenue in Lieu of Taxes
Investment Earnings
Other Revenues

Total General Revenues

Change in Net Position

Net Position - Beginning of Year

Net Position - End of Year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
(\$2,980,034)	\$0	(\$2,980,034)
(3,706,319)	0	(3,706,319)
(475,224)	0	(475,224)
(257,910)	0	(257,910)
(1,400,249)	0	(1,400,249)
338,680	0	338,680
(208,638)	0	(208,638)
<u>(8,689,694)</u>	<u>0</u>	<u>(8,689,694)</u>
0	20,645	20,645
<u>0</u>	<u>(144,292)</u>	<u>(144,292)</u>
<u>0</u>	<u>(123,647)</u>	<u>(123,647)</u>
<u>(8,689,694)</u>	<u>(123,647)</u>	<u>(8,813,341)</u>
10,280,740	0	10,280,740
963,758	0	963,758
4,392,125	0	4,392,125
571,232	0	571,232
1,867,264	0	1,867,264
512,898	35,662	548,560
208,615	188,885	397,500
<u>18,796,632</u>	<u>224,547</u>	<u>19,021,179</u>
10,106,938	100,900	10,207,838
<u>20,833,513</u>	<u>4,353,149</u>	<u>25,186,662</u>
<u>\$30,940,451</u>	<u>\$4,454,049</u>	<u>\$35,394,500</u>

City of Forest Park, Ohio
Balance Sheet
Governmental Funds
December 31, 2019

	General	Fire	Cincinnati Mall TIF	Economic Development	Other Governmental Funds	Total Governmental Funds
Assets:						
Equity in Pooled Cash and Investments	\$6,405,555	\$2,956,709	\$355	\$332,542	\$3,803,758	\$13,498,919
Receivables (Net):						
Taxes	2,531,545	4,609,935	0	0	0	7,141,480
Accounts	0	150,022	0	0	0	150,022
Interest	8,142	4,125	0	394	4,349	17,010
Intergovernmental	185,255	161,171	1,200,388	0	1,316,106	2,862,920
Prepaid Items	54,235	11,546	0	0	32,177	97,958
Total Assets	9,184,732	7,893,508	1,200,743	332,936	5,156,390	23,768,309
Liabilities:						
Accounts Payable	120,520	9,804	0	86	61,709	192,119
Accrued Wages and Benefits	313,953	144,148	0	0	19,077	477,178
Accrued Interest Payable	0	0	0	19,469	41,607	61,076
Total Liabilities	434,473	153,952	0	19,555	122,393	730,373
Deferred Inflows of Resources:						
Property Taxes	837,552	4,609,935	0	0	0	5,447,487
Income Taxes	553,317	0	0	0	0	553,317
Grants and Other Taxes	129,362	161,171	0	0	412,428	702,961
Revenue in Lieu of Taxes	0	0	1,200,388	0	657,548	1,857,936
Investment Earnings	5,477	2,775	0	265	2,926	11,443
Accounts	0	50,111	0	0	0	50,111
Total Deferred Inflows of Resources	1,525,708	4,823,992	1,200,388	265	1,072,902	8,623,255
Fund Balances:						
Nonspendable	54,235	11,546	0	0	32,177	97,958
Restricted	0	2,904,018	355	313,116	3,626,890	6,844,379
Committed	0	0	0	0	160,663	160,663
Assigned	241,178	0	0	0	145,949	387,127
Unassigned	6,929,138	0	0	0	(4,584)	6,924,554
Total Fund Balances	7,224,551	2,915,564	355	313,116	3,961,095	14,414,681
Total Liabilities, Deferred Inflows and Fund Balances	\$9,184,732	\$7,893,508	\$1,200,743	\$332,936	\$5,156,390	\$23,768,309

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio
 Reconciliation of Total Governmental Fund Balance to
 Net Position of Governmental Activities
 December 31, 2019

Total Governmental Fund Balance \$14,414,681

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.

Capital assets used in the operation of Governmental Funds 45,013,037

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

Income Taxes	\$553,317	
Delinquent Property Taxes	413,039	
Interest	11,443	
Intergovernmental	702,961	
Other Receivables	50,111	
		1,730,871

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

Internal Service Net Position 15,486

Some liabilities reported in the statement of net position do not
 require the use of current financial resources and, therefore,
 are not reported as liabilities in governmental funds.

Compensated Absences (372,178)

Deferred outflows and inflows or resources related to pensions/OPEB
 are applicable to future periods and, therefore, are not
 reported in the funds.

Deferred outflows of resources related to pensions	7,052,757	
Deferred inflows of resources related to pensions	(534,647)	
Deferred outflows of resources related to OPEB	1,574,644	
Deferred inflows of resources related to OPEB	(1,007,767)	
		7,084,987

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

Net Pension Liability	(25,612,719)	
Net OPEB Liability	(5,158,988)	
Other Amounts	(6,174,726)	
		(36,946,433)

Net Position of Governmental Activities \$30,940,451

See accompanying notes to the basic financial statements.

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

	General	Fire	Cincinnati Mall TIF	Economic Development	Other Governmental Funds	Total Governmental Funds
Revenues:						
Property and Other Taxes	\$968,499	\$4,431,858	\$0	\$0	\$0	\$5,400,357
Income Taxes	10,840,520	0	0	0	0	10,840,520
Charges for Services	114,686	540,098	0	0	0	654,784
Investment Earnings	382,741	46,511	0	8,728	77,820	515,800
Intergovernmental	401,537	336,869	0	150,000	1,274,833	2,163,239
Special Assessments	0	0	0	28,444	0	28,444
Fines, Licenses & Permits	515,810	3,080	0	0	81,909	600,799
Revenue in Lieu of Taxes	0	0	1,200,388	0	666,876	1,867,264
Other Revenues	141,868	1,243	0	0	65,505	208,616
Total Revenues	13,365,661	5,359,659	1,200,388	187,172	2,166,943	22,279,823
Expenditures:						
Current:						
General Government	2,597,490	0	1,213,959	0	8,197	3,819,646
Public Safety	5,805,077	4,588,088	0	0	38,402	10,431,567
Community Environment	776,220	0	0	6,461	18,765	801,446
Leisure Time Activities	315,947	0	0	0	0	315,947
Public Works and Streets	1,127,414	0	0	8,350	970,826	2,106,590
Capital Outlay	0	0	0	310,680	1,923,923	2,234,603
Debt Service:						
Principal	0	0	0	0	1,037,387	1,037,387
Interest and Other Charges	0	0	0	43,598	175,619	219,217
Total Expenditures	10,622,148	4,588,088	1,213,959	369,089	4,173,119	20,966,403
Excess of Revenues Over (Under) Expenditures	2,743,513	771,571	(13,571)	(181,917)	(2,006,176)	1,313,420
Other Financing Sources (Uses):						
Issuance of Capital Leases	0	0	0	0	300,000	300,000
Note Proceeds	0	0	0	1,335,000	2,853,000	4,188,000
Transfers In	0	0	0	0	1,055,000	1,055,000
Transfers (Out)	(392,000)	0	0	0	(663,000)	(1,055,000)
Total Other Financing Sources (Uses)	(392,000)	0	0	1,335,000	3,545,000	4,488,000
Net Change in Fund Balance	2,351,513	771,571	(13,571)	1,153,083	1,538,824	5,801,420
Fund Balance - Beginning of Year	4,873,038	2,143,993	13,926	(839,967)	2,422,271	8,613,261
Fund Balance - End of Year	\$7,224,551	\$2,915,564	\$355	\$313,116	\$3,961,095	\$14,414,681

See accompanying notes to the basic financial statements.

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

Net Change in Fund Balance - Total Governmental Funds		\$5,801,420
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital asset additions as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of the difference between capital asset additions and depreciation in the current period.</p>		
Capital assets used in governmental activities	\$1,965,252	
Depreciation Expense	<u>(1,995,760)</u>	(30,508)
<p>Governmental funds report City pension/OPEB contributions as expenditures. However in the Statement of Activities, the cost of pension/OPEB benefits earned net of employee contributions is reported as pension/OPEB expense.</p>		
City pension contributions	1,626,448	
Cost of benefits earned net of employee contributions - Pension	(3,917,957)	
City OPEB contributions	28,643	
Cost of benefits earned net of employee contributions - OPEB	<u>10,457,152</u>	8,194,286
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Income Taxes	(559,780)	
Delinquent Property Taxes	(44,474)	
Interest	(2,954)	
Intergovernmental	71,386	
Other	<u>26,613</u>	(509,209)
<p>Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>		
		1,037,387
<p>In the statement of activities interest expense is accrued when incurred; whereas, in governmental funds an interest expenditure is reported when due.</p>		
		1,146
<p>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.</p>		
Compensated Absences	22,048	
Amortization of Bond Premium	<u>9,433</u>	31,481
<p>The internal service fund used by management to charge back costs to individual funds is not reported in the entity-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.</p>		
Change in Net Position - Internal Service Funds		68,935
<p>Proceeds from debt issues are an other financing source in the funds, but a debt issue increases long-term liabilities in the statement of net position.</p>		
		<u>(4,488,000)</u>
Change in Net Position of Governmental Activities		<u>\$10,106,938</u>
<p>See accompanying notes to the basic financial statements.</p>		

City of Forest Park, Ohio
Statement of Net Position
Proprietary Funds
December 31, 2019

	Business-Type Activities -Enterprise Funds			Governmental Activities- Internal Service Funds
	Stormwater Management Utility	Solid Waste Collection	Total Business-Type Activities	
Current Assets:				
Equity in Pooled Cash and Investments	\$1,202,236	\$752,541	\$1,954,777	\$1,926
Receivables (Net):				
Accounts	145,743	179,943	325,686	0
Interest	1,376	773	2,149	0
Prepaid Items	2,426	0	2,426	20,394
Total Current Assets	1,351,781	933,257	2,285,038	22,320
Noncurrent Assets:				
Capital Assets:				
Nondepreciable Capital Assets	179,780	0	179,780	0
Depreciable Capital Assets, Net	2,214,834	26,120	2,240,954	0
Total Noncurrent Assets	2,394,614	26,120	2,420,734	0
Total Assets	3,746,395	959,377	4,705,772	22,320
Deferred Outflows of Resources:				
Pension	31,577	18,729	50,306	0
OPEB	4,482	2,658	7,140	0
Total Deferred Outflows of Resources	36,059	21,387	57,446	0
Liabilities:				
Current Liabilities:				
Accounts Payable	27,903	5,696	33,599	6,834
Accrued Wages and Benefits	8,144	5,228	13,372	0
Compensated Absences	357	0	357	0
Total Current Liabilities	36,404	10,924	47,328	6,834
Long-Term Liabilities:				
Compensated Absences	1,745	0	1,745	0
Net Pension Liability	107,870	63,979	171,849	0
Net OPEB Liability	52,126	30,916	83,042	0
Total Noncurrent Liabilities	161,741	94,895	256,636	0
Total Liabilities	198,145	105,819	303,964	6,834
Deferred Inflows of Resources:				
Pension	2,422	1,437	3,859	0
OPEB	845	501	1,346	0
Total Deferred Inflows of Resources	3,267	1,938	5,205	0
Net Position:				
Net Investment in Capital Assets	2,394,614	26,120	2,420,734	0
Unrestricted	1,186,428	846,887	2,033,315	15,486
Total Net Position	\$3,581,042	\$873,007	\$4,454,049	\$15,486

See accompanying notes to the basic financial statements.

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

	Business-Type Activities -Enterprise Funds			Governmental Activities- Internal Service Funds
	Stormwater Management Utility	Solid Waste Collection	Total Business-Type Activities	
Operating Revenues:				
Charges for Services	\$571,721	\$1,006,907	\$1,578,628	\$260,953
Other Revenues	0	188,885	188,885	0
Total Operating Revenues	571,721	1,195,792	1,767,513	260,953
Operating Expenses:				
Personal Services	299,411	166,840	466,251	0
Contactual Services	142,757	934,234	1,076,991	189,444
Materials and Supplies	231	7	238	2,574
Depreciation	100,682	913	101,595	0
Other Expense	7,995	49,205	57,200	0
Total Operating Expenses	551,076	1,151,199	1,702,275	192,018
Operating Income (Loss)	20,645	44,593	65,238	68,935
Non-Operating Revenues (Expenses):				
Investment Earnings	22,301	13,361	35,662	0
Total Non-Operating Revenues (Expenses)	22,301	13,361	35,662	0
Change in Net Position	42,946	57,954	100,900	68,935
Net Position - Beginning of Year	3,538,096	815,053	4,353,149	(53,449)
Net Position - End of Year	\$3,581,042	\$873,007	\$4,454,049	\$15,486

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended December 31, 2019

	Business-Type Activities -Enterprise Funds			Governmental Activities- Internal Service Funds
	Stormwater Management Utility	Solid Waste Collection	Total Business-Type Activities	
Cash Flows from Operating Activities:				
Cash Received from Customers	\$566,699	\$1,196,984	\$1,763,683	\$0
Cash Received from Interfund Services	0	0	0	260,953
Cash Payments to Employees	(283,030)	(158,077)	(441,107)	0
Cash Payments to Suppliers	(128,456)	(1,073,635)	(1,202,091)	(261,158)
Net Cash Provided (Used) by Operating Activities	155,213	(34,728)	120,485	(205)
Cash Flows from Capital and Related Financing Activities:				
Payments for Capital Acquisitions	(233,718)	0	(233,718)	0
Net Cash Provided (Used) by Capital and Related Financing Activities	(233,718)	0	(233,718)	0
Cash Flows from Investing Activities:				
Earnings on Investments	22,760	22,651	45,411	0
Net Cash Provided (Used) by Cash Flows from Investing Activities	22,760	22,651	45,411	0
Net Increase (Decrease) in Cash and Cash Equivalents	(55,745)	(12,077)	(67,822)	(205)
Cash and Cash Equivalents - Beginning of Year	1,257,981	764,618	2,022,599	2,131
Cash and Cash Equivalents - End of Year	1,202,236	752,541	1,954,777	1,926
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	20,645	44,593	65,238	68,935
Adjustments:				
Depreciation	100,682	913	101,595	0
Changes in Assets & Liabilities:				
(Increase) Decrease in Receivables	(5,022)	1,192	(3,830)	0
(Increase) Decrease in Prepaid Items	1,570	5,228	6,798	(20,394)
(Increase) Decrease in Deferred Outflows of Resources	(17,767)	(10,537)	(28,304)	0
Increase (Decrease) in Net OPEB Liability	9,296	5,514	14,810	0
Increase (Decrease) in Payables	20,957	(93,485)	(72,528)	(48,746)
Increase (Decrease) in Accrued Liabilities	(3,433)	(4,922)	(8,355)	0
Increase (Decrease) in Deferred Inflows of Resources	(17,727)	(10,514)	(28,241)	0
Increase (Decrease) in Net Pension Liability	46,012	27,290	73,302	0
Net Cash Provided (Used) by Operating Activities	\$155,213	(\$34,728)	\$120,485	(\$205)

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio
Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2019

	<u>Agency</u>
Assets:	
Equity in Pooled Cash and Investments	<u>\$220,797</u>
Total Assets	<u>220,797</u>
Liabilities:	
Due to Other	<u>220,797</u>
Total Liabilities	<u>\$220,797</u>

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2019

Note 1 – Description of the City and Reporting Entity

The City traces its roots to the mid-1950's when the Federal Government encouraged development of a second greenbelt community in the Cincinnati area.

The City operates as a Home Rule City in accordance with Article XVIII of the Ohio Constitution under a City Manager-Council form of government. The City provides services as authorized by its charter.

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 organizations. Component units may also include organizations for which the City authorizes the issuance of debt or the levying of taxes, or determines the budget. The City has no component units that meet the above criteria. However, the City is associated with a jointly governed organization. The Waycross Community Programming Board is discussed in Note 13 to the 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 most significant of the City's accounting policies are described below.

Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the Statement of Net Position.

Fund Financial Statements

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

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2019

Like the government-wide statements, all proprietary 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 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 provides information about how the City finances and meets the cash flow needs of its proprietary activities.

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 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. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the City.

Fund Financial Statements

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

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2019

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 deferred outflows, and liabilities and deferred inflows is reported as fund balance. The following are the City's major governmental funds:

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

Fire Fund - This special revenue fund accounts for expenditures of property tax revenues and other resources in the operation of the City's Fire Department.

Cincinnati Mall TIF Fund - This special revenue fund is used to account for the proceeds of bonds issued for the financing for the Cincinnati Mall.

Economic Development Fund - This capital project fund has been used to account for the acquisition, construction and debt service for the Kemper Meadow Business Center. It may also be used for the purchase, rehabilitation, and resale of properties.

The other governmental funds of the City account for grants and other resources that are generally restricted to use for a particular purpose.

Proprietary Funds

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

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

Stormwater Management Utility Fund – This fund is used to account for the operations of the City's Stormwater Management Utility.

Solid Waste Collection Fund – To account for the operations of solid waste and recycling collection and disposal services for the City.

Internal Service Fund – This fund is used to account for the financing of goods and services provided by the information services department to other departments or agencies of the City, or to other governments, on a cost reimbursement basis.

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2019

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: agency funds, pension trust funds, investment trust funds and private-purpose trust funds. The agency funds account for building permit fees collected on behalf of the State and performance bonds pledged by contractors (Refundable Fees Agency Fund) as well as Mayor's court (Mayor's Court Agency Fund) collections that are distributed to the State of Ohio as well as bonds held for individuals. The City's agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City currently has no trust 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. Governmental funds use the modified accrual basis of accounting. Fiduciary funds also use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within sixty days of 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. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2019

Deferred Outflows/Inflows of Resources

Deferred Outflows/Inflows of Resources - In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represent 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 include pension and OPEB which is reported on the government-wide statement of net position. The deferred outflows of resources related to pension and OPEB are explained in Notes 11 and 12.

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, income taxes, grants and other taxes, revenue in lieu of taxes, investment earnings, OPEB, pension and accounts revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2019, but which were levied to finance year 2020 operations. Revenue in lieu of taxes includes tax increment financing agreements. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. All other revenues are reported only on the governmental funds balance sheet, and represent receivables which will not be collected within the available period. Deferred inflows of resources related to pension and OPEB are reported on the governmental-wide statement of net position. (See Notes 11 and 12.)

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.

Equity in Pooled Cash and Investments

To improve cash management the City's cash and investments are pooled. Monies for all funds, except cash and investments held in segregated accounts, 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" on the balance sheet.

Investments are reported at fair value which is based on quoted market prices.

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.

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2019

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.

Following the Charter and Codified Ordinances of the City as well as the Ohio Revised Code, the City has specified the funds to receive an allocation of interest earnings. Interest revenues during 2019 amounted to \$551,462 on the fund level and \$548,560 on the full-accrual level. Interest revenue on the fund level credited to the General Fund amounted to \$382,741, \$8,728 credited to the Economic Development Fund, \$46,511 credited to the Fire Fund, \$77,820 credited to Other Governmental Funds, \$22,301 credited to the Stormwater Management Fund and \$13,361 credited to the Solid Waste Collection Fund.

Prepaid Items

Payments made for services that will benefit periods beyond December 31, 2019, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense in the year in which services are consumed.

Capital Assets

Capital assets, which include property, plant, and equipment are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value. The City maintains a capitalization threshold of \$5,000. 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 reported capital assets are depreciated except for land. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	20 to 50 years
Equipment	5 to 20 years
Infrastructure	20 to 50 years

Compensated Absences

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

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2019

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year end taking into consideration any limits specified in the City's termination policy. The City records a liability for all accumulated unused vacation time when earned for all employees. The City records a liability for accumulated unused sick leave for all employees after twenty years of accumulated service or when otherwise eligible for retirement through a pension system.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental funds, a liability is recorded for compensated absences only if they have matured, for example, as a result of employee resignations and/or retirements.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide 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, and 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 year. Bonds, capital leases and long-term loans are recognized as a liability on the fund financial statements when due.

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.

Fund Balance

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The following categories are used:

Nonspendable – resources that are not in spendable form (inventory) or have legal or contractual requirements to maintain the balance intact.

Restricted – spendable resources that have external purpose restraints imposed on them by providers, such as creditors, grantors, or other regulators.

City of Forest Park, Ohio
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For The Year Ended December 31, 2019

Committed – spendable resources that are constrained for specific purposes that are internally imposed by the government at its highest level of decision making authority, City Council. This is done by ordinance by City Council.

Assigned – resources that are intended to be used for specific purposes as approved through the City's formal purchasing procedure by the Finance Director.

Unassigned – residual fund balance within the General Fund that is not restricted, committed, or assigned. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from incurred expenditures for specific purposes exceeding amounts which had been restricted, committed or assigned for said purposes.

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

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Of the City's \$7,724,881 in restricted net position, none was restricted by enabling legislation.

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.

As a general rule, the effect of interfund (internal) activity has been eliminated from the government-wide statement of activities. The interfund services provided and used are not eliminated through the process of consolidation.

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2019

Estimates

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

Note 3 – Equity in Pooled Cash and Investments

Cash resources of several individual funds are combined to form a pool of cash and investments. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in Pooled Cash and Investments."

State statute requires the classification of monies held by the City into three categories:

Active Monies - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the City. Such monies must by law be maintained either as cash in the City treasury, in depository accounts payable or withdrawable on demand.

Inactive Monies - Those monies not required for use within the current two year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated depositories, or as savings or deposit accounts, including, but not limited to passbook accounts.

Interim Monies - 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. Ohio law permits interim monies to be invested or deposited in the following securities:

- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but not limited to, passbook accounts.
- (5) Bonds and other obligations of the State of Ohio.

City of Forest Park, Ohio
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For The Year Ended December 31, 2019

- (6) The Ohio State Treasurer's investment pool (STAR Ohio).
- (7) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Sec. 135.142.
- (8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

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.

Deposits

Custodial credit risk for deposits 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. As of December 31, 2019, \$388,313 of the City's bank balance of \$638,313 was exposed to custodial credit risk because it was uninsured and collateralized.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by:

Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105% of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102% of the deposits being secured or a rate set by the Treasurer of State.

Investments

As of December 31, 2019, the City had the following investments:

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2019

	<u>Value</u>	<u>Fair Value Hierarchy</u>	<u>Weighted Average Maturity (Years)</u>
Federal National Mortgage Association	\$250,285	Level 2	4.51
US Treasury Notes	971,023	Level 1	1.86
Federal Home Loan Bank	749,806	Level 2	3.10
Federal Farm Credit Bank	925,046	Level 2	3.48
Certificates of Deposit	9,254,358	Level 2	2.75
Federal Home Loan Mortgage	747,299	Level 2	3.85
Commercial Paper	1,500,497	Level 2	0.42
STAR Ohio	94,564	N/A	0.15
Money Market Funds	1,113,238	N/A	0.00
	<u>\$15,606,116</u>		
Portfolio Weighted Average Maturity			2.39

The City categorizes its fair value measurements with 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. STAR Ohio is reported at its share price (Net Asset value per share).

Interest Rate Risk - 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 to two years, unless matched to a specified obligation or debt of the City.

Credit Risk - It is the City's policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. The City's investments in Federal Home Loan Mortgage, Federal National Mortgage Association, Federal Home Loan Bank, and Federal Farm Credit Bank, were rated AA+ by Standard and Poor's and Fitch ratings and Aaa by Moody's Investor Service. Certificates of Deposit, US Treasury Notes and Money Market Funds were not rated. Investments in STAR Ohio were rated AAAM by Standard & Poor's. The City's investments in Commercial Paper were rated A-1+ by Standard & Poor's ratings and P-1 by Moody's Investment Service.

Concentration of Credit Risk - The City's investment policy allows investments in Federal Government Securities or Instrumentalities. The City has invested 59.4% in Certificates of Deposit, 1.6% in Federal National Mortgage Association, 4.8% in Federal Home Loan Mortgage, 4.8% in Federal Home Loan Bank, 9.6% in Commercial Paper, 5.9% in Federal Farm Credit Bank, 6.2% in U.S. Treasury Notes, 0.6% in STAR Ohio and 7.1% in Money Market Funds.

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. All of the City's securities are either insured and registered in the name of the City or at least registered in the name of the City.

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2019

Note 4 – Receivables

Receivables at year end consisted primarily of taxes receivable, interest receivable, intergovernmental receivable, and accounts receivable.

No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

Property Taxes

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 2019 for real and public utility property taxes represents collections of the 2018 taxes.

The 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 percent of appraised market value. 2019 real property taxes are collected in and intended to finance 2020 operations.

Public utility personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. The 2019 public utility property taxes became a lien on December 31, 2018, are levied after October 1, 2019, and are collected in 2019 with real property taxes.

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

	Amount
Real Property	\$297,437,710
Public Utility	16,980,640
Total	<u>\$314,418,350</u>

Real property taxes are payable annually or semi-annually. The first payment is due on January 20 with the remainder payable by June 20.

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Accrued property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of year end for which there is an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at year end, nor were they levied to finance current year operations. The receivable is therefore offset by deferred inflows.

Income Taxes

Income taxes are imposed at the rate of one and one-half percent (1.50%) per annum on salaries, wages, commissions, other compensation, and net profits. When a resident of the City is subject to a municipal income tax in another municipality, township, or county, the resident receives a credit not to

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2019

exceed three hundred seventy-five thousandths of one percent (.375%) against the tax imposed on the earnings taxed by such a municipality, township, or county.

Each taxpayer is required to file a return on or before April 15th of each year for the prior year. When the return is filed for a fiscal year or other period different from a calendar year, the return shall be filed within four months from the end of such fiscal year or period.

Note 5 – Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial general liability insurance against these risks and all other risks of loss, including workers' compensation and employee health and accident insurance.

There have been no significant reductions in insurance coverage from that of prior years and settlements have not exceeded insurance coverage for any of the past three fiscal years.

Note 6 – Capital Assets

Capital asset activity for the current year end was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$14,391,776	\$9,625	\$0	\$14,401,401
Total Capital Assets, not being depreciated	<u>14,391,776</u>	<u>9,625</u>	<u>0</u>	<u>14,401,401</u>
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	8,581,675	411,805	0	8,993,480
Equipment	10,850,088	950,792	0	11,800,880
Infrastructure	46,128,796	593,030	0	46,721,826
Totals at Historical Cost	<u>79,952,335</u>	<u>1,965,252</u>	<u>0</u>	<u>81,917,587</u>
Less Accumulated Depreciation:				
Buildings and Improvements	4,068,349	177,661	0	4,246,010
Equipment	6,588,534	814,467	0	7,403,001
Infrastructure	24,251,907	1,003,632	0	25,255,539
Total Accumulated Depreciation	<u>34,908,790</u>	<u>1,995,760</u>	<u>0</u>	<u>36,904,550</u>
Governmental Activities Capital Assets, Net	<u>\$45,043,545</u>	<u>(\$30,508)</u>	<u>\$0</u>	<u>\$45,013,037</u>

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2019

	Beginning Balance	Additions	Deletions	Ending Balance
Business-Type Activities				
Capital Assets, not being depreciated:				
Land	\$179,780	\$0	\$0	\$179,780
Construction in Progress	8,955	0	8,955	0
Total Capital Assets, not being depreciated	<u>188,735</u>	<u>0</u>	<u>8,955</u>	<u>179,780</u>
Capital Assets, being depreciated:				
Buildings and Improvements	48,616	0	0	48,616
Equipment	64,278	0	0	64,278
Infrastructure	2,479,759	233,718	0	2,713,477
Totals at Historical Cost	<u>2,781,388</u>	<u>233,718</u>	<u>8,955</u>	<u>3,006,151</u>
Less Accumulated Depreciation:				
Buildings and Improvements	13,449	1,125	0	14,574
Equipment	56,596	947	0	57,543
Infrastructure	413,777	99,523	0	513,300
Total Accumulated Depreciation	<u>483,822</u>	<u>101,595</u>	<u>0</u>	<u>585,417</u>
Business-Type Activities Capital Assets, Net	<u>\$2,297,566</u>	<u>\$132,123</u>	<u>\$8,955</u>	<u>\$2,420,734</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$95,856
Public Safety	502,001
Leisure Time	43,919
Transportation	1,353,984
Total Depreciation Expense	<u>\$1,995,760</u>

Note 7 – Compensated Absences

Accumulated Unpaid Vacation

City employees earn vacation leave at varying rates based upon length of service. All employees may accrue a maximum of 25 days. Vacation days may not be carried over from year to the next without the approval of the City Manager. In the event of a termination of employment, death, or retirement, employees (or their estates) are paid for unused vacation leave.

Accumulated Unpaid Sick Leave

City employees earn sick leave at the rate of 10 hours per complete month of service (12 hours for Fire union employees). A maximum of 1,800 hours may be carried from one year to the next. Any hours over 1,800 accrued and not taken may be paid or used on a one for three basis by the end of the year. In the case of death or retirement, employees (or the employees' estates) are paid for one half of their accumulated leave with 900 hours being the maximum amount paid.

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2019

Accumulated Unpaid Compensatory Time

From time to time, employees may need, with prior approval from their supervisors, to work overtime. These overtime hours will usually be paid at the appropriate overtime rate; however, with permission of the supervisor, an employee may have the option of taking the overtime in compensatory time at one and one half times the amount of hours worked.

Note 8 – Notes Payable

A summary of the note transactions for the current year end are as follows:

		Beginning Balance	Additions	Deletions	Ending Balance
Bond Anticipation Notes:					
Governmental Activities:					
Various Purpose Bond Anticipation Notes	3.50%	4,290,000	0	(4,290,000)	0
Total Governmental Activities		<u>\$4,290,000</u>	<u>\$0</u>	<u>(\$4,290,000)</u>	<u>\$0</u>

Note 9 – Long-Term Debt

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

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities					
<u>Unvoted General Obligation Bonds and Notes</u>					
3.89% Refunding of Various Purpose	\$270,000	\$0	(\$270,000)	\$0	\$0
Premium on Refunding	9,433	0	(9,433)	0	0
Long-Term Bond Anticipation Notes	0	4,188,000	0	4,188,000	4,188,000
Total Bonds and Notes	<u>279,433</u>	<u>4,188,000</u>	<u>(279,433)</u>	<u>4,188,000</u>	<u>4,188,000</u>
Capital Lease	2,454,113	300,000	(767,387)	1,986,726	773,291
Net Pension Liability:					
OPERS	3,551,124	2,641,444	0	6,192,568	0
OP&F	14,474,443	4,945,708	0	19,420,151	0
Total Net Pension Liability	<u>18,025,567</u>	<u>7,587,152</u>	<u>0</u>	<u>25,612,719</u>	<u>0</u>
Net OPEB Liability:					
OPERS	2,458,719	533,688	0	2,992,407	0
OP&F	13,362,251	0	(11,195,670)	2,166,581	0
Total Net OPEB Liability	<u>15,820,970</u>	<u>533,688</u>	<u>(11,195,670)</u>	<u>5,158,988</u>	<u>0</u>
Total Long-Term Debt	36,580,083	12,608,840	(12,242,490)	36,946,433	4,961,291
Compensated Absences	394,226	0	(22,048)	372,178	0
Total Governmental Activities	<u>36,974,309</u>	<u>12,608,840</u>	<u>(12,264,538)</u>	<u>37,318,611</u>	<u>4,961,291</u>

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2019

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Business-Type Activities					
Net Pension Liability:					
OPERS	98,547	73,302	0	171,849	0
Total Net Pension Liability	98,547	73,302	0	171,849	0
Net OPEB Liability:					
OPERS	68,232	14,810	0	83,042	0
Total Net OPEB Liability	68,232	14,810	0	83,042	0
Compensated Absences	1,134	1,161	(193)	2,102	357
Total Business-Type Activities	\$167,913	\$89,273	(\$193)	\$256,993	\$357

In May of 2020, the City issued \$4,395,000 of 2020 bond anticipation notes payable to renew the 2019 bond anticipation notes payable. As the new notes extended the maturity date of the bond anticipation notes past 12 months after the date of the financial statements the bond anticipation notes will be treated as long term obligations of the City.

The funds which will be used to pay the Compensated Absences are as follows: General Fund, Street Fund, Fire Fund, and Stormwater Management Utility Fund and Solid Waste Collection Fund. The funds which will be used to pay the bonds, note, and lease are as follows: Carillon Business Park TIF Fund, Debt Service Fund, Capital Improvement Fund, and Police Capital Equipment Fund. Net Pension Liability represents the long-term portion of the accrued liability associated with OPERS and OP&F pension liability. These items will be repaid from the funds from which the employees work to whom the liability is associated with or the General Fund if no such funds are available.

Pension Liabilities are typically paid through the General Fund, the Street Fund and the Fire Fund.

The City is subject to certain constitutional and statutory general obligation debt limitations. As of December 31, 2019, the City has not exceeded the debt limitations.

Note 10 – Capitalized Leases – Lessee Disclosure

In 2019, the City entered into a new capital lease for public works, police and fire vehicles and equipment in the amount of \$300,000.

In 2018, the City entered into a new capital lease for public works, police and fire vehicles in the amount of \$1,610,445.

In 2017, the City entered into a new capital lease for police vehicles and equipment in the amount of \$250,000.

Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds. These expenditures are reflected as program expenditures on a budgetary basis.

General capital assets consisting of equipment have been capitalized in the amount of \$3,833,963 which equals the present value of the future minimum lease payments at the time of acquisition.

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2019

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.

<u>Year</u>	<u>Long-Term Debt</u>
2020	\$830,954
2021	640,347
2022	369,361
2023	203,923
2024	23,103
2025	23,103
2026	10,762
Total minimum lease payments	<u>2,101,553</u>
Less: Amount representing interest	(114,827)
Present value of minimum lease payments	<u><u>\$1,986,726</u></u>

Note 11 - Defined Benefit Pension Plans

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

Net Pension Liability/Net OPEB Liability

Pensions and OPEB are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period.

The net pension liability and the net OPEB liability represent the City’s proportionate share of each pension/OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan’s fiduciary net position. The net pension/OPEB liability 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 funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension 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 may pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization

City of Forest Park, Ohio
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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 healthcare to eligible benefit recipients.

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

The remainder of this note includes the required pension disclosures. See Note 12 for the required OPEB disclosures.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description

City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional 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 employees may elect the member-directed plan or the combined plan, substantially all employees are in the traditional plan; therefore, the following disclosure focuses on the traditional plan.

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional 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):

City of Forest Park, Ohio
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<u>Group A</u>	<u>Group B</u>	<u>Group C</u>
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
<u>State and Local</u>	<u>State and Local</u>	<u>State and Local</u>
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<u>Public Safety</u>	<u>Public Safety</u>	<u>Public Safety</u>
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
<u>Law Enforcement</u>	<u>Law Enforcement</u>	<u>Law Enforcement</u>
Age and Service Requirements: Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
<u>Public Safety and Law Enforcement</u>	<u>Public Safety and Law Enforcement</u>	<u>Public Safety and Law Enforcement</u>
Traditional Plan Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Traditional Plan Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Traditional Plan Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

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

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

When a traditional plan benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3.00% simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3.00%.

Funding Policy

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

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	<u>State and Local</u>	<u>Public Safety</u>	<u>Law Enforcement</u>
2019 Statutory Maximum Contribution Rates			
Employer	14.00%	18.10%	18.10%
Employee (a)	10.00%	(b)	(c)
2019 Actual Contribution Rates			
Employer:			
Pension (d)	14.00%	18.10%	18.10%
Post-employment Health Care Benefits (d)	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Total Employer	<u>14.00%</u>	<u>18.10%</u>	<u>18.10%</u>
Employee	<u>10.00%</u>	<u>12.00%</u>	<u>13.00%</u>

- (a) Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.
- (b) This rate is determined by OPERS' Board and has no maximum rate established by ORC.
- (c) This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2% greater than the Public Safety rate.
- (d) These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4% for health care with the remainder going to pension.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

For 2019, the City's contractually required contribution was \$443,874, of this amount \$38,265 is reported in accrued wages and benefits.

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

Plan Description

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

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

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

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The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.50% for each of the first 20 years of service credit, 2.00% for each of the next five years of service credit and 1.50% for each year of service credit in excess of 25 years. The maximum pension of 72.00% 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 provisions and reduced and unreduced benefits):

Under the COLA method, 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.

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 3.00% 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

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

	<u>Police</u>	<u>Firefighters</u>
2019 Statutory Maximum Contribution Rates		
Employer	19.50%	24.00%
Employee	12.25%	12.25%
2019 Actual Contribution Rates		
Employer:		
Pension	19.00%	23.50%
Post-Employment Health Care Benefits	<u>0.50%</u>	<u>0.50%</u>
Total Employer	<u>19.50%</u>	<u>24.00%</u>
Employee	12.25%	12.25%

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,194,559 for 2019, of this amount \$135,500 is reported as accrued wages and benefits.

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

The net pension liability for OPERS was measured as of December 31, 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

City of Forest Park, Ohio
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relative to the contributions of all participating entities. Following is information related to the proportionate share of the City's defined benefit pension plans:

	OPERS		
	<u>Traditional Plan</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$6,364,417	\$19,420,151	\$25,784,568
Proportion of the Net Pension Liability:			
Current Measurement Date	0.02323800%	0.23791500%	
Prior Measurement Date	<u>0.02326400%</u>	<u>0.23583800%</u>	
Change in Proportionate Share	<u>-0.00002600%</u>	<u>0.00207700%</u>	
Pension Expense	\$1,360,878	\$2,593,824	\$3,954,702

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

	OPERS		
	<u>Traditional Plan</u>	<u>OP&F</u>	<u>Total</u>
<u>Deferred Outflows of Resources</u>			
Differences between expected and actual experience	\$293	\$797,897	\$798,190
Changes of assumptions	554,038	514,855	1,068,893
Net difference between projected and actual earnings on pension plan investments	863,830	2,392,546	3,256,376
Changes in employer proportionate share of net pension liability	1,025	340,146	341,171
Contributions subsequent to the measurement date	<u>443,874</u>	<u>1,194,559</u>	<u>1,638,433</u>
Total Deferred Outflows of Resources	<u>\$1,863,060</u>	<u>\$5,240,003</u>	<u>\$7,103,063</u>
<u>Deferred Inflows of Resources</u>			
Differences between expected and actual experience	\$83,568	\$18,135	\$101,703
Changes in employer proportionate share of net pension liability	<u>59,332</u>	<u>377,471</u>	<u>436,803</u>
Total Deferred Inflows of Resources	<u>\$142,900</u>	<u>\$395,606</u>	<u>\$538,506</u>

\$1,638,433 reported as deferred outflows of resources related to pension resulting from 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	OPERS		
December 31:	<u>Traditional Plan</u>	<u>OP&F</u>	<u>Total</u>
2020	\$517,176	\$1,163,115	\$1,680,291
2021	277,227	639,938	917,165
2022	80,139	755,919	836,058
2023	401,744	1,042,856	1,444,600
2024	<u>0</u>	<u>48,010</u>	<u>48,010</u>
Total	<u>\$1,276,286</u>	<u>\$3,649,838</u>	<u>\$4,926,124</u>

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Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2018, using the following actuarial assumptions applied to all periods included in the measurement in accordance with 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.

	OPERS Traditional Plan
Wage Inflation	3.25%
Projected Salary Increases	3.25% to 10.75% (includes wage inflation at 3.25%)
COLA or Ad Hoc COLA:	
Pre-January 7, 2013 Retirees	3.00% Simple
Post-January 7, 2013 Retirees	3.00% Simple through 2018, then 2.15% Simple
Investment Rate of Return	7.20%
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables. The most recent experience study was completed for the five year period ended December 31, 2015.

The long-term expected rate of return on 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.

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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 for the Traditional Pension Plan, the defined benefit component of the Combined Plan and 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% for 2018.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board 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 following table displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return.

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00%	2.79%
Domestic Equities	19.00%	6.21%
Real Estate	10.00%	4.90%
Private Equity	10.00%	10.81%
International Equities	20.00%	7.83%
Other Investments	18.00%	5.50%
Total	100.00%	5.95%

Discount Rate

The discount rate used to measure the total pension liability was 7.20% for the Traditional Pension Plan. 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 applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the net pension liability calculated using the discount rate of 7.20%, and the expected net pension liability if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the current rate:

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
Proportionate share of the net pension liability	\$9,402,095	\$6,364,417	\$3,840,080

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Changes since the prior Measurement Date on to Report Date

OPERS Board adopted a change in the investment return assumption, reducing it from 7.50% to 7.20%.

Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2019 (December 31, 2018 measurement date), is based on the results of an actuarial valuation date of January 1, 2018, rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

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

Valuation Date	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Investment Rate of Return	8.00%
Salary Increases	3.75% to 10.50%
Payroll Growth	Inflation rate of 2.75% plus productivity increase rate of 0.50%
Cost of Living Adjustments	3.00% Simple; 2.20% Simple for increased based on the lesser of the increase in CPI and 3.00%

Healthy Mortality

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%.

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

Disabled Mortality

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.

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

The actuarial assumptions used in the valuation are based on the results of a five-year experience review covering the period 2012-2016. The experience study was performed by OP&F's prior actuary and the assumptions were effective January 1, 2017.

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 OP&F's Statement of Investment Policy. A forecasted rate of inflation serves as a 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 average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00%	0.80%
Domestic Equity	16.00%	5.50%
Non-US 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%
Total	120.00%	

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

Total pension liability was calculated using the discount rate of 8.00%. The projection of cash flows used to determine the discount rate assumed the contributions 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 8.00%. Based on those assumptions, OP&F's fiduciary net position was projected to be available to make all

City of Forest Park, Ohio
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future benefit payment 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 Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

Net pension liability is sensitive to changes in the discount rate. To illustrate the potential impact, the following table presents the net pension liability calculated using the discount rate of 8.00%, 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%, or one percentage point higher, 9.00%, than the current rate:

	1% Decrease (7.00%)	Discount Rate (8.00%)	1% Increase (9.00%)
Proportionate share of the net pension liability	\$25,526,450	\$19,420,151	\$14,317,456

Changes in Benefit Terms and Assumptions since prior measurement date and to report date

There have been no OP&F pension plan amendments adopted or changes in assumptions between the measurement date and the report date that would have impacted the actuarial valuation studies as of the pension plan for the measurement date.

Note 12 - Defined Benefit Other Postemployment Benefits Plans

See Note 11 for a description of the net OPEB liability.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Health Care Plan Description

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.

City of Forest Park, Ohio
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Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting 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. During 2019, health care is 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 14.00% of earnable salary and public safety and law enforcement employers contributed at 18.10%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1.00% during calendar year 2017. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2018 decreased to 0% for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2019 was 4.00%.

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)

Health Care Plan Description

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment healthcare plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. Beginning January 1, 2019 OP&F changed its retiree health care model to a stipend-based health care model. OP&F has contracted with a vendor who will assist eligible retirees in choosing health care plans from their marketplace (both Medicare-eligible and pre-Medicare populations). 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. As a result of changing from the current health care model to the stipend based health care model, management expects that it will be able to provide stipends to eligible participants for the next 15 years.

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

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Employment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 75.

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

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

Funding Policy

The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.50% and 24.00% of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% 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 0.50% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OP&F Board of Trustees is also authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

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

The City's contractually required contribution to OP&F was \$28,643 for 2019.

Net OPEB Liability

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

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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:

	OPERS		
	<u>Traditional Plan</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability	\$3,075,449	\$2,166,581	\$5,242,030
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.02358900%	0.23791500%	
Prior Measurement Date	<u>0.02327000%</u>	<u>0.23583800%</u>	
Change in Proportionate Share	<u>0.00031900%</u>	<u>0.00207700%</u>	
OPEB Expense	\$252,110	(\$10,702,456)	(\$10,450,346)

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

	OPERS		
	<u>Traditional Plan</u>	<u>OP&F</u>	<u>Total</u>
<u>Deferred Outflows of Resources</u>			
Differences between expected and actual experience	\$1,041	\$0	\$1,041
Changes of assumptions	99,157	1,123,051	1,222,208
Net difference between projected and actual earnings on pension plan investments	140,991	73,341	214,332
Changes in employer proportionate share of net OPEB liability	23,231	92,329	115,560
Contributions subsequent to the measurement date	<u>0</u>	<u>28,643</u>	<u>28,643</u>
Total Deferred Outflows of Resources	<u>\$264,420</u>	<u>\$1,317,364</u>	<u>\$1,581,784</u>
<u>Deferred Inflows of Resources</u>			
Differences between expected and actual experience	\$8,345	\$58,047	\$66,392
Changes of assumptions	0	599,812	599,812
Changes in employer proportionate share of net OPEB liability	<u>41,512</u>	<u>301,397</u>	<u>342,909</u>
Total Deferred Inflows of Resources	<u>\$49,857</u>	<u>\$959,256</u>	<u>\$1,009,113</u>

\$28,643 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 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:

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Year Ending December 31:	OPERS Traditional Plan	OP&F	Total
2020	\$83,644	\$59,801	\$143,445
2021	36,320	59,801	96,121
2022	23,572	59,801	83,373
2023	71,027	81,984	153,011
2024	0	47,012	47,012
Thereafter	0	21,066	21,066
Total	\$214,563	\$329,465	\$544,028

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%
Projected Salary	3.25% to 10.75% (including wage inflation)
Single Discount Rate:	
Current measurement date	3.96%
Prior Measurement date	3.85%
Investment Rate of Return	6.00%
Municipal Bond Rate	3.71%
Health Care Cost Trend Rate	10.00% initial, 3.25% ultimate in 2029
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

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improvement scale to all of the above described tables. The most recent experience study was completed for the five year period ended December 31, 2015.

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

During 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes 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 healthcare 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% for 2018.

The allocation of investment assets within the OPERS Health Care portfolio is approved by the Board 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. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined pension plans. Health care is a discretionary benefit. The table on the following page displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return.

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34%	2.42%
Domestic Equities	21%	6.21%
Real Estate Investment Trust	6%	5.98%
International Equities	22%	7.83%
Other investments	17%	5.57%
Total	100%	5.16%

Discount Rate

A single discount rate of 3.96% was used to measure the OPEB liability on the measurement date of December 31, 2018. 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% and a municipal bond rate of 3.71%. 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

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contribution rate. Based on these assumptions, the OPEB plan's fiduciary net position and future contributions were sufficient to finance the health care costs through the year 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.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following table presents the OPEB liability calculated using the single discount rate of 3.96%, and the expected net OPEB liability if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the current rate.

	<u>1% Decrease</u> <u>(2.96%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(3.96%)</u>	<u>1% Increase</u> <u>(4.96%)</u>
Proportionate share of the net OPEB liability	\$3,934,645	\$3,075,449	\$2,392,160

Sensitivity of the 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 1.00% lower or 1.00% 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%. 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% in the most recent valuation.

	<u>1% Decrease</u>	<u>Current Health Care</u> <u>Cost Trend Rate</u> <u>Assumption</u>	<u>1% Increase</u>
Proportionate share of the net OPEB liability	\$2,956,173	\$3,075,449	\$3,212,822

Changes since prior Measurement Date and to Report Date

OPERS Board adopted a change in the investment return assumption, reducing it from 6.50% to 6.00%. In January 2020, the Board adopted changes to health care coverage for Medicare and pre-Medicare retirees. It will include discontinuing the PPO plan for pre-Medicare retirees and replacing it with a monthly allowance to help participants pay for a health care plan of their choosing. The base allowance for Medicare-eligible retirees will be reduced. The specific effect of these changes on the net OPEB liability and OPEB expense are unknown at this time.

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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.

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

Valuation Date	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.00%
Payroll Growth	Inflation rate of 2.75% plus productivity increase rate of 0.50%
Single discount rate:	
Current measurement date	4.66%
Prior measurement date	3.24%
Stipend Increase Rate	The stipend is not assured to increase over the projection period

Healthy Mortality

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%.

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

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Disabled Mortality

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

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

The 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 OP&F's Statement of Investment Policy. A forecasted rate of inflation serves as a 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 average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

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:

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

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.

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Discount Rate

Total OPEB liability was calculated using the discount rate of 4.66%. The projection of cash flows used to determine the discount rate assumed the contributions 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 8.00%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payment of current plan members. Therefore, a municipal bond rate of 4.13% at December 31, 2018 and 3.16% at December 31, 2017 was blended with the long-term rate of 8.00%, which resulted in a blended discount rate of 4.66%.

Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

Net OPEB liability is sensitive to changes in the discount rate. To illustrate the potential impact, the following table presents the net OPEB liability calculated using the discount rate of 4.66%, 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%, or one percentage point higher, 5.66%, than the current rate:

	1% Decrease (3.66%)	Current Discount Rate (4.66%)	1% Increase (5.66%)
Proportionate share of the net OPEB liability	\$2,639,487	\$2,166,581	\$1,769,617

Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

The net OPEB liability for OP&F is no sensitive to changes in the healthcare care cost trend rate because it is based on a medical benefit that is a flat dollar amount.

Changes since prior measurement date and to report date

Beginning January 1, 2019 OP&F changed its retiree health care model and the current self-insured health care plan is no longer offered. In its place will be a stipend-based health care model. OP&F has contracted with a vendor who will assist eligible retirees in choosing health care plans from their marketplace (both Medicare-eligible and pre-Medicare populations). 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. As a result of changing from the current health care model to the stipend based health care model, management expects that it will be able to provide stipends to eligible participants for the next 15 years. Beginning in 2020 the Board approved a change to the Deferred Retirement Option Plan. The minimum interest rate accruing will be 2.5%.

Note 13 – Jointly Governed Organization

The Waycross Community Programming Board is a jointly governed organization among the City of Forest Park, Village of Greenhills, and Springfield Township that was formed during 1982. The jointly governed organization was formed for the purpose of providing community programming and cable regulatory services for their citizens. The Board of Directors is comprised of a chairman and fifteen individuals drawn from local residents of the three communities. Each community has five members on the Board (the chairman is not a resident of any of the communities). The degree of control exercised by any participating city or township is limited to its representation by their citizens. Elected officials of the three communities appoint individuals to serve on the Community Programming Board of Directors. The Board of Directors' responsibilities include establishment and review of programming policies,

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resolution of policy disputes and questions of equal treatment for access users, fiscal controls and the creation and promotion of the media center and Community Access channels. In addition, the Community Programming Board coordinates regulatory efforts for member communities and provides expertise on other matters regarding the local cable system(s) and other forms of electronic communications.

The Community Programming Board is not locked into services for these three entities alone. Communities may leave the joint effort or other communities could join. In 2011, Waycross entered into a contract with Colerain Township to provide community programming to its residents.

The Communities involved have directed Time Warner Cable to pay the Community Programming Board for the use of the streets and other facilities in the operation of the Cable Television System during the life of the franchise a sum equal to five percent of the Gross Revenues for each and every quarter year of the franchise term.

It should be noted that the franchise costs are paid directly by those who subscribe to the cable service. The fees are collected by Time Warner Cable and they have been directed by the participating communities to pay the franchise fees (which would otherwise go to the participating communities) to the Community Programming Board.

The City serves as the fiscal agent for the Community Programming Board. As of January 1, 2015, the Community Programming Board separated off into its own entity and is no longer recorded as an agency fund on the City's financial statements.

Note 14 – Interfund Transactions

Individual funds at year end, consisted of the following individual transfers in and transfers out:

	Transfers	
	In	Out
General Fund	\$0	\$392,000
Other Governmental Funds	1,055,000	663,000
Total All Funds	<u>\$1,055,000</u>	<u>\$1,055,000</u>

Interfund balance/transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budget authorizations, to segregate and to return money to the fund from which it was originally provided once a project is completed. All transfers noted above met the requirements of the Ohio Revised Code. There was a \$663,000 transfer from the Debt Fund into the Capital Improvement Fund related to debt payments.

Note 15 – Special Obligation Development Revenue Bonds

During 2004, the City entered into an agreement with Cincinnati Mills L.L.C., the Port of Greater Cincinnati Development Authority, the City of Fairfield, the Winton Woods City School District, the Northwest Local School District, and the Fairfield City School District. The agreement provides for a Tax Increment Financing (TIF) project for the Cincinnati Mall located in both the City of Forest Park and the

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City of Fairfield. The proceeds will be used for Public Parking and Infrastructure improvements on the Cincinnati Mall site. The agreement is for thirty years and bonds were issued in the name of the Port of Greater Cincinnati Development Authority in the amount of \$18,000,000. Debt service for the issue will be from the TIF as well as a Special Assessment District which includes the areas benefiting from the improvements. In March 2010, the Port Authority, Bond Trustee and new mall owners entered into a new forbearance agreement. These bonds are not a liability, nor are the proceeds of the issued bonds and assets of the City and, accordingly, they are not reflected on the City's financial records.

Note 16 – Contingent Liabilities

Litigation

The City management is of the opinion that the ultimate disposition of claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

Federal and State Grants

The City participates in several federally assisted programs. These programs are subject to financial and compliance audits by the grantor or their representative. As of December 31, 2019, the audits of certain of these programs have not been completed. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

Note 17 – Accountability

The following individual funds had deficit fund balances at year end:

<u>Funds</u>	<u>Deficit</u>
Other Governmental Funds:	
Cobblewood TIF Fund	\$4,584

The deficit in fund balance was solely the result of GAAP accruals. The general fund is liable for any deficit in these funds and will provide transfers when cash is required not when accruals occur.

Note 18 – Construction and Other Commitments

As of December 31, 2019, the City had committed \$70,297 in encumbrances with respect to capital projects.

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 in the governmental funds were as follows:

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Fund	Amount
General	\$361,698
Fire	52,999
Nonmajor Funds	<u>158,568</u>
Total	<u><u>\$573,265</u></u>

Note 19 – Fund Balances

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

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Fund Balances	General	Fire	Cincinnati Mall TIF	Economic Development	Other Governmental Funds	Total
Nonspendable:						
Prepays	\$54,235	\$11,546	\$0	\$0	\$32,177	\$97,958
Total Nonspendable	54,235	11,546	0	0	32,177	97,958
Restricted for:						
Fire	0	2,904,018	0	0	0	2,904,018
Economic Development	0	0	0	313,116	0	313,116
Street	0	0	0	0	1,354,374	1,354,374
State Highway	0	0	0	0	204,441	204,441
Law Enforcement Trust	0	0	0	0	72,588	72,588
Law Enforcement Grant	0	0	0	0	7,436	7,436
Health Care Reserve	0	0	0	0	40,990	40,990
Home Improvement	0	0	0	0	7,859	7,859
Fire Department Trust	0	0	0	0	62,255	62,255
Court Automation	0	0	0	0	19,635	19,635
Peace Officer Training	0	0	0	0	11,755	11,755
Promenade TIF	0	0	0	0	61,659	61,659
Capital Improvement	0	0	0	0	536,032	536,032
Cincinnati Mall TIF	0	0	355	0	0	355
Carillon Business Park TIF	0	0	0	0	898,052	898,052
We Thrive Forest Park!	0	0	0	0	27,602	27,602
Fire Capital	0	0	0	0	322,212	322,212
Total Restricted	0	2,904,018	355	313,116	3,626,890	6,844,379
Committed to:						
Police Capital Equipment	0	0	0	0	160,663	160,663
Total Committed	0	0	0	0	160,663	160,663
Assigned to:						
Debt Service	0	0	0	0	145,949	145,949
Encumbrances	241,178	0	0	0	0	241,178
Total Assigned	241,178	0	0	0	145,949	387,127
Unassigned (Deficit)	6,929,138	0	0	0	(4,584)	6,924,554
Total Fund Balance	<u>\$7,224,551</u>	<u>\$2,915,564</u>	<u>355</u>	<u>\$313,116</u>	<u>\$3,961,095</u>	<u>\$14,414,681</u>

Encumbrances (assigned) will be used for \$27,281 for travel and conference expenses, \$35,092 for printing and office supplies, \$54,005 for legal services, \$34,059 for police car supplies, \$22,864 for tree removal, \$43,769 for maintenance, and \$24,108 for utilities.

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2019

Note 20 – Tax Abatements

As of December 31, 2019, the City provides tax abatements through the Community Reinvestment Area (CRA) and Ohio Enterprise Zone Area (EZA) Program:

The Ohio Community Reinvestment Area program (established by Ordinance 66-98) with is an economic development tool administered by the City that provides real property tax exemptions for property owners who renovate existing or construct new buildings. Under Ohio Revised Code section 3765 to 3735.70, city, village or county can petition the Ohio Department of Development to confirm that investment in a particular geographical area. Once the Department has confirmed the investment in the area, the community may offer real estate tax exemptions to taxpayers who are willing to invest in the area. Up to 12 years may be exempt for commercial and industrial remodeling and up to 15 years may be exempt for new construction. State law requires reimbursement agreements with school districts for tax revenue losses for CRA in place after 1994. It is the City’s policy to have reimbursement agreements with school districts for any CRA prior to 1994. Payments in lieu of taxes paid by the property owner directly to the school districts as required by the agreement are not reduced from the total amount of taxes abated.

The Ohio Enterprise Zone Areas (established by Ordinance 13-88) are designated areas of land in which businesses can receive tax incentives in the form of partial property tax exemptions on eligible new investments. EZAs are not part of the traditional zoning program, which limits the use of land, instead they allow local officials to negotiate with businesses to encourage new business investment in the zone. The EZA serves as an additional economic development tool for communities attempting to retain and expand their economic base. The EZA is a contract between Hamilton County and the company, with the City providing its consent and approval for each agreement. The zone's geographic area is identified by the local communities involved in the creation of the zone. Once a zone is defined, the local legislative authority participating in the creation must petition the director of the Development Services Agency. The director must then certify the area for it to become an active Enterprise Zone. Tax incentives are negotiated at the local level, and an enterprise zone agreement must be in place before the project begins. Businesses interested in pursuing these incentives should contact the local Enterprise Zone Manager, which is often the local economic development official. All enterprise zone agreements are reviewed on an annual basis by the Hamilton County Tax Incentive Council (TIRC), a group that includes representatives from the County and City. The following are the active enterprise zone agreements:

<u>Tax Abatement Programs</u>	<u>Abatement %</u>	<u>Years</u>
Enterprise Zone Area:		
Ameritas	75%	10
Cincinnati Testing Laboratories, Inc.	75%	8
Fry Fastening	75%	6

The abatements will be terminated if the property is deemed delinquent, behind on payments, or the terms and conditions of the CRA or EZA are not adhered to and no recapture provisions noted.

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2019

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 has incurred a significant decline in fair value, in 2020, 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, the impact of the investments of the pension and other employee benefit plan in which the City participates and any recovery from emergency funding, either federal or state, cannot be estimated.

On May 27, 2020, the City closed on the renewal of various purpose bond anticipation notes for \$4,395,000 to retire the \$4,188,000 bond anticipation notes issued in May 2019. The 2020 bond anticipation notes carry an interest rate of 1.50 percent and mature one year from the date of issuance. The proceeds from the bond anticipation notes were originally utilized for road improvements and various other improvements throughout the city.

Note 22 – Implementation of New Accounting Principles

For fiscal year 2019, the City has postponed implementation of Governmental Accounting Standards Board (GASB) Statement No. 83, Certain Asset Retirement Obligations, GASB No. 84, Fiduciary Activities, GASB No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements, and GASB No. 90, Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61. The City did not implement these statements due to the GASB postponing the implementation by 12 months because of the COVID-19 pandemic.

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REQUIRED SUPPLEMENTARY INFORMATION



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

	2019	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.02323800%	0.02326400%	0.02436600%	0.02407200%	0.02391200%	0.02391200%
City's Proportionate Share of the Net Pension Liability	\$6,364,417	\$3,649,671	\$5,533,105	\$4,169,574	\$2,884,055	\$2,818,913
City's Covered Payroll	\$3,138,621	\$3,074,300	\$3,149,892	\$3,495,358	\$2,941,317	\$3,469,046
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	202.78%	118.72%	175.66%	119.29%	98.05%	81.26%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

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

See accompanying notes to the required supplementary information.

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

	2019	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.23791500%	0.23583800%	0.24436200%	0.23563500%	0.23816690%	0.23816690%
City's Proportionate Share of the Net Pension Liability	\$19,420,151	\$14,474,443	\$15,477,644	\$15,158,565	\$12,338,038	\$11,599,475
City's Covered Payroll	\$5,968,547	\$5,687,874	\$5,623,942	\$5,138,492	\$4,895,447	\$5,678,150
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	325.37%	254.48%	275.21%	295.00%	252.03%	204.28%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.07%	70.91%	68.36%	66.77%	72.20%	73.00%

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

See accompanying notes to the required supplementary information.

City of Forest Park, Ohio
 Required Supplementary Information
 Schedule of City Contributions
 for Net Pension Liability
 Ohio Public Employees Retirement System- Traditional Plan
 Last Six Fiscal Years (1)

	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	\$443,874	\$439,407	\$399,659	\$377,987	\$419,443	\$352,958
Contributions in Relation to the Contractually Required Contribution	(443,874)	(439,407)	(399,659)	(377,987)	(419,443)	(352,958)
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0	\$0	\$0
City Covered Payroll	\$3,170,529	\$3,138,621	\$3,074,300	\$3,149,892	\$3,495,358	\$2,941,317
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%

(1) - The schedule is intended to show Information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available

See accompanying notes to the required supplementary information.

City of Forest Park, Ohio
 Required Supplementary Information
 Schedule of City Contributions
 for Net Pension Liability
 Ohio Police and Fire Pension Fund
 Last Six Fiscal Years (1)

	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	\$1,194,559	\$1,134,024	\$1,080,696	\$1,068,549	\$1,032,323	\$996,713
Contributions in Relation to the Contractually Required Contribution	(1,194,559)	(1,134,024)	(1,080,696)	(1,068,549)	(1,032,323)	(996,713)
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$5,653,379	\$5,968,547	\$5,687,874	\$5,623,942	\$5,138,492	\$4,895,447
Contributions as a Percentage of Covered Payroll	21.13%	19.00%	19.00%	19.00%	20.09%	20.36%

(1) - The schedule is intended to show Information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available

See accompanying notes to the required supplementary information.

City of Forest Park, Ohio
 Required Supplementary Information
 Schedule of the City's Proportionate Share
 of the Net Postemployment Benefits Other Than Pension (OPEB) Liability
 Ohio Public Employees Retirement System - Traditional Plan
 Last Three Fiscal Years (1)

	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.02358900%	0.02327000%	0.02443402%
City's Proportionate Share of the Net OPEB Liability	\$3,075,449	\$2,526,951	\$2,401,282
City's Covered Payroll	\$3,138,621	\$3,074,300	\$3,149,892
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	97.99%	82.20%	76.23%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.33%	54.14%	54.04%

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

See accompanying notes to the required supplementary information.

City of Forest Park, Ohio
 Required Supplementary Information
 Schedule of the City's Proportionate Share
 of the Net Postemployment Benefits Other Than Pension (OPEB) Liability
 Ohio Police and Fire Pension Fund
 Last Three Fiscal Years (1)

	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.23791500%	0.23583800%	0.24436200%
City's Proportionate Share of the Net OPEB Liability	\$2,166,581	\$13,362,251	\$11,599,315
City's Covered Payroll	\$5,968,547	\$5,687,874	\$5,623,942
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	36.30%	234.93%	206.25%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.57%	14.13%	15.96%

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

See accompanying notes to the required supplementary information.

City of Forest Park, Ohio
 Required Supplementary Information
 Schedule of City Contributions to
 Postemployment Benefits Other Than Pension (OPEB)
 Ohio Public Employees Retirement System - Traditional Plan
 Last Four Fiscal Years (1)

	2019	2018	2017	2016
Contractually Required Contribution to OPEB	\$0	\$0	\$0	\$0
Contributions to OPEB in Relation to the Contractually Required Contribution	0	0	0	0
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$3,170,529	\$3,138,621	\$3,074,300	\$3,149,892
Contributions to OPEB as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2016 is not available.

See accompanying notes to the required supplementary information.

City of Forest Park, Ohio
 Required Supplementary Information
 Schedule of City Contributions to
 Postemployment Benefits Other Than Pension (OPEB)
 Ohio Police and Fire Pension Fund
 Last Four Fiscal Years (1)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contribution to OPEB	\$28,643	\$27,163	\$26,248	\$25,415
Contributions to OPEB in Relation to the Contractually Required Contribution	<u>(28,643)</u>	<u>(27,163)</u>	<u>(26,248)</u>	<u>(25,415)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$5,653,379	\$5,968,547	\$5,687,874	\$5,623,942
Contributions to OPEB as a Percentage of Covered Payroll	0.51%	0.46%	0.46%	0.45%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2016 is not available.

See accompanying notes to the required supplementary information.

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2019

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Property and Other Taxes	\$894,293	\$853,733	\$949,349	\$95,616
Income Taxes	10,063,561	9,607,134	10,683,112	1,075,978
Charges for Services	108,035	103,135	114,686	11,551
Investment Earnings	102,987	98,316	109,327	11,011
Intergovernmental	342,935	327,381	364,047	36,666
Fines, Licenses & Permits	481,262	459,434	510,890	51,456
Other Revenues	133,641	127,579	141,868	14,289
Total Revenues	12,126,714	11,576,712	12,873,279	1,296,567
Expenditures:				
Current:				
<u>General Government</u>				
City Council:				
Personal Services	162,432	162,683	148,773	13,910
Contractual Services	94,868	95,014	86,890	8,124
Supplies and Materials	1,306	1,308	1,196	112
Total City Council	258,606	259,005	236,859	22,146
Mayor's Court:				
Personal Services	86,023	86,156	78,789	7,367
Contractual Services	59,621	59,713	54,607	5,106
Supplies and Materials	1,446	1,448	1,324	124
Total Mayor's Court	147,090	147,317	134,720	12,597
City Manager:				
Personal Services	561,441	562,310	514,229	48,081
Contractual Services	98,442	98,594	90,164	8,430
Supplies and Materials	1,923	1,926	1,761	165
Total City Manager	661,806	662,830	606,154	56,676
Finance/Tax:				
Personal Services	1,000,889	1,002,438	916,723	85,715
Contractual Services	145,536	145,762	133,298	12,464
Supplies and Materials	18,048	18,076	16,530	1,546
Total Finance/Tax	1,164,473	1,166,276	1,066,551	99,725
Human Resources:				
Personal Services	178,389	178,665	163,388	15,277
Contractual Services	27,223	27,265	24,934	2,331
Supplies and Materials	437	437	400	37
Total Human Resources	206,049	206,367	188,722	17,645

Continued

City of Forest Park, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2019

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Information Services:				
Personal Services	127,447	127,644	116,730	10,914
Contractual Services	181,215	181,495	165,976	15,519
Supplies and Materials	3,030	3,034	2,775	259
Total Information Services	<u>311,692</u>	<u>312,173</u>	<u>285,481</u>	<u>26,692</u>
Other:				
Contractual Services	325,772	326,276	298,377	27,899
Other	87,810	87,946	80,426	7,520
Total Other	<u>413,582</u>	<u>414,222</u>	<u>378,803</u>	<u>35,419</u>
 Total General Government	 <u>3,163,298</u>	 <u>3,168,190</u>	 <u>2,897,290</u>	 <u>270,900</u>
 <u>Public Safety</u>				
Police Department:				
Personal Services	5,805,882	5,814,865	5,317,658	497,207
Contractual Services	316,425	316,914	289,816	27,098
Supplies and Materials	83,716	83,845	76,676	7,169
Total Police Department	<u>6,206,023</u>	<u>6,215,624</u>	<u>5,684,150</u>	<u>531,474</u>
 Total Public Safety	 <u>6,206,023</u>	 <u>6,215,624</u>	 <u>5,684,150</u>	 <u>531,474</u>
 <u>Leisure Time Activities</u>				
Activity & Senior Centers:				
Contractual Services	58,355	58,445	53,448	4,997
Supplies and Materials	3,914	3,920	3,585	335
Total Activity & Senior Centers	<u>62,269</u>	<u>62,365</u>	<u>57,033</u>	<u>5,332</u>
 Recreation:				
Personal Services	99,426	99,580	91,065	8,515
Contractual Services	34,144	34,197	31,273	2,924
Supplies and Materials	10,119	10,135	9,268	867
Total Recreation	<u>143,689</u>	<u>143,912</u>	<u>131,606</u>	<u>12,306</u>

Continued

City of Forest Park, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2019

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Park Maintenance:				
Personal Services	100,926	101,082	92,439	8,643
Contractual Services	54,308	54,392	49,741	4,651
Supplies and Materials	31,041	31,089	28,431	2,658
Total Park Maintenance	<u>186,275</u>	<u>186,563</u>	<u>170,611</u>	<u>15,952</u>
 Total Leisure Time Activities	 <u>392,233</u>	 <u>392,840</u>	 <u>359,250</u>	 <u>33,590</u>
 <u>Community Environment</u>				
Economic Development Department:				
Personal Services	188,241	188,533	172,412	16,121
Contractual Services	53,046	53,128	48,585	4,543
Supplies and Materials	483	483	442	41
Total Economic Development Department	<u>241,770</u>	<u>242,144</u>	<u>221,439</u>	<u>20,705</u>
 Community Development Department:				
Personal Services	310,723	311,204	284,594	26,610
Contractual Services	16,768	16,794	15,358	1,436
Supplies and Materials	1,800	1,803	1,649	154
Total Community Development Department	<u>329,291</u>	<u>329,801</u>	<u>301,601</u>	<u>28,200</u>
 Beautification:				
Contractual Services	114,218	114,394	104,613	9,781
Supplies and Materials	1,035	1,037	948	89
Total Beautification	<u>115,253</u>	<u>115,431</u>	<u>105,561</u>	<u>9,870</u>
 Community Services:				
Contractual Services	46,563	46,635	42,647	3,988
Total Community Services	<u>46,563</u>	<u>46,635</u>	<u>42,647</u>	<u>3,988</u>
 Building Department:				
Personal Services	189,730	190,023	173,775	16,248
Contractual Services	64,661	64,762	59,224	5,538
Supplies and Materials	7,409	7,420	6,786	634
Total Building Department	<u>261,800</u>	<u>262,205</u>	<u>239,785</u>	<u>22,420</u>
 Total Community Environment	 <u>994,677</u>	 <u>996,216</u>	 <u>911,033</u>	 <u>85,183</u>
 <u>Public Works and Streets</u>				
Equipment Maintenance:				
Personal Services	303,632	304,102	278,099	26,003
Contractual Services	20,075	20,106	18,387	1,719
Supplies and Materials	191,264	191,560	175,180	16,380
Total Equipment Maintenance	<u>514,971</u>	<u>515,768</u>	<u>471,666</u>	<u>44,102</u>

Continued

City of Forest Park, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2019

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Public Works:				
Personal Services	194,379	194,679	178,033	16,646
Contractual Services	86,986	87,120	79,671	7,449
Supplies and Materials	2,804	2,808	2,568	240
Total Public Works	<u>284,169</u>	<u>284,607</u>	<u>260,272</u>	<u>24,335</u>
Engineering:				
Personal Services	43,662	43,729	39,990	3,739
Contractual Services	14,461	14,483	13,245	1,238
Supplies and Materials	235	235	215	20
Total Engineering	<u>58,358</u>	<u>58,447</u>	<u>53,450</u>	<u>4,997</u>
Street Lighting:				
Contractual Services	118,201	118,384	108,261	10,123
Total Street Lighting	<u>118,201</u>	<u>118,384</u>	<u>108,261</u>	<u>10,123</u>
Municipal Building and Grounds:				
Personal Services	66,863	66,966	61,240	5,726
Contractual Services	170,906	171,170	156,534	14,636
Supplies and Materials	11,726	11,744	10,740	1,004
Total Municipal Building and Grounds	<u>249,495</u>	<u>249,880</u>	<u>228,514</u>	<u>21,366</u>
Total Public Works and Streets	<u>1,225,194</u>	<u>1,227,086</u>	<u>1,122,163</u>	<u>104,923</u>
Total Expenditures	<u>11,981,425</u>	<u>11,999,956</u>	<u>10,973,886</u>	<u>1,026,070</u>
Excess of Revenues Over (Under) Expenditures	<u>145,289</u>	<u>(423,244)</u>	<u>1,899,393</u>	<u>2,322,637</u>
Other Financing Sources (Uses):				
Transfers (Out)	<u>(427,990)</u>	<u>(428,652)</u>	<u>(392,000)</u>	<u>36,652</u>
Total Other Financing Sources (Uses)	<u>(427,990)</u>	<u>(428,652)</u>	<u>(392,000)</u>	<u>36,652</u>

Continued

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2019

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Net Change in Fund Balance	(282,701)	(851,896)	1,507,393	2,359,289
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>4,542,901</u>	<u>4,542,901</u>	<u>4,542,901</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$4,260,200</u></u>	<u><u>\$3,691,005</u></u>	<u><u>\$6,050,294</u></u>	<u><u>\$2,359,289</u></u>

See accompanying notes to the required supplementary information.

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2019

	Fire Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Property and Other Taxes	\$4,169,173	\$4,169,173	\$4,431,858	\$262,685
Charges for Services	506,734	506,734	538,662	31,928
Investment Earnings	43,118	43,118	45,835	2,717
Intergovernmental	316,902	316,902	336,869	19,967
Fines, Licenses & Permits	2,897	2,897	3,080	183
Other Revenues	1,169	1,169	1,243	74
Total Revenues	5,039,993	5,039,993	5,357,547	317,554
Expenditures:				
Public Safety:				
Fire Department:				
Personal Services	4,306,002	4,306,002	3,928,525	377,477
Contractual Services	541,338	541,338	493,883	47,455
Supplies and Materials	267,897	267,897	244,412	23,485
Total Expenditures	5,115,237	5,115,237	4,666,820	448,417
Net Change in Fund Balance	(75,244)	(75,244)	690,727	765,971
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,263,828	2,263,828	2,263,828	0
Fund Balance End of Year	\$2,188,584	\$2,188,584	\$2,954,555	\$765,971

See accompanying notes to the required supplementary information.

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2019

	Cincinnati Mall TIF Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Revenue in Lieu of Taxes	\$2,000,000	\$1,200,388	\$1,200,388	\$0
Total Revenues	2,000,000	1,200,388	1,200,388	0
Expenditures:				
General Government:				
Cincinnati Mills:				
Contractual Services	56,247	34,141	34,141	0
Other	1,943,753	1,179,818	1,179,818	0
Total Expenditures	2,000,000	1,213,959	1,213,959	(0)
Net Change in Fund Balance	0	(13,571)	(13,571)	(0)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	13,926	13,926	13,926	0
Fund Balance End of Year	<u>\$13,926</u>	<u>\$355</u>	<u>\$355</u>	<u>(\$0)</u>

See accompanying notes to the required supplementary information.

City of Forest Park, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended December 31, 2019

Note 1 – Budgetary Process

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the City. 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 issued during the year.

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

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 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis) 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 are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures 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 an assignment of fund balance (GAAP).
4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statements.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund, the Fire Fund, and the Cincinnati Mall TIF Fund.

City of Forest Park, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended December 31, 2019

Net Change in Fund Balance

	General	Fire	Cincinnati Mall TIF
GAAP Basis	\$2,351,513	\$771,571	(\$13,571)
Revenue Accruals	(492,382)	(2,112)	0
Expenditure Accruals	9,960	(25,733)	0
Encumbrances	(361,698)	(52,999)	0
Budget Basis	<u>\$1,507,393</u>	<u>\$690,727</u>	<u>(\$13,571)</u>

Encumbrances

Encumbrances for purchase orders, contracts and other commitments are recorded in the governmental funds to reserve that portion of the applicable appropriation. Encumbrances outstanding at year-end are reported as an assignment of the fund balances since they do not constitute expenditures or liabilities.

Note 2 – Net Pension Liability

Ohio Police and Fire Pension Fund Changes in Assumptions and Benefit Terms

Changes in assumptions:

2019: There have been no OP&F pension plan amendments adopted or changes in assumptions between the measurement date and the report date that would have impacted the actuarial valuation of the pension plan as of the measurement date.

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

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

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

Changes in benefit terms:

2019-2014: There were no changes in benefit terms for the period.

Ohio Public Employees Retirement System Changes in Assumptions and Benefit Terms

Changes in assumptions:

2019: OPERS Board adopted a change in the investment return assumption, reducing it from 7.50% to 7.20%.

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

City of Forest Park, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended December 31, 2019

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

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

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

Changes in benefit terms:

2019-2014: There were no changes in benefit terms for the period.

Note 3 - Net OPEB Liability

Ohio Police and Fire Pension Fund Changes in Assumptions and Benefit Terms

Changes in assumptions:

2019: Beginning January 1, 2019 OP&F changed its retiree health care model and the current self-insured health care plan is no longer offered. In its place will be a stipend-based health care model. OP&F has contracted with a vendor who will assist eligible retirees in choosing health care plans from their marketplace (both Medicare-eligible and pre-Medicare populations). 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. As a result of changing from the current health care model to the stipend based health care model, management expects that it will be able to provide stipends to eligible participants for the next 15 years. Beginning in 2020 the Board approved a change to the Deferred Retirement Option Plan. The minimum interest rate accruing will be 2.5%.

2018: The single discount rate changed from 3.79% to 3.24%

Changes in benefit terms:

2019: See above regarding change to stipend-based model.

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

Ohio Public Employees Retirement System Changes in Assumptions and Benefit Terms

Changes in assumptions:

2019: OPERS Board adopted a change in the investment return assumption, reducing it from 6.50% to 6.00%. In January 2020, the Board adopted changes to health care coverage for Medicare and pre-Medicare retirees. It will include discontinuing the PPO plan for pre-Medicare retirees and replacing it with a monthly allowance to help participants pay for a health care plan of their choosing. The base allowance for Medicare-eligible retirees will be reduced. The specific effect of these changes on the net OPEB liability and OPEB expense are unknown at this time.

2018: The single discount rate changed from 4.23% to 3.85%.

Changes in benefit terms:

2019-2018: There were no changes in benefit terms for the period.

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES



MAJOR GOVERNMENTAL FUNDS

Economic Development - This fund has been used to account for the acquisition, construction and debt service for the Kemper Meadow Business Center. It may also be used for the purchase, rehabilitation, and resale of properties. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance are included in the Basic Financial Statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

City of Forest Park, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2019

	Economic Development Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$7,918	\$8,780	\$862
Intergovernmental	135,269	150,000	14,731
Special Assessments	25,651	28,444	2,793
Total Revenues	168,838	187,224	18,386
Expenditures:			
Economic Development:			
Contractual Services	6,936	6,461	475
Total Economic Development	6,936	6,461	475
Leisure Time:			
Supplies and Materials	966	900	66
Total Leisure Time	966	900	66
Public Works			
Contractual Services	13,125	12,226	899
Total Public Works	13,125	12,226	899
Capital Outlay	355,018	330,690	24,328
Debt Service:			
Principal Retirement	1,551,305	1,445,000	106,305
Interest and Fiscal Charges	35,809	33,355	2,454
Total Expenditures	1,963,159	1,828,632	134,527
Excess of Revenues Over (Under) Expenditures	(1,794,321)	(1,641,408)	152,913
Other Financing Sources (Uses):			
Debt Proceeds	1,212,213	1,344,226	132,013
Total Other Financing Sources (Uses)	1,212,213	1,344,226	132,013
Net Change in Fund Balance	(582,108)	(297,182)	284,926
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	614,860	614,860	0
Fund Balance End of Year	\$32,752	\$317,678	\$284,926

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The term *proceeds of specific revenue sources* establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

Debt Service Funds

The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated (i.e. debt payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds.

Capital Projects Funds

The Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

City of Forest Park, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$2,588,271	\$160,839	\$1,054,648	\$3,803,758
Receivables (Net):				
Interest	2,981	0	1,368	4,349
Intergovernmental	1,316,106	0	0	1,316,106
Prepaid Items	20,637	0	11,540	32,177
Total Assets	3,927,995	160,839	1,067,556	5,156,390
Liabilities:				
Accounts Payable	31,792	0	29,917	61,709
Accrued Wages and Benefits	19,077	0	0	19,077
Accrued Interest Payable	20,446	14,890	6,271	41,607
Total Liabilities	71,315	14,890	36,188	122,393
Deferred Inflows of Resources:				
Grants and Other Taxes	412,428	0	0	412,428
Revenue in Lieu of Taxes	657,548	0	0	657,548
Investment Earnings	2,005	0	921	2,926
Total Deferred Inflows of Resources	1,071,981	0	921	1,072,902
Fund Balances:				
Nonspendable	20,637	0	11,540	32,177
Restricted	2,768,646	0	858,244	3,626,890
Committed	0	0	160,663	160,663
Assigned	0	145,949	0	145,949
Unassigned	(4,584)	0	0	(4,584)
Total Fund Balances	2,784,699	145,949	1,030,447	3,961,095
Total Liabilities, Deferred Inflows and Fund Balances	\$3,927,995	\$160,839	\$1,067,556	\$5,156,390

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Investment Earnings	\$49,736	\$0	\$28,084	\$77,820
Intergovernmental	1,274,833	0	0	1,274,833
Fines, Licenses & Permits	81,909	0	0	81,909
Revenue in Lieu of Taxes	666,876	0	0	666,876
Other Revenues	22,089	0	43,416	65,505
Total Revenues	2,095,443	0	71,500	2,166,943
Expenditures:				
Current:				
General Government	8,197	0	0	8,197
Public Safety	38,402	0	0	38,402
Community Environment	18,765	0	0	18,765
Public Works and Streets	970,826	0	0	970,826
Capital Outlay	585,722	160,000	1,178,201	1,923,923
Debt Service:				
Principal	354,075	212,892	470,420	1,037,387
Interest and Other Charges	63,095	57,008	55,516	175,619
Total Expenditures	2,039,082	429,900	1,704,137	4,173,119
Excess of Revenues Over (Under) Expenditures	56,361	(429,900)	(1,632,637)	(2,006,176)
Other Financing Sources (Uses):				
Issuance of Capital Leases	0	160,000	140,000	300,000
Note Proceeds	1,402,000	1,021,000	430,000	2,853,000
Transfers In	15,000	377,000	663,000	1,055,000
Transfers (Out)	0	(663,000)	0	(663,000)
Total Other Financing Sources (Uses)	1,417,000	895,000	1,233,000	3,545,000
Net Change in Fund Balance	1,473,361	465,100	(399,637)	1,538,824
Fund Balance - Beginning of Year	1,311,338	(319,151)	1,430,084	2,422,271
Fund Balance - End of Year	\$2,784,699	\$145,949	\$1,030,447	\$3,961,095

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NONMAJOR SPECIAL REVENUE FUNDS

Fund Descriptions

Street Fund - This fund is used to account for 92.5% of the City's share of state gasoline tax revenue and motor vehicle license fees. State law requires that such monies be spent on street construction and maintenance.

State Highway Fund - This fund is used to account for the remaining 7.5% of the City's share of state gasoline tax revenue and motor vehicle license fees. State law requires that such monies be spent on maintenance and improvement of state highways within the City.

Law Enforcement Trust Fund - This fund contains monies derived from the sale of property/automobiles seized by the police in relation to drug investigations.

Law Enforcement Grant Fund - This fund was used to account for various grants that have been received for law enforcement purposes.

Carillon Business Park TIF Fund- This fund is used to account for the proceeds of the bonds issued for the Tax Increment Financing District with related revenue and expenditures.

Health Care Reserve Fund - This fund is established to self-fund a portion of the employee health care costs.

Home Improvement Fund - This fund is established to help eligible Forest Park residents with the home improvement expenditures. The City will be reimbursed by the Hamilton County for advances to residents for such home improvements.

Cobblewood TIF Fund - This fund is used to account for the proceeds of bonds issued for the Tax Increment Financing District with related revenues and expenditures.

Fire Department Trust Fund – This fund accounts for informal donations received that are used to enhance the department. (No legal trust has been established for this fund.)

Court Automation Fund – To account for the costs relating to Mayor’s Court computer network and the related technology infrastructure. This fund is established in 2007 pursuant to Ohio Revised Code 1907.261.

Peace Officer Training Fund – To account for receipt and disbursement of funds received for peace officer training purposes.

Promenade TIF Fund – To account for the proceeds of bonds issued for the Tax Increment Financing District with related revenues and expenditures.

We Thrive Forest Park Fund – To account for receipt and disbursement of funds received for WeThrive.

City of Forest Park, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2019

	Street	State Highway	Law Enforcement Trust	Law Enforcement Grant	Carillon Business Park TIF
Assets:					
Equity in Pooled Cash and Investments	\$1,160,714	\$211,969	\$72,588	\$7,436	\$897,711
Receivables (Net):					
Interest	1,510	227	0	0	1,044
Intergovernmental	589,399	47,790	0	0	657,548
Prepaid Items	2,702	0	17,935	0	0
Total Assets	1,754,325	259,986	90,523	7,436	1,556,303
Liabilities:					
Accounts Payable	5,572	25,877	0	0	0
Accrued Wages and Benefits	19,062	15	0	0	0
Accrued Interest Payable	7,758	0	0	0	0
Total Liabilities	32,392	25,892	0	0	0
Deferred Inflows of Resources:					
Grants and Other Taxes	363,841	29,501	0	0	0
Revenue in Lieu of Taxes	0	0	0	0	657,548
Investment Earnings	1,016	152	0	0	703
Total Deferred Inflows of Resources	364,857	29,653	0	0	658,251
Fund Balances:					
Nonspendable	2,702	0	17,935	0	0
Restricted	1,354,374	204,441	72,588	7,436	898,052
Unassigned	0	0	0	0	0
Total Fund Balances	1,357,076	204,441	90,523	7,436	898,052
Total Liabilities, Deferred Inflows and Fund Balances	\$1,754,325	\$259,986	\$90,523	\$7,436	\$1,556,303

Health Care Reserve	Home Improvement	Cobblewood TIF	Fire Department Trust	Court Automation	Peace Officer Training	Promenade TIF	WeThrive Forest Park!	Total Nonmajor Special Revenue Funds
\$40,973	\$7,859	\$7,081	\$62,231	\$19,635	\$11,870	\$62,657	\$25,547	\$2,588,271
50	0	5	74	0	0	71	0	2,981
0	0	0	0	0	0	0	21,369	1,316,106
0	0	0	0	0	0	0	0	20,637
<u>41,023</u>	<u>7,859</u>	<u>7,086</u>	<u>62,305</u>	<u>19,635</u>	<u>11,870</u>	<u>62,728</u>	<u>46,916</u>	<u>3,927,995</u>
0	0	0	0	0	115	0	228	31,792
0	0	0	0	0	0	0	0	19,077
0	0	11,667	0	0	0	1,021	0	20,446
<u>0</u>	<u>0</u>	<u>11,667</u>	<u>0</u>	<u>0</u>	<u>115</u>	<u>1,021</u>	<u>228</u>	<u>71,315</u>
0	0	0	0	0	0	0	19,086	412,428
0	0	0	0	0	0	0	0	657,548
33	0	3	50	0	0	48	0	2,005
<u>33</u>	<u>0</u>	<u>3</u>	<u>50</u>	<u>0</u>	<u>0</u>	<u>48</u>	<u>19,086</u>	<u>1,071,981</u>
0	0	0	0	0	0	0	0	20,637
40,990	7,859	0	62,255	19,635	11,755	61,659	27,602	2,768,646
0	0	(4,584)	0	0	0	0	0	(4,584)
<u>40,990</u>	<u>7,859</u>	<u>(4,584)</u>	<u>62,255</u>	<u>19,635</u>	<u>11,755</u>	<u>61,659</u>	<u>27,602</u>	<u>2,784,699</u>
<u>\$41,023</u>	<u>\$7,859</u>	<u>\$7,086</u>	<u>\$62,305</u>	<u>\$19,635</u>	<u>\$11,870</u>	<u>\$62,728</u>	<u>\$46,916</u>	<u>\$3,927,995</u>

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

	Street	State Highway	Law Enforcement Trust	Law Enforcement Grant	Carillon Business Park TIF
Revenues:					
Investment Earnings	\$23,010	\$3,645	\$0	\$0	\$18,093
Intergovernmental	1,168,237	94,723	0	0	0
Fines, Licenses & Permits	0	0	70,275	0	0
Revenue in Lieu of Taxes	0	0	0	0	666,876
Other Revenues	8,335	0	10,915	0	0
Total Revenues	1,199,582	98,368	81,190	0	684,969
Expenditures:					
Current:					
General Government	0	0	0	0	0
Public Safety	0	0	19,623	2,542	0
Community Environment	0	0	0	0	14,428
Public Works and Streets	857,849	112,977	0	0	0
Capital Outlay	432,402	0	38,381	0	0
Debt Service:					
Principal	84,075	0	0	0	270,000
Interest and Other Charges	19,395	0	0	0	16,325
Total Expenditures	1,393,721	112,977	58,004	2,542	300,753
Excess of Revenues Over (Under) Expenditures	(194,139)	(14,609)	23,186	(2,542)	384,216
Other Financing Sources (Uses):					
Note Proceeds	532,000	0	0	0	0
Transfers In	0	0	0	0	0
Total Other Financing Sources (Uses)	532,000	0	0	0	0
Net Change in Fund Balance	337,861	(14,609)	23,186	(2,542)	384,216
Fund Balance - Beginning of Year	1,019,215	219,050	67,337	9,978	513,836
Fund Balance - End of Year	\$1,357,076	\$204,441	\$90,523	\$7,436	\$898,052

Health Care Reserve	Home Improvement	Cobblewood TIF	Fire Department Trust	Court Automation	Peace Officer Training	Promenade TIF	WeThrive Forest Park!	Total Nonmajor Special Revenue Funds
\$862	\$0	\$80	\$1,186	\$0	\$0	\$2,860	\$0	\$49,736
0	6,353	0	0	0	0	0	5,520	1,274,833
0	0	0	0	11,634	0	0	0	81,909
0	0	0	0	0	0	0	0	666,876
0	0	0	0	0	0	0	2,839	22,089
<u>862</u>	<u>6,353</u>	<u>80</u>	<u>1,186</u>	<u>11,634</u>	<u>0</u>	<u>2,860</u>	<u>8,359</u>	<u>2,095,443</u>
6,252	1,945	0	0	0	0	0	0	8,197
0	0	0	0	9,211	2,901	0	4,125	38,402
0	0	3,577	0	0	0	760	0	18,765
0	0	0	0	0	0	0	0	970,826
0	0	0	0	852	0	89,434	24,653	585,722
0	0	0	0	0	0	0	0	354,075
0	0	25,026	0	0	0	2,349	0	63,095
<u>6,252</u>	<u>1,945</u>	<u>28,603</u>	<u>0</u>	<u>10,063</u>	<u>2,901</u>	<u>92,543</u>	<u>28,778</u>	<u>2,039,082</u>
(5,390)	4,408	(28,523)	1,186	1,571	(2,901)	(89,683)	(20,419)	56,361
0	0	800,000	0	0	0	70,000	0	1,402,000
0	0	15,000	0	0	0	0	0	15,000
0	0	815,000	0	0	0	70,000	0	1,417,000
(5,390)	4,408	786,477	1,186	1,571	(2,901)	(19,683)	(20,419)	1,473,361
46,380	3,451	(791,061)	61,069	18,064	14,656	81,342	48,021	1,311,338
<u>\$40,990</u>	<u>\$7,859</u>	<u>(\$4,584)</u>	<u>\$62,255</u>	<u>\$19,635</u>	<u>\$11,755</u>	<u>\$61,659</u>	<u>\$27,602</u>	<u>\$2,784,699</u>

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2019

	Street Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$15,568	\$22,845	\$7,277
Intergovernmental	757,815	1,112,040	354,225
Other Revenues	5,680	8,335	2,655
Total Revenues	<u>779,063</u>	<u>1,143,220</u>	<u>364,157</u>
Expenditures:			
Public Works and Streets:			
Streets:			
Personal Services	601,794	618,990	(17,196)
Contractual Services	166,978	171,749	(4,771)
Supplies and Materials	139,820	143,815	(3,995)
Capital Outlay	433,080	445,455	(12,375)
Total Public Works and Streets	<u>1,341,672</u>	<u>1,380,009</u>	<u>(38,337)</u>
Debt Service:			
Principal Retirement	428,823	441,076	(12,253)
Interest and Fiscal Charges	18,073	18,589	(516)
Total Expenditures	<u>1,788,568</u>	<u>1,839,674</u>	<u>(51,106)</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,009,505)</u>	<u>(696,454)</u>	<u>313,051</u>
Other Financing Sources (Uses):			
Debt Proceeds	364,092	534,279	170,187
Inception of Capital Lease	90,671	133,053	42,382
Total Other Financing Sources (Uses)	<u>454,763</u>	<u>667,332</u>	<u>212,569</u>
Net Change in Fund Balance	(554,742)	(29,122)	525,620
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>1,148,670</u>	<u>1,148,670</u>	<u>0</u>
Fund Balance End of Year	<u>\$593,928</u>	<u>\$1,119,548</u>	<u>\$525,620</u>

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2019

	State Highway Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$3,047	\$3,623	\$576
Intergovernmental	75,827	90,166	14,339
Total Revenues	78,874	93,789	14,915
Expenditures:			
Public Works and Streets:			
Personal Services	7,081	6,291	790
Contractual Services	65,719	58,390	7,329
Supplies and Materials	63,587	56,496	7,091
Total Expenditures	136,387	121,177	15,210
Net Change in Fund Balance	(57,513)	(27,388)	30,125
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	209,917	209,917	0
Fund Balance End of Year	\$152,404	\$182,529	\$30,125

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2019

	Law Enforcement Trust Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$66,995	\$70,275	\$3,280
Other Revenues	10,405	10,915	510
Total Revenues	<u>77,400</u>	<u>81,190</u>	<u>3,790</u>
Expenditures:			
Public Safety:			
Police Department:			
Contractual Services	33,376	28,007	5,369
Supplies and Materials	11,382	9,551	1,831
Capital Outlay	45,755	38,395	7,360
Total Police Department	<u>90,513</u>	<u>75,953</u>	<u>14,560</u>
Total Expenditures	<u>90,513</u>	<u>75,953</u>	<u>14,560</u>
Net Change in Fund Balance	(13,113)	5,237	18,350
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>67,338</u>	<u>67,338</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$54,225</u></u>	<u><u>\$72,575</u></u>	<u><u>\$18,350</u></u>

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2019

	Law Enforcement Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Public Safety:			
Police Department:			
Contractual Services	4,000	2,542	1,458
Total Police Department	4,000	2,542	1,458
Total Expenditures	4,000	2,542	1,458
Net Change in Fund Balance	(4,000)	(2,542)	1,458
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	9,978	9,978	0
Fund Balance End of Year	\$5,978	\$7,436	\$1,458

City of Forest Park, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2019

	Carillon Business Park TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$17,895	\$17,974	\$79
Revenue in Lieu of Taxes	663,961	666,876	2,915
Total Revenues	<u>681,856</u>	<u>684,850</u>	<u>2,994</u>
Expenditures:			
General Government:			
Carillon Business Park:			
Contractual Services	15,252	14,428	824
Debt Service:			
Principal Retirement	549,681	520,000	29,681
Interest and Fiscal Charges	18,944	17,921	1,023
Total Expenditures	<u>583,877</u>	<u>552,349</u>	<u>31,528</u>
Excess of Revenues Over (Under) Expenditures	<u>97,979</u>	<u>132,501</u>	<u>34,522</u>
Other Financing Sources (Uses):			
Debt Proceeds	1,589	1,596	7
Total Other Financing Sources (Uses)	<u>1,589</u>	<u>1,596</u>	<u>7</u>
Net Change in Fund Balance	99,568	134,097	34,529
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>763,615</u>	<u>763,615</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$863,183</u></u>	<u><u>\$897,712</u></u>	<u><u>\$34,529</u></u>

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2019

	Health Care Reserve Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$350	\$858	\$508
Total Revenues	350	858	508
Expenditures:			
General Government:			
Contractual Services	11,550	6,952	4,598
Total Expenditures	11,550	6,952	4,598
Net Change in Fund Balance	(11,200)	(6,094)	5,106
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	46,367	46,367	0
Fund Balance End of Year	<u>\$35,167</u>	<u>\$40,273</u>	<u>\$5,106</u>

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2019

	Home Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$6,353	\$6,353
Total Revenues	0	6,353	6,353
Expenditures:			
Current:			
General Government			
Contractual Services	2,000	1,945	55
Total Expenditures	2,000	1,945	55
Net Change in Fund Balance	(2,000)	4,408	6,408
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	3,452	3,452	0
Fund Balance End of Year	\$1,452	\$7,860	\$6,408

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2019

	Cobblewood TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$79	\$79	\$0
Total Revenues	79	79	0
Expenditures:			
Cobblewood:			
Contractual Services	3,577	3,577	0
Debt Service:			
Principal Retirement	800,057	800,000	57
Interest and Fiscal Charges	18,468	18,467	1
Total Expenditures	822,102	822,044	58
Excess of Revenues Over (Under) Expenditures	(822,023)	(821,965)	58
Other Financing Sources (Uses):			
Debt Proceeds	805,094	805,108	14
Transfers In	15,000	15,000	0
Total Other Financing Sources (Uses)	820,094	820,108	14
Net Change in Fund Balance	(1,929)	(1,857)	72
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	8,938	8,938	0
Fund Balance End of Year	\$7,009	\$7,081	\$72

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2019

	Fire Department Trust Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$925	\$1,179	\$254
Total Revenues	925	1,179	254
Expenditures:			
Public Safety:			
Fire Department:			
Contractual Services	3,000	0	3,000
Total Expenditures	3,000	0	3,000
Net Change in Fund Balance	(2,075)	1,179	3,254
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	61,051	61,051	0
Fund Balance End of Year	\$58,976	\$62,230	\$3,254

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2019

	Court Automation Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$11,600	\$11,634	\$34
Total Revenues	11,600	11,634	34
Expenditures:			
Public Safety:			
Court Automation:			
Contractual Services	10,057	9,211	846
Capital Outlay	930	852	78
Total Expenditures	10,987	10,063	924
Net Change in Fund Balance	613	1,571	958
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	18,063	18,063	0
Fund Balance End of Year	<u>\$18,676</u>	<u>\$19,634</u>	<u>\$958</u>

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2019

	Peace Officer Training Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Public Safety:			
Peace Officer Training:			
Contractual Services	5,000	2,901	2,099
Total Expenditures	5,000	2,901	2,099
Net Change in Fund Balance	(5,000)	(2,901)	2,099
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	14,656	14,656	0
Fund Balance End of Year	<u>\$9,656</u>	<u>\$11,755</u>	<u>\$2,099</u>

City of Forest Park, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2019

	Promenade TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$2,911	\$2,918	\$7
Total Revenues	2,911	2,918	7
Expenditures:			
Promenade TIF:			
Contractual Services	464	760	(296)
Capital Outlay	72,298	118,497	(46,199)
Debt Service:			
Principal Retirement	103,722	170,000	(66,278)
Interest and Fiscal Charges	3,287	5,388	(2,101)
Total Expenditures	179,771	294,645	(114,874)
Excess of Revenues Over (Under) Expenditures	(176,860)	(291,727)	(114,867)
Other financing sources (uses):			
Debt Proceeds	70,911	71,085	174
Total Other Financing Sources (Uses)	70,911	71,085	174
Net Change in Fund Balance	(105,949)	(220,642)	(114,693)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	283,299	283,299	0
Fund Balance End of Year	\$177,350	\$62,657	(\$114,693)

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2019

	WeThrive Forest Park Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$3,037	\$4,890	\$1,853
Other Revenues	1,763	2,839	1,076
Total Revenues	<u>4,800</u>	<u>7,729</u>	<u>2,929</u>
Expenditures:			
Public Safety:			
Police Department:			
Contractual Services	658	1,325	(667)
Supplies and Materials	2,104	4,239	(2,135)
Capital Outlay	12,238	24,653	(12,415)
Total Expenditures	<u>15,000</u>	<u>30,217</u>	<u>(15,217)</u>
Net Change in Fund Balance	<u>(10,200)</u>	<u>(22,488)</u>	<u>(12,288)</u>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>46,368</u>	<u>46,368</u>	<u>0</u>
Fund Balance End of Year	<u>\$36,168</u>	<u>\$23,880</u>	<u>(\$12,288)</u>

NONMAJOR DEBT SERVICE FUND

Fund Description

Debt Service Fund - To account for the accumulation of resources and payment of general obligation bonds and principal and interest on bond anticipation notes of General Fund. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance for the Debt Service Fund has been included in the Nonmajor Governmental Funds Combining Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balance. The Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follow this page.

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2019

	Debt Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Debt Service:			
Principal Retirement	1,373,513	1,353,807	19,706
Interest and Fiscal Charges	48,712	48,013	699
Total Expenditures	1,422,225	1,401,820	20,405
Excess of Revenues Over (Under) Expenditures	(1,422,225)	(1,401,820)	20,405
Other Financing Sources (Uses):			
Debt Proceeds	1,021,000	1,021,000	0
Inception of Capital Lease	8,887	8,887	0
Transfers In	377,000	377,000	0
Total Other Financing Sources (Uses)	1,406,887	1,406,887	0
Net Change in Fund Balance	(15,338)	5,067	20,405
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	135,848	135,848	0
Fund Balance End of Year	\$120,510	\$140,915	\$20,405

NONMAJOR CAPITAL PROJECTS FUNDS

Fund Descriptions

Capital Improvement Fund - This was established pursuant to Section 12.07 of the City Charter. It is to provide for public improvements and/or equipment needed for the use of the City. Such improvements or equipment shall have a minimum useful life expectancy of three years.

Fire Capital Fund – To account for monies for planned capital improvements to the City’s fire department.

Police Capital Equipment Fund – To account for monies for capital equipment to the City’s police department.

City of Forest Park, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2019

	Capital Improvement	Fire Capital	Police Capital Equipment	Total Nonmajor Capital Projects Funds
Assets:				
Equity in Pooled Cash and Investments	\$550,605	\$343,449	\$160,594	\$1,054,648
Receivables (Net):				
Interest	641	515	212	1,368
Prepaid Items	0	11,540	0	11,540
Total Assets	551,246	355,504	160,806	1,067,556
Liabilities:				
Accounts Payable	10,335	19,582	0	29,917
Accrued Interest Payable	4,448	1,823	0	6,271
Total Liabilities	14,783	21,405	0	36,188
Deferred Inflows of Resources:				
Investment Earnings	431	347	143	921
Total Deferred Inflows of Resources	431	347	143	921
Fund Balances:				
Nonspendable	0	11,540	0	11,540
Restricted	536,032	322,212	0	858,244
Committed	0	0	160,663	160,663
Total Fund Balances	536,032	333,752	160,663	1,030,447
Total Liabilities, Deferred Inflows and Fund Balances	\$551,246	\$355,504	\$160,806	\$1,067,556

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

	Capital Improvement	Fire Capital	Police Capital Equipment	Total Nonmajor Capital Projects Funds
Revenues:				
Investment Earnings	\$11,302	\$13,536	\$3,246	\$28,084
Other Revenues	1,918	3,758	37,740	43,416
Total Revenues	13,220	17,294	40,986	71,500
Expenditures:				
Current:				
Capital Outlay	271,201	907,000	0	1,178,201
Debt Service:				
Principal	0	470,420	0	470,420
Interest and Other Charges	5,167	50,349	0	55,516
Total Expenditures	276,368	1,427,769	0	1,704,137
Excess of Revenues Over (Under) Expenditures	(263,148)	(1,410,475)	40,986	(1,632,637)
Other Financing Sources (Uses):				
Issuance of Capital Leases	0	140,000	0	140,000
Note Proceeds	305,000	125,000	0	430,000
Transfers In	663,000	0	0	663,000
Total Other Financing Sources (Uses)	968,000	265,000	0	1,233,000
Net Change in Fund Balance	704,852	(1,145,475)	40,986	(399,637)
Fund Balance - Beginning of Year	(168,820)	1,479,227	119,677	1,430,084
Fund Balance - End of Year	\$536,032	\$333,752	\$160,663	\$1,030,447

City of Forest Park, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2019

	Capital Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$10,768	\$11,249	\$481
Total Revenues	10,768	11,249	481
Expenditures:			
Public Works and Streets:			
Municipal Building and Grounds:			
Capital Outlay	394,200	321,373	72,827
Total Expenditures	394,200	321,373	72,827
Excess of Revenues Over (Under) Expenditures	(383,432)	(310,124)	73,308
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	1,836	1,918	82
Debt Proceeds	291,962	305,000	13,038
Inception of Capital Lease	11,966	12,500	534
Total Other Financing Sources (Uses)	305,764	319,418	13,654
Net Change in Fund Balance	(77,668)	9,294	86,962
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	534,933	534,933	0
Fund Balance End of Year	\$457,265	\$544,227	\$86,962

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2019

	Fire Capital Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$13,622	\$13,645	\$23
Total Revenues	<u>13,622</u>	<u>13,645</u>	<u>23</u>
Expenditures:			
Capital Outlay	810,916	777,189	33,727
Debt Service:			
Principal Retirement	697,905	668,878	29,027
Interest and Fiscal Charges	51,232	49,101	2,131
Total Expenditures	<u>1,560,053</u>	<u>1,495,168</u>	<u>64,885</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,546,431)</u>	<u>(1,481,523)</u>	<u>64,908</u>
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	3,752	3,758	6
Debt Proceeds	124,790	125,000	210
Inception of Capital Lease	689,098	690,260	1,162
Total Other Financing Sources (Uses)	<u>817,640</u>	<u>819,018</u>	<u>1,378</u>
Net Change in Fund Balance	(728,791)	(662,505)	66,286
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>956,921</u>	<u>956,921</u>	<u>0</u>
Fund Balance End of Year	<u>\$228,130</u>	<u>\$294,416</u>	<u>\$66,286</u>

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2019

	Police Capital Equipment Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$3,172	\$3,177	\$5
Total Revenues	3,172	3,177	5
Expenditures:			
Capital Outlay	136,500	18,000	118,500
Total Expenditures	136,500	18,000	118,500
Excess of Revenues Over (Under) Expenditures	(133,328)	(14,823)	118,505
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	4,450	4,457	7
Inception of Capital Lease	169,277	169,528	251
Total Other Financing Sources (Uses)	173,727	173,985	258
Net Change in Fund Balance	40,399	159,162	118,763
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,432	1,432	0
Fund Balance End of Year	<u>\$41,831</u>	<u>\$160,594</u>	<u>\$118,763</u>

NONMAJOR FUNDS

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

Fund Descriptions

Agency Fund - Mayor's Court - This fund accounts for dollars collected by the Court which must be sent to the state or returned to the individual who has posted a bond.

Agency Fund - Refundable Fees - This fund contains deposits for special hearings, performance bonds, recreation deposits, and 7-year returnable fees.

City of Forest Park, Ohio
Statement of Changes In Assets and Liabilities
Agency Funds
For the Fiscal Year Ended December 31, 2019

	Mayor's Court			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$2,566	\$331,808	\$329,270	\$5,104
Total Assets	2,566	331,808	329,270	5,104
Liabilities:				
Due to Other	2,566	331,808	329,270	5,104
Total Liabilities	\$2,566	\$331,808	\$329,270	\$5,104

	Refundable Fees			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$183,905	\$40,038	\$8,250	\$215,693
Total Assets	183,905	40,038	8,250	215,693
Liabilities:				
Accounts Payable	184	0	184	0
Due to Other	183,721	40,038	8,066	215,693
Total Liabilities	\$183,905	\$40,038	\$8,250	\$215,693

	Total All Agency Funds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$186,471	\$371,846	\$337,520	\$220,797
Total Assets	186,471	371,846	337,520	220,797
Liabilities:				
Accounts Payable	184	0	184	0
Due to Other	186,287	371,846	337,336	220,797
Total Liabilities	\$186,471	\$371,846	\$337,520	\$220,797

STATISTICAL SECTION



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STATISTICAL SECTION

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

Contents

Financial Trends - These schedules contain trend information to help the reader understand how the City's financial position has changed over time.

Revenue Capacity - These schedules contain information to help the reader understand and assess the City's most significant local revenue source, the income tax.

Debt Capacity - These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Economic and Demographic Information - These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

Operating Information - These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

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

City of Forest Park, Ohio
 Net Position by Component
 Last Ten Calendar Years
 (accrual basis of accounting)
 Schedule 1

	Calendar Year									
	2010	2011	2012 (1)	2013	2014	2015	2016	2017 (2)	2018	2019
Governmental Activities										
Net Investment in Capital Assets	\$33,845,751	\$34,461,845	\$34,321,408	\$34,887,165	\$35,036,472	\$37,781,761	\$38,374,278	\$38,693,849	\$38,943,244	\$38,838,311
Restricted	7,274,756	8,085,661	5,827,124	5,894,467	4,550,280	4,126,984	4,391,715	4,974,340	5,734,229	7,724,881
Unrestricted	9,728,159	9,626,789	4,844,393	3,853,195	4,398,071	(6,202,680)	(7,225,750)	(21,068,361)	(23,843,960)	(15,622,741)
Total governmental activities net position	\$50,848,666	\$52,174,295	\$44,992,925	\$44,634,827	\$43,984,823	\$35,706,065	\$35,540,243	\$22,599,828	\$20,833,513	\$30,940,451
Business-type activities										
Net Investment in Capital Assets	\$0	\$0	\$964,646	\$1,055,081	\$1,174,530	\$1,394,968	\$2,058,487	\$2,127,463	\$2,297,566	\$2,420,734
Unrestricted	0	0	1,957,773	2,073,000	2,264,434	2,210,149	1,959,618	1,744,317	2,055,583	2,033,315
Total business-type activities net position	\$0	\$0	\$2,922,419	\$3,128,081	\$3,438,964	\$3,605,117	\$4,018,105	\$3,871,780	\$4,353,149	\$4,454,049
Total Primary Government										
Net Investment in Capital Assets	\$33,845,751	\$34,461,845	\$35,286,054	\$35,942,246	\$36,211,002	\$39,176,729	\$40,432,765	\$40,821,312	\$41,240,810	\$41,259,045
Restricted	7,274,756	8,085,661	5,827,124	5,894,467	4,550,280	4,126,984	4,391,715	4,974,340	5,734,229	7,724,881
Unrestricted	9,728,159	9,626,789	6,802,166	5,926,195	6,662,505	(3,992,531)	(5,266,132)	(19,324,044)	(21,788,377)	(13,589,426)
Total primary government net position	\$50,848,666	\$52,174,295	\$47,915,344	\$47,762,908	\$47,423,787	\$39,311,182	\$39,558,348	\$26,471,608	\$25,186,662	\$35,394,500

Source: City Records

(1) - In 2012, the Stormwater Management Utility fund and the Solid Waste Collection fund were reclassified from Governmental Activities to Business-Type Activities
 (2) - Restated for GASB Statement No. 75 Implementation

City of Forest Park, Ohio
Changes in Net Position
Last Ten Calendar Years
(accrual basis of accounting)
Schedule 2

	Calendar Year									
	2010	2011	2012 (1)	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental Activities:										
General Government	\$2,230,295	\$3,317,496	\$4,224,797	\$4,693,535	\$4,614,776	\$4,270,853	\$4,059,028	\$3,675,587	\$4,013,016	\$3,043,152
Public Safety	9,339,809	9,280,271	9,589,192	9,031,968	9,601,359	9,818,991	11,110,462	10,948,119	12,687,015	4,872,618
Leisure Time Activities	284,917	288,403	298,739	291,210	302,375	292,263	732,759	306,121	360,611	319,410
Community Environment	1,440,824	1,988,253	618,073	660,892	695,614	652,778	303,191	691,939	967,903	504,958
Public Works and Streets	2,969,346	2,928,457	3,150,459	2,933,998	3,451,025	2,756,159	3,497,574	2,844,895	3,551,729	2,714,900
Public Health and Welfare	21,000	20,710	20,764	44,914	16,129	878	0	31,930	47,524	0
Interest and Fiscal Charges	153,413	167,374	135,853	111,204	99,379	94,460	111,524	115,061	82,363	208,638
Total Governmental Activities Expenses	16,439,604	17,990,964	18,037,877	17,767,721	18,780,657	17,886,382	19,814,538	18,613,652	21,710,161	11,663,676
Business-type activities:										
Stormwater Management Utility	0	0	406,412	343,643	470,401	445,916	276,435	588,772	348,319	551,076
Solid Waste Collection	0	0	1,451,728	1,143,500	951,778	990,907	1,061,402	1,136,138	1,109,372	1,151,199
Total business-type activities expenses	0	0	1,558,140	1,487,143	1,422,179	1,436,823	1,337,837	1,724,910	1,457,691	1,702,275
Total Primary Government Expenses	\$16,439,604	\$17,990,964	\$19,596,017	\$19,254,864	\$20,202,836	\$19,323,205	\$21,152,375	\$20,338,562	\$23,167,852	\$13,365,951
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	\$42,098	\$20,015	\$27,520	\$41,312	\$35,606	\$28,068	\$18,522	\$30,993	\$30,205	\$56,765
Public Safety	851,041	946,811	1,332,542	948,833	1,737,704	655,219	593,707	639,183	684,971	823,910
Leisure Time Activities	50,262	52,287	46,152	62,881	64,824	63,556	16,921	54,571	65,118	61,500
Community Environment	1,133,758	1,160,491	30,140	8,810	9,528	13,384	50,540	23,594	36,842	29,734
Public Works and Streets	587,334	589,088	0	0	1,115	0	0	0	0	0
Public Health and Welfare	0	0	0	0	0	179,407	158,929	168,851	183,459	338,680
Operating Grants and Contributions	1,095,390	1,140,458	1,924,647	1,294,630	1,299,137	1,321,790	964,973	1,382,116	1,389,169	1,663,393
Capital Grants and Contributions	261,618	323,381	17,831	25,540	202,214	2,953,697	459,793	33,298	1,979	0
Total Governmental Activities Program Revenues	4,021,501	4,232,531	3,378,832	2,382,006	1,786,128	5,215,121	2,263,385	2,332,606	2,391,743	2,973,982
Business-type activities:										
Charges for Services:										
Stormwater Management Utility	0	0	582,742	567,273	1,561,341	572,204	616,502	478,332	685,228	571,721
Solid Waste Collection	0	0	1,089,231	1,076,631	28,000	942,996	941,611	971,554	1,001,401	1,006,907
Operating Grants and Contributions	0	0	0	59,165	30,174	219,122	0	0	0	0
Total business-type activities program revenues	0	0	1,671,973	1,703,069	1,619,515	1,734,322	1,558,113	1,449,886	1,686,629	1,578,628
Total Primary Government Program Revenues	\$4,021,501	\$4,232,531	\$5,050,805	\$4,085,075	\$3,405,643	\$6,949,443	\$3,821,498	\$3,782,492	\$4,078,372	\$4,552,610

City of Forest Park, Ohio
Changes in Net Position
Last Ten Calendar Years
(accrual basis of accounting)
Schedule 2 (Continued)

	Calendar Year									
	2010	2011	2012 (1)	2013	2014	2015	2016	2017	2018	2019
Net (Expense)										
Governmental Activities	(\$12,418,103)	(\$13,758,433)	(\$14,659,045)	(\$15,385,715)	(\$16,994,529)	(\$12,671,261)	(\$17,551,153)	(\$16,281,046)	(\$19,318,418)	(\$8,689,694)
Business-type activities	0	0	113,833	215,926	197,336	297,499	220,276	(275,024)	228,938	(123,647)
Total Primary Government Net Expenses	(\$12,418,103)	(\$13,758,433)	(\$14,545,212)	(\$15,169,789)	(\$16,797,193)	(\$12,373,762)	(\$17,330,877)	(\$16,556,070)	(\$19,089,480)	(\$8,813,341)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Income Taxes	\$7,457,932	\$7,327,007	\$7,097,791	\$7,491,136	\$8,863,422	\$9,558,642	\$10,018,234	\$9,698,755	\$9,414,248	\$10,280,740
Property Taxes Levied for:										
General Purposes	3,146,751	1,570,985	922,743	918,440	916,616	937,063	948,910	834,204	932,297	963,758
Special Revenue Purposes	3,832,419	3,599,310	2,762,645	2,789,977	2,813,397	2,657,335	4,108,193	4,429,333	4,528,005	4,392,125
Grants and Entitlements not Restricted	610,454	646,364	393,179	347,770	319,754	793,226	0	318,877	312,153	571,232
Revenue in Lieu of Taxes	873,044	1,698,293	2,713,909	3,373,472	3,184,962	2,795,708	2,029,961	1,763,685	2,021,324	1,867,264
Investment Earnings	101,759	103,841	66,491	64,917	60,389	25,004	61,981	26,681	110,858	512,898
Other Revenues	258,219	138,262	171,763	38,028	151,985	399,591	218,052	205,547	233,218	208,615
Transfers-Internal Activities	0	0	34,000	34,000	34,000	34,000	0	0	0	0
Total Governmental Activities	16,280,578	15,084,062	14,162,521	15,057,740	16,344,525	17,200,569	17,385,331	17,277,082	17,552,103	18,796,632
Business-type activities:										
Investment earnings	0	0	15,197	19,200	17,750	18,233	19,540	25,997	33,470	35,662
Other Revenues	0	0	10,574	4,536	129,797	145,072	173,172	168,270	218,961	188,885
Transfers-Internal Activities	0	0	(34,000)	(34,000)	(34,000)	(34,000)	0	0	0	0
Total business-type activities	0	0	(8,229)	(10,264)	113,547	129,305	192,712	194,267	252,431	224,547
Total Primary Government	\$16,280,578	\$15,084,062	\$14,154,292	\$15,047,476	\$16,458,072	\$17,329,874	\$17,578,043	\$17,471,349	\$17,804,534	\$19,021,179
Change in Net Position										
Governmental Activities	\$3,862,475	\$1,325,629	(\$496,524)	(\$327,975)	(\$650,004)	\$4,529,308	(\$165,822)	\$996,036	(\$1,766,315)	\$10,106,938
Business-type activities	0	0	105,604	205,662	310,883	426,804	412,988	(80,757)	481,369	100,900
Total Primary Government	\$3,862,475	\$1,325,629	(\$390,920)	(\$122,313)	(\$339,121)	\$4,956,112	\$247,166	\$915,279	(\$1,284,946)	\$10,207,838

Source: City Records

(1) - In 2012, the Stormwater Management Utility fund and the Solid Waste Collection fund were reclassified from Governmental Activities to Business-Type Activities

City of Forest Park, Ohio
Fund Balances, Governmental Funds
Last Ten Calendar Years
(Modified accrual basis of accounting)
Schedule 3

	Calendar Year									
	2010	2011 (1)	2012	2013	2014	2015	2016	2017	2018	2019
General Fund	\$293,908	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserved	3,238,013	0	0	0	0	0	0	0	0	0
Unreserved	0	0	0	0	0	0	0	0	0	0
Nonspendable	0	17,335	50,229	50,229	0	0	34,326	131,834	154,816	54,235
Assigned	281,868	910,336	260,483	260,483	103,092	706,652	115,249	861,857	161,218	241,178
Unassigned	3,273,544	1,969,471	2,016,721	2,016,721	2,636,242	3,208,559	4,977,310	4,513,627	4,557,004	6,929,138
Total General Fund	3,531,921	3,555,412	2,897,142	2,327,433	2,739,334	3,915,211	5,126,885	5,507,318	4,873,038	7,224,551
All Other Governmental Funds										
Reserved	414,153	0	0	0	0	0	0	0	0	0
Unreserved, Reported in:										
Special Revenue Funds	6,030,380	0	0	0	0	0	0	0	0	0
Debt Service Funds	36,429	0	0	0	0	0	0	0	0	0
Capital Project Funds	(1,158,253)	0	0	0	0	0	0	0	0	0
Nonspendable	0	7,545	8,874	8,874	0	0	15,745	70,410	81,215	43,723
Restricted	8,114,334	4,548,652	4,505,096	4,505,096	3,706,968	3,300,466	3,533,236	4,009,681	5,776,575	6,844,379
Committed	22,926	17,271	7,923	7,923	23,710	43,850	47,190	47,347	1,432	160,663
Assigned	36,429	27,443	15,943	15,943	15,943	15,943	15,943	94,292	0	145,949
Unassigned	(2,942,247)	(3,952,569)	(4,477,587)	(4,477,587)	(3,848,503)	(3,160,144)	(3,094,590)	(2,547,886)	(2,118,999)	(4,584)
Total Other Governmental Funds	\$5,322,709	\$5,231,442	\$648,342	\$60,249	(\$101,882)	\$200,115	\$517,524	\$1,673,844	\$3,740,223	\$7,190,130

Source: City Records

(1) - Prior year amounts have not been restated for the implementation of GASB Statement 54. The change in the classification of fund balance amounts in 2011 are discussed in the Notes to the Financial Statements.

City of Forest Park, Ohio
 Changes in Fund Balances, Governmental Funds
 Last Ten Calendar Years
 (Modified accrual basis of accounting)
 Schedule 4

	Calendar Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Taxes	\$12,720,437	\$12,047,788	\$10,917,002	\$11,203,283	\$12,360,085	\$13,191,558	\$15,242,300	\$14,934,522	\$15,047,213	\$16,240,877
Fines, Licenses & Permits	294,174	300,735	361,810	410,530	340,717	378,398	334,218	401,436	392,452	600,799
Charges for Services	2,373,965	2,378,281	635,297	516,112	445,828	499,947	422,208	536,138	673,099	654,784
Investment Earnings	79,315	122,925	87,229	67,312	58,550	21,455	67,744	29,130	105,129	515,800
Intergovernmental	1,906,126	1,842,871	2,564,750	1,700,352	1,845,709	4,067,316	1,902,124	1,737,765	1,680,476	2,163,239
Special Assessments	10,659	32,139	12,429	23,175	24,382	21,969	24,610	23,072	22,866	28,444
Revenue in Lieu of Taxes	873,044	1,698,293	2,713,909	3,372,857	3,184,962	2,795,708	2,029,961	1,763,685	2,021,324	1,867,264
Other Revenues	271,738	148,760	178,163	47,228	163,177	478,749	219,150	201,252	233,218	208,616
Total Revenues	18,529,458	18,571,792	17,470,589	17,340,849	18,423,410	21,455,100	20,242,315	19,627,000	20,175,777	22,279,823
Expenditures										
Current:										
General Government	2,173,481	3,249,970	4,179,260	4,616,469	4,600,666	4,303,822	3,636,987	3,355,325	3,631,368	3,819,646
Public Safety	9,154,256	9,004,751	9,227,480	8,695,378	9,253,878	9,410,314	9,595,991	9,856,257	10,267,379	10,431,567
Leisure Time Activities	250,389	255,943	267,494	261,233	272,026	269,668	242,227	247,687	304,495	315,947
Community Environment	1,434,271	1,752,505	615,218	660,892	695,614	665,566	686,322	784,011	820,649	801,446
Public Works and Streets	2,438,720	2,299,370	2,148,274	1,962,737	2,202,250	1,791,693	1,819,912	1,936,704	2,067,306	2,106,590
Public Health and Welfare	21,000	20,710	20,764	44,914	16,129	878	0	31,930	47,524	0
Capital Outlay	1,978,225	2,127,439	3,727,802	1,804,907	751,037	3,497,734	3,633,944	1,287,698	2,254,857	2,234,603
Debt Service:										
Principal Retirement	397,813	233,187	324,132	359,772	339,065	357,964	648,724	721,538	863,312	1,037,387
Interest and Fiscal Charges	154,664	167,541	148,699	126,349	114,719	110,005	127,102	130,047	97,233	219,217
Bond Issuance Cost	0	36,147	0	0	0	0	0	0	0	0
Total Expenditures	\$18,002,819	\$19,147,563	\$20,659,123	\$18,532,651	\$18,245,384	\$20,407,644	\$20,391,209	\$18,351,197	\$20,354,123	\$20,966,403

City of Forest Park, Ohio
 Changes in Fund Balances, Governmental Funds
 Last Ten Calendar Years
 (Modified accrual basis of accounting)
 Schedule 4 (Continued)

	Calendar Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Excess of revenues over (under) expenditures	\$526,639	(\$575,771)	(\$3,188,534)	(\$1,191,802)	\$178,026	\$1,047,456	(\$148,894)	\$1,275,803	(\$178,346)	\$1,313,420
Other Financing Sources (Uses)										
Issuance of Capital Leases	\$0	\$94,605	\$98,967	\$0	\$0	\$367,000	\$1,677,977	\$250,000	\$1,610,445	\$300,000
Proceeds from Sale of Capital Assets	0	168	0	0	37,744	29,418	0	10,950	0	0
Issuance of Long-Term Capital-Related Debt	0	375,000	0	0	0	0	0	0	0	0
Payments for Refunding Bond Escrow Agent	0	(1,928,853)	0	0	0	0	0	0	0	0
Issuance of Refunding Bonds	0	1,853,853	0	0	0	0	0	0	0	0
Premium on Refunding	0	113,222	0	0	0	0	0	0	0	0
Note Proceeds	0	0	0	0	0	0	0	0	0	4,188,000
Transfers In	1,471,505	1,018,121	1,135,364	757,000	624,116	782,750	776,875	1,617,500	1,900,000	1,055,000
Transfers (Out)	(1,471,505)	(1,018,121)	(1,101,364)	(723,000)	(590,116)	(748,750)	(776,875)	(1,617,500)	(1,900,000)	(1,055,000)
Total Other Financing Sources (Uses)	0	507,995	132,967	34,000	71,744	430,418	1,677,977	260,950	1,610,445	4,488,000
Net Change in Fund Balances	\$526,639	(\$67,776)	(\$3,055,567)	(\$1,157,802)	\$249,770	\$1,477,874	\$1,529,083	\$1,536,753	\$1,432,099	\$5,801,420
Debt service as a percentage of noncapital expenditures (1)	3.5%	2.4%	2.8%	2.9%	2.6%	2.7%	4.5%	5.7%	5.2%	6.6%

Source: City Records

(1) - Noncapital expenditures is total expenditures minus capital outlay

City of Forest Park, Ohio
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Calendar Years
 Schedule 5

Calendar Year	Real Property Assessed Value	Tangible Personal Property (1) Assessed Value	Public Utilities Personal Assessed Value	Total Assessed Value	Total Estimated Actual Value	Total Direct Rate
2010	\$363,079,200	\$1,277,700	\$9,781,930	\$374,138,830	\$1,068,968,086	11.08
2011	316,949,750	0	11,126,340	328,076,090	937,360,257	11.08
2012	312,398,330	0	11,471,250	323,869,580	925,341,657	11.08
2013	309,627,960	0	12,407,390	322,035,350	920,101,000	11.08
2014	293,525,890	0	13,186,750	306,712,640	876,321,829	11.08
2015	290,114,120	0	13,597,180	303,711,300	867,746,571	11.08
2016	289,865,770	0	14,305,860	304,171,630	869,061,800	15.45
2017	297,735,550	0	15,494,550	313,230,100	894,943,143	15.45
2018	295,160,130	0	16,307,040	311,467,170	889,906,200	15.45
2019	297,437,710	0	16,980,640	314,418,350	898,338,143	15.45

Source: County Auditor

(1) - In 2009, House Bill 66 eliminated all current Tangible Personal Property filings except for the telecommunication companies.

Note: The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for everything except inventories, which are assessed at 23 percent. Property is assessed annually.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue to be received in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed.

City of Forest Park, Ohio
 Direct and Overlapping Property Tax Rates
 Last Ten Calendar Years
 Schedule 6

Calendar Year	Direct Rate		Total Direct Rate	Overlapping Rates				Hamilton County
	General Fund	Fire/EMS Fund		School District	Joint Vocational	Public Library (1)		
2010	1.38	9.70	11.08	53.57	2.70	1.00	20.48	
2011	1.38	9.70	11.08	53.60	2.70	1.00	19.45	
2012	1.38	9.70	11.08	54.22	2.70	1.00	19.03	
2013	1.38	9.70	11.08	59.57	2.70	1.00	19.03	
2014	1.38	9.70	11.08	59.57	2.70	1.00	19.03	
2015	1.38	9.70	11.08	59.57	2.70	1.00	18.85	
2016	1.38	14.07	15.45	58.87	1.93	1.00	18.85	
2017	1.38	14.07	15.45	58.48	1.93	1.00	19.16	
2018	1.38	14.07	15.45	58.48	1.93	1.00	19.16	
2019	1.38	14.07	15.45	58.00	1.93	2.00	21.14	

Source: County Auditor

Note: Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

City of Forest Park, Ohio
Principal Property Tax Payers
Current Year and Nine Years Ago
Schedule 7

2019		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
Duke Energy Ohio Inc.	\$12,607,420	4.01%
Everest Kennsington Holdings LLC	5,950,000	1.89%
Union Central Life Ins Co.	5,579,490	1.77%
Forest Park Associates LLC	3,892,280	1.24%
AERC Remington Place Holdings LLC	3,667,270	1.17%
New Mills Run LLC	3,141,670	1.00%
Forest Park Station LLC	2,342,900	0.75%
Versailles Village Apartments LLC	2,244,530	0.71%
11101 Adwood Drive LLC	1,932,970	0.61%
OH Quail Meadow LLC	1,717,550	0.55%
	<u>\$43,076,080</u>	<u>13.70%</u>

2010		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
Duke Energy	\$9,505,800	2.54%
Union Central Life Ins Co	7,004,000	1.87%
Kensington Park Apts LLC	6,804,500	1.82%
Aerc Remington Place Inc	4,075,690	1.09%
Forest Park Associates LLC	3,781,970	1.01%
Forest Park Station LLC	2,866,750	0.77%
ORP Mills Run LLC	2,677,500	0.72%
Versailles Village Apts LLC	2,616,250	0.70%
Rreef America Reit II Corp	1,886,090	0.50%
Kantar Investments	1,698,420	0.45%
	<u>\$42,916,970</u>	<u>11.47%</u>

Source: County Auditor

City of Forest Park, Ohio
Property Tax Levies and Collections
Last Ten Calendar Years
Schedule 8

Calendar Year	Taxes Levied for the Calendar Year (1)	Collected, including Delinquencies, within the Calendar Year of the Levy		Unpaid Collections	Total Collections (3)	
		Net Collections (2)	Percentage of Levy		Amount	Percentage of Levy
2010	\$5,056,475	\$4,483,660	88.67%	\$527,930	\$5,011,590	99.11%
2011	5,121,311	4,541,538	88.68%	512,480	5,054,018	98.69%
2012	4,621,959	4,093,950	88.58%	384,216	4,478,166	96.89%
2013	4,443,252	4,014,332	90.35%	371,022	4,385,354	98.70%
2014	4,427,753	4,025,664	90.92%	378,256	4,403,920	99.46%
2015	4,255,617	3,870,984	90.96%	317,244	4,188,228	98.42%
2016	6,066,268	5,728,905	94.44%	287,523	6,016,428	99.18%
2017	5,947,616	5,596,538	94.10%	319,502	5,916,040	99.47%
2018	6,132,587	5,709,869	93.11%	373,491	6,083,360	99.20%
2019	6,084,668	5,645,934	92.79%	413,039	6,058,973	99.58%

Source: County Auditor

(1) - Includes delinquent levy

(2) - Includes current and delinquent collections minus refunds

(3) - Includes net collections plus unpaid collections

City of Forest Park, Ohio
Income Tax by Payer Type and Income Tax Rate
Last Ten Calendar Years
(cash basis of accounting)
Schedule 9

Calendar Year	Withholding Accounts	Business Accounts	Residential Accounts	Total	Income Tax Rate	Credit Amount
2010	\$5,067,590	\$1,012,422	\$1,719,750	\$7,799,762	1.50%	1.50%
2011	5,419,081	842,655	1,636,700	7,898,436	1.50%	1.50%
2012	5,431,447	736,475	1,724,198	7,892,120	1.50%	1.50%
2013	5,328,167	782,381	1,563,657	7,674,206	1.50%	1.13%
2014	5,882,107	760,448	2,157,207	8,799,762	1.50%	0.38%
2015	6,214,160	769,453	2,495,718	9,479,331	1.50%	0.375%
2016	6,661,736	1,255,105	2,693,906	10,610,747	1.50%	0.375%
2017	6,413,753	1,055,841	2,429,948	9,899,542	1.50%	0.375%
2018	6,674,319	662,767	2,457,660	9,794,746	1.50%	0.375%
2019	6,938,528	1,153,549	2,825,771	10,917,848	1.50%	0.375%

Source: City Records

Note: Refunds are deducted

City of Forest Park, Ohio
 Principal Income Taxpayers
 Current Year and Nine Years Ago
 (cash basis of accounting)
 Schedule 10

2019	
Name	Rank
Ameritas Life Insurance Corporation	1
Winton Woods City Schools	2
Hillman Group Inc.	3
Magna Machine Company	4
City of Forest Park	5
Siemens Industries Inc.	6
Honeywell International Inc.	7
Faxon Machining Inc.	8
Carmax Auto Superstores Incorporated	9
TP Mechanical Contractors	10

2010	
Name	Rank
Union Central Life	1
Jacobs Engineering Group	2
Winton Woods City Schools	3
City of Forest Park	4
Maters Pharmaceutical Inc.	5
Faxon Machining Inc.	6
Environmental Quality Management	7
Honeywell International Inc.	8
Hillman Group Inc.	9
Kroger Limited Partner	10

Source: City Records

Note: Due to legal restrictions and confidentiality requirements, the City cannot disclose the amount of withholdings by taxpayer.

City of Forest Park, Ohio
Ratios of Outstanding Debt by Type
Last Ten Calendar Years
Schedule 11

Calendar Year	Governmental Activities							Percentage of Personal Income	Per Capita
	General Obligation Bonds and Notes	Public Works		Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita		
		Issue 2	Loans						
2010	\$2,165,000	\$11,720	\$0	\$2,176,720	0.01%	49			
2011	1,998,504	3,907	69,231	2,071,642	0.01%	44			
2012	1,784,351	0	119,066	1,903,417	0.00%	39			
2013	1,775,198	0	54,294	1,829,492	0.00%	36			
2014	1,461,045	0	15,229	1,476,274	0.00%	29			
2015	1,141,892	0	329,265	1,471,157	0.00%	28			
2016	812,739	0	1,673,518	2,486,257	0.00%	47			
2017	548,586	0	1,451,980	2,000,566	0.00%	35			
2018	279,433	0	2,454,113	2,733,546	0.01%	46			
2019	4,188,000	0	1,986,726	6,174,726	N/A	N/A			

Source: City Records

N/A - Information not available

Note: Details regarding the city's outstanding debt can be found in the notes to the basic financial statements.

City of Forest Park, Ohio
Ratios of General Bonded Debt Outstanding
Last Ten Calendar Years
Schedule 12

<u>Calendar Year</u>	<u>General Bonded Debt Outstanding</u>	<u>Percentage of Estimated Actual Taxable Value of Property</u>	<u>Per Capita</u>
	<u>General Obligation Bonds and Notes</u>		
2010	\$2,165,000	0.20%	48
2011	1,998,504	0.21%	43
2012	1,784,351	0.19%	36
2013	1,775,198	0.19%	35
2014	1,461,045	0.17%	29
2015	1,141,892	0.13%	22
2016	812,739	0.09%	15
2017	548,586	0.06%	10
2018	279,433	0.03%	5
2019	4,188,000	0.47%	N/A

Source: City Records

N/A - Information not available

City of Forest Park, Ohio
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2019
 Schedule 13

Governmental Unit	Net Debt Outstanding	Estimated Percentage Applicable (1)	Amount Applicable to the City of Forest Park
Hamilton County	\$120,015,000	1.60%	\$1,920,240
Winton Woods City School District	58,050,000	60.62%	35,189,910
Northwest Local School District	77,295,000	2.16%	1,669,572
Butler Technology & Career Center JVS	7,650,000	0.37%	28,305
Subtotal Overlapping Debt	263,010,000		38,808,027
City of Forest Park - Direct Debt	6,174,726	100.00%	6,174,726
Total Direct and Overlapping Debt	\$269,184,726		\$44,982,753

Source: Ohio Municipal Advisory Council

(1) - Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the City by the total assessed valuation of the government.

Legal Debt Margin Calculation for Calendar Year 2019

Assessed Value	\$314,418,350	\$314,418,350
Statutory Legal Debt Limitation (1)	10.5%	5.5%
Total Debt Limitation	33,013,927	17,293,009
Debt Applicable to Limit	6,174,726	6,174,726
Legal Debt Margin	\$26,839,201	\$11,118,283

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Debt Limit (1)										
Debt Limit (10.5%)	\$39,284,577	\$34,447,989	\$34,006,306	\$33,813,721	\$32,204,827	\$31,889,687	\$31,938,021	\$32,889,161	\$32,704,053	\$33,013,927
Total Net Debt Applicable to Limit	5,455,000	5,105,000	6,918,417	7,049,492	1,476,274	1,822,587	2,486,257	2,000,566	2,733,546	6,174,726
Legal Debt Margin	\$33,829,577	\$29,342,989	\$27,087,889	\$26,764,229	\$30,728,553	\$30,067,100	\$29,451,764	\$30,888,595	\$29,970,507	\$26,839,201
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	13.9%	14.8%	20.3%	20.8%	4.6%	5.7%	7.8%	6.1%	8.4%	18.7%
Total Unvoted Debt Limit (1)										
Debt Limit (5.5%)	\$20,577,636	\$18,044,185	\$17,812,827	\$17,711,944	\$16,869,195	\$16,704,122	\$16,729,440	\$17,227,656	\$17,130,694	\$17,293,009
Total Net Debt Applicable to Limit	5,455,000	5,105,000	6,918,417	7,049,492	1,476,274	1,822,587	2,486,257	2,000,566	2,733,546	6,174,726
Legal Debt Margin	\$15,122,636	\$12,939,185	\$10,894,410	\$10,662,452	\$15,392,921	\$14,881,535	\$14,243,183	\$15,227,090	\$14,397,148	\$11,118,283
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	26.5%	28.3%	38.8%	39.8%	8.8%	10.9%	14.9%	11.6%	16.0%	35.7%

Source: OMAC

(1) - Direct debt limitation based upon Section 133, the Uniform Bond Act of the Ohio Revised Code. Total debt limit should not exceed 10.5% of net assessed property value.
 Total unvoted debt limit should not exceed 5.5% of net assessed property value.

City of Forest Park, Ohio
 Demographic and Economic Statistics - Hamilton County
 Last Ten Calendar Years
 Schedule 15

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2010	18,720	\$35,888,024	\$44,751	8.50%
2011	18,720	37,522,065	46,881	7.70%
2012	18,720	39,631,501	49,413	6.30%
2013	18,720	40,415,100	50,235	7.00%
2014	18,720	41,322,507	51,229	4.00%
2015	18,720	42,060,595	52,081	5.30%
2016	18,720	43,251,503	53,456	4.00%
2017	18,720	46,331,959	56,931	4.00%
2018	18,720	48,642,736	59,561	4.20%
2019	18,720	n/a	n/a	3.80%

- Sources:
- (1) - Population estimates provided by U.S. Census Bureau (2000 Census for years 2002 - 2009 and 2010 Census for years 2010 - 2015)
 - (2) - Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts
 - (3) - Per Capita Personal Income information provided by Bureau of Economic Analysis: Accounts Regional Economic
 - (4) - Ohio Bureau of Employment Services

N/A - Information not available

City of Forest Park, Ohio
Major Employers (1)
Current Fiscal Year and Fiscal Period Nine Years Ago
Schedule 16

2019			
Major Employers (2)	Type	Number of Employees	Employer's Percentage of Total Employment
American Financial Group Inc	Ins	(3)	(4)
Cincinnati Children's Hospital	Serv	(3)	(4)
Fifth Third Bancorp	Fin	(3)	(4)
Ford Motor Co	Mfg	(3)	(4)
General Electric Co	Mfg	(3)	(4)
Johnson & Johnson/Ethicon	Mfg	(3)	(4)
Kroger Co	Trade	(3)	(4)
Macy's Inc	Trade	(3)	(4)
Mercy Health Partners	Serv	(3)	(4)
Procter & Gamble Co	Mfg	(3)	(4)
TriHealth Inc	Serv	(3)	(4)
University of Cincinnati	Govt	(3)	(4)

2010			
Major Employers (2)	Type	Number of Employees	Employer's Percentage of Total Population
American Financial Group Inc	Ins	(3)	(4)
Chiquita Brands International Inc	Trade	(3)	(4)
Convergys Corp	Serv	(3)	(4)
Duke Energy Corp	Utility	(3)	(4)
Fifth Third Bancorp	Fin	(3)	(4)
Ford Motor Co	Mfg	(3)	(4)
General Electric Co	Mfg	(3)	(4)
Health Alliance of Greater Cincinnati	Serv	(3)	(4)
Johnson & Johnson/Ethicon	Mfg	(3)	(4)
Kroger Co	Trade	(3)	(4)
Macy's Inc	Trade	(3)	(4)
Mercy Health Partners	Serv	(3)	(4)
Procter & Gamble Co	Mfg	(3)	(4)
TriHealth Inc	Serv	(3)	(4)
University of Cincinnati	Govt	(3)	(4)

Source: Ohio Department of Development

- (1) - For all of Hamilton County
- (2) - Includes at minimum the ten largest employers for the county. In alphabetical order only.
- (3) - The number of employees of each listed major employer was not available.
- (4) - The employer's percentage of total employment for each major employer was not available.

City of Forest Park, Ohio
 Full-Time Equivalent City Government Employees by Function/Program
 Last Ten Calendar Years
 Schedule 17

Function/Program	Full-time-Equivalent Employees as of December 31									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
City Administration	5.2	5.5	5.5	5.5	5.5	5.5	6.5	5.0	6.0	6.0
City Council	4.5	4.5	4.5	4.5	4.5	5.0	4.5	4.5	4.5	4.5
Mayor's Court	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Finance & Tax	6.5	7.5	8.5	7.5	7.5	9.5	9.5	9.5	11.0	10.0
Engineering	0.5	0.5	0.5	0.5	0.5	1.0	1.0	1.0	1.0	1.0
Facility/Buildings	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Public Safety										
Police										
Officers	39.0	37.0	37.0	37.0	37.0	37.0	37.0	37.0	40.0	37.0
Non-Sworn	4.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	6.5
Fire										
Full time	28.2	28.0	28.0	24.0	24.0	24.0	24.0	24.0	24.0	23.0
Part Time	16.5	16.0	16.0	22.0	22.0	26.5	21.5	29.5	21.0	16.5
Leisure Time Activities										
Parks and Recreation	0.5	1.5	1.5	1.5	1.5	2.0	2.0	2.0	2.0	2.0
Community Development										
Planning and Zoning	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.5	4.5	4.5
Building Inspection	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Economic Development	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Transportation and Street Repair	14.1	13.5	13.5	14.0	14.0	14.5	14.5	10.5	9.0	9.5
Total	130.5	127.5	128.5	130.0	130.0	138.5	134.0	136.0	132.5	126.5

Source: City Finance Department

City of Forest Park, Ohio
 Operating Indicators by Function/Program
 Last Ten Calendar Years
 Schedule 18

Function/Program	Calendar Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
Building Permits Issued	503	575	536	563	592	644	731	689	727	601
Building Inspections Conducted	848	875	1,105	1,053	1,265	1,233	1,151	1,052	966	1,035
Police										
Physical Arrests	3,034	2,177	2,495	2,795	1,547	2,388	2,091	2,019	326*	1,769
Parking Violations	810	824	832	988	410	424	578	1,821	97*	708
Traffic Violations	2,225	1,665	2,494	2,476	2,411	1,685	2,755	2,692	203*	1,748
Fire										
Emergency Responses	4,000	3,954	4,463	4,203	4,698	4,879	4,834	5,046	5,531	6,047
Fires Extinguished	128	46	66	46	49	63	53	25	11	13
Inspections	545	634	559	540	425	541	600	654	623	607
Recyclable Collected in Tons	1,020	932	885	900	967	891	794	807	785	791
Other Public Works										
Street Resurfacing	8	3	3	1	0	6	4	5	7	4
Potholes Repaired	694	1,015	1,041	1,159	1,898	3,998	1,301	984	3,289	3,306
Parks and Recreation										
Athletic Field Permits Issued	10	10	10	10	10	10	10	10	10	15

Source: Various City Departments

* All data prior to November 2018 was lost due to a software failure and is unrecoverable to date.

City of Forest Park, Ohio
 Capital Asset Statistics by Function/Program
 Last Ten Calendar Years
 Schedule 19

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Zone Offices	2	1	0	1	1	1	1	1	1	1
Patrol Units	27	27	27	27	27	27	27	27	27	26
Fire Stations	2	2	2	2	2	2	2	2	2	2
Other Public Works										
Area of City (square miles)	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Streets (miles)	153.00	153.00	153.00	153.00	153.00	153.00	153.00	153.00	153.00	153.00
Highways (miles)										
Streetlights	788	788	788	788	788	788	788	788	788	788
Traffic Signals	23	23	23	23	23	23	23	23	23	23
Stormwater Correction (Miles of Storm Lines)	46	46	46	46	46	46	46	46	46	46
Parks and Recreation										
Number of Parks	11	11	11	11	11	11	11	11	11	11
Acreage	82.28	82.28	82.28	82.28	82.28	82.28	82.28	82.28	82.28	82.28
Playgrounds	4	4	4	4	4	4	4	4	4	4
Baseball/Softball Diamonds	8	8	8	8	8	8	8	8	8	8
Soccer/Football Fields	5	5	5	5	5	5	5	5	5	5
Fire Hydrants	1,089	1,089	1,089	1,089	1,089	1,089	1,089	1,089	1,089	1,089

Source: Various city departments

CITY OF FOREST PARK, OHIO



Yellow Book Report

December 31, 2019

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**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***

City Council
City of Forest Park
Hamilton County
1201 West Kemper Road
Forest Park, Ohio 45240

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Forest Park, 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 September 15, 2020.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Plattenburg & Associates, Inc.

Cincinnati, Ohio
September 15, 2020

OHIO AUDITOR OF STATE KEITH FABER



CITY OF FOREST PARK

HAMILTON 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 12/15/2020

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