



# City of Marysville, Ohio

## Comprehensive Annual Financial Report

For the Year Ended December 31, 2017

2017





# Dave Yost • Auditor of State

Honorable Mayor and City Council  
City of Marysville  
209 S. Main Street  
Marysville, Ohio 43040

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

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

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

Dave Yost  
Auditor of State

June 26, 2018

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED  
DECEMBER 31, 2017

*Prepared by the Finance Department*

Justin Nahvi  
Finance Director



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CITY OF MARYSVILLE  
UNION COUNTY, OHIO

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## *INTRODUCTORY SECTION*

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# CITY OF MARYSVILLE

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June 12, 2018

To the City Council and the Citizens of the City of Marysville, Ohio:

We are pleased to present the **Comprehensive Annual Financial Report** (CAFR) of the City of Marysville, Ohio, (the City) for the year ended December 31, 2017. The report has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) established by statements of the Governmental Accounting Standards Board (GASB), other authoritative pronouncements and guidelines recommended by the Government Finance Officers Association (GFOA) of the United States and Canada, and audited in accordance with Generally Accepted Auditing Standards (GAAS). GAAP requires a narrative introduction, overview, and analysis called the Management's Discussion and Analysis (MD&A) to accompany the basic financial statements. This Letter of Transmittal (LOT) is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

## THE REPORT

*State law*, along with *Administrative Rules* of the Auditor of State, requires all City governments to publish an Annual Report within 150 days of the close of each fiscal year. This report must present a complete set of financial statements presented in conformity with GAAP. Various City debt service *Trust Agreements* require Audited Annual Reports in accordance with GAAS. Pursuant to these requirements, we hereby issue the CAFR of the City of Marysville, Ohio, for the fiscal year ended December 31, 2017.

While there is no legal requirement for the preparation of a CAFR, it represents a commitment by the City, and its officers, to conform to nationally recognized standards of excellence in financial reporting. This report consists of management's representations concerning the finances of the City. Responsibility for both the accuracy of the presented data and the completeness and reliability of the presentation, including all disclosures, rests with City management.

City Management has established various internal controls designed to compile reliable information for the preparation of the Annual Financial Statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's various internal controls are designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been presented.

***Letter of Transmittal  
For the Year Ended December 31, 2017***

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The firm of Plattenburg, Certified Public Accountants (independent auditor) has audited the financial statements of the City. The objective of the independent audit was to provide reasonable assurance that the financial statements of the City for the year ended December 31, 2017, are free from misstatement. The audit involved examining, on a test basis, evidence supporting amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the management, and evaluating the overall financial statement presentation. The independent auditor issued an unmodified opinion that the basic financial statements are presented fairly in conformity with GAAP, in all material respects, representing the financial position of the City as of December 31, 2017. The Independent Auditor's Report is presented as the first component of the financial section of this report.

**PROFILE OF THE CITY OF MARYSVILLE**

**City Overview**

The City of Marysville is an independent political subdivision of the State of Ohio and operates subject to the provisions of its charter, the Ohio Constitution, and various sections of the Revised Code. As a home-rule municipality, the City may exercise all powers of local self-government under Article XVIII, Section 3 of the Ohio Constitution. The City is the county seat of Union County (the County), and it offers the advantages of a metropolitan area combined with the charm of a rural, smaller community. Settled along Mill Creek early in the 1820's, the City encompasses approximately 16 square miles of territory and serves as the hub for the County.

Effective January 1, 2016, the form of government provided by the charter of the City switched from the "mayor-director-council form of government" to the "council-manager form of government." Legislative authority is exercised by a seven-member City Council (the "Council") that meets regularly on the second and fourth Thursdays of each month. Three members of Council are elected from the City at large and four are elected from each of four wards. Council members serve overlapping terms of four years. At the first meeting of each year, the Council elects one of its members to serve as Mayor and one to serve as Vice-Mayor, each for a term of one year.

Marysville is located approximately 25 miles northwest of Columbus, the State capital, on U.S. 33, a major highway. Other principal highways in Marysville are U.S. Route 36 and State Routes 4, 31, 38, 245 and 736. The City's central location is among its greatest assets because it makes travel quick and convenient for residents.

As the largest city in the County, Marysville is the home of both large and small industries, and its diversified business base helps provide a desirable quality of life. Few communities of its size in the country have enjoyed the international spotlight that has focused on the City, largely as a result of the Honda of America Manufacturing, Inc. automobile assembly facilities. Other major industries located in the City include The Scotts Miracle-Gro Company (lawn care products), Veyance Technologies (formerly The Goodyear Tire & Rubber Company), Univenture (manufacturer), Nestlé Product Technology Center (food research and development), and Parker Hannifin –Hydraulic Pump Division (manufacturer).

The City of Marysville provides a host of traditional municipal services including police and fire protection, parks and recreation, operation of a municipal court, street maintenance and other governmental services. In addition, the City owns and operates water and sewer systems to serve consumers within the City and certain immediately adjacent environs.

***Letter of Transmittal  
For the Year Ended December 31, 2017***

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**The Reporting Entity**

The accompanying basic financial statements comply with the provisions of GASB Statement No. 14, "*The Financial Reporting Entity*", as amended by GASB Statement No. 39, "*Determining Whether Certain Organizations are Component Units*" and GASB Statement No. 61 "*The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34,*" in that the financial statements include all of the organizations, activities, functions and component units for which the City (The Reporting Entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the reporting entity of the City has no component units, but includes the following services as authorized by its charter: police and fire protection, parks and recreation, planning, zoning, engineering, street maintenance, provision of water and wastewater treatment services, refuse collection (on a contractual basis) and other governmental services.

**Budgetary and Accounting Controls**

The City's budgetary accounting system was designed to provide reasonable assurance that:

1. The City's assets are protected against loss and unauthorized use or disposition; and
2. Reliable financial reports for preparing financial statements and providing accountability for assets are maintained.

The concept of reasonable assurance states that internal controls should be evaluated using the following criteria:

1. The expense associated with providing the internal controls should not exceed the benefits likely to be derived from their implementation; and
2. The evaluation of the offsetting costs and benefits involves estimates and judgment by the City administration and members of the finance office.

All internal control evaluations occur within this framework. It is the belief of the administrative and financial management personnel that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions.

***Letter of Transmittal  
For the Year Ended December 31, 2017***

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Budgetary internal controls are maintained to ensure compliance with legal provisions embodied in the annual appropriated budget by City Council. The activity of all funds is included in the annual appropriation budget. The City also maintains an encumbrance accounting system to maintain budgetary control. The control is maintained through the encumbering of estimated purchases through the use of formal approved purchase orders. Encumbered amounts do not lapse at year-end, unused encumbrances are carried over to the following year. The Administration, Mayor, and City Council receive a monthly report of amounts in the City's bank accounts reconciled to the amounts on the City's internal records. In addition, the Administration, Mayor, and City Council receive a monthly report comparing budgeted and actual revenue and expenditure.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues meeting its responsibility for sound financial management.

**LOCAL ECONOMY**

The City of Marysville, once a predominantly agricultural area, has transformed into a young and robust municipality. Much of this economic development has been in the area of manufacturing and relates to its two largest corporations – Honda of America Mfg., Inc. and The Scotts Miracle-Gro Company. The first Honda facility (motorcycle production) was built in the late 1970's with two other large facilities (automobile, research and development) constructed in the 1980's outside the City, but within the County, and serves as a major employer for the City's residents. The Scotts Miracle-Gro Company, founded in Marysville in 1868, employs approximately 1,100 people and maintains its World and North American Headquarters as well as its main manufacturing facility in the City.

Industrial developments within the City limits are predominately clustered in the southeastern portion of the City along Industrial Parkway to the north and south of Scottslawn Road. A significant amount of vacant farmland and potential development sites are also found in this area, including the new 33 Innovation Park. A small number of industrial businesses also continue to operate closer to the city's center. Office and research and development facilities occur on small sites throughout the city. The largest existing research and development facility, the Nestle Product Technology Center, employs approximately 250 people and is located on Collins Avenue. However, other research and development facilities are operated by The Scotts Miracle-Gro Company, ContiTech, Parker Hannifin, and Honda of America Mfg., Inc.

Retail developments such as Coleman's Crossing, City Gate, and Bethel Woods, offer several hundred acres of commercial development. These developments are located along US 33, making Marysville a regional shopping destination. Several big box retailers such as Home Depot, Wal-Mart, Lowe's, Meijer, and Kroger Marketplace have called Marysville home for the past several years. These businesses have spurred additional retail and commercial development in the area and more businesses are currently being planned.

Marysville provides a wide range of residential options throughout the community, from upscale, executive homes to traditional suburban homes, as well as the historic residential area in the neighborhood known as Olde Town Marysville. The sharp increase in population over the last 10 years has been the catalyst for several large residential developments, including Mill Valley and Scott Farms to the north of US 33 as well as the Green Pastures subdivision in the western portion of the City. Several other residential developments are located along State Route 4/US 36 and State Route 38 in the southwest area of the City.



***Letter of Transmittal  
For the Year Ended December 31, 2017***

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Uptown Marysville, which includes the historic central business district, is composed of a mix of residential, retail, and office uses in the blocks surrounding the intersection of Fifth and Main streets. Team Marysville, an association of Marysville officials, business owners, and residents established in 2012, continues to work toward improving the economic condition of the city's prized Uptown District.

The City of Marysville, Union County, and the Marysville Exempted Village School District joined together to create the Council of Governments. By pooling resources among the governmental units, the entities will be able to save thousands of taxpayer dollars initially leading to bigger savings in the future.

**ECONOMIC DEVELOPMENT**

2017 brought continued economic growth for the City of Marysville thanks to a strong and diverse business community and recovering national economy. Union County's average unemployment rate of 3.5% is consistently lower than the State of Ohio and United States. The City's economy remained stable and continued to expand as evidenced by several commercial, industrial, and residential new builds and expansions.

Some of the economic development highlights from 2017 include:

- In the summer of 2017, the City of Marysville completed Phase I of Innovation Way within the 33 Innovation Park. Purchased by the City in 2016, the 33 Innovation Park focuses on attracting high-quality employers, particularly those in the Advanced Manufacturing, Research & Development, Agribusiness, Logistics & E-Commerce, and Corporate Office sectors. The park offers various building lot arrangements and an enhanced level of design standards that focus on exterior appearance, building materials, amenities, and streetscapes.
- In November 2016, Governor John Kasich announced a \$15 million investment to make a 35-mile stretch of US-33 between Dublin and East Liberty into a proving ground for autonomous and connected vehicles. Phase I of the project, which was completed in fall 2017, included the installation of fiber optic cable along US-33. In 2018, Phase II will add an additional 42 miles of fiber along Industrial Parkway and Northwest Parkway from Dublin to the Honda campus. Combined, these two fiber segments will offer multiple options for high-speed and redundant fiber optic service for users that require the movement of large amounts of data across multiple platforms.
- In late 2016, the U.S. Department of Transportation (USDOT) announced a \$5.9 million grant to the cities of Marysville and Dublin, and Union County for the advancement of the NW 33 Smart Mobility Corridor project. The USDOT grant will provide funding for Dedicated Short-Range Communications (DSRC) along the corridor as well as all 27 traffic signals within the City of Marysville for connected vehicle and autonomous vehicle testing and research. Once completed, the network will allow automotive testing, R&D, and manufacturing facilities to test smart transportation and autonomous vehicle technologies on US 33 as well as establishing Marysville as the first fully connected, rural community in the world.

***Letter of Transmittal***

***For the Year Ended December 31, 2017***

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- The NW 33 Innovation Corridor Council of Governments (COG) continues to oversee and manage the development of the NW 33 Innovation Corridor. Its overall purpose is to review, evaluate, and make recommendations relative to the planning and programming, and the location, financing, and scheduling of public facility projects within the region that affects the development of the US-33 Corridor area. Members of the COG include the cities of Marysville and Dublin, Union County, and the Marysville-Union County Port Authority. In addition, the Council of Governments the Spotlight Dublin Award from the Dublin Chamber of Commerce in relation to the organization's efforts to develop the corridor.
- An update to the Parks and Recreation Master Plan was completed by Pros Consulting. The main goals of the update were to engage the community, utilize a wide variety of data sources and best practices, determine a unique level of service standards, shape financial and operational preparedness, develop a dynamic and development a realistic strategic action plan for the City's park amenities.
- After several years of planning, the MTC Mobile Training Lab was delivered in December 2017. The MTC Mobile Training Lab Program is a cooperative program spearheaded by the economic development offices of Champaign, Logan, and Union Counties, Marion Technical College, Ohio Board of Regents, and several private sector partners. The MTC Mobile Training Lab is a self-contained, manufacturing training lab with state-of-the-art equipment designed to offer local employers a fully customizable, on-site training experience.
- Team Marysville continued to expand its revitalization program in 2017. The group conducted retention visits to downtown merchants and coordinated several special community outreach events. Additionally, the group undertook several efforts to build internal capacity, including the adoption of bylaws, adoption of mission & vision statements, formation of a Board of Trustees, election of officers and the creation of a Leadership Team, revision to the committee structure, adoption of Guiding Principles, and conducting a strategic workshop with the City of Marysville.
- 2017 saw the second graduating class of The Young Entrepreneurs Academy of Union County (YEA). YEA is a year-long class that transforms local middle and high school students into entrepreneurs. Throughout the class, students develop business ideas, write business plans, conduct market research, pitch their plans to a panel of investors, and launch their own companies and social movements. The inaugural class graduated 18 students, representing 12 businesses.

***Letter of Transmittal  
For the Year Ended December 31, 2017***

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**FUTURE ECONOMIC DEVELOPMENT**

Community and economic development are a priority to the City to ensure a vibrant economy and top-notch quality of life. Through the sharing of public and private resources and forging of new partnerships, the City continues to be a catalyst in the development and revitalization of the community. To further guide future growth and development, the City and its economic development partners recently completed a new Community Comprehensive Plan, 33 Smart Mobility Corridor Economic Development Strategy, and an update to the City's Economic Development Strategic Plan.

**33 Smart Mobility Corridor Initiatives** – As the US 33 corridor is one of the fastest growing corridors in Ohio, numerous projects are underway including the Crossroads Area Plan, NW 33 Innovation Corridor Fiber Collaborative, OSU Smart Mobility Initiative, and the NW 33 Development Team Meetings. Planning and studying this area is crucial to the overall future success of the region.

**Joint Economic Development District** – Work continues to establish a Joint Economic Development District (JEDD) between the City of Marysville and neighboring townships. The JEDDs, if established, will allow the above entities to fund important infrastructure upgrades (roadway, water/sewer, etc.).

**Commercial Development** – With residential development returning to pre-recession levels, so has the interest for commercial and retail development. New businesses have announced plans to open in the City or are already under construction. This includes the Blue Bird Retirement Community, Walnut Crossing Assisted Living & Memory Care, Primrose School of Marysville, Moo Moo Express Car Wash, Stir Fresh Asian Bistro, and Burger King. The development of four new hotels including Comfort Inn & Suites and Fairfield Inn & Suites, is also expected in 2018-2019. Additionally, several hundred acres of prime commercial and office property has become available in Coleman's Crossing, Bethel Woods, and Cook's Pointe.

**Marysville Avalon Theater** – Efforts to renovate and re-open the historic Avalon Theatre in Uptown Marysville continue. The 1936 theatre has been vacant since 2009 and is in need of substantial structural repair and modernization. The building's owners have secured a prospective theatre management team and continue to work with the City and State to identify funding sources. In April it was announced that the Avalon Uptown Theatre Project would receive \$350,000 in funding from the Ohio Capital Budget Appropriations Bill. This funding, together with other pledged amounts received, brings the project to nearly 30% of its needed funding level.

**Economic Development Marketing** – The economic development website underwent a substantial update in 2017. The update included the addition of translation services to assist non-English readers with navigating the website. This was done as a direct result of Marysville's burgeoning Japanese community. In addition, special websites were created for the 33 Innovation Park and the 33 Smart Mobility Corridor. A website for the newly-launched Union County Trails & Greenway Working Group (known as "Let's Roll, Union County!") will be completed in early 2018. Marketing efforts also included the creation of an economic development-related Facebook page.

***Letter of Transmittal  
For the Year Ended December 31, 2017***

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**AWARDS AND ACKNOWLEDGEMENTS**

**Independent Audit**

Included in this report is an unqualified audit opinion rendered on the City's financial statements for the year ended December 31, 2017, issued by Plattenburg, Certified Public Accountants. City management plans to continue to subject the financial statements to an annual independent audit as part of the preparation of a CAFR, and to meet requirements of certain Revenue Trust Agreements on Revenue Debt. In addition, an annual audit serves to maintain and strengthen the City's accounting and budgetary controls.

**Public Disclosure**

The publication of this CAFR is indicative of the City's commitment to provide significantly enhanced financial information and accountability to its citizens. In addition to the citizens of Marysville, the recipients of this report include city, state, federal offices, schools, libraries, newspapers, investment banking firms, banks and rating agencies. The report is made available to any person or organization requesting it. The extensive effort to prepare and distribute this report is indicative of the continued efforts of the City to improve its overall financial accounting, management and reporting capabilities.

**Acknowledgments**

Sincere appreciation is extended to the many individuals who have worked diligently and contributed significant time and effort in gathering data for this report, particularly the staff of Donald J. Schonhardt & Associates, Inc., who through their continued knowledge and professionalism help make this annual project become a reality.

A special thank you is extended to the Members of City Council and the City Departments for the support and trust shown to the Administration and the Finance Department and for allocating the resources and time for the development of this report, which demonstrates the City's commitment to conform to reporting requirements established for municipal governments, and to maintain the sound financial position the City has enjoyed for many years. A final thank you goes to the Citizens of Marysville, Ohio, who continue to support the many decisions made by the City in its financial operations.

Finally, we would especially like to recognize City staff, all of whom exhibited dedication and professionalism throughout the many hours required in preparing this report.

Respectfully submitted,



Justin Nahvi  
Director of Finance  
City of Marysville, Ohio



Terry Emery  
City Manager  
City of Marysville, Ohio



**CITY OF MARYSVILLE, OHIO**

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***List of Principal Officials  
For the Year Ended December 31, 2017***

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<b><i>ELECTED OFFICIALS</i></b>	<b><i>OFFICE</i></b>	<b><i>TERM EXPIRES</i></b>
J.R. Rausch	Council President	12/31/17
Nevin Taylor	Council Vice-President	12/31/19
Alan Seymour	Council Member	12/31/19
Henk Berbee	Council Member	12/31/17
Deborah Groat	Council Member	12/31/19
Mark Reams	Council Member	12/31/17
Tracy Richardson	Council Member	12/31/19

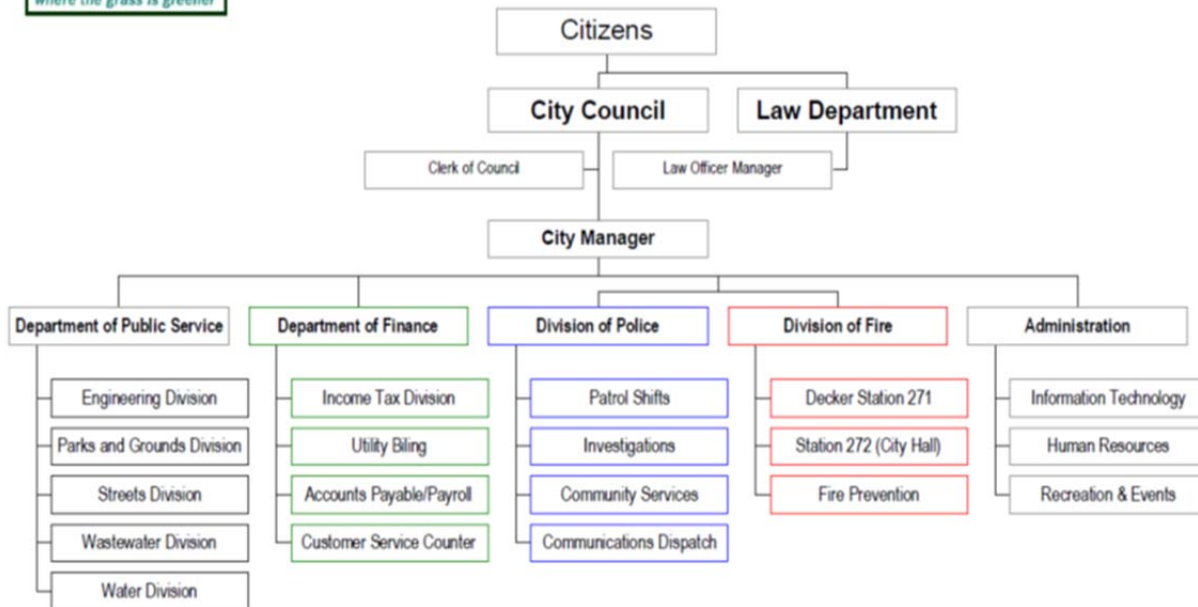
<b><i>ADMINISTRATIVE PERSONNEL</i></b>	<b><i>TITLE</i></b>	<b><i>TERM OF OFFICE</i></b>
Terry Emery	City Manager	Appointed
Justin Nahvi	Director of Finance	Appointed
Tim M. Aslaner	Law Director	12/31/17

**City Address:**

Marysville City Hall  
209 South Main Street  
Marysville, Ohio 43040

***City Organizational Chart  
For the Year Ended December 31, 2017***

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

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Government Finance Officers Association

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

Presented to

**City of Marysville  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2016**

*Christopher P. Morill*

Executive Director/CEO



## *FINANCIAL SECTION*

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**INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and City Council  
City of Marysville

**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 Marysville (the City) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements.

**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, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules of net pension liabilities and pension contributions 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 June 12, 2018, 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.*

Plattenburg & Associates, Inc.

Cincinnati, Ohio

June 12, 2018

The discussion and analysis of the City of Marysville's (City) financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2017. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

## **FINANCIAL HIGHLIGHTS**

Key financial highlights for 2017 are as follows:

- In total, net position increased \$6,105,255, a 5.3% increase from 2016. The net position of governmental activities decreased \$474,091, a slight decrease from 2016; and the net position of business-type activities increased \$6,579,346 from 2016.
- Total revenues were \$58,993,995. \$27.3 million was general revenues, or 46% of the total revenues; and \$31.7 million was program specific revenues in the form of charges for services and sales, operating grants and contributions and capital grants and contributions, or roughly 54% of the total revenues.
- The City had \$28.9 million in program expenses related to governmental activities; only \$4.9 million of these expenses were offset by program specific revenues. General revenues (primarily taxes) of \$23.6 million were adequate to provide for the balance on these programs.
- Among major funds, the General Fund had \$24 million in revenues and \$17.5 million in expenditures. The General Fund's fund balance, including transfers, decreased \$438,583 to \$9,427,519.
- Net position for the proprietary funds increased by \$6,579,346.
- The City maintained a bond credit rating of Aa3, as issued by Moody's Investors Services.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

These statements are as follows:

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

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

### **Government-wide Statements**

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

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

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

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

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

### **Fund Financial Statements**

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

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

**CITY OF MARYSVILLE, OHIO**

**Management's Discussion and Analysis  
For the Year Ended December 31, 2017**

**Unaudited**

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

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial 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 the separate Fiduciary Statement of Assets and Liabilities.

**FINANCIAL ANALYSIS OF THE CITY AS A WHOLE**

The following table provides a comparison of net position between 2017 and 2016:

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$22,273,115	\$20,380,433	\$51,457,780	\$41,840,966	\$73,730,895	\$62,221,399
Capital assets, Net	70,207,782	69,771,847	187,774,290	192,390,281	257,982,072	262,162,128
Total assets	<u>92,480,897</u>	<u>90,152,280</u>	<u>239,232,070</u>	<u>234,231,247</u>	<u>331,712,967</u>	<u>324,383,527</u>
Deferred outflows of resources	5,798,769	6,318,373	6,087,037	5,962,259	11,885,806	12,280,632
Net pension liability	22,807,669	21,645,124	3,762,845	2,975,501	26,570,514	24,620,625
Other long-term liabilities	27,933,392	27,837,476	156,139,648	159,684,525	184,073,040	187,522,001
Other liabilities	6,294,659	6,079,082	2,266,361	944,911	8,561,020	7,023,993
Total liabilities	<u>57,035,720</u>	<u>55,561,682</u>	<u>162,168,854</u>	<u>163,604,937</u>	<u>219,204,574</u>	<u>219,166,619</u>
Deferred inflows of resources	3,725,372	2,916,306	39,831	57,493	3,765,203	2,973,799
Net position (deficit):						
Net investment in capital assets	39,732,395	38,722,222	36,233,245	33,175,505	75,965,640	71,897,727
Restricted	4,718,106	4,328,948	4,162,899	4,983,330	8,881,005	9,312,278
Unrestricted	(6,931,927)	(5,058,505)	42,714,278	38,372,241	35,782,351	33,313,736
Total net position	<u>\$37,518,574</u>	<u>\$37,992,665</u>	<u>\$83,110,422</u>	<u>\$76,531,076</u>	<u>\$120,628,996</u>	<u>\$114,523,741</u>

**CITY OF MARYSVILLE, OHIO**

**Management's Discussion and Analysis  
For the Year Ended December 31, 2017**

**Unaudited**

Changes in Net position – The following table shows the changes in net position for the fiscal year 2017 and 2016:

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues						
Program revenues:						
Charges for Services and Sales	\$3,567,803	\$3,682,541	\$26,818,369	\$26,923,590	\$30,386,172	\$30,606,131
Operating Grants and Contributions	894,694	926,520	0	0	894,694	926,520
Capital Grants and Contributions	428,165	934,011	21,677	0	449,842	934,011
General revenues:						
Property Taxes	1,609,037	1,551,468	0	0	1,609,037	1,551,468
Municipal Income Taxes	18,830,805	17,664,505	0	0	18,830,805	17,664,505
Other Local Taxes	384,028	456,741	0	0	384,028	456,741
Payments in Lieu of Taxes	1,832,342	1,736,882	3,721,459	3,272,352	5,553,801	5,009,234
Grants and Entitlements not Restricted to Specific Programs	115,131	244,263	0	0	115,131	244,263
Investment Earnings	140,947	29,111	308,880	111,654	449,827	140,765
Miscellaneous	320,658	588,110	0	0	320,658	588,110
Total revenues	28,123,610	27,814,152	30,870,385	30,307,596	58,993,995	58,121,748
Program Expenses:						
Security of Persons and Property	13,706,093	13,511,380	0	0	13,706,093	13,511,380
Public Health and Welfare Services	431,163	331,180	0	0	431,163	331,180
Leisure Time Activities	446,269	407,116	0	0	446,269	407,116
Community Environment	3,011,885	1,936,951	0	0	3,011,885	1,936,951
Transportation	3,874,024	5,216,711	0	0	3,874,024	5,216,711
General Government	6,478,340	4,895,555	0	0	6,478,340	4,895,555
Interest and Fiscal Charges	1,022,991	1,040,563	0	0	1,022,991	1,040,563
Sewer	0	0	15,359,155	15,005,676	15,359,155	15,005,676
Water	0	0	6,169,630	6,071,788	6,169,630	6,071,788
Stormwater	0	0	810,021	752,302	810,021	752,302
Sanitation	0	0	1,579,169	1,470,201	1,579,169	1,470,201
Total expenses	28,970,765	27,339,456	23,917,975	23,299,967	52,888,740	50,639,423
Change in Net Position Before Transfers	(847,155)	474,696	6,952,410	7,007,629	6,105,255	7,482,325
Transfers	373,064	0	(373,064)	0	0	0
Total Change in Net Position	(474,091)	474,696	6,579,346	7,007,629	6,105,255	7,482,325
Beginning Net Position, Restated	37,992,665	37,517,969	76,531,076	69,523,447	114,523,741	107,041,416
Ending Net Position	\$37,518,574	\$37,992,665	\$83,110,422	\$76,531,076	\$120,628,996	\$114,523,741



***Management's Discussion and Analysis  
For the Year Ended December 31, 2017***

***Unaudited***

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***Governmental Activities***

Net position of the City's governmental activities had a decrease of \$474,091 from 2016. Municipal income tax receipts increased \$1,166,300 from 2016 due to an increase in business employer withholdings, employer withholdings and self-employed taxes. The City receives an income tax based on a percentage of all salaries, wages, commissions and other compensation earned from residents living within the City and from nonresidents for work done or services performed or rendered in the City.

Charges for Services decreased by \$114,738 from 2016. This was primarily due to a decrease in General Fund revenue associated with inspective fees collected in the 2017 fiscal year.

Capital grants and contributions decreased by \$505,846 from 2016 due to the City receiving capital grants in 2016 from the Ohio Public Works Commission for the annual paving maintenance program.

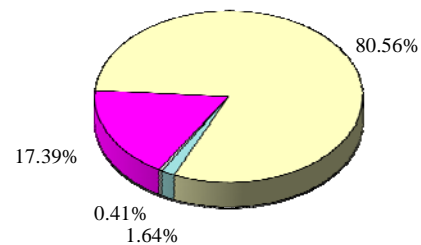
Security of Persons and Property expenses increased \$194,713 from 2016. This increase is related to increase in expenses associated with the Fire Division. The Fire Division transitioned three part time fire fighter positions into a full time status during the 2017 fiscal year.

Transportation expenses decreased \$1,342,687 from 2016. This expense category represents the activity of the public works department. This increase is primarily due to more road improvements occurring in 2017 as compared to 2016.

General Government expenses increased \$1,582,785 from 2016. This is associated with the increases in expenditures as previously noted from the Security of Persons and Property as well as Transportation.

Property taxes and income taxes made up 5.7% and 70% respectively of revenues for governmental activities for the City in fiscal year 2017. The City's reliance upon tax revenues is demonstrated by the following graph indicating 80.56% of total revenues from general tax revenues:

Revenue Sources	2017	Percent of Total
Grants and Entitlements not Restricted to Specific Programs	\$115,131	0.41%
Program Revenues	4,890,662	17.39%
General Tax Revenues	22,656,212	80.56%
General Other	461,605	1.64%
Total Revenue	<u>\$28,123,610</u>	<u>100.00%</u>



***Management's Discussion and Analysis  
For the Year Ended December 31, 2017***

***Unaudited***

***Business-Type Activities***

Net position of the business-type activities increased by \$6,579,346 from 2016. This is due in part to an increase of \$4,203,736 in the net position of Water.

The City's business-type activities are its sanitation, sewer, water, and stormwater departments. The water and wastewater treatment plants provide services to a resident base in excess of 23,000. The City also provides wastewater treatment for the Village of Milford Center and several small unincorporated areas outside the City limits. The wastewater treatment plant generated operating revenues of \$14,346,619 and had operating expenses of \$10,345,600. The water plant generated operating revenues of \$10,179,773 and had operating expenses of \$5,529,142. The City's goal is to cover the costs of operations as well as building a cash balance in these funds equivalent to one-third of the department's annual operating budget. The City is also generating funds for additional capital expansion to ensure continued capacity and capacity improvements for future growth and development.

**FINANCIAL ANALYSIS OF THE CITY'S GOVERNMENTAL FUNDS**

The City's governmental funds reported a combined fund balance of \$10,067,892, which is an increase of \$1,231,406 from last year's balance of \$8,836,486. The schedule below indicates the fund balance and the total change in fund balance by fund type as of December 31, 2017 and 2016:

	Fund Balance <u>December 31, 2017</u>	Fund Balance <u>December 31, 2016</u>	Increase <u>(Decrease)</u>
General	\$9,427,519	\$9,866,102	(\$438,583)
Capital Improvements Project (CIP)	(2,516,958)	(4,490,705)	1,973,747
Other Governmental	3,157,331	3,461,089	(303,758)
Total	<u>\$10,067,892</u>	<u>\$8,836,486</u>	<u>\$1,231,406</u>

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

	2017 <u>Revenues</u>	2016 <u>Revenues</u>	Increase <u>(Decrease)</u>
Taxes (Income, Property and Other)	\$20,346,700	\$19,442,027	\$904,673
Intergovernmental Revenue	348,210	425,821	(77,611)
Charges for Services	2,285,732	2,322,013	(36,281)
Licenses and Permits	151,919	155,816	(3,897)
Investment Earnings	121,774	21,041	100,733
Fines and Forfeitures	666,790	782,638	(115,848)
All Other Revenue	127,154	7,673	119,481
Total	<u>\$24,048,279</u>	<u>\$23,157,029</u>	<u>\$891,250</u>

**CITY OF MARYSVILLE, OHIO**

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***Management's Discussion and Analysis  
For the Year Ended December 31, 2017***

***Unaudited***

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General Fund revenues in 2017 increased approximately 3.8% compared to revenues in fiscal year 2016. The most significant factor contributing to this increase was in taxes reflecting the overall increase in business, employee withholdings, and self-employed income taxes.

	2017	2016	Increase
	Expenditures	Expenditures	(Decrease)
Security of Persons and Property	\$11,106,986	\$11,485,113	(\$378,127)
Public Health and Welfare Services	413,767	335,411	78,356
Community Environment	1,039,969	780,002	259,967
General Government	4,918,232	4,013,563	904,669
Total	<u>\$17,478,954</u>	<u>\$16,614,089</u>	<u>\$864,865</u>

General Fund expenditures increased by \$864,865 or about 5.2% when compared to the prior year of 2016. The largest increase was in General Government, an increase of \$904,669. This is associated with additional capital improvement expenditures associated with General Government operations for 2017.

The Capital Improvement Project (CIP) fund balance increased \$1,973,747 from 2016. This is due to receiving more property tax and expending less in debt expenditures in 2017.

***Management's Discussion and Analysis  
For the Year Ended December 31, 2017***

***Unaudited***

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. During the course of fiscal year 2017 the City amended its General Fund budget several times.

In the General Fund, the final budget basis for revenue was \$24.1 million, slightly higher than the original conservative budget estimates of \$22.6 million. Municipal Income Tax revenues exceeded the final budget mainly due to an increase in employer withheld taxes and self-employed residents. Also, the General Fund originally budgeted \$21.3 million for expenditures, including transfers, and the final budgeted expenditures were approximately \$24.7 million. Transfer out exceeded the original budget as the City was able to not only expend more funds on capital projects and but also reduce principal payments on outstanding debt.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

***Capital Assets***

At the end of fiscal 2017 the City had \$257,982,072 net of accumulated depreciation invested in land, improvements, infrastructure, buildings, machinery and equipment, vehicles and construction in progress. Of this total, \$70,207,782 was related to governmental activities and \$187,774,290 to the business-type activities. The following table shows fiscal year 2017 and 2016 balances:

	Governmental Activities		Increase (Decrease)
	2017	2016	
Land	\$6,308,349	\$6,232,344	\$76,005
Construction in Progress	2,478,350	2,526,801	(48,451)
Buildings	29,407,526	29,382,463	25,063
Improvements Other Than Buildings	7,840,288	7,232,346	607,942
Machinery and Equipment	2,808,291	2,015,629	792,662
Vehicles	6,530,149	6,183,207	346,942
Infrastructure	95,560,495	92,803,084	2,757,411
Less: Accumulated Depreciation	(80,725,666)	(76,604,027)	(4,121,639)
Totals	<u>\$70,207,782</u>	<u>\$69,771,847</u>	<u>\$435,935</u>

**CITY OF MARYSVILLE, OHIO**

**Management's Discussion and Analysis  
For the Year Ended December 31, 2017**

**Unaudited**

	Business-Type Activities		Increase (Decrease)
	2017	Reclassified 2016	
Land	\$4,195,515	\$4,195,515	\$0
Construction in Progress	5,537,068	4,616,495	920,573
Buildings	108,182,972	108,182,972	0
Improvements Other Than Buildings	28,165,605	28,092,232	73,373
Machinery and Equipment	2,935,991	2,518,705	417,286
Vehicles	2,283,692	2,246,169	37,523
Infrastructure	104,422,710	104,063,546	359,164
Less: Accumulated Depreciation	(67,949,263)	(61,525,353)	(6,423,910)
Totals	<u>\$187,774,290</u>	<u>\$192,390,281</u>	<u>(\$4,615,991)</u>

Governmental Activities' increases were associated with investments in replacement vehicles, operating equipment within the Public Service departments and IT equipment. Additional information on the City's capital assets can be found in Note 10.

**Debt**

At December 31, 2017, the City had \$178.4 million in bonds outstanding, \$5.2 million due within one year. The following table summarizes the City's debt outstanding as of December 31, 2017 and 2016:

	2017	2016
Governmental Activities:		
Bond Anticipation Note	\$2,000,000	\$0
General Obligation Bonds	23,147,971	24,864,846
Long-Term Loan	900,000	1,010,000
Compensated Absences	1,630,683	1,522,851
Capital Leases	254,738	439,779
Net Pension Liability	22,807,669	21,645,124
Total Governmental Activities	<u>50,741,061</u>	<u>49,482,600</u>
Business-Type Activities:		
General Obligation Bonds	\$9,865,000	\$10,070,000
Mortgage Revenue Bonds	145,383,599	148,730,821
OPWC Loans Payable	384,387	413,955
Compensated Absences	506,662	469,749
Net Pension Liability	3,762,845	2,975,501
Total Business-Type Activities	<u>159,902,493</u>	<u>162,660,026</u>
Totals	<u>\$210,643,554</u>	<u>\$212,142,626</u>

The general obligation bonds supported by governmental activities were for multiple City improvements financed with bond anticipation notes during the late 1990s. Many of these projects were for the extension of infrastructure and services to the large annexation of land in 1998. These monies were also used to refurbish several City streets (Grove Street, Raymond Road) and for the construction of the Public Service Center. These bonds will be repaid by the general operating revenues (income and property taxes) of the City.

The general obligation bonds supported by business-type activities were for plant expansion and renovation of the water and sewer utilities. These bonds were retired from the City's Water and Sewer funds during 2013. The mortgage revenue bonds were issued primarily for (1) refinancing the purchase of the water treatment plant, vehicles, and related infrastructure from the Ohio Water Company in 1991, (2) refinancing the expansion of the wastewater treatment plant in 1992, (3) infrastructure expansion required by the large annexation of land in 1998, and (4) construction of a Water Reclamation Facility and trunk sewer in 2006 through 2009. These bonds are paid by water and sewer revenues collected from the City's utility customers for provision of water for consumption and wastewater treatment. Additional information on the City's long-term debt can be found in Note 15.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

From August to October of the current year, the City's five-year budget is prepared. This process starts with the budgeted current figures and attempts to revise these figures (if applicable) for the remainder of the year. Predictions are made for the next five years based on assumptions provided by the Administration. The five-year budget takes a long-term look at the direction of the City. Each department director prepares the budgeted expenditures that relate to the applicable department. The finance department prepares the budgeted revenues. The City Administrator and Mayor then review all figures in detail, and changes are made as necessary.

The budget is then presented to City Council during a workshop, typically held in late October. City Council reviews the proposed revenues and expenditures for each fund. Changes are then made as necessary. The final budget is then presented to City Council for their approval.

City Council continues to pursue new revenue sources, while reviewing the possibility of increasing existing sources. A close watch of current economic conditions is an ongoing process each year to determine if increased revenues, or reductions in expenditures, are necessary in order to maintain fiscal stability.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the City's finances and to reflect the City's accountability for the monies it receives. Questions about this report or additional financial information needs should be directed to Justin Nahvi, City Finance Director, 209 South Main Street, Marysville, Ohio, 43040, (937) 645-7364, or e-mail at [jnahvi@marysvilleohio.org](mailto:jnahvi@marysvilleohio.org).



**CITY OF MARYSVILLE, OHIO**

**Statement of Net Position  
December 31, 2017**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 13,523,268	\$ 38,832,160	\$ 52,355,428
Cash and Cash Equivalents with Fiscal Agent	112,306	0	112,306
Investments	0	820,293	820,293
Receivables:			
Municipal Income Taxes	3,581,467	0	3,581,467
Accounts	586,017	3,693,550	4,279,567
Intergovernmental	685,174	799	685,973
Payments in Lieu of Taxes	1,756,608	3,797,000	5,553,608
Interest	0	28,050	28,050
Property Taxes	1,779,487	0	1,779,487
Special Assessments	100,217	0	100,217
Prepaid Items	148,571	123,029	271,600
Restricted Assets:			
Cash and Cash Equivalents with Fiscal Agent	0	4,162,899	4,162,899
Capital Assets:			
Capital Assets Not Being Depreciated	8,786,699	9,732,583	18,519,282
Capital Assets Being Depreciated, Net	61,421,083	178,041,707	239,462,790
<b>Total Assets</b>	<b>92,480,897</b>	<b>239,232,070</b>	<b>331,712,967</b>
<b>Deferred Outflows of Resources:</b>			
Pension	5,798,769	1,449,717	7,248,486
Deferred Loss on Early Retirement of Debt	0	4,637,320	4,637,320
<b>Total Deferred Outflows of Resources</b>	<b>5,798,769</b>	<b>6,087,037</b>	<b>11,885,806</b>
<b>Liabilities:</b>			
Accounts Payable	1,616,340	1,152,216	2,768,556
Accrued Wages and Benefits	190,528	50,768	241,296
Intergovernmental Payable	179,752	34,319	214,071
Contracts Payable	129,096	465,550	594,646
Retainage Payable	129,936	79,829	209,765
Accrued Interest Payable	164,007	483,679	647,686
General Obligation Notes Payable	3,885,000	0	3,885,000
Long-Term Liabilities:			
Due Within One Year	4,965,459	3,735,017	8,700,476
Net Pension Liability	22,807,669	3,762,845	26,570,514
Due in More Than One Year	22,967,933	152,404,631	175,372,564
<b>Total Liabilities</b>	<b>57,035,720</b>	<b>162,168,854</b>	<b>219,204,574</b>
<b>Deferred Inflows of Resources:</b>			
Property Tax Levy for Next Fiscal Year	3,501,207	0	3,501,207
Pension	224,165	39,831	263,996
<b>Total Deferred Inflows of Resources</b>	<b>3,725,372</b>	<b>39,831</b>	<b>3,765,203</b>



**CITY OF MARYSVILLE, OHIO**

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	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Net Position:</b>			
Net Investment in Capital Assets	39,732,395	36,233,245	75,965,640
Restricted For:			
Capital Projects	1,526,304	0	1,526,304
Debt Service	593,957	4,162,899	4,756,856
Street Repair and Maintenance	413,295	0	413,295
State Highway Improvements	88,812	0	88,812
Court Improvements	1,207,473	0	1,207,473
Alcohol Education and Enforcement	201,476	0	201,476
Other Purposes	686,789	0	686,789
Unrestricted (Deficit)	<u>(6,931,927)</u>	<u>42,714,278</u>	<u>35,782,351</u>
<b>Total Net Position</b>	<u>\$ 37,518,574</u>	<u>\$ 83,110,422</u>	<u>\$ 120,628,996</u>

See accompanying notes to the basic financial statements

**CITY OF MARYSVILLE, OHIO**

**Statement of Activities  
For the Year Ended December 31, 2017**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
Security of Persons and Property - Police	\$ 6,099,800	\$ 6,642	\$ 19,838	\$ 0
Security of Persons and Property - Fire	6,650,303	1,070,964	3,114	0
Security of Persons and Property - Other	955,990	892,604	0	0
Public Health and Welfare Services	431,163	80,133	0	0
Leisure Time Activities	446,269	1,273,458	0	0
Community Environment	3,011,885	0	20,772	143,587
Transportation	3,874,024	39,260	850,970	284,578
General Government	6,478,340	204,742	0	0
Interest and Fiscal Charges	1,022,991	0	0	0
<b>Total Governmental Activities</b>	<b>28,970,765</b>	<b>3,567,803</b>	<b>894,694</b>	<b>428,165</b>
<b>Business-Type Activities:</b>				
Sewer	15,359,155	14,346,619	0	0
Water	6,169,630	10,179,773	0	21,677
Stormwater	810,021	937,476	0	0
Sanitation	1,579,169	1,354,501	0	0
<b>Total Business-Type Activities</b>	<b>23,917,975</b>	<b>26,818,369</b>	<b>0</b>	<b>21,677</b>
<b>Totals</b>	<b>\$ 52,888,740</b>	<b>\$ 30,386,172</b>	<b>\$ 894,694</b>	<b>\$ 449,842</b>

**General Revenues:**

Property Taxes Levied For:

General Purposes

Police Pension

Fire Pension

Municipal Income Taxes

Other Local Taxes

Payments in Lieu of Taxes

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings

Miscellaneous

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

**CITY OF MARYSVILLE, OHIO**

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Net (Expense) Revenue  
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (6,073,320)	\$ 0	\$ (6,073,320)
(5,576,225)	0	(5,576,225)
(63,386)	0	(63,386)
(351,030)	0	(351,030)
827,189	0	827,189
(2,847,526)	0	(2,847,526)
(2,699,216)	0	(2,699,216)
(6,273,598)	0	(6,273,598)
(1,022,991)	0	(1,022,991)
<u>(24,080,103)</u>	<u>0</u>	<u>(24,080,103)</u>
0	(1,012,536)	(1,012,536)
0	4,031,820	4,031,820
0	127,455	127,455
0	(224,668)	(224,668)
<u>0</u>	<u>2,922,071</u>	<u>2,922,071</u>
<u>(24,080,103)</u>	<u>2,922,071</u>	<u>(21,158,032)</u>
1,387,545	0	1,387,545
110,746	0	110,746
110,746	0	110,746
18,830,805	0	18,830,805
384,028	0	384,028
1,832,342	3,721,459	5,553,801
115,131	0	115,131
140,947	308,880	449,827
320,658	0	320,658
373,064	(373,064)	0
<u>23,606,012</u>	<u>3,657,275</u>	<u>27,263,287</u>
(474,091)	6,579,346	6,105,255
<u>37,992,665</u>	<u>76,531,076</u>	<u>114,523,741</u>
<u>\$ 37,518,574</u>	<u>\$ 83,110,422</u>	<u>\$ 120,628,996</u>

**CITY OF MARYSVILLE, OHIO**

**Balance Sheet  
Governmental Funds  
December 31, 2017**

	General	Capital Improvements Project (CIP)	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 7,915,227	\$ 2,224,825	\$ 3,383,216	\$ 13,523,268
Cash and Cash Equivalents with Fiscal Agent	112,306	0	0	112,306
Receivables:				
Municipal Income Taxes	3,581,467	0	0	3,581,467
Accounts	146,606	0	439,411	586,017
Intergovernmental	278,869	0	406,305	685,174
Payments in Lieu of Taxes	0	0	1,756,608	1,756,608
Property Taxes	1,539,819	0	239,668	1,779,487
Special Assessments	23,313	0	76,904	100,217
Interfund Loans Receivables	124,925	0	0	124,925
Prepaid Items	133,999	547	14,025	148,571
<b>Total Assets</b>	<b>\$ 13,856,531</b>	<b>\$ 2,225,372</b>	<b>\$ 6,316,137</b>	<b>\$ 22,398,040</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 792,398	\$ 574,691	\$ 249,251	\$ 1,616,340
Accrued Wages and Benefits Payable	179,183	0	11,345	190,528
Intergovernmental Payable	170,942	0	8,810	179,752
Contracts Payable	0	129,096	0	129,096
Retainage Payable	0	129,936	0	129,936
Interfund Loans Payable	0	0	124,925	124,925
Compensated Absences Payable	0	0	75	75
Accrued Interest Payable	0	23,607	0	23,607
General Obligation Notes Payable	0	3,885,000	0	3,885,000
<b>Total Liabilities</b>	<b>1,142,523</b>	<b>4,742,330</b>	<b>394,406</b>	<b>6,279,259</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable Amounts	1,776,906	0	772,776	2,549,682
Property Tax for Next Fiscal Year	1,509,583	0	1,991,624	3,501,207
<b>Total Deferred Inflows of Resources</b>	<b>3,286,489</b>	<b>0</b>	<b>2,764,400</b>	<b>6,050,889</b>
<b>Fund Balances:</b>				
Nonspendable	133,999	547	13,918	148,464
Restricted	0	0	2,838,266	2,838,266
Committed	1,084,726	0	348,217	1,432,943
Assigned	1,387,134	0	0	1,387,134
Unassigned	6,821,660	(2,517,505)	(43,070)	4,261,085
<b>Total Fund Balances</b>	<b>9,427,519</b>	<b>(2,516,958)</b>	<b>3,157,331</b>	<b>10,067,892</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 13,856,531</b>	<b>\$ 2,225,372</b>	<b>\$ 6,316,137</b>	<b>\$ 22,398,040</b>

See accompanying notes to the basic financial statements

**CITY OF MARYSVILLE, OHIO**

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***Reconciliation Of Total Governmental Fund Balances  
To Net Position Of Governmental Activities  
December 31, 2017***

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<b>Total Governmental Fund Balances</b>		\$	10,067,892
<b><i>Amounts reported for governmental activities in the statement of net position are different because</i></b>			
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.			70,207,782
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.			
Municipal Income Taxes	1,527,341		
Property Taxes	34,888		
Charges for Services	16,650		
Special Assessments	100,217		
Intergovernmental	<u>870,586</u>		2,549,682
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:			
Deferred Outflows - Pension	5,798,769		
Deferred Inflows - Pension	(224,165)		
Net Pension Liability	<u>(22,807,669)</u>		(17,233,065)
Accrued interest on outstanding debt is not due and payable in the current period and, therefore, is not reported in the funds: it is reported when due.			(140,400)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			
General Obligation Bonds Payable	(23,147,971)		
Capital Leases Payable	(254,738)		
Long-Term Loans Payable	(900,000)		
Long-Term Note Payable	(2,000,000)		
Compensated Absences Payable	<u>(1,630,608)</u>		(27,933,317)
<b><i>Net Position of Governmental Activities</i></b>		\$	<u>37,518,574</u>

See accompanying notes to the basic financial statements

**CITY OF MARYSVILLE, OHIO**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2017**

	General	Capital Improvements Project (CIP)	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Property Taxes	\$ 1,451,249	\$ 0	\$ 221,492	\$ 1,672,741
Municipal Income Tax	18,461,833	0	0	18,461,833
Other Local Taxes	433,618	0	0	433,618
Payments in Lieu of Taxes	0	0	1,832,342	1,832,342
Intergovernmental Revenues	348,210	0	1,348,565	1,696,775
Charges for Services	2,285,732	0	358,716	2,644,448
Licenses and Permits	151,919	0	286,013	437,932
Investment Earnings	121,774	14,090	5,083	140,947
Fines and Forfeitures	666,790	0	169,840	836,630
All Other Revenue	127,154	5,792	39,260	172,206
<b>Total Revenue</b>	<b>24,048,279</b>	<b>19,882</b>	<b>4,261,311</b>	<b>28,329,472</b>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property - Police	4,835,804	0	141,853	4,977,657
Security of Persons and Property - Fire	5,486,968	0	118,284	5,605,252
Security of Persons and Property - Other	784,214	0	22,276	806,490
Public Health and Welfare Services	413,767	0	210	413,977
Leisure Time Activities	0	0	214,425	214,425
Community Environment	1,039,969	0	1,480,021	2,519,990
Transportation	0	0	1,307,813	1,307,813
General Government	4,918,232	0	285,948	5,204,180
Capital Outlay	0	4,941,536	325,554	5,267,090
Debt Service:				
Principal Retirement	0	0	1,795,000	1,795,000
Interest and Fiscal Charges	0	13,496	1,015,472	1,028,968
<b>Total Expenditures</b>	<b>17,478,954</b>	<b>4,955,032</b>	<b>6,706,856</b>	<b>29,140,842</b>
Excess (Deficiency) of Revenues Over Expenditures	6,569,325	(4,935,150)	(2,445,545)	(811,370)

**CITY OF MARYSVILLE, OHIO**

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	General	Capital Improvements Project (CIP)	Other Governmental Funds	Total Governmental Funds
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	42,776	0	0	42,776
General Obligation Notes Issued	0	2,000,000	0	2,000,000
Transfers In	0	4,908,897	2,141,787	7,050,684
Transfers Out	(7,050,684)	0	0	(7,050,684)
<b>Total Other Financing Sources (Uses)</b>	<u>(7,007,908)</u>	<u>6,908,897</u>	<u>2,141,787</u>	<u>2,042,776</u>
Net Change in Fund Balances	(438,583)	1,973,747	(303,758)	1,231,406
<b>Fund Balances (Deficit) at Beginning of Year</b>	<u>9,866,102</u>	<u>(4,490,705)</u>	<u>3,461,089</u>	<u>8,836,486</u>
<b>Fund Balances (Deficit) End of Year</b>	<u>\$ 9,427,519</u>	<u>\$ (2,516,958)</u>	<u>\$ 3,157,331</u>	<u>\$ 10,067,892</u>

See accompanying notes to the basic financial statements

**CITY OF MARYSVILLE, OHIO**

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***Reconciliation Of The Statement Of Revenues, Expenditures  
And Changes In Fund Balances Of Governmental Funds  
To The Statement Of Activities  
For the Year Ended December 31, 2017***

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Net Change in Fund Balances - Total Governmental Funds \$ 1,231,406

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

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

Capital Outlay	4,360,414	
Capital Assets Transferred from Business-Type Activities	373,064	
Depreciation	<u>(4,292,168)</u>	441,310

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the loss on the disposal of capital assets net of proceeds received.

(5,375)

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

Municipal Income Taxes	368,972	
Property Taxes	(63,704)	
Charges for Services	(243,623)	
Special Assessments	(1,908)	
Intergovernmental	(258,781)	
Other Local Taxes	<u>(49,594)</u>	(248,638)

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

1,783,159

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

(3,554,214)

(Continued)



**CITY OF MARYSVILLE, OHIO**

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

General Obligation Note Issued	(2,000,000)	
General Obligation Bonds Principal	1,716,875	
Long-Term Loan Principal	110,000	
Capital Lease Principal	<u>185,041</u>	11,916

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

Accrued Interest Payable		(25,898)
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Some expenses reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Increase in Compensated Absences Payable		<u>(107,757)</u>
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***Change in Net Position of Governmental Activities*** \$ (474,091)

See accompanying notes to the basic financial statements

**CITY OF MARYSVILLE, OHIO**

**Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
General Fund  
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 1,334,500	\$ 1,449,491	\$ 1,451,249	\$ 1,758
Municipal Income Tax	17,410,000	18,503,000	18,801,562	298,562
Other Local Taxes	430,000	430,000	438,154	8,154
Intergovernmental Revenue	361,823	370,186	387,280	17,094
Charges for Services	2,019,648	2,202,865	2,474,872	272,007
Licenses and Permits	144,000	144,000	151,919	7,919
Investment Earnings	100,000	135,375	135,376	1
Fines and Forfeitures	751,000	751,000	674,931	(76,069)
All Other Revenues	21,000	112,997	129,330	16,333
<b>Total Revenues</b>	<b>22,571,971</b>	<b>24,098,914</b>	<b>24,644,673</b>	<b>545,759</b>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	11,466,813	11,630,946	10,964,711	666,235
Public Health and Welfare Services	376,000	457,408	418,937	38,471
Community Environment	957,142	1,040,910	995,483	45,427
General Government	4,913,181	5,147,046	4,878,426	268,620
<b>Total Expenditures</b>	<b>17,713,136</b>	<b>18,276,310</b>	<b>17,257,557</b>	<b>1,018,753</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,858,835	5,822,604	7,387,116	1,564,512
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	0	25,100	42,776	17,676
Transfers Out	(3,551,600)	(6,517,609)	(7,060,684)	(543,075)
Advances In	0	122,620	122,620	0
Advances Out	0	(124,925)	(124,925)	0
<b>Total Other Financing Sources (Uses):</b>	<b>(3,551,600)</b>	<b>(6,494,814)</b>	<b>(7,020,213)</b>	<b>(525,399)</b>
Net Change In Fund Balance	1,307,235	(672,210)	366,903	1,039,113
Fund Balance at Beginning of Year	6,686,319	6,686,319	6,686,319	0
Prior Year Encumbrances	552,629	552,629	552,629	0
Fund Balance at End of Year	<b>\$ 8,546,183</b>	<b>\$ 6,566,738</b>	<b>\$ 7,605,851</b>	<b>\$ 1,039,113</b>

See accompanying notes to the basic financial statements



**CITY OF MARYSVILLE, OHIO**

**Statement of Net Position  
Proprietary Funds  
December 31, 2017**

	Business-Type Activities		
	Enterprise Funds		
	Sewer	Water	Stormwater
<b>Assets:</b>			
<i>Current Assets:</i>			
Cash and Cash Equivalents	\$ 14,698,189	\$ 22,931,088	\$ 886,372
Investments	820,293	0	0
Receivables:			
Accounts	2,083,555	1,171,022	179,402
Intergovernmental	340	343	63
Payments in Lieu of Taxes Receivable	3,797,000	0	0
Interest	11,607	16,443	0
Prepaid Items	61,934	59,977	442
Restricted Assets:			
Cash and Cash Equivalents with Fiscal Agent	4,162,899	0	0
<b>Total Current Assets</b>	<b>25,635,817</b>	<b>24,178,873</b>	<b>1,066,279</b>
<i>Non Current Assets:</i>			
Land	2,533,015	1,662,500	0
Construction in Progress	140,227	5,093,787	301,288
Depreciable Capital Assets, Net	137,623,394	39,122,190	1,102,183
<b>Total Non Current Assets</b>	<b>140,296,636</b>	<b>45,878,477</b>	<b>1,403,471</b>
<b>Total Assets</b>	<b>165,932,453</b>	<b>70,057,350</b>	<b>2,469,750</b>
<b>Deferred Outflows of Resources:</b>			
Pension	614,572	631,731	110,667
Deferred Loss on Early Retirement of Debt	3,510,634	1,126,686	0
<b>Total Deferred Outflows of Resources</b>	<b>4,125,206</b>	<b>1,758,417</b>	<b>110,667</b>
<b>Liabilities:</b>			
<i>Current Liabilities:</i>			
Accounts Payable	554,540	458,028	40,111
Accrued Wages and Benefits	22,059	20,119	4,897
Intergovernmental Payable	14,213	14,769	2,809
Contracts Payable	48,493	238,879	178,178
Retainage Payable	0	49,700	30,129
Compensated Absences Payable - Current	115,267	94,061	9,355
General Obligation Bonds - Current	210,000	0	0
Mortgage Revenue Bonds - Current	2,306,140	966,082	0
Ohio Public Works Commission Loan - Current	0	29,568	0
<b>Total Current Liabilities</b>	<b>3,270,712</b>	<b>1,871,206</b>	<b>265,479</b>

**CITY OF MARYSVILLE, OHIO**

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<u>Sanitation</u>	<u>Total</u>
\$ 316,511	\$ 38,832,160
0	820,293
259,571	3,693,550
53	799
0	3,797,000
0	28,050
676	123,029
<u>0</u>	<u>4,162,899</u>
576,811	51,457,780
0	4,195,515
1,766	5,537,068
<u>193,940</u>	<u>178,041,707</u>
<u>195,706</u>	<u>187,774,290</u>
<u>772,517</u>	<u>239,232,070</u>
92,747	1,449,717
<u>0</u>	<u>4,637,320</u>
<u>92,747</u>	<u>6,087,037</u>
99,537	1,152,216
3,693	50,768
2,528	34,319
0	465,550
0	79,829
4,544	223,227
0	210,000
0	3,272,222
<u>0</u>	<u>29,568</u>
110,302	5,517,699

(Continued)

**CITY OF MARYSVILLE, OHIO**

**Statement of Net Position  
Proprietary Funds  
December 31, 2017**

	Business-Type Activities		
	Enterprise Funds		
	Sewer	Water	Stormwater
<i>Long Term Liabilities:</i>			
Compensated Absences Payable	121,606	147,434	5,059
Net Pension Liability	1,595,165	1,639,702	287,245
Accrued Interest Payable	425,654	58,025	0
General Obligation Bonds Payable	9,655,000	0	0
Revenue Bonds Payable	122,884,731	19,226,646	0
OPWC Loans Payable	0	354,819	0
<i>Total Long-Term Liabilities</i>	<u>134,682,156</u>	<u>21,426,626</u>	<u>292,304</u>
<b>Total Liabilities</b>	<u>137,952,868</u>	<u>23,297,832</u>	<u>557,783</u>
<b>Deferred Inflows of Resources:</b>			
Pension	<u>16,885</u>	<u>17,358</u>	<u>3,041</u>
<b>Net Position:</b>			
Net Investment in Capital Assets	8,702,906	26,139,469	1,195,164
Restricted For:			
Debt Service	4,162,899	0	0
Unrestricted	<u>19,222,101</u>	<u>22,361,108</u>	<u>824,429</u>
<b>Total Net Position</b>	<u>\$ 32,087,906</u>	<u>\$ 48,500,577</u>	<u>\$ 2,019,593</u>

See accompanying notes to the basic financial statements

**CITY OF MARYSVILLE, OHIO**

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<u>Sanitation</u>	<u>Total</u>
9,336	283,435
240,733	3,762,845
0	483,679
0	9,655,000
0	142,111,377
0	354,819
<u>250,069</u>	<u>156,651,155</u>
<u>360,371</u>	<u>162,168,854</u>
<u>2,547</u>	<u>39,831</u>
195,706	36,233,245
0	4,162,899
306,640	42,714,278
<u>\$ 502,346</u>	<u>\$ 83,110,422</u>

**CITY OF MARYSVILLE, OHIO**

**Statement of Revenues, Expenses and Changes in Fund Net Position  
Proprietary Funds  
For the Year Ended December 31, 2017**

	Business-Type Activities		
	Enterprise Funds		
	Sewer	Water	Stormwater
<b>Operating Revenues:</b>			
Charges for Services	\$ 14,346,619	\$ 10,179,773	\$ 937,476
<b>Total Operating Revenues</b>	<b>14,346,619</b>	<b>10,179,773</b>	<b>937,476</b>
<b>Operating Expenses:</b>			
Personal Services	1,811,911	1,773,923	365,404
Contractual Services	2,214,137	1,157,268	228,124
Materials and Supplies	613,272	759,229	111,231
Utilities	1,045,043	145,645	3,538
Depreciation	4,661,237	1,693,077	101,724
<b>Total Operating Expenses</b>	<b>10,345,600</b>	<b>5,529,142</b>	<b>810,021</b>
Operating Income (Loss)	4,001,019	4,650,631	127,455
<b>Nonoperating Revenue (Expenses):</b>			
Investment Earnings	136,964	171,916	0
Interest Expense	(5,013,555)	(640,488)	0
Loss on Disposal of Capital Assets	0	0	(373,064)
Payments in Lieu of Taxes	3,721,459	0	0
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(1,155,132)</b>	<b>(468,572)</b>	<b>(373,064)</b>
Income (Loss) Before Contributions	2,845,887	4,182,059	(245,609)
Capital Contributions	0	21,677	0
Change in Net Position	2,845,887	4,203,736	(245,609)
Net Position Beginning of Year	29,242,019	44,296,841	2,265,202
Net Position End of Year	\$ 32,087,906	\$ 48,500,577	\$ 2,019,593

See accompanying notes to the basic financial statements



**CITY OF MARYSVILLE, OHIO**

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<u>Sanitation</u>	<u>Total</u>
\$ 1,354,501	\$ 26,818,369
<u>1,354,501</u>	<u>26,818,369</u>
303,666	4,254,904
1,185,365	4,784,894
54,818	1,538,550
5,220	1,199,446
<u>30,100</u>	<u>6,486,138</u>
<u>1,579,169</u>	<u>18,263,932</u>
(224,668)	8,554,437
0	308,880
0	(5,654,043)
0	(373,064)
<u>0</u>	<u>3,721,459</u>
<u>0</u>	<u>(1,996,768)</u>
(224,668)	6,557,669
0	21,677
(224,668)	6,579,346
<u>727,014</u>	<u>76,531,076</u>
<u>\$ 502,346</u>	<u>\$ 83,110,422</u>

**CITY OF MARYSVILLE, OHIO**

**Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2017**

	Business-Type Activities		
	Enterprise Funds		
	Sewer	Water	Stormwater
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$13,933,746	\$10,086,355	\$905,534
Cash Payments for Goods and Services	(3,560,995)	(1,873,674)	(266,278)
Cash Payments to Employees	(1,615,977)	(1,589,753)	(276,824)
Net Cash Provided (Used) by Operating Activities	8,756,774	6,622,928	362,432
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Assets	(277,797)	(910,084)	(236,053)
Capital Contributions	0	21,677	0
Payments in Lieu of Taxes	2,987,278	0	0
Principal Paid on General Obligation Bonds	(205,000)	0	0
Principal Paid on Mortgage Revenue Bonds	(1,920,000)	(1,075,000)	0
Principal Paid on Ohio Public Works Commission Loan	0	(29,568)	0
Interest Paid on All Debt	(5,066,056)	(680,185)	0
Net Cash Used for Capital and Related Financing Activities	(4,481,575)	(2,673,160)	(236,053)
<u>Cash Flows from Investing Activities:</u>			
Fair Value Markdown of Investments	(75,908)	0	0
Investments Sold	725,727	0	0
Receipts of Interest	110,533	155,728	0
Net Cash Provided by Investing Activities	760,352	155,728	0
Net Increase (Decrease) in Cash and Cash Equivalents	5,035,551	4,105,496	126,379
Cash and Cash Equivalents at Beginning of Year	13,825,537	18,825,592	759,993
Cash and Cash Equivalents at End of Year	\$18,861,088	\$22,931,088	\$886,372

**CITY OF MARYSVILLE, OHIO**

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<u>Sanitation</u>	<u>Totals</u>
\$1,482,294	\$26,407,929
(1,243,448)	(6,944,395)
<u>(255,354)</u>	<u>(3,737,908)</u>
<u>(16,508)</u>	<u>15,725,626</u>
(76,008)	(1,499,942)
0	21,677
0	2,987,278
0	(205,000)
0	(2,995,000)
0	(29,568)
<u>0</u>	<u>(5,746,241)</u>
<u>(76,008)</u>	<u>(7,466,796)</u>
0	(75,908)
0	725,727
<u>0</u>	<u>266,261</u>
<u>0</u>	<u>916,080</u>
(92,516)	9,174,910
409,027	33,820,149
<u>\$316,511</u>	<u>\$42,995,059</u>

(Continued)

**CITY OF MARYSVILLE, OHIO**

**Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2017**

	Business-Type Activities		
	Enterprise Funds		
	Sewer	Water	Stormwater
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>			
<u>Provided (Used) by Operating Activities:</u>			
Operating Income (Loss)	\$4,001,019	\$4,650,631	\$127,455
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	4,661,237	1,693,077	101,724
Changes in Assets and Liabilities:			
Decrease (Increase) in Accounts Receivable	(412,855)	(93,398)	(31,932)
Increase in Deferred Outflows of Resources	(122,648)	(109,910)	(46,034)
Decrease (Increase) in Prepays	(265)	(4,203)	1,928
Increase in Accounts Payable	317,150	194,342	77,389
Increase in Accrued			
Wages and Benefits	2,532	1,348	4,207
Increase in Compensated Absences	6,278	18,863	10,745
Increase in Net Pension Liability	312,230	281,072	117,195
Decrease in Deferred Inflows of Resources	(7,904)	(8,894)	(245)
Total Adjustments	<u>4,755,755</u>	<u>1,972,297</u>	<u>234,977</u>
Net Cash Provided (Used) by Operating Activities	<u>\$8,756,774</u>	<u>\$6,622,928</u>	<u>\$362,432</u>

Schedule of Noncash Investing, Capital and Financing Activities:

As of December 31, 2017, the Sewer Fund, Water Fund and Stormwater Fund had outstanding liabilities of liabilities of \$164,405, \$502,070 and \$148,949 , for the purchase of certain capital assets.

See accompanying notes to the basic financial statements

**CITY OF MARYSVILLE, OHIO**

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<u>Sanitation</u>	<u>Totals</u>
(\$224,668)	\$8,554,437
30,100	6,486,138
127,799	(410,386)
(31,063)	(309,655)
73	(2,467)
3,110	591,991
886	8,973
1,027	36,913
76,847	787,344
(619)	(17,662)
<u>208,160</u>	<u>7,171,189</u>
<u>(\$16,508)</u>	<u>\$15,725,626</u>

**CITY OF MARYSVILLE, OHIO**

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***Statement of Assets and Liabilities  
Fiduciary Funds  
December 31, 2017***

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	<u>Agency</u>
<b>Assets:</b>	
Cash and Cash Equivalents	\$ 267,231
<b>Total Assets</b>	<u>267,231</u>
<b>Liabilities:</b>	
Due to Others	<u>267,231</u>
<b>Total Liabilities</b>	<u>\$ 267,231</u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Marysville is a charter municipal corporation founded in 1837, with the charter adopted by the electors on December 1, 1960, and most recently updated on November 3, 2009. The City may exercise all powers of home rule granted under Article XVIII, Section 3 of the Ohio Constitution not in conflict with applicable general laws of Ohio.

The City operates under a council/mayor/administrator form of government. Services provided include general administration as well as police, fire, ambulance, municipal court, engineering, planning and zoning, street maintenance and repair, parks and recreation, a cemetery, and sanitation, sewer, water, and storm-water utilities.

The financial statements are presented as of December 31, 2017 and for the year then ended and have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the "GASB") is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

**A. Reporting Entity**

The accompanying basic financial statements comply with the provisions of the GASB Statement No. 14, "*The Financial Reporting Entity*," as amended by GASB Statement No. 39 "*Determining Whether Certain Organizations are Component Units*," and GASB Statement No. 61 "*The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34*," in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, agencies, boards and commissions that are part of the primary government, which include the following services: police and fire protection, parks and recreation, planning, zoning, street maintenance and other governmental services. In addition, the City owns and operates a water treatment and distribution system, a wastewater treatment and collection system and provides refuse collection services all of which are reported as enterprise funds.

The City is associated with the Marysville/Union County Joint Recreation District, the Union County Community Improvement Corporation, the Mid-Ohio Regional Planning Commission, the Union County Council of Governments and the Marysville/Union County Port Authority; each is a jointly governed organization. These organizations are more fully described in Note 20 to the basic financial statements.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation - Fund Accounting**

The accounting policies and financial reporting practices of the City conform to generally accepted accounting principles as applicable to governmental units.

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

***Governmental Funds***

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

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

Capital Improvements Project Fund (CIP) – This fund is used to account for the accumulation of funds for the acquisition of capital assets and/or the construction of major capital facilities.

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



***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation - Fund Accounting (Continued)**

***Proprietary Funds***

All proprietary funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the Statement of Net Position. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

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

Sewer Fund – This fund is used to account for the operation of the City's sanitary sewer service.

Water Fund – This fund is used to account for the operation of the City's water service.

Stormwater Fund – This fund is used to account for the operation of the City's surface water drainage system.

Sanitation Fund – This fund is used to account for the operation of the City's sanitation (refuse) pickup and disposal service.

***Fiduciary Funds***

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations or other governments and therefore not available to support the City's own programs. The agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operation. These funds operate on a full accrual basis of accounting. The City has three agency funds. These funds are used to account for monies received by the City in situations where the City's role is purely custodial in nature. The four funds are the Municipal Court Fund, which accounts for monies that flow through the municipal court office, the Law Library Fund, which is used to account for monies collected from traffic fines until they are remitted to other entities, the Unclaimed Monies Fund, where the City is holding unclaimed funds due to others and the Union County Port Authority Fund.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation – Financial Statements**

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

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

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

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

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

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation – Financial Statements (Continued)**

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the Statement of Net Position. The Statement of 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.

**D. Basis of Accounting**

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses in the accounts and reported in the financial statements, and relates to the timing of the measurements made. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

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

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

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Basis of Accounting (Continued)**

Special assessment installments, which are measurable, but not available at December 31, are recorded as deferred inflow of resources – unavailable amount. Property taxes measurable as of December 31, 2017, but which are not intended to finance 2017 operations and delinquent property taxes, whose availability is indeterminate, are recorded as deferred inflow of resources as further described in Note 6 “Taxes”.

The accrual basis of accounting is utilized for reporting purposes by the proprietary funds and fiduciary funds. Revenues are recognized when they are earned and expenses recognized when incurred.

**E. Deferred Inflows/Outflows of Resources**

In addition to assets, the statements of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expenses/expenditures) until then. The City’s statement of net position includes a deferred outflow amount related to pension.

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

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Budgetary Process**

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

All funds other than agency funds are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The only funds required to be reported in the basic financial statements are the General Fund and any major special revenue funds. The primary level of budgetary control is at the object level within each department. Budgetary modifications may be made only by ordinance of the City Council.

**1. Tax Budget**

The Director of Finance and the City Manager submit an annual tax budget for the following fiscal year to City Council by July 15 for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year for the period January 1 to December 31 of the following year.

The budget commission has waived the filing of the budget.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Budgetary Process (Continued)**

**2. Estimated Resources**

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by October 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or if actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2017.

**3. Appropriations**

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the fund, department and object level, the legal level of control. The appropriation ordinance may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified by the County Budget Commission. The allocation of appropriations among departments and objects within a fund may be modified during the year by an ordinance of City Council. During 2017, several supplemental appropriations were necessary to budget the use of contingency funds, intergovernmental grant proceeds and capital improvement projects. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual--General Fund" are provided on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications.

**4. Encumbrances**

As part of formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures (budget basis) in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. However, on the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities and are reported as part of fund balances in the accompanying basic financial statements.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Budgetary Process (Continued)**

**5. Lapsing of Appropriations**

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

**6. Budgetary Basis of Accounting**

The City's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. On the budgetary basis investment earnings are recognized when realized, whereas on a GAAP basis unrealized gains and losses are recognized when investments are adjusted to fair value.

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Budgetary Process (Continued)**

**6. Budgetary Basis of Accounting (Continued)**

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

Net Change In Fund Balance	
	General Fund
GAAP Basis (as reported)	(\$438,583)
Increase (Decrease):	
Accrued Revenues at December 31, 2017 received during 2018	(2,408,510)
Accrued Revenues at December 31, 2016 received during 2017	2,977,476
Accrued Expenditures at December 31, 2017 paid during 2018	1,142,523
Accrued Expenditures at December 31, 2016 paid during 2017	(524,000)
2016 Prepays for 2017	114,049
2017 Prepays for 2018	(133,999)
2016 Adjustment to Fair Value	(72,137)
2017 Adjustment to Fair Value	97,260
Outstanding Encumbrances	(374,840)
2016 Cash With Fiscal Agent	88,470
2017 Cash With Fiscal Agent	(112,306)
Perspective Difference:	
Activity of Funds Reclassified for GAAP Reporting Purposes	11,500
Budget Basis	<u>\$366,903</u>



***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**G. Cash and Cash Equivalents**

Cash and cash equivalents include amounts in demand deposits, the State Treasury Asset Reserve (STAR Ohio) and certificates of deposit with original maturity dates of three months or less. The STAR Ohio is considered an investment for purposes of GASB Statement No. 3, but it is reported as a cash equivalent in the basic financial statements because it is a highly liquid instrument which is readily convertible to cash. The City also invests in STAR Plus, a federally insured cash account powered by the Federally Insured Cash Account (FICA) program. STAR Plus enables political subdivisions to generate a competitive yield on cash deposits in a network of carefully selected FDIC-insured banks via a single, convenient account. All deposits with STAR Plus have full FDIC insurance, with no term commitment on deposits. The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. For purposes of the Statement of Cash Flows, the proprietary funds' shares of equity in pooled certificates of deposit are considered to be cash equivalents. See Note 5, "Cash, Cash Equivalents and Investments." Investment earnings of \$103,511 earned by other funds were credited to the General Fund as required by local statute.

**H. Investments**

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. The City allocates interest among certain funds based upon percentages mandated by City ordinance. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the City records all its investments at fair value except for nonparticipating investment contracts (certificates of deposit) which are reported at cost, which approximates fair value. All investments, other than certificates of deposit, are considered, including those with a maturity of one year or less, and included in the calculation of the change in fair value. Fair value is determined by quoted market prices. See Note 5, "Cash, Cash Equivalents and Investments."

The City has invested funds in the STAR Ohio during 2017. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2017.

**I. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2017, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**J. Capital Assets and Depreciation**

Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000.

1. Property, Plant and Equipment - Governmental Activities

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements. All infrastructure acquired prior to the implementation of GASB Statement No. 34, “*Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*”, has been reported.

2. Property, Plant and Equipment – Business Type Activities

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

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

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**J. Capital Assets and Depreciation (Continued)**

3. Depreciation

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

Description	Governmental and Business-Type Activities Estimated Lives (in years)
Buildings	40
Improvements other than Buildings/Infrastructure	10 - 15
Infrastructure	10 - 40
Machinery and Equipment	5 - 10
Vehicles	5 - 10

**K. Long-Term Debt**

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

Obligation	Fund
General Obligation Bonds	Debt Service Fund
Mortgage Revenue Bonds	Water Fund Sewer Fund
Capital Leases	General Fund
Long-Term Loan Payable	Debt Service Fund
Long-Term Notes Payable	Debt Service Fund
Ohio Public Works Commission Loans	Water Fund Sewer Fund
Compensated Absences	General Fund Street Maintenance Fund Water Fund Sewer Fund Sanitation Fund Stormwater Fund
Pension Liabilities	General Fund Water Fund Sewer Fund Sanitation Fund Stormwater Fund

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**L. Compensated Absences**

Employees of the City earn vacation leave at various rates within limits specified under collective bargaining agreements or under statute.

The rate of cash compensation for sick leave payout varies within specified limits under collective bargaining agreements or under law. Employees are paid 25% of the accumulated sick time upon retirement. Employees are eligible for retirement at any age with at least 10 years of service. Compensation for sick leave is paid at the employee's full rate of pay at the time of termination or retirement.

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

For governmental funds, that portion of unpaid compensated absences that has matured is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." In the government wide Statement of Net Position, "Compensated Absences Payable" is recorded within the "Due Within One Year" account and the long-term portion of the liability is recorded within the "Due in More Than One Year" account. Compensated absences are expensed in the proprietary funds when earned and the related liability is reported within the fund.

**M. Net Position**

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

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

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**N. Fund Balances**

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

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

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

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

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

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

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed. The City has a target minimum fund balance policy for the General Fund of \$3.5 million.

**O. Pensions**

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

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**P. Interfund Activity**

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

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

**Q. Estimates**

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

**R. Operating Revenues and Expenses**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water treatment and distribution, wastewater collection and treatment, maintenance of storm water collection systems, and collection of solid waste refuse. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**S. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Council and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2017.

**U. Fair Value**

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

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLES**

For fiscal year 2017, the City has implemented GASB Statement No. 80 “Blending Requirements for Certain Component Units-an amendment of GASB Statement No. 14”, GASB Statement No. 81, “Irrevocable Split-Interest Agreements”, and GASB Statement No. 82, “Pension Issues-an amendment of GASB Statements No. 67, No. 68, and No. 73.”

GASB Statement No. 80 improves financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity, as amended*. The implementation of GASB Statement No. 80 did not have an effect on the financial statements of the City.

GASB Statement No. 81 improves accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The implementation of GASB Statement No. 81 did not have an effect on the financial statements of the City.

GASB Statement No. 82 addresses certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The implementation of GASB Statement No. 82 did not have an effect on the financial statements of the City.

**NOTE 3 - COMPLIANCE AND ACCOUNTABILITY**

**A. Fund Deficits**

The fund deficits at December 31, 2017 of \$2,516,958 in the Capital Improvements Project (CIP) Fund, (capital projects fund) arose from the recording of general obligation notes payable within the individual fund. The fund deficit of \$38,032 in the City Events Fund (special revenue fund) arose from the recognition of expenditures on the modified accrual basis of accounting which are greater than expenditures recognized on the budgetary basis. The fund deficit of \$5,000 in the Debt Service Fund arose from the recording of an interfund loan payable within the fund. The General Fund provides transfers when cash is required, not when accruals occur.

**CITY OF MARYSVILLE, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017**

**NOTE 4 – FUND BALANCE CLASSIFICATION**

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

Fund Balances	General Fund	Capital Improvements Project (CIP) Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:				
Prepaid Items	\$133,999	\$547	\$13,918	\$148,464
Restricted:				
Coleman's Crossing TIF	0	0	223,453	223,453
Street Maintenance	0	0	272,597	272,597
Police Pension	0	0	20,975	20,975
Fire Pension	0	0	20,975	20,975
Police Grant	0	0	13,103	13,103
Fire Grant	0	0	11,788	11,788
Law Enforcement Trust	0	0	124,766	124,766
Mandatory Drug Fine	0	0	110,175	110,175
Alcohol Treatment and Education	0	0	32,070	32,070
Indigent Drivers Treatment	0	0	169,406	169,406
State Highway Improvements	0	0	65,261	65,261
Federal Law Enforcement	0	0	1,248	1,248
ODNR Grant	0	0	7,253	7,253
Town Run Restoration	0	0	7,451	7,451
Court Computer and Research	0	0	313,081	313,081
Municipal Court Computer	0	0	180,364	180,364
Municipal Court Special Projects	0	0	459,421	459,421
Court Probation Fee	0	0	254,607	254,607
CHIP Grant	0	0	45,106	45,106
Safe Routes to School	0	0	4,784	4,784
Municipal Court Local Interlock	0	0	154,521	154,521
Municipal Court State Interlock	0	0	206,540	206,540
OPWC Grant	0	0	96,914	96,914
CDBG Formula Grant	0	0	18,411	18,411
City Development Grant	0	0	23,996	23,996
Total Restricted	<u>0</u>	<u>0</u>	<u>2,838,266</u>	<u>2,838,266</u>
Committed:				
Incentive Funds	31,796	0	0	31,796
Capital Reserve	1,000,000	0	0	1,000,000
Accrued Leave	52,930	0	0	52,930
Swimming Pool	0	0	41,310	41,310
Street Tree	0	0	116,119	116,119
Parkland Development	0	0	77,253	77,253
Eljer Park	0	0	31,523	31,523
Cemetery Maintenance	0	0	27,321	27,321
Cemetery Endowment	0	0	10,785	10,785
Pedestrian Bridge	0	0	43,906	43,906
Total Committed	<u>1,084,726</u>	<u>0</u>	<u>348,217</u>	<u>1,432,943</u>
Assigned:				
Purchase Orders	212,214	0	0	212,214
Fiscal Year 2018 Appropriations	1,174,920	0	0	1,174,920
Total Assigned	<u>1,387,134</u>	<u>0</u>	<u>0</u>	<u>1,387,134</u>
Unassigned	6,821,660	(2,517,505)	(43,070)	4,261,085
Total Fund Balances	<u>\$9,427,519</u>	<u>(\$2,516,958)</u>	<u>\$3,157,331</u>	<u>\$10,067,892</u>



***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash resources of several individual funds are combined to form a pool of cash and investments.

Statutes require the classification of funds held by the City into three categories:

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

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

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

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

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

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

**A. Deposits**

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. The City's policy is to place deposits with major local banks. All deposits, except for deposits held by fiscal and escrow agents or trustees, are collateralized with eligible securities. The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Collateral permitted by Chapter 135 of the ORC is limited to obligations of the United States and its agencies, bonds of any state, and bonds and other obligations of any country, municipal corporation or other legally constituted authority of the State of Ohio, or any instrumentality of such county, municipal corporation or other authority. Such collateral, as permitted by Chapter 135 of the ORC is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at a Federal Reserve Bank in the name of the City.

**CITY OF MARYSVILLE, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017**

**NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

**A. Deposits (Continued)**

At year end the carrying amount of the City's deposits was \$14,904,034 and \$14,446,494 of the City's bank balance of \$15,387,586 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, not in the City's name.

**B. Investments**

The City's investments at December 31, 2017 are summarized below:

	Fair Value	Credit Rating	Fair Value Hierarchy	Investment Maturities (in Years)		
				less than 1	1-3	3-5
STAR Ohio *	\$13,417,452	AAA <sup>m</sup> <sup>1</sup>	N/A	\$13,417,452	\$0	\$0
FNMA	9,773,444	AAA <sup>1</sup> / Aaa <sup>2</sup>	Level 2	2,496,058	6,035,197	1,242,189
FHLMC	4,798,778	AAA <sup>1</sup> / Aaa <sup>2</sup>	Level 2	1,863,525	217,455	2,717,798
FHLB	7,222,450	AAA <sup>1</sup> / Aaa <sup>2</sup>	Level 2	0	3,747,420	3,475,030
Commercial Paper	3,479,708	AAA <sup>1</sup> / Aaa <sup>2</sup>	Level 2	3,479,708	0	0
U.S. Treasury Notes	1,660,192	AAA <sup>1</sup> / Aaa <sup>2</sup>	Level 1	1,660,192	0	0
Negotiable CD's	2,462,099	AAA <sup>1</sup> / Aaa <sup>2</sup>	Level 2	497,900	1,479,428	484,771
Total Investments	<u>\$42,814,123</u>			<u>\$23,414,835</u>	<u>\$11,479,500</u>	<u>\$7,919,788</u>

\* STAR Ohio is reported at its share price (Net Asset Value per Share).

*Interest Rate Risk* – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio.

*Credit Risk* – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. While the City has no policy, it limits its investments to mutual funds, negotiable CD's, U.S. Government Agency Securities, Commercial Paper, Banker's Acceptances and STAR Ohio. Investments in U.S. Government Agency Securities and negotiable certificates of deposit were rated AAA by Standard and Poor's. Investments in STAR Ohio were rated AAAM by Standard & Poor's. Investments in commercial paper were rated A-1+ by Standard and Poor's.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

**B. Investments** (Continued)

*Custodial Credit Risk* – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. For deposits, custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. The City does not have a policy for custodial credit risk.

*Concentration of Credit Risk* – Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single issuer. The City’s investment policy allows investments in money market accounts, certificates of deposit or within financial institutions within the State of Ohio as designated by the Federal Reserve Board. The City has invested 23% of its investments in FNMA, 11% in FHLMC, 17% in FHLB, 8% in Commercial Paper, 4% in Treasury Notes, 6% in negotiable CD’s and 31% in STAR Ohio.

**NOTE 6 - TAXES**

**A. Property Taxes**

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2017 were levied after October 1, 2016 on assessed values as of January 1, 2016, the lien date. Assessed values were established by the County Auditor at 35% of appraised market value. All property is required to be reappraised every six years, and equalization adjustments are made in the third year following reappraisal. The last revaluation was completed in 2013 and the equalization adjustment was completed in 2016. Real property taxes are payable annually or semi-annually. The first payment is due January 20; the remainder is payable by June 20.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 6 - TAXES (Continued)**

**A. Property Taxes (Continued)**

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

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

The full tax rate for the City's operations for the year ended December 31, 2017 was \$5.20 per \$1,000 of assessed value. The assessed value upon which the 2017 receipts were based was \$414,065,520. This amount constitutes \$402,107,600 in real property assessed value and \$11,957,920 in public utility assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .52% (5.20 mills) of assessed value.

**B. Income Tax**

The City levies an income tax of 1.5 percent on all income earned within the City as well as on incomes of residents earned outside the City. Prior to January 1, 2005, the City allowed a credit of up to 50 percent of the tax paid to another municipality, not to exceed the amount owed for incomes of residents earned outside the City. Effective January 1, 2005 this credit was repealed making the tax owed by all residents of the City a full 1.5% of earned income. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City on a monthly or quarterly basis depending on the amount being withheld. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually. Income tax revenues and expenditures for collecting, administering, and enforcing the tax are recorded in the General Fund. Filing is required and returns are due by April 15.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 7 – TAX ABATEMENT DISCLOSURES**

As of December 31, 2017, the City of Marysville provides tax incentives under two programs: Enterprise Zone (EZ) and Community Reinvestment Area (CRA).

**Real Estate Tax Abatements**

Pursuant to Ohio Revised Code Chapter 5709, the City established a Community Reinvestment area in 2002 and an Enterprise Zone in 1990, both of which included certain land within the boundaries of the City of Marysville. The City of Marysville authorizes incentives through the passage of public ordinances, based upon each businesses investment criteria, and through a contractual application process with each business, including proof that the improvements have been made. The abatement equals an agreed upon percentage of the additional property tax resulting from the increase in assessed value as a result of the improvements. The amount of the abatement is deducted from the recipient's property tax bill. The establishment of the CRA and EZ gave the City the ability to maintain and expand businesses located in the City and created new jobs by abating or reducing assessed valuation of properties, resulting in abated taxes, from new or improved business real estate for office and industrial uses. The City of Marysville also enters into various contracts with the benefitting business and the Marysville City School District for payments in lieu of taxes when required by Section 5709.82 of the Ohio Revised Code.

**Income Tax Abatement Programs**

The City of Marysville created the Income Tax Abatement program in 2006. The purpose of the program is to maintain Marysville's competitiveness as a site for location of new businesses and the expansion of existing businesses. Pursuant to Ohio Revised Code Chapter 718 and City ordinance, the City provides an incentive to the company based upon the company's gross annual payroll, the amount of income tax generated annually and the number of jobs created or retained by the business. The abatement is administered as a refund based upon the company's payroll taxes. Also, the time period of the incentive in years, is determined by how many new jobs are to be created by the company. The cap on the incentive is 50% of the income tax collected per year, with an incentive period of no more than 10 years.

**City Council's Incentive Criteria for Decision Making**

The City of Marysville has offered tax incentives and Community Reinvestment Act (CRA) and Enterprise Zone abatements to various businesses based upon substantial project investment in the City. As a general guideline, the City considers CRA applications for projects that have a residential building that is less than two units and is owner occupied, the building meets zoning and building regulations, the CRA encourages private investment that will repair, construct and improve a building and it creates new employment opportunities. The minimum property tax abatement is seven years for new improvements of at least \$7,500 and the maximum property tax abatement is fifteen years with at least \$350,000 worth of new improvements. For EZ applications, the City of Marysville generally requires projects to have at least \$700,000 dollar real estate investment into a property, along with the retention and creation of at least 15 jobs with a minimum payroll of at least \$750,000.

**CITY OF MARYSVILLE, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 7 – TAX ABATEMENT DISCLOSURES (Continued)**

Below is the information relevant to the disclosure of those programs for the year ended December 31, 2017.

Tax Abatement	Total Amount of Taxes Abated (Incentives Abated For the Year 2017 In Actual Dollars)
<i>Fiesta Grande (2012 - 2019) (CRA)</i>	
- Gross Dollar amount of taxes abated during 2017	\$584
<i>Scott's Manufacturing (2010 - 2019) (EZ)</i>	
- Gross Dollar amount of taxes abated during 2017	63,335
<i>Heritage Co-Op (2015 - 2024) (EZ)</i>	
- Gross Dollar amount of taxes abated during 2017	90,226
<i>KTH Parts Industries (2016 - 2026) (EZ)</i>	
- Gross Dollar amount of taxes abated during 2017	18,132
<i>Richwood Bank (2012 - 2022) (EZ)</i>	
- Gross Dollar amount of taxes abated during 2017	10,547
<i>AutoTool (2012 - 2022) (EZ)</i>	
- Gross Dollar amount of taxes abated during 2017	40,651
<i>Sumitomo (2015 - 2025) (EZ)</i>	
- Gross Dollar amount of taxes abated during 2017	193,945
<i>Evolution AG (2014 - 2022) (EZ)</i>	
- Gross Dollar amount of taxes abated during 2017	11,769
<i>Greenville Technology (2015 - 2024) (Income Tax)</i>	
- Gross Dollar amount of taxes abated during 2017	21,500
<b>Total</b>	<b>\$450,689</b>

**CITY OF MARYSVILLE, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 8 - RECEIVABLES**

Receivables at December 31, 2017 consisted of taxes, payments in lieu of taxes, interest, accounts receivable, special assessments and intergovernmental receivables arising from shared revenues.

**NOTE 9 - TRANSFERS**

Following is a summary of transfers in and out for all funds for 2017:

	<u>Transfers Out:</u>
	General
<u>Transfers In:</u>	<u>Fund</u>
Capital Improvements Project Fund	\$4,908,897
Other Governmental Funds	<u>\$2,141,787</u>
Total	<u><u>\$7,050,684</u></u>

Transfers are used to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

All transfers were made in accordance with the Ohio Revised Code sections 5705.14, 5705.15, and 5705.16.



**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017**

**NOTE 10 - CAPITAL ASSETS**

**A. Governmental Activities Capital Assets**

Summary by category of changes in governmental activities capital assets at December 31, 2017:

*Historical Cost:*

Class	December 31, 2016	Transfers	Additions	Deletions	December 31, 2017
<i>Capital assets not being depreciated:</i>					
Land	\$6,232,344	\$0	\$76,005	\$0	\$6,308,349
Construction in Progress	2,526,801	0	2,381,593	(2,430,044)	2,478,350
Subtotal	8,759,145	0	2,457,598	(2,430,044)	8,786,699
<i>Capital assets being depreciated:</i>					
Buildings	29,382,463	0	25,063	0	29,407,526
Improvements Other Than Buildings	7,232,346	0	607,942	0	7,840,288
Machinery and Equipment	2,015,629	0	792,662	0	2,808,291
Vehicles	6,183,207	0	522,846	(175,904)	6,530,149
Infrastructure	92,803,084	373,064	2,384,347	0	95,560,495
Subtotal	137,616,729	373,064	4,332,860	(175,904)	142,146,749
Total Cost	\$146,375,874	\$373,064	\$6,790,458	(\$2,605,948)	\$150,933,448

*Accumulated Depreciation:*

Class	December 31, 2016	Transfers	Additions	Deletions	December 31, 2017
Buildings	(\$4,342,032)	\$0	(\$745,950)	\$0	(\$5,087,982)
Improvements Other Than Buildings	(2,915,262)	0	(395,314)	0	(3,310,576)
Machinery and Equipment	(1,197,197)	0	(286,168)	0	(1,483,365)
Vehicles	(3,654,137)	0	(388,931)	170,529	(3,872,539)
Infrastructure	(64,495,399)	0	(2,475,805)	0	(66,971,204)
Total Depreciation	(\$76,604,027)	\$0	(\$4,292,168) *	\$170,529	(\$80,725,666)
<i>Net Value:</i>	\$69,771,847				\$70,207,782

\* Depreciation expenses were charged to governmental functions as follows:

General Government	\$610,907
Security of Persons and Property - Police	503,218
Security of Persons and Property - Fire	368,196
Security of Persons and Property - Other	2,400
Public Health and Welfare Services	3,232
Transportation	2,323,408
Community Environment	263,438
Leisure Time Activities	217,369
Total Depreciation Expense	\$4,292,168

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017**

**NOTE 10 - CAPITAL ASSETS (continued)**

**B. Business-Type Activities Capital Assets**

Summary by Category at December 31, 2017:

*Historical Cost:*

Class	Reclassified December 31, 2016	Transfers	Additions	Deletions	December 31, 2017
<i>Capital assets not being depreciated:</i>					
Land	\$4,195,515	\$0	\$0	\$0	\$4,195,515
Construction in Progress	4,616,495	(373,064)	1,460,153	(166,516)	5,537,068
Subtotal	8,812,010	(373,064)	1,460,153	(166,516)	9,732,583
<i>Capital assets being depreciated:</i>					
Buildings	108,182,972	0	0	0	108,182,972
Improvements Other Than Buildings	28,092,232	0	73,373	0	28,165,605
Machinery and Equipment	2,518,705	0	417,286	0	2,935,991
Vehicles	2,246,169	0	99,750	(62,227)	2,283,692
Infrastructure	104,063,546	0	359,164	0	104,422,710
Subtotal	245,103,624	0	949,573	(62,227)	245,990,970
Total Cost	\$253,915,634	(\$373,064)	\$2,409,726	(\$228,743)	\$255,723,553

*Accumulated Depreciation:*

Class	December 31, 2016	Transfers	Additions	Deletions	December 31, 2017
Buildings	(\$22,473,104)	\$0	(\$2,688,398)	\$0	(\$25,161,502)
Improvements Other Than Buildings	(5,927,540)	0	(822,325)	0	(6,749,865)
Machinery and Equipment	(1,741,660)	0	(209,316)	0	(1,950,976)
Vehicles	(1,675,751)	0	(129,819)	62,227	(1,743,343)
Infrastructure	(29,707,298)	0	(2,636,279)	0	(32,343,577)
Total Depreciation	(\$61,525,353)	\$0	(\$6,486,137)	\$62,227	(\$67,949,263)
<i>Net Value:</i>	\$192,390,281				\$187,774,290

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 11 – DEFINED BENEFIT PENSION PLANS**

***Net Pension Liability***

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

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

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

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

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

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

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

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017**

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**NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

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

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

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

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

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

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

	<u>State and Local</u>
<b>2017 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee	10.0 %
<b>2017 Actual Contribution Rates</b>	
Employer:	
Pension	13.0 %
Post-employment Health Care Benefits	<u>1.0</u>
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$740,428 for 2017.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

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

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

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

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

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

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

**CITY OF MARYSVILLE, OHIO**

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017**

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**NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

	<u>Police</u>	<u>Firefighters</u>
<b>2017 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee:		
January 1, 2017 through December 31, 2017	12.25 %	12.25 %
<b>2017 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee:		
January 1, 2017 through December 31, 2017	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OPF was \$1,330,145 for 2017.

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

The net pension liability for OPERS was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF’s total pension liability was measured as of December 31, 2016, and was determined by rolling forward the total pension liability as of January 1, 2016, to December 31, 2016. The City’s proportion of the net pension liability was based on the City’s share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$9,693,733	\$16,876,781	\$26,570,514
Proportion of the Net Pension Liability-2017	0.042688%	0.266451%	
Proportion of the Net Pension Liability-2016	0.043217%	0.266357%	
Percentage Change	<u>(0.000529%)</u>	<u>0.000094%</u>	
Pension Expense	\$2,045,226	\$2,162,086	\$4,207,312

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017**

**NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)**

At December 31, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Net difference between projected and actual earnings on pension plan investments	\$1,446,618	\$1,641,191	\$3,087,809
Changes in assumptions	1,537,542	0	1,537,542
Differences between expected and actual experience	13,139	4,775	17,914
Change in proportionate share	0	534,648	534,648
City contributions subsequent to the measurement date	740,428	1,330,145	2,070,573
Total Deferred Outflows of Resources	<u>\$3,737,727</u>	<u>\$3,510,759</u>	<u>\$7,248,486</u>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$57,690	\$38,857	\$96,547
Change in proportionate share	44,924	122,525	167,449
Total Deferred Inflows of Resources	<u>\$102,614</u>	<u>\$161,382</u>	<u>\$263,996</u>

\$2,070,573 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Year Ending December 31:			
2018	\$1,189,775	\$720,983	\$1,910,758
2019	1,232,911	720,983	1,953,894
2020	511,332	572,255	1,083,587
2021	(39,333)	(13,673)	(53,006)
2022	0	18,504	18,504
2023	0	180	180
Total	<u>\$2,894,685</u>	<u>\$2,019,232</u>	<u>\$4,913,917</u>

**Actuarial Assumptions - OPERS**

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



***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

In 2016, the Board’s actuarial consultants conducted an experience study for the period 2011 through 2015, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 8.0% down to 7.5%, for the defined benefit investments. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

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

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

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

During 2016, OPERS managed investments in four investment portfolios: the Defined Benefit portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The 401(h) Health Care Trust portfolio was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. The Defined Benefit portfolio historically included the assets of the Member-Directed retiree medical accounts funded through the VEBA Trust. However, the VEBA Trust was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio is 8.3% for 2016.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017**

**NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)**

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2016 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 %	2.75 %
Domestic Equities	20.70	6.34
Real Estate	10.00	4.75
Private Equity	10.00	8.97
International Equities	18.30	7.95
Other investments	18.00	4.92
Total	100.00 %	5.66 %

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

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$14,809,321	\$9,693,733	\$5,430,767

**Changes in Benefit Terms and Assumptions** - There were no recent significant changes of benefit terms, investment policies, the size or composition of the population covered by the benefit terms impacting the actuarial valuation study for the year ended December 31, 2016.

In 2016, OPERS, in conjunction with the Board’s investment consultants, also completed an asset liability study. Periodically, the System engages in a more comprehensive study that examines the nature of the pension liabilities the plan will ultimately pay and the characteristics of the asset allocation projections and the associated level of risk. As a result of this study, OPERS modified the asset allocation slightly, but not substantively.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)**

***Actuarial Assumptions – OPF***

OPF’s total pension liability as of December 31, 2016 is based on the results of an actuarial valuation date of January 1, 2016, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

Valuation Date	January 1, 2016
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.60 percent and 3.00 percent

Rates of death are based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

The most recent experience study was completed in 2017, covering the period 2012 - 2016.

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

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

**NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)**

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF’s target asset allocation as of December 31, 2016 are summarized below:

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

\* levered 2x

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

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

***Changes Between Measurement Date and Report Date*** In October 2017, the OPF Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of December 31, 2017. The most significant change is a reduction in the discount rate from 8.25 percent to 8.0 percent. Although the exact amount of these changes is not known, the impact to the City’s net pension liability is expected to be significant.

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

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017**

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**NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)**

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$22,477,844	\$16,876,781	\$12,129,765

**NOTE 12 - POSTEMPLOYMENT BENEFITS**

**A. Ohio Public Employees Retirement System (“OPERS”)**

Plan Description – OPERS administers three separate pension plans: the Traditional Pension Plan – a cost-sharing, multiple-employer defined benefit pension plan; the Member directed Plan – a defined contribution plan; and the Combined Plan – a cost sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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

In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45. Please see the Plan Statement in the OPERS 2016 CAFR for details.

The ORC permits, but does not mandate, OPERS to provide OPEB benefits to its eligible benefit recipients. Authority to establish and amend benefits is provided in Chapter 145 of the ORC.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by making a written request to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

Funding Policy – The ORC provides the statutory authority requiring public employers to fund post retirement health care coverage through their contributions to OPERS. A portion of each employer’s contribution to OPERS may be set aside for the funding of post retirement health care benefits. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2017, local government employers contributed at a rate of 14.00% of covered payroll. The ORC currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for local government employers. Active members do not make contributions to the OPEB plan.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 12 - POSTEMPLOYMENT BENEFITS (Continued)**

**A. Ohio Public Employees Retirement System (“OPERS”) (Continued)**

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1.0% during calendar year 2017. As recommended by OPERS’ actuary, the portion of employer contributions allocated to health care beginning January 1, 2018 decreased to 0.0% for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited for Member-Directed Plan participants for 2017 was 4.0%.

The City's contributions for health care to the OPERS for the years ending December 31, 2017, 2016, and 2015 were \$52,888, \$112,199 and \$118,483, respectively, which were equal to the required contributions for each year.

**B. Ohio Police and Fire Pension Fund (“OP&F”)**

Plan Description – The City contributes to the OP&F sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

The ORC permits, but does not mandate, OP&F to provide OPEB benefits. Authority to establish and amend benefits is provided in Chapter 742 of the ORC.

OP&F issues a stand-alone financial report that includes financial information and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F’s website at [www.op-f.org](http://www.op-f.org).

Funding Policy – The ORC provides for contribution requirements of the participating employers and of plan members to the OP&F. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5% and 24.0% of covered payroll for police and fire employers, respectively. The ORC states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24.0% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 12 - POSTEMPLOYMENT BENEFITS (Continued)**

**B. Ohio Police and Fire Pension Fund (“OP&F”) (Continued)**

OP&F maintains funds for health care in two separate accounts. One for health care benefits under an IRS code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2017, the portion of employer contributions allocated to health care was 0.5% of covered payroll for both police officers and firefighters. 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 also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions for health care to the OP&F for the years ended December 31, 2017, 2016, and 2015 were \$13,847, \$14,524 and \$10,889 for police and \$16,460, \$15,721 and \$12,316 for firefighters, respectively, which were equal to the required contributions for each year.

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 13 – COMPENSATED ABSENCES**

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

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

At December 31, 2017, the City's accumulated, unpaid compensated absences amounted to \$2,137,345, of which \$1,630,683 is recorded as a liability of the Governmental Activities and \$506,662 is recorded as a liability of the Business-Type Activities.

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 14 - NOTES PAYABLE**

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

	Issue Date	Balance December 31, 2016	Issued (Retired)	Balance December 31, 2017
Governmental Activities:				
Capital Projects Fund Note Payable:				
1.38% Fire Station Improvement	8/28/16	\$2,335,000	(\$2,335,000)	\$0
1.38% MSC BAN	8/28/16	2,400,000	(2,400,000)	0
1.75% MSC BAN	8/28/17	0	3,885,000	3,885,000
Total Capital Project Fund Notes Payable:		<u>4,735,000</u>	<u>(850,000)</u>	<u>3,885,000</u>
Total Governmental Notes Payable		<u>\$4,735,000</u>	<u>(\$850,000)</u>	<u>\$3,885,000</u>

The 2016 MSCBAN Notes of \$2,400,000 bearing a rate of 1.38% matured on August 28, 2017 and were reissued as 2017 MSCBAN Notes of \$3,885,000 bearing a rate of 1.75%. The notes were issued to finance the cost of construction of the new Municipal Service Complex. These notes will be retired from the City's Capital Improvement Fund.

**CITY OF MARYSVILLE, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017**

**NOTE 15 - LONG-TERM DEBT**

Long-term debt of the City at December 31, 2017 was as follows:

Date Purchased	Description	Balance December 31, 2016	Additions	(Reductions)	Balance December 31, 2017	Amount Due Within One Year
Governmental Activities:						
Bond Anticipation Note						
2017	MSC BAN	\$0	\$2,000,000	\$0	\$2,000,000	\$2,000,000
General Obligation Bonds:						
2007	Various Purpose Refunding Bonds	2,840,000	0	(665,000)	2,175,000	690,000
	Premium	92,255	0	(21,706)	70,549	21,706
2011	Facility Construction Bonds	11,815,000	0	(605,000)	11,210,000	615,000
	Premium	19,119	0	(1,365)	17,754	1,365
2014	TIF Bonds	9,940,000	0	(415,000)	9,525,000	425,000
	Premium	158,472	0	(8,804)	149,668	8,804
Total General Obligation Bonds		24,864,846	0	(1,716,875)	23,147,971	1,761,875
Long-Term Loan:						
2014	Park Construction/Improvement	1,010,000	0	(110,000)	900,000	110,000
Other Long-Term Obligations:						
	Compensated Absences Payable	1,522,851	1,630,683	(1,522,851)	1,630,683	903,785
	Capital Leases Payable	439,779	0	(185,041)	254,738	189,874
	Net Pension Liability	21,645,124	1,162,545	0	22,807,669	0
Total Other Long-Term Obligations		23,607,754	2,793,228	(1,707,892)	24,693,090	1,093,659
Total Governmental Activities Long-Term Debt		\$49,482,600	\$4,793,228	(\$3,534,767)	\$50,741,061	\$4,965,534

**2017 MSC Bond Anticipation Notes**

In March 2018, the City issued \$1,900,000 of 2018 bond anticipation notes payable to renew the 2017 MSC bond anticipation notes payable, less \$100,000 of principal retirement. 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.

**2007 Various Improvement Refunding Bonds**

The Various Improvement general obligation bonds are serial bonds issued for the purpose of advance refunding a portion of the 2000 Various Improvement Bonds issued November 1, 2000 (\$6,225,000). The refunding was undertaken for the purpose of reducing interest rates and debt service on the prior bonds. The 2007 bonds are not subject to redemption prior to maturity. The bonds mature on December 1, 2007 through December 1, 2017, and December 1, 2020 in the amount of \$6,515,000, at a redemption price equal to 100 percent of the principal plus accrued interest to the redemption date. The amount of \$6,673,981 from the 2007 bonds was placed in an escrow fund to defease the 2000 bonds which was redeemed each June 1 and December 1 annually between 2007 and 2010. Bonds bear an interest rate from 4.00 to 5.00%. These bonds will be retired from the City's Debt Service Fund. \$2,245,549 was outstanding as of December 31, 2017.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 15- LONG-TERM DEBT (Continued)**

2011 Facility Construction Bonds

The Facility Construction general obligation bonds are serial bonds issued for the purpose of paying costs associated with designing, constructing, furnishing, and equipping a new police station and municipal courthouse facility. The bonds mature on December 1, 2020 through December 1, 2031, and December 1, 2020 in the amount of \$14,585,000, at a redemption price equal to 100 percent of the principal plus accrued interest to the redemption date. Bonds bear an interest rate from 2.00 to 4.375%. These bonds will be retired from the City's Debt Service Fund. \$11,227,754 was outstanding as of December 31, 2017.

2014 Coleman's Crossing Tax Increment Financing Bonds

The Coleman's Tax Increment Financing general obligation bonds are serial bonds issued for the purpose of financing certain public improvements within the Coleman's Crossing Tax Increment Financing District. The bonds mature on December 1, 2034 in the amount of \$10,730,000, at a redemption price equal to 100 percent of the principal plus accrued interest to the redemption date. Bonds bear an interest rate from 3.00 to 4.00%. These bonds will be retired from the City's Coleman's Crossing TIF Fund. \$9,674,668 was outstanding as of December 31, 2017.

2014 Partners' Park Construction Loan

The Park Construction Loan is a loan issued for the purpose of constructing a new park called the Partners' Park in the City of Marysville. Local businesses have agreed to make payments to the City over the next nine years in order to pay off the balance of the loan along with the City of Marysville. The final payment on the loan is scheduled for 2024 and the loan carries an interest rate of 3.99%. The loan had an outstanding balance of \$900,000 at December 31, 2017.

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**CITY OF MARYSVILLE, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017**

**NOTE 15- LONG-TERM DEBT (Continued)**

Date Purchased	Description	Balance December 31, 2016	Additions	(Reductions)	Balance December 31, 2017	Amount Due Within One Year
Business-Type Activities:						
General Obligation Bond:						
2015	Sewer System	\$10,070,000	\$0	(\$205,000)	\$9,865,000	\$210,000
Mortgage Revenue Bonds:						
2015	Sewer System Refunding	30,450,000	0	(955,000)	29,495,000	990,000
	Premium on Sale of Bonds	1,592,897	0	(79,645)	1,513,252	79,645
2015	Sewer System Refunding	14,645,000	0	(235,000)	14,410,000	245,000
	Premium on Sale of Bonds	913,741	0	(45,687)	868,054	45,687
2007	Sewer System	385,000	0	(385,000)	0	0
2016	Sewer System Refunding	67,155,000	0	(60,000)	67,095,000	460,000
	Premium on Sale of Bonds	2,170,840	0	(80,412)	2,090,428	80,412
2016	Sewer System Refunding	9,045,000	0	(285,000)	8,760,000	350,000
	Premium on Sale of Bonds	1,014,533	0	(55,396)	959,137	55,396
2007	Water System	200,000	0	(200,000)	0	0
2016	Water System Refunding	19,155,000	0	(875,000)	18,280,000	875,000
	Premium on Sale of Bonds	2,003,810	0	(91,082)	1,912,728	91,082
Total Mortgage Revenue Bonds		148,730,821	0	(3,347,222)	145,383,599	3,272,222
Ohio Public Works Commission Loan:						
	Cherry Street and Ninth Street Water	413,955	0	(29,568)	384,387	29,568
Other Long-Term Obligations:						
	Compensated Absences Payable	469,749	506,662	(469,749)	506,662	223,227
	Net Pension Liability	2,975,501	787,344	0	3,762,845	0
Total Other Long-Term Obligations		3,445,250	1,294,006	(469,749)	4,269,507	223,227
Total Business-Type Activities Long-Term Debt		\$162,660,026	\$1,294,006	(\$4,051,539)	\$159,902,493	\$3,735,017

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 15- LONG-TERM DEBT (Continued)**

2015 Sewer System General Obligation Bonds

The Sewer System general obligation bonds are serial bonds issued to provide additional resources for constructing and installing certain sewer treatment system improvements. The bonds mature on December 1, 2047 in the amount of \$10,270,000, at a redemption price equal to 100 percent of the principal plus accrued interest to the redemption date. Bonds bear an interest rate from 2.00 to 4.00%. These bonds will be retired from the City's Sewer Fund. \$9,865,000 was outstanding as of December 31, 2017.

2015 Sewer System Mortgage Revenue Refunding Bonds

The Sewer System Mortgage Revenue Bonds are term bonds issued to advance refund \$31,470,000, including a call premium of \$2,757,302, of mortgage revenue bonds issued in 2006 and to currently refund \$14,875,000 of outstanding mortgage revenue bond anticipation notes issued in 2014 and to provide additional resources for constructing and installing certain sewer treatment system improvements. Refinancing of the bonds resulted in a cash savings of \$2,972,847 (net present value savings of \$2,197,225) or 7.52%. The amount of \$32,723,026 from the 2006 bonds was placed in an escrow fund to defease the 2006 bonds. The refunding bonds are not included in the City's debt since the City has in-substance satisfied its obligations through the advance refunding. The bonds bear an interest rate from 3.00 to 5.00%. These bonds will be retired from the City's Sewer Fund.

2007 Sewer System Mortgage Revenue Bonds

The Sewer System Mortgage Revenue Bonds were issued to provide funds for the acquisition, construction, expansion, rehabilitation, and improvement of the City's municipal wastewater collection and treatment system. The bonds bear an interest rate from 4.00 to 5.00%. A large portion of these bonds were advanced refunded from the City's Sewer Fund in 2016. The remaining balance of \$385,000 was paid off during 2017.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 15- LONG-TERM DEBT (Continued)**

2015 Sewer System Mortgage Revenue Bonds (Continued)

Fund assets, whose uses are restricted under the bond indenture, are presented as restricted assets on the statement of net position. Restricted assets relating to the sewer mortgage revenue bonds at December 31, 2017, were as follows:

Restricted Assets Held by the Trustee	
Mortgage Revenue Bond Current Debt Service	\$449,885
Mortgage Revenue Bond Reserve Fund	\$3,713,014

2007 Water System Mortgage Revenue Bonds

The Water System Mortgage Revenue Bonds were issued to provide funds for the acquisition, construction, expansion, rehabilitation, and improvement of the City's municipal water system. The bonds bear an interest rate from 3.75 to 5.00%. A large portion of these bonds were advanced refunded from the City's Water Fund in 2016. The remaining balance of \$200,000 was paid off during 2017.

2016 Sewer System Mortgage Revenue Refunding Bonds

The Sewer System Mortgage Revenue Bonds are term bonds issued to advance refund \$79,125,000, including a call premium of \$3,265,785, of mortgage revenue bonds issued in 2006 and 2007. Refinancing of the bonds resulted in a cash savings of \$19,022,224 (net of funds on hand present value savings of \$7,710,179) or 3.51%. The amount of \$83,254,632 from the 2006 and 2007 bonds was placed in an escrow fund to defease the 2006 and 2007 bonds. The refunding bonds are not included in the City's debt since the City has in-substance satisfied its obligations through the advance refunding. The bonds bear an interest rate from 2.00 to 5.00%. These bonds will be retired from the City's Sewer Fund.

2016 Water System Mortgage Revenue Refunding Bonds

The Water System Mortgage Revenue Bonds are term bonds issued to advance refund \$20,130,000, including a call premium of \$2,094,892, of mortgage revenue bonds issued in 2007. Refinancing of the bonds resulted in a cash savings of \$5,649,521 (net present value savings of \$3,375,234) or 2.3%. The amount of \$21,303,469 from the 2007 bonds was placed in an escrow fund to defease the 2007 bonds. The refunding bonds are not included in the City's debt since the City has in-substance satisfied its obligations through the advance refunding. The bonds bear an interest rate from 4.00 to 5.00%. These bonds will be retired from the City's Water Fund.

The City has pledged future customer revenues, net of specified operating expenses, to repay Water Revenue Bonds, series 2016. A description of what these bonds have been used for can be found above. The principal and interest remaining to be paid on these bonds is \$26,188,750. Principal and interest paid for the current year and total customer net revenues were \$1,788,800 and \$4,650,631, respectively.

The City has pledged future customer revenues, net of specified operating expenses, to repay Sewer Revenue Bonds, series 2015 and 2016. A description of what these bonds have been used for can be found above. The principal and interest remaining to be paid on these bonds is \$207,790,100. Principal and interest paid for the current year and total customer net revenues were \$6,812,795 and \$4,001,019, respectively.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017**

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**NOTE 15 - LONG-TERM DEBT (Continued)**

**A. Future Long-Term Financing Requirements**

A summary of the City's future long-term debt funding requirements including principal and interest payments as of December 31, 2017 follows:

Years	<b><u>Governmental Activities</u></b>		<b><u>Long-Term Loan</u></b>	
	<b><u>General Obligation Bonds</u></b>		<b><u>Principal</u></b>	<b><u>Interest</u></b>
	<b><u>Principal</u></b>	<b><u>Interest</u></b>		
2018	\$1,730,000	\$879,776	\$110,000	\$34,813
2019	1,800,000	809,826	120,000	30,325
2020	1,890,000	724,226	120,000	25,537
2021	1,160,000	693,238	130,000	20,647
2022	1,205,000	636,588	135,000	15,461
2023-2027	6,705,000	2,330,748	285,000	14,363
2028-2032	7,005,000	966,375	0	0
2033-2034	1,415,000	74,724	0	0
Totals	<b><u>\$22,910,000</u></b>	<b><u>\$7,115,501</u></b>	<b><u>\$900,000</u></b>	<b><u>\$141,146</u></b>

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017**

**NOTE 15 - LONG-TERM DEBT (Continued)**

**A. Future Long-Term Financing Requirements (Continued)**

Years	<b>Business-Type Activities</b>					
	General Obligation Bonds		Mortgage Revenue Bonds		OPWC Loans	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$210,000	\$339,100	\$2,920,000	\$5,465,044	\$29,568	\$0
2019	210,000	334,900	2,990,000	5,368,594	29,568	0
2020	215,000	330,700	3,085,000	5,248,344	29,568	0
2021	220,000	326,400	3,190,000	5,115,194	29,568	0
2022	225,000	322,000	3,295,000	4,973,394	29,568	0
2023-2027	1,215,000	1,521,250	18,200,000	22,691,970	147,841	0
2028-2032	1,425,000	1,320,196	21,180,000	18,861,220	88,706	0
2033-2037	1,685,000	1,053,708	24,895,000	14,687,790	0	0
2038-2042	2,025,000	720,438	48,215,000	8,269,375	0	0
2043-2047	2,435,000	299,600	10,070,000	5,257,925	0	0
Totals	<u>\$9,865,000</u>	<u>\$6,568,292</u>	<u>\$138,040,000</u>	<u>\$95,938,850</u>	<u>\$384,387</u>	<u>\$0</u>

**NOTE 16 - CAPITAL LEASES**

The City leases equipment under two capital leases. The original cost of the equipment was \$691,341 and the related liability is reported in the Government-Wide Statement of Net Position.

The following is a schedule of future minimum lease payments under the capital lease together with the present value of the net minimum lease payments as of December 31, 2017:

<u>Year Ending December 31,</u>	<u>Capital Lease</u>
2018	\$196,050
2019	<u>196,050</u>
Minimum Lease Payments	392,100
Less amount representing interest at the City's incremental borrowing rate of interest	<u>(137,362)</u>
Present value of minimum lease payments	<u>\$254,738</u>



***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 17 - 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. During 2017, the City contracted for the following insurance coverage:

Type of Coverage	Coverage Limit	Deductible
Buildings	\$148,802,836	\$5,000
Personal Property	5,513,648	5,000
Boiler and Machinery	100,000,000	5,000
Builders Risk	14,600,000	5,000
General Liability	5,000,000	0
Miscellaneous Property	2,997,265	500
Employee Benefit Liability	1,000,000	1,000
Wrongful Acts	5,000,000	1,000
Law Enforcement	5,000,000	2,000
Automobile Liability	5,000,000	0
Electronic Data Processing	25,000 – 1,857,062	500

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

Workers' Compensation claims are covered through the City's participation in the State of Ohio's program. The City pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll. The rate is determined based on accident history and administrative costs. The City also pays unemployment claims to the State of Ohio as incurred.

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**CITY OF MARYSVILLE, OHIO**

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017**

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**NOTE 18 - CONSTRUCTION COMMITMENTS**

As of December 31, 2017, the City had the following commitments with respect to capital projects:

<u>Company</u>	<u>Capital Projects</u>	<u>Remaining Construction Commitment</u>
Decker Construction	2017 Pavement Maintenance	\$1,072,157
Beehler Construction	Innovation Way Construction	1,353,785
Tyler Technology	Upgrade Finance Software	105,755
Arcadis	Pump Station 2 Design	36,382
Beehler/Rock River	Court, 6th, 8th Water Line	709,611
USA	Water Treatment Plant - engineering	262,770
Park Enterprises	Stormwater Improvements	92,981
	Total	<u>\$3,633,440</u>

**NOTE 19 - CONTINGENCIES**

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

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 20 - JOINTLY GOVERNED ORGANIZATIONS**

***Marysville/Union County Joint Recreation District***

The Marysville/Union County Joint Recreation District (the District) is a jointly governed organization involving the City of Marysville, Union County, and Paris Township. The District was established for acquiring, developing, operating, and maintaining a sports complex and bicycle/walking trail in Union County. The District's Board of Trustees consists of seven members, three appointed by the Mayor of Marysville, three appointed by the County Commissioners, and one appointed by the Paris Township Board of Trustees.

***Union County Community Improvement Corporation***

The Union County Community Improvement Corporation (the Corporation), a non-profit corporation, was established to assist in the financing of economic and industrial development in Union County. It is the responsibility of the Corporation to provide building, zoning, and land controls for the County, townships, and municipal corporations. The Board of Trustees consists of not less than three nor more than twenty-five trustees as such number is fixed by the members from time to time. Two-fifths of the Board of Trustees are composed of appointed or elected officers of such political subdivisions. The Corporation can issue its own debt and is not fiscally dependent on the City. The City of Marysville does not have an ongoing financial interest and/or responsibility with this organization.

***Mid-Ohio Regional Planning Commission***

The City is a participant in the Mid-Ohio Regional Planning Commission (MORPC), a jointly governed organization. MORPC is composed of 74 representatives appointed by member governments who make up the commission, the policy-making body of MORPC, and the oversight board. MORPC is a voluntary association of local governments in central and south-central Ohio and a regional planning agency whose membership includes 42 political subdivisions in and around Franklin, Ross, Fayette, Delaware, Pickaway, Madison, Licking, and Fairfield counties, Ohio. The purpose of the organization is to improve the quality of life for member communities by improving housing conditions, to promote and support livability/sustainability measures as a means of addressing regional growth challenges, and to administer and facilitate the availability of regional environmental infrastructure program funding to the full advantage of MORPC's members.

***Marysville/Union County Port Authority***

The Marysville/Union County Port Authority (the Authority) is a jointly governed organization involving the City of Marysville and Union County. The Authority was established to enhance, foster, aid, provide or promote transportation, economic development, housing, recreation, education, governmental operations, culture, research, and the creation and preservation of jobs and employment opportunities in Union County. The Authority's Board of Trustees consists of seven members, three appointed by the Mayor of Marysville with the advice and consent of City Council, three appointed by the County Commissioners, and one appointed by the Mayor of Marysville with the advice and consent of the City Council and the County Commissioners.

***Union County Council of Governments (COG)*** – The Council of Governments (COG) is a jointly governed organization involving the City of Marysville, Union County, and Marysville Exempted Village School District. The COG was established to work together in an innovative and collaborative way and bring new technology and shared services to each member of the Council of Governments to meet current and future needs. The COG's board consist of one member from each entity.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 21 – SIGNIFICANT COMMITMENTS**

Significant encumbrances outstanding at year-end in the General Fund are \$374,840 and are reported as assigned fund balance. Also, in the Street Maintenance Fund (special revenue fund), and in the CIP Fund (capital projects fund) there are significant encumbrances outstanding in the amounts of \$118,433 and \$957,367, respectively. These amounts are reported as part of the restricted and unassigned fund balances, respectively.

**NOTE 22 - SUBSEQUENT EVENTS**

On March 7, 2018 the City issued \$4,870,000 in TIF revenue bonds to pay for construction of certain public infrastructure improvements in connection with the Cook's Point Development. The bonds, which mature on December 1, 2049, have an interest rate of 4.75%.

On March 28, 2018 the City issued \$1,900,000 in one year General Obligation Notes to pay for Various Improvements within the City. The notes, which mature on March 28, 2019, have an interest rate of 2.5%.

*REQUIRED SUPPLEMENTAL INFORMATION*

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**CITY OF MARYSVILLE, OHIO**

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

**Ohio Public Employees Retirement System**

Year	2014	2015	2016	2017
City's proportion of the net pension liability (asset)	0.041447%	0.041447%	0.043217%	0.042688%
City's proportionate share of the net pension liability (asset)	\$4,886,061	\$4,998,971	\$7,485,699	\$9,693,733
City's covered-employee payroll	\$5,383,100	\$5,029,150	\$6,144,925	\$5,609,933
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	90.77%	99.40%	121.82%	172.80%
Plan fiduciary net position as a percentage of the total pension liability	86.36%	86.45%	81.08%	77.25%

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

**Ohio Police and Fire Pension Fund**

Year	2014	2015	2016	2017
City's proportion of the net pension liability (asset)	0.2542020%	0.2542020%	0.266357%	0.266451%
City's proportionate share of the net pension liability (asset)	\$12,380,435	\$13,168,723	\$17,134,926	\$16,876,781
City's covered-employee payroll	\$4,554,046	\$5,277,461	\$4,940,981	\$6,425,132
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	271.86%	249.53%	346.79%	262.67%
Plan fiduciary net position as a percentage of the total pension liability	73.00%	72.20%	66.77%	68.36%

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

Notes: The City implemented GASB Statement 68 in 2015.

Information prior to 2014 is not available.

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

See accompanying notes to required supplementary information

**CITY OF MARYSVILLE, OHIO**

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***Schedule of City Contributions  
Last Five Years***

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**Ohio Public Employees Retirement System**

Year	2013	2014	2015	2016	2017
Contractually required contribution	\$699,803	\$603,498	\$737,391	\$673,192	\$740,428
Contributions in relation to the contractually required contribution	699,803	603,498	737,391	673,192	740,428
Contribution deficiency (excess)	\$0	\$0	\$0	\$0	\$0
City's covered-employee payroll	\$5,383,100	\$5,029,150	\$6,144,925	\$5,609,933	\$6,170,233
Contributions as a percentage of covered-employee payroll	13.00%	12.00%	12.00%	12.00%	12.00%

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

**Ohio Police and Fire Pension Fund**

Year	2013	2014	2015	2016	2017
Contractually required contribution	\$777,831	\$1,074,491	\$992,643	\$1,290,809	\$1,330,145
Contributions in relation to the contractually required contribution	777,831	1,074,491	992,643	1,290,809	1,330,145
Contribution deficiency (excess)	\$0	\$0	\$0	\$0	\$0
City's covered-employee payroll	\$4,554,046	\$5,277,461	\$4,940,981	\$6,425,132	\$6,620,931
Contributions as a percentage of covered-employee payroll	17.08%	20.36%	20.09%	20.09%	20.09%

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

Notes: The City implemented GASB Statement 68 in 2015.

Information prior to 2013 is not available.

See accompanying notes to required supplementary information

***Notes to the Required Supplemental Information  
For the Year Ended December 31, 2017***

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**OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)**

There were no recent significant changes of benefit terms, investment policies, the size or composition of the population covered by the benefit terms impacting the actuarial valuation study for the year ended December 31, 2016.

In 2016, a five-year experience study was completed on the period January 1, 2011 through December 31, 2015. The Board adopted changes to both the demographic and economic assumptions as a result of the study. The most notable change in demographic assumptions is an increased life expectancy of the members and the most notable change in economic assumptions is the reduction in the actuarially assumed rate of return from 8.00% down to 7.50% for the defined benefit investments. The new assumptions are included in the 2016 actuarial valuation.

In 2016, OPERS, in conjunction with the Board's investment consultants, also completed an asset liability study. Periodically, the System engages in a more comprehensive study that examines the nature of the pension liabilities the plan will ultimately pay and the characteristics of the asset allocation projections and the associated level of risk. As a result of this study, OPERS modified the asset allocation slightly, but not substantively.

**OHIO POLICE AND FIRE (OP&F) PENSION FUND**

In October 2017, the OPF Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of December 31, 2017. The most significant change is a reduction in the discount rate from 8.25 percent to 8.0 percent. Although the exact amount of these changes is not known, the impact to the City's net pension liability is expected to be significant.





*COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES*

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

***Nonmajor Governmental Funds***

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***Special Revenue Funds***

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

**Veyance Incentive Fund**

To account for the transfer of non-tax revenues to be expended as revenue sharing for a financial incentive negotiated with the Veyance Company (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

**Univenture Financial Incentive Fund**

To account for the transfer of non-tax revenues to be expended as revenue sharing for a financial incentive negotiated with the Univenture Company. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

**Enterprise Zone Revenue Fund**

To account for the Enterprise Zone Agreement between the City of Marysville and the Marysville School District. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

**Street Tree Fund**

To accumulate dedicated revenues for the financial support of expenditures associated with the Urban Forestry Program.

**Pool Fund**

To account for specific revenues and expenditures necessary to operate the municipal pool.

**City Events Fund**

To account for all revenues and expenditures associated with City sponsored events.

**Police Pension Fund**

To account for property taxes levied for the partial payment of the current and accrued liability for police disability and pension.

**Fire Pension Fund**

To account for property taxes levied for the partial payment of the current and accrued liability for fire disability and pension.

(Continued)

***Special Revenue Funds (Continued)***

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**Police Grant Fund**

To account for grant revenues and expenditures associated with the Police Department.

**Fire Grant Fund**

To account for grant revenues and expenditures associated with the Fire Department.

**Street Maintenance Fund**

To account for that portion of the state levied and controlled gasoline tax and motor vehicle license fees designated for local street construction, maintenance and repair. Ninety-two and one-half percent of the tax and fees are allocated to this fund.

**Law Enforcement Trust Fund**

To account for the proceeds from the confiscation of contraband.

**Mandatory Drug Fine Fund**

To account for mandatory fines collected for drug agencies.

**Driving Under the Influence (DUI) Alcohol Education And Enforcement Fund**

To account for fines imposed on DUI offenders. Under state law, disbursements may be made from this fund for law enforcement purposes related to informing the public of laws governing the operation of a motor vehicle while under the influence of alcohol.

**Driving Under the Influence (DUI) Indigent Drivers Treatment Fund**

To account for fines imposed on DUI offenders. Under state law, disbursements may be made from this fund for law enforcement purposes related to treatment services for those persons who cannot afford such services.

**State Highway Fund**

To account for that portion of the state levied and controlled gasoline tax and motor vehicle license fees designated for the maintenance and repair of state highways within the City. Seven and one-half percent of the tax and fees are allocated to this fund.

**Federal Law Enforcement Fund**

To account for federal proceeds from the confiscation of contraband.

**Court Computer and Research Fund**

To account for revenues from fines to be used for providing information technology systems to the Municipal Court and for periodic upgrades to these systems.

**Municipal Court Computer Fund**

To account for revenues from fines to be used for providing information technology systems to the Municipal Court and for periodic upgrades to these systems.

(Continued)

***Special Revenue Funds (Continued)***

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**Municipal Court Special Projects Fund**

To account for revenues from fines to be used for providing for other specific items that may arise.

**Court Probation Fee Fund**

To account for fees designated to the Municipal Court for the operation of the probation program.

**Eljer Park Fund**

To account for the insurance liability for Eljer Park.

**Cemetery Maintenance Fund**

To provide funding for the maintenance of the city owned cemetery.

**Cemetery Endowment Fund**

To account for donations to the cemetery whose use is specified for cemetery operations.

**Municipal Court Local Interlock Fund**

To account for the fines assessed by the City of Marysville for certain DUI cases. Monies collected are to be used for the purchase and installation of an interlock/immobilization device to prevent usage of a motor vehicle by intoxicated drivers.

**Municipal Court State Interlock Fund**

To account for the fines assessed by the State of Ohio for certain DUI cases. Monies collected are to be used for the purchase and installation of an interlock/immobilization device to prevent usage of a motor vehicle by intoxicated drivers.

**2009 Community Housing Improvement Program (CHIP) Grant Fund**

To account for grant revenues and expenditures associated with the 2009 CHIP program.

(Continued)

***Debt Service Funds***

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The Debt Service Funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment levies when the government is obligated in some manner for the payment.

**Debt Service Fund**

To account for resources that are used for payment of principal, interest and fiscal charges on general obligation debt.

**Partners Park Fund**

To account for monies pledged by area businesses for the construction of Partners Park.

**Coleman's Crossing TIF Fund**

To account for the debt proceeds used for and the payments in lieu of tax receipts realized by the development of the Coleman's Crossing area. These proceeds will be utilized to repay the debt issued for completion of this project.

***Capital Projects Funds***

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

**Parkland Development Fund**

To account for park impact/capacity fees collected to be used to provide neighborhood parks and to make capital improvements to land provided to the City by developers.

**ODNR Grant Fund**

To account for grant revenues and expenditures associated with the ODNR program.

**OPWC Grant Fund**

To account for grant revenues and expenditures associated with the OPWC program.

**Community Development Block Grant (CDBG) Formula Grant Fund**

To account for grant revenues and expenditures associated with the CDBG Formula program.

(Continued)

***Capital Projects Funds (Continued)***

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

**Pedestrian Bridge Fund**

To account for the activity related to the construction of a pedestrian bridge over US 33.

**Safe Routes to Schools Grant Fund**

To account for the activity related to the capital improvements funded by the Safe Routes to School Grant.

**Town Run Restoration Fund**

To account for grant revenues and expenditures associated with the Town Run Restoration project.

**City Development Grant Fund**

To account for grant proceeds to be used for City wide developments.

**CITY OF MARYSVILLE, OHIO**

**Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2017**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 2,728,792	\$ 254,531	\$ 399,893	\$ 3,383,216
Receivables:				
Accounts	411	439,000	0	439,411
Intergovernmental	406,305	0	0	406,305
Payments in Lieu of Taxes	0	1,756,608	0	1,756,608
Property Taxes	239,668	0	0	239,668
Special Assessments	0	76,904	0	76,904
Prepaid Items	13,207	818	0	14,025
<b>Total Assets</b>	<b>\$ 3,388,383</b>	<b>\$ 2,527,861</b>	<b>\$ 399,893</b>	<b>\$ 6,316,137</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 218,173	\$ 31,078	\$ 0	\$ 249,251
Accrued Wages and Benefits Payable	11,345	0	0	11,345
Intergovernmental Payable	8,810	0	0	8,810
Interfund Loans Payable	0	5,000	119,925	124,925
Compensated Absences Payable	75	0	0	75
<b>Total Liabilities</b>	<b>238,403</b>	<b>36,078</b>	<b>119,925</b>	<b>394,406</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable Amounts	256,872	515,904	0	772,776
Property Tax Levy for Next Fiscal Year	235,016	1,756,608	0	1,991,624
<b>Total Deferred Inflows of Resources</b>	<b>491,888</b>	<b>2,272,512</b>	<b>0</b>	<b>2,764,400</b>
<b>Fund Balances:</b>				
Nonspendable	13,100	818	0	13,918
Restricted	2,456,004	223,453	158,809	2,838,266
Committed	227,058	0	121,159	348,217
Unassigned	(38,070)	(5,000)	0	(43,070)
<b>Total Fund Balances</b>	<b>2,658,092</b>	<b>219,271</b>	<b>279,968</b>	<b>3,157,331</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 3,388,383</b>	<b>\$ 2,527,861</b>	<b>\$ 399,893</b>	<b>\$ 6,316,137</b>



**CITY OF MARYSVILLE, OHIO**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2017**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Property Taxes	\$ 221,492	\$ 0	\$ 0	\$ 221,492
Payments in Lieu of Taxes	0	1,832,342	0	1,832,342
Intergovernmental Revenues	974,386	0	374,179	1,348,565
Charges for Services	248,704	110,012	0	358,716
Licenses and Permits	204,070	0	81,943	286,013
Investment Earnings	5,083	0	0	5,083
Fines and Forfeitures	169,840	0	0	169,840
All Other Revenue	39,260	0	0	39,260
<b>Total Revenue</b>	<b>1,862,835</b>	<b>1,942,354</b>	<b>456,122</b>	<b>4,261,311</b>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property - Police	141,853	0	0	141,853
Security of Persons and Property - Fire	118,284	0	0	118,284
Security of Persons and Property - Other	22,276	0	0	22,276
Public Health and Welfare Services	210	0	0	210
Leisure Time Activities	214,425	0	0	214,425
Community Environment	226	1,404,795	75,000	1,480,021
Transportation	1,307,813	0	0	1,307,813
General Government	285,948	0	0	285,948
Capital Outlay	5,000	0	320,554	325,554
Debt Service:				
Principal Retirement	0	1,795,000	0	1,795,000
Interest and Fiscal Charges	0	1,015,472	0	1,015,472
<b>Total Expenditures</b>	<b>2,096,035</b>	<b>4,215,267</b>	<b>395,554</b>	<b>6,706,856</b>
Excess (Deficiency) of Revenues Over Expenditures	(233,200)	(2,272,913)	60,568	(2,445,545)
<b>Other Financing Sources (Uses):</b>				
Transfers In	187,953	1,953,834	0	2,141,787
<b>Total Other Financing Sources (Uses)</b>	<b>187,953</b>	<b>1,953,834</b>	<b>0</b>	<b>2,141,787</b>
Net Change In Fund Balance	(45,247)	(319,079)	60,568	(303,758)
<b>Fund Balances at Beginning of Year</b>	<b>2,703,339</b>	<b>538,350</b>	<b>219,400</b>	<b>3,461,089</b>
<b>Fund Balances End of Year</b>	<b>\$ 2,658,092</b>	<b>\$ 219,271</b>	<b>\$ 279,968</b>	<b>\$ 3,157,331</b>

**CITY OF MARYSVILLE, OHIO**

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**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2017**

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	Street Tree	Pool	City Events	Police Pension
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 116,345	\$ 42,763	\$ 5,334	\$ 20,975
Receivables:				
Accounts	0	0	0	0
Intergovernmental	0	29	27	6,336
Property Taxes	0	0	0	119,834
Prepaid Items	0	107	38	0
<b>Total Assets</b>	<u>\$ 116,345</u>	<u>\$ 42,899</u>	<u>\$ 5,399</u>	<u>\$ 147,145</u>
<b>Liabilities:</b>				
Accounts Payable	\$ 145	\$ 1,427	\$ 41,982	\$ 0
Accrued Wages and Benefits Payable	81	162	421	0
Intergovernmental Payable	0	0	953	0
Compensated Absences Payable	0	0	75	0
<b>Total Liabilities</b>	<u>226</u>	<u>1,589</u>	<u>43,431</u>	<u>0</u>
<b>Deferred Inflows of Resources:</b>				
Unavailable Amounts	0	0	0	8,662
Property Tax for Next Fiscal Year	0	0	0	117,508
<b>Total Deferred Inflows of Resources</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>126,170</u>
<b>Fund Balances:</b>				
Nonspendable	0	0	38	0
Restricted	0	0	0	20,975
Committed	116,119	41,310	0	0
Unassigned	0	0	(38,070)	0
<b>Total Fund Balances</b>	<u>116,119</u>	<u>41,310</u>	<u>(38,032)</u>	<u>20,975</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 116,345</u>	<u>\$ 42,899</u>	<u>\$ 5,399</u>	<u>\$ 147,145</u>

**CITY OF MARYSVILLE, OHIO**

<u>Fire Pension</u>	<u>Police Grant</u>	<u>Fire Grant</u>	<u>Street Maintenance</u>	<u>Law Enforcement Trust</u>	<u>Mandatory Drug Fine</u>
\$ 20,975	\$ 13,103	\$ 11,788	\$ 273,862	\$ 127,099	\$ 110,175
0	0	0	307	0	0
6,336	0	0	346,880	0	0
119,834	0	0	0	0	0
0	0	0	13,062	0	0
<u>\$ 147,145</u>	<u>\$ 13,103</u>	<u>\$ 11,788</u>	<u>\$ 634,111</u>	<u>\$ 127,099</u>	<u>\$ 110,175</u>
\$ 0	\$ 0	\$ 0	\$ 113,917	\$ 2,333	\$ 0
0	0	0	10,681	0	0
0	0	0	7,857	0	0
0	0	0	0	0	0
0	0	0	132,455	2,333	0
8,662	0	0	215,997	0	0
117,508	0	0	0	0	0
126,170	0	0	215,997	0	0
0	0	0	13,062	0	0
20,975	13,103	11,788	272,597	124,766	110,175
0	0	0	0	0	0
0	0	0	0	0	0
<u>20,975</u>	<u>13,103</u>	<u>11,788</u>	<u>285,659</u>	<u>124,766</u>	<u>110,175</u>
<u>\$ 147,145</u>	<u>\$ 13,103</u>	<u>\$ 11,788</u>	<u>\$ 634,111</u>	<u>\$ 127,099</u>	<u>\$ 110,175</u>

(Continued)

**CITY OF MARYSVILLE, OHIO**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2017**

	DUI Alcohol Education and Enforcement	DUI Indigent Drivers Treatment	State Highway	Federal Law Enforcement
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 32,057	\$ 169,406	\$ 106,835	\$ 1,248
Receivables:				
Accounts	0	0	77	0
Intergovernmental	13	0	34,225	0
Property Taxes	0	0	0	0
Prepaid Items	0	0	0	0
<b>Total Assets</b>	<b>\$ 32,070</b>	<b>\$ 169,406</b>	<b>\$ 141,137</b>	<b>\$ 1,248</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 0	\$ 0	\$ 52,325	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0
Intergovernmental Payable	0	0	0	0
Compensated Absences Payable	0	0	0	0
<b>Total Liabilities</b>	<b>0</b>	<b>0</b>	<b>52,325</b>	<b>0</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable Amounts	0	0	23,551	0
Property Tax for Next Fiscal Year	0	0	0	0
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>0</b>	<b>23,551</b>	<b>0</b>
<b>Fund Balances:</b>				
Nonspendable	0	0	0	0
Restricted	32,070	169,406	65,261	1,248
Committed	0	0	0	0
Unassigned	0	0	0	0
<b>Total Fund Balances</b>	<b>32,070</b>	<b>169,406</b>	<b>65,261</b>	<b>1,248</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 32,070</b>	<b>\$ 169,406</b>	<b>\$ 141,137</b>	<b>\$ 1,248</b>



**CITY OF MARYSVILLE, OHIO**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2017**

	Cemetery Endowment	Municipal Court Local Interlock	Municipal Court State Interlock	2009 CHIP Grant
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 10,758	\$ 153,224	\$ 205,655	\$ 45,106
Receivables:				
Accounts	27	0	0	0
Intergovernmental	0	1,297	885	0
Property Taxes	0	0	0	0
Prepaid Items	0	0	0	0
<b>Total Assets</b>	<b>\$ 10,785</b>	<b>\$ 154,521</b>	<b>\$ 206,540</b>	<b>\$ 45,106</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0
Intergovernmental Payable	0	0	0	0
Compensated Absences Payable	0	0	0	0
<b>Total Liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable Amounts	0	0	0	0
Property Tax for Next Fiscal Year	0	0	0	0
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balances:</b>				
Nonspendable	0	0	0	0
Restricted	0	154,521	206,540	45,106
Committed	10,785	0	0	0
Unassigned	0	0	0	0
<b>Total Fund Balances</b>	<b>10,785</b>	<b>154,521</b>	<b>206,540</b>	<b>45,106</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 10,785</b>	<b>\$ 154,521</b>	<b>\$ 206,540</b>	<b>\$ 45,106</b>

**CITY OF MARYSVILLE, OHIO**

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Total Nonmajor  
Special Revenue  
Funds

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\$ 2,728,792

411

406,305

239,668

13,207

---

\$ 3,388,383

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\$ 218,173

11,345

8,810

75

---

238,403

---

256,872

235,016

---

491,888

---

13,100

2,456,004

227,058

(38,070)

---

2,658,092

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\$ 3,388,383

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**CITY OF MARYSVILLE, OHIO**

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017***

	<u>Street Tree</u>	<u>Pool</u>	<u>City Events</u>	<u>Police Pension</u>
<b>Revenues:</b>				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 110,746
Intergovernmental Revenues	0	29	1,532	12,592
Charges for Services	0	162,120	82,732	0
Licenses and Permits	116,345	0	0	0
Investment Earnings	0	0	0	0
Fines and Forfeitures	0	0	0	0
All Other Revenue	0	0	0	0
<b>Total Revenue</b>	<u>116,345</u>	<u>162,149</u>	<u>84,264</u>	<u>123,338</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property - Police	0	0	0	115,045
Security of Persons and Property - Fire	0	0	0	0
Security of Persons and Property - Other	0	0	0	0
Public Health and Welfare Services	0	0	0	0
Leisure Time Activities	0	214,425	0	0
Community Environment	226	0	0	0
Transportation	0	0	0	0
General Government	0	0	285,948	0
Capital Outlay	0	5,000	0	0
<b>Total Expenditures</b>	<u>226</u>	<u>219,425</u>	<u>285,948</u>	<u>115,045</u>
Excess (Deficiency) of Revenues Over Expenditures	116,119	(57,276)	(201,684)	8,293
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	0	118,953	0
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>118,953</u>	<u>0</u>
Net Change In Fund Balance	116,119	(57,276)	(82,731)	8,293
<b>Fund Balances at Beginning of Year</b>	<u>0</u>	<u>98,586</u>	<u>44,699</u>	<u>12,682</u>
<b>Fund Balances (Deficit) End of Year</b>	<u>\$ 116,119</u>	<u>\$ 41,310</u>	<u>\$ (38,032)</u>	<u>\$ 20,975</u>



**CITY OF MARYSVILLE, OHIO**

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<u>Fire Pension</u>	<u>Police Grant</u>	<u>Fire Grant</u>	<u>Street Maintenance</u>	<u>Law Enforcement Trust</u>	<u>Mandatory Drug Fine</u>
\$ 110,746	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
12,592	2,869	3,114	851,820	0	0
0	0	0	0	0	0
0	0	0	82,668	0	0
0	0	0	3,781	0	0
0	0	0	0	0	2,750
0	0	0	20,034	0	0
<u>123,338</u>	<u>2,869</u>	<u>3,114</u>	<u>958,303</u>	<u>0</u>	<u>2,750</u>
0	659	0	0	24,923	0
115,045	0	3,239	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	1,116,195	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>115,045</u>	<u>659</u>	<u>3,239</u>	<u>1,116,195</u>	<u>24,923</u>	<u>0</u>
8,293	2,210	(125)	(157,892)	(24,923)	2,750
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
8,293	2,210	(125)	(157,892)	(24,923)	2,750
<u>12,682</u>	<u>10,893</u>	<u>11,913</u>	<u>443,551</u>	<u>149,689</u>	<u>107,425</u>
<u>\$ 20,975</u>	<u>\$ 13,103</u>	<u>\$ 11,788</u>	<u>\$ 285,659</u>	<u>\$ 124,766</u>	<u>\$ 110,175</u>

(Continued)

**CITY OF MARYSVILLE, OHIO**

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017***

	DUI Acohol Education and Enforcement	DUI Indigent Drivers Treatment	State Highway	Federal Law Enforcement
<b>Revenues:</b>				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	0	0	69,066	0
Charges for Services	0	0	0	0
Licenses and Permits	0	0	0	0
Investment Earnings	0	0	1,019	0
Fines and Forfeitures	757	7,526	0	0
All Other Revenue	0	0	19,226	0
<b>Total Revenue</b>	<u>757</u>	<u>7,526</u>	<u>89,311</u>	<u>0</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property - Police	0	0	0	1,226
Security of Persons and Property - Fire	0	0	0	0
Security of Persons and Property - Other	0	0	0	0
Public Health and Welfare Services	0	0	0	0
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	0
Transportation	0	0	191,618	0
General Government	0	0	0	0
Capital Outlay	0	0	0	0
<b>Total Expenditures</b>	<u>0</u>	<u>0</u>	<u>191,618</u>	<u>1,226</u>
Excess (Deficiency) of Revenues Over Expenditures	757	7,526	(102,307)	(1,226)
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	0	69,000	0
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>69,000</u>	<u>0</u>
Net Change In Fund Balance	757	7,526	(33,307)	(1,226)
<b>Fund Balances at Beginning of Year</b>	<u>31,313</u>	<u>161,880</u>	<u>98,568</u>	<u>2,474</u>
<b>Fund Balances (Deficit) End of Year</b>	<u>\$ 32,070</u>	<u>\$ 169,406</u>	<u>\$ 65,261</u>	<u>\$ 1,248</u>

**CITY OF MARYSVILLE, OHIO**

<u>Court Computer and Research</u>	<u>Municipal Court Computer</u>	<u>Municipal Court Special Projects</u>	<u>Court Probation Fee</u>	<u>Eljer Park</u>	<u>Cemetery Maintenance</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	0	3,852	0	0	0
0	0	0	0	0	5,057
0	0	0	0	0	0
25,920	25,963	55,633	11,910	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>25,920</u>	<u>25,963</u>	<u>59,485</u>	<u>11,910</u>	<u>0</u>	<u>5,057</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	8,463	13,387	426	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>8,463</u>	<u>13,387</u>	<u>426</u>	<u>0</u>	<u>0</u>
25,920	17,500	46,098	11,484	0	5,057
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
25,920	17,500	46,098	11,484	0	5,057
<u>287,161</u>	<u>162,864</u>	<u>413,323</u>	<u>243,123</u>	<u>31,523</u>	<u>22,264</u>
<u>\$ 313,081</u>	<u>\$ 180,364</u>	<u>\$ 459,421</u>	<u>\$ 254,607</u>	<u>\$ 31,523</u>	<u>\$ 27,321</u>

(Continued)

**CITY OF MARYSVILLE, OHIO**

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017***

	Cemetery Endowment	Municipal Court Local Interlock	Municipal Court State Interlock	2009 CHIP Grant
<b>Revenues:</b>				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	0	0	0	20,772
Charges for Services	0	0	0	0
Licenses and Permits	0	0	0	0
Investment Earnings	283	0	0	0
Fines and Forfeitures	0	17,391	21,990	0
All Other Revenue	0	0	0	0
<b>Total Revenue</b>	<u>283</u>	<u>17,391</u>	<u>21,990</u>	<u>20,772</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property - Police	0	0	0	0
Security of Persons and Property - Fire	0	0	0	0
Security of Persons and Property - Other	0	0	0	0
Public Health and Welfare Services	210	0	0	0
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	0
Transportation	0	0	0	0
General Government	0	0	0	0
Capital Outlay	0	0	0	0
<b>Total Expenditures</b>	<u>210</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	73	17,391	21,990	20,772
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change In Fund Balance	73	17,391	21,990	20,772
<b>Fund Balances at Beginning of Year</b>	<u>10,712</u>	<u>137,130</u>	<u>184,550</u>	<u>24,334</u>
<b>Fund Balances (Deficit) End of Year</b>	<u>\$ 10,785</u>	<u>\$ 154,521</u>	<u>\$ 206,540</u>	<u>\$ 45,106</u>

**CITY OF MARYSVILLE, OHIO**

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Total  
Nonmajor  
Special  
Revenue Funds

\$ 221,492  
974,386  
248,704  
204,070  
5,083  
169,840  
39,260  
1,862,835

141,853  
118,284  
22,276  
210  
214,425  
226  
1,307,813  
285,948  
5,000  
2,096,035

(233,200)

187,953  
187,953  
(45,247)  
2,703,339  
\$ 2,658,092

**CITY OF MARYSVILLE, OHIO**

**Combining Balance Sheet  
Nonmajor Debt Service Funds  
December 31, 2017**

	Debt Service	Partners Park	Coleman's Crossing TIF	Total Nonmajor Debt Service Funds
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 254,531	\$ 254,531
Accounts	0	439,000	0	439,000
Payments in Lieu of Taxes	0	0	1,756,608	1,756,608
Special Assessments	76,904	0	0	76,904
Prepaid Items	0	0	818	818
<b>Total Assets</b>	<b>\$ 76,904</b>	<b>\$ 439,000</b>	<b>\$ 2,011,957</b>	<b>\$ 2,527,861</b>
<b>Liabilities:</b>				
Accounts Payable	0	0	31,078	31,078
Interfund Loans Payable	5,000	0	0	5,000
<b>Total Liabilities</b>	<b>5,000</b>	<b>0</b>	<b>31,078</b>	<b>36,078</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable Amounts	76,904	439,000	0	515,904
Property Tax Levy for Next Fiscal Year	0	0	1,756,608	1,756,608
<b>Total Deferred Inflows of Resources</b>	<b>76,904</b>	<b>439,000</b>	<b>1,756,608</b>	<b>2,272,512</b>
<b>Fund Balances:</b>				
Nonspendable	0	0	818	818
Restricted	0	0	223,453	223,453
Unassigned	(5,000)	0	0	(5,000)
<b>Total Fund Balances</b>	<b>(5,000)</b>	<b>0</b>	<b>224,271</b>	<b>219,271</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 76,904</b>	<b>\$ 439,000</b>	<b>\$ 2,011,957</b>	<b>\$ 2,527,861</b>

**CITY OF MARYSVILLE, OHIO**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Debt Service Fund  
For the Year Ended December 31, 2017**

	Debt Service	Coleman's Crossing TIF	Total Nonmajor Debt Service Funds
<b>Revenues:</b>			
Payments in Lieu of Taxes	\$ 0	\$ 1,832,342	\$ 1,832,342
Charges for Services	110,012	0	110,012
<b>Total Revenue</b>	<u>110,012</u>	<u>1,832,342</u>	<u>1,942,354</u>
<b>Expenditures:</b>			
Current:			
Community Development	0	1,404,795	1,404,795
Debt Service:			
Principal Retirement	1,380,000	415,000	1,795,000
Interest & Fiscal Charges	685,334	330,138	1,015,472
<b>Total Expenditures</b>	<u>2,065,334</u>	<u>2,149,933</u>	<u>4,215,267</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,955,322)	(317,591)	(2,272,913)
<b>Other Financing Sources (Uses):</b>			
Transfers In	1,953,834	0	1,953,834
<b>Total Other Financing Sources (Uses)</b>	<u>1,953,834</u>	<u>0</u>	<u>1,953,834</u>
Net Change In Fund Balance	(1,488)	(317,591)	(319,079)
<b>Fund Balance (Deficit) at Beginning of Year</b>	<u>(3,512)</u>	<u>541,862</u>	<u>538,350</u>
<b>Fund Balance (Deficit) End of Year</b>	<u>\$ (5,000)</u>	<u>\$ 224,271</u>	<u>\$ 219,271</u>

**CITY OF MARYSVILLE, OHIO**

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**Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2017**

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	<u>Parkland Development</u>	<u>ODNR Grant</u>	<u>OPWC Grant</u>	<u>CDBG Formula Grant</u>
<b>Assets:</b>				
Cash and Cash Equivalents	<u>\$ 77,253</u>	<u>\$ 7,253</u>	<u>\$ 96,914</u>	<u>\$ 18,411</u>
<b>Total Assets</b>	<u>\$ 77,253</u>	<u>\$ 7,253</u>	<u>\$ 96,914</u>	<u>\$ 18,411</u>
<b>Liabilities:</b>				
Interfund Loans Payable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Liabilities</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances:</b>				
Restricted	0	7,253	96,914	18,411
Committed	<u>77,253</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Fund Balances</b>	<u>77,253</u>	<u>7,253</u>	<u>96,914</u>	<u>18,411</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 77,253</u>	<u>\$ 7,253</u>	<u>\$ 96,914</u>	<u>\$ 18,411</u>



**CITY OF MARYSVILLE, OHIO**

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<u>Pedestrian Bridge</u>	<u>Safe Routes to School Grant</u>	<u>Town Run Restoration</u>	<u>City Development Grant</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$ 43,906	\$ 124,709	\$ 7,451	\$ 23,996	\$ 399,893
<u>\$ 43,906</u>	<u>\$ 124,709</u>	<u>\$ 7,451</u>	<u>\$ 23,996</u>	<u>\$ 399,893</u>
0	119,925	0	0	119,925
0	119,925	0	0	119,925
0	4,784	7,451	23,996	158,809
43,906	0	0	0	121,159
43,906	4,784	7,451	23,996	279,968
<u>\$ 43,906</u>	<u>\$ 124,709</u>	<u>\$ 7,451</u>	<u>\$ 23,996</u>	<u>\$ 399,893</u>

**CITY OF MARYSVILLE, OHIO**

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***Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2017***

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	Parkland Development	ODNR Grant	OPWC Grant	CDBG Formula Grant
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 15,881	\$ 42,725	\$ 187,664	\$ 93,411
Licenses and Permits	81,943	0	0	0
<b>Total Revenue</b>	<u>97,824</u>	<u>42,725</u>	<u>187,664</u>	<u>93,411</u>
<b>Expenditures:</b>				
Community Environment	0	0	0	75,000
Capital Outlay	68,320	0	187,664	0
<b>Total Expenditures</b>	<u>68,320</u>	<u>0</u>	<u>187,664</u>	<u>75,000</u>
Excess (Deficiency) of Revenues Over Expenditures	29,504	42,725	0	18,411
<b>Fund Balances (Deficit) at Beginning of Year</b>	<u>47,749</u>	<u>(35,472)</u>	<u>96,914</u>	<u>0</u>
<b>Fund Balances End of Year</b>	<u>\$ 77,253</u>	<u>\$ 7,253</u>	<u>\$ 96,914</u>	<u>\$ 18,411</u>

**CITY OF MARYSVILLE, OHIO**

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<u>Pedestrian Bridge</u>	<u>Safe Routes to School Grant</u>	<u>Town Run Restoration</u>	<u>City Development Grant</u>	<u>Total Nonmajor Capital Project Funds</u>
\$ 0	\$ 0	\$ 34,498	\$ 0	\$ 374,179
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>81,943</u>
<u>0</u>	<u>0</u>	<u>34,498</u>	<u>0</u>	<u>456,122</u>
0	0	0	0	75,000
<u>0</u>	<u>0</u>	<u>0</u>	<u>64,570</u>	<u>320,554</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>64,570</u>	<u>395,554</u>
0	0	34,498	(64,570)	60,568
<u>43,906</u>	<u>4,784</u>	<u>(27,047)</u>	<u>88,566</u>	<u>219,400</u>
<u>\$ 43,906</u>	<u>\$ 4,784</u>	<u>\$ 7,451</u>	<u>\$ 23,996</u>	<u>\$ 279,968</u>

**CITY OF MARYSVILLE, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 1,334,500	\$ 1,449,491	\$ 1,451,249	\$ 1,758
Municipal Income Taxes	17,410,000	18,503,000	18,801,562	298,562
Other Local Taxes	430,000	430,000	438,154	8,154
Intergovernmental Revenues	361,823	370,186	387,280	17,094
Charges for Services	2,019,648	2,202,865	2,474,872	272,007
Licenses and Permits	144,000	144,000	151,919	7,919
Investment Earnings	100,000	135,375	135,376	1
Fines and Forfeitures	751,000	751,000	674,931	(76,069)
All Other Revenues	21,000	112,997	129,330	16,333
Total Revenues	<u>22,571,971</u>	<u>24,098,914</u>	<u>24,644,673</u>	<u>545,759</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Police:				
Personal Services	4,746,218	4,818,759	4,461,522	357,237
Materials and Supplies	107,200	86,998	81,231	5,767
Contractual Services	186,700	188,720	168,189	20,531
Capital Outlay	0	51,280	51,280	0
Total Police	<u>5,040,118</u>	<u>5,145,757</u>	<u>4,762,222</u>	<u>383,535</u>
Fire:				
Personal Services	5,113,796	5,119,369	4,992,451	126,918
Materials and Supplies	91,500	99,356	95,628	3,728
Contractual Services	308,413	330,861	289,458	41,403
Capital Outlay	0	18,296	18,296	0
Total Fire	<u>5,513,709</u>	<u>5,567,882</u>	<u>5,395,833</u>	<u>172,049</u>
Municipal Court:				
Personal Services	747,986	750,151	697,526	52,625
Materials and Supplies	104,000	105,351	77,353	27,998
Contractual Services	61,000	61,805	31,777	30,028
Total Municipal Court	<u>912,986</u>	<u>917,307</u>	<u>806,656</u>	<u>110,651</u>
Total Security of Persons and Property	<u>11,466,813</u>	<u>11,630,946</u>	<u>10,964,711</u>	<u>666,235</u>

(Continued)

**CITY OF MARYSVILLE, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Public Health and Welfare Services:				
Street Lighting:				
Contractual Services	376,000	457,408	418,937	38,471
Total Public Health and Welfare Services	376,000	457,408	418,937	38,471
Community Environment:				
Public Service:				
Personal Services	197,918	216,277	212,997	3,280
Materials and Supplies	14,100	12,449	7,056	5,393
Contractual Services	29,500	31,729	23,110	8,619
Total Public Service	241,518	260,455	243,163	17,292
Buildings and Grounds:				
Personal Services	365,974	366,563	354,188	12,375
Materials and Supplies	74,000	93,952	86,516	7,436
Contractual Services	275,650	319,940	311,616	8,324
Total Buildings and Grounds	715,624	780,455	752,320	28,135
Total Community Environment	957,142	1,040,910	995,483	45,427
General Government:				
City Council:				
Personal Services	80,773	82,273	81,123	1,150
Materials and Supplies	3,000	3,034	1,173	1,861
Contractual Services	37,400	35,900	26,550	9,350
Total City Council	121,173	121,207	108,846	12,361
City Administrator:				
Personal Services	270,503	270,503	267,391	3,112
Materials and Supplies	4,500	4,651	4,379	272
Contractual Services	248,200	252,755	252,704	51
Total City Administrator	523,203	527,909	524,474	3,435
Human Resources:				
Personal Services	187,782	187,782	183,933	3,849
Materials and Supplies	4,500	5,020	4,076	944
Contractual Services	18,500	21,767	12,298	9,469
Total Human Resources	210,782	214,569	200,307	14,262

(Continued)

**CITY OF MARYSVILLE, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2017***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Law Director:				
Personal Services	154,846	154,846	154,545	301
Materials and Supplies	2,000	1,536	1,036	500
Contractual Services	51,700	56,304	45,699	10,605
Total Law Director	208,546	212,686	201,280	11,406
Finance:				
Personal Services	400,925	406,435	404,438	1,997
Materials and Supplies	53,500	57,294	36,948	20,346
Contractual Services	179,477	174,881	147,285	27,596
Total Finance	633,902	638,610	588,671	49,939
Employee Benefits:				
Personal Services	1,200,879	1,201,569	1,141,315	60,254
Total Employee Benefits	1,200,879	1,201,569	1,141,315	60,254
Information Technology:				
Personal Services	258,167	258,167	249,588	8,579
Materials and Supplies	13,000	16,006	15,676	330
Contractual Services	430,400	508,619	496,650	11,969
Total Information Technology	701,567	782,792	761,914	20,878
City Engineer:				
Personal Services	522,729	529,743	521,779	7,964
Materials and Supplies	96,200	110,013	106,055	3,958
Contractual Services	694,200	807,948	723,785	84,163
Total City Engineer	1,313,129	1,447,704	1,351,619	96,085
Total General Government	4,913,181	5,147,046	4,878,426	268,620
Total Expenditures	17,713,136	18,276,310	17,257,557	1,018,753
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,858,835	5,945,224	7,509,736	1,564,512

(Continued)

**CITY OF MARYSVILLE, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2017**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	0	25,100	42,776	17,676
Transfers Out	(3,551,600)	(6,517,609)	(7,060,684)	(543,075)
Advances In	0	122,620	122,620	0
Advances Out	0	(124,925)	(124,925)	0
Total Other Financing Sources (Uses)	<u>(3,551,600)</u>	<u>(6,494,814)</u>	<u>(7,020,213)</u>	<u>(525,399)</u>
Net Change In Fund Balance	1,307,235	(672,210)	366,903	1,039,113
Fund Balance at Beginning of Year	6,686,319	6,686,319	6,686,319	0
Prior Year Encumbrances	552,629	552,629	552,629	0
Fund Balance at End of Year	<u>\$ 8,546,183</u>	<u>\$ 6,566,738</u>	<u>\$ 7,605,851</u>	<u>\$ 1,039,113</u>

**CITY OF MARYSVILLE, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Capital Projects Fund – Capital Improvement Projects (CIP) Fund  
For the Year Ended December 31, 2017***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Investment Earnings	\$ 0	\$ 0	\$ 14,090	\$ 14,090
All Other Revenues	0	0	5,792	5,792
Total Revenues	<u>0</u>	<u>0</u>	<u>19,882</u>	<u>19,882</u>
<b>Expenditures:</b>				
Capital Outlay:				
Engineering	4,533,431	5,370,552	5,082,328	288,224
Total Expenditures	<u>4,533,431</u>	<u>5,370,552</u>	<u>5,082,328</u>	<u>288,224</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,533,431)	(5,370,552)	(5,062,446)	308,106
<b>Other Financing Sources (Uses):</b>				
General Obligation Notes Issued	4,700,000	4,700,000	2,002,419	(2,697,581)
Transfers In	0	765,000	4,043,983	3,278,983
Total Other Financing Sources (Uses)	<u>4,700,000</u>	<u>5,465,000</u>	<u>6,046,402</u>	<u>581,402</u>
Net Change In Fund Balance	166,569	94,448	983,956	889,508
Fund Balance at Beginning of Year	205,079	205,079	205,079	0
Prior Year Encumbrances	78,423	78,423	78,423	0
Fund Balance at End of Year	<u>\$ 450,071</u>	<u>\$ 377,950</u>	<u>\$ 1,267,458</u>	<u>\$ 889,508</u>



**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	567	567	567	0
Fund Balance at End of Year	<u>\$ 567</u>	<u>\$ 567</u>	<u>\$ 567</u>	<u>\$ 0</u>

**CITY OF MARYSVILLE, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017**

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UNIVENTURE FINANCIAL INCENTIVE FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
General Government:				
Contractual Services	21,500	21,500	21,500	0
Total Expenditures	<u>21,500</u>	<u>21,500</u>	<u>21,500</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(21,500)	(21,500)	(21,500)	0
Fund Balance at Beginning of Year	32,608	32,608	32,608	0
Fund Balance at End of Year	<u>\$ 11,108</u>	<u>\$ 11,108</u>	<u>\$ 11,108</u>	<u>\$ 0</u>

**CITY OF MARYSVILLE, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017***

<b>ENTERPRISE ZONE REVENUE FUND</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
General Government:				
Contractual Services	10,000	10,000	10,000	0
Total Expenditures	10,000	10,000	10,000	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,000)	(10,000)	(10,000)	0
<b>Other Financing Sources (Uses):</b>				
Transfers In	10,000	10,000	10,000	0
Total Other Financing Sources (Uses)	10,000	10,000	10,000	0
Net Change In Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	10,120	10,120	10,120	0
Fund Balance at End of Year	\$ 10,120	\$ 10,120	\$ 10,120	\$ 0

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017***

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	STREET TREE FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Licenses and Permits	\$ 0	\$ 0	\$ 116,345	\$ 116,345
Total Revenues	<u>0</u>	<u>0</u>	<u>116,345</u>	<u>116,345</u>
<b>Expenditures:</b>				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	116,345	116,345
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 116,345</u>	<u>\$ 116,345</u>

**CITY OF MARYSVILLE, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017***

	POOL FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Charges for Services	\$ 130,000	\$ 130,000	\$ 162,151	\$ 32,151
Total Revenues	<u>130,000</u>	<u>130,000</u>	<u>162,151</u>	<u>32,151</u>
<b>Expenditures:</b>				
Leisure Time Activities:				
Personal Services	110,400	110,400	101,873	8,527
Materials and Supplies	62,000	69,518	65,527	3,991
Contractual Services	38,500	49,667	49,019	648
Capital Outlay	<u>0</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Total Expenditures	<u>210,900</u>	<u>234,585</u>	<u>221,419</u>	<u>13,166</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(80,900)	(104,585)	(59,268)	45,317
<b>Other Financing Sources (Uses):</b>				
Transfers In	<u>45,000</u>	<u>45,000</u>	<u>0</u>	<u>(45,000)</u>
Total Other Financing Sources (Uses)	<u>45,000</u>	<u>45,000</u>	<u>0</u>	<u>(45,000)</u>
Net Change In Fund Balance	(35,900)	(59,585)	(59,268)	317
Fund Balance at Beginning of Year	63,387	63,387	63,387	0
Prior Year Encumbrances	<u>36,607</u>	<u>36,607</u>	<u>36,607</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 64,094</u>	<u>\$ 40,409</u>	<u>\$ 40,726</u>	<u>\$ 317</u>

**CITY OF MARYSVILLE, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017**

CITY EVENTS FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 0	\$ 0	\$ 1,534	\$ 1,534
Charges for Services	89,000	89,000	82,732	(6,268)
Total Revenues	<u>89,000</u>	<u>89,000</u>	<u>84,266</u>	<u>(4,734)</u>
<b>Expenditures:</b>				
General Government:				
Personal Services	106,510	109,510	107,611	1,899
Materials and Supplies	31,200	31,535	29,607	1,928
Contractual Services	142,864	141,793	109,889	31,904
Total Expenditures	<u>280,574</u>	<u>282,838</u>	<u>247,107</u>	<u>35,731</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(191,574)	(193,838)	(162,841)	30,997
<b>Other Financing Sources (Uses):</b>				
Transfers In	161,000	161,000	118,953	(42,047)
Total Other Financing Sources (Uses)	<u>161,000</u>	<u>161,000</u>	<u>118,953</u>	<u>(42,047)</u>
Net Change In Fund Balance	(30,574)	(32,838)	(43,888)	(11,050)
Fund Balance at Beginning of Year	39,249	39,249	39,249	0
Prior Year Encumbrances	8,428	8,428	8,428	0
Fund Balance at End of Year	<u>\$ 17,103</u>	<u>\$ 14,839</u>	<u>\$ 3,789</u>	<u>\$ (11,050)</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 104,000	\$ 104,000	\$ 110,746	\$ 6,746
Intergovernmental Revenues	10,871	10,871	12,592	1,721
Total Revenues	<u>114,871</u>	<u>114,871</u>	<u>123,338</u>	<u>8,467</u>
<b>Expenditures:</b>				
Security of Persons and Property - Police:				
Personal Services	113,000	113,000	113,000	0
Contractual Services	2,183	2,183	2,045	138
Total Expenditures	<u>115,183</u>	<u>115,183</u>	<u>115,045</u>	<u>138</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(312)	(312)	8,293	8,605
Fund Balance at Beginning of Year	12,682	12,682	12,682	0
Fund Balance at End of Year	<u>\$ 12,370</u>	<u>\$ 12,370</u>	<u>\$ 20,975</u>	<u>\$ 8,605</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>FIRE PENSION FUND</b>				
<b>Revenues:</b>				
Property Taxes	\$ 104,000	\$ 104,000	\$ 110,746	\$ 6,746
Intergovernmental Revenues	10,871	10,871	12,592	1,721
Total Revenues	<u>114,871</u>	<u>114,871</u>	<u>123,338</u>	<u>8,467</u>
<b>Expenditures:</b>				
Security of Persons and Property - Fire:				
Personal Services	113,000	113,000	113,000	0
Contractual Services	2,183	2,183	2,045	138
Total Expenditures	<u>115,183</u>	<u>115,183</u>	<u>115,045</u>	<u>138</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(312)	(312)	8,293	8,605
Fund Balance at Beginning of Year	12,682	12,682	12,682	0
Fund Balance at End of Year	<u>\$ 12,370</u>	<u>\$ 12,370</u>	<u>\$ 20,975</u>	<u>\$ 8,605</u>



**CITY OF MARYSVILLE, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 3,000	\$ 3,000	\$ 4,297	\$ 1,297
Total Revenues	<u>3,000</u>	<u>3,000</u>	<u>4,297</u>	<u>1,297</u>
<b>Expenditures:</b>				
Security of Persons and Property - Police:				
Contractual Services	<u>3,000</u>	<u>3,000</u>	<u>659</u>	<u>2,341</u>
Total Expenditures	<u>3,000</u>	<u>3,000</u>	<u>659</u>	<u>2,341</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	3,638	3,638
Fund Balance at Beginning of Year	<u>9,465</u>	<u>9,465</u>	<u>9,465</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 9,465</u>	<u>\$ 9,465</u>	<u>\$ 13,103</u>	<u>\$ 3,638</u>

**CITY OF MARYSVILLE, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017**

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	FIRE GRANT FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 4,000	\$ 4,000	\$ 3,114	\$ (886)
Total Revenues	<u>4,000</u>	<u>4,000</u>	<u>3,114</u>	<u>(886)</u>
<b>Expenditures:</b>				
Security of Persons and Property - Fire:				
Contractual Services	<u>4,000</u>	<u>4,000</u>	<u>3,239</u>	<u>761</u>
Total Expenditures	<u>4,000</u>	<u>4,000</u>	<u>3,239</u>	<u>761</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	(125)	(125)
Fund Balance at Beginning of Year	11,454	11,454	11,454	0
Prior Year Encumbrances	<u>459</u>	<u>459</u>	<u>459</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 11,913</u>	<u>\$ 11,913</u>	<u>\$ 11,788</u>	<u>\$ (125)</u>

**CITY OF MARYSVILLE, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017***

<b>STREET MAINTENANCE FUND</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 822,386	\$ 822,386	\$ 851,816	\$ 29,430
Licenses and Permits	0	0	82,668	82,668
Investment Earnings	6,000	6,000	3,596	(2,404)
All Other Revenues	10,000	10,000	23,932	13,932
Total Revenues	<u>838,386</u>	<u>838,386</u>	<u>962,012</u>	<u>123,626</u>
<b>Expenditures:</b>				
Transportation:				
Personal Services	771,873	772,088	697,897	74,191
Materials and Supplies	360,000	414,155	385,551	28,604
Contractual Services	230,450	293,022	237,409	55,613
Capital Outlay	0	275,101	275,101	0
Total Expenditures	<u>1,362,323</u>	<u>1,754,366</u>	<u>1,595,958</u>	<u>158,408</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(523,937)	(915,980)	(633,946)	282,034
<b>Other Financing Sources (Uses):</b>				
Transfers In	428,500	428,500	0	(428,500)
Total Other Financing Sources (Uses)	<u>428,500</u>	<u>428,500</u>	<u>0</u>	<u>(428,500)</u>
Net Change In Fund Balance	(95,437)	(487,480)	(633,946)	(146,466)
Fund Balance at Beginning of Year	306,308	306,308	306,308	0
Prior Year Encumbrances	483,068	483,068	483,068	0
Fund Balance at End of Year	<u>\$ 693,939</u>	<u>\$ 301,896</u>	<u>\$ 155,430</u>	<u>\$ (146,466)</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
Security of Persons and Property - Police:				
Materials and Supplies	1,000	1,000	1,000	0
Capital Outlay	22,000	22,000	22,000	0
Total Expenditures	23,000	23,000	23,000	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(23,000)	(23,000)	(23,000)	0
Fund Balance at Beginning of Year	143,848	143,848	143,848	0
Fund Balance at End of Year	\$ 120,848	\$ 120,848	\$ 120,848	\$ 0

**CITY OF MARYSVILLE, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 12,000	\$ 12,000	\$ 2,750	\$ (9,250)
Total Revenues	<u>12,000</u>	<u>12,000</u>	<u>2,750</u>	<u>(9,250)</u>
<b>Expenditures:</b>				
Security of Persons and Property - Police:				
Materials and Supplies	<u>3,000</u>	<u>3,000</u>	<u>0</u>	<u>3,000</u>
Total Expenditures	<u>3,000</u>	<u>3,000</u>	<u>0</u>	<u>3,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,000	9,000	2,750	(6,250)
Fund Balance at Beginning of Year	<u>107,425</u>	<u>107,425</u>	<u>107,425</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 116,425</u>	<u>\$ 116,425</u>	<u>\$ 110,175</u>	<u>\$ (6,250)</u>

**CITY OF MARYSVILLE, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017**

**DUI ALCOHOL EDUCATION AND ENFORCEMENT FUND**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 1,500	\$ 1,500	\$ 904	\$ (596)
Total Revenues	<u>1,500</u>	<u>1,500</u>	<u>904</u>	<u>(596)</u>
<b>Expenditures:</b>				
Security of Persons and Property - Police:				
Contractual Services	750	750	0	750
Total Expenditures	<u>750</u>	<u>750</u>	<u>0</u>	<u>750</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	750	750	904	154
Fund Balance at Beginning of Year	31,097	31,097	31,097	0
Prior Year Encumbrances	56	56	56	0
Fund Balance at End of Year	<u>\$ 31,903</u>	<u>\$ 31,903</u>	<u>\$ 32,057</u>	<u>\$ 154</u>

**CITY OF MARYSVILLE, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017**

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<b>DUI INDIGENT DRIVERS TREATMENT FUND</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 0	\$ 0	\$ 7,526	\$ 7,526
Total Revenues	<u>0</u>	<u>0</u>	<u>7,526</u>	<u>7,526</u>
<b>Expenditures:</b>				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	7,526	7,526
Fund Balance at Beginning of Year	161,880	161,880	161,880	0
Fund Balance at End of Year	<u>\$ 161,880</u>	<u>\$ 161,880</u>	<u>\$ 169,406</u>	<u>\$ 7,526</u>

**CITY OF MARYSVILLE, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017**

<b>STATE HIGHWAY FUND</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 65,719	\$ 65,719	\$ 69,066	\$ 3,347
Investment Earnings	900	900	943	43
All Other Revenues	15,000	15,000	19,226	4,226
Total Revenues	<u>81,619</u>	<u>81,619</u>	<u>89,235</u>	<u>7,616</u>
<b>Expenditures:</b>				
Transportation:				
Materials and Supplies	89,700	108,419	99,443	8,976
Contractual Services	79,000	107,936	105,011	2,925
Total Expenditures	<u>168,700</u>	<u>216,355</u>	<u>204,454</u>	<u>11,901</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(87,081)	(134,736)	(115,219)	19,517
<b>Other Financing Sources (Uses):</b>				
Transfers In	69,000	69,000	69,000	0
Total Other Financing Sources (Uses)	<u>69,000</u>	<u>69,000</u>	<u>69,000</u>	<u>0</u>
Net Change In Fund Balance	(18,081)	(65,736)	(46,219)	19,517
Fund Balance at Beginning of Year	18,107	18,107	18,107	0
Prior Year Encumbrances	78,601	78,601	78,601	0
Fund Balance at End of Year	<u>\$ 78,627</u>	<u>\$ 30,972</u>	<u>\$ 50,489</u>	<u>\$ 19,517</u>



**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 25,000	\$ 25,000	\$ 25,984	\$ 984
Total Revenues	<u>25,000</u>	<u>25,000</u>	<u>25,984</u>	<u>984</u>
<b>Expenditures:</b>				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	25,000	25,000	25,984	984
Fund Balance at Beginning of Year	<u>285,063</u>	<u>285,063</u>	<u>285,063</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 310,063</u>	<u>\$ 310,063</u>	<u>\$ 311,047</u>	<u>\$ 984</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 25,000	\$ 25,000	\$ 26,004	\$ 1,004
Total Revenues	<u>25,000</u>	<u>25,000</u>	<u>26,004</u>	<u>1,004</u>
<b>Expenditures:</b>				
Security of Persons and Property - Other:				
Contractual Services	<u>10,000</u>	<u>10,063</u>	<u>10,063</u>	<u>0</u>
Total Expenditures	<u>10,000</u>	<u>10,063</u>	<u>10,063</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,000	14,937	15,941	1,004
Fund Balance at Beginning of Year	157,819	157,819	157,819	0
Prior Year Encumbrances	<u>3,012</u>	<u>3,012</u>	<u>3,012</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 175,831</u>	<u>\$ 175,768</u>	<u>\$ 176,772</u>	<u>\$ 1,004</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Charges for Services	\$ 3,000	\$ 3,000	\$ 3,852	\$ 852
Fines and Forfeitures	55,000	55,000	55,132	132
Total Revenues	<u>58,000</u>	<u>58,000</u>	<u>58,984</u>	<u>984</u>
<b>Expenditures:</b>				
Security of Persons and Property - Other:				
Contractual Services	100,000	100,000	8,577	91,423
Total Expenditures	<u>100,000</u>	<u>100,000</u>	<u>8,577</u>	<u>91,423</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(42,000)	(42,000)	50,407	92,407
Fund Balance at Beginning of Year	408,601	408,601	408,601	0
Fund Balance at End of Year	<u>\$ 366,601</u>	<u>\$ 366,601</u>	<u>\$ 459,008</u>	<u>\$ 92,407</u>

**CITY OF MARYSVILLE, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 12,000	\$ 12,000	\$ 11,916	\$ (84)
Total Revenues	<u>12,000</u>	<u>12,000</u>	<u>11,916</u>	<u>(84)</u>
<b>Expenditures:</b>				
Security of Persons and Property - Other:				
Personal Services	10,300	10,300	426	9,874
Contractual Services	<u>32,000</u>	<u>32,000</u>	<u>0</u>	<u>32,000</u>
Total Expenditures	<u>42,300</u>	<u>42,300</u>	<u>426</u>	<u>41,874</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(30,300)	(30,300)	11,490	41,790
Fund Balance at Beginning of Year	<u>242,152</u>	<u>242,152</u>	<u>242,152</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 211,852</u>	<u>\$ 211,852</u>	<u>\$ 253,642</u>	<u>\$ 41,790</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017***

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	ELJER PARK FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	31,523	31,523	31,523	0
Fund Balance at End of Year	<u>\$ 31,523</u>	<u>\$ 31,523</u>	<u>\$ 31,523</u>	<u>\$ 0</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Licenses and Permits	\$ 0	\$ 0	\$ 5,057	\$ 5,057
Total Revenues	<u>0</u>	<u>0</u>	<u>5,057</u>	<u>5,057</u>
<b>Expenditures:</b>				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	5,057	5,057
Fund Balance at Beginning of Year	<u>22,264</u>	<u>22,264</u>	<u>22,264</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 22,264</u>	<u>\$ 22,264</u>	<u>\$ 27,321</u>	<u>\$ 5,057</u>

**CITY OF MARYSVILLE, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Investment Earnings	\$ 45	\$ 45	\$ 256	\$ 211
Total Revenues	<u>45</u>	<u>45</u>	<u>256</u>	<u>211</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Materials and Supplies	<u>300</u>	<u>300</u>	<u>210</u>	<u>90</u>
Total Expenditures	<u>300</u>	<u>300</u>	<u>210</u>	<u>90</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(255)	(255)	46	301
Fund Balance at Beginning of Year	<u>10,712</u>	<u>10,712</u>	<u>10,712</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 10,457</u>	<u>\$ 10,457</u>	<u>\$ 10,758</u>	<u>\$ 301</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 14,000	\$ 14,000	\$ 17,816	\$ 3,816
Total Revenues	<u>14,000</u>	<u>14,000</u>	<u>17,816</u>	<u>3,816</u>
<b>Expenditures:</b>				
Security of Persons and Property - Other:				
Contractual Services	<u>25,000</u>	<u>25,000</u>	<u>0</u>	<u>25,000</u>
Total Expenditures	<u>25,000</u>	<u>25,000</u>	<u>0</u>	<u>25,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,000)	(11,000)	17,816	28,816
Fund Balance at Beginning of Year	134,708	134,708	134,708	0
Prior Year Encumbrances	<u>700</u>	<u>700</u>	<u>700</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 124,408</u>	<u>\$ 124,408</u>	<u>\$ 153,224</u>	<u>\$ 28,816</u>



**CITY OF MARYSVILLE, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 16,000	\$ 16,000	\$ 22,620	\$ 6,620
Total Revenues	<u>16,000</u>	<u>16,000</u>	<u>22,620</u>	<u>6,620</u>
<b>Expenditures:</b>				
Security of Persons and Property - Other:				
Contractual Services	<u>25,000</u>	<u>25,000</u>	<u>0</u>	<u>25,000</u>
Total Expenditures	<u>25,000</u>	<u>25,000</u>	<u>0</u>	<u>25,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,000)	(9,000)	22,620	31,620
Fund Balance at Beginning of Year	<u>183,035</u>	<u>183,035</u>	<u>183,035</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 174,035</u>	<u>\$ 174,035</u>	<u>\$ 205,655</u>	<u>\$ 31,620</u>

**CITY OF MARYSVILLE, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 0	\$ 0	\$ 20,772	\$ 20,772
Total Revenues	<u>0</u>	<u>0</u>	<u>20,772</u>	<u>20,772</u>
<b>Expenditures:</b>				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	20,772	20,772
Fund Balance at Beginning of Year	<u>24,334</u>	<u>24,334</u>	<u>24,334</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 24,334</u>	<u>\$ 24,334</u>	<u>\$ 45,106</u>	<u>\$ 20,772</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
Security of Persons and Property - Police:				
Materials and Supplies	1,976	1,976	1,226	750
Total Expenditures	1,976	1,976	1,226	750
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,976)	(1,976)	(1,226)	750
Fund Balance at Beginning of Year	2,474	2,474	2,474	0
Fund Balance at End of Year	\$ 498	\$ 498	\$ 1,248	\$ 750

**CITY OF MARYSVILLE, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Debt Service Fund  
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>DEBT SERVICE FUND</b>				
<b>Revenues:</b>				
Charges for Services	\$ 105,012	\$ 105,012	\$ 110,012	\$ 5,000
Special Assessments	2,500	2,500	0	(2,500)
Total Revenues	107,512	107,512	110,012	2,500
<b>Expenditures:</b>				
Debt Service:				
Principal Retirement	6,115,000	6,115,000	6,115,000	0
Interest and Fiscal Charges	712,940	712,940	707,940	5,000
Total Expenditures	6,827,940	6,827,940	6,822,940	5,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,720,428)	(6,720,428)	(6,712,928)	7,500
<b>Other Financing Sources (Uses):</b>				
General Obligation Notes Issued	3,885,000	3,885,000	3,892,692	7,692
Transfers In	2,830,000	2,833,940	2,818,748	(15,192)
Advances In	5,000	5,000	5,000	0
Advances Out	(3,512)	(3,512)	(3,512)	0
Total Other Financing Sources (Uses)	6,716,488	6,720,428	6,712,928	(7,500)
Net Change In Fund Balance	(3,940)	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$ (3,940)	\$ 0	\$ 0	\$ 0

**CITY OF MARYSVILLE, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Debt Service Funds  
For the Year Ended December 31, 2017**

<b>COLEMAN'S CROSSING TIF FUND</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Payments in Lieu of Taxes	\$ 1,450,000	\$ 1,832,342	\$ 1,832,342	\$ 0
Total Revenues	<u>1,450,000</u>	<u>1,832,342</u>	<u>1,832,342</u>	<u>0</u>
<b>Expenditures:</b>				
Community Environment:				
Contractual Services	928,500	1,557,500	1,377,535	179,965
Debt Service:				
Principal Retirement	415,000	415,000	415,000	0
Interest and Fiscal Charges	330,138	330,138	330,138	0
Total Expenditures	<u>1,673,638</u>	<u>2,302,638</u>	<u>2,122,673</u>	<u>179,965</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(223,638)	(470,296)	(290,331)	179,965
Fund Balance at Beginning of Year	541,862	541,862	541,862	0
Fund Balance at End of Year	<u>\$ 318,224</u>	<u>\$ 71,566</u>	<u>\$ 251,531</u>	<u>\$ 179,965</u>

**CITY OF MARYSVILLE, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2017**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 0	\$ 15,881	\$ 15,881	\$ 0
Licenses and Permits	20,000	20,000	81,943	61,943
Total Revenues	<u>20,000</u>	<u>35,881</u>	<u>97,824</u>	<u>61,943</u>
<b>Expenditures:</b>				
Capital Outlay:				
Parks and Recreation	0	76,490	71,522	4,968
Total Expenditures	<u>0</u>	<u>76,490</u>	<u>71,522</u>	<u>4,968</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	20,000	(40,609)	26,302	66,911
Fund Balance at Beginning of Year	21,342	21,342	21,342	0
Prior Year Encumbrances	29,609	29,609	29,609	0
Fund Balance at End of Year	<u>\$ 70,951</u>	<u>\$ 10,342</u>	<u>\$ 77,253</u>	<u>\$ 66,911</u>

**CITY OF MARYSVILLE, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2017**

	ODNR GRANT FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 0	\$ 42,725	\$ 42,725	\$ 0
Total Revenues	<u>0</u>	<u>42,725</u>	<u>42,725</u>	<u>0</u>
<b>Expenditures:</b>				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	42,725	42,725	0
<b>Other Financing Sources (Uses):</b>				
Advances Out	<u>0</u>	<u>(35,472)</u>	<u>(35,472)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>(35,472)</u>	<u>(35,472)</u>	<u>0</u>
Net Change In Fund Balance	0	7,253	7,253	0
Fund Balance at Beginning of Year	(7,253)	(7,253)	(7,253)	0
Prior Year Encumbrances	<u>7,253</u>	<u>7,253</u>	<u>7,253</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 7,253</u>	<u>\$ 7,253</u>	<u>\$ 0</u>

**CITY OF MARYSVILLE, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2017**

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	OPWC GRANT FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 0	\$ 366,619	\$ 284,578	\$ (82,041)
Total Revenues	0	366,619	284,578	(82,041)
<b>Expenditures:</b>				
Capital Outlay:				
Street Maintenance	0	187,664	187,664	0
Total Expenditures	0	187,664	187,664	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	178,955	96,914	(82,041)
Fund Balance at Beginning of Year	(178,955)	(178,955)	(178,955)	0
Prior Year Encumbrances	178,955	178,955	178,955	0
Fund Balance at End of Year	\$ 0	\$ 178,955	\$ 96,914	\$ (82,041)



**CITY OF MARYSVILLE, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2017**

<b>CDBG FORMULA GRANT FUND</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 75,000	\$ 75,000	\$ 150,000	\$ 75,000
Total Revenues	<u>75,000</u>	<u>75,000</u>	<u>150,000</u>	<u>75,000</u>
<b>Expenditures:</b>				
Community Environment:				
Contractual Services	75,000	75,000	75,000	0
Total Expenditures	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	75,000	75,000
<b>Other Financing Sources (Uses):</b>				
Advances Out	0	0	(56,589)	(56,589)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>(56,589)</u>	<u>(56,589)</u>
Net Change In Fund Balance	0	0	18,411	18,411
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 18,411</u>	<u>\$ 18,411</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2017***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Expenditures:</b>				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>43,906</u>	<u>43,906</u>	<u>43,906</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 43,906</u></u>	<u><u>\$ 43,906</u></u>	<u><u>\$ 43,906</u></u>	<u><u>\$ 0</u></u>

**CITY OF MARYSVILLE, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2017**

SAFE ROUTES TO SCHOOL GRANT FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 0	\$ 146,893	\$ 0	\$ (146,893)
Total Revenues	<u>0</u>	<u>146,893</u>	<u>0</u>	<u>(146,893)</u>
<b>Expenditures:</b>				
Capital Outlay:				
Street Maintenance	0	146,893	124,709	22,184
Total Expenditures	<u>0</u>	<u>146,893</u>	<u>124,709</u>	<u>22,184</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	(124,709)	(124,709)
<b>Other Financing Sources (Uses):</b>				
Advances In	0	0	119,925	119,925
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>119,925</u>	<u>119,925</u>
Net Change In Fund Balance	0	0	(4,784)	(4,784)
Fund Balance at Beginning of Year	4,784	4,784	4,784	0
Fund Balance at End of Year	<u>\$ 4,784</u>	<u>\$ 4,784</u>	<u>\$ 0</u>	<u>\$ (4,784)</u>

**CITY OF MARYSVILLE, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2017**

<b>TOWN RUN RESTORATION FUND</b>				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 0	\$ 0	\$ 34,498	\$ 34,498
Total Revenues	<u>0</u>	<u>0</u>	<u>34,498</u>	<u>34,498</u>
<b>Expenditures:</b>				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	34,498	34,498
<b>Other Financing Sources (Uses):</b>				
Advances Out	<u>0</u>	<u>0</u>	<u>(27,047)</u>	<u>(27,047)</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>(27,047)</u>	<u>(27,047)</u>
Net Change In Fund Balance	0	0	7,451	7,451
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,451</u>	<u>\$ 7,451</u>

**CITY OF MARYSVILLE, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2017**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
All Other Revenues	\$ 0	\$ 2,460	\$ 0	\$ (2,460)
Total Revenues	<u>0</u>	<u>2,460</u>	<u>0</u>	<u>(2,460)</u>
<b>Expenditures:</b>				
Capital Outlay:				
Street Maintenance	0	216,710	216,710	0
Total Expenditures	<u>0</u>	<u>216,710</u>	<u>216,710</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(214,250)	(216,710)	(2,460)
Fund Balance at Beginning of Year	(2,460)	(2,460)	(2,460)	0
Prior Year Encumbrances	243,166	243,166	243,166	0
Fund Balance at End of Year	<u>\$ 240,706</u>	<u>\$ 26,456</u>	<u>\$ 23,996</u>	<u>\$ (2,460)</u>

***Fiduciary Funds***

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

***Agency Funds***

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**Municipal Court Fund**

To account for funds that flow through the municipal court office.

**Law Library Fund**

To account for the share of fines collected by the Municipal Court to provide a County Law Library and resources for use by members of the County Bar Association.

**Unclaimed Monies Fund**

To account for monies that are due to others who cannot be immediately located.

**Union County Port Authority Fund**

To account for monies that are due to the Port Authority.

**CITY OF MARYSVILLE, OHIO**

**Combining Statement of Changes in Assets and Liabilities  
Agency Funds  
For the Year Ended December 31, 2017**

	Balance December 31, 2016	Additions	Deductions	Balance December 31, 2017
<u>Municipal Court</u>				
Assets:				
Cash and Cash Equivalents	\$158,868	\$2,252,575	(\$2,220,011)	\$191,432
Total Assets	<u>\$158,868</u>	<u>\$2,252,575</u>	<u>(\$2,220,011)</u>	<u>\$191,432</u>
Liabilities:				
Due to Others	\$158,868	\$2,252,575	(\$2,220,011)	\$191,432
Total Liabilities	<u>\$158,868</u>	<u>\$2,252,575</u>	<u>(\$2,220,011)</u>	<u>\$191,432</u>
<u>Law Library</u>				
Assets:				
Cash and Cash Equivalents	\$12,578	\$69,103	(\$69,104)	\$12,577
Total Assets	<u>\$12,578</u>	<u>\$69,103</u>	<u>(\$69,104)</u>	<u>\$12,577</u>
Liabilities:				
Due to Others	\$12,578	\$69,103	(\$69,104)	\$12,577
Total Liabilities	<u>\$12,578</u>	<u>\$69,103</u>	<u>(\$69,104)</u>	<u>\$12,577</u>
<u>Unclaimed Monies</u>				
Assets:				
Cash and Cash Equivalents	\$47,556	\$3,923	(\$179)	\$51,300
Total Assets	<u>\$47,556</u>	<u>\$3,923</u>	<u>(\$179)</u>	<u>\$51,300</u>
Liabilities:				
Due to Others	\$47,556	\$3,923	(\$179)	\$51,300
Total Liabilities	<u>\$47,556</u>	<u>\$3,923</u>	<u>(\$179)</u>	<u>\$51,300</u>
<u>Union County Port Authority</u>				
Assets:				
Cash and Cash Equivalents	\$11,922	\$0	\$0	\$11,922
Total Assets	<u>\$11,922</u>	<u>\$0</u>	<u>\$0</u>	<u>\$11,922</u>
Liabilities:				
Due to Others	\$11,922	\$0	\$0	\$11,922
Total Liabilities	<u>\$11,922</u>	<u>\$0</u>	<u>\$0</u>	<u>\$11,922</u>
<u>Totals - Agency Funds</u>				
Assets:				
Cash and Cash Equivalents	\$230,924	\$2,325,601	(\$2,289,294)	\$267,231
Total Assets	<u>\$230,924</u>	<u>\$2,325,601</u>	<u>(\$2,289,294)</u>	<u>\$267,231</u>
Liabilities:				
Due to Others	\$230,924	\$2,325,601	(\$2,289,294)	\$267,231
Total Liabilities	<u>\$230,924</u>	<u>\$2,325,601</u>	<u>(\$2,289,294)</u>	<u>\$267,231</u>





*STATISTICAL SECTION*

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## ***STATISTICAL TABLES***

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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***

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<b>Financial Trends</b>	S 2 – S 13
These schedules contain trend information to help the reader understand how the City’s financial position has changed over time.	
<b>Revenue Capacity</b>	S 14 – S 17
These schedules contain information to help the reader understand and assess the factors affecting the City’s ability to generate its most significant local revenue source, the income tax.	
<b>Debt Capacity</b>	S 18 – S 27
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.	
<b>Economic and Demographic Information</b>	S 28 – S 33
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.	
<b>Operating Information</b>	S 34 – S 37
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	

**Sources Note:**

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

## **CITY OF MARYSVILLE, OHIO**

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

	2008	2009	2010	2011
<b>Governmental Activities:</b>				
Net Investment in Capital Assets	\$21,116,933	\$22,141,194	\$21,674,744	\$22,891,629
Restricted	4,008,736	3,328,917	4,110,446	4,161,559
Unrestricted (Deficit)	5,130,470	4,529,769	8,555,721	10,362,675
Total Governmental Activities Net Position	<u>\$30,256,139</u>	<u>\$29,999,880</u>	<u>\$34,340,911</u>	<u>\$37,415,863</u>
<b>Business-type Activities:</b>				
Net Investment in Capital Assets	\$30,514,074	\$22,937,908	\$21,138,692	\$20,372,662
Restricted	32,676,639	6,781,143	4,537,001	5,070,401
Unrestricted	(13,779,372)	26,650,472	30,609,300	28,690,074
Total Business-type Activities Net Position	<u>\$49,411,341</u>	<u>\$56,369,523</u>	<u>\$56,284,993</u>	<u>\$54,133,137</u>
<b>Primary Government:</b>				
Net Investment in Capital Assets	\$51,631,007	\$45,079,102	\$42,813,436	\$43,264,291
Restricted	36,685,375	10,110,060	8,647,447	9,231,960
Unrestricted	(8,648,902)	31,180,241	39,165,021	39,052,749
Total Primary Government Net Position	<u>\$79,667,480</u>	<u>\$86,369,403</u>	<u>\$90,625,904</u>	<u>\$91,549,000</u>

Source: Finance Director's Office

**CITY OF MARYSVILLE, OHIO**

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2012	2013	2014	2015	2016	2017
\$40,546,400	\$30,698,813	\$33,084,267	\$35,308,591	\$38,722,222	\$39,732,395
3,180,891	3,409,352	4,190,442	4,544,708	4,328,948	4,718,106
(2,212,537)	9,792,995	10,932,563	(2,335,330)	(5,058,505)	(6,931,927)
<u>\$41,514,754</u>	<u>\$43,901,160</u>	<u>\$48,207,272</u>	<u>\$37,517,969</u>	<u>\$37,992,665</u>	<u>\$37,518,574</u>
\$28,647,456	\$26,595,566	\$36,566,689	\$35,897,563	\$33,175,505	\$36,233,245
4,830,844	7,300,290	7,379,220	7,907,006	4,983,330	4,162,899
18,497,461	21,203,974	26,658,581	25,718,878	38,372,241	42,714,278
<u>\$51,975,761</u>	<u>\$55,099,830</u>	<u>\$70,604,490</u>	<u>\$69,523,447</u>	<u>\$76,531,076</u>	<u>\$83,110,422</u>
\$69,193,856	\$57,294,379	\$69,650,956	\$71,206,154	\$71,897,727	\$75,965,640
8,011,735	10,709,642	11,569,662	12,451,714	9,312,278	8,881,005
16,284,924	30,996,969	37,591,144	23,383,548	33,313,736	35,782,351
<u>\$93,490,515</u>	<u>\$99,000,990</u>	<u>\$118,811,762</u>	<u>\$107,041,416</u>	<u>\$114,523,741</u>	<u>\$120,628,996</u>

## CITY OF MARYSVILLE, OHIO

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

	2008	2009	2010	2011
<b>Expenses</b>				
Governmental Activities:				
Security of Persons and Property	\$7,823,056	\$8,231,839	\$8,065,669	\$8,357,902
Public Health Services	516,104	533,704	356,768	352,838
Leisure Time Activities	340,268	357,477	318,027	306,972
Community Environment	995,303	1,592,190	1,785,546	2,341,633
Transportation	3,146,685	2,937,757	2,826,219	3,516,857
General Government	2,802,315	2,890,567	3,083,726	3,444,437
Interest and Fiscal Charges	843,246	882,409	572,550	803,104
<i>Total Governmental Activities Expenses</i>	<u>16,466,977</u>	<u>17,425,943</u>	<u>17,008,505</u>	<u>19,123,743</u>
Business-type Activities:				
Sewer	6,766,573	5,109,903	11,703,017	14,315,809
Water	4,169,129	4,636,236	5,499,245	5,457,933
Stormwater	551,882	464,076	362,964	434,154
Sanitation	1,139,329	1,244,236	1,271,205	1,333,054
<i>Total Business-type Activities Expenses</i>	<u>12,626,913</u>	<u>11,454,451</u>	<u>18,836,431</u>	<u>21,540,950</u>
<i>Total Primary Government Expenses</i>	<u>\$29,093,890</u>	<u>\$28,880,394</u>	<u>\$35,844,936</u>	<u>\$40,664,693</u>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services				
Security of Persons and Property	\$1,471,439	\$1,526,755	\$1,539,922	\$1,693,413
Public Health Services	51,108	62,362	46,000	45,625
Leisure Time Activities	181,849	119,681	721,751	799,970
Transportation	0	79,235	142,033	145,493
General Government	0	1,991	279,985	97,056
Operating Grants and Contributions	1,355,899	1,010,400	1,871,206	1,658,421
Capital Grants and Contributions	465,554	1,427,027	1,766,014	493,053
<i>Total Governmental Activities Program Revenues</i>	<u>3,525,849</u>	<u>4,227,451</u>	<u>6,366,911</u>	<u>4,933,031</u>

**CITY OF MARYSVILLE, OHIO**

2012	2013	2014	2015	2016	2017
\$10,066,129	\$8,915,295	\$10,901,293	\$11,103,602	\$13,511,380	\$13,706,093
345,051	325,370	328,238	298,204	331,180	431,163
322,349	226,792	245,142	247,763	407,116	446,269
1,439,869	2,096,032	2,168,919	1,698,722	1,936,951	3,011,885
2,477,865	3,698,119	4,392,905	4,145,044	5,216,711	3,874,024
3,339,059	4,052,416	2,510,588	3,958,514	4,895,555	6,478,340
1,286,722	1,145,930	1,027,765	1,050,086	1,040,563	1,022,991
<u>19,277,044</u>	<u>20,459,954</u>	<u>21,574,850</u>	<u>22,501,935</u>	<u>27,339,456</u>	<u>28,970,765</u>
13,872,985	12,049,523	14,540,972	16,798,276	15,005,676	15,359,155
6,146,165	5,475,924	5,554,327	5,826,144	6,071,788	6,169,630
524,399	614,393	546,592	560,112	752,302	810,021
1,436,775	1,481,877	1,420,437	1,402,778	1,470,201	1,579,169
<u>21,980,324</u>	<u>19,621,717</u>	<u>22,062,328</u>	<u>24,587,310</u>	<u>23,299,967</u>	<u>23,917,975</u>
<u>\$41,257,368</u>	<u>\$40,081,671</u>	<u>\$43,637,178</u>	<u>\$47,089,245</u>	<u>\$50,639,423</u>	<u>\$52,888,740</u>
\$1,793,546	\$1,544,874	\$2,005,468	\$2,412,513	\$2,140,911	\$1,970,210
52,503	50,830	44,005	80,804	59,773	80,133
890,687	640,659	1,065,397	936,102	1,066,751	1,273,458
44,951	202,097	15,560	48,765	12,407	39,260
95,067	150,535	279,906	476,090	402,699	204,742
984,900	1,360,249	910,770	913,154	926,520	894,694
1,105,468	614,619	2,301,339	307,759	934,011	428,165
<u>4,967,122</u>	<u>4,563,863</u>	<u>6,622,445</u>	<u>5,175,187</u>	<u>5,543,072</u>	<u>4,890,662</u>

(Continued)

## CITY OF MARYSVILLE, OHIO

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

	2008	2009	2010	2011
<b>Business-type Activities:</b>				
<b>Charges for Services</b>				
Sewer	7,630,582	7,458,511	7,762,151	8,648,140
Water	6,312,969	6,816,999	7,103,702	7,161,890
Stormwater	493,176	503,772	560,719	544,835
Sanitation	1,122,553	1,391,143	1,365,302	1,360,247
Operating Grants and Contributions	8,787	6,881	0	0
Capital Grants and Contributions	3,612,353	1,386,178	905,366	414,314
<i>Total Business-type Activities Program Revenues</i>	19,180,420	17,563,484	17,697,240	18,129,426
<i>Total Primary Government Program Revenues</i>	22,706,269	21,790,935	24,064,151	23,062,457
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(12,941,128)	(13,198,492)	(10,641,594)	(14,190,712)
Business-type Activities	6,553,507	6,109,033	(1,139,191)	(3,411,524)
<i>Total Primary Government Net (Expense)/Revenue</i>	(\$6,387,621)	(\$7,089,459)	(\$11,780,785)	(\$17,602,236)
<b>General Revenues and Other Changes in Net Position</b>				
<b>Governmental Activities:</b>				
Property Taxes	\$1,889,982	\$1,874,723	\$1,828,092	\$1,661,203
Municipal Income Taxes	8,286,787	8,347,026	10,878,400	12,619,829
Other Local Taxes	159,316	120,864	109,895	349,027
Payments in Lieu of Taxes	823,062	1,022,086	1,026,468	1,336,532
Grants and Entitlements not Restricted to Specific Programs	701,953	724,478	846,810	927,470
Gain on Sale of Capital Assets	0	0	0	0
Investment Earnings	376,615	142,515	135,196	55,002
Miscellaneous	356,990	577,549	157,764	35,623
Premium on Issued Debt	0	0	0	101,978
Transfers	0	132,992	0	179,000
<i>Total Governmental Activities</i>	12,594,705	12,942,233	14,982,625	17,265,664
<b>Business-type Activities:</b>				
Payments in Lieu of Taxes	1,021,540	982,141	1,051,955	1,363,801
Gain (Loss) on Sale of Capital Assets	0	0	0	0
Investment Earnings	0	0	2,706	74,867
Miscellaneous	0	0	0	0
Transfers	0	(132,992)	0	(179,000)
<i>Total Business-type Activities</i>	1,021,540	849,149	1,054,661	1,259,668
<i>Total Primary Government</i>	\$13,616,245	\$13,791,382	\$16,037,286	\$18,525,332
<b>Change in Net Position</b>				
Governmental Activities	(\$346,423)	(\$256,259)	\$4,341,031	\$3,074,952
Business-type Activities	7,575,047	6,958,182	(84,530)	(2,151,856)
<i>Total Primary Government Change in Net Position</i>	\$7,228,624	\$6,701,923	\$4,256,501	\$923,096

Source: Finance Director's Office



**CITY OF MARYSVILLE, OHIO**

2012	2013	2014	2015	2016	2017
9,555,924	11,284,134	12,100,783	11,627,312	14,199,970	14,346,619
7,154,859	7,959,229	8,487,914	8,101,146	10,291,048	10,179,773
589,363	622,277	622,692	903,869	747,639	937,476
1,384,509	1,398,336	1,398,107	1,363,086	1,684,933	1,354,501
0	0	0	0	0	0
0	104,761	12,462,705	642,000	0	21,677
<u>18,684,655</u>	<u>21,368,737</u>	<u>35,072,201</u>	<u>22,637,413</u>	<u>26,923,590</u>	<u>26,840,046</u>
<u>23,651,777</u>	<u>25,932,600</u>	<u>41,694,646</u>	<u>27,812,600</u>	<u>32,466,662</u>	<u>31,730,708</u>
(14,309,922)	(15,896,091)	(14,952,405)	(17,326,748)	(21,796,384)	(24,080,103)
<u>(3,295,669)</u>	<u>1,747,020</u>	<u>13,009,873</u>	<u>(1,949,897)</u>	<u>3,623,623</u>	<u>2,922,071</u>
<u>(\$17,605,591)</u>	<u>(\$14,149,071)</u>	<u>(\$1,942,532)</u>	<u>(\$19,276,645)</u>	<u>(\$18,172,761)</u>	<u>(\$21,158,032)</u>
\$1,582,703	\$1,530,536	\$1,495,604	\$1,529,783	\$1,551,468	\$1,609,037
14,043,831	14,262,601	14,744,447	16,123,925	17,664,505	18,830,805
357,269	401,347	405,282	384,363	456,741	384,028
1,486,927	1,362,698	1,514,353	1,687,738	1,736,882	1,832,342
691,055	514,798	898,664	424,023	244,263	115,131
1,670	14,354	7,119	0	0	0
82,533	12,981	90,539	0	29,111	140,947
162,825	102,075	102,509	132,256	588,110	320,658
0	81,107	0	316,489	0	0
0	0	0	0	0	373,064
<u>18,408,813</u>	<u>18,282,497</u>	<u>19,258,517</u>	<u>20,598,577</u>	<u>22,271,080</u>	<u>23,606,012</u>
1,008,786	1,409,981	2,322,532	2,356,351	3,272,352	3,721,459
17,778	4,512	0	0	0	0
111,729	(37,444)	172,255	139,876	111,654	308,880
0	0	0	0	0	0
0	0	0	0	0	(373,064)
<u>1,138,293</u>	<u>1,377,049</u>	<u>2,494,787</u>	<u>2,496,227</u>	<u>3,384,006</u>	<u>3,657,275</u>
<u>\$19,547,106</u>	<u>\$19,659,546</u>	<u>\$21,753,304</u>	<u>\$23,094,804</u>	<u>\$25,655,086</u>	<u>\$27,263,287</u>
\$4,098,891	\$2,386,406	\$4,306,112	\$3,271,829	\$474,696	(\$474,091)
<u>(2,157,376)</u>	<u>3,124,069</u>	<u>15,504,660</u>	<u>546,330</u>	<u>7,007,629</u>	<u>6,579,346</u>
<u>\$1,941,515</u>	<u>\$5,510,475</u>	<u>\$19,810,772</u>	<u>\$3,818,159</u>	<u>\$7,482,325</u>	<u>\$6,105,255</u>

## **CITY OF MARYSVILLE, OHIO**

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

	2008	2009	2010	2011
General Fund				
Nonspendable	\$0	\$0	\$0	\$96,470
Committed	0	0	0	8,334
Assigned	0	0	0	217,818
Unassigned	0	0	0	9,342,856
Reserved	381,782	172,544	436,883	0
Unreserved	4,631,940	4,364,501	6,289,373	0
<i>Total General Fund</i>	<u>5,013,722</u>	<u>4,537,045</u>	<u>6,726,256</u>	<u>9,665,478</u>
All Other Governmental Funds				
Nonspendable	\$0	\$0	\$0	\$11,821
Restricted	0	0	0	16,268,244
Committed	0	0	0	203,652
Unassigned	0	0	0	(11,779,280)
Reserved	581,963	830,005	1,161,754	0
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	2,450,489	1,699,856	3,024,014	0
Debt Service Funds	(661,153)	(44,723)	(12,516,434)	0
Capital Projects Funds	228,158	123,586	(344,148)	0
<i>Total All Other Governmental Funds</i>	<u>2,599,457</u>	<u>2,608,724</u>	<u>(8,674,814)</u>	<u>4,704,437</u>
<i>Total Governmental Funds</i>	<u>\$7,613,179</u>	<u>\$7,145,769</u>	<u>(\$1,948,558)</u>	<u>\$14,369,915</u>

Source: Finance Director's Office

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

**CITY OF MARYSVILLE, OHIO**

2012	2013	2014	2015	2016	2017
\$106,725	\$93,006	\$94,983	\$111,390	\$114,049	\$133,999
38,335	43,795	43,795	1,138,206	1,111,082	1,084,726
377,780	1,379,742	996,642	1,778,155	382,065	1,387,134
6,711,664	7,021,072	8,982,080	7,979,676	8,258,906	6,821,660
0	0	0	0	0	0
0	0	0	0	0	0
<u>7,234,504</u>	<u>8,537,615</u>	<u>10,117,500</u>	<u>11,007,427</u>	<u>9,866,102</u>	<u>9,427,519</u>
\$19,173	\$7,697	\$19,836	\$13,110	\$22,824	\$14,465
7,233,448	2,570,975	3,081,804	3,430,941	3,209,563	2,838,266
288,693	257,563	352,903	272,139	299,329	348,217
(11,266,288)	(15,876,619)	(4,387,508)	(2,958,447)	(4,561,332)	(2,560,575)
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>(3,724,974)</u>	<u>(13,040,384)</u>	<u>(932,965)</u>	<u>757,743</u>	<u>(1,029,616)</u>	<u>640,373</u>
<u>\$3,509,530</u>	<u>(\$4,502,769)</u>	<u>\$9,184,535</u>	<u>\$11,765,170</u>	<u>\$8,836,486</u>	<u>\$10,067,892</u>

# CITY OF MARYSVILLE, OHIO

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

	2008	2009	2010	2011
<b>Revenues:</b>				
Taxes	\$10,412,641	\$10,424,239	\$12,664,636	\$16,118,009
Payments in Lieu of Taxes	823,031	956,394	1,067,337	1,336,532
Intergovernmental Revenues	2,472,263	3,163,702	3,772,289	2,379,237
Charges for Services	917,822	1,115,969	1,580,001	1,616,110
Fees, Licenses and Permits	362,911	362,866	327,127	162,897
Investment Earnings	376,615	142,515	135,196	55,002
Contributions and Donations	0	750	706	7,300
Special Assessments	20,618	0	21,510	20,758
Fines and Forfeitures	602,828	632,938	720,749	725,907
All Other Revenue	73,629	176,464	143,017	62,420
<b>Total Revenue</b>	<b>16,062,358</b>	<b>16,975,837</b>	<b>20,432,568</b>	<b>22,484,172</b>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	7,491,598	7,783,003	7,859,772	8,648,354
Public Health Services	488,881	511,803	357,142	346,742
Leisure Time Activities	263,906	276,068	228,893	228,162
Community Environment	969,012	1,560,124	2,895,717	2,321,900
Transportation	1,394,077	980,343	1,188,364	2,452,026
General Government	2,508,509	2,555,439	2,728,701	3,047,044
Capital Outlay	2,434,010	2,306,626	45,986	2,768,241
Debt Service:				
Principal Retirement	15,494,363	13,808,875	13,480,000	520,000
Interest and Fiscal Charges	980,620	888,531	742,369	610,574
Debt Issuance Costs	0	0	0	306,352
<b>Total Expenditures</b>	<b>32,024,976</b>	<b>30,670,812</b>	<b>29,526,944</b>	<b>21,249,395</b>
Excess (Deficiency) of Revenues Over Expenditures	(15,962,618)	(13,694,975)	(9,094,376)	1,234,777

**CITY OF MARYSVILLE, OHIO**

2012	2013	2014	2015	2016	2017
\$15,914,095	\$16,347,764	\$17,044,717	\$18,047,445	\$19,643,623	\$20,568,192
1,486,927	1,362,698	1,514,353	1,687,738	1,736,882	1,832,342
1,936,554	2,390,506	3,365,498	1,584,890	2,153,582	1,696,775
1,862,124	1,732,913	2,433,662	2,506,925	2,692,479	2,644,448
139,413	228,054	338,642	296,529	267,585	437,932
82,533	12,981	90,539	132,256	29,111	140,947
222	36,187	0	0	0	0
21,731	21,290	20,464	2,612	1,402	0
788,317	800,480	749,824	939,624	960,539	836,630
42,615	247,064	86,750	393,368	260,155	172,206
<u>22,274,531</u>	<u>23,179,937</u>	<u>25,644,449</u>	<u>25,591,387</u>	<u>27,745,358</u>	<u>28,329,472</u>
9,845,275	9,612,665	10,115,400	11,346,544	11,795,183	11,389,399
343,835	318,303	322,132	327,318	335,411	413,977
246,112	152,254	181,693	150,239	207,149	214,425
1,426,941	2,148,292	1,921,614	1,605,517	1,670,161	2,519,990
1,904,039	1,487,017	2,150,804	1,973,221	2,873,540	1,307,813
2,939,961	3,583,321	3,683,749	3,906,471	4,242,244	5,204,180
14,274,253	11,686,978	3,835,006	945,075	7,144,017	5,267,090
1,030,000	1,125,000	1,155,000	1,670,000	1,720,000	1,795,000
1,126,170	1,173,867	1,017,578	1,104,134	1,078,508	1,028,968
0	0	0	0	0	0
<u>33,136,586</u>	<u>31,287,697</u>	<u>24,382,976</u>	<u>23,028,519</u>	<u>31,066,213</u>	<u>29,140,842</u>
(10,862,055)	(8,107,760)	1,261,473	2,562,868	(3,320,855)	(811,370)

(Continued)

## **CITY OF MARYSVILLE, OHIO**

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>Other Financing Sources (Uses):</b>				
Bond Anticipation Notes Issued	13,280,000	12,980,000	0	0
Premium on Bond Anticipation Notes Issued	66,669	80,396	0	0
Sale of Capital Assets	8,037	34,177	49	1,833
Long-Term Note Issued	0	0	0	0
Long-Term Loan Issued	0	0	0	0
Inception of Capital Lease	0	0	0	189,941
General Obligation Bonds Issued	0	0	0	14,585,000
Premium on Debt Issued	0	0	0	127,922
Payment to Escrow Agent	0	0	0	0
Transfers In	3,128,061	2,447,091	1,851,529	3,469,538
Transfers Out	(3,128,061)	(2,314,099)	(1,851,529)	(3,290,538)
<b>Total Other Financing Sources (Uses)</b>	<u>13,354,706</u>	<u>13,227,565</u>	<u>49</u>	<u>15,083,696</u>
<b>Net Change in Fund Balance</b>	<u>(\$2,607,912)</u>	<u>(\$467,410)</u>	<u>(\$9,094,327)</u>	<u>\$16,318,473</u>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	53.09%	52.30%	50.86%	6.68%

Source: Finance Director's Office

**CITY OF MARYSVILLE, OHIO**

2012	2013	2014	2015	2016	2017
0	0	0	0	0	0
0	0	0	0	0	0
1,670	14,354	7,119	17,767	13,462	42,776
0	0	0	0	0	2,000,000
0	0	1,200,000	0	0	0
0	0	312,632	0	378,709	0
0	0	10,730,000	0	0	0
0	81,107	176,080	0	0	0
0	0	0	0	0	0
7,817,696	4,088,445	4,554,432	4,991,350	8,076,436	7,050,684
(7,817,696)	(4,088,445)	(4,554,432)	(4,991,350)	(8,076,436)	(7,050,684)
<u>1,670</u>	<u>95,461</u>	<u>12,425,831</u>	<u>17,767</u>	<u>392,171</u>	<u>2,042,776</u>
<u>(\$10,860,385)</u>	<u>(\$8,012,299)</u>	<u>\$13,687,304</u>	<u>\$2,580,635</u>	<u>(\$2,928,684)</u>	<u>\$1,231,406</u>
12.18%	12.59%	11.76%	13.99%	12.00%	11.40%

## **CITY OF MARYSVILLE, OHIO**

*Income Tax Revenues by Source, Governmental Funds  
Last Ten Years  
(cash basis of accounting)*

<b>Tax year</b>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Income Tax Rate*	1.00%	1.00%	1.50%	1.50%
Estimated Personal Income (in thousands) (1)(a)	\$628,769	\$633,765	\$751,306	\$711,857
Total Tax Collected	\$8,317,558	\$8,385,684	\$9,631,406	\$13,085,760
Income Tax Receipts				
Withholding	6,267,374	6,489,432	7,689,978	10,024,236
Percentage	75.35%	77.39%	79.85%	76.61%
Business	408,327	214,131	420,165	848,488
Percentage	4.91%	2.55%	4.36%	6.48%
Individuals	1,641,857	1,682,121	1,521,264	2,213,036
Percentage	19.74%	20.06%	15.79%	16.91%

Source: City Income Tax Department

(1) US Department of Commerce, Bureau of Economic Analysis

(a) Total Personal Income is a calculation, 2012 is an estimate

\* Voters approved an increase in the income tax rate from 1.0% to 1.5% effective July 1, 2010.



**CITY OF MARYSVILLE, OHIO**

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2012	2013	2014	2015	2016	2017
1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
\$795,426	\$861,346	\$909,743	\$970,017	\$1,062,350	\$1,074,486
\$13,049,810	\$14,094,213	\$15,042,306	\$15,951,598	\$17,456,251	\$18,801,562
10,197,784	10,275,715	11,320,348	11,981,323	12,707,971	13,414,776
78.15%	72.91%	75.26%	75.11%	72.80%	71.35%
470,477	1,066,540	835,577	964,898	1,205,382	2,058,714
3.60%	7.56%	5.54%	6.05%	6.90%	10.95%
2,381,549	2,751,958	2,886,381	3,005,377	3,542,898	3,328,072
18.25%	19.53%	19.19%	18.84%	20.30%	17.70%



**CITY OF MARYSVILLE, OHIO**

*Income Tax Collections  
Current Year and Nine Years Ago*

Range of Withholding	Income Tax Year 2017	
	Number of Filers	Percent of Total
\$0 - \$24,999	2,123	97.70%
25,000 - 49,999	25	1.15%
50,000 - 74,999	6	0.28%
75,000 - 99,999	4	0.18%
Over 100,000	15	0.69%
Total	2,173	100.00%

Income Level	Income Tax Year 2008	
	Number of Filers	Percent of Total
\$0 - \$24,999	1,733	98.52%
25,000 - 49,999	12	0.68%
50,000 - 74,999	3	0.17%
75,000 - 99,999	1	0.06%
Over 100,000	10	0.57%
Total	1,759	100.00%

Source: City Income Tax Department

Note: Due to confidentiality issues, the names of the 10 largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

## CITY OF MARYSVILLE, OHIO

### Ratio of Outstanding Debt By Type Last Ten Years

	2008	2009	2010	2011
<b>Governmental Activities</b> <sup>(1)</sup>				
General Obligation Bonds	\$7,550,903	\$7,054,197	\$6,532,491	\$20,601,729
General Obligation Bonds (TIF supported)	0	0	0	0
Long-Term Loan	0	0	0	0
Capital Leases	18,808	287,113	237,184	343,288
Notes Payable	0	0	0	2,300,000
<b>Business-type Activities</b> <sup>(1)</sup>				
General Obligation Bonds	\$1,934,077	\$1,523,262	\$1,102,447	\$666,632
Mortgage Revenue Bonds	150,827,443	149,860,516	148,602,711	147,022,034
Capital Leases	271	0	0	0
Notes Payable	28,365,000	28,240,000	28,215,000	26,504,650
Ohio Public Works Commission Loan	49,566	41,639	625,075	602,364
Total Primary Government	<u>\$188,746,068</u>	<u>\$187,006,727</u>	<u>\$185,314,908</u>	<u>\$198,040,697</u>
<b>Population</b> <sup>(2)</sup>				
City of Marysville	18,249	18,394	22,094	19,856
Outstanding Debt Per Capita	\$10,343	\$10,167	\$8,388	\$9,974
<b>Income</b> <sup>(3)</sup>				
Personal (in thousands)	628,769	633,765	751,306	711,857
Percentage of Personal Income	30.02%	29.51%	24.67%	27.82%

**Sources:**

(1) Finance Director's Office

(2) Mid Ohio Regional Planning Commission and US Bureau of Census, Population Division

(3) US Department of Commerce, Bureau of Economic Analysis

(a) Per Capita Income is only available by County, Total Personal Income is a calculation, 2013 is an estimate

**CITY OF MARYSVILLE, OHIO**

2012	2013	2014	2015	2016	2017
\$19,548,658	\$18,400,587	\$17,222,516	\$16,009,445	\$14,766,374	\$13,473,303
0	0	10,906,080	10,507,276	10,098,472	9,674,668
0	0	1,200,000	1,110,000	1,010,000	900,000
262,348	178,239	403,465	252,401	439,779	254,738
5,800,000	5,150,000	4,400,000	3,150,000	4,735,000	5,885,000
\$340,816	\$0	\$0	\$10,270,000	\$10,070,000	\$9,865,000
137,398,675	135,889,915	134,311,155	150,737,015	148,730,821	145,383,599
0	0	0	0	0	0
26,550,000	25,975,000	25,945,000	0	0	0
564,869	527,374	489,879	443,523	413,955	384,387
<u>\$190,465,366</u>	<u>\$186,121,115</u>	<u>\$194,878,095</u>	<u>\$192,479,660</u>	<u>\$190,264,401</u>	<u>\$185,820,695</u>
22,187	22,306	22,534	22,765	23,023	23,286
\$8,585	\$8,344	\$8,648	\$8,455	\$8,264	\$7,980
795,426	861,346	909,743	970,017	1,062,350	1,074,486
23.95%	21.61%	21.42%	19.84%	17.91%	17.29%

## ***CITY OF MARYSVILLE, OHIO***

### *Ratios of General Bonded Debt Outstanding Last Ten Years*

Year	2008	2009	2010	2011
<b>Population</b> (1)	18,249	18,394	22,094	19,856
<b>Assessed Value</b> (2)	\$413,185,230	\$382,583,330	\$384,565,260	\$387,412,760
<b>Income</b> (2)(a)				
Personal (in thousands)	\$628,769	\$633,765	\$751,306	\$711,857
<b>General Bonded Debt</b>				
General Obligation Bonds	\$9,484,980	\$8,577,459	\$7,634,938	\$21,268,361
<b>Resources Available to Pay Principal</b> (3)	\$0	\$0	\$0	\$93,536
<b>Net General Bonded Debt</b>	\$9,484,980	\$8,577,459	\$7,634,938	\$21,174,825
<b>Ratio of Net Bonded Debt to Personal Income</b>	1.51%	1.35%	1.02%	2.97%
<b>Ratio of Net Bonded Debt to Assessed Value</b>	2.30%	2.24%	1.99%	5.47%
<b>Net Bonded Debt per Capita</b>	\$519.75	\$466.32	\$345.57	\$1,066.42

**Source:**

(1) Mid Ohio Regional Planning Commission and US Bureau of Census, Population Division

(2) US Department of Commerce, Bureau of Economic Analysis

(a) Total Personal Income is calculated, 2013 is an estimate

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

***CITY OF MARYSVILLE, OHIO***

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<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
22,187	22,306	22,534	22,765	23,023	23,286
\$383,333,000	\$366,023,040	\$372,156,750	\$374,110,230	\$415,609,670	\$418,841,690
\$795,426	\$861,346	\$909,743	\$970,017	\$1,062,350	\$1,074,486
\$19,889,474	\$18,400,587	\$29,328,596	\$37,896,721	\$35,944,846	\$33,912,971
\$25,952	\$13,710	\$185,340	\$11,328	\$0	\$0
\$19,863,522	\$18,386,877	\$29,143,256	\$37,885,393	\$35,944,846	\$33,912,971
2.50%	2.13%	3.20%	3.91%	3.38%	3.16%
5.18%	5.02%	7.83%	10.13%	8.65%	8.10%
\$895.28	\$824.30	\$1,293.30	\$1,664.19	\$1,561.26	\$1,456.37





**CITY OF MARYSVILLE, OHIO**

*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
December 31, 2017*

<u>Jurisdiction</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to the City of Marysville</u>	<u>Amount Applicable to the City of Marysville</u>
<b>Direct:</b>			
City of Marysville	\$26,302,709	100.00%	\$26,302,709
<b>Overlapping:</b>			
Union County	24,565,000	24.15%	5,932,448
Marysville Exempted Village School District	66,287,963	50.38%	33,395,876
Fairbanks Local School District	8,995,258	2.44%	219,484
		Subtotal	<u>39,547,808</u>
		Total	<u><u>\$65,850,517</u></u>

Source: Union County Auditor

Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

**CITY OF MARYSVILLE, OHIO**

*Debt Limitations  
Last Ten Years*

<b>Tax Year</b>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>Total Debt</b>				
Net Assessed Valuation	\$413,185,230	\$382,583,330	\$384,565,260	\$387,412,760
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	43,384,449	40,171,250	40,379,352	40,678,340
City Debt Outstanding (2)	7,550,903	7,054,197	6,532,491	22,901,729
Less: Applicable Debt Service Fund Amounts	<u>0</u>	<u>0</u>	<u>0</u>	<u>(93,536)</u>
Net Indebtedness Subject to Limitation	<u>7,550,903</u>	<u>7,054,197</u>	<u>6,532,491</u>	<u>22,808,193</u>
Overall Legal Debt Margin	<u><u>\$35,833,546</u></u>	<u><u>\$33,117,053</u></u>	<u><u>\$33,846,861</u></u>	<u><u>\$17,870,147</u></u>
<b>Unvoted Debt</b>				
Net Assessed Valuation	\$413,185,230	\$382,583,330	\$384,565,260	\$387,412,760
Legal Debt Limitation (%) (1)(a)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	43,384,449	40,171,250	40,379,352	40,678,340
City Debt Outstanding (2)	7,550,903	7,054,197	6,532,491	22,901,729
Less: Applicable Debt Service Fund Amounts	<u>0</u>	<u>0</u>	<u>0</u>	<u>(93,536)</u>
Net Indebtedness Subject to Limitation	<u>7,550,903</u>	<u>7,054,197</u>	<u>6,532,491</u>	<u>22,808,193</u>
Overall Legal Debt Margin	<u><u>\$35,833,546</u></u>	<u><u>\$33,117,053</u></u>	<u><u>\$33,846,861</u></u>	<u><u>\$17,870,147</u></u>

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

(a) Based on City Charter the City has an additional 5 mills of unvoted debt limitation in addition to the statutory 5.5%.

(2) City Debt Outstanding includes Non Self-Supporting General Obligation Bonds and Notes only.

Enterprise Debt is not considered in the computation of the Legal Debt Margin.

Coleman's Crossing Tax Increment Financing Notes are not considered in the computation of the Legal Debt Margin.

Source: Finance Director's Office

**CITY OF MARYSVILLE, OHIO**

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$383,333,000	\$366,023,040	\$372,156,750	\$374,110,230	\$415,609,670	\$418,841,690
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
40,249,965	38,432,419	39,076,459	39,281,574	43,639,015	43,978,377
25,348,658	23,550,587	22,822,516	20,269,445	20,511,374	20,258,303
<u>(25,952)</u>	<u>(13,710)</u>	<u>(185,340)</u>	<u>(11,328)</u>	<u>0</u>	<u>0</u>
<u>25,322,706</u>	<u>23,536,877</u>	<u>22,637,176</u>	<u>20,258,117</u>	<u>20,511,374</u>	<u>20,258,303</u>
<u>\$14,927,259</u>	<u>\$14,895,542</u>	<u>\$16,439,283</u>	<u>\$19,023,457</u>	<u>\$23,127,641</u>	<u>\$23,720,074</u>
\$383,333,000	\$366,023,040	\$372,156,750	\$374,110,230	\$415,609,670	\$418,841,690
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
40,249,965	38,432,419	39,076,459	39,281,574	43,639,015	43,978,377
25,348,658	23,550,587	22,822,516	20,269,445	20,511,374	20,258,303
<u>(25,952)</u>	<u>(13,710)</u>	<u>(185,340)</u>	<u>(11,328)</u>	<u>0</u>	<u>0</u>
<u>25,322,706</u>	<u>23,536,877</u>	<u>22,637,176</u>	<u>20,258,117</u>	<u>20,511,374</u>	<u>20,258,303</u>
<u>\$14,927,259</u>	<u>\$14,895,542</u>	<u>\$16,439,283</u>	<u>\$19,023,457</u>	<u>\$23,127,641</u>	<u>\$23,720,074</u>

## CITY OF MARYSVILLE, OHIO

### Pledged Revenue Coverage Last Ten Years

	2008	2009	2010	2011
<b>Water System Bonds (1 b) (1 e)</b>				
Gross Revenues (2)	\$6,718,925	\$6,842,361	\$7,118,061	\$7,177,333
Direct Operating Expenses (3)	2,536,687	3,130,754	2,918,705	2,792,616
Net Revenue Available for Debt Service	4,182,238	3,711,607	4,199,356	4,384,717
Annual Debt Service Requirement (4)	2,183,288	2,074,209	2,088,208	2,109,185
Coverage	1.92	1.79	2.01	2.08
<b>Sewer System Bonds (1 a) (1 c) (1 d)</b>				
Gross Revenues (2)	\$10,836,979	\$8,059,976	\$7,749,088	\$8,674,801
Direct Operating Expenses (3)	2,721,283	3,702,375	3,313,906	4,109,674
Net Revenue Available for Debt Service	8,115,696	4,357,601	4,435,182	4,565,127
Annual Debt Service Requirement (4)	5,846,323	5,847,122	5,847,523	6,297,523
Coverage	1.39	0.75	0.76	0.72

(1) The Mortgage Revenue Bonds were issued as follows:

- (a) The Sewer System Mortgage Revenue Bonds were issued in 2007, in the amount of \$31,555,000. In 2016, \$29,460,000 of this principal was refunded.
- (b) The Water System Mortgage Revenue Bonds were issued in 2007, in the amount of \$21,335,000. In 2016, \$20,130,000 of this principal was refunded.
- (c) The 2006 Sewer System Mortgage Revenue Bonds were refunded in 2015, in the amount of \$31,470,000. In addition, \$14,875,000 of notes were moved to mortgage revenue bonds in 2015.
- (d) The 2007 Sewer System Mortgage Revenue Bonds were refunded in 2016, in the amount of \$79,125,000.
- (e) The 2007 Water System Mortgage Revenue Bonds were refunded in 2016, in the amount of \$20,130,000.

(2) Gross revenues include operating revenues plus interest income.

(3) Direct operating expenses include operating expenses less depreciation.

(4) Annual debt service requirements include principal and interest on revenue bonds only.

Source: Finance Director's Office

**CITY OF MARYSVILLE, OHIO**

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2012	2013	2014	2015	2016	2017
\$7,202,368	\$8,006,753	\$8,563,373	\$8,215,753	\$10,400,936	\$10,351,689
3,352,626	3,164,896	3,173,769	3,254,153	2,827,898	3,836,065
3,849,742	4,841,857	5,389,604	4,961,600	7,573,038	6,515,624
2,108,591	1,094,706	1,105,019	1,119,769	1,871,245	1,879,882
1.83	4.42	4.88	4.43	4.05	3.47
\$9,620,144	\$11,199,166	\$12,315,276	\$11,677,431	\$14,201,736	\$14,483,583
4,075,326	4,335,822	4,480,705	5,069,564	4,970,661	5,684,363
5,544,818	6,863,344	7,834,571	6,607,867	9,231,075	8,799,220
6,686,731	6,834,611	6,827,361	4,834,152	10,164,245	7,073,935
0.83	1.00	1.15	1.37	0.91	1.24

# CITY OF MARYSVILLE, OHIO

## Demographic and Economic Statistics Last Ten Years

Calendar Year	2008	2009	2010	2011	2012
<b>Population</b> (1)					
City of Marysville	18,249	18,394	22,094	19,856	22,187
Union County	48,339	48,903	52,370	52,370	52,715
<b>Income</b> (2) (a)					
Total Personal (in thousands)	\$628,769	\$633,765	\$751,306	\$711,857	\$795,426
Per Capita	\$34,455	\$34,455	\$34,005	\$35,851	\$35,851
<b>Unemployment Rate</b> (3)					
Federal	5.8%	9.3%	9.6%	8.9%	7.8%
State	6.6%	10.1%	10.1%	8.6%	6.7%
Union County	5.2%	8.3%	8.4%	5.9%	5.0%
<b>Civilian Work Force Estimates</b> (3)					
State	5,961,000	5,936,000	5,898,000	5,806,000	5,729,000
Union County	25,900	26,000	25,900	26,900	27,100

### Sources:

(1) US Bureau of Census, Population Division for 2004-2013

(2) US Department of Commerce, Bureau of Economic Analysis

(a) Per Capita Income is only available by County, Total Personal Income is a calculation, 2013 is an estimate.

(3) State Department of Labor Statistics

***CITY OF MARYSVILLE, OHIO***

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2013	2014	2015	2016	2017
22,306	22,534	22,765	23,023	23,286
53,306	53,776	54,277	55,457	56,741
\$861,346	\$909,743	\$970,017	\$1,062,350	\$1,074,486
\$38,615	\$40,372	\$42,610	\$46,143	\$46,143
6.7%	5.6%	5.0%	4.9%	4.4%
7.1%	5.1%	4.8%	5.0%	4.7%
4.9%	3.7%	3.5%	3.8%	3.3%
5,758,000	5,726,000	5,694,000	5,703,013	5,774,000
27,200	27,300	27,400	27,300	27,600





## CITY OF MARYSVILLE, OHIO

### Principal Employers Current Year and Nine Years Ago

Employer	Nature of Business	2017		
		Number of Employees	Rank	Percentage of Total Employment
The Scotts Miracle-Gro Company	Lawn Care Products	1,356	1	10.02%
Marysville Exempted School District	Education	854	2	6.31%
Memorial Hospital of Union County	Healthcare	783	3	5.79%
Ohio Reformatory for Women	Government	764	4	5.65%
Union County	Government	608	5	4.49%
Veyance Technologies	Manufacturing	360	6	2.66%
City of Marysville	Government	316	7	2.34%
Nestle R&D Center Inc.	Research & Development	264	8	1.95%
Scioto Services	Retail	225	9	1.65%
Parker Hannifin Hydraulics	Manufacturing	140	10	1.03%
Total		<u>5,670</u>		<u>41.91%</u>
Total Employment within the City		<u>13,530</u>		

Employer	Nature of Business	2008		
		Number of Employees	Rank	Percentage of Total Employment
The Scotts Miracle-Gro Company	Lawn Care Products	1,250	1	13.39%
Marysville Exempted School District	Education	758	2	8.12%
Memorial Hospital of Union County	Healthcare	732	3	7.84%
Union County	Government	487	4	5.22%
Ohio Reformatory for Women	Government	483	5	5.18%
Veyance Technologies	Manufacturing	340	6	3.64%
Wal-mart	Retail	320	7	3.43%
Scioto Corporation	Custodial/Janitor Supplies	269	8	2.88%
Nestle R&D Center Inc.	Research & Development	241	9	2.58%
Parker Hannifin Hydraulics	Manufacturing	220	10	2.36%
Total		<u>5,100</u>		<u>54.64%</u>
Total Employment within the City		<u>9,332</u>		

Source: City Income Tax Department  
Information is not available in this format prior to 2008

## **CITY OF MARYSVILLE, OHIO**

### *Full Time Equivalent Employees by Function Last Ten Years*

	2008	2009	2010	2011	2012
<b>Governmental Activities</b>					
General Government					
Finance	9.00	9.00	8.00	9.50	9.00
City Council	4.50	4.50	4.50	4.50	4.50
Computer Systems	1.00	1.00	1.00	2.00	3.00
City Administration	2.00	2.00	2.00	2.50	2.00
Human Resources	2.00	2.00	2.00	2.50	2.50
City Attorney	1.50	1.50	1.50	1.50	1.50
Mayor	0.50	0.50	0.50	0.50	0.50
Engineer	7.00	9.00	8.00	6.50	7.00
Security of Persons and Property					
Police	38.00	38.50	36.50	37.50	38.00
Fire	32.00	32.00	28.50	31.50	30.50
Municipal Court	12.00	12.00	12.00	12.00	12.00
Transportation					
Street	16.00	19.50	19.50	19.50	18.50
Leisure Time Activities					
Parks and Recreation	0.50	24.50	24.50	24.50	25.00
Community Environment					
Buildings & Grounds	6.50	10.00	7.50	7.50	10.50
Service	3.00	3.00	3.00	3.00	3.50
<b>Business-Type Activities</b>					
Utilities					
Water	15.00	17.00	17.00	17.00	17.00
Sewer	17.00	17.00	17.00	17.00	17.00
<i>Total Employees</i>	<u>167.50</u>	<u>203.00</u>	<u>193.00</u>	<u>199.00</u>	<u>202.00</u>

**Method:** 1.00 for each full-time, 0.50 for each part-time and seasonal employees are calculated based on hours paid.

Source: Finance Director's Office

**CITY OF MARYSVILLE, OHIO**

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<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
10.00	10.50	10.50	12.50	10.50
4.50	4.50	4.50	4.50	4.50
3.00	3.00	3.00	3.00	4.00
2.00	2.00	2.00	2.00	2.00
2.50	2.50	2.50	2.50	3.00
1.50	1.50	1.50	1.50	1.50
0.50	0.50	0.50	0.00	0.00
9.00	10.00	9.50	10.50	11.50
39.00	39.50	45.00	45.00	45.00
41.00	41.50	41.50	41.50	44.00
12.00	12.00	12.00	12.00	12.00
17.00	18.00	19.50	21.50	22.50
23.50	24.00	23.00	24.50	28.50
10.50	12.00	10.50	10.50	11.50
3.50	2.00	3.00	3.00	4.00
17.00	17.00	17.50	19.00	17.00
17.00	16.50	16.50	16.50	17.00
<u>213.50</u>	<u>217.00</u>	<u>222.50</u>	<u>230.00</u>	<u>238.50</u>

# CITY OF MARYSVILLE, OHIO

## Operating Indicators by Function Last Ten Years

	2008	2009	2010	2011	2012
<b>Governmental Activities</b>					
General Government					
Court					
Number of Traffic Cases	6,627	6,181	6,109	5,281	6,375
Number of Criminal Cases	1,790	1,989	1,223	1,191	1,146
Number of Civil Cases	1,699	1,424	1,379	1,193	1,068
Permits					
Number of Residential Permits	80	68	61	45	72
Number of Commercial Permits	11	6	2	10	3
Security of Persons and Property					
Police					
Number of Incident Reports	4,905	4,988	3,930	1,990	1,885
Number of Traffic Accident Reports	453	391	450	453	473
Number of Parking Tickets	276	112	50	69	49
Alarm Calls	538	413	466	673	581
Traffic warnings/citations	1,453	1,706	1,160	1,474	1,459
OMVI arrests	186	232	197	59	55
Fire					
Number of Emergency Responses	1,951	1,964	1,986	2,002	2,131
Number of Fire Responses	834	814	855	884	783
Number of Fire Inspections	n/a	n/a	n/a	984	991
Transportation					
Street					
Number of times streets needed snow removed	n/a	16	46	27	28
Tons of salt used	981	426	1,806	1,907	633
Number of locations marked for OUPS	143	123	238	65	112
Number of new signs installed	489	123	188	201	326
Number of hours mowing grass	524	310	639	761	683
Community Environment					
Number of Plot Grade Utility reviews	72	68	57	47	78
Number of Project Inspections	120	108	87	75	100
Number of Capital Improvement Projects	6	8	3	8	10
<b>Business-Type Activities</b>					
Water / Sewer					
Number of Water accounts	6,790	6,880	6,924	7,002	7,020
Number of Sewer accounts	6,765	6,814	6,853	6,950	6,984
Water Main Breaks	24	29	9	12	12
Daily Average Consumption (1,000 of gallons)	2,067	2,009	1,933	2,035	2,101
Number of work orders	366	2,685	2,547	2,224	3,396
Number of fire hydrants painted	149	142	61	189	578
Sanitation					
Number of Customers Served	4,933	5,030	5,052	5,071	5,194

Source: Finance Director's Office

n/a - Data is not available

**CITY OF MARYSVILLE, OHIO**

2013	2014	2015	2016	2017
7,048	6,693	8,889	9,589	7,697
1,593	747	772	1,069	1,074
906	1,079	1,038	1,297	1,412
86	170	143	196	194
7	16	9	10	15
1,884	1,933	2,260	2,278	2,396
447	490	590	669	585
24	53	117	43	120
617	627	498	544	705
1,781	3,343	3,664	3,165	2,322
55	77	43	44	43
2,183	2,430	2,696	1,674	2,681
756	764	852	866	854
1,042	1,035	1,038	1,024	1,020
59	41	51	39	24
2,339	2,027	1,660	929	932
97	68	42	67	127
302	357	244	334	421
572	629	428	521	1,000
92	138	149	181	189
338	440	463	743	1,483
8	4	4	4	4
7,297	7,612	7,870	8,459	8,326
7,057	7,123	7,510	8,109	8,220
11	8	14	10	7
1,961	2,112	2,228	2,323	2,372
4,203	3,007	3,063	2,867	2,363
400	321	150	100	50
5,264	5,375	5,485	5,774	5,920

# CITY OF MARYSVILLE, OHIO

## Capital Asset Statistics by Function Last Ten Years

	2008	2009	2010	2011	2012
<b>Governmental Activities</b>					
General Government					
Public Buildings	6	6	6	6	6
Security of Persons and Property					
Police					
Stations	1	1	1	1	1
Patrol Cruisers	27	28	21	18	19
Fire					
Stations	1	1	1	1	1
Emergency Vehicles	11	11	11	11	11
Transportation					
Street					
Streets (linear miles)	n/a	n/a	114	117	118
Street Lights	n/a	n/a	1,951	1,951	1,958
Leisure Time Activities					
Recreation					
Land (acres)	231	231	231	231	231
Buildings	21	21	21	21	21
Parks	15	15	15	15	15
<b>Business-Type Activities</b>					
Utilities					
Water					
Waterlines (Miles)	n/a	n/a	148	150	152
Number of Hydrants	1,405	1,414	1,422	1,481	1,530
Sewer					
Sewerlines (Miles)	n/a	n/a	135	138	140
Manholes	n/a	n/a	943	2,434	2,472
Storm Water Drainage					
Storm Drains (Miles)	n/a	n/a	70	70	71

Source: Finance Director's Office

n/a - Data is not available

**CITY OF MARYSVILLE, OHIO**

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<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
7	7	7	7	7
1	1	1	1	1
18	18	13	19	14
2	2	2	2	2
12	12	12	11	11
119	121	123	126	114
2,034	1,949	2,012	2,110	2,103
231	231	238	238	238
21	21	21	21	21
15	15	18	18	18
159	162	164	166	168
1,593	1,675	1,925	2,039	2,212
141	143	144	148	151
2,494	2,507	2,518	2,618	2,697
72	75	76	78	143





**CITY OF MARYSVILLE, OHIO**



**Yellow Book Report**

**December 31, 2017**

**PLATTENBURG**  
Certified Public Accountants

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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***

Honorable Mayor and City Council  
City of Marysville

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 Marysville (the City), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 12, 2018.

**Internal Control over Financial Reporting**

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

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

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

**Compliance and Other Matters**

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

## Purpose of this Report

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

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.

Cincinnati, Ohio

June 12, 2018



# Dave Yost • Auditor of State

**CITY OF MARYSVILLE**

**UNION COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 10, 2018**