



2018 COMPREHENSIVE ANNUAL FINANCIAL REPORT



Charles H. Johnson, *Mayor*

Wynndel T. Burns, 1st Vice-Mayor

J. Denise Jarnigan_Holt, 2nd Vice-Mayor

Council Members

Regina Collins

Diana J. Herbe

Rosalind Moore

Chelsea Nuss

Ray H. Hodges, *City Manager*



OHIO AUDITOR OF STATE
KEITH FABER

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Columbus, Ohio 43215
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City Council
City of Forest Park
1201 W Kemper Rd
Forest Park, OH 45240

We have reviewed the *Independent Auditor's Report* of the City of Forest Park, Hamilton County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2018 through December 31, 2018. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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



Keith Faber
Auditor of State
Columbus, Ohio

August 1, 2019

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CITY OF FOREST PARK, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2018

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

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INTRODUCTORY SECTION





City of Forest Park

FINANCE DEPARTMENT - Income Tax Office

June 25, 2019

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

THE COMPREHENSIVE ANNUAL FINANCIAL REPORT

We are pleased to present our 2018 Comprehensive Annual Financial Report (CAFR) for the City of Forest Park for your review. This report has been prepared in conformity with generally accepted accounting principles (GAAP) and is audited in accordance with generally accepted auditing standards. State law requires that every general purpose local government publish a complete set of financial statements. This report is published to fulfill that requirement for the year ended December 31, 2018. This report contains the basic financial statements and other financial and statistical data that provide a complete and full disclosure of all material financial aspects of the City of Forest Park.

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

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

The City's financial statements have been audited by Auditor of the State of Ohio. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2018 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the

City's financial statements for the fiscal year ended December 31, 2018, are fairly presented in conformity with GAAP. The independent auditor's opinion is presented as the first component of the financial section of this report.

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

CITY OVERVIEW

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

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

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

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

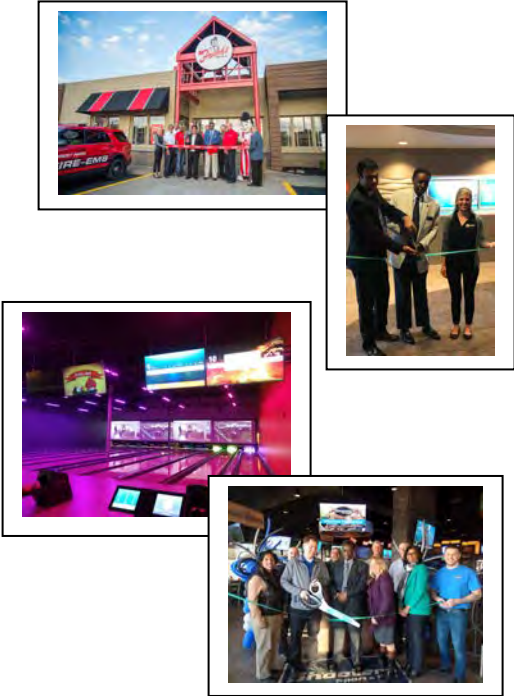
The City provides numerous services including police, fire and emergency services protection, the construction and maintenance of highways and streets; parks and recreational program services, and stormwater management.

ECONOMIC CONDITIONS AND OUTLOOK

The City of Forest Park continues to make significant progress in the areas of recruitment, retention, and redevelopment. A comprehensive economic development strategy initiated in 2013 identified specific industries for recruitment and several key properties for redevelopment. Coupled with an aggressive retention campaign, we were able to produce an impressive track record of success as a result of the implementation of this plan. **Indeed local companies have invested well over \$72 million on projects that resulted in the creation or retention of more than 2,800 jobs as a result of this initiative.** In 2018, we continued this positive momentum by attracting significant investments to each of the City’s three commercial districts.

Winton Road Corridor

Several companies made significant investments in our city’s main commercial corridor. Hutcheson Homecare, a business-to-business pharmaceutical distributor, invested close to a million dollars to acquire and renovate a building in the Kemper Meadow Business Center bringing 60 employees to Forest Park. Frisch’s made a significant investment to renovate its Chase Plaza restaurant, and SpringHill Suites by Marriott completed a \$2 million renovation of its 124 room, all-suite hotel on Chase Plaza Drive. Indianapolis-based Hopebridge (an award-winning provider of counseling services for autistic children and their families) opened a new office in the Kemper Technology Center. Not far from this project, investors purchased a vacant 120,000 square foot retail building on Omniplex Drive, investing over \$3.5 million to transform the site into a state-of-the-art family entertainment center that features ten Brunswick bowling lanes, a two-level laser tag facility, trampoline park, and sports bar and grill. At Parkwood



Plaza, the Drescher family acquired and renovated an old restaurant building opening Shooters Sports Bar and Grill in the once vacant space.

Northland Business District

Two existing companies from our Northland corridor launched ambitious expansion projects in 2018. Faxon Machining invested \$1.5 million to acquire and renovate a 20,000-plus square foot building on five acres adjacent to its existing headquarters on Adwood Drive. This project will result in the retention or creation of 110 jobs in the community. Magna Machine is investing well over \$3.5 million to acquire and renovate an underperforming retail center on Northland Boulevard, converting the struggling facility into an extension of its successful manufacturing operation. This retention project keep more than 145 jobs in Forest Park. Both projects demonstrate the strength of our community’s advanced manufacturing cluster.



In 2018, City officials successfully applied to the US Treasury to designate the Northland Business District as a federal opportunity zone. Created as part of the 2017 Federal Tax Bill, opportunity zones create new economic development tools that allow individuals and corporations with capital gains tax liabilities to place those gains in a qualified fund in exchange for tax deferrals, tax reductions, and permanent exclusion benefits. It is our hope that this new economic development tool will help us attract even more investment to the Northland corridor,

Waycross Sharon Corridor

The owners of McDonald’s on Waycross Road invested more than \$1.5 million to completely renovate their restaurant. Their project dramatically improved a key gateway into the community. On Sharon Road, AE door and Window completed an impressive \$2 million expansion and renovation of its corporate headquarters, keeping 56 existing jobs and creating another 15-20 positions as a result of the project. The project included the addition of a new showroom and loading dock area, not to mention an extensive interior renovation to improve warehouse and assembly spaces.



Future Outlook

The North Pointe Magna Machine Redevelopment represents a positive step forward in the City’s ongoing efforts to reposition vacant or underperforming retail properties, converting these buildings into more productive assets. Definitely plans are in the works to renovate another shopping center in 2020. In addition to the success of our redevelopment initiative, we have also seen a dramatic

improvement of our manufacturing sector with significant expansions by CPG, AE Door, Faxon and Cincinnati Testing Laboratories. Vacancy rates for our industrial buildings remain quite low.

That said the Northwest Cincinnati suburban office market continues to be soft, with large blocks of space still available throughout the I-275 beltway. An abundance of available space has led to great competition. Unfortunately, Forest Park has lost several employers in recent years. Collectively these businesses employed close to 600 people. While we have had some modest success filling vacant spaces in the Kemper Meadow Business Center, the City has also seen a dramatic increase in vacancy rates at office properties on Northland Boulevard and at Carillon Business Park. Moving forward, it is imperative that we address these vacancies to bolster the strength of our office properties and maintain their competitive positions in a challenging Greater Cincinnati market.

Finally, the City continues to struggle with the condition of Forest Fair Village. This 1.6 million square foot regional shopping mall continues to have high vacancy. It is in need of repair and renovation. Unfortunately the current owner has yet to advance a plan to redevelop this 90-acre site, in spite of legitimate inquiries by others to acquire the property. Truly the site has great potential sitting just north of our Kemper Meadow Business Center and south of a major corporation and regional hospital. However a high asking price has slowed efforts to reposition the site. Once a true plan for its redevelopment has been put forth, we could see a true transformative project that includes combination of office, retail and residential development. We continue to work with our regional partners, public and private, to identify new investors.

BUSINESS INCENTIVES

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

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

The process begins with a potential business submitting an application to the City. After reviewing the application, the City can accept, amend or deny a business request based upon specific goals and objectives the City would like to achieve, such as a specific level of new payroll, or retained payroll; or a specific level of capital investment in the community. The City will then prepare legislation and publicly discuss and make recommendations to City Council on how any decisions were made. City council has the authority to confirm or deny the City's request within the passage or failure of

legislation put before them. When an agreement impacts Winton Woods School District, a long-standing agreement exists that the City will share some of the new income tax revenue within the school district.

For 2018, the economic benefit of the business incentives allowed by the City resulted in real property investment of approximately \$26.3 million within the City of Forest Park. Financially, the City retained 910 jobs and gained 102 new employment opportunities. Another benefit of participation in business incentive programs resulted in the City gaining the ability to generate additional property tax revenue of \$540,864 for all overlapping taxing districts. Additionally, because the City of Forest Park offered business incentives, the loss of \$878,501 in municipal income tax revenue did not occur and Forest Park businesses did not relocate to neighboring communities that offer business incentives.

LONG-TERM FINANCIAL PLANNING

The general fund year-end balance is at 15.61 percent of total revenues, which is slightly under the City's targeted goal to maintain a general fund balance of at least 20% of total revenue. The City's ability to maintain a fund balance near its targeted goal is a reflection of our financial strength and quantifies the ability of the general fund to support all other City funds. The City will strive to maintain this ideal percentage of carryover despite future demands placed on the general fund.

FINANCIAL INFORMATION

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

CITY INCOME TAX

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

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

<u>Revenues</u>	
2018.....	\$9,640,862
2017.....	\$9,699,717
2016.....	\$9,748,448
2015.....	\$9,258,358
2014.....	\$8,560,758

The recent decline in municipal income tax revenue is a combination of the recent changes in Ohio state law regarding standardization of income tax collection and the change in how business net profit tax is collected. Ohio’s House Bill 49 provided an option for businesses to file through the State of Ohio instead of the City of Forest Park Income Tax Office. This change has made it extremely difficult to know for certain if the City is receiving all the net profit tax it is due. House Bill 49 became effective January 1st of 2018 for the 2017 tax season. The City did receive a few notifications that business were opting in to file with the State of Ohio. For 2018, the City received \$19,536 from June through December of 2018, but total net profit collection has decreased by more than \$250,000.

CASH MANAGEMENT

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

RISK MANAGEMENT

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

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

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

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

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Forest Park for its comprehensive annual financial report for the fiscal year ended December 31, 2017. This was the twenty-fifth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

DISTINGUISHED BUDGET PRESENTATION AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Forest Park, Ohio for the Annual Budget beginning January 1, 2018. This was the fifth time the City has received this award. The Distinguished Budget Presentation Award marks the City's return to an elite group of about 1,082 jurisdictions in the US and Canada that receive this award out of over 80,000 eligible jurisdictions. In Ohio, only 29 budgets received this award in 2018.

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

ACKNOWLEDGEMENTS

This report is the culmination of months of hard work by many individuals. I want to thank the Office Associate II for accounts payable, Calvin Robinson, Office Associate II for accounts receivable, Sherry Powell, Office Associate II for payroll, Noah Keating-Adams, Assistant Finance Director, Matthew Sanders and my Assistant to the Finance Director, Joy Vetere. I also want to thank Maria Scott, Business Auditor for income tax collections, and my three Office Associate IIs for income tax collection, Brenda Reinert, Kevin Moeller and Tekiquia Bailey for their assistance with this Comprehensive Annual Financial Report and their continued high-quality work in diligently carrying out their responsibilities within the Finance Department. Additionally, we wish to thank the independent accounting firm of Plattenburg and Associates, Certified Public Accountants for their assistance with the GAAP conversion and independent audit. Members of the Plattenburg firm

contributed to the preparation and examination of these financial statements along with the City's finance department staff.

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

Sincerely,



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

Public Officials

LEGISLATIVE



Charles H.
Johnson, Mayor



Wynndel T. Burns,
1st Vice Mayor



I. Denise Jarnigan-Holt,
2nd Vice Mayor



Councilwoman



Councilwoman
Chelsea Nuss



Councilwoman
Regina Collins



Councilwoman
Rosalind Moore

APPOINTED OFFICIALS

City Manager
Director of Building
Community Development Director
Economic Development Director
Finance Director
Fire Chief
Human Resources Director
Police Chief
Public Works & Stormwater Utility Director
Law Director
Clerk of Council
Information Systems Administrator
Environmental Awareness Program Manager

Ray H. Hodges
Rafic M. Nakouzi
Christopher A. Anderson
Paul W. Brehm
Harlita R. Tomlinson
Alfonza Jones II
Andrew T. Levandusky
William D. Arns
David L. Buesking
John R. Wykoff
Sally D. Derkson
Robert G. Silber
Wright H. Gwyn

DEPARTMENT OF FINANCE

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

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

DIVISION OF ACCOUNTING

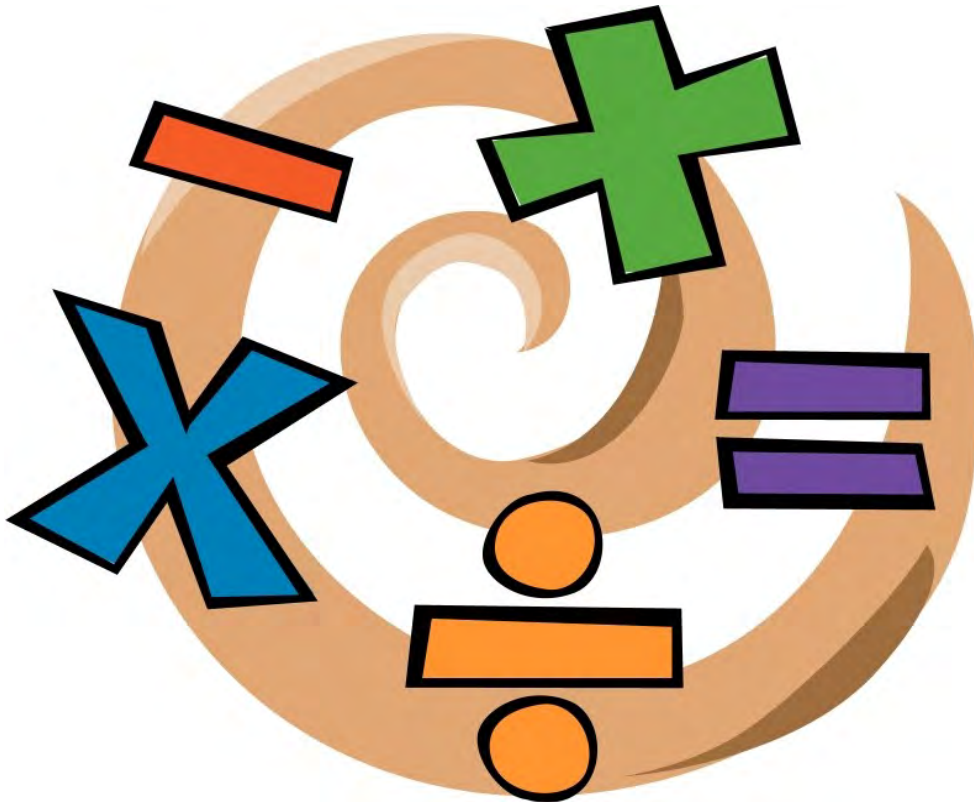
Noah Keating-Adams
Sherry A. Powell
Calvin Robinson

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

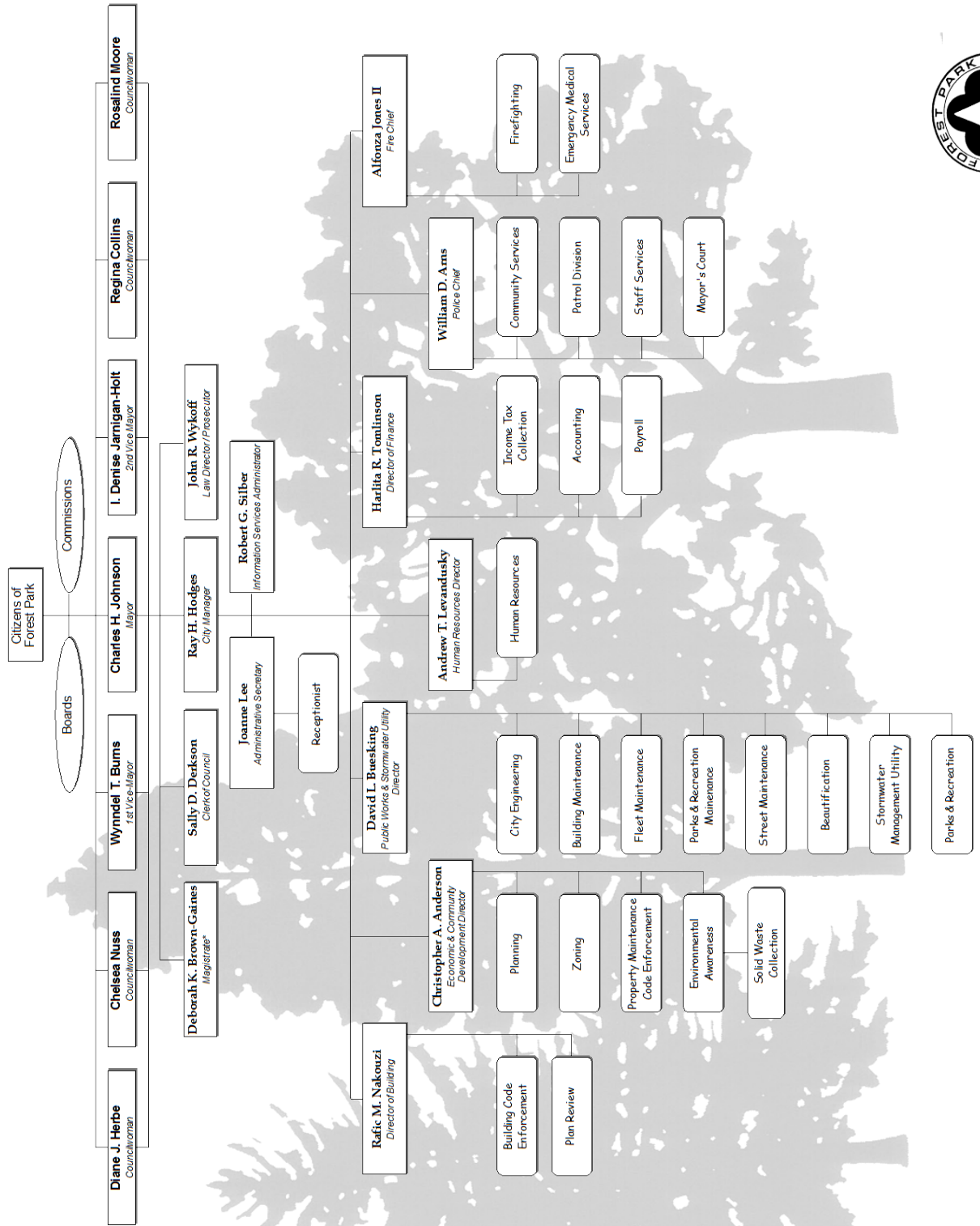
DIVISION OF TAXATION

Maria L. Scott
Kevin Moeller
Tekiquia Bailey
Brenda Reniert

Business Auditor
Tax Associate
Tax Associate
Tax Associate



City of Forest Park Organizational Chart





Government Finance Officers Association

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

Presented to

**City of Forest Park
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morill

Executive Director/CEO

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FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Forest Park, Ohio (the City) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 21 to the financial statements, during the year ended December 31, 2018, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pension. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2019, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. 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.

Platterburg & Associates, Inc.

Cincinnati, Ohio
June 25, 2019

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City of Forest Park, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2018
(Unaudited)

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

Financial Highlights

Key financial highlights for 2018 are as follows:

- In total, net position decreased \$1,284,946.
- General revenues accounted for \$17,804,534 in revenue or 81% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$4,078,372 or 19% of total revenues of \$21,882,906.
- The City had \$21,710,161 in expenses related to governmental activities; only \$2,391,743 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues and transfers of \$17,552,103 provided for the remainder of these programs.
- Business-type operations reflected an operating income of \$447,899.

Overview of the Financial Statements

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

The Statement of Net Position and Statement of Activities provide information about the activities of the City as a whole and present a long-term view of the City's finances. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as the amount of funds available for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

Government-Wide Financial Statements

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

City of Forest Park, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2018
(Unaudited)

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

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

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

Fund Financial Statements

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

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

Proprietary Funds - When the City charges citizens for the services it provides, with the intent of recapturing operating costs, these services are generally reported in proprietary funds. Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

City of Forest Park, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2018
(Unaudited)

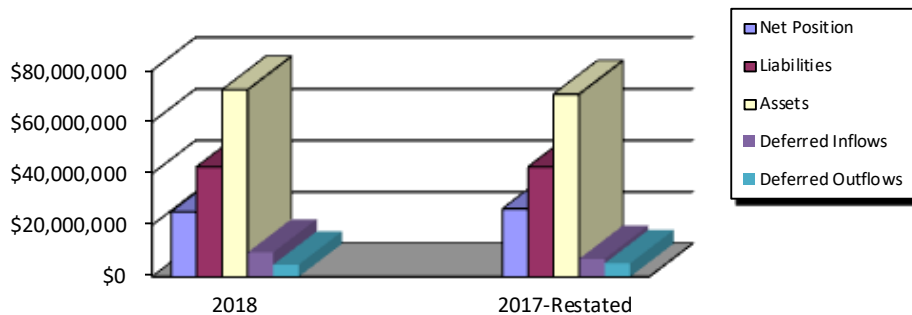
Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the Government-Wide Financial Statements because the resources of those funds are *not* available to support the City's own programs. All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

The City as a Whole

As stated previously, the Statement of Net Position looks at the City as a whole. Table 1 provides a summary of the City's net position for 2018 compared to 2017.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2018	2017 - Restated	2018	2017 - Restated	2018	2017 - Restated
Assets:						
Current and Other Assets	\$22,891,632	\$21,680,472	\$2,356,622	\$2,322,347	25,248,254	\$24,002,819
Capital Assets	45,043,545	44,784,415	2,297,566	2,127,463	47,341,111	46,911,878
Total Assets	67,935,177	66,464,887	4,654,188	4,449,810	72,589,365	70,914,697
Deferred Outflows of Resources:						
OPEB	1,511,970	64,145	5,022	1,070	1,516,992	65,215
Pension	3,170,552	4,898,855	24,120	226,262	3,194,672	5,125,117
Total Deferred Outflows of Resources	4,682,522	4,963,000	29,142	227,332	4,711,664	5,190,332
Liabilities:						
Long-Term Liabilities	36,974,309	36,725,491	167,913	684,760	37,142,222	37,410,251
Other Liabilities	5,417,885	5,168,193	128,822	117,121	5,546,707	5,285,314
Total Liabilities	42,392,194	41,893,684	296,735	801,881	42,688,929	42,695,565
Deferred Inflows of Resources:						
Property Taxes	4,778,620	5,042,833	0	0	4,778,620	5,042,833
OPEB	768,907	0	7,231	0	776,138	0
Revenue in Lieu of Taxes	1,896,381	1,739,311	0	0	1,896,381	1,739,311
Pension	1,948,084	152,231	26,215	3,481	1,974,299	155,712
Total Deferred Inflows of Resources	9,391,992	6,934,375	33,446	3,481	9,425,438	6,937,856
Net Position:						
Net Investment In Capital Assets	38,943,244	38,693,849	2,297,566	2,127,463	41,240,810	40,821,312
Restricted	5,734,229	4,974,340	0	0	5,734,229	4,974,340
Unrestricted	(23,843,960)	(21,068,361)	2,055,583	1,744,317	(21,788,377)	(19,324,044)
Total Net Position	\$20,833,513	\$22,599,828	\$4,353,149	\$3,871,780	\$25,186,662	\$26,471,608



City of Forest Park, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2018
(Unaudited)

The net pension liability (NPL) is reported by the City at December 31, 2018 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." For fiscal year 2018, the City adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

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

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

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

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

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

City of Forest Park, Ohio
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For The Year Ended December 31, 2018
(Unaudited)

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

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

As a result of implementing GASB 75, the City is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2017, from \$40,473,627 to \$26,471,608.

Net position of the City's governmental activities decreased \$1,766,315. The City had an unrestricted net position balance of (\$23,843,960). A positive unrestricted net position balance may be used to meet the government's ongoing obligations to citizens and creditors. Current and Other Assets increased mainly due to an increase in cash. Total Long-Term Liabilities decreased mainly due to the decrease in net pension liability.

Table 2 shows the changes in net position for the year ended December 31, 2018, and revenue and expense comparisons to 2017.

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City of Forest Park, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2018
(Unaudited)

Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Program Revenues:						
Charges for Services	\$1,000,595	\$917,192	\$1,686,629	\$1,449,886	\$2,687,224	\$2,367,078
Operating Grants and Contributions	1,389,169	1,382,116	0	0	1,389,169	1,382,116
Capital Grants and Contributions	1,979	33,298	0	0	1,979	33,298
Total Program Revenues	2,391,743	2,332,606	1,686,629	1,449,886	4,078,372	3,782,492
General Revenues:						
Income Taxes	9,414,248	9,698,755	0	0	9,414,248	9,698,755
Property Taxes	5,460,302	5,263,537	0	0	5,460,302	5,263,537
Grants and Entitlements	312,153	318,877	0	0	312,153	318,877
Investment Earnings	110,858	26,681	33,470	25,997	144,328	52,678
Other Revenues	2,254,542	1,969,232	218,961	168,270	2,473,503	2,137,502
Total General Revenues	17,552,103	17,277,082	252,431	194,267	17,804,534	17,471,349
Total Revenues	19,943,846	19,609,688	1,939,060	1,644,153	21,882,906	21,253,841
Program Expenses:						
General Government	4,013,016	3,675,587	0	0	4,013,016	3,675,587
Public Safety	12,687,015	10,948,119	0	0	12,687,015	10,948,119
Community Environment	967,903	691,939	0	0	967,903	691,939
Leisure Time Activities	360,611	306,121	0	0	360,611	306,121
Public Works and Streets	3,551,729	2,844,895	0	0	3,551,729	2,844,895
Public Health and Welfare	47,524	31,930	0	0	47,524	31,930
Interest and Other Charges	82,363	115,061	0	0	82,363	115,061
Stormwater Management Utility	0	0	348,319	588,772	348,319	588,772
Solid Waste Collection	0	0	1,109,372	1,136,138	1,109,372	1,136,138
Total Program Expenses	21,710,161	18,613,652	1,457,691	1,724,910	23,167,852	20,338,562
Change in Net Position	(1,766,315)	996,036	481,369	(80,757)	(1,284,946)	915,279
Net Position - Beginning of Year, Restated	22,599,828	N/A	3,871,780	N/A	26,471,608	N/A
Net Position - End of Year	\$20,833,513	\$22,599,828	\$4,353,149	\$3,871,780	\$25,186,662	\$26,471,608

The information necessary to restate the 2017 beginning balances and the 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 is not available. Therefore, 2017 functional expenses still include OPEB expense of \$65,216 computed under GASB 45. GASB 45 required recognizing OPEB expense equal to the contractually required contributions to the plan. Under GASB 75, OPEB expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of OPEB expense. Under GASB 75, the 2018 statements report OPEB expense of \$1,173,493. Consequently, in order to compare 2018 total program expenses to 2017, the following adjustments are needed:

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City of Forest Park, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2018
(Unaudited)

	Governmental Activities	Business-type Activities	Total
Total 2018 operating expenses under GASB 75	\$21,710,161	\$1,457,691	\$23,167,852
OPEB expense under GASB 75	(1,085,903)	(87,590)	(1,173,493)
2018 contractually required contribution	27,163	0	27,163
Adjusted 2018 operating expenses	<u>20,651,421</u>	<u>1,370,101</u>	<u>22,021,522</u>
Total 2017 operating expenses under GASB 45	<u>18,613,652</u>	<u>1,724,910</u>	<u>20,338,562</u>
Change in operating expenses not related to OPEB	<u>\$2,037,769</u>	<u>(\$354,809)</u>	<u>\$1,682,960</u>

Governmental Activities

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

Property taxes and income taxes made up 75% of revenues for governmental activities for the City during 2018. The City's reliance upon tax revenues is demonstrated by the chart below indicating approximately 75% of total revenues from municipal income and property taxes:

	2018	Percent of Total
Charges for Services	\$1,000,595	5.0%
Operating Grants and Contributions	1,389,169	7.0%
Capital Grants and Contributions	1,979	0.1%
Municipal Income Taxes	9,414,248	47.2%
Property Taxes	5,460,302	27.4%
Revenue in Lieu of Taxes	2,021,324	9.9%
Grants and Entitlements not Restricted	312,153	1.6%
Investment Earnings	110,858	0.6%
Other Revenues	233,218	1.2%
Total Revenues	<u>\$19,943,846</u>	<u>100.0%</u>

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

Income tax revenue decreased mainly due to a decrease in income tax receipt collections. Public Works and Streets increased mainly due to an increase in street repairs and maintenance throughout the City.

City of Forest Park, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2018
(Unaudited)

Business-Type Activities

Business-type activities include Stormwater Management Utility and Solid Waste Collection. These programs had operating revenues of \$1,905,590 and expenses of \$1,457,691 for fiscal year 2018. Business activities receive no support from tax revenues. The business activities net position at the end of the year was \$4,353,149, which increased \$481,369 from 2017 mainly due to increased revenue collections in 2018.

The Stormwater Management Utility fund had operating income of \$337,089 in 2018. The Solid Waste Collection fund had operating income of \$110,810 in 2018.

The City has three major governmental funds: the General Fund, the Fire Fund, and the Economic Development Fund. Assets of these funds comprised \$15,174,991 (66%) of the total \$22,889,501 governmental funds' assets.

General Fund: Fund balance at December 31, 2018 was \$4,873,038, a decrease in fund balance of \$634,280 from 2017. The fund balance decreased due to an increase in public safety expenditures in 2018 as compared to 2017.

Fire Fund: Fund balance at December 31, 2018 was \$2,143,993, an increase in fund balance of \$491,825 from 2017. The fund balance increased due to an increase in charges for services revenue in 2018 as compared to 2017.

Economic Development Fund: Fund balance at December 31, 2018 was (\$839,967) an increase in fund balance of \$240,176. The fund balance increased mainly due to revenues exceeding expenditures during the year.

General Fund Budgeting Highlights

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

As the City completed the year, its General Fund balance reported an actual fund balance of \$4,134,108, on a Non-GAAP Budgetary Basis.

Variations from the final budget amounts to the original amounts are primarily due to the following reasons: The City underestimated the public safety and general government expenditures for 2018. Variations from actual expenditures to the final budget expenditures are primarily due to the following reasons: The City overestimated the public safety, general government and public works and streets expenditures for 2018.

City of Forest Park, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2018
(Unaudited)

Capital Assets and Debt Administration

Capital Assets

At year end, the City had \$47,341,111 invested in land, construction in progress, buildings and improvements, equipment and infrastructure. Table 3 shows 2018 balances compared to 2017:

Table 3
Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Land	\$14,391,776	\$14,391,776	\$179,780	\$179,780	\$14,571,556	\$14,571,556
Construction in Progress	0	0	8,955	8,955	8,955	8,955
Buildings and Improvements	8,581,675	8,140,685	48,616	48,616	8,630,291	8,189,301
Equipment	10,850,088	9,767,844	64,278	64,278	10,914,366	9,832,122
Infrastructure	46,128,796	45,666,238	2,479,759	2,219,081	48,608,555	47,885,319
Accumulated Depreciation	(34,908,790)	(33,182,128)	(483,822)	(393,247)	(35,392,612)	(33,575,375)
Total Net Capital Assets	<u>\$45,043,545</u>	<u>\$44,784,415</u>	<u>\$2,297,566</u>	<u>\$2,127,463</u>	<u>\$47,341,111</u>	<u>\$46,911,878</u>

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

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

Debt

At December 31, 2018, the City had \$2,733,546 general obligation bonds and leases outstanding, \$1,013,070 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2018 and 2017:

Table 4
Outstanding Debt at Year End

		2018	2017
Governmental Activities:			
Unvoted General Obligation Bonds:			
Refunding Various Purpose	3.89%	\$270,000	\$525,000
Premium on Refunding		9,433	23,586
Capital Leases	2.37%	2,454,113	1,451,980
Total Governmental Activities		<u>\$2,733,546</u>	<u>\$2,000,566</u>

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

City of Forest Park, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2018
(Unaudited)

Contacting the City's Finance Department

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

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City of Forest Park, Ohio
Statement of Net Position
December 31, 2018

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in Pooled Cash and Investments	\$11,548,091	\$2,022,599	\$13,570,690
Restricted Cash	923,245	0	923,245
Receivables (Net):			
Taxes	7,313,348	0	7,313,348
Accounts	121,973	321,856	443,829
Interest	17,839	2,943	20,782
Intergovernmental	2,731,105	0	2,731,105
Prepaid Items	236,031	9,224	245,255
Nondepreciable Capital Assets	14,391,776	188,735	14,580,511
Depreciable Capital Assets, Net	30,651,769	2,108,831	32,760,600
Total Assets	67,935,177	4,654,188	72,589,365
Deferred Outflows of Resources:			
Pension	3,170,552	24,120	3,194,672
OPEB	1,511,970	5,022	1,516,992
Total Deferred Outflows of Resources	4,682,522	29,142	4,711,664
Liabilities:			
Accounts Payable	389,704	106,127	495,831
Accrued Wages and Benefits	717,784	22,695	740,479
Accrued Interest Payable	20,397	0	20,397
General Obligation Notes Payable	4,290,000	0	4,290,000
Long-Term Liabilities:			
Due Within One Year	1,013,070	193	1,013,263
Due In More Than One Year			
Net Pension Liability	18,025,567	98,547	18,124,114
Net OPEB Liability	15,820,970	68,232	15,889,202
Other Amounts	2,114,702	941	2,115,643
Total Liabilities	42,392,194	296,735	42,688,929
Deferred Inflows of Resources:			
Property Taxes	4,778,620	0	4,778,620
Revenue in Lieu of Taxes	1,896,381	0	1,896,381
Pension	1,948,084	26,215	1,974,299
OPEB	768,907	7,231	776,138
Total Deferred Inflows of Resources	9,391,992	33,446	9,425,438
Net Position:			
Net Investment in Capital Assets	38,943,244	2,297,566	41,240,810
Restricted for:			
Capital Projects	795,383	0	795,383
Street Improvements	1,180,752	0	1,180,752
State Highway	244,246	0	244,246
Fire	2,607,792	0	2,607,792
Community Development	513,620	0	513,620
Other Purposes	392,436	0	392,436
Unrestricted	(23,843,960)	2,055,583	(21,788,377)
Total Net Position	\$20,833,513	\$4,353,149	\$25,186,662

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio
Statement of Activities
For the Fiscal Year Ended December 31, 2018

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$4,013,016	\$30,205	\$0	\$0
Public Safety	12,687,015	684,971	328,984	0
Community Environment	967,903	36,842	0	0
Leisure Time Activities	360,611	65,118	0	0
Public Works and Streets	3,551,729	0	1,060,185	1,979
Public Health and Welfare	47,524	183,459	0	0
Interest and Other Charges	82,363	0	0	0
Total Governmental Activities	21,710,161	1,000,595	1,389,169	1,979
Business-Type Activities:				
Stormwater Management Utility	348,319	685,228	0	0
Solid Waste Collection	1,109,372	1,001,401	0	0
Total Business-Type Activities	1,457,691	1,686,629	0	0
Totals	\$23,167,852	\$2,687,224	\$1,389,169	\$1,979

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

Total General Revenues

Change in Net Position

Net Position - Beginning of Year, Restated

Net Position - End of Year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
(\$3,982,811)	\$0	(\$3,982,811)
(11,673,060)	0	(11,673,060)
(931,061)	0	(931,061)
(295,493)	0	(295,493)
(2,489,565)	0	(2,489,565)
135,935	0	135,935
(82,363)	0	(82,363)
<u>(19,318,418)</u>	<u>0</u>	<u>(19,318,418)</u>
0	336,909	336,909
0	(107,971)	(107,971)
<u>0</u>	<u>228,938</u>	<u>228,938</u>
<u>(19,318,418)</u>	<u>228,938</u>	<u>(19,089,480)</u>
9,414,248	0	9,414,248
932,297	0	932,297
4,528,005	0	4,528,005
312,153	0	312,153
2,021,324	0	2,021,324
110,858	33,470	144,328
233,218	218,961	452,179
<u>17,552,103</u>	<u>252,431</u>	<u>17,804,534</u>
(1,766,315)	481,369	(1,284,946)
<u>22,599,828</u>	<u>3,871,780</u>	<u>26,471,608</u>
<u>\$20,833,513</u>	<u>\$4,353,149</u>	<u>\$25,186,662</u>

City of Forest Park, Ohio
Balance Sheet
Governmental Funds
December 31, 2018

	General	Fire	Economic Development	Other Governmental Funds	Total Governmental Funds
Assets:					
Equity in Pooled Cash and Investments	\$4,342,499	\$2,263,828	\$614,861	\$4,324,772	\$11,545,960
Restricted Cash	0	0	0	923,245	923,245
Receivables (Net):					
Taxes	2,896,702	4,416,646	0	0	7,313,348
Accounts	0	121,973	0	0	121,973
Interest	7,449	3,492	936	5,962	17,839
Intergovernmental	129,462	159,779	0	2,441,864	2,731,105
Prepaid Items	154,816	62,548	0	18,667	236,031
Total Assets	7,530,928	7,028,266	615,797	7,714,510	22,889,501
Liabilities:					
Accounts Payable	128,477	69,601	10,009	126,037	334,124
Accrued Wages and Benefits	479,758	211,931	0	26,095	717,784
Accrued Interest Payable	0	0	0	19,251	19,251
General Obligation Notes Payable	0	0	1,445,000	2,845,000	4,290,000
Total Liabilities	608,235	281,532	1,455,009	3,016,383	5,361,159
Deferred Inflows of Resources:					
Property Taxes	819,487	4,416,646	0	0	5,236,133
Income Taxes	1,113,097	0	0	0	1,113,097
Grants and Other Taxes	111,059	159,779	0	360,737	631,575
Revenue in Lieu of Taxes	0	0	0	1,896,381	1,896,381
Investment Earnings	6,012	2,818	755	4,812	14,397
Accounts	0	23,498	0	0	23,498
Total Deferred Inflows of Resources	2,049,655	4,602,741	755	2,261,930	8,915,081
Fund Balances:					
Nonspendable	154,816	62,548	0	18,667	236,031
Restricted	0	2,081,445	0	3,695,130	5,776,575
Committed	0	0	0	1,432	1,432
Assigned	161,218	0	0	0	161,218
Unassigned	4,557,004	0	(839,967)	(1,279,032)	2,438,005
Total Fund Balances	4,873,038	2,143,993	(839,967)	2,436,197	8,613,261
Total Liabilities, Deferred Inflows and Fund Balances	\$7,530,928	\$7,028,266	\$615,797	\$7,714,510	\$22,889,501

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio
 Reconciliation of Total Governmental Fund Balance to
 Net Position of Governmental Activities
 December 31, 2018

Total Governmental Fund Balance		\$8,613,261
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets used in the operation of Governmental Funds		45,043,545
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Income Taxes	\$1,113,097	
Delinquent Property Taxes	457,513	
Interest	14,397	
Intergovernmental	631,575	
Other Receivables	23,498	
		<u>2,240,080</u>
An internal service fund is used by management to charge back costs to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		
Internal Service Net Position		(53,449)
In the statement of net position interest payable is accrued when incurred; whereas, in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.		
		(1,146)
Some liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds.		
Compensated Absences		(394,226)
Deferred outflows and inflows or resources related to pensions/OPEB are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	3,170,552	
Deferred inflows of resources related to pensions	(1,948,084)	
Deferred outflows of resources related to OPEB	1,511,970	
Deferred inflows of resources related to OPEB	(768,907)	
		<u>1,965,531</u>
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Net Pension Liability	(18,025,567)	
Net OPEB Liability	(15,820,970)	
Other Amounts	(2,733,546)	
		<u>(36,580,083)</u>
Net Position of Governmental Activities		<u>\$20,833,513</u>

See accompanying notes to the basic financial statements.

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City of Forest Park, Ohio
Statement of Revenues, Expenditures
and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended December 31, 2018

	General	Fire	Economic Development	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property and Other Taxes	\$922,782	\$4,483,569	\$0	\$0	\$5,406,351
Income Taxes	9,640,862	0	0	0	9,640,862
Charges for Services	110,093	563,006	0	0	673,099
Investment Earnings	0	27,672	13,438	64,019	105,129
Intergovernmental	292,217	326,545	0	1,061,714	1,680,476
Special Assessments	0	0	22,866	0	22,866
Fines, Licenses & Permits	372,327	5,939	0	14,186	392,452
Revenue in Lieu of Taxes	11	54	0	2,021,259	2,021,324
Other Revenues	84,859	96,401	5,000	46,958	233,218
Total Revenues	11,423,151	5,503,186	41,304	3,208,136	20,175,777
Expenditures:					
Current:					
General Government	2,604,953	0	0	1,026,415	3,631,368
Public Safety	5,734,765	4,511,361	0	21,253	10,267,379
Community Environment	766,670	0	6,422	47,557	820,649
Leisure Time Activities	304,495	0	0	0	304,495
Public Works and Streets	1,199,024	0	9,072	859,210	2,067,306
Public Health and Welfare	47,524	0	0	0	47,524
Capital Outlay	0	0	277,044	1,977,813	2,254,857
Debt Service:					
Principal	0	0	0	863,312	863,312
Interest and Other Charges	0	0	8,590	88,643	97,233
Total Expenditures	10,657,431	4,511,361	301,128	4,884,203	20,354,123
Excess of Revenues Over (Under) Expenditures	765,720	991,825	(259,824)	(1,676,067)	(178,346)
Other Financing Sources (Uses):					
Issuance of Capital Leases	0	0	0	1,610,445	1,610,445
Transfers In	0	0	500,000	1,400,000	1,900,000
Transfers (Out)	(1,400,000)	(500,000)	0	0	(1,900,000)
Total Other Financing Sources (Uses)	(1,400,000)	(500,000)	500,000	3,010,445	1,610,445
Net Change in Fund Balance	(634,280)	491,825	240,176	1,334,378	1,432,099
Fund Balance - Beginning of Year	5,507,318	1,652,168	(1,080,143)	1,101,819	7,181,162
Fund Balance - End of Year	\$4,873,038	\$2,143,993	(\$839,967)	\$2,436,197	\$8,613,261

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balance of Governmental Funds to the Statement of Activities
 For the Fiscal Year Ended December 31, 2018

Net Change in Fund Balance - Total Governmental Funds		\$1,432,099
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital asset additions as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of the difference between capital asset additions and depreciation in the current period.</p>		
Capital assets used in governmental activities	\$1,985,792	
Depreciation Expense	<u>(1,726,662)</u>	259,130
<p>Governmental funds report City pension/OPEB contributions as expenditures. However in the Statement of Activities, the cost of pension/OPEB benefits earned net of employee contributions is reported as pension/OPEB expense.</p>		
City pension contributions	1,561,566	
Cost of benefits earned net of employee contributions - Pension	(2,768,104)	
City OPEB contributions	27,163	
Cost of benefits earned net of employee contributions - OPEB	<u>(1,085,903)</u>	(2,265,278)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Income Taxes	(226,614)	
Delinquent Property Taxes	53,951	
Interest	5,668	
Intergovernmental	22,825	
Other	<u>(87,761)</u>	(231,931)
<p>Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>		
		863,312
<p>In the statement of activities interest expense is accrued when incurred; whereas, in governmental funds an interest expenditure is reported when due.</p>		
		717
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Compensated Absences	(191,590)	
Amortization of Bond Premium	<u>14,153</u>	(177,437)
<p>The internal service fund used by management to charge back costs to individual funds is not reported in the entity-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.</p>		
Change in Net Position - Internal Service Funds		(36,482)
<p>Proceeds from debt issues are an other financing source in the funds, but a debt issue increases long-term liabilities in the statement of net position.</p>		
		<u>(1,610,445)</u>
Change in Net Position of Governmental Activities		<u><u>(\$1,766,315)</u></u>
<p>See accompanying notes to the basic financial statements.</p>		

City of Forest Park, Ohio
Statement of Net Position
Proprietary Funds
December 31, 2018

	Business-Type Activities -Enterprise Funds			Governmental Activities- Internal Service Funds
	Stormwater Management Utility	Solid Waste Collection	Total Business-Type Activities	
Current Assets:				
Equity in Pooled Cash and Investments	\$1,257,981	\$764,618	\$2,022,599	\$2,131
Receivables (Net):				
Accounts	140,721	181,135	321,856	0
Interest	1,835	1,108	2,943	0
Prepaid Items	3,996	5,228	9,224	0
Total Current Assets	1,404,533	952,089	2,356,622	2,131
Noncurrent Assets:				
Capital Assets:				
Nondepreciable Capital Assets	179,780	8,955	188,735	0
Depreciable Capital Assets, Net	2,081,798	27,033	2,108,831	0
Total Noncurrent Assets	2,261,578	35,988	2,297,566	0
Total Assets	3,666,111	988,077	4,654,188	2,131
Deferred Outflows of Resources:				
Pension	15,140	8,980	24,120	0
OPEB	3,152	1,870	5,022	0
Total Deferred Outflows of Resources	18,292	10,850	29,142	0
Liabilities:				
Current Liabilities:				
Accounts Payable	6,946	99,181	106,127	55,580
Accrued Wages and Benefits	12,545	10,150	22,695	0
Compensated Absences	193	0	193	0
Total Current Liabilities	19,684	109,331	129,015	55,580
Long-Term Liabilities:				
Compensated Absences	941	0	941	0
Net Pension Liability	61,858	36,689	98,547	0
Net OPEB Liability	42,830	25,402	68,232	0
Total Noncurrent Liabilities	105,629	62,091	167,720	0
Total Liabilities	125,313	171,422	296,735	55,580
Deferred Inflows of Resources:				
Pension	16,455	9,760	26,215	0
OPEB	4,539	2,692	7,231	0
Total Deferred Inflows of Resources	20,994	12,452	33,446	0
Net Position:				
Net Investment in Capital Assets	2,261,578	35,988	2,297,566	0
Unrestricted	1,276,518	779,065	2,055,583	(53,449)
Total Net Position	\$3,538,096	\$815,053	\$4,353,149	(\$53,449)

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio
Statement of Revenues, Expenses
and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended December 31, 2018

	Business-Type Activities -Enterprise Funds			Governmental Activities- Internal Service Funds
	Stormwater Management Utility	Solid Waste Collection	Total Business-Type Activities	
Operating Revenues:				
Charges for Services	\$685,228	\$1,001,401	\$1,686,629	\$212,637
Other Revenues	180	218,781	218,961	0
Total Operating Revenues	685,408	1,220,182	1,905,590	212,637
Operating Expenses:				
Personal Services	89,996	56,691	146,687	0
Contactual Services	159,210	945,361	1,104,571	247,038
Materials and Supplies	530	2,775	3,305	2,081
Depreciation	89,650	925	90,575	0
Other Expense	8,933	103,620	112,553	0
Total Operating Expenses	348,319	1,109,372	1,457,691	249,119
Operating Income (Loss)	337,089	110,810	447,899	(36,482)
Non-Operating Revenues (Expenses):				
Investment Earnings	21,675	11,795	33,470	0
Total Non-Operating Revenues (Expenses)	21,675	11,795	33,470	0
Change in Net Position	358,764	122,605	481,369	(36,482)
Net Position - Beginning of Year, Restated	3,179,332	692,448	3,871,780	(16,967)
Net Position - End of Year	\$3,538,096	\$815,053	\$4,353,149	(\$53,449)

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended December 31, 2018

	Business-Type Activities -Enterprise Funds			Governmental Activities- Internal Service Funds
	Stormwater Management Utility	Solid Waste Collection	Total Business-Type Activities	
Cash Flows from Operating Activities:				
Cash Received from Customers	\$576,586	\$1,268,008	\$1,844,594	\$212,637
Cash Payments to Employees	(282,551)	(149,690)	(432,241)	0
Cash Payments to Suppliers	(166,223)	(1,048,557)	(1,214,780)	(212,479)
Net Cash Provided (Used) by Operating Activities	127,812	69,761	197,573	158
Cash Flows from Capital and Related Financing Activities:				
Payments for Capital Acquisitions	(260,678)	0	(260,678)	0
Net Cash Provided (Used) by Capital and Related Financing Activities	(260,678)	0	(260,678)	0
Cash Flows from Investing Activities:				
Earnings on Investments	21,437	11,509	32,946	0
Net Cash Provided (Used) by Cash Flows from Investing Activities	21,437	11,509	32,946	0
Net Increase (Decrease) in Cash and Cash Equivalents	(111,429)	81,270	(30,159)	158
Cash and Cash Equivalents - Beginning of Year	1,369,410	683,348	2,052,758	1,973
Cash and Cash Equivalents - End of Year	1,257,981	764,618	2,022,599	2,131
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	337,089	110,810	447,899	(36,482)
Adjustments:				
Depreciation	89,650	925	90,575	0
Changes in Assets & Liabilities:				
(Increase) Decrease in Receivables	(108,822)	47,826	(60,996)	0
(Increase) Decrease in Prepaid Items	256	(3,170)	(2,914)	0
(Increase) Decrease in Deferred Outflows of Resources	124,991	73,200	198,191	0
Increase (Decrease) in Net OPEB Liability	1,000	593	1,593	0
Increase (Decrease) in Payables	2,194	6,495	8,689	36,640
Increase (Decrease) in Accrued Liabilities	(30,579)	1,451	(29,128)	0
Increase (Decrease) in Deferred Inflows of Resources	18,800	11,165	29,965	0
Increase (Decrease) in Net Pension Liability	(306,767)	(179,534)	(486,301)	0
Net Cash Provided (Used) by Operating Activities	\$127,812	\$69,761	\$197,573	\$158

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio
Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2018

	<u>Agency</u>
Assets:	
Equity in Pooled Cash and Investments	<u>\$186,471</u>
Total Assets	<u>186,471</u>
Liabilities:	
Accounts Payable	184
Due to Other	<u>186,287</u>
Total Liabilities	<u>\$186,471</u>

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2018

Note 1 – Description of the City and Reporting Entity

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

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

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board; and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organizations. Component units may also include organizations for which the City authorizes the issuance of debt or the levying of taxes, or determines the budget. The City has no component units that meet the above criteria. However, the City is associated with a jointly governed organization. The Waycross Community Programming Board is discussed in Note 13 to the financial statements.

Note 2 – Summary of Significant Accounting Policies

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

Measurement Focus

Government-Wide Financial Statements

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

Fund Financial Statements

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

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2018

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

Basis of Presentation

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

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

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

Fund Financial Statements

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

Fund Accounting

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

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2018

Governmental Funds

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

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

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

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

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

Proprietary Funds

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

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

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

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

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

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2018

Fiduciary Funds

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

Basis of Accounting

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

Revenues - Exchange and Non-exchange Transactions

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

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

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

City of Forest Park, Ohio
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Deferred Outflows/Inflows of Resources

Deferred Outflows/Inflows of Resources - In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represent consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources include pension and OPEB which is reported on the government-wide statement of net position. The deferred outflows of resources related to pension and OPEB are explained in Notes 11 and 12.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, income taxes, grants and other taxes, revenue in lieu of taxes, investment earnings, OPEB, pension and accounts revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2018, but which were levied to finance year 2019 operations. Revenue in lieu of taxes includes tax increment financing agreements. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. All other revenues are reported only on the governmental funds balance sheet, and represent receivables which will not be collected within the available period. Deferred inflows of resources related to pension and OPEB are reported on the governmental-wide statement of net position. (See Notes 11 and 12.)

Expenses/Expenditures

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

Equity in Pooled Cash and Investments

To improve cash management the City's cash and investments are pooled. Monies for all funds, except cash and investments held in segregated accounts, are maintained in this pool. Individual fund integrity is maintained through City records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Investments" on the balance sheet.

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

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

City of Forest Park, Ohio
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For The Year Ended December 31, 2018

For 2018, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

Following the Charter and Codified Ordinances of the City as well as the Ohio Revised Code, the City has specified the funds to receive an allocation of interest earnings. Interest revenues during 2018 amounted to \$138,599 on the fund level and \$144,328 on the full-accrual level. Interest revenue on the fund level credited to the Economic Development Fund amounted to \$13,438, \$27,672 credited to the Fire Fund, \$64,019 credited to Other Governmental Funds, \$21,675 credited to the Stormwater Management Fund and \$11,795 credited to the Solid Waste Collection Fund.

Prepaid Items

Payments made for services that will benefit periods beyond December 31, 2018, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense in the year in which services are consumed.

Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value. The City maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized.

All reported capital assets are depreciated except for land. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

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

Compensated Absences

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

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

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

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, capital leases and long-term loans are recognized as a liability on the fund financial statements when due.

Pensions/Other Postemployment Benefits (OPEB)

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

Fund Balance

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

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

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

City of Forest Park, Ohio
Notes to the Basic Financial Statements
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Committed – spendable resources that are constrained for specific purposes that are internally imposed by the government at its highest level of decision making authority, City Council. This is done by ordinance by City Council.

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

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

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

Net Position

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

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Of the City's \$5,734,229 in restricted net position, none was restricted by enabling legislation.

Interfund Activity

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

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

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

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2018

Estimates

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

Note 3 – Equity in Pooled Cash and Investments

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

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

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

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

Interim Monies - Those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Ohio law permits interim monies to be invested or deposited in the following securities:

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

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

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institution's participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. As of December 31, 2018, \$264,206 of the City's bank balance of \$514,206 was exposed to custodial credit risk because it was uninsured and collateralized.

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

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

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

Investments

As of December 31, 2018, the City had the following investments:

City of Forest Park, Ohio
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	<u>Value</u>	<u>Fair Value Hierarchy</u>	<u>Weighted Average Maturity (Years)</u>
Federal National Mortgage Association	\$209,538	Level 2	0.20
US Treasury Notes	418,030	Level 1	0.50
Federal Home Loan Bank	815,230	Level 2	2.11
Federal Farm Credit Bank	610,017	Level 2	2.69
Certificates of Deposit	7,759,334	Level 2	2.56
Federal Home Loan Mortgage	993,823	Level 2	2.14
Commercial Paper	1,582,514	Level 2	0.41
STAR Ohio	92,398	N/A	0.14
Money Market Funds	932,746	N/A	0.00
	<u>\$13,413,630</u>		
Portfolio Weighted Average Maturity			1.96

The City categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The Hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the City's recurring fair value measurements as of December 31, 2018. STAR Ohio is reported at its share price (Net Asset value per share).

Interest Rate Risk - In accordance with the investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to two years, unless matched to a specified obligation or debt of the City.

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

Concentration of Credit Risk - The City's investment policy allows investments in Federal Government Securities or Instrumentalities. The City has invested 57.8% in Certificates of Deposit, 1.6% in Federal National Mortgage Association, 7.4% in Federal Home Loan Mortgage, 6.1% in Federal Home Loan Banks, 11.8% in Commercial Paper, 4.5% in Federal Farm Credit Bank, 3.1% in U.S. Treasury Notes, 0.7% in STAR Ohio and 7.0% in Money Market Funds.

Custodial Credit Risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the City's securities are either insured and registered in the name of the City or at least registered in the name of the City.

City of Forest Park, Ohio
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Note 4 – Receivables

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

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

Property Taxes

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 2018 for real and public utility property taxes represents collections of the 2017 taxes.

The 2018 real property taxes are levied after October 1, 2018, on the assessed value as of January 1, 2018, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2018 real property taxes are collected in and intended to finance 2019 operations.

Public utility personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. The 2018 public utility property taxes became a lien on December 31, 2017, are levied after October 1, 2018, and are collected in 2018 with real property taxes.

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

	<u>Amount</u>
Real Property	\$295,160,130
Public Utility	<u>16,307,040</u>
Total	<u><u>\$311,467,170</u></u>

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

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

Income Taxes

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

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2018

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

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

Note 5 – Risk Management

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

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

Note 6 – Capital Assets

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

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$14,391,776	\$0	\$0	\$14,391,776
Total Capital Assets, not being depreciated	14,391,776	0	0	14,391,776
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	8,140,685	440,990	0	8,581,675
Equipment	9,767,844	1,082,244	0	10,850,088
Infrastructure	45,666,238	462,558	0	46,128,796
Totals at Historical Cost	77,966,543	1,985,792	0	79,952,335
Less Accumulated Depreciation:				
Buildings and Improvements	3,906,504	161,845	0	4,068,349
Equipment	6,003,023	585,511	0	6,588,534
Infrastructure	23,272,601	979,306	0	24,251,907
Total Accumulated Depreciation	33,182,128	1,726,662	0	34,908,790
Governmental Activities Capital Assets, Net	\$44,784,415	\$259,130	\$0	\$45,043,545

City of Forest Park, Ohio
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	Beginning Balance	Additions	Deletions	Ending Balance
Business-Type Activities				
Capital Assets, not being depreciated:				
Land	\$179,780	\$0	\$0	\$179,780
Construction in Progress	8,955	0	0	8,955
Total Capital Assets, not being depreciated	<u>188,735</u>	<u>0</u>	<u>0</u>	<u>188,735</u>
Capital Assets, being depreciated:				
Buildings and Improvements	48,616	0	0	48,616
Equipment	64,278	0	0	64,278
Infrastructure	2,219,081	260,678	0	2,479,759
Totals at Historical Cost	<u>2,520,710</u>	<u>260,678</u>	<u>0</u>	<u>2,781,388</u>
Less Accumulated Depreciation:				
Buildings and Improvements	12,312	1,137	0	13,449
Equipment	55,649	947	0	56,596
Infrastructure	325,286	88,491	0	413,777
Total Accumulated Depreciation	<u>393,247</u>	<u>90,575</u>	<u>0</u>	<u>483,822</u>
Business-Type Activities Capital Assets, Net	<u><u>\$2,127,463</u></u>	<u><u>\$170,103</u></u>	<u><u>\$0</u></u>	<u><u>\$2,297,566</u></u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$82,931
Public Safety	434,314
Leisure Time	37,997
Transportation	1,171,420
Total Depreciation Expense	<u><u>\$1,726,662</u></u>

Note 7 – Compensated Absences

Accumulated Unpaid Vacation

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

Accumulated Unpaid Sick Leave

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

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2018

Accumulated Unpaid Compensatory Time

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

Note 8 – Notes Payable

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

		Beginning Balance	Additions	Deletions	Ending Balance
Bond Anticipation Notes:					
Governmental Activities:					
Various Purpose Bond Anticipation Notes	1.75%	\$4,090,000	\$0	(\$4,090,000)	\$0
Various Purpose Bond Anticipation Notes	3.50%	0	4,290,000	0	4,290,000
Total Governmental Activities		<u>\$4,090,000</u>	<u>\$4,290,000</u>	<u>(\$4,090,000)</u>	<u>\$4,290,000</u>

These bond anticipation notes were issued to finance road improvements and various other improvements throughout the City.

All of the notes are bond anticipation notes, are backed by the full faith and credit of the City, and mature within one year. The note liability is reflected in the fund which received the proceeds.

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City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2018

Note 9 – Long-Term Debt

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

	Restated Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities					
<u>Unvoted General Obligation Bonds and Notes</u>					
3.89% Refunding of Various Purpose	\$525,000	\$0	(\$255,000)	\$270,000	\$270,000
Premium on Refunding	23,586	0	(14,153)	9,433	0
Total Bonds and Notes	<u>548,586</u>	<u>0</u>	<u>(269,153)</u>	<u>279,433</u>	<u>270,000</u>
Capital Lease	1,451,980	1,610,445	(608,312)	2,454,113	743,070
Net Pension Liability:					
OPERS	4,948,257	0	(1,397,133)	3,551,124	0
OP&F	15,477,644	0	(1,003,201)	14,474,443	0
Total Net Pension Liability	<u>20,425,901</u>	<u>0</u>	<u>(2,400,334)</u>	<u>18,025,567</u>	<u>0</u>
Net OPEB Liability:					
OPERS	2,401,281	57,438	0	2,458,719	0
OP&F	11,599,315	1,762,936	0	13,362,251	0
Total Net OPEB Liability	<u>14,000,596</u>	<u>1,820,374</u>	<u>0</u>	<u>15,820,970</u>	<u>0</u>
Total Long-Term Debt	36,427,063	3,430,819	(3,277,799)	36,580,083	1,013,070
Compensated Absences	298,428	191,590	(95,792)	394,226	0
Total Governmental Activities	<u>36,725,491</u>	<u>3,622,409</u>	<u>(3,373,591)</u>	<u>36,974,309</u>	<u>1,013,070</u>
Business-Type Activities					
Net Pension Liability:					
OPERS	584,848	0	(486,301)	98,547	0
Total Net Pension Liability	<u>584,848</u>	<u>0</u>	<u>(486,301)</u>	<u>98,547</u>	<u>0</u>
Net OPEB Liability:					
OPERS	66,638	1,594	0	68,232	0
Total Net OPEB Liability	<u>66,638</u>	<u>1,594</u>	<u>0</u>	<u>68,232</u>	<u>0</u>
Compensated Absences	33,274	5,657	(37,797)	1,134	193
Total Business-Type Activities	<u>\$684,760</u>	<u>\$7,251</u>	<u>(\$524,098)</u>	<u>\$167,913</u>	<u>\$193</u>

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

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

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Principal and interest requirements to retire the City's long-term obligations outstanding at year-end are as follows:

Year Ending December 31	General Obligation Bonds and Notes	
	Principal	Interest
2019	\$270,000	\$12,150
Total	<u>\$270,000</u>	<u>\$12,150</u>

The City is subject to certain constitutional and statutory general obligation debt limitations. As of December 31, 2018, the City has not exceeded the debt limitations.

Note 10 – Capitalized Leases – Lessee Disclosure

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

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

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

General capital assets consisting of equipment have been capitalized in the amount of \$3,533,963 which equals the present value of the future minimum lease payments at the time of acquisition.

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2018.

Year	Long-Term Debt
2019	\$815,888
2020	748,436
2021	557,831
2022	317,384
2023	180,820
Total minimum lease payments	<u>2,620,359</u>
Less: Amount representing interest	(166,246)
Present value of minimum lease payments	<u>\$2,454,113</u>

Note 11 - Defined Benefit Pension Plans

Net Pension Liability/Net Other Postemployment Benefits (OPEB) Liability

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

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

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

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability. Resulting adjustments to the net pension/OPEB liability would be effective when the changes are legally enforceable. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - The City's employees 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.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that

City of Forest Park, Ohio
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includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting [://www.opers.org/financial/reports.shtml](http://www.opers.org/financial/reports.shtml), by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

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

<u>Group A</u> Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	<u>Group B</u> 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	<u>Group C</u> Members not in other Groups and members hired on or after January 7, 2013
<u>State and Local</u>	<u>State and Local</u>	<u>State and Local</u>
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<u>Public Safety</u>	<u>Public Safety</u>	<u>Public Safety</u>
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
<u>Law Enforcement</u>	<u>Law Enforcement</u>	<u>Law Enforcement</u>
Age and Service Requirements: Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
<u>Public Safety and Law Enforcement</u>	<u>Public Safety and Law Enforcement</u>	<u>Public Safety and Law Enforcement</u>
Traditional Plan Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Traditional Plan Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Traditional Plan Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

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

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

When a traditional plan benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of

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retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment of the defined benefit portion of their pension benefit. 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>	<u>Public Safety</u>	<u>Law Enforcement</u>
2018 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	**	***
2018 Actual Contribution Rates			
Employer:			
Pension ****	14.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits ****	0.0	0.0	0.0
Total Employer	<u>14.0 %</u>	<u>18.1 %</u>	<u>18.1 %</u>
Employee	<u>10.0 %</u>	<u>12.0 %</u>	<u>13.0 %</u>

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

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

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. For 2018, The City's contractually required contribution was \$439,407 for the traditional plan. Of this amount \$57,301 is reported as accrued wages and benefits.

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

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

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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 after July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

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

Under normal service retirement, retired members who are at least 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, surviving beneficiaries, and statutory survivors. Members participating in the DROP program have separate eligibility requirements related to COLA.

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

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

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

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Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$1,134,024 for 2018. Of this amount \$200,562 is reported as accrued wages and benefits.

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

The net pension liability for OPERS was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2017, and was determined by rolling forward the total pension liability as of January 1, 2017 to December 31, 2017. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share of the City's defined benefit pension plans:

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
Proportionate Share of the:			
Net Pension Liability	\$3,649,671	\$14,474,443	\$18,124,114
Proportion of the Net Pension Liability:			
Current Measurement Date	0.02326400%	0.23583800%	0.25910200%
Prior Measurement Date	<u>0.02436600%</u>	<u>0.24436200%</u>	<u>0.26872800%</u>
Change in Proportionate Share	<u>-0.00110200%</u>	<u>-0.00852400%</u>	<u>-0.00962600%</u>
Pension Expense	\$741,236	\$1,694,592	\$2,435,828

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

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
Deferred Outflows of Resources:			
Differences between expected and actual experience	\$3,727	\$219,660	\$223,387
Changes in assumptions	436,160	630,728	1,066,888
Changes in employer proportionate share of net pension liability	13,980	316,986	330,966
Contributions subsequent to the measurement date	439,407	1,134,024	1,573,431
Total Deferred Outflows of Resources	<u>\$893,274</u>	<u>\$2,301,398</u>	<u>\$3,194,672</u>
Deferred Inflows of Resources:			
Differences between expected and actual experience	\$71,923	\$26,185	\$98,108
Changes in employer proportionate share of net pension liability	115,397	476,553	591,950
Net difference between projected and actual earnings on pension plan investments	783,536	500,705	1,284,241
Total Deferred Inflows of Resources	<u>\$970,856</u>	<u>\$1,003,443</u>	<u>\$1,974,299</u>

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\$1,573,431 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS	OPF	Total
2019	\$280,828	\$342,444	\$623,272
2020	(130,823)	210,805	79,982
2021	(345,028)	(307,805)	(652,833)
2022	(321,966)	(192,689)	(514,655)
2023	0	91,170	91,170
Thereafter	0	20,006	20,006
Total	<u>(\$516,989)</u>	<u>\$163,931</u>	<u>(\$353,058)</u>

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2017, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2017, are presented below.

OPERS Traditional Plan

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-January 7, 2013 Retirees	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent, simple
Investment Rate of Return	7.5 percent
Actuarial Cost Method	Individual Entry Age

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

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

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

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

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

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

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Discount Rate The discount rate used to measure the total pension liability was 7.5 percent for the traditional plan and the combined plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future 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:			
OPERS	\$5,782,965	\$3,649,671	\$1,289,291

Changes between Measurement Date and Report Date In October 2018, the OPERS Board adopted a change in the investment return assumption, reducing it from 7.5 percent to 7.2 percent. This change will be effective for the 2018 valuation. The exact amount of the impact to the City's net pension liability is not known.

Actuarial Assumptions – OPF

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

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2017, compared with January 1, 2016, are presented below.

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	January 1, 2017	January 1, 2016
Valuation Date	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017	January 1, 2016, with actuarial liabilities rolled forward to December 31, 2016
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.25 percent
Projected Salary Increases	3.75 percent to 10.5 percent	4.25 percent to 11 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent	Inflation rate of 3.25 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.6 percent simple for increased based on the lesser of the increase in CPI and 3 percent

For the January 1, 2017, valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

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

For the January 1, 2017, valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale.

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

For the January 1, 2016 valuation, rates of death were 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 for the five year period ended December 31, 2016, the prior experience study was completed December 31, 2011.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected

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nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2017, are summarized below:

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

Note: Assumptions are geometric

* levered 2x

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

Discount Rate The total pension liability was calculated using the discount rate of 8.00 percent. The discount rate used for 2016 was 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 8.00 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

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

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	1% Decrease <u>(7.00%)</u>	Current Discount Rate <u>(8.00%)</u>	1% Increase <u>(9.00%)</u>
City's proportionate share of the net pension liability: OPF	\$20,065,373	\$14,474,443	\$9,914,528

Changes between Measurement Date and Report Date There have been no OPF pension plan amendments adopted or changes in assumptions between the measurement date and the report date that would have impacted the actuarial valuation studies as of the pension plan for the measurement date.

Note 12 - Defined Benefit Other Postemployment Benefits Plans

Net Other Postemployment Benefits (OPEB) Liability

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

For 2018, Governmental Accounting Standards Board (GASB) Statement No. 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions” was effective. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period.

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

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

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

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

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

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 was 1.0 percent during calendar year 2017. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2018 decreased to 0 percent for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

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

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

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

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

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

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

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

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

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

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

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

The City's contractually required contribution to OPF was \$27,163 for 2018.

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

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

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
Proportionate Share of the:			
Net OPEB Liability	\$2,526,951	\$13,362,251	\$15,889,202
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.02327000%	0.23583800%	0.25910800%
Prior Measurement Date	<u>0.02443402%</u>	<u>0.24436200%</u>	<u>0.26879602%</u>
Change in Proportionate Share	<u>-0.00116402%</u>	<u>-0.00852400%</u>	<u>-0.00968802%</u>
OPEB Expense	\$180,505	\$992,988	\$1,173,493

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

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
Deferred Outflows of Resources:			
Differences between expected and actual experience	\$1,968	\$0	\$1,968
Changes in assumptions	183,989	1,303,872	1,487,861
Contributions subsequent to the measurement date	0	27,163	27,163
Total Deferred Outflows of Resources	<u>\$185,957</u>	<u>\$1,331,035</u>	<u>\$1,516,992</u>
Deferred Inflows of Resources:			
Differences between expected and actual experience	\$0	\$67,394	\$67,394
Net difference between projected and actual earnings on OPEB plan investments	188,241	87,956	276,197
Changes in employer proportionate share of net OPEB liability	79,541	353,006	432,547
Total Deferred Inflows of Resources	<u>\$267,782</u>	<u>\$508,356</u>	<u>\$776,138</u>

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\$27,163 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS	OPF	Total
2019	\$3,818	\$107,173	\$110,991
2020	3,817	107,173	110,990
2021	(42,400)	107,173	64,773
2022	(47,060)	107,173	60,113
2023	0	129,164	129,164
Thereafter	0	237,660	237,660
Total	<u>(\$81,825)</u>	<u>\$795,516</u>	<u>\$713,691</u>

Actuarial Assumptions - OPERS

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

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

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

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The

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

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

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

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

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

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

Discount Rate A single discount rate of 3.85 percent was used to measure the OPEB liability on the measurement date of December 31, 2017. A single discount rate of 4.23 percent was used to measure the OPEB liability on the measurement date of December 31, 2016. Projected benefit payments are

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

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

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

	1% Decrease <u>(2.85%)</u>	Discount Rate <u>(3.85%)</u>	1% Increase <u>(4.85%)</u>
City's proportionate share of the net OPEB liability:			
OPERS	\$3,357,163	\$2,526,951	\$1,855,317

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

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

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	Current Health Care Cost Trend Rate		
	<u>1% Decrease</u>	<u>Assumption</u>	<u>1% Increase</u>
City's proportionate share of the net OPEB liability OPERS	\$2,417,753	\$2,526,951	\$2,639,749

Changes between Measurement Date and Report Date In October 2018, the OPERS Board adopted a change in the investment return assumption, reducing it from 6.5 percent to 6.0 percent. This change will be effective for the 2018 valuation. The exact amount of impact to the City's net OPEB liability is not known.

Actuarial Assumptions – OPF

OPF's total OPEB liability as of December 31, 2017, is based on the results of an actuarial valuation date of January 1, 2017, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OPF's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

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

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

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

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

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

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

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

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

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return for each major asset class included in OPF's target asset allocation as of December 31, 2017, are summarized below:

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

Note: Assumptions are geometric

* levered 2x

OPF's Board of Trustees has incorporated the risk parity concept into OPF's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on 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 OPEB liability was calculated using the discount rate of 3.24 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8 percent. Based on those assumptions, OPF's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 3.16 percent at December 31, 2017 and 3.71 percent at December 31, 2016, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 3.24 percent. The municipal bond rate was determined using the S&P Municipal Bond 20 Year High Grade Rate Index. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2025. The long-term expected rate of return on health care investments was applied to projected costs through 2025, and the municipal bond rate was applied to all health care costs after that date.

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

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	1% Decrease <u>(2.24%)</u>	Current Discount Rate <u>(3.24%)</u>	1% Increase <u>(4.24%)</u>
City's proportionate share of the Net OPEB Liability			
OPF	\$16,702,975	\$13,362,251	\$10,791,710

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

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

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

	1% Decrease	Current Rates	1% Increase
City's proportionate share of the net OPEB liability			
OPF	\$10,380,037	\$13,362,251	\$17,381,266

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

Note 13 – Jointly Governed Organization

The Waycross Community Programming Board is a jointly governed organization among the City of Forest Park, Village of Greenhills, and Springfield Township that was formed during 1982. The jointly governed organization was formed for the purpose of providing community programming and cable

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regulatory services for their citizens. The Board of Directors is comprised of a chairman and fifteen individuals drawn from local residents of the three communities. Each community has five members on the Board (the chairman is not a resident of any of the communities). The degree of control exercised by any participating city or township is limited to its representation by their citizens. Elected officials of the three communities appoint individuals to serve on the Community Programming Board of Directors. The Board of Directors' responsibilities include establishment and review of programming policies, resolution of policy disputes and questions of equal treatment for access users, fiscal controls and the creation and promotion of the media center and Community Access channels. In addition, the Community Programming Board coordinates regulatory efforts for member communities and provides expertise on other matters regarding the local cable system(s) and other forms of electronic communications.

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

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

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

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

Note 14 – Interfund Transactions

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

	Transfers	
	In	Out
General Fund	\$0	\$1,400,000
Fire Fund	0	500,000
Economic Development Fund	500,000	0
Other Governmental Funds	1,400,000	0
Total All Funds	<u>\$1,900,000</u>	<u>\$1,900,000</u>

Interfund balance/transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budget authorizations, to segregate and to return money to the fund from which it was originally provided once a project is completed. All transfers noted above met the requirements of the Ohio

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2018

Revised Code. There was a \$500,000 transfer from the Fire Fund into the Fire Capital Fund to take care of planned improvements to the City's fire department.

Note 15 – Special Obligation Development Revenue Bonds

During 2004, the City entered into an agreement with Cincinnati Mills L.L.C., the Port of Greater Cincinnati Development Authority, the City of Fairfield, the Winton Woods City School District, the Northwest Local School District, and the Fairfield City School District. The agreement provides for a Tax Increment Financing (TIF) project for the Cincinnati Mall located in both the City of Forest Park and the City of Fairfield. The proceeds will be used for Public Parking and Infrastructure improvements on the Cincinnati Mall site. The agreement is for thirty years and bonds were issued in the name of the Port of Greater Cincinnati Development Authority in the amount of \$18,000,000. Debt service for the issue will be from the TIF as well as a Special Assessment District which includes the areas benefiting from the improvements. In March 2010, the Port Authority, Bond Trustee and new mall owners entered into a new forbearance agreement. These bonds are not a liability, nor are the proceeds of the issued bonds and assets of the City and, accordingly, they are not reflected on the City's financial records.

Note 16 – Contingent Liabilities

Litigation

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

Federal and State Grants

The City participates in several federally assisted programs. These programs are subject to financial and compliance audits by the grantor or their representative. As of December 31, 2018, the audits of certain of these programs have not been completed. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

Note 17 – Accountability

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

<u>Funds</u>	<u>Deficit</u>
Major Fund:	
Economic Development Fund	\$839,967
Other Governmental Funds:	
Debt Fund	319,151
Cobblewood TIF Fund	791,061
Capital Improvement Fund	168,820

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

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2018

Note 18 – Construction and Other Commitments

As of December 31, 2018, the City had no commitments with respect to capital projects.

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

Fund	Amount
General	\$289,655
Fire	76,901
Nonmajor Funds	<u>254,142</u>
Total	<u><u>\$620,698</u></u>

Note 19 – Fund Balances

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

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City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2018

Fund Balances	General	Fire	Economic Development	Other Governmental Funds	Total
Nonspendable:					
Prepays	\$154,816	\$62,548	\$0	\$18,667	\$236,031
Total Nonspendable	154,816	62,548	0	18,667	236,031
Restricted for:					
Fire	0	2,081,445	0	0	2,081,445
Street	0	0	0	1,012,159	1,012,159
State Highway	0	0	0	218,979	218,979
Law Enforcement Trust	0	0	0	67,337	67,337
Law Enforcement Grant	0	0	0	9,978	9,978
Health Care Reserve	0	0	0	46,380	46,380
Home Improvement	0	0	0	3,451	3,451
Fire Department Trust	0	0	0	61,069	61,069
Court Automation	0	0	0	18,064	18,064
Peace Officer Training	0	0	0	14,656	14,656
Promenade TIF	0	0	0	81,342	81,342
Police Capital Equipment	0	0	0	118,245	118,245
Cincinnati Mall TIF	0	0	0	13,926	13,926
Carillon Business Park TIF	0	0	0	513,836	513,836
We Thrive Forest Park!	0	0	0	48,021	48,021
Fire Capital	0	0	0	1,467,687	1,467,687
Total Restricted	0	2,081,445	0	3,695,130	5,776,575
Committed to:					
Police Capital Equipment	0	0	0	1,432	1,432
Total Committed	0	0	0	1,432	1,432
Assigned to:					
Encumbrances	161,218	0	0	0	161,218
Total Assigned	161,218	0	0	0	161,218
Unassigned (Deficit)	4,557,004	0	(839,967)	(1,279,032)	2,438,005
Total Fund Balance	<u>\$4,873,038</u>	<u>\$2,143,993</u>	<u>(\$839,967)</u>	<u>\$2,436,197</u>	<u>\$8,613,261</u>

Encumbrances (assigned) will be used for \$18,236 for travel and conference expenses, \$23,458 for printing and office supplies, \$36,100 for legal services, \$22,767 for police car supplies, \$15,284 for tree removal, \$29,258 for maintenance, and \$16,115 for utilities.

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2018

Note 20 – Tax Abatements

As of December 31, 2018, the City provides tax abatements through the Community Reinvestment Area (CRA) and Ohio Enterprise Zone Area (EZA) Program:

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

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

<u>Tax Abatement Programs</u>	<u>Deficit</u>
Enterprise Zone Area:	
Ameritas	\$97,278
Fry Fastening Systems	54,898
	<u>\$152,176</u>

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

Note 21 – Implementation of New Accounting Principles and Restatement of Net Position

For fiscal year 2018, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, GASB Statement No. 85, *Omnibus 2017*, and GASB Statement No. 86, *Certain Debt Extinguishments*.

City of Forest Park, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2018

GASB Statement No. 75 improves the accounting and financial reporting by state and local governments for postemployment benefits other than pension (OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The implementation of GASB Statement No. 75 affected the City's postemployment benefit plan disclosures, as presented in the notes to the basic financial statements, and added required supplementary information which can be found following these notes to the basic financial statements.

GASB Statement No. 85 addresses practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and OPEB. The implementation of GASB Statement No. 85 did not have an effect on the financial statements of the City.

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

A net position restatement is required in order to implement GASB Statement No. 75. The governmental activities and business-type activities at January 1, 2018 have been restated as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Net position as previously reported	\$36,536,279	\$3,937,348
Adjustments:		
Net OPEB Liability	(14,000,596)	(66,638)
Deferred Outflow		
Payments Subsequent to Measurement Date	<u>64,145</u>	<u>1,070</u>
Restated Net Position January 1, 2018	<u><u>\$22,599,828</u></u>	<u><u>\$3,871,780</u></u>

	<u>Enterprise Funds</u>	
	<u>Stormwater</u>	<u>Solid Waste</u>
Net position as previously reported	\$3,220,490	\$716,858
Adjustments:		
Net OPEB Liability	(41,830)	(24,809)
Deferred Outflow		
Payments Subsequent to Measurement Date	<u>672</u>	<u>399</u>
Restated Net Position January 1, 2018	<u><u>\$3,179,332</u></u>	<u><u>\$692,448</u></u>

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

REQUIRED SUPPLEMENTARY INFORMATION

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

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

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

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

See accompanying notes to the required supplementary information.

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

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

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

See accompanying notes to the required supplementary information.

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

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

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

See accompanying notes to the required supplementary information.

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

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

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

See accompanying notes to the required supplementary information.

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

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

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2017 is not available.

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

See accompanying notes to the required supplementary information.

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

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

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2017 is not available.

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

See accompanying notes to the required supplementary information.

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

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

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

See accompanying notes to the required supplementary information.

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

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

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

See accompanying notes to the required supplementary information.

City of Forest Park, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2018

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Property and Other Taxes	\$1,006,142	\$917,459	\$937,223	\$19,764
Income Taxes	10,291,308	9,384,214	9,586,367	202,153
Charges for Services	118,189	107,771	110,093	2,322
Investment Earnings	83,518	76,156	77,797	1,641
Intergovernmental	343,132	312,888	319,628	6,740
Fines, Licenses & Permits	400,440	365,144	373,010	7,866
Revenue in Lieu of Taxes	12	11	11	0
Other Revenues	134,967	123,071	125,722	2,651
Total Revenues	12,377,708	11,286,714	11,529,851	243,137
Expenditures:				
Current:				
<u>General Government</u>				
City Council:				
Personal Services	168,877	171,467	155,271	16,196
Contractual Services	93,499	94,933	85,966	8,967
Supplies and Materials	1,464	1,486	1,346	140
Total City Council	263,840	267,886	242,583	25,303
Mayor's Court:				
Personal Services	84,155	85,446	77,375	8,071
Contractual Services	58,667	59,566	53,940	5,626
Supplies and Materials	1,470	1,493	1,352	141
Total Mayor's Court	144,292	146,505	132,667	13,838
City Manager:				
Personal Services	494,401	501,983	454,568	47,415
Contractual Services	67,196	68,226	61,782	6,444
Supplies and Materials	2,918	2,963	2,683	280
Total City Manager	564,515	573,172	519,033	54,139
Finance/Tax:				
Personal Services	999,249	1,014,574	918,741	95,833
Contractual Services	180,811	183,584	166,243	17,341
Supplies and Materials	19,769	20,072	18,176	1,896
Total Finance/Tax	1,199,829	1,218,230	1,103,160	115,070
Human Resources:				
Personal Services	194,236	197,215	178,587	18,628
Contractual Services	33,175	33,684	30,502	3,182
Supplies and Materials	1,673	1,698	1,538	160
Total Human Resources	229,084	232,597	210,627	21,970

Continued

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2018

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Information Services:				
Personal Services	123,507	125,401	113,556	11,845
Contractual Services	127,736	129,694	117,444	12,250
Supplies and Materials	2,041	2,073	1,877	196
Total Information Services	<u>253,284</u>	<u>257,168</u>	<u>232,877</u>	<u>24,291</u>
Other:				
Contractual Services	362,061	367,613	332,890	34,723
Other	94,299	95,745	86,701	9,044
Total Other	<u>456,360</u>	<u>463,358</u>	<u>419,591</u>	<u>43,767</u>
 Total General Government	 <u>3,111,204</u>	 <u>3,158,916</u>	 <u>2,860,538</u>	 <u>298,378</u>
 <u>Public Safety</u>				
Police Department:				
Personal Services	5,745,844	5,833,961	5,282,908	551,053
Contractual Services	289,280	293,716	265,973	27,743
Supplies and Materials	98,840	100,356	90,877	9,479
Total Police Department	<u>6,133,964</u>	<u>6,228,033</u>	<u>5,639,758</u>	<u>588,275</u>
 Total Public Safety	 <u>6,133,964</u>	 <u>6,228,033</u>	 <u>5,639,758</u>	 <u>588,275</u>
 <u>Leisure Time Activities</u>				
Activity & Senior Centers:				
Contractual Services	68,850	69,906	63,303	6,603
Supplies and Materials	1,192	1,210	1,096	114
Total Activity & Senior Centers	<u>70,042</u>	<u>71,116</u>	<u>64,399</u>	<u>6,717</u>
Recreation:				
Personal Services	55,438	56,288	50,971	5,317
Contractual Services	30,320	30,785	27,877	2,908
Supplies and Materials	7,425	7,539	6,827	712
Total Recreation	<u>93,183</u>	<u>94,612</u>	<u>85,675</u>	<u>8,937</u>

Continued

City of Forest Park, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2018

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Park Maintenance:				
Personal Services	105,240	106,854	96,761	10,093
Contractual Services	48,066	48,803	44,193	4,610
Supplies and Materials	42,397	43,047	38,981	4,066
Total Park Maintenance	<u>195,703</u>	<u>198,704</u>	<u>179,935</u>	<u>18,769</u>
Total Leisure Time Activities	<u>358,928</u>	<u>364,432</u>	<u>330,009</u>	<u>34,423</u>
<u>Community Environment</u>				
Economic Development Department:				
Personal Services	181,175	183,954	166,578	17,376
Contractual Services	49,995	50,762	45,967	4,795
Supplies and Materials	473	480	435	45
Total Economic Development Department	<u>231,643</u>	<u>235,196</u>	<u>212,980</u>	<u>22,216</u>
Community Development Department:				
Personal Services	291,492	295,962	268,007	27,955
Contractual Services	15,828	16,071	14,553	1,518
Supplies and Materials	1,030	1,046	947	99
Total Community Development Department	<u>308,350</u>	<u>313,079</u>	<u>283,507</u>	<u>29,572</u>
Beautification:				
Contractual Services	122,486	124,364	112,617	11,747
Supplies and Materials	831	844	764	80
Total Beautification	<u>123,317</u>	<u>125,208</u>	<u>113,381</u>	<u>11,827</u>
Community Services:				
Contractual Services	42,142	42,789	38,747	4,042
Supplies and Materials	2,043	2,074	1,878	196
Total Community Services	<u>44,185</u>	<u>44,863</u>	<u>40,625</u>	<u>4,238</u>
Building Department:				
Personal Services	182,824	185,628	168,094	17,534
Contractual Services	67,469	68,504	62,033	6,471
Supplies and Materials	3,904	3,963	3,589	374
Total Building Department	<u>254,197</u>	<u>258,095</u>	<u>233,716</u>	<u>24,379</u>
Total Community Environment	<u>961,692</u>	<u>976,441</u>	<u>884,209</u>	<u>92,232</u>
<u>Public Works and Streets</u>				
Equipment Maintenance:				
Personal Services	293,706	298,210	270,042	28,168
Contractual Services	14,070	14,285	12,936	1,349
Supplies and Materials	185,360	188,203	170,426	17,777
Total Equipment Maintenance	<u>493,136</u>	<u>500,698</u>	<u>453,404</u>	<u>47,294</u>

Continued

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2018

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Public Works:				
Personal Services	233,023	236,597	214,249	22,348
Contractual Services	102,942	104,521	94,648	9,873
Supplies and Materials	2,306	2,341	2,120	221
Total Public Works	<u>338,271</u>	<u>343,459</u>	<u>311,017</u>	<u>32,442</u>
Engineering:				
Personal Services	57,834	58,721	53,174	5,547
Contractual Services	27,659	28,084	25,431	2,653
Supplies and Materials	353	359	325	34
Total Engineering	<u>85,846</u>	<u>87,164</u>	<u>78,930</u>	<u>8,234</u>
Street Lighting:				
Contractual Services	118,668	120,488	109,107	11,381
Total Street Lighting	<u>118,668</u>	<u>120,488</u>	<u>109,107</u>	<u>11,381</u>
Municipal Building and Grounds:				
Personal Services	67,120	68,149	61,712	6,437
Contractual Services	156,609	159,010	143,991	15,019
Supplies and Materials	9,603	9,750	8,829	921
Total Municipal Building and Grounds	<u>233,332</u>	<u>236,909</u>	<u>214,532</u>	<u>22,377</u>
Total Public Works and Streets	<u>1,269,253</u>	<u>1,288,718</u>	<u>1,166,990</u>	<u>121,728</u>
Total Expenditures	<u>11,835,041</u>	<u>12,016,540</u>	<u>10,881,504</u>	<u>1,135,036</u>
Excess of Revenues Over (Under) Expenditures	<u>542,667</u>	<u>(729,826)</u>	<u>648,347</u>	<u>1,378,173</u>
Other Financing Sources (Uses):				
Debt Proceeds	4,998	4,558	4,656	98
Transfers (Out)	<u>(1,522,681)</u>	<u>(1,546,032)</u>	<u>(1,400,000)</u>	<u>146,032</u>
Total Other Financing Sources (Uses)	<u>(1,517,683)</u>	<u>(1,541,474)</u>	<u>(1,395,344)</u>	<u>146,130</u>

Continued

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2018

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Net Change in Fund Balance	(975,016)	(2,271,300)	(746,997)	1,524,303
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>5,096,736</u>	<u>5,096,736</u>	<u>5,096,736</u>	<u>0</u>
Fund Balance End of Year	<u>\$4,121,720</u>	<u>\$2,825,436</u>	<u>\$4,349,739</u>	<u>\$1,524,303</u>

See accompanying notes to the required supplementary information.

City of Forest Park, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2018

	Fire Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Property and Other Taxes	\$4,544,596	\$4,582,675	\$4,806,378	\$223,703
Charges for Services	480,317	484,342	507,985	23,643
Intergovernmental	3,584	3,614	3,790	176
Fines, Licenses & Permits	5,616	5,663	5,939	276
Other Revenues	71,437	72,036	75,552	3,516
Total Revenues	5,105,550	5,148,330	5,399,644	251,314
Expenditures:				
Public Safety:				
Fire Department:				
Personal Services	4,120,271	4,120,271	3,903,875	216,396
Contractual Services	509,151	509,151	482,410	26,741
Supplies and Materials	209,250	209,250	198,260	10,990
Total Expenditures	4,838,672	4,838,672	4,584,545	254,127
Excess of Revenues Over (Under) Expenditures	266,878	309,658	815,099	505,441
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	45,858	46,243	48,500	2,257
Transfers (Out)	(527,716)	(527,716)	(500,000)	27,716
Total Other Financing Sources (Uses)	(481,858)	(481,473)	(451,500)	29,973
Net Change in Fund Balance	(214,980)	(171,815)	363,599	535,414
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,842,309	1,842,309	1,842,309	0
Fund Balance End of Year	\$1,627,329	\$1,670,494	\$2,205,908	\$535,414

See accompanying notes to the required supplementary information.

City of Forest Park, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended December 31, 2018

Note 1 – Budgetary Process

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

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

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

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis) is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as an assignment of fund balance (GAAP).
4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statements.

City of Forest Park, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended December 31, 2018

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

Net Change in Fund Balance

	General	Fire
GAAP Basis	(\$634,280)	\$491,825
Revenue Accruals	106,700	(103,542)
Expenditure Accruals	65,622	3,717
Issuance of Debt	4,656	0
Proceeds of Capital Assets	0	48,500
Encumbrances	(289,695)	(76,901)
Budget Basis	<u>(\$746,997)</u>	<u>\$363,599</u>

Encumbrances

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

Note 2 – Pension Plans

Ohio Public Employees Retirement System (Traditional Plan) - Pension

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

Changes in assumptions:

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

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

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

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

Ohio Police and Fire Pension Fund - Pension

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

City of Forest Park, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended December 31, 2018

Changes in assumptions:

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

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

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

Note 3 – Net Other Post Employment Benefits (OPEB) Liability

Ohio Public Employees Retirement System (Traditional Plan)

Changes in benefit terms: There were no changes in benefit terms for 2018.

Changes in assumptions: The single discount rate changed from 4.23% to 3.85% for 2018.

Changes between Measurement Date and Report Date: In October 2018, the OPERS Board adopted a change in the investment return assumption, reducing it from 6.5 percent to 6.0 percent. This change will be effective for the 2018 valuation. The exact amount of impact to the City's net OPEB liability is not known.

Ohio Police and Fire Pension Fund

Changes in benefit terms: There were no changes in benefit terms for 2018.

Changes in assumptions: The single discount rate changed from 3.79% to 3.24% for 2018.

Changes between Measurement Date and Report Date: In March 2018, the OPF Board of Trustees approved the implementation date and framework for a new health care model. Beginning January 1, 2019, the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OPF will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. The impact to the City's Net OPEB Liability is not known.

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COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES



MAJOR GOVERNMENTAL FUNDS

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

City of Forest Park, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2018

	Economic Development Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$13,490	\$13,499	\$9
Special Assessments	22,851	22,866	15
Other Revenues	4,997	5,000	3
Total Revenues	<u>41,338</u>	<u>41,365</u>	<u>27</u>
Expenditures:			
Economic Development:			
Contractual Services	19,523	16,789	2,734
Capital Outlay	333,785	287,035	46,750
Total Economic Development	<u>353,308</u>	<u>303,824</u>	<u>49,484</u>
Debt Service:			
Principal Retirement	1,953,624	1,680,000	273,624
Interest and Fiscal Charges	34,093	29,318	4,775
Total Expenditures	<u>2,341,025</u>	<u>2,013,142</u>	<u>327,883</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,299,687)</u>	<u>(1,971,777)</u>	<u>327,910</u>
Other Financing Sources (Uses):			
Debt Proceeds	1,454,985	1,455,928	943
Transfers In	499,676	500,000	324
Total Other Financing Sources (Uses)	<u>1,954,661</u>	<u>1,955,928</u>	<u>1,267</u>
Net Change in Fund Balance	(345,026)	(15,849)	329,177
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>609,415</u>	<u>609,415</u>	<u>0</u>
Fund Balance End of Year	<u>\$264,389</u>	<u>\$593,566</u>	<u>\$329,177</u>

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

Debt Service Funds

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

Capital Projects Funds

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

City of Forest Park, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2018

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$2,695,637	\$135,849	\$1,493,286	\$4,324,772
Restricted Cash	120,000	0	803,245	923,245
Receivables (Net):				
Interest	3,717	0	2,245	5,962
Intergovernmental	2,441,864	0	0	2,441,864
Prepaid Items	7,127	0	11,540	18,667
Total Assets	5,268,345	135,849	2,310,316	7,714,510
Liabilities:				
Accounts Payable	72,219	0	53,818	126,037
Accrued Wages and Benefits	26,095	0	0	26,095
Accrued Interest Payable	7,648	0	11,603	19,251
General Obligation Notes Payable	1,577,000	455,000	813,000	2,845,000
Total Liabilities	1,682,962	455,000	878,421	3,016,383
Deferred Inflows of Resources:				
Grants and Other Taxes	360,737	0	0	360,737
Revenue in Lieu of Taxes	1,896,381	0	0	1,896,381
Investment Earnings	3,001	0	1,811	4,812
Total Deferred Inflows of Resources	2,260,119	0	1,811	2,261,930
Fund Balances:				
Nonspendable	7,127	0	11,540	18,667
Restricted	2,109,198	0	1,585,932	3,695,130
Committed	0	0	1,432	1,432
Unassigned	(791,061)	(319,151)	(168,820)	(1,279,032)
Total Fund Balances	1,325,264	(319,151)	1,430,084	2,436,197
Total Liabilities, Deferred Inflows and Fund Balances	\$5,268,345	\$135,849	\$2,310,316	\$7,714,510

City of Forest Park, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2018

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Investment Earnings	\$33,682	\$0	\$30,337	\$64,019
Intergovernmental	1,061,714	0	0	1,061,714
Fines, Licenses & Permits	14,186	0	0	14,186
Revenue in Lieu of Taxes	2,021,259	0	0	2,021,259
Other Revenues	46,958	0	0	46,958
Total Revenues	3,177,799	0	30,337	3,208,136
Expenditures:				
Current:				
General Government	1,026,415	0	0	1,026,415
Public Safety	21,253	0	0	21,253
Community Environment	47,557	0	0	47,557
Public Works and Streets	859,210	0	0	859,210
Capital Outlay	270,777	570,000	1,137,036	1,977,813
Debt Service:				
Principal	299,618	225,302	338,392	863,312
Interest and Other Charges	41,642	3,141	43,860	88,643
Total Expenditures	2,566,472	798,443	1,519,288	4,884,203
Excess of Revenues Over (Under) Expenditures	611,327	(798,443)	(1,488,951)	(1,676,067)
Other Financing Sources (Uses):				
Proceeds of Capital Leases	120,000	0	1,490,445	1,610,445
Transfers In	115,000	385,000	900,000	1,400,000
Total Other Financing Sources (Uses)	235,000	385,000	2,390,445	3,010,445
Net Change in Fund Balance	846,327	(413,443)	901,494	1,334,378
Fund Balance - Beginning of Year	478,937	94,292	528,590	1,101,819
Fund Balance - End of Year	\$1,325,264	(\$319,151)	\$1,430,084	\$2,436,197

NONMAJOR SPECIAL REVENUE FUNDS

Fund Descriptions

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

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

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

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

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

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

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

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

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

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

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

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

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

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

City of Forest Park, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2018

	Street	State Highway	Law Enforcement Trust	Law Enforcement Grant	Carillon Business Park TIF	Health Care Reserve
Assets:						
Equity in Pooled Cash and Investments	\$1,148,670	\$209,917	\$67,337	\$9,978	\$763,614	\$46,367
Restricted Cash	120,000	0	0	0	0	0
Receivables (Net):						
Interest	1,706	275	0	0	1,152	69
Intergovernmental	477,379	38,706	0	0	867,697	0
Prepaid Items	7,056	71	0	0	0	0
Total Assets	1,754,811	248,969	67,337	9,978	1,632,463	46,436
Liabilities:						
Accounts Payable	38,492	4,664	0	0	0	0
Accrued Wages and Benefits	26,036	59	0	0	0	0
Accrued Interest Payable	4,673	0	0	0	0	0
General Obligation Notes Payable	357,000	0	0	0	250,000	0
Total Liabilities	426,201	4,723	0	0	250,000	0
Deferred Inflows of Resources:						
Grants and Other Taxes	308,018	24,974	0	0	0	0
Revenue in Lieu of Taxes	0	0	0	0	867,697	0
Investment Earnings	1,377	222	0	0	930	56
Total Deferred Inflows of Resources	309,395	25,196	0	0	868,627	56
Fund Balances:						
Nonspendable	7,056	71	0	0	0	0
Restricted	1,012,159	218,979	67,337	9,978	513,836	46,380
Unassigned	0	0	0	0	0	0
Total Fund Balances	1,019,215	219,050	67,337	9,978	513,836	46,380
Total Liabilities, Deferred Inflows and Fund Balances	\$1,754,811	\$248,969	\$67,337	\$9,978	\$1,632,463	\$46,436

Home Improvement	Cincinnati Mall TIF	Cobblewood TIF	Fire Department Trust	Court Automation	Peace Officer Training	Promenade TIF	WeThrive Forest Park!	Total Nonmajor Special Revenue Funds
\$3,451	\$13,926	\$8,938	\$61,052	\$18,064	\$14,656	\$283,299	\$46,368	\$2,695,637
0	0	0	0	0	0	0	0	120,000
0	0	6	90	0	0	419	0	3,717
0	1,028,684	0	0	0	0	0	29,398	2,441,864
0	0	0	0	0	0	0	0	7,127
<u>3,451</u>	<u>1,042,610</u>	<u>8,944</u>	<u>61,142</u>	<u>18,064</u>	<u>14,656</u>	<u>283,718</u>	<u>75,766</u>	<u>5,268,345</u>
0	0	0	0	0	0	29,063	0	72,219
0	0	0	0	0	0	0	0	26,095
0	0	0	0	0	0	2,975	0	7,648
0	0	800,000	0	0	0	170,000	0	1,577,000
0	0	800,000	0	0	0	202,038	0	1,682,962
0	0	0	0	0	0	0	27,745	360,737
0	1,028,684	0	0	0	0	0	0	1,896,381
0	0	5	73	0	0	338	0	3,001
0	1,028,684	5	73	0	0	338	27,745	2,260,119
0	0	0	0	0	0	0	0	7,127
3,451	13,926	0	61,069	18,064	14,656	81,342	48,021	2,109,198
0	0	(791,061)	0	0	0	0	0	(791,061)
<u>3,451</u>	<u>13,926</u>	<u>(791,061)</u>	<u>61,069</u>	<u>18,064</u>	<u>14,656</u>	<u>81,342</u>	<u>48,021</u>	<u>1,325,264</u>
<u>\$3,451</u>	<u>\$1,042,610</u>	<u>\$8,944</u>	<u>\$61,142</u>	<u>\$18,064</u>	<u>\$14,656</u>	<u>\$283,718</u>	<u>\$75,766</u>	<u>\$5,268,345</u>

City of Forest Park, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended December 31, 2018

	Street	State Highway	Law Enforcement Trust	Law Enforcement Grant	Carillon Business Park TIF	Health Care Reserve
Revenues:						
Investment Earnings	\$14,658	\$3,184	\$0	\$0	\$11,591	\$808
Intergovernmental	977,841	79,284	0	0	0	0
Fines, Licenses & Permits	0	0	1,820	0	0	0
Revenue in Lieu of Taxes	0	0	0	0	980,302	0
Other Revenues	15,911	0	1,500	0	10,572	0
Total Revenues	1,008,410	82,468	3,320	0	1,002,465	808
Expenditures:						
Current:						
General Government	0	0	0	0	0	7,900
Public Safety	0	0	4,740	1,209	0	0
Community Environment	0	0	0	0	42,647	0
Public Works and Streets	802,005	57,205	0	0	0	0
Capital Outlay	191,514	31,157	15,826	0	0	0
Debt Service:						
Principal	44,618	0	0	0	255,000	0
Interest and Other Charges	9,158	0	0	0	24,907	0
Total Expenditures	1,047,295	88,362	20,566	1,209	322,554	7,900
Excess of Revenues Over (Under) Expenditures	(38,885)	(5,894)	(17,246)	(1,209)	679,911	(7,092)
Other Financing Sources (Uses):						
Proceeds of Capital Leases	120,000	0	0	0	0	0
Transfers In	0	0	0	0	0	0
Total Other Financing Sources (Uses)	120,000	0	0	0	0	0
Net Change in Fund Balance	81,115	(5,894)	(17,246)	(1,209)	679,911	(7,092)
Fund Balance - Beginning of Year	938,100	224,944	84,583	11,187	(166,075)	53,472
Fund Balance - End of Year	\$1,019,215	\$219,050	\$67,337	\$9,978	\$513,836	\$46,380

Home Improvement	Cincinnati Mall TIF	Cobblewood TIF	Fire Department Trust	Court Automation	Peace Officer Training	Promenade TIF	WeThrive Forest Park!	Total Nonmajor Special Revenue Funds
\$0	\$0	\$919	\$970	\$0	\$0	\$1,552	\$0	\$33,682
0	0	0	0	0	0	0	4,589	1,061,714
0	0	0	0	12,366	0	0	0	14,186
0	1,027,678	0	0	0	0	13,279	0	2,021,259
0	355	0	25	0	14,000	2,443	2,152	46,958
0	1,028,033	919	995	12,366	14,000	17,274	6,741	3,177,799
4,408	1,014,107	0	0	0	0	0	0	1,026,415
0	0	0	0	7,428	4,539	0	3,337	21,253
0	0	3,440	0	0	0	1,470	0	47,557
0	0	0	0	0	0	0	0	859,210
0	0	0	0	2,023	0	30,257	0	270,777
0	0	0	0	0	0	0	0	299,618
0	0	4,602	0	0	0	2,975	0	41,642
4,408	1,014,107	8,042	0	9,451	4,539	34,702	3,337	2,566,472
(4,408)	13,926	(7,123)	995	2,915	9,461	(17,428)	3,404	611,327
0	0	0	0	0	0	0	0	120,000
0	0	115,000	0	0	0	0	0	115,000
0	0	115,000	0	0	0	0	0	235,000
(4,408)	13,926	107,877	995	2,915	9,461	(17,428)	3,404	846,327
7,859	0	(898,938)	60,074	15,149	5,195	98,770	44,617	478,937
<u>\$3,451</u>	<u>\$13,926</u>	<u>(\$791,061)</u>	<u>\$61,069</u>	<u>\$18,064</u>	<u>\$14,656</u>	<u>\$81,342</u>	<u>\$48,021</u>	<u>\$1,325,264</u>

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2018

	Street Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$12,588	\$14,667	\$2,079
Intergovernmental	647,122	754,003	106,881
Fines, Licenses & Permits	186,369	217,150	30,781
Other Revenues	13,656	15,911	2,255
Total Revenues	859,735	1,001,731	141,996
Expenditures:			
Public Works and Streets:			
Streets:			
Personal Services	754,008	597,912	156,096
Contractual Services	202,930	160,919	42,011
Supplies and Materials	93,675	74,282	19,393
Capital Outlay	241,512	191,514	49,998
Total Public Works and Streets	1,292,125	1,024,627	267,498
Debt Service:			
Principal Retirement	238,713	189,294	49,419
Interest and Fiscal Charges	15,142	12,007	3,135
Total Expenditures	1,545,980	1,225,928	320,052
Excess of Revenues Over (Under) Expenditures	(686,245)	(224,197)	462,048
Other Financing Sources (Uses):			
Debt Proceeds	309,765	360,927	51,162
Total Other Financing Sources (Uses)	309,765	360,927	51,162
Net Change in Fund Balance	(376,480)	136,730	513,210
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	975,064	975,064	0
Fund Balance End of Year	\$598,584	\$1,111,794	\$513,210

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2018

	State Highway Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$3,058	\$3,213	\$155
Intergovernmental	58,185	61,135	2,950
Fines, Licenses & Permits	16,757	17,607	850
Total Revenues	<u>78,000</u>	<u>81,955</u>	<u>3,955</u>
Expenditures:			
Public Works and Streets:			
Personal Services	8,618	5,094	3,524
Contractual Services	62,085	36,699	25,386
Supplies and Materials	34,149	20,186	13,963
Capital Outlay	52,709	31,157	21,552
Total Expenditures	<u>157,561</u>	<u>93,136</u>	<u>64,425</u>
Net Change in Fund Balance	(79,561)	(11,181)	68,380
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>214,713</u>	<u>214,713</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$135,152</u></u>	<u><u>\$203,532</u></u>	<u><u>\$68,380</u></u>

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2018

	Law Enforcement Trust Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$1,754	\$1,820	\$66
Other Revenues	1,446	1,500	54
Total Revenues	3,200	3,320	120
Expenditures:			
Public Safety:			
Police Department:			
Contractual Services	387	238	149
Supplies and Materials	7,321	4,502	2,819
Capital Outlay	25,737	15,826	9,911
Total Police Department	33,445	20,566	12,879
Total Expenditures	33,445	20,566	12,879
Net Change in Fund Balance	(30,245)	(17,246)	12,999
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	84,583	84,583	0
Fund Balance End of Year	\$54,338	\$67,337	\$12,999

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2018

	Law Enforcement Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Public Safety:			
Police Department:			
Contractual Services	2,000	1,209	791
Total Police Department	2,000	1,209	791
Total Expenditures	2,000	1,209	791
Net Change in Fund Balance	(2,000)	(1,209)	791
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	11,187	11,187	0
Fund Balance End of Year	\$9,187	\$9,978	\$791

City of Forest Park, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2018

	Carillon Business Park TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$6,315	\$11,449	\$5,134
Revenue in Lieu of Taxes	540,676	980,302	439,626
Other Revenues	5,831	10,572	4,741
Total Revenues	<u>552,822</u>	<u>1,002,323</u>	<u>449,501</u>
Expenditures:			
General Government:			
Carillon Business Park:			
Contractual Services	54,216	53,573	643
Debt Service:			
Principal Retirement	764,063	755,000	9,063
Interest and Fiscal Charges	31,449	31,076	373
Total Expenditures	<u>849,728</u>	<u>839,649</u>	<u>10,079</u>
Excess of Revenues Over (Under) Expenditures	<u>(296,906)</u>	<u>162,674</u>	<u>459,580</u>
Other Financing Sources (Uses):			
Debt Proceeds	139,679	253,252	113,573
Total Other Financing Sources (Uses)	<u>139,679</u>	<u>253,252</u>	<u>113,573</u>
Net Change in Fund Balance	(157,227)	415,926	573,153
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>336,762</u>	<u>336,762</u>	<u>0</u>
Fund Balance End of Year	<u>\$179,535</u>	<u>\$752,688</u>	<u>\$573,153</u>

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2018

	Health Care Reserve Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$750	\$816	\$66
Total Revenues	750	816	66
Expenditures:			
General Government:			
Contractual Services	11,100	8,900	2,200
Total Expenditures	11,100	8,900	2,200
Net Change in Fund Balance	(10,350)	(8,084)	2,266
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	53,651	53,651	0
Fund Balance End of Year	\$43,301	\$45,567	\$2,266

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2018

	Home Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
General Government			
Contractual Services	7,000	4,408	2,592
Total Expenditures	7,000	4,408	2,592
Net Change in Fund Balance	(7,000)	(4,408)	2,592
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	7,860	7,860	0
Fund Balance End of Year	\$860	\$3,452	\$2,592

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2018

	Cincinnati Mills TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Revenue in Lieu of Taxes	\$1,027,323	\$1,027,678	\$355
Other Revenues	355	355	0
Total Revenues	<u>1,027,678</u>	<u>1,028,033</u>	<u>355</u>
Expenditures:			
General Government:			
Cincinnati Mills:			
Contractual Services	29,145	29,145	0
Other	984,963	984,962	1
Total Expenditures	<u>1,014,108</u>	<u>1,014,107</u>	<u>1</u>
Net Change in Fund Balance	13,570	13,926	356
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$13,570</u></u>	<u><u>\$13,926</u></u>	<u><u>\$356</u></u>

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2018

	Cobblewood TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$912	\$919	\$7
Total Revenues	912	919	7
Expenditures:			
Cobblewood:			
Contractual Services	3,440	3,440	0
Debt Service:			
Principal Retirement	900,009	900,000	9
Interest and Fiscal Charges	15,706	15,706	0
Total Expenditures	919,155	919,146	9
Excess of Revenues Over (Under) Expenditures	(918,243)	(918,227)	16
Other Financing Sources (Uses):			
Debt Proceeds	799,933	805,854	5,921
Transfers In	114,155	115,000	845
Total Other Financing Sources (Uses)	914,088	920,854	6,766
Net Change in Fund Balance	(4,155)	2,627	6,782
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	6,311	6,311	0
Fund Balance End of Year	\$2,156	\$8,938	\$6,782

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2018

	Fire Department Trust Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$683	\$976	\$293
Other Revenues	17	25	8
Total Revenues	700	1,001	301
Expenditures:			
Public Safety:			
Fire Department:			
Contractual Services	3,000	0	3,000
Total Expenditures	3,000	0	3,000
Net Change in Fund Balance	(2,300)	1,001	3,301
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	60,051	60,051	0
Fund Balance End of Year	\$57,751	\$61,052	\$3,301

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2018

	Court Automation Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$10,500	\$12,366	\$1,866
Total Revenues	10,500	12,366	1,866
Expenditures:			
Public Safety:			
Court Automation:			
Contractual Services	8,579	6,591	1,988
Supplies and Materials	1,089	837	252
Capital Outlay	2,633	2,023	610
Total Expenditures	12,301	9,451	2,850
Net Change in Fund Balance	(1,801)	2,915	4,716
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	15,148	15,148	0
Fund Balance End of Year	\$13,347	\$18,063	\$4,716

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2018

	Peace Officer Training Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$2,800	\$14,000	\$11,200
Total Revenues	2,800	14,000	11,200
Expenditures:			
Public Safety:			
Peace Officer Training:			
Contractual Services	5,400	4,784	616
Total Expenditures	5,400	4,784	616
Net Change in Fund Balance	(2,600)	9,216	11,816
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,440	5,440	0
Fund Balance End of Year	\$2,840	\$14,656	\$11,816

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2018

	Promenade TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$1,275	\$1,505	\$230
Revenue in Lieu of Taxes	11,253	13,279	2,026
Other Revenues	408	481	73
Total Revenues	<u>12,936</u>	<u>15,265</u>	<u>2,329</u>
Expenditures:			
Promenade TIF:			
Contractual Services	148,484	4,841	143,643
Capital Outlay	36,622	1,194	35,428
Total Expenditures	<u>185,106</u>	<u>6,035</u>	<u>179,071</u>
Excess of Revenues Over (Under) Expenditures	<u>(172,170)</u>	<u>9,230</u>	<u>181,400</u>
Other financing sources (uses):			
Debt Proceeds	<u>145,721</u>	<u>171,961</u>	<u>26,240</u>
Total Other Financing Sources (Uses)	<u>145,721</u>	<u>171,961</u>	<u>26,240</u>
Net Change in Fund Balance	(26,449)	181,191	207,640
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>98,736</u>	<u>98,736</u>	<u>0</u>
Fund Balance End of Year	<u>\$72,287</u>	<u>\$279,927</u>	<u>\$207,640</u>

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2018

	WeThrive Forest Park Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$4,389	\$6,572	\$2,183
Other Revenues	1,437	2,152	715
Total Revenues	5,826	8,724	2,898
Expenditures:			
Public Safety:			
Police Department:			
Contractual Services	8,732	925	7,807
Supplies and Materials	22,768	2,412	20,356
Total Expenditures	31,500	3,337	28,163
Net Change in Fund Balance	(25,674)	5,387	31,061
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	40,981	40,981	0
Fund Balance End of Year	\$15,307	\$46,368	\$31,061

NONMAJOR DEBT SERVICE FUND

Fund Description

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

City of Forest Park, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2018

	Debt Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Debt Service:			
Principal Retirement	829,161	793,210	35,951
Interest and Fiscal Charges	25,230	24,136	1,094
Total Expenditures	854,391	817,346	37,045
Excess of Revenues Over (Under) Expenditures	(854,391)	(817,346)	37,045
Other Financing Sources (Uses):			
Debt Proceeds	455,000	455,000	0
Transfers In	385,000	385,000	0
Total Other Financing Sources (Uses)	840,000	840,000	0
Net Change in Fund Balance	(14,391)	22,654	37,045
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	99,629	99,629	0
Fund Balance End of Year	\$85,238	\$122,283	\$37,045

NONMAJOR CAPITAL PROJECTS FUNDS

Fund Descriptions

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

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

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

City of Forest Park, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2018

	Capital Improvement	Fire Capital	Police Capital Equipment	Total Nonmajor Capital Projects Funds
Assets:				
Equity in Pooled Cash and Investments	\$534,933	\$956,921	\$1,432	\$1,493,286
Restricted Cash	0	685,000	118,245	803,245
Receivables (Net):				
Interest	812	1,433	0	2,245
Prepaid Items	0	11,540	0	11,540
Total Assets	535,745	1,654,894	119,677	2,310,316
Liabilities:				
Accounts Payable	29,307	24,511	0	53,818
Accrued Interest Payable	11,603	0	0	11,603
General Obligation Notes Payable	663,000	150,000	0	813,000
Total Liabilities	703,910	174,511	0	878,421
Deferred Inflows of Resources:				
Investment Earnings	655	1,156	0	1,811
Total Deferred Inflows of Resources	655	1,156	0	1,811
Fund Balances:				
Nonspendable	0	11,540	0	11,540
Restricted	0	1,467,687	118,245	1,585,932
Committed	0	0	1,432	1,432
Unassigned	(168,820)	0	0	(168,820)
Total Fund Balances	(168,820)	1,479,227	119,677	1,430,084
Total Liabilities, Deferred Inflows and Fund Balances	\$535,745	\$1,654,894	\$119,677	\$2,310,316

City of Forest Park, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Fiscal Year Ended December 31, 2018

	Capital Improvement	Fire Capital	Police Capital Equipment	Total Nonmajor Capital Projects Funds
Revenues:				
Investment Earnings	\$8,736	\$21,316	\$285	\$30,337
Total Revenues	8,736	21,316	285	30,337
Expenditures:				
Capital Outlay	166,870	770,962	199,204	1,137,036
Debt Service:				
Principal	0	338,392	0	338,392
Interest and Other Charges	7,956	35,904	0	43,860
Total Expenditures	174,826	1,145,258	199,204	1,519,288
Excess of Revenues Over (Under) Expenditures	(166,090)	(1,123,942)	(198,919)	(1,488,951)
Other Financing Sources (Uses):				
Proceeds of Capital Leases	0	1,219,196	271,249	1,490,445
Transfers In	400,000	500,000	0	900,000
Total Other Financing Sources (Uses)	400,000	1,719,196	271,249	2,390,445
Net Change in Fund Balance	233,910	595,254	72,330	901,494
Fund Balance - Beginning of Year	(402,730)	883,973	47,347	528,590
Fund Balance - End of Year	(\$168,820)	\$1,479,227	\$119,677	\$1,430,084

City of Forest Park, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2018

	Capital Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$7,567	\$8,666	\$1,099
Total Revenues	7,567	8,666	1,099
Expenditures:			
Public Works and Streets:			
Municipal Building and Grounds:			
Capital Outlay	795,106	817,187	(22,081)
Total Expenditures	795,106	817,187	(22,081)
Excess of Revenues Over (Under) Expenditures	(787,539)	(808,521)	(20,982)
Other Financing Sources (Uses):			
Debt Proceeds	581,551	665,995	84,444
Transfers In	349,282	400,000	50,718
Total Other Financing Sources (Uses)	930,833	1,065,995	135,162
Net Change in Fund Balance	143,294	257,474	114,180
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	277,137	277,137	0
Fund Balance End of Year	\$420,431	\$534,611	\$114,180

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2018

	Fire Capital Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$12,561	\$21,516	\$8,955
Total Revenues	12,561	21,516	8,955
Expenditures:			
Capital Outlay	905,976	762,725	143,251
Debt Service:			
Principal Retirement	782,759	658,991	123,768
Interest and Fiscal Charges	46,001	38,727	7,274
Total Expenditures	1,734,736	1,460,443	274,293
Excess of Revenues Over (Under) Expenditures	(1,722,175)	(1,438,927)	283,248
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	311,872	534,196	222,324
Debt Proceeds	87,572	150,000	62,428
Transfers In	291,908	500,000	208,092
Total Other Financing Sources (Uses)	691,352	1,184,196	492,844
Net Change in Fund Balance	(1,030,823)	(254,731)	776,092
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,211,653	1,211,653	0
Fund Balance End of Year	\$180,830	\$956,922	\$776,092

City of Forest Park, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2018

	Police Capital Equipment Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$530	\$301	(\$229)
Total Revenues	530	301	(229)
Expenditures:			
Capital Outlay	280,445	210,257	70,188
Total Expenditures	280,445	210,257	70,188
Excess of Revenues Over (Under) Expenditures	(279,915)	(209,956)	69,959
Other Financing Sources (Uses):			
Issuance of Capital Leases	269,470	152,933	(116,537)
Total Other Financing Sources (Uses)	269,470	152,933	(116,537)
Net Change in Fund Balance	(10,445)	(57,023)	(46,578)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	58,756	58,756	0
Fund Balance End of Year	<u>\$48,311</u>	<u>\$1,733</u>	<u>(\$46,578)</u>

NONMAJOR FUNDS

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

Fund Descriptions

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

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

City of Forest Park, Ohio
Statement of Changes In Assets and Liabilities
Agency Funds
For the Fiscal Year Ended December 31, 2018

	Mayor's Court			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$2,333	\$262,082	\$261,849	\$2,566
Total Assets	2,333	262,082	261,849	2,566
Liabilities:				
Due to Other	2,333	262,082	261,849	2,566
Total Liabilities	\$2,333	\$262,082	\$261,849	\$2,566
	Refundable Fees			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$180,630	\$9,673	\$6,398	\$183,905
Total Assets	180,630	9,673	6,398	183,905
Liabilities:				
Accounts Payable	252	184	252	184
Due to Other	180,378	9,489	6,146	183,721
Total Liabilities	\$180,630	\$9,673	\$6,398	\$183,905
	Total All Agency Funds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$182,963	\$271,755	\$268,247	\$186,471
Total Assets	182,963	271,755	268,247	186,471
Liabilities:				
Accounts Payable	252	184	252	184
Due to Other	182,711	271,571	267,995	186,287
Total Liabilities	\$182,963	\$271,755	\$268,247	\$186,471

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STATISTICAL SECTION



STATISTICAL SECTION

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

Contents

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

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

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

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

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

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

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

	Calendar Year									
	2009	2010	2011	2012 (1)	2013	2014	2015	2016	2017 (2)	2018
Governmental Activities										
Net Investment in Capital Assets	\$32,956,283	\$33,845,751	\$34,461,845	\$34,321,408	\$34,887,165	\$35,036,472	\$37,781,761	\$38,374,278	\$38,693,849	\$38,943,244
Restricted	7,713,277	7,274,756	8,085,661	5,827,124	5,894,467	4,550,280	4,126,984	4,391,715	4,974,340	5,734,229
Unrestricted	6,316,631	9,728,159	9,626,789	4,844,393	3,853,195	4,398,071	(6,202,680)	(7,225,750)	(21,068,361)	(23,843,960)
Total governmental activities net position	\$46,986,191	\$50,848,666	\$52,174,295	\$44,992,925	\$44,634,827	\$43,984,823	\$35,706,065	\$35,540,243	\$22,599,828	\$20,833,513
Business-type activities										
Net Investment in Capital Assets	\$0	\$0	\$0	\$964,646	\$1,055,081	\$1,174,530	\$1,394,968	\$2,058,487	\$2,127,463	\$2,297,566
Unrestricted	0	0	0	1,957,773	2,073,000	2,264,434	2,210,149	1,959,618	1,744,317	2,055,583
Total business-type activities net position	\$0	\$0	\$0	\$2,922,419	\$3,128,081	\$3,438,964	\$3,605,117	\$4,018,105	\$3,871,780	\$4,353,149
Total Primary Government										
Net Investment in Capital Assets	\$32,956,283	\$33,845,751	\$34,461,845	\$35,286,054	\$35,942,246	\$36,211,002	\$39,176,729	\$40,432,765	\$40,821,312	\$41,240,810
Restricted	7,713,277	7,274,756	8,085,661	5,827,124	5,894,467	4,550,280	4,126,984	4,391,715	4,974,340	5,734,229
Unrestricted	6,316,631	9,728,159	9,626,789	6,802,166	5,926,195	6,662,505	(3,992,531)	(5,266,132)	(19,324,044)	(21,788,377)
Total primary government net position	\$46,986,191	\$50,848,666	\$52,174,295	\$47,915,344	\$47,762,908	\$47,423,787	\$39,311,182	\$39,558,348	\$26,471,608	\$25,186,662

Source: City Records

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

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

	Calendar Year									
	2009	2010	2011	2012 (1)	2013	2014	2015	2016	2017	2018
Expenses										
Governmental Activities:										
General Government	\$2,492,086	\$2,230,295	\$3,317,496	\$4,224,797	\$4,693,535	\$4,614,776	\$4,270,853	\$4,059,028	\$3,675,587	\$4,013,016
Public Safety	9,845,919	9,339,809	9,280,271	9,589,192	9,031,968	9,601,359	9,818,991	11,110,462	10,948,119	12,687,015
Leisure Time Activities	364,935	284,917	288,403	298,739	291,210	302,375	292,263	732,759	306,121	360,611
Community Environment	1,558,730	1,440,824	1,988,253	618,073	660,892	695,614	652,778	303,191	691,939	967,903
Public Works and Streets	3,403,610	2,969,346	2,928,457	3,150,459	2,933,998	3,451,025	2,756,159	3,497,574	2,844,895	3,551,729
Public Health and Welfare	22,189	21,000	20,710	20,764	44,914	16,129	878	0	31,930	47,524
Interest and Fiscal Charges	246,659	153,413	167,374	135,853	111,204	99,379	94,460	111,524	115,061	82,363
Total Governmental Activities Expenses	17,934,128	16,439,604	17,990,964	18,037,877	17,767,721	18,780,657	17,886,382	19,814,538	18,613,652	21,710,161
Business-type activities:										
Stormwater Management Utility	0	0	0	406,412	343,643	470,401	445,916	276,435	588,772	348,319
Solid Waste Collection	0	0	0	1,151,728	1,143,500	951,778	990,907	1,061,402	1,136,138	1,109,372
Total business-type activities expenses	0	0	0	1,558,140	1,487,143	1,422,179	1,436,823	1,337,837	1,724,910	1,457,691
Total Primary Government Expenses	\$17,934,128	\$16,439,604	\$17,990,964	\$19,596,017	\$19,254,864	\$20,202,836	\$19,323,205	\$21,152,375	\$20,338,562	\$23,167,852
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	\$945,837	\$42,098	\$20,015	\$27,520	\$41,312	\$35,606	\$28,068	\$18,522	\$30,993	\$30,205
Public Safety	938,610	851,041	946,811	1,332,542	948,833	173,704	655,219	593,707	639,183	684,971
Leisure Time Activities	54,687	50,262	52,287	46,152	62,881	64,824	63,556	16,921	54,571	65,118
Community Environment	1,076,853	1,133,758	1,160,491	30,140	8,810	9,528	13,384	50,540	23,594	36,842
Public Works and Streets	763,221	587,334	589,088	0	0	1,115	0	0	0	0
Public Health and Welfare	0	0	0	0	0	0	179,407	158,929	168,851	183,459
Operating Grants and Contributions	1,114,073	1,095,390	1,140,458	1,924,647	1,294,630	1,299,137	1,321,790	964,973	1,382,116	1,389,169
Capital Grants and Contributions	31,886	261,618	323,381	17,831	25,540	202,214	2,953,697	459,793	33,298	1,979
Total Governmental Activities Program Revenues	4,925,167	4,021,501	4,232,531	3,378,832	2,382,006	1,786,128	5,215,121	2,263,385	2,332,606	2,391,743
Business-type activities:										
Charges for Services:										
Stormwater Management Utility	0	0	0	582,742	567,273	1,561,341	572,204	616,502	478,332	685,228
Solid Waste Collection	0	0	0	1,089,231	1,076,631	28,000	942,996	941,611	971,554	1,001,401
Operating Grants and Contributions	0	0	0	0	59,165	30,174	219,122	0	0	0
Total business-type activities program revenues	0	0	0	1,671,973	1,703,069	1,619,515	1,734,322	1,558,113	1,449,886	1,686,629
Total Primary Government Program Revenues	\$4,925,167	\$4,021,501	\$4,232,531	\$5,050,805	\$4,085,075	\$3,405,643	\$6,949,443	\$3,821,498	\$3,782,492	\$4,078,372

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

	Calendar Year									
	2009	2010	2011	2012 (1)	2013	2014	2015	2016	2017	2018
Net (Expense)										
Governmental Activities	(\$13,008,961)	(\$12,418,103)	(\$13,758,433)	(\$14,659,045)	(\$15,385,715)	(\$16,994,529)	(\$12,671,261)	(\$17,551,153)	(\$16,281,046)	(\$19,318,418)
Business-type activities	0	0	0	113,833	215,926	197,336	297,499	220,276	(275,024)	228,938
Total Primary Government Net Expenses	(\$13,008,961)	(\$12,418,103)	(\$13,758,433)	(\$14,545,212)	(\$15,169,789)	(\$16,797,193)	(\$12,373,762)	(\$17,330,877)	(\$16,556,070)	(\$19,089,480)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Income Taxes	\$7,979,650	\$7,457,932	\$7,327,007	\$7,097,791	\$7,491,136	\$8,863,422	\$9,558,642	\$10,018,234	\$9,698,755	\$9,414,248
Property Taxes Levied for:										
General Purposes	2,329,505	3,146,751	1,570,985	922,743	918,440	916,616	937,063	948,910	834,204	932,297
Special Revenue Purposes	3,939,702	3,832,419	3,599,310	2,762,645	2,789,977	2,813,397	2,657,335	4,108,193	4,429,333	4,528,005
Grants and Entitlements not Restricted	667,401	610,454	646,364	393,179	347,770	319,754	793,226	0	318,877	312,153
Revenue in Lieu of Taxes	295,385	873,044	1,698,293	2,713,909	3,373,472	3,184,962	2,795,708	2,029,961	1,763,685	2,021,324
Unrestricted Contributions	1,500	0	0	0	0	0	0	0	0	0
Investment Earnings	118,714	101,759	103,841	66,491	64,917	60,389	25,004	61,981	26,681	110,858
Other Revenues	122,041	258,219	138,262	171,763	38,028	151,985	399,591	218,052	205,547	233,218
Transfers-internal Activities	0	0	0	34,000	34,000	34,000	34,000	0	0	0
Total Governmental Activities	15,453,898	16,280,578	15,084,062	14,162,521	15,057,740	16,344,525	17,200,569	17,385,331	17,277,082	17,552,103
Business-type activities:										
Investment earnings	0	0	0	15,197	19,200	17,750	18,233	19,540	25,997	33,470
Other Revenues	0	0	0	10,574	4,536	129,797	145,072	173,172	168,270	218,961
Transfers-internal Activities	0	0	0	(34,000)	(34,000)	(34,000)	(34,000)	0	0	0
Total business-type activities	0	0	0	(8,229)	(10,264)	113,547	129,305	192,712	194,267	252,431
Total Primary Government	\$15,453,898	\$16,280,578	\$15,084,062	\$14,154,292	\$15,047,476	\$16,458,072	\$17,329,874	\$17,578,043	\$17,471,349	\$17,804,534
Change in Net Position										
Governmental Activities	\$2,444,937	\$3,862,475	\$1,325,629	(\$496,524)	(\$327,975)	(\$650,004)	\$4,529,308	(\$165,822)	\$996,036	(\$1,766,315)
Business-type activities	0	0	0	105,604	205,662	310,883	426,804	412,988	(80,757)	481,369
Total Primary Government	\$2,444,937	\$3,862,475	\$1,325,629	(\$390,920)	(\$122,313)	(\$339,121)	\$4,956,112	\$247,166	\$915,279	(\$1,284,946)

Source: City Records

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

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

	Calendar Year									
	2009	2010	2011 (1)	2012	2013	2014	2015	2016	2017	2018
General Fund										
Reserved	\$336,405	\$293,908	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unreserved	2,661,119	3,238,013	0	0	0	0	0	0	0	0
Nonspendable				17,335	50,229	0	0	34,326	131,834	154,816
Assigned			281,868	910,336	260,483	103,092	706,652	115,249	861,857	161,218
Unassigned			3,273,544	1,969,471	2,016,721	2,636,242	3,208,559	4,977,310	4,513,627	4,557,004
Total General Fund	2,997,524	3,531,921	3,555,412	2,897,142	2,327,433	2,739,334	3,915,211	5,126,885	5,507,318	4,873,038
All Other Governmental Funds										
Reserved	804,601	414,153	0	0	0	0	0	0	0	0
Unreserved, Reported in:										
Special Revenue Funds	6,293,062	6,030,380	0	0	0	0	0	0	0	0
Debt Service Funds	41,485	36,429	0	0	0	0	0	0	0	0
Capital Project Funds	(1,808,681)	(1,158,253)	0	0	0	0	0	0	0	0
Nonspendable				7,545	8,874	0	0	15,745	70,410	81,215
Restricted			8,114,334	4,548,652	4,505,096	3,706,968	3,300,466	3,533,236	4,009,681	5,776,575
Committed			22,926	17,271	7,923	23,710	43,850	47,190	47,347	1,432
Assigned			36,429	27,443	15,943	15,943	15,943	15,943	94,292	0
Unassigned			(2,942,247)	(3,952,569)	(4,477,587)	(3,848,503)	(3,160,144)	(3,094,590)	(2,547,886)	(2,118,999)
Total Other Governmental Funds	\$5,330,467	\$5,322,709	\$5,231,442	\$648,342	\$60,249	(\$101,882)	\$200,115	\$517,524	\$1,673,844	\$3,740,223

Source: City Records

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

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

	Calendar Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Taxes	\$12,523,690	\$12,720,437	\$12,047,788	\$10,917,002	\$11,203,283	\$12,360,085	\$13,191,558	\$15,242,300	\$14,934,522	\$15,047,213
Fines, Licenses & Permits	522,833	294,174	300,735	361,810	410,530	340,717	378,398	334,218	401,436	392,452
Charges for Services	2,349,142	2,373,965	2,378,281	635,297	516,112	445,828	499,947	422,208	536,138	673,099
Investment Earnings	83,693	79,315	122,925	87,229	67,312	58,550	21,455	67,744	29,130	105,129
Intergovernmental	1,702,565	1,906,126	1,842,871	2,564,750	1,700,352	1,845,709	4,067,316	1,902,124	1,737,765	1,680,476
Special Assessments	913,508	10,659	32,139	12,429	23,175	24,382	21,969	24,610	23,072	22,866
Revenue in Lieu of Taxes	295,385	873,044	1,698,293	2,713,909	3,372,857	3,184,962	2,795,708	2,029,961	1,763,685	2,021,324
Other Revenues	137,011	271,738	148,760	178,163	47,228	163,177	478,749	219,150	201,252	233,218
Total Revenues	18,527,827	18,529,458	18,571,792	17,470,589	17,340,849	18,423,410	21,455,100	20,242,315	19,627,000	20,175,777
Expenditures										
Current:										
General Government	2,424,673	2,173,481	3,249,970	4,179,260	4,616,469	4,600,666	4,303,822	3,636,987	3,355,325	3,631,368
Public Safety	9,481,406	9,154,256	9,004,751	9,227,480	8,695,378	9,253,878	9,410,314	9,595,991	9,856,257	10,267,379
Leisure Time Activities	303,812	250,389	255,943	267,494	261,233	272,026	269,668	242,227	247,687	304,495
Community Environment	1,551,877	1,434,271	1,752,505	615,218	660,892	695,614	665,566	686,322	784,011	820,649
Public Works and Streets	2,474,754	2,438,720	2,299,370	2,148,274	1,962,737	2,202,250	1,791,693	1,819,912	1,936,704	2,067,306
Public Health and Welfare	22,189	21,000	20,710	20,764	44,914	16,129	878	0	31,930	47,524
Capital Outlay	1,557,362	1,978,225	2,127,439	3,727,802	1,804,907	751,037	3,497,734	3,633,944	1,287,698	2,254,857
Debt Service:										
Principal Retirement	389,626	397,813	233,187	324,132	359,772	339,065	357,964	648,724	721,538	863,312
Interest and Fiscal Charges	246,808	154,664	167,541	148,699	126,349	114,719	110,005	127,102	130,047	97,233
Bond Issuance Cost	0	0	36,147	0	0	0	0	0	0	0
Total Expenditures	\$18,452,507	\$18,002,819	\$19,147,563	\$20,659,123	\$18,532,651	\$18,245,384	\$20,407,644	\$20,391,209	\$18,351,197	\$20,354,123

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

	Calendar Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Excess of revenues over (under) expenditures	\$75,320	\$526,639	(\$575,771)	(\$3,188,534)	(\$1,191,802)	\$178,026	\$1,047,456	(\$148,894)	\$1,275,803	(\$178,346)
Other Financing Sources (Uses)										
Issuance of Capital Leases	\$0	\$0	\$94,605	\$98,967	\$0	\$0	\$367,000	\$1,677,977	\$250,000	\$1,610,445
Proceeds from Sale of Capital Assets	0	0	168	0	0	37,744	29,418	0	10,950	0
Issuance of Long-Term Capital-Related Debt	0	0	375,000	0	0	0	0	0	0	0
Payments for Refunding Bond Escrow Agent	0	0	(1,928,853)	0	0	0	0	0	0	0
Issuance of Refunding Bonds	0	0	1,853,853	0	0	0	0	0	0	0
Premium on Refunding	0	0	113,222	0	0	0	0	0	0	0
Transfers In	1,779,804	1,471,505	1,018,121	1,135,364	757,000	624,116	782,750	776,875	1,617,500	1,900,000
Transfers (Out)	(1,779,804)	(1,471,505)	(1,018,121)	(1,101,364)	(723,000)	(590,116)	(748,750)	(776,875)	(1,617,500)	(1,900,000)
Total Other Financing Sources (Uses)	0	0	507,995	132,967	34,000	71,744	430,418	1,677,977	260,950	1,610,445
Net Change in Fund Balances	\$75,320	\$526,639	(\$67,776)	(\$3,055,567)	(\$1,157,802)	\$249,770	\$1,477,874	\$1,529,083	\$1,536,753	\$1,432,099
Debt service as a percentage of noncapital expenditures (1)	3.7%	3.5%	2.4%	2.8%	2.9%	2.6%	2.7%	4.5%	5.7%	5.2%

Source: City Records

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

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

Calendar Year	Real Property Assessed Value	Tangible Personal Property (1) Assessed Value	Public Utilities Personal Assessed Value	Total Assessed Value	Total Estimated Actual Value	Total Direct Rate
2009	\$373,565,350	\$11,647,750	\$9,014,330	\$394,227,430	\$1,126,364,086	11.08
2010	363,079,200	1,277,700	9,781,930	374,138,830	1,068,968,086	11.08
2011	316,949,750	0	11,126,340	328,076,090	937,360,257	11.08
2012	312,398,330	0	11,471,250	323,869,580	925,341,657	11.08
2013	309,627,960	0	12,407,390	322,035,350	920,101,000	11.08
2014	293,525,890	0	13,186,750	306,712,640	876,321,829	11.08
2015	290,114,120	0	13,597,180	303,711,300	867,746,571	11.08
2016	289,865,770	0	14,305,860	304,171,630	869,061,800	15.45
2017	297,735,550	0	15,494,550	313,230,100	894,943,143	15.45
2018	295,160,130	0	16,307,040	311,467,170	889,906,200	15.45

Source: County Auditor

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

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

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

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

Calendar Year	Direct Rate		Total Direct Rate	Overlapping Rates				Hamilton County
	General Fund	Fire/EMS Fund		School District	Joint Vocational	Public Library (1)		
2009	1.38	9.70	11.08	53.56	2.70	0.00	20.63	
2010	1.38	9.70	11.08	53.57	2.70	1.00	20.48	
2011	1.38	9.70	11.08	53.60	2.70	1.00	19.45	
2012	1.38	9.70	11.08	54.22	2.70	1.00	19.03	
2013	1.38	9.70	11.08	59.57	2.70	1.00	19.03	
2014	1.38	9.70	11.08	59.57	2.70	1.00	19.03	
2015	1.38	9.70	11.08	59.57	2.70	1.00	18.85	
2016	1.38	14.07	15.45	58.87	1.93	1.00	18.85	
2017	1.38	14.07	15.45	58.48	1.93	1.00	19.16	
2018	1.38	14.07	15.45	58.48	1.93	1.00	19.16	

Source: County Auditor

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

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

2018		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
Duke Energy Ohio Inc.	\$15,534,900	4.99%
Everest Kennsington Holdings LLC	5,950,000	1.91%
Union Central Life Ins Co.	5,579,490	1.79%
Forest Park Associates LLC	3,892,280	1.25%
AERC Remington Place Holdings LLC	3,667,270	1.18%
New Mills Run LLC	3,141,670	1.01%
Forest Park Station LLC	2,342,900	0.75%
Versailles Village Apartments LLC	2,244,530	0.72%
Faxon Machining Inc	1,932,970	0.62%
Steel Summit Holdings INC	1,342,180	0.43%
	<u>\$45,628,190</u>	<u>14.65%</u>
2009		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
Duke Energy	\$8,865,950	2.37%
Union Central Life Ins Co	7,004,000	1.87%
Kensington Park Apts LLC	6,807,500	1.82%
Forest Park Associates LLC	4,360,170	1.17%
Aerc Remington Place Inc	3,952,410	1.06%
All State Associates of Huntington	3,559,500	0.95%
Forest Park Station LLC	2,866,750	0.77%
Versailles Village	2,616,250	0.70%
Civic Center Station LTD	2,161,260	0.58%
Cincinnati Mills LLC	1,890,390	0.51%
	<u>\$44,084,180</u>	<u>11.80%</u>

Source: County Auditor

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

Calendar Year	Taxes Levied for the Calendar Year (1)	Collected, including Delinquencies, within the Calendar Year of the Levy		Unpaid Collections	Total Collections (3)	
		Net Collections (2)	Percentage of Levy		Amount	Percentage of Levy
2009	\$5,044,675	\$4,470,431	88.62%	\$465,590	\$4,936,021	97.85%
2010	5,056,475	4,483,660	88.67%	527,930	5,011,590	99.11%
2011	5,121,311	4,541,538	88.68%	512,480	5,054,018	98.69%
2012	4,621,959	4,093,950	88.58%	384,216	4,478,166	96.89%
2013	4,443,252	4,014,332	90.35%	371,022	4,385,354	98.70%
2014	4,427,753	4,025,664	90.92%	378,256	4,403,920	99.46%
2015	4,255,617	3,870,984	90.96%	317,244	4,188,228	98.42%
2016	6,066,268	5,728,905	94.44%	287,523	6,016,428	99.18%
2017	5,947,616	5,596,538	94.10%	319,502	5,916,040	99.47%
2018	6,132,587	5,709,869	93.11%	373,491	6,083,360	99.20%

Source: County Auditor

(1) - Includes delinquent levy

(2) - Includes current and delinquent collections minus refunds

(3) - Includes net collections plus unpaid collections

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

Calendar Year	Withholding Accounts	Business Accounts	Residential Accounts	Total	Income Tax Rate	Credit Amount
2009	\$5,556,446	\$1,023,911	\$1,697,127	\$8,277,484	1.50%	1.50%
2010	5,067,590	1,012,422	1,719,750	7,799,762	1.50%	1.50%
2011	5,419,081	842,655	1,636,700	7,898,436	1.50%	1.50%
2012	5,431,447	736,475	1,724,198	7,892,120	1.50%	1.50%
2013	5,328,167	782,381	1,563,657	7,674,206	1.50%	1.13%
2014	5,882,107	760,448	2,157,207	8,799,762	1.50%	0.375%
2015	6,214,160	769,453	2,495,718	9,479,331	1.50%	0.375%
2016	6,661,736	1,255,105	2,693,906	10,610,747	1.50%	0.375%
2017	6,413,753	1,055,841	2,429,948	9,899,542	1.50%	0.375%
2018	6,674,319	662,767	2,457,660	9,794,746	1.50%	0.375%

Source: City Records

Note: Refunds are deducted

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

	2018
Name	Rank
Ameritas Life Insurance Corporation	1
Jacobs Engineering Group, Inc.	2
Winton Woods City Schools	3
Hillman Group Inc.	4
City of Forest Park	5
Siemens Industries Inc.	6
Magna Machine Company	7
Carmax Auto Superstores Incorporated	8
Honeywell International Inc.	9
Faxon Machining Inc.	10

	2009
Name	Rank
Union Central Life	1
Jacobs Engineering Group	2
Winton Woods City Schools	3
City of Forest Park	4
Hillman Group	5
Honeywell International	6
Faxon Machining	7
Masters Pharmaceutical Inc.	8
Pristine Bay LLC	9
Magna Machine	10

Source: City Records

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

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

Calendar Year	Governmental Activities							Total Primary Government	Percentage of Personal Income	Per Capita
	General		Public Works		Capital Leases	Total	Government			
	Obligation Bonds and Notes	Issue 2 Loans	Issue 2 Loans	Leases						
2009	\$2,555,000	\$19,533	\$0	\$0	\$2,574,533	0.01%	59			
2010	2,165,000	11,720	0	0	2,176,720	0.01%	49			
2011	1,998,504	3,907	69,231	69,231	2,071,642	0.01%	44			
2012	1,784,351	0	119,066	119,066	1,903,417	0.00%	39			
2013	1,775,198	0	54,294	54,294	1,829,492	0.00%	36			
2014	1,461,045	0	15,229	15,229	1,476,274	0.00%	29			
2015	1,141,892	0	329,265	329,265	1,471,157	0.00%	28			
2016	812,739	0	1,673,518	1,673,518	2,486,257	0.00%	47			
2017	548,586	0	1,451,980	1,451,980	2,000,566	0.00%	35			
2018	279,433	0	2,454,113	2,454,113	2,733,546	N/A	N/A			

Source: City Records

N/A - Information not available

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

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

Calendar Year	General Bonded Debt Outstanding General Obligation Bonds and Notes	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2009	\$2,555,000	0.23%	58
2010	2,165,000	0.20%	48
2011	1,998,504	0.21%	43
2012	1,784,351	0.19%	36
2013	1,775,198	0.19%	35
2014	1,461,045	0.17%	29
2015	1,141,892	0.13%	22
2016	812,739	0.09%	15
2017	548,586	0.06%	10
2018	279,433	0.03%	N/A

Source: City Records

N/A - Information not available

City of Forest Park, Ohio
Direct and Overlapping Governmental Activities Debt
As of December 31, 2018
Schedule 13

Governmental Unit	Net Debt Outstanding	Estimated Percentage Applicable (1)	Amount Applicable to the City of Forest Park
Hamilton County	\$126,870,000	1.62%	\$2,055,294
Winton Woods City School District	58,595,000	61.05%	35,772,248
Northwest Local School District	84,780,000	2.24%	1,899,072
Butler Technology & Career Center JVS	8,035,000	0.38%	30,533
Great Oaks Career Center JVSD	3,105,000	1.42%	44,091
Subtotal Overlapping Debt	281,385,000		39,801,238
City of Forest Park - Direct Debt	2,733,546	100.00%	2,733,546
Total Direct and Overlapping Debt	\$284,118,546		\$42,534,784

Source: Ohio Municipal Advisory Council

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

City of Forest Park, Ohio
 Legal Debt Margin Information
 Last Ten Calendar Years
 Schedule 14

Legal Debt Margin Calculation for Calendar Year 2018

Assessed Value	\$311,467,170	\$311,467,170
Statutory Legal Debt Limitation (1)	10.5%	5.5%
Total Debt Limitation	32,704,053	17,130,694
Debt Applicable to Limit	2,733,546	2,733,546
Legal Debt Margin	\$29,970,507	\$14,397,148

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total Debt Limit (1)										
Debt Limit (10.5%)	\$41,393,880	\$39,284,577	\$34,447,989	\$34,006,306	\$33,813,721	\$32,204,827	\$31,889,687	\$31,938,021	\$32,889,161	\$32,704,053
Total Net Debt Applicable to Limit	5,055,000	5,455,000	5,105,000	6,918,417	7,049,492	1,476,274	1,822,587	2,486,257	2,000,566	2,733,546
Legal Debt Margin	\$36,338,880	\$33,829,577	\$29,342,989	\$27,087,889	\$26,764,229	\$30,728,553	\$30,067,100	\$29,451,764	\$30,888,595	\$29,970,507

Total Net Debt Applicable to the Limit as a Percentage of Debt Limit

	12.2%	13.9%	14.8%	20.3%	20.8%	4.6%	5.7%	7.8%	6.1%	8.4%
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	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total Unvoted Debt Limit (1)										
Debt Limit (5.5%)	\$21,682,509	\$20,577,636	\$18,044,185	\$17,812,827	\$17,711,944	\$16,869,195	\$16,704,122	\$16,729,440	\$17,227,656	\$17,130,694
Total Net Debt Applicable to Limit	5,055,000	5,455,000	5,105,000	6,918,417	7,049,492	1,476,274	1,822,587	2,486,257	2,000,566	2,733,546
Legal Debt Margin	\$16,627,509	\$15,122,636	\$12,939,185	\$10,894,410	\$10,662,452	\$15,392,921	\$14,881,535	\$14,243,183	\$15,227,090	\$14,397,148

Total Net Debt Applicable to the Limit as a Percentage of Debt Limit

	23.3%	26.5%	28.3%	38.8%	39.8%	8.8%	10.9%	14.9%	11.6%	16.0%
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Source: OMAC

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

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

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2009	19,463	\$35,228,404	\$43,918	8.90%
2010	18,720	35,888,024	44,751	8.50%
2011	18,720	37,522,065	46,881	7.70%
2012	18,720	39,631,501	49,413	6.30%
2013	18,720	40,415,100	50,235	7.00%
2014	18,720	41,322,507	51,229	4.00%
2015	18,720	42,060,595	52,081	5.30%
2016	18,720	43,251,503	53,456	4.00%
2017	18,720	46,331,959	56,931	4.00%
2018	18,720	n/a	n/a	4.20%

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

N/A - Information not available

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

2018			
Major Employers (2)	Type	Number of Employees	Employer's Percentage of Total Employment
American Financial Group Inc	Ins	(3)	(4)
Cincinnati Children's Hospital	Serv	(3)	(4)
Fifth Third Bancorp	Fin	(3)	(4)
Ford Motor Co	Mfg	(3)	(4)
General Electric Co	Mfg	(3)	(4)
Johnson & Johnson/Ethicon	Mfg	(3)	(4)
Kroger Co	Trade	(3)	(4)
Macy's Inc	Trade	(3)	(4)
Mercy Health Partners	Serv	(3)	(4)
Procter & Gamble Co	Mfg	(3)	(4)
TriHealth Inc	Serv	(3)	(4)
University of Cincinnati	Govt	(3)	(4)

2009			
Major Employers (2)	Type	Number of Employees	Employer's Percentage of Total Population
American Financial Group Inc	Ins	(3)	(4)
Chiquita Brands International Inc	Trade	(3)	(4)
Convergys Corp	Serv	(3)	(4)
Duke Energy Corp	Utility	(3)	(4)
Fifth Third Bancorp	Fin	(3)	(4)
Ford Motor Co	Mfg	(3)	(4)
General Electric Co	Mfg	(3)	(4)
Health Alliance of Greater Cincinnati	Serv	(3)	(4)
Johnson & Johnson/Ethicon	Mfg	(3)	(4)
Kroger Co	Trade	(3)	(4)
Macy's Inc	Trade	(3)	(4)
Mercy Health Partners	Serv	(3)	(4)
Procter & Gamble Co	Mfg	(3)	(4)
TriHealth Inc	Serv	(3)	(4)
University of Cincinnati	Govt	(3)	(4)

Source: Ohio Department of Development

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

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

Function/Program	Full-time-Equivalent Employees as of December 31									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government										
City Administration	6.0	5.2	5.5	5.5	5.5	5.5	5.5	6.5	5.0	6.0
City Council	4.5	4.5	4.5	4.5	4.5	4.5	5.0	4.5	4.5	4.5
Mayor's Court	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Finance & Tax	6.5	6.5	7.5	8.5	7.5	7.5	9.5	9.5	9.5	11.0
Engineering	1.0	0.5	0.5	0.5	0.5	0.5	1.0	1.0	1.0	1.0
Facility/Buildings	4.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Public Safety										
Police										
Officers	40.0	39.0	37.0	37.0	37.0	37.0	37.0	37.0	37.0	40.0
Non-Sworn	4.5	4.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Fire										
Full time	27.0	28.2	28.0	28.0	24.0	24.0	24.0	24.0	24.0	24.0
Part Time	15.5	16.5	16.0	16.0	22.0	22.0	26.5	21.5	29.5	21.0
Leisure Time Activities										
Parks and Recreation	0.5	0.5	1.5	1.5	1.5	1.5	2.0	2.0	2.0	2.0
Community Development										
Planning and Zoning	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.5	4.5
Building Inspection	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Economic Development	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Transportation and Street Repair	<u>11.5</u>	<u>14.1</u>	<u>13.5</u>	<u>13.5</u>	<u>14.0</u>	<u>14.0</u>	<u>14.5</u>	<u>14.5</u>	<u>10.5</u>	<u>9.0</u>
Total	<u>129.0</u>	<u>130.5</u>	<u>127.5</u>	<u>128.5</u>	<u>130.0</u>	<u>130.0</u>	<u>138.5</u>	<u>134.0</u>	<u>136.0</u>	<u>132.5</u>

Source: City Finance Department

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

Function/Program	Calendar Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government										
Building Permits Issued	688	503	575	536	563	592	644	731	689	727
Building Inspections Conducted	1,337	848	875	1,105	1,053	1,265	1,233	1,151	1,052	966
Police										
Physical Arrests	3,078	3,034	2,177	2,495	2,795	1,547	2,388	2,091	2,019	326*
Parking Violations	756	810	824	832	988	410	424	578	1,821	97*
Traffic Violations	2,097	2,225	1,665	2,494	2,476	2,411	1,685	2,755	2,692	203*
Fire										
Emergency Responses	4,112	4,000	3,954	4,463	4,203	4,698	4,879	4,834	5,046	5,531
Fires Extinguished	168	128	46	66	46	49	63	53	25	11
Inspections	464	545	634	559	540	425	541	600	654	623
Recyclable Collected in Tons	925	1,020	932	885	900	967	891	794	807	785
Other Public Works										
Street Resurfacing	0	8	3	3	1	0	6	4	5	7
Potholes Repaired	180	694	1,015	1,041	1,159	1,898	3,998	1,301	984	3,289
Parks and Recreation										
Athletic Field Permits Issued	10	10	10	10	10	10	10	10	10	10

Source: Various City Departments

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

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

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Zone Offices	2	2	1	0	1	1	1	1	1	1
Patrol Units	27	27	27	27	27	27	27	27	27	27
Fire Stations	2	2	2	2	2	2	2	2	2	2
Other Public Works										
Area of City (square miles)	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Streets (miles)	153.00	153.00	153.00	153.00	153.00	153.00	153.00	153.00	153.00	153.00
Highways (miles)										
Streetlights	788	788	788	788	788	788	788	788	788	788
Traffic Signals	23	23	23	23	23	23	23	23	23	23
Stormwater Correction (Miles of Storm Lines)	46	46	46	46	46	46	46	46	46	46
Parks and Recreation										
Number of Parks	11	11	11	11	11	11	11	11	11	11
Acreeage	82.28	82.28	82.28	82.28	82.28	82.28	82.28	82.28	82.28	82.28
Playgrounds	4	4	4	4	4	4	4	4	4	4
Baseball/Softball Diamonds	8	8	8	8	8	8	8	8	8	8
Soccer/Football Fields	5	5	5	5	5	5	5	5	5	5
Fire Hydrants	1,150	1,089	1,089	1,089	1,089	1,089	1,089	1,089	1,089	1,089

Source: Various city departments

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CITY OF FOREST PARK, OHIO



Yellow Book Report

December 31, 2018

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Forest Park, Ohio (the City), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 25, 2019, wherein we noted the City adopted GASB No. 75 as disclosed in Note 21.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Plattenburg & Associates, Inc.

Cincinnati, Ohio

June 25, 2019

OHIO AUDITOR OF STATE
KEITH FABER



CITY OF FOREST PARK

HAMILTON 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
AUGUST 15, 2019**