

**CITY OF NORTH RIDGEVILLE
LORAIN COUNTY, OHIO**

AUDIT REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2018**

James G. Zupka, CPA, Inc.
Certified Public Accountants



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Members of City Council
City of North Ridgeville
7307 Avon Belden Road
North Ridgeville, Ohio 44039

We have reviewed the *Independent Auditor's Report* of the City of North Ridgeville, Lorain County, prepared by James G. Zupka, CPA, 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 North Ridgeville is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

July 29, 2019

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**CITY OF NORTH RIDGEVILLE
LORAIN COUNTY, OHIO
AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2018**

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**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**

To the Members of City Council
City of North Ridgeville
North Ridgeville, Ohio

The Honorable Keith Faber
Auditor of State
State of Ohio

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 North Ridgeville, Lorain County, 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 27, 2019, wherein we noted the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, and the City restated net position at December 31, 2017 to correct the recording of capital assets and long term liabilities between governmental and business-type activities.

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 City'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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



James G. Zupka, CPA, Inc.
Certified Public Accountants

June 27, 2019

**CITY OF NORTH RIDGEVILLE
LORAIN COUNTY, OHIO
SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2018**

The prior audit report, as of December 31, 2017, included no citations or instances of noncompliance. Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

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City of North Ridgeville, Ohio



**Comprehensive Annual Financial Report
For the Year Ended December 31, 2018**

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INTRODUCTORY SECTION

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CITY OF NORTH RIDGEVILLE, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2018

Prepared By:
Office of the Auditor

Jeffrey G. Wilcheck, CPA
City Auditor

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THE CITY OF NORTH RIDGEVILLE

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Auditor's Office

June 28, 2019

Members of City Council and
Citizens of North Ridgeville
North Ridgeville, Ohio

We are pleased to submit this Comprehensive Annual Financial Report (CAFR) of the City of North Ridgeville, Ohio for its year ended December 31, 2018. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation including all disclosures rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Independent Audit

The City's financial statements for the year ended December 31, 2018 were examined by James G. Zupka, CPA, Inc. The Independent Auditor's Report on the basic financial statements is included in the Financial Section of this report.

Reporting Entity

For financial reporting purposes, the City includes all funds that comprise the primary government and all agencies, boards and commissions for which the City is financially accountable and component units. Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the organization is fiscally dependent on the City or if the City appoints a majority of the organization's governing board and 1) it is able to impose its will on the organization or 2) there is a potential for the organization to provide specific financial benefits or impose specific financial burdens on the City. The City has no component units.

CITY PROFILE

The City

The City of North Ridgeville is located in Lorain County in north central Ohio, approximately twenty miles southwest of the City of Cleveland, approximately ten miles southeast of the City of Lorain, and approximately thirteen miles northwest of Cleveland Hopkins International (CLE) airport. The City's area is approximately 25 square miles. The City's estimated population was 33,436 according to the U.S. Census Bureau, which is the third largest in Lorain County. The City is in the Cleveland-Elyria-Mentor Metropolitan Statistical Area (MSA) and the Cleveland-Akron-Elyria Combined Statistical Area (CSA).

The City is provided with banking and financial services by eight local commercial banks and savings and loan associations, operating a total of eight offices within the City. Three daily and two weekly newspapers serve the City. The City is within the broadcast area of seven television stations and approximately thirty-one AM and FM radio stations. Multi-channel cable TV service, including educational, governmental, and public access channels is provided by Time Warner Cable.

Within commuting distance are several public and private two-year and four-year colleges and universities, including Cleveland State University, University of Akron, and Kent State University (three of Ohio's twelve state universities), Lorain County Community College (LCCC), Cuyahoga Community College, Oberlin College (located in the County), Baldwin Wallace University, John Carroll University and Case Western Reserve University. The LCCC University Partnership Ridge Campus offers numerous academic programs in the City.

Two major health care providers serve the City. University Hospital System (UH) operates an outpatient health center and freestanding emergency room on Lorain Road within the City. This center provides laboratory services, physician therapy, primary and specialty care physician services, pediatrics, and heart and vascular services. In addition, the Cleveland Clinic Foundation and UH operate a number of health care facilities located in the cities of Avon, Elyria, Westlake, and Fairview Park and within a 10-mile radius of the City. Among those facilities are three acute-care hospitals, UH's Elyria Medical Center (387 beds) located in the City of Elyria and St. John Medical Center (approximately 204 beds) located in the City of Westlake, and the Cleveland Clinic Foundation's Fairview Hospital (488 beds) located in Fairview Park. Mercy Regional Medical Center, a 338-bed total care facility located in the City of Lorain also serves the area. A number of other health care facilities, including many of others of the Cleveland Clinic Foundation, the UH System and Cuyahoga County's Metro Health System, are within a 30 to 45 minute commuting distance.

The City owns and operates four parks covering 92 acres and provides recreational facilities including basketball, volleyball and tennis courts, baseball / softball fields, soccer fields, walking trails, picnic areas and a stocked fishing lake. An additional 66 acres has been leased for private use as a sports park. In addition, the City is within the Lorain County Metropolitan Park District, created to preserve natural resources and provide park and recreation facilities within the County. The Park District's Sandy Ridge Reservation, which is located within the City, consists of 310 acres of wildlife preservation with small ponds, a trail complete with information signs, observation mound, playground, educational center, and picnic area.

Severance Hall, home of the Cleveland Orchestra; the Cleveland Museum of Natural History; the Cleveland Museum of Art; the NASA Space Technology Museum; The Rock and Roll Hall of Fame; the Great Lakes Science Museum and other museums, theaters and cultural attractions are located within 45 minutes driving time of the City.

City Government

The City of North Ridgeville was founded in 1810, incorporated as a village in 1958 and became a City in 1960. The City operates under and is governed by its Charter, first adopted by voters in 1961 and which has been and may be amended by the voters from time to time. The City is also subject to some general laws applicable to all cities. Under the Ohio Constitution, the City may exercise all powers of local self-government and police powers to the extent not in conflict with applicable laws. The Charter provides for a Mayor-Council form of government. Legislative authority is vested in a seven-member Council, of whom three are elected at-large and four are elected from wards, all for four-year terms. The Council fixes compensation of City officials and employees, and enacts ordinances and resolutions relating to the City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal purposes. The presiding officer is the President of Council, who is elected by the Council from the at-large members for a two-year term.

The City's chief executive and administrative officer is the Mayor, who is elected by the voters for a four-year term. The Mayor appoints the directors of most City departments, subject to the approval of a majority of all the members of Council. The major appointed officials are the Directors of Law, Safety-Service, and the Treasurer. The Mayor also appoints members to a number of boards and commissions, and appoints and removes, in accordance with civil service requirements, all appointed officers, and employees.

The Auditor, who is the City's chief fiscal officer and the Clerk of Council are appointed by Council. The Auditor is appointed to a two-year term, subject to removal by a majority of all of the members elected to Council. The Clerk of Council serves at the pleasure of Council.

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

The City provides a full range of municipal services including police, fire, and emergency rescue services, park and recreation services, water, sanitary and storm sewer utility services, planning and zoning, general administrative services, and a Mayor's court.

CITY ECONOMIC CONDITION

Local Economy and Outlook

The City is primarily a residential community with many residents commuting daily to work in the City of Cleveland and other areas in Lorain County and adjacent Cuyahoga County. Approximately one fourth of the land in the City is undeveloped or used for agricultural purposes. Because of its location adjacent to the substantially fully developed cities of Westlake and North Olmsted and access to the Ohio Turnpike (I-80), I-90, I-480 and State Route 10, and close proximity to Cleveland Hopkins International Airport, new residential, commercial, light industrial and warehousing development is expected to continue within the next several years.

Because the City has a diverse workforce and is not reliant on any concentration of industry, it has been able to weather economic downturns without curtailing basic services. The City's major sources of revenues are municipal income taxes, property taxes and intergovernmental revenues consisting of state shared taxes and grants. In recent years, the City has been one of the fastest growing residential communities in the State of Ohio. The City has developed a master plan to encourage and accommodate responsible and orderly growth that identifies areas for residential, commercial, industrial, and governmental development.

To attract commercial developments and light industrial development, the City has established an enterprise zone (coterminous with the City) and a community reinvestment area. Under its enterprise zone program and policy, the City offers businesses abatements of up to 100% of real property taxes on new property added to the tax duplicate, for a period of up to ten years. The amounts, types, and duration of the actual abatements offered by the City under this program are a function of the size of the proposed development and the number of jobs created. Under its community reinvestment zone program and policy, the City offers an abatement of real property taxes on new property added to the tax duplicate, for a period of up to 15 years.

Five separate industrial parks are located within in the City. The largest of these is Taylor Woods Industrial Park, which includes Invacare Corp. (a manufacturer of wheelchairs), Beckett Gas, Inc. (a manufacturer of gas burners), and Beckett Air, Inc. (a manufacturer of blower parts). Commercial building permits issued in 2018 had an estimated value of \$38,148,000. The City expects commercial development to expand as the result of its infrastructure improvements completed in recent years, access to Interstate highways, close proximity to Cleveland Hopkins International Airport and downtown Cleveland, Ohio, and scheduled widening of Center Ridge Road to be completed late in 2020.

In 2018, University Hospitals completed construction of an outpatient ambulatory health center and freestanding emergency department facility that is operated 24 hours a day every day on a 30-acre site on Lorain Road near the intersection of I-480 and I-90 and I-80 (James W. Shocknessy Ohio Turnpike). That \$32.4 million center now provides laboratory services, physical therapy, primary and specialty care physician services, pediatrics, heart and vascular services as well as the emergency department. University Hospitals now has approximately 126 employees in that 50,300 square foot facility.

Construction started on two assisted living facilities. The first, to be known as The Avenue and located on Lear Nagle Road, is a 85,370 square-foot one-story center, including three courtyards and 103 private suites. The Avenue has an estimated cost of \$10.25 million. The second, to be known as The Danbury and located on Bagley Road, is a 97,100 square-foot facility that will consist of 106 units offering independent living, assisted living, and a memory care unit. The Danbury has an estimated cost of \$13.00 million. Both facilities are anticipated to be completed late 2019, and each is estimated to have more than 100 employees when in full operation.

Rudolph Libbe Group, one of the nation's 400 largest providers of construction and project engineering services, opened offices in three facilities in an industrial park in the City in 2018. Those facilities, which are located on seven acres of land and have an aggregate of more than 25,600 square feet of office space, were renovated at a cost of approximately \$1.70 million. Rudolph Libbe now has approximately 25 employees in the City and has

announced plans to add an additional 11 employees in the next several years. The City provided a 10-year tax abatement for the project.

Construction of the Center Ridge Road improvements began in 2018 and is estimated to be completed late in 2019 or early 2020. The City currently estimates that the aggregate cost of those improvements will be approximately \$60,000,000. The State and federal share of that cost is estimated to be approximately \$56,000,000 and the City's local share is estimated to be approximately \$4,000,000. The City expects that, when completed, the Center Ridge Road improvements will result in and support significant additional commercial development along its east-west corridor.

The City and the School District plan to cooperate to cause the redevelopment of the 15-acre site of the District's former middle school and an adjacent site, a prime location for future commercial or mixed use development in the center of the City.

Residential development in the City is continuing at a significant pace. Two major planned community developments in the City, Waterbury and Meadow Lakes, are still under development. Waterbury, a 640-acre development, will have approximately 2,000 residential units when completed and is now approximately 73% complete. Meadow Lakes, a 570-acre development, will have approximately 1,900 residential units when completed and is currently approximately 67% complete. Other major ongoing residential developments in the City include: Avalon, Cross Creek, Cypress Station, Hampton Place, Mill Ridge, North Ridge Pointe, Ridgefield, Stone Creek, the Reserve at Winfield, Timber Ridge and Windsor Point. The City's Building Department projects that approximately 1,000 additional residential units will be constructed within these various developments when they are built out. The City issued permits for 215 new residential units with an estimated aggregate value of \$44,438,000 in 2017 and 320 new residential units with an estimated aggregate value of \$103,090,000 in 2018. See Housing and Building Permits.

Long-term Planning

Long-term financial planning is performed on a departmental basis and incorporated as a part of the annual appropriation process.

Operating costs are forecasted for governmental operations on a five-year basis. Property tax collections are the second highest source of general revenue to the City. The City's voted property tax levies are limited to five years in duration and must be "renewed" or "replaced" by voter approval prior to expiration. Property tax levies are voted on at a specific millage rate. Ohio House Bill 920, in effect since 1976, removed the inflationary revenue growth resulting from increased property valuation by requiring annually, a decrease in the millage rate proportional to the increase in property valuation. As a result, the amount of annual tax collections generated by the levy remains approximately the same for the five-year period based on the annually determined "effective tax rate." Prior to expiration of each levy, the City must seek voter approval to "renew" or "replace" each levy. A renewal levy results in the continuation of tax collections at the effective rate based on the property tax valuation when the original levy was first passed, resulting in the same annual tax collections as the previous five years. A "replacement" levy results in the original tax rate applied to the current property valuation, which results in additional tax revenue based on the updated most recent valuation. The City's policy in recent years, when economically advantageous, has been to seek "renewal" levies. Accordingly, in the initial years following passage, levy monies are allowed to accumulate for use in the later years when increasing operating costs exceed the tax levy revenue collected. Historically, renewal and replacement levies have been supported by the voters.

Capital asset budgets for governmental operations are maintained by the departments, and capital asset replacements are planned as part of the City's annual appropriation process. Annually, 15% of the City's municipal income tax collections are allocated to the City's Capital Projects Fund for the acquisition of capital assets. A portion of these funds are allocated to pay debt issued for capital assets.

Operating costs and capital outlay related to the City's enterprise operations consisting of water and sanitary sewer are paid from user fees and tap-in charges, as applicable. The City's water and sanitary sewer operations are self-sufficient. The City obtains independent rate studies periodically and adjusts user fees as

needed. Sewer rate reviews began 2018 and will be completed in 2019. Water rates are adjusted annually based on the cost to purchased water.

MAJOR INITIATIVES

Police Department

The Police Department provides basic and enhanced law enforcement services to this growing community with a compliment of thirty-seven full-time officers, six full-time and three part-time dispatchers, two administrative staff members, and two part-time animal control officers and volunteer auxiliary officers. Police services include directed patrol, selective traffic patrol, detective bureau, school resource officer, bicycle patrol, K-9 units, safety programs, animal control and multi-jurisdictional fugitive, bomb and SWAT teams. In 2018, the department responded to 579 motor vehicle crashes, arrested 151 intoxicated drivers, and went to 31,410 calls for service and assistance. The Department strives to fulfill its mission of providing professional, impartial, and caring police services that will enhance the quality of life for its citizens.

Fire Department

The Fire Department is the largest dual-role emergency service in Lorain County providing both advanced life-support paramedic service and fire protection on a twenty-four hour basis with a full time staff of thirty-six state certified paramedics and one administration staff. The Department is an active member of the Lorain County dive rescue, technical rescue, and hazardous materials teams which provide various technical assistance throughout Lorain County, and maintains a fire prevention program that educates students, conducts fire safety inspections, and provides CPR classes to residents and businesses. In 2017, the Department responded to 3,033 medical emergencies and 542 fire calls. The Department is a member of the WESTCOM regional dispatch center which provides mutual aid emergency support services to the City from various surrounding cities. The Department maintains an ISO Public Protection Classification (PPC) of #4 for its fire suppression services and holds the Commission on Accreditation of Ambulance Services accreditation, which means the Department has met the “gold standard” determined by the ambulance industry and assures our residents that quality care is being provided to our community.

The City received voter approval for a bond issue in the amount of \$8,200,000 to provide funds to pay costs of constructing, furnishing, and equipping a new central fire station in 2015. Construction is well under way with an estimated move-in date of July 2019.

Building Department

The Building Department staffs five full-time and one part-time building inspectors, and two secretaries under the direction of the Chief Building Official. The City maintains an ISO (Insurance Service Office) building code rating of #5 for residential and #4 for commercial property owners. The Department continually strives to maintain or improve the City’s ISO ratings to minimize the insurance cost of its citizens. During 2018, building permits were issued for 308 new residential dwellings, 7 new commercial building, and 132 commercial additions/remodels. The Department utilizes state of the art mobile technology for its field inspectors enabling remote access to plans and inspection reports enhancing efficiency and compliance. The Department has also implemented electronic plan review enabling applicants to upload drawings through the Internet and track the status of their plan review from inception through issuance of a permit electronically.

Engineering Department

The Engineering Department consists of six full-time staff. In 2018, the Department’s services included engineering review and inspection for 12 commercial projects, and 9 residential subdivisions that account for upwards of 350 residential lots receiving preliminary or final approval at various locations throughout the City. The Department continues enhancements of its Geographic Information System for the City’s infrastructure systems including, storm sewer, sanitary sewer, waterways, contouring, zoning and soil conditions. The

Department is continuing to study methods to improve stormwater management within the City. In 2018, the Department continued to work on the Center Ridge Road Widening Project, which is expected to be completed in 2020. The Department assisted ODOT in completed the construction of the resurfacing of Lorain Road, SR 10. In 2018, the Department solicited for engineering consultants for a City-wide Pavement Condition Rating Study. The study will help guide future roadway improvements throughout the City. The study is expected to be completed in 2019.

Utilities Department

The Utilities Department serviced over 13,700 water, sewer and sanitation accounts in 2018 with its utilities office staff of four full-time employees. The City continues to reap the benefits of its automated electronic meter reading system which, in addition to providing contemporaneous “read” information transmitted directly to the Utility Department computers, can identify potential water leaks, broken and vandalized meters, greatly enhancing its customer service while reducing operating costs. The Departments U-Bill system provides Internet electronic payment capability for convenience of its citizens. The City-wide recycling program which provided color coordinated wheel cart receptacles to its residents continues to increase in the volume of recyclables collected annually.

French Creek Wastewater Treatment Plant

The City's French Creek Wastewater Treatment Plant services the City of North Ridgeville, the City of Avon, and the Village of Sheffield. The Plant's staff consists of 18 full-time employees. Capacity of the plant is 11.25 MGD. The land and plant facilities were originally designed to accommodate a 33 MGD treatment facility to be constructed in four phases, as the served communities continue to grow. In 2018, planning continued for the upgrade of filtration and influent pump systems. These system upgrades will greatly enhance the operational reliability of the plant and result in additional operational cost savings.

Parks and Recreation

The Parks and Recreation Department provides affordable programs and services for residents that include tot and youth leisure activities, youth and adult sports programs, special events, cultural enrichment, group fitness and adult education classes. On an annual basis, the Department offers more than one hundred programs to the community. The City's park system includes South Central park, a 30 acre woodland park with a fishing lake; state-of-the-art splash pad, five pavilions, two indoor facilities, walking trail, outdoor fitness equipment, basketball, volleyball, pickle ball and tennis courts.

The Shady Drive Complex is a 59 acre baseball/softball complex which has a quarter mile walking trail, indoor batting cage, playground, and pavilion. Frontier Park is a 13 acre football complex with pavilion and concessions. Root Road Soccer Complex is a 12 acre soccer complex with pavilion and concessions. The Department offers special events for the City's residents and provides Internet access to the community including program tracking and online registration.

Office of Older Adults

The North Ridgeville Senior Center (Office of Older Adults) is a multi-functioning center that strives to keep older adults independent and in their homes as long as possible by offering assistance through its transportation, social, health services, and supportive services. In addition to its four full-time employees and four part time employees, our volunteers provided 4,157.5 hours of volunteer services in 2018. The Center provides nutritional meals to homebound seniors through its Meals-on-Wheels program for the City and surrounding townships, and provides transportation services for doctor appointments, grocery shopping, and other special trips. Help clinics and screenings are provided at no charge for various health matters including hearing, blood pressure, glucose/cholesterol, and nail clipping. Other services include recreational programs, tax preparation assistance, flu shots, themed breakfast and lunches, bingo, and periodic outings. Activities at the Center

include bingo, line-dancing, yoga, and numerous other fun and fellowship events. The Office continues to explore and enhance its programs and activities for the seniors of the City.

FINANCIAL INFORMATION

Internal Control

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived, and 2) the valuation of costs and benefits require estimates and judgments by management. We believe that the City's system of internal control is adequate to safeguard assets and provide reasonable assurance of proper recording of transactions.

Basis of Accounting

The City prepares its annual financial statements under the reporting model required by Government Accounting Standards Board Statement No. 34 (GASB 34), "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments." Under GASB 34, the basic financial statements consist of:

Government-wide financial statements - These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by many businesses. The government-wide statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

Fund financial statements - These statements present information for individual major funds rather than by fund type. Nonmajor funds are combined and presented in total in one column. Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activities accrual information presented in the governmental-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

Statements of budgetary comparisons - These statements present comparison of actual information to the legally adopted budget. The budgetary basis, as provided by Ohio law, is on the basis of cash receipts, disbursements, and encumbrances.

For a more detailed description, see the Management's Discussion and Analysis and the Notes to the Basic Financial Statements.

Budgetary Controls

Detailed provisions for budgeting, tax levies and appropriations are set forth in the Ohio Revised Code and the City Charter.

The City prepares an annual tax budget of estimated receipts and expenditures for the upcoming year, which is filed with the Lorain County Budget Commission by July 20th preceding the budget year. Estimated resources, which includes estimated receipts taken from the City's tax budget, property tax and local government assistance as revised by the County, and estimated unencumbered fund balances, are certified by the County Budget Commission, which estimated resources serve as the limit for appropriations for the ensuing year. Beginning in August each year, the Mayor and Auditor meet with and review each department's operating capital budget requests. The Auditor compiles these requests for presentation to the Council Finance Committee. In November each year, the City departments review their budget request with the Finance Committee. The Finance Committee also reviews the capital projects for the ensuing year. The recommendations of the Finance Committee are used to compile the annual appropriation ordinance, which is

presented to City Council for approval in December for the ensuing year. Under State law, Council may delay the adoption of the appropriated budget until April 1, and adopt a temporary appropriation ordinance to control expenditures for the period of January 1 of each year for the period January 1 to March 31.

Appropriations by fund cannot exceed the estimated resources as certified by the County Budget Commission. Revisions to its estimated resources may be made during the year as new information becomes available which, upon written request is certified by the County Budget Commission. City Council can pass supplemental appropriation ordinances, as long as total appropriations by fund-type do not exceed the amount of estimated resources certified by the County, as reflected on the most recent Amended Certificate of Estimated Resources.

For management purposes, the City maintains budgetary control on a non-GAAP basis by fund and within each fund by department at major object levels, which include personal services, other expenditures, and transfers. Budgetary control is maintained by an encumbrance of purchase commitment amounts prior to the release of purchase orders to vendors. Purchase order requests for the expenditure of monies are submitted to the Mayor or Safety-Service Director for approval. The purchase order is forwarded to the Auditor's office for certification of the availability of funds. The estimated expenditure is then encumbered against available appropriation. Encumbrances, which would exceed the available appropriation are not approved or recorded until the City Council authorizes additional appropriations or transfers. The Auditor's office prepares monthly financial reports on the budgetary basis for City Council and the Administration, which reflect detailed annual budget information, monthly and year-to-date receipts, expenditures, encumbrances and unencumbered balances.

AWARDS AND ACKNOWLEDGEMENTS

GFOA Certificate of Achievement

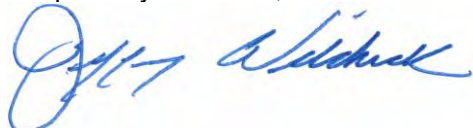
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of North Ridgeville, Ohio for its comprehensive annual financial report for the year ended December 31, 2017. In order to be awarded a Certificate of Achievement, a government 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 that 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.

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the staff of the Auditor's Office. Preparation of the Comprehensive Annual Financial Report requires a major effort and special appreciation is extended to everyone who assisted and contributed to the preparation of this report especially the City's Departments Heads. Appreciation is extended to the Administration and City Council for their continued support and commitment to responsible fiscal reporting.

Respectfully submitted,



Jeffrey G. Wilcheck, CPA
City Auditor

City of North Ridgeville, Ohio
Principal City Officials
December 31, 2018

Elected Officials

Council member, At-Large, President
Council member, At-Large, President Pro-Tem
Council member, At-Large
Council member, Ward 1
Council member, Ward 2
Council member, Ward 3
Council member, Ward 4
Mayor

Kevin Corcoran
Martin E. DeVries
Michelle Hung
Gregg A. Westover
Dennis J. Boose
Bruce F. Abens
Robert Chapek
G. David Gillock

Appointed Officials and Department Heads

Safety-Service Director
Law Director / Prosecutor
Engineer
Auditor
Deputy Auditor
Treasurer
Police Chief
Fire Chief
Service Department Superintendent
Chief Building Official
Parks and Recreation Director
Older Adult Services Director
Information Services Director
Utilities Department Director
French Creek Plant Superintendent
Mayor's Court Magistrate
Clerk of Mayor's Court
Clerk of Council
Assistant Clerk of Council

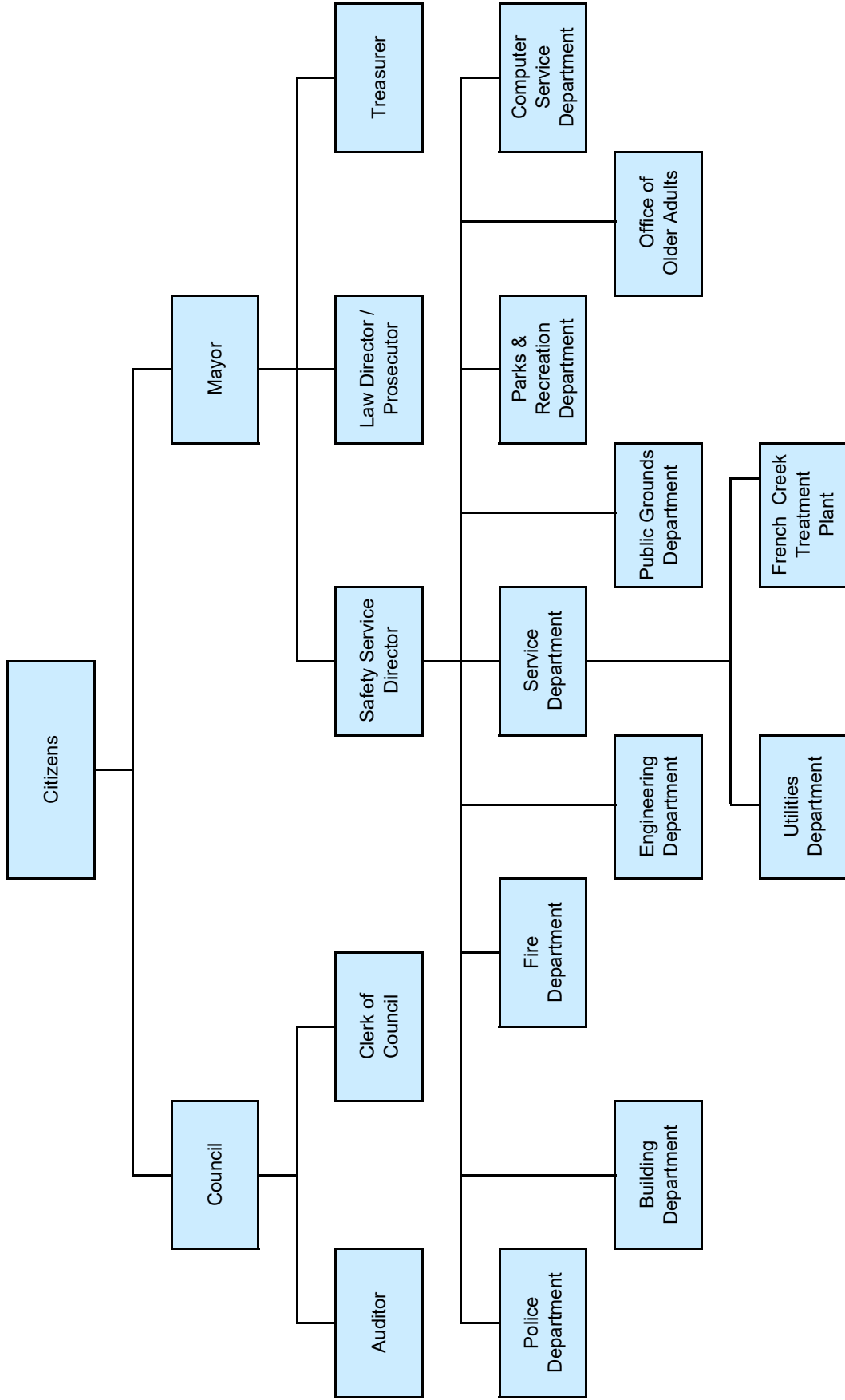
Jeffry J. Armbruster
Brian Moriarty
Daniel Rodriguez, P.E.
Jeffrey G. Wilcheck, CPA
April Wilkerson, CPM
Brian Keller
Michael W. Freeman
John C. Reese, EFO
Allen C. Swindig, Jr.
Guy M. Fursdon, C.B.O.
Kevin M. Fougerousse
Meredith Bement
Dean J. Priebe
James E. Whitlock
Corey V. Timko
Allison Manning, Attorney
Sonja D. Morrow, CMCC
Nancy Linden
Tara L. Peet, MMC

Chairmen, Boards and Commissions

Civil Service Commission
Parks and Recreation Commission
Planning Commission
Fair Housing Board
Income Tax Board of Review
Zoning Board of Appeals

James P. Yost
Chris Turay
Jennifer Swallow
Brian Keller
Nancy Bowman
Shawn Kimble

**City of North Ridgeville, Ohio
Organization Chart**





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of North Ridgeville
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morrill

Executive Director/CEO

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FINANCIAL SECTION

Back of Divider Page.

JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of City Council
City of North Ridgeville
North Ridgeville, Ohio

The Honorable Keith Faber
Auditor of State
State of Ohio

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

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

Opinions

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

Emphasis of Matter

As discussed in Note 3 to the basic financial statements, during 2018, the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Also, the City restated net position at December 31, 2017 to correct the recording of capital assets and long term liabilities between governmental and business-type activities. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The 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 27, 2019, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.



James G. Zupka, CPA, Inc.
Certified Public Accountants

June 27, 2019

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CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018
UNAUDITED

Management's discussion and analysis (MD&A) of the City of North Ridgeville's financial performance presents a narrative overview and analysis of the City's financial activities for the year ended December 31, 2018. The intent of the discussion and analysis is to present the City's financial performance as a whole. Readers are encouraged to consider this information in conjunction with the basic financial statements and notes to the basic financial statements for an enhanced understanding of the City's financial performance.

Financial Highlights

The City's management is optimistic that the City is prime for future economic growth. The Center Ridge Road widening project, began construction early in 2018 and be completed in the fall of 2020. This project will change the landscape of the City and is anticipated to bring economic growth to the City. The City's contracts with its three bargaining units include wage increases of 2.235 percent each year through 2019. The City has continued to closely monitor and optimize controllable expenditures. The City had another year where 300 plus new home were constructed resulting in increased annual revenues including municipal income taxes, property taxes, licenses and fees, user charges and tap-in fees.

The City's total net position improved by \$13,580,161 to \$169,262,342 at December 31, 2018. Total assets after depreciation, amortization and deferred outflows of resources favorably increased by \$13,504,551 to \$273,647,561, while total liabilities and deferred inflows of resources decreased by \$75,610 to \$104,385,219 at December 31, 2018. Net position of governmental activities increased by \$11,054,317 to \$81,838,290 while net position of business-type activities increased by \$2,525,844 to \$87,424,052 reflecting an overall improved financial condition of the City. Total revenues of the City decreased by \$12,836,351 or 18 percent to \$59,463,541 in 2018, attributable primarily to a decrease in capital contributions in 2018 over 2017. Total program expenses increased by \$1,356,671, consisting of a decrease in governmental activities of \$1,418,634 and an increase in business-type activities of \$2,775,305, to total \$45,883,380 in 2018. Further explanation of these changes follows herein.

Overview of Financial Statements

This annual report includes the City's basic financial statements which consist of government-wide financial statements, fund financial statements, notes to the basic financial statements and other information. The Government-wide financial statements provide information about the City as a whole, providing an aggregate view of the City's finances. The fund financial statements provide an additional level of detail focusing on spendable resources.

Government-wide Financial Statements

The government-wide financial statements provide a broad overview of the City's finances in a manner similar to a private-sector business. The *Statement of Net Position* presents information on all the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the residual being reported as net position. Increases or decreases in net position over time serve as a useful indicator of whether or not the financial position of the City is improving or deteriorating. The *Statement of Activities* presents information reflecting the City's financial activities and changes in net position during the year. These two statements use the accrual basis of accounting, under which revenue is generally recognized when earned and expenses recognized when incurred, regardless of when cash is received or paid. These statements distinguish between governmental activities which are those that are principally supported by taxes and intergovernmental revenues, and business-type activities which are those that are intended to recover their costs through user fees and charges. The City's business-type activities consist of water system operations and sanitary sewer system operations.

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018
UNAUDITED

Fund Financial Statements

The governmental fund financial statements, listed in the table of contents, focus on the City's most significant, or major funds. The City's major governmental funds are the General Fund, General Obligation (G.O.) Bond Retirement Fund, and Center Ridge Road Construction Fund. The remaining non-major funds are combined and reflected in one single column. Governmental fund financial statements focus on near-term inflows and outflows of spendable resources and on balances of spendable resources that are available at year-end. This information can be useful in determining what financial resources are available to finance the City's activities. *A Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities* for the year ended December 31, 2018 is presented. The City, similar to other local governments, uses fund accounting to ensure and demonstrate finance related legal requirements.

Fund Categories

The City's funds can be divided into three categories comprised of governmental funds, proprietary funds and fiduciary funds.

Governmental funds

Most of the City's activities are reported in governmental funds, which are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental funds use the modified accrual method of accounting, which measures cash and other financial assets readily convertible to cash.

Proprietary funds

Proprietary funds are generally used to account for activities for which the City will charge customers and users. The City maintains two types of proprietary funds. The first type, enterprise funds are used to account for those functions reported as business-type activities in the government-wide financial statements, which for the City, consists of water system and sanitary sewer system operations. The second type, internal service funds are used to accumulate and allocate costs of goods and services among the City's various functions. The City uses an internal service fund to account for the management of its medical self-insurance program and operations of the City garage. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. Proprietary funds use the accrual basis of accounting.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City and are not included in the government-wide financial statements since the resources held are not available to support City programs. The City uses agency funds included under the fiduciary funds category. Agency funds are reported on a full accrual basis, for which only a statement of assets and liabilities is presented.

Notes to the Basic Financial Statements

Notes to the basic financial statements provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. These should be read in conjunction with those financial statements.

Other Information

In addition to the basic financial statements and accompanying notes to the basic financial statements, also presented are combining statements for nonmajor governmental funds and individual budgetary comparisons.

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018
UNAUDITED

The City of North Ridgeville as a Whole

Analysis of Net Position

The Statement of Net Position presents the City as a whole. The following provides a summary of the City's net position as of the current year-end compared to the prior year-end.

	Governmental Activities		Business-Type Activities		Total	
	2018	Restated 2017	2018	Restated 2017	2018	Restated 2017
Assets						
Current and other assets	\$40,497,718	\$39,948,233	\$29,569,885	\$28,013,182	\$ 70,067,603	\$ 67,961,415
Capital assets, net	114,235,723	101,469,908	81,733,736	82,633,237	195,969,459	184,103,145
Total assets	<u>154,733,441</u>	<u>141,418,141</u>	<u>111,303,621</u>	<u>110,646,419</u>	<u>266,037,062</u>	<u>252,064,560</u>
Deferred outflow of resources	<u>6,464,966</u>	<u>6,246,118</u>	<u>1,145,533</u>	<u>1,832,332</u>	<u>7,610,499</u>	<u>8,078,450</u>
Liabilities						
Current liabilities	2,138,619	2,749,630	726,783	609,450	2,865,402	3,359,080
Long-term liabilities	65,514,850	65,893,609	23,482,512	26,897,568	88,997,362	92,791,177
Total liabilities	<u>67,653,469</u>	<u>68,643,239</u>	<u>24,209,295</u>	<u>27,507,018</u>	<u>91,862,764</u>	<u>96,150,257</u>
Deferred inflows of resources	<u>11,706,648</u>	<u>8,237,047</u>	<u>815,807</u>	<u>73,525</u>	<u>12,522,455</u>	<u>8,310,572</u>
Net position						
Net investment in capital assets	100,639,692	89,933,651	63,358,939	61,994,619	163,998,631	151,928,270
Restricted	12,116,551	11,501,162	0	0	12,116,551	11,501,162
Unrestricted	<u>(30,917,953)</u>	<u>(30,650,840)</u>	<u>24,065,113</u>	<u>22,903,589</u>	<u>(6,852,840)</u>	<u>(7,747,251)</u>
Total net position	<u>\$ 81,838,290</u>	<u>\$ 70,783,973</u>	<u>\$ 87,424,052</u>	<u>\$ 84,898,208</u>	<u>\$ 169,262,342</u>	<u>\$ 155,682,181</u>

The net pension liability (NPL) is the largest single liability 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.

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018
UNAUDITED

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

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

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

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

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

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 \$173,500,251 to \$155,682,181.

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018
UNAUDITED

Total City assets increased by \$13,972,502 to \$266,037,062 in year 2018, which included an increase of \$2,106,188 in current and other assets and an increase of \$11,866,314 in capital assets, net. The most significant changes in current and other assets included the increases in income taxes receivable of \$1,398,100, equity in pooled cash and equivalents of \$685,479 and due from other governments of \$505,394. Net investment in capital assets (land, construction in progress, buildings and improvements, equipment and vehicles and infrastructure, net of depreciation) less any debt related to acquire those assets still outstanding, represents the largest portion of net position, which increased \$12,070,361. Capital assets are used to provide services to the City's citizens but are not available for future spending. Total capital assets, net of depreciation and amortization, increased in 2018 by \$11,866,314 to \$195,969,459. New additions to capital assets included \$3,585,662 of developer contributions of infrastructure related to residential real estate development and \$10,904,035 of other capital grants and contributions. Total capital asset additions of \$32,482,802 in 2018 consisted of \$754,956 for land, \$366,228 for buildings and improvements, \$13,956,512 for construction in progress, \$1,616,613 for equipment and vehicles, and \$15,788,493 for infrastructure. Depreciation amounted to \$7,938,170 and amortization of intangible assets amounted to \$68,352. The City's total net position favorably increased by \$13,580,161 to \$169,262,342, comprised of a \$11,054,317 increase in governmental activities and a \$2,525,844 increase in business-type activities.

Analysis of Changes in Net Position

To understand what makes up changes in net position, following is a summary of activities for the current year compared to the prior year.

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues						
Program revenues						
Charges for services	\$5,879,460	\$5,164,719	\$12,914,249	\$12,770,152	\$18,793,709	\$17,934,871
Operating grants and contributions	2,636,456	2,258,190	0	0	2,636,456	2,258,190
Capital grants and contributions	11,179,192	28,614,145	3,310,505	3,866,378	14,489,697	32,480,523
Total program revenues	19,695,108	36,037,054	16,224,754	16,636,530	35,919,862	52,673,584
General revenues						
Property and other local taxes	7,283,040	6,816,506	0	0	7,283,040	6,816,506
Municipal income taxes	13,199,882	10,149,683	0	0	13,199,882	10,149,683
Grants and entitlements	1,373,274	1,195,429	0	0	1,373,274	1,195,429
Other	1,318,323	1,264,819	369,160	199,871	1,687,483	1,464,690
Total general revenues	23,174,519	19,426,437	369,160	199,871	23,543,679	19,626,308
Total revenues	42,869,627	55,463,491	16,593,914	16,836,401	59,463,541	72,299,892

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018
UNAUDITED

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Program expenses						
Security of persons and property	14,226,908	13,407,562	0	0	14,226,908	13,407,562
Public health and welfare	453,487	684,819	0	0	453,487	684,819
Leisure time activities	597,979	651,710	0	0	597,979	651,710
Community environment	1,603,095	1,662,631	0	0	1,603,095	1,662,631
Transportation	7,162,603	8,487,747	0	0	7,162,603	8,487,747
General government	7,247,407	7,868,802	0	0	7,247,407	7,868,802
Interest	498,262	445,104	0	0	498,262	445,104
Water	0	0	5,278,892	4,221,529	5,278,892	4,221,529
Sewer	0	0	8,814,747	7,096,805	8,814,747	7,096,805
Total expenses	<u>31,789,741</u>	<u>33,208,375</u>	<u>14,093,639</u>	<u>11,318,334</u>	<u>45,883,380</u>	<u>44,526,709</u>
Increase in net position	11,079,886	22,255,116	2,500,275	5,518,067	13,580,161	27,773,183
Transfers	(25,569)	0	25,569	0	0	0
Net position,						
beginning of year, restated	<u>70,783,973</u>	<u>N/A</u>	<u>84,898,208</u>	<u>N/A</u>	<u>155,682,181</u>	<u>N/A</u>
Net position, end of year	<u>\$ 81,838,290</u>	<u>\$ 70,783,973</u>	<u>\$ 87,424,052</u>	<u>\$ 84,898,208</u>	<u>\$ 169,262,342</u>	<u>\$ 155,682,181</u>

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 \$ 102,648 computed under GASB 45. GASB 45 required recognizing pension 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 \$ 1,753,155. Consequently, in order to compare 2018 total program expenses to 2017, the following adjustments are needed:

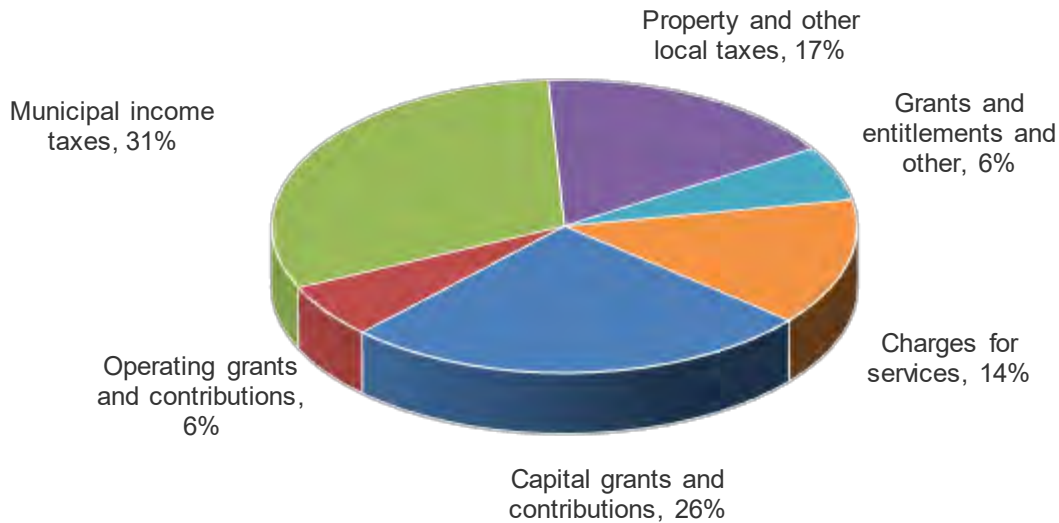
	Governmental Activities	Business-type Activities	Total
Total 2018 program expenses under GASB 75	\$31,789,741	\$14,093,639	\$45,883,380
OPEB expense under GASB 75	(1,611,848)	(141,307)	(1,753,155)
2018 contractually required contribution	<u>84,742</u>	<u>22,662</u>	<u>107,404</u>
Adjusted 2018 program expenses	30,262,635	13,974,994	44,237,629
Total 2017 program expenses under GASB 45	<u>33,208,375</u>	<u>11,318,334</u>	<u>44,526,709</u>
Increase (decrease) in program expenses not related to OPEB	<u>(\$2,945,740)</u>	<u>\$2,656,660</u>	<u>(\$289,080)</u>

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018
UNAUDITED

Governmental activities

Revenues by source of governmental activities in 2018 were comprised of:

Revenue by Source, Governmental Activities



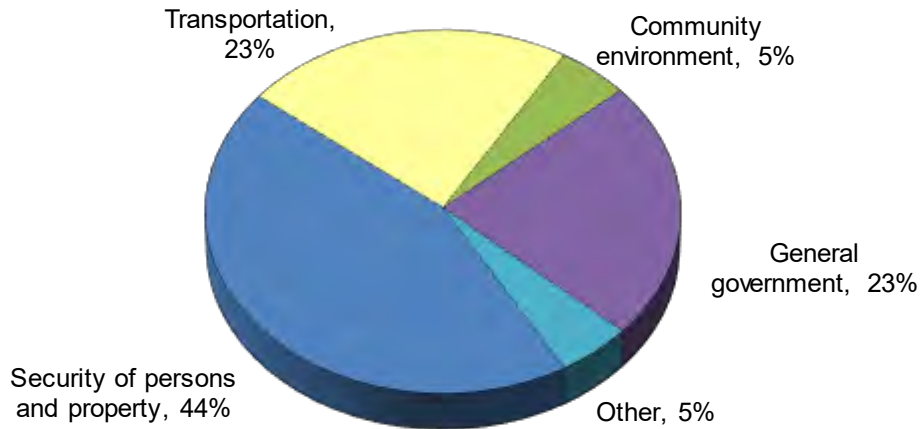
Total *program revenues* of governmental activities reflected a net decrease of \$16,341,946 or 45 percent in 2018 compared to 2017. Charges for services increased by \$714,741. Operating grants and contributions increased by \$378,266. Capital grants and contributions decreased by \$17,434,953 in the aggregate, resulting from decreases in the current year from developer contributions of infrastructure, capital grants and other contributions, primarily related to road projects. Developer contributions of governmental type infrastructure, consisting primarily of road systems in housing developments, amounted to \$2,455,327 in 2018 and \$2,521,040 in 2017, reflecting the ongoing activity of the local housing market.

Total *general revenues* reflected an increase of \$3,748,082 or 19 percent in 2018 from 2017. Municipal income taxes of \$13,199,882 represented the majority of general revenues and 31 percent of total revenues in 2018, followed by property and other local taxes which represented 17 percent of total revenues. Municipal income taxes were \$3,050,199 or 30 percent higher in 2018 than 2017. This increase is partially related to a change in state law regarding the timing of taxpayer remittances. Property and other local taxes were \$466,534 or 7 percent higher. Grants and entitlements increased by \$177,845 or 15 percent in 2018 versus 2017.

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018
UNAUDITED

Program expenses of governmental activities in 2018 were comprised of:

Program Expenses, Governmental Activities



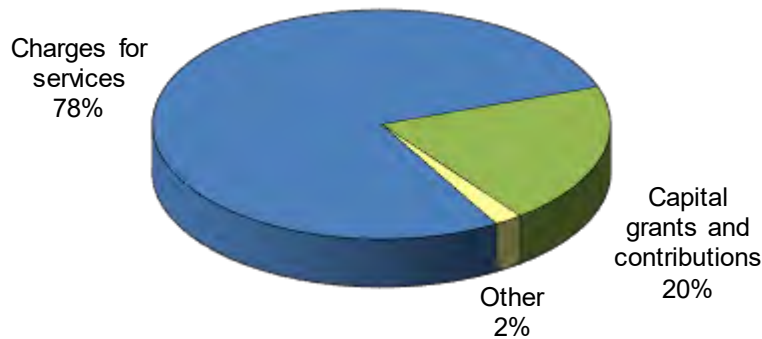
Program expenses amounted to \$31,789,741 in 2018, of which \$19,695,108 was supported by program revenue. Security of persons and property, which includes police, fire and paramedic services, in 2018 represented \$14,226,908 or 44 percent of total program expenses. Transportation, which includes street maintenance, snow removal and storm channel maintenance, represented \$7,162,603 or 23 percent of program expenses. General government, which includes legislative and administrative services of council, mayor, law, auditor, treasurer and computer services departments, and maintenance of buildings represented \$7,247,407 or 23 percent of program expenses. Community environment represented \$1,603,095 or 5 percent of program expenses and included sanitation collection and community development. Other expenses which include leisure time activities, public health and welfare and interest represented \$1,549,728 or 5 percent of program expenses. Leisure time activities, which include recreation activities and maintenance of the City's park system, represented \$597,979 of total program expenses. Public health and welfare, which includes senior citizen programs, payments to the County health department and cemetery maintenance represented \$453,487 of total program expenses in 2018. Interest expense in 2018 totaled \$498,262. Program expenses, in total were \$1,517,352 lower in 2018 than 2017 due primarily to transportation expenses.

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018
UNAUDITED

Business-type activities

Revenues by source for business-type activities for 2018 were comprised of:

Revenues by Source, Business-type Activities



Program revenues of business-type activities represented 98% of total revenues in 2018. Charges for services of \$12,914,249 represented 78 percent of total revenues while capital grants and contributions of \$3,310,505 represented 20 percent of total revenues. Capital grants and contributions included \$1,130,335 of contractor contributions of infrastructure in 2018 consisting of waterlines and sanitary sewer lines, compared to \$2,344,800 in 2017. Tap-in fees amounted to \$2,180,170 in 2018, versus \$1,521,578 in 2017. In 2018, the City's water rates were increased 2.2 percent from 2017 and its sanitary sewer rates remained the same as 2017. Other general revenues of \$369,160 represented 2 percent of total revenues, comprised primarily of interest income

Expenses, Business-type Activities



Water operating expenses amounted to \$5,278,892 or 37 percent and sanitary sewer operating expenses amounted to \$8,814,747 or 63 percent of total program expenses for business-type activities in 2018. Both water and sanitary sewer operations have historically been self-supporting through user fees and charges. Water is purchased from three sources. The City's wastewater treatment facility services the City and two neighboring communities. For the year 2018, business-type activities realized an increase in net position of \$2,525,844.

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018
UNAUDITED

The City's Funds

The City's governmental funds financial information begins at page 22. As reflected on the *Balance Sheet*, total governmental assets amounted to \$39,674,778 year-end 2018, representing an increase of \$1,313,987 or 3 percent from year-end 2017. Total governmental fund liabilities amounted to \$ 2,427,515, representing an increase of \$379,830 or 18 percent from prior year-end 2017. Deferred inflows of resources increased by \$2,346,816 or 17 percent to \$15,961,794, resulting primarily from property taxes not yet available as revenue. The net result was a decrease in governmental total fund balances of \$1,412,659 to \$21,285,469 at year-end 2018. As reflected on the *Statement of Revenues, Expenditures and Changes in Fund Balances* on page 22, total governmental funds revenues amounted to \$39,254,464 in 2018 representing a decrease of \$14,934,130 or 28 percent from 2017, while total expenditures amounted to \$47,618,500 representing a decrease of \$15,011,385 or 24 percent compared to 2017. Total other financing sources (uses) amounted to \$6,951,377 representing a decrease of \$334,192 versus 2017. The most significant change in governmental revenues consisted of a decrease in intergovernmental revenue of \$16,211,371. The most significant change in governmental expenditures was a decrease of \$17,401,826 in capital outlay.

The City's major funds in 2018 consisted of the General Fund, General Obligation (G.O.) Bond Retirement Fund and Center Ridge Road Construction Fund.

General Fund revenues were \$1,057,851 or 7 percent lower in 2018 than 2017, resulting primarily from less municipal income taxes receivable meeting the revenue recognition criteria. General Fund total expenditures decreased by \$629,063 or 5 percent, due primarily to decreases in security of persons and property and general government expenditures. Other financing sources (uses) were higher in 2018 than 2017. The General Fund balance increased by \$1,357,020 to \$8,399,862 at year-end 2018, compared to a \$63,621 increase in 2017

The G.O. Bond Retirement Fund revenues were \$603,086 or 75 percent higher in 2018 than 2017, primarily from the municipal income taxes being recorded to the fund beginning in 2018. The G.O. Bond Retirement Fund balance decreased by \$238,776 to \$811,262 at year end 2018.

The Center Ridge Road Construction Fund was new in 2017. The fund received \$7,507,513 intergovernmental revenue in 2018 versus \$24,118,140 in 2017. During 2018 the fund had capital outlay expenditures of \$7,511,093 compared to \$26,156,526 in 2017. The fund balance increased by \$113,086 to \$984,243.

The City's proprietary fund type information begins at page 28. Drinking water operations are reflected in the Water Fund. Water Fund net position increased by \$315,230 to \$27,276,955 at year-end 2018. Charges for services included a 5.3 percent water rate increase in 2018 to offset the increased cost of water operations. Water user rates are increased annually based on the weighted average percentage increase in purchased water from the City's three suppliers. Water operating revenues increased by \$94,973 or 2 percent in 2018. Capital contributions were \$748,599 in 2018, consisting primarily of developers' contributions of waterlines and tap-in fees, which together were \$467,580 or 38 percent lower than in 2017. Sanitary sewer operations are reflected in the Sewer Fund. The City's wastewater treatment facility services the City, the City of Avon and the Village of Sheffield. Sewer fund net position increased by \$2,204,631 to \$59,953,132 at year-end 2018. Sewer operating revenues increased slightly by \$49,124 in 2018. Capital contributions were \$2,561,906 in 2018, comprised primarily of developer contributions of sewer lines and tap-in fees, which together were \$88,293 or 3 percent lower than in 2017.

The City's water and sewer operations have historically been self-sufficient.

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018
UNAUDITED

Budgetary Highlights

The City prepares its budget in accordance with Ohio law on the basis of cash receipts, disbursements and encumbrances. The City's original budget and amendments are enacted by City Council upon recommendation of Council's Finance Committee. Budgetary expenditure modifications at the legal level of control may only be made by ordinance of City Council. The City's final budget differs from the original budget due to various amendments during the year to reflect changes in unanticipated revenue receipts and amended appropriations.

The General Fund is the City's most significant budgeted fund. Original and final budgeted receipts (excluding other financing sources) for the General Fund were \$14,107,400 and \$15,580,699, respectively. Actual receipts were \$64,768 higher than estimated. Original budgeted appropriations (excluding other financing uses) were \$14,996,264 and final amended appropriations were \$15,140,524. The City actually expended \$13,761,202, which was \$1,379,322 less than final appropriations, resulting from the intended management control over expenditures. The City historically spends less than appropriated. In 2018 actual expenditures were 91 percent of final appropriations.

Capital and Intangible Assets

Capital and intangible assets, net of depreciation and amortization, at December 31, consisted of:

	Governmental Activities		Business-type Activities		Total	
		Restated		Restated		Restated
	2018	2017	2018	2017	2018	2017
Land	\$2,710,167	\$1,955,211	\$773,040	\$773,040	3,483,207	\$2,728,251
Construction in progress	39,766,405	38,427,859	1,086,603	1,075,895	40,853,008	39,503,754
Buildings and improvements	2,639,295	2,745,831	701,609	383,816	3,340,904	3,129,647
Equipment and vehicles	3,201,209	3,043,035	11,888,567	12,633,797	15,089,776	15,676,832
Infrastructure	65,918,647	55,297,972	66,307,111	66,721,531	132,225,758	122,019,503
Intangible assets	0	0	976,806	1,045,158	976,806	1,045,158
	<u>\$114,235,723</u>	<u>\$101,469,908</u>	<u>\$81,733,736</u>	<u>\$82,633,237</u>	<u>\$195,969,459</u>	<u>\$184,103,145</u>

Capital assets are major assets that benefit more than one fiscal year. The City's capitalization threshold is \$2,500, that is, asset cost must equal \$2,500 or more to be capitalized. Infrastructure assets are long-lived capital assets that are normally stationary in nature with a useful life significantly greater than most capital assets. The City's governmental infrastructure includes streets, bridges, culverts, sidewalks and storm drainage systems.

The City's total capital assets, net of depreciation and amortization amounted to \$195,969,459 at December 31, 2018, which was \$11,866,314 higher than the previous year. Capital assets, net of depreciation under governmental activities increased by \$12,765,815 in 2018, which included \$2,455,327 of developers' contributions of roads. Business-type capital assets, net of depreciation and amortization decreased by \$899,501 to \$81,733,736, which additions included \$1,130,335 of developers' contributions of water and sewer lines. Total depreciation and amortization expense increased by \$361,162 or 4.7 percent to \$8,006,522 in 2018 from \$7,645,360 in 2017. For more information about the City's capital assets, see Note 2J and Note 7 of Notes to the Basic Financial Statements.

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018
UNAUDITED

Debt

Outstanding debt obligations of the City at December 31 consisted of:

	Governmental Activities		Business-type Activities		Total	
	Restated		Restated		Restated	
	2018	2017	2018	2017	2018	2017
Notes and loans payable	\$6,800,000	\$7,080,000	\$0	\$0	\$6,800,000	\$7,080,000
Water rights ETL-2 loan	0	0	532,326	564,735	532,326	564,735
OPWC loans	749,058	841,482	12,674	21,125	761,732	862,607
OWDA loans	0	0	605,508	791,359	605,508	791,359
Capital lease	520,513	333,171	107,525	152,022	628,038	485,193
General obligation bonds	10,036,079	10,686,806	16,315,567	18,302,162	26,351,646	28,988,968
Special assessment bonds	805,814	843,944	1,155,000	1,284,000	1,960,814	2,127,944
Compensated absences	4,516,755	4,698,108	660,693	685,133	5,177,448	5,383,241
Net pension liability	22,583,494	24,953,899	2,427,271	3,632,513	25,010,765	28,586,412
Net OPEB liability	19,503,137	16,393,296	1,665,948	1,549,519	21,169,085	17,942,815
	<u>\$65,514,850</u>	<u>\$65,830,706</u>	<u>\$23,482,512</u>	<u>\$26,982,568</u>	<u>\$88,997,362</u>	<u>\$92,813,274</u>

As of December 31, 2018, excluding net pension/OPEB liabilities, the City had \$42,817,512 of total long-term liabilities outstanding, of which \$9,717,856 is due within one year. Total debt outstanding decreased by \$3,815,912 in 2018, which resulted primarily from decreases in general obligation bonds payable and net pension liability, which were offset by an increase in net OPEB liability.

The general obligation bonds outstanding at year-end 2018 include three various purposes bond issues consisting of road improvements, waterlines, and sanitary sewer improvements. Sources for the debt service payments include property tax collections, income tax revenues, motor vehicle license fees, P.I.L.O.T. and water and sewer operating revenues. The special assessment bonds were for infrastructure improvements, which debt service is repaid from assessments against the property owners. The City's general obligation bonds and special assessment bonds mature in various increments through 2036. The OWDA loan financed an elevated water storage tank, which debt is repaid from water system revenues. The OPWC loans consist of several zero percent interest loans with twenty year terms, used primarily for road reconstruction, which are repaid from street levy revenue and a sewer line reconstruction which is repaid from sanitary sewer system revenues. The water rights ETL-2 loan consists of the cost of water rights to purchase a specified amount of drinking water, financed over 21.5 years.

State Statute limits the amount of general obligation debt, including voted and unvoted debt, excluding certain exempt debt, to 10 ½ percent of the total tax valuation of all real property within the City. The City's overall debt limitation at December 31, 2018, was \$85,683,000, against which \$12,143,000 of debt has been issued, leaving significant additional debt capacity, within the debt limitation, of \$69,963,000.

For more information about the City's debt, see Note 2M, Note 8, Note 9 and Note 10 of Notes to the Basic Financial Statements..

CITY OF NORTH RIDGEVILLE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018
UNAUDITED

Economic Factors and Next Year's Budget

Residential development within the City is on pace for 400 new homes and is expected to continue at a rate of 300 to 400 new homes for the next several years. Several additional commercial projects have recently been completed or are under construction. Riddell, the leader in football innovation, opened its new facility in 2017 and provides over 400 jobs in the City. University Hospital opened its new \$32.4 million outpatient complex in 2018, which brought 126 jobs into the City. Center Ridge Road, a major east/west route through the City is being widened from three lanes to five lanes and should be completed in 2020. The entire project will cost in approximately \$60 million. New commercial development is anticipated to follow and a number of renovations have started with existing business along the corridor. While the future looks bright, the City's management continues monitor revenues and expenditures. Wage increases for 2018 and 2019 are 2.25 percent based on bargaining unit agreements. The City complete two sanitary sewer rate studies in 2018. No rate increase was recommended for our local sewer charges; however, a four percent increase was implemented for the sewer treatment fees. 2019 will see the implementation of a storm water management fee as recommended by the storm water management study. The fee is estimated to generate \$800,000 and will be used maintain and improve storm sewer infrastructure.

Request for Information

This financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the City's finances and show the City's accountability for the money it receives and spends. For questions about this report or for additional financial information, contact Auditor's Office, City of North Ridgeville, 7307 Avon Belden Road, North Ridgeville, Ohio 44039; telephone (440) 353-0851.

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CITY OF NORTH RIDGEVILLE, OHIO

STATEMENT OF NET POSITION

DECEMBER 31, 2018

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in pooled cash and equivalents	\$22,931,314	\$26,389,698	\$49,321,012
Accounts receivable and other	361,427	1,034,200	1,395,627
Due from other governments	2,731,971	188,300	2,920,271
Interfund receivables	(193,965)	193,965	0
Inventories and supplies	0	198,828	198,828
Prepaid items	77,300	27,200	104,500
Income taxes receivable	5,563,300	0	5,563,300
Taxes receivable - property and other	7,935,900	0	7,935,900
Special assessments receivable	1,090,471	1,537,694	2,628,165
Capital assets			
Nondepreciable capital assets	42,476,572	1,859,643	44,336,215
Depreciable capital assets	71,759,151	78,897,287	150,656,438
Intangible assets, net	0	976,806	976,806
Total assets	154,733,441	111,303,621	266,037,062
Deferred outflow of resources			
Deferred charge on refunding	120,160	353,803	473,963
Pension	4,236,422	669,133	4,905,555
OPEB	2,108,384	122,597	2,230,981
Total deferred outflow of resources	6,464,966	1,145,533	7,610,499
Liabilities			
Accounts and contracts payable	975,801	583,459	1,559,260
Accrued salaries, wages and benefits	256,189	50,774	306,963
Accrued interest payable	140,600	53,700	194,300
Claims payable	321,500	0	321,500
Due to other governments	224,529	38,850	263,379
Note payable	220,000	0	220,000
Long-term liabilities			
Due within one year	7,762,032	1,955,824	9,717,856
Due in more than one year			
Net pension liability	22,583,494	2,427,271	25,010,765
Net OPEB liability	19,503,137	1,665,948	21,169,085
Other amounts	15,666,187	17,433,469	33,099,656
Total liabilities	67,653,469	24,209,295	91,862,764
Deferred inflows of resources			
Property taxes levied for next year	7,570,800	0	7,570,800
Grants	1,294,195	0	1,294,195
Pension	2,365,990	690,063	3,056,053
OPEB	475,663	125,744	601,407
Total deferred inflows of resources	11,706,648	815,807	12,522,455
Net position			
Net investment in capital assets	100,639,692	63,358,939	163,998,631
Restricted for:			
Debt service	2,126,479	0	2,126,479
Capital projects	2,346,842	0	2,346,842
Highways and streets	2,291,398	0	2,291,398
Public safety	2,328,937	0	2,328,937
Recreation	487,697	0	487,697
Community environment	824,271	0	824,271
Grants	283,918	0	283,918
Other purposes	1,427,009	0	1,427,009
Unrestricted	(30,917,953)	24,065,113	(6,852,840)
Total net position	\$81,838,290	\$87,424,052	\$169,262,342

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

Functions/Programs	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants, Interest and Contributions	Capital Grants and Contributions
Governmental activities:				
Security of persons and property	\$14,226,908	\$1,336,685	\$143,202	\$52,352
Public health and welfare	453,487	31,975	17,648	0
Leisure time activities	597,979	329,547	53,992	500
Community environment	1,603,095	945,099	0	0
Transportation	7,162,603	271,858	2,309,260	11,126,340
General government	7,247,407	2,964,296	112,354	0
Interest	498,262	0	0	0
Total governmental activities	31,789,741	5,879,460	2,636,456	11,179,192
Business-type activities:				
Water	5,278,892	4,744,125	0	748,599
Sewer	8,814,747	8,170,124	0	2,561,906
Total business-type activities	14,093,639	12,914,249	0	3,310,505
Total	\$45,883,380	\$18,793,709	\$2,636,456	\$14,489,697

General revenues
Property taxes levied for:
 General purposes
 Other
Municipal income taxes levied for:
 General purposes
Grants and entitlements not restricted to specific purposes
Investment earnings
Miscellaneous
Transfers
Total general revenues and transfers

Change in net position

Net position, at beginning of year, restated
Net position, at 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
(\$12,694,669)	\$0	(\$12,694,669)
(403,864)	0	(403,864)
(213,940)	0	(213,940)
(657,996)	0	(657,996)
6,544,855	0	6,544,855
(4,170,757)	0	(4,170,757)
(498,262)	0	(498,262)
<u>(12,094,633)</u>	<u>0</u>	<u>(12,094,633)</u>
0	213,832	213,832
<u>0</u>	<u>1,917,283</u>	<u>1,917,283</u>
<u>0</u>	<u>2,131,115</u>	<u>2,131,115</u>
<u>(12,094,633)</u>	<u>2,131,115</u>	<u>(9,963,518)</u>
1,247,082	0	1,247,082
6,035,958	0	6,035,958
13,199,882	0	13,199,882
1,373,274	0	1,373,274
380,306	369,160	749,466
938,017	0	938,017
(25,569)	25,569	0
<u>23,148,950</u>	<u>394,729</u>	<u>23,543,679</u>
11,054,317	2,525,844	13,580,161
<u>70,783,973</u>	<u>84,898,208</u>	<u>155,682,181</u>
<u>\$81,838,290</u>	<u>\$87,424,052</u>	<u>\$169,262,342</u>

CITY OF NORTH RIDGEVILLE, OHIO

BALANCE SHEET -
GOVERNMENTAL FUNDS

DECEMBER 31, 2018

	General	General Obligation Bond Retirement	Center Ridge Road Construction	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in pooled cash and equivalents	\$6,516,074	\$ 736,257	\$984,243	\$12,845,235	\$21,081,809
Income taxes receivable	4,728,805	278,165	0	556,330	5,563,300
Taxes receivable - property and other	1,452,600	488,300	0	5,995,000	7,935,900
Special assessments receivable	0	0	0	1,090,471	1,090,471
Due from other governments	121,757	25,900	0	2,584,314	2,731,971
Accounts receivable and other	73,727	0	0	287,700	361,427
Interfund receivables	832,600	0	0	0	832,600
Prepaid items	71,600	0	0	5,700	77,300
Total assets	\$13,797,163	\$1,528,622	\$984,243	\$23,364,750	\$39,674,778
Liabilities					
Accounts and contracts payable	\$68,112	\$0	\$0	\$886,733	\$954,845
Accrued salaries, wages and benefits	144,722	0	0	103,911	248,633
Accrued interest payable	0	0	0	3,300	3,300
Due to other governments	127,220	0	0	90,917	218,137
Interfund payables	0	0	0	782,600	782,600
Notes payable	0	0	0	220,000	220,000
Total liabilities	340,054	0	0	2,087,461	2,427,515
Deferred inflow s of resources					
Property taxes levied for next year and unavailable resources	5,057,247	717,360	0	10,187,187	15,961,794
Total deferred inflow s of resources	5,057,247	717,360	0	10,187,187	15,961,794
Fund balances					
Nonspendable	71,600	0	0	5,700	77,300
Restricted	0	811,262	984,243	11,114,426	12,909,931
Committed	508,659	0	0	0	508,659
Assigned	166,542	0	0	0	166,542
Unassigned	7,653,061	0	0	(30,024)	7,623,037
Total fund balances	8,399,862	811,262	984,243	11,090,102	21,285,469
Total liabilities, deferred inflow s of resources and fund balances	\$13,797,163	\$1,528,622	\$984,243	\$23,364,750	\$39,674,778

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES

DECEMBER 31, 2018

Total governmental fund balances		\$21,285,469
Amount 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 not reported in the funds.		114,235,723
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:		
Municipal income tax	4,063,200	
Property and other local taxes	365,100	
Special assessments	1,090,471	
Intergovernmental	1,504,301	
Accounts receivable and other	73,727	
Total	7,096,799	7,096,799
Unamortized deferred charges on refundings are not recognized in the funds.		120,160
Unamortized premiums on bonds issued are not recognized in the funds.		(791,846)
In the statement of activities, interest is accrued on outstanding long-term obligations, whereas in governmental funds, an interest expenditure is reported when due.		(137,300)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Notes and loans payable	(6,800,000)	
OPWC loans payable	(749,058)	
General obligation bonds payable	(9,244,233)	
Special assessment bonds payable	(805,814)	
Capital leases payable	(520,513)	
Compensated absences payable	(4,375,310)	
Total	(22,494,928)	(22,494,928)
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in the governmental funds:		
Deferred outflows - pension	4,236,422	
Deferred inflows - pension	(2,365,990)	
Net pension liability	(22,583,494)	
Deferred outflows - OPEB	2,108,384	
Deferred inflows - OPEB	(475,663)	
Net OPEB liability	(19,503,137)	(38,583,478)
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		
Net position		1,301,656
Internal balances		(193,965)
Net position of governmental activities		\$81,838,290

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2018

	General	General Obligation Bond Retirement	Center Ridge Road Construction	Other Governmental Funds	Total Governmental Funds
Revenue					
Property and other local taxes	\$1,246,982	\$ 486,526	\$0	\$5,422,607	\$7,156,115
Municipal income taxes	9,674,779	659,879	0	1,331,943	11,666,601
Payments in lieu of taxes	0	37,499	0	91,226	128,725
Intergovernmental	730,850	188,454	7,507,513	4,736,325	13,163,142
Special assessments	0	0	0	69,707	69,707
Charges for services	61,548	0	0	4,009,808	4,071,356
Fines, licenses and permits	1,422,838	0	0	144,360	1,567,198
Interest	95,487	31,047	15,566	220,109	362,209
Miscellaneous	803,009	0	0	365,120	1,168,129
Total revenues	14,035,493	1,403,405	7,523,079	16,391,205	39,353,182
Expenditures					
Current					
Security of persons and property	6,674,643	0	0	5,562,703	12,237,346
Public health and welfare	466,542	0	0	36,673	503,215
Leisure time activities	295,446	0	0	216,770	512,216
Community environment	1,549,312	0	0	0	1,549,312
Transportation	0	0	0	3,721,584	3,721,584
General government	3,762,106	45,733	0	3,293,996	7,101,835
Capital outlay	0	0	7,511,093	6,189,626	13,700,719
Debt service					
Principal	0	7,560,248	0	210,554	7,770,802
Capital lease	25,676	0	0	83,928	109,604
Interest and fiscal charges	2,025	430,900	0	77,660	510,585
Total expenditures	12,775,750	8,036,881	7,511,093	19,393,494	47,717,218
Excess (deficiency) of revenues over expenditures	1,259,743	(6,633,476)	11,986	(3,002,289)	(8,364,036)
Other financing sources (uses)					
Transfers in	0	220,000	101,100	489,200	810,300
Transfers out	(85,000)	(505,300)	0	(245,569)	(835,869)
Issuance of notes and loans	0	6,680,000	0	0	6,680,000
Inception of capital lease	182,277	0	0	114,669	296,946
Total other financing sources (uses)	97,277	6,394,700	101,100	358,300	6,951,377
Net change in fund balances	1,357,020	(238,776)	113,086	(2,643,989)	(1,412,659)
Fund balances, beginning of year	7,042,842	1,050,038	871,157	13,734,091	22,698,128
Fund balances, end of year	\$8,399,862	\$811,262	\$984,243	\$11,090,102	\$21,285,469

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2018

Net change in fund balances - total governmental funds			(\$1,412,659)
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlays as expenditures. However in the statement of activities, the cost of those assets is allocated over their useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.			
	Capital outlay	14,835,882	
	Developers' contributions of infrastructure	2,455,327	
	Depreciation expense	<u>(4,448,154)</u>	12,843,055
Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the amount of the loss on the disposal of capital assets net of proceeds received.			(77,240)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	Municipal income tax	1,533,281	
	Property and other local taxes	(1,800)	
	Special assessments	(68,340)	
	Accounts receivable	9,427	
	Intergovernmental	<u>(429,547)</u>	1,043,021
Other financing sources in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues in the statement of activities.	Note proceeds	(6,680,000)	
	Inception of capital lease	<u>(296,946)</u>	(6,976,946)
Governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	Amortization on bond premium	55,479	
	Deferred charge on refunding	<u>(17,556)</u>	37,923
Repayment of debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net position.	Note and loan principal paid	7,052,424	
	Bond principal paid	718,378	
	Capital lease principal paid	<u>109,604</u>	7,880,406
In the statement of activities, interest is accrued on outstanding debt, whereas in governmental funds, an interest expenditure is reported when due.			(25,600)
Some expenses (i.e. compensated absences) 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.			322,798
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.			2,114,715
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities			(4,805,650)
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the entity-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service is allocated among governmental activities.	Change in net position	116,477	
	Change in Internal balances	<u>(5,983)</u>	110,494
Change in net position of governmental activities			<u><u>\$11,054,317</u></u>

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2018

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$1,190,854	\$1,234,653	\$1,246,982	\$12,329
Municipal income taxes	9,401,000	9,792,500	10,034,975	242,475
Intergovernmental revenue	713,700	721,800	730,850	9,050
Fines, licenses, and permits	1,237,000	1,312,000	1,447,810	135,810
Interest	40,000	65,000	78,574	13,574
Miscellaneous	1,524,846	2,454,746	2,106,276	(348,470)
Total revenues	14,107,400	15,580,699	15,645,467	64,768
Expenditures				
Current				
Security of persons and property	7,584,568	7,724,474	7,255,652	468,822
Public health and welfare	529,378	517,074	469,405	47,669
Leisure time activities	713,210	331,573	301,011	30,562
Community development	1,779,928	1,818,714	1,588,256	230,458
General government	4,389,180	4,748,689	4,146,878	601,811
Total expenditures	14,996,264	15,140,524	13,761,202	1,379,322
Excess (deficiency) of revenues over expenditures	(888,864)	440,175	1,884,265	1,444,090
Other financing sources (uses)				
Advances-in	232,000	1,007,000	24,800	(982,200)
Advances-out	0	(867,500)	(849,800)	17,700
Transfers-out	(200,000)	(170,000)	(185,000)	(15,000)
Total other financing sources (uses)	32,000	(30,500)	(1,010,000)	(979,500)
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(856,864)	409,675	874,265	464,590
Prior year encumbrances	456,564	456,564	456,564	0
Fund balances, beginning of year	4,400,853	4,400,853	4,400,853	0
Fund balances, end of year	\$4,000,553	\$5,267,092	\$5,731,682	\$464,590

See accompanying notes to the basic financial statements.

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CITY OF NORTH RIDGEVILLE, OHIO
STATEMENT OF FUND NET POSITION -
PROPRIETARY FUNDS

DECEMBER 31, 2018

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water Fund	Sewer Fund	Total	Internal Service Funds
Assets				
Current assets				
Equity in pooled cash and equivalents	\$5,604,174	\$20,785,524	\$26,389,698	\$1,849,505
Accounts receivable and other	404,700	629,500	1,034,200	0
Due from other governments	0	188,300	188,300	0
Inventories and supplies	172,268	26,560	198,828	0
Prepaid items	7,200	20,000	27,200	0
Total current assets	6,188,342	21,649,884	27,838,226	1,849,505
Noncurrent assets				
Nondepreciable capital assets	207,321	1,652,322	1,859,643	0
Depreciable capital assets	25,067,433	53,829,854	78,897,287	0
Intangible assets, net	976,806	0	976,806	0
Special assessments receivable	0	1,537,694	1,537,694	0
Total noncurrent assets	26,251,560	57,019,870	83,271,430	0
Total assets	32,439,902	78,669,754	111,109,656	1,849,505
Deferred outflows of resources				
Deferred charge on refunding	72,442	281,361	353,803	0
Pension	174,350	494,783	669,133	0
OPEB	35,051	87,546	122,597	0
Total deferred outflows of resources	281,843	863,690	1,145,533	0
Liabilities				
Current				
Accounts and contracts payable	288,548	294,911	583,459	20,956
Accrued salaries, wages and benefits	11,072	39,702	50,774	7,556
Claims payable	0	0	0	321,500
Accrued interest payable	18,000	35,700	53,700	0
Due to other governments	11,104	27,746	38,850	6,392
Due to other funds	0	0	0	50,000
Loans payable	227,283	8,451	235,734	0
Capital lease payable	38,271	41,764	80,035	0
General obligation bonds payable	129,309	1,287,314	1,416,623	0
Special assessment bonds payable	0	135,000	135,000	0
Compensated absences	0	88,432	88,432	0
Total current liabilities	723,587	1,959,020	2,682,607	406,404
Long-term liabilities				
Loans payable	910,551	4,223	914,774	0
Capital lease payable	5,498	21,992	27,490	0
General obligation bonds payable	2,124,348	12,774,596	14,898,944	0
Special assessment bonds payable	0	1,020,000	1,020,000	0
Compensated absences	201,959	370,302	572,261	141,445
Net pension liability	693,969	1,733,302	2,427,271	0
Net OPEB liability	476,303	1,189,645	1,665,948	0
Total long-term liabilities	4,412,628	17,114,060	21,526,688	141,445
Total liabilities	5,136,215	19,073,080	24,209,295	547,849
Deferred inflows of resources				
Deferred inflows of resources - pension	272,624	417,439	690,063	0
Deferred inflows of resources - OPEB	35,951	89,793	125,744	0
Total deferred inflows of resources	308,575	507,232	815,807	0
Net position				
Net investment in capital assets	22,888,742	40,470,197	63,358,939	0
Unrestricted	4,388,213	19,482,935	23,871,148	1,301,656
Total net position	\$27,276,955	\$59,953,132	87,230,087	\$1,301,656

Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time

	193,965
Net position business-type activities	\$87,424,052

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -
PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2018

	Business-Type Activities - Enterprise Funds			Governmental
	Water Fund	Sewer Fund	Total	Internal Service Funds
Operating revenue				
Charges for services	\$4,561,707	\$8,101,593	\$12,663,300	\$4,475,795
Miscellaneous	182,418	68,531	250,949	667,846
Total operating revenues	<u>4,744,125</u>	<u>8,170,124</u>	<u>12,914,249</u>	<u>5,143,641</u>
Operating expenses				
Personal services	1,072,124	2,641,563	3,713,687	705,526
Contractual services	290,698	1,932,287	2,222,985	1,100,216
Supplies and materials	2,120,420	436,278	2,556,698	172,604
Claims	0	0	0	3,066,315
Other operating	624,581	885,024	1,509,605	600
Depreciation	965,897	2,524,119	3,490,016	0
Amortization	68,352	0	68,352	0
Total operating expenses	<u>5,142,072</u>	<u>8,419,271</u>	<u>13,561,343</u>	<u>5,045,261</u>
Operating income (loss)	<u>(397,947)</u>	<u>(249,147)</u>	<u>(647,094)</u>	<u>98,380</u>
Nonoperating revenues (expenses)				
Interest income	97,549	271,611	369,160	18,097
Loss on disposal of capital assets	(234)	(234)	(468)	0
Interest and fiscal charges	(132,737)	(405,074)	(537,811)	0
Total nonoperating revenues (expenses)	<u>(35,422)</u>	<u>(133,697)</u>	<u>(169,119)</u>	<u>18,097</u>
Income (loss) before contributions	<u>(433,369)</u>	<u>(382,844)</u>	<u>(816,213)</u>	<u>116,477</u>
Capital contributions	748,599	2,561,906	3,310,505	0
Transfers in	<u>0</u>	<u>25,569</u>	<u>25,569</u>	<u>0</u>
Change in net position	315,230	2,204,631	2,519,861	116,477
Net position, beginning of year, restated	<u>26,961,725</u>	<u>57,748,501</u>		<u>1,185,179</u>
Net position, end of year	<u>\$27,276,955</u>	<u>\$59,953,132</u>		<u>\$1,301,656</u>
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds			<u>5,983</u>	
Change in net position business-type activities			<u>\$2,525,844</u>	

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO

STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2018

	Business-Type Activities - Enterprise Funds			Governmental
	Water Fund	Sewer Fund	Total	Internal Service Funds
Cash flows from operating activities:				
Receipts from customers and users	\$4,544,507	\$8,172,693	\$12,717,200	\$0
Receipts from interfund charges for self insurance	0	0	0	3,600,489
Receipts from interfund charges for city garage	0	0	0	875,306
Cash payments to suppliers for materials and supplies	(1,896,504)	(453,884)	(2,350,388)	(166,297)
Cash payments for employee services and benefits	(1,062,128)	(2,376,435)	(3,438,563)	(550,133)
Cash payments for contractual services	(139,139)	(1,701,534)	(1,840,673)	(331,872)
Cash payments for claims	0	0	0	(2,779,075)
Cash payments for stop loss	0	0	0	(695,939)
Other operating revenues	182,418	255,691	438,109	657,252
Other operating expenses	(627,917)	(883,477)	(1,511,394)	(49,507)
Net cash provided by operating activities	1,001,237	3,013,054	4,014,291	560,224
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(856,730)	(1,254,012)	(2,110,742)	0
Tap-in fees	264,631	1,915,539	2,180,170	0
Loan principal paid - OPWC	0	(8,451)	(8,451)	0
Loan principal paid - ETL2	(32,409)	0	(32,409)	0
Loan principal paid - OWDA	(185,851)	0	(185,851)	0
Bond principal paid	(544,309)	(1,382,314)	(1,926,623)	0
Capital lease principal paid	(37,333)	(41,414)	(78,747)	0
Interest paid	(125,318)	(470,383)	(595,701)	0
Net cash (used in) capital and related financing activities	(1,517,319)	(1,241,035)	(2,758,354)	0
Cash flows from non-capital financing activities				
Advances in	0	0	0	50,000
Transfers in	0	25,569	25,569	0
Net cash provided by non-capital financing activities	0	25,569	25,569	50,000
Cash flows from investing activities:				
Interest	97,549	271,611	369,160	18,097
Net cash provided by investing activities:	97,549	271,611	369,160	18,097
Net increase (decrease) in cash and cash equivalents	(418,533)	2,069,199	1,650,666	628,321
Cash and cash equivalents, beginning of year	6,022,707	18,716,325	24,739,032	1,221,184
Cash and cash equivalents, end of year	\$5,604,174	\$20,785,524	\$26,389,698	\$1,849,505
Noncash capital and related financing activities:				
Contributions of capital assets from developers consisting of infrastructure	\$483,968	\$646,367	\$1,130,335	\$0
Assets acquired through capital lease	\$6,850	\$27,400	\$34,250	\$0

(Continued)

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO

STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2018

(Concluded)

	Business-Type Activities - Enterprise Funds			Governmental
	Water Fund	Sewer Fund	Total	Internal Service Funds
Reconciliation of operating income to net cash provided by operating activities:				
Operating income (loss)	(\$397,947)	(\$249,147)	(\$647,094)	\$98,380
Adjustments:				
Depreciation	965,897	2,524,119	3,490,016	0
Amortization	68,352	0	68,352	0
(Increase) decrease in assets				
Accounts receivable and other	(17,200)	(10,300)	(27,500)	0
Due from other governments	0	81,400	81,400	0
Inventories and supplies	(7,868)	7,540	(328)	0
Prepaid items	(4,100)	(400)	(4,500)	0
Claims advance deposit	0	0	0	561,840
(Increase) decrease in deferred outflows of resources - pension and OPEB	273,312	(353,773)	(80,461)	0
Increase (decrease) in liabilities				
Accounts and contracts payable	83,303	11,317	94,620	19,211
Accrued salaries, wages and benefits	(7,441)	6,044	(1,397)	7,556
Due to other funds	(136,286)	0	(136,286)	0
Claims payable	0	0	0	(274,600)
Due to other governments	(2,370)	1,291	(1,079)	6,392
Compensated absences	(34,384)	9,944	(24,440)	141,445
Net pension and OPEB liabilities	(65,591)	526,297	460,706	0
Increase in deferred inflows of resources - pension and OPEB	283,560	458,722	742,282	0
Net cash provided by operating activities	<u>\$1,001,237</u>	<u>\$3,013,054</u>	<u>\$4,014,291</u>	<u>\$560,224</u>

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
DECEMBER 31, 2018

	<u>Agency Funds</u>
Assets	
Equity in pooled cash and equivalents	<u>\$2,053,920</u>
Total assets	<u><u>\$2,053,920</u></u>
Liabilities	
Accounts and contracts payable	\$5,348
Due to others	<u>2,048,572</u>
Total liabilities	<u><u>\$2,053,920</u></u>

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 1 DESCRIPTION OF THE CITY AND REPORTING ENTITY

The City of North Ridgeville, Ohio, was founded in 1810 and became a City in 1960. The North Ridgeville Charter was originally adopted by the voters in October, 1961, in order to secure the benefits of municipal home rule. Under the Ohio Constitution, the City may exercise all powers of local self-government to the extent not in conflict with applicable general laws. The City, under its charter, operates with an elected Council/Mayor form of government. The responsibilities for the major financial functions of the City are divided among the Council, Mayor, Auditor, and Treasurer. The Auditor, who is appointed by Council, is the City's fiscal and chief accounting officer. The Treasurer, Law Director, and other appointed officials are appointed by the Mayor with Council approval. The City's fiscal year corresponds with the calendar year.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, agencies, departments and offices that are not legally separate from the City. The primary government includes the City departments and agencies that provide the following services: police protection, fire fighting and prevention, emergency rescue, street maintenance and repairs, sanitation, building inspection, parks and recreation, water and sewer.

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

The City is associated with the Lorain County General Health District, a jointly governed organization, which provides health services to the members of the Health District. The City does not have any financial interest in or responsibility for the Health District. The County Auditor serves as fiscal agent. See Note 18.

The City is a member of the Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed with an aggregation program for the purchase of electricity. See Note 18.

The City entered into a Joint Economic Development Zone Agreement (JEDZ) in 2008. However, the City has no financial commitment to the project and has no direct economic benefit. See Note 18.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of North Ridgeville have been prepared in conformity with generally accepted accounting principles (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.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. BASIS OF PRESENTATION

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

Government-wide Financial Statements

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

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

Fund Financial Statements

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

B. FUND ACCOUNTING

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

Governmental Funds

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

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. FUND ACCOUNTING (continued)

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.

General Obligation (G.O.) Bond Retirement Fund - Accounts for resources that are used for payment of principal and interest and fiscal charges on general obligation debt.

Center Ridge Road Construction Fund - The Center Ridge Road Construction Fund accounts for the costs of improving Center Ridge Road.

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

Proprietary Funds

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

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

Water Fund - The Water Fund accounts for the operation of the City's drinking water distribution system.

Sewer Fund - The Sewer Fund accounts for the operation of the City's sanitary sewer collection system and City owned wastewater treatment facility.

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

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City has no trust funds. Agency funds are purely custodial in nature (assets equal liabilities) and thus do not involve measurement of results of operations. The City's agency funds account for building permit fees collected on behalf of the State, certain activities of the senior citizens center, mayor court bail bond collections, and deposits from citizens, contractors and developers.

C. MEASUREMENT FOCUS

Government-wide Financial Statements

The government-wide financial statements are prepared using the flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the City are included on the Statement of Net Position. The Statement of Activities presents increases (i.e. revenues) and decreases (i.e. expenses) in net position.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. MEASUREMENT FOCUS (continued)

Amounts reported as program revenues include: charges to customers for goods, services, or privileges provided; operating grants and contributions; and capital grants and contributions including special assessments. Internally dedicated resources are reported as general revenues rather than program revenues, as are taxes.

Fund Financial Statements

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

Proprietary funds distinguish operating revenue and expenses from non-operating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in accordance with the proprietary fund's principle on going operations. The principle operating revenue of the City's water fund and sewer fund are charges for services. These funds also recognize fees intended to recover the cost of connecting new customers to the City's water and sewer utility systems as operating revenue. Operating expenses for the enterprise funds include the cost of services, administrative expenses and overhead and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenue and expenses, which for the City includes interest income, gain/loss on disposal of capital assets, and interest and fiscal charges.

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

D. BASIS OF ACCOUNTING

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and 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 outflows 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 thirty-one days of year-end.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. BASIS OF ACCOUNTING (continued)

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied. See Note 6A. 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, fees and rentals.

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, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, pension and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB plans 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, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2018, but which were levied to finance fiscal year 2019 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City unavailable revenue includes delinquent property taxes, income taxes, special assessments and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the reconciliation of total governmental fund balance to net position of governmental activities. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Note 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.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. BUDGETARY PROCESS

All funds, except agency 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 by fund and within each fund by department at major object level, which includes personal services, other expenditures and transfers. Budgetary modifications may only be made by ordinance of the City Council.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified. 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 amended certificate of estimated resources in effect at the time the final appropriations were enacted by Council.

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first 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 appropriations amounts passed by Council during the year.

Encumbrances outstanding at year end represent the estimated amount of expenditures that will ultimately result if unperformed contracts in process (for example, purchase orders and contracted services) are completed. Encumbrances outstanding at year end are reported as part of restricted, committed or assigned fund balance for subsequent year expenditures in the governmental funds.

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations.

F. CASH AND CASH EQUIVALENTS

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

G. INVESTMENTS

Nonparticipating interest-earning investment contracts are stated at cost. Money market investments and participating interest earning investment contracts with a remaining maturity of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. INVESTMENTS (continued)

During 2018, the City invested in commercial paper, federal home loan mortgage corporation bonds, federal national mortgage association bonds, federal farm credit bank, money market governmental obligations, and State Treasury Asset Reserve of Ohio (STAR Ohio). STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes.

STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value. For 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 \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue is distributed to all funds except agency funds.

H. INVENTORIES

Inventories are valued at cost on a first-in, first-out basis. The costs of inventory items are recognized as expenses when used in the enterprise funds. Inventories consist of parts and supplies.

I. PREPAID AND DEFERRED EXPENSES

Payments made to vendors for services that will benefit periods beyond the current year-end are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed. A portion of the relevant governmental funds' balances equal to the prepaid items has been reserved to indicate that it is not available for appropriation.

J. CAPITAL ASSETS

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds and are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

Capital assets are recorded at cost or estimated historical cost and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The City maintains a capitalization threshold of twenty-five hundred dollars. The City's infrastructure consists of streets, bridges, culverts, curbs, storm sewers, and water and sanitary sewer systems. Improvements are capitalized, whereas 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.

CITY OF NORTH RIDGEVILLE, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. CAPITAL ASSETS (continued)

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

Description	Estimated Lives
Buildings and improvements	30 to 50 years
Infrastructure	15 to 50 years
Equipment and vehicles	3 to 10 years

K. INTERFUND BALANCES

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables". Interfund loans, which do not represent available expendable resources would be offset by an equal amount in nonspendable fund balance unless the proceeds from their collection are restricted, committed or assigned. Interfund balance amounts are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

L. COMPENSATED ABSENCES

Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on an estimate of the amount of accumulated sick leave that will be paid as a termination benefit.

M. ACCRUED LIABILITIES AND LONG-TERM LIABILITIES

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. FUND BALANCE

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

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

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

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

Assigned - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the City Council.

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

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.

O. NET POSITION

Net position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. The net investment in capital assets component of net position 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. The restricted component of net position is reported when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The government-wide statement of net position for the governmental activities reports \$12,116,551 of restricted net position, none of which is restricted by enabling legislation. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted components of net position are available.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. OPERATING REVENUES AND EXPENSES

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services primarily for water and sanitary sewer services and self-insurance program. Operating expenses are necessary costs incurred to provide the goods or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

Q. CONTRIBUTIONS OF CAPITAL

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets (primarily related to housing developments), tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

R. INTERFUND ACTIVITY

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental activities are eliminated on the government-wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Interfund payments for services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are presented on the financial statements.

S. PENSIONS / OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

T. EXTRAORDINARY AND SPECIAL ITEMS

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

U. USE OF ESTIMATES

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

NOTE 3 CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF NET POSITION

A. CHANGE IN ACCOUNTING PRINCIPLES

For 2018, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 85, *Omnibus 2017*, Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, and related guidance from (GASB) Implementation Guide No. 2017-3, *Accounting and Financial Reporting for Postemployment Benefits other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)*.

GASB 85 addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits (OPEB)). These changes were incorporated in the City's 2018 financial statements; however, there was no effect on beginning net position/fund balance.

GASB 75 established standards for measuring and recognizing Postemployment benefit liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditure. The implementation of this pronouncement required a restatement of net position as reported December 31, 2017:

B. RESTATEMENT OF NET POSITION

Net position of governmental and business-type activities at December 31, 2017 have been restated for the implementation of GASB 75; to correct for a business-type capital asset that was previously reported as a governmental activities capital asset; and to correct for a governmental activities long term liability that had been previously included in business-type activities. The effect of the restatement is as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Net position December 31, 2017	\$87,720,206	\$85,780,045
Adjustments:		
Net OPEB liability	(16,371,199)	(1,549,519)
Deferred outflow - payments subsequent to measurement date	80,916	21,732
Capital assets	(560,950)	560,950
Long-term liabilities	(85,000)	85,000
Restated net postion December 31, 2017	<u>\$70,783,973</u>	<u>\$84,898,208</u>

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 3 CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF NET POSITION (continued)

B. RESTATEMENT OF NET POSITION (continued)

	<u>Water</u>	<u>Sewer</u>	<u>Total Enterprise</u>
Net position December 31, 2017	\$26,752,577	\$58,839,486	\$85,592,063
Adjustments:			
Net OPEB liability	(443,015)	(1,106,504)	(1,549,519)
Deferred outflow - payments subsequent to measurement date	6,213	15,519	21,732
Capital assets	560,950	0	560,950
Long-term liabilities	<u>85,000</u>	<u>0</u>	<u>85,000</u>
Restated net position December 31, 2017	<u>\$26,961,725</u>	<u>\$57,748,501</u>	<u>\$84,710,226</u>

Other than employer contributions subsequent to the measurement date, the City made no restatement for OPEB deferred inflows/outflows of resources as the information needed to generate these restatements was not available

NOTE 4 BUDGETARY BASIS OF ACCOUNTING

While the City is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The "Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual" 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 the GAAP basis are that:

Revenues are recorded when received (budget basis) rather than when susceptible to accrual (GAAP basis).

Expenditures are recorded when paid or encumbered (budget basis) rather than when the liability is incurred (GAAP basis).

Proceeds from and principle payments on short-term note obligations are reported on the operating statement (budget basis) rather than balance sheet transactions (GAAP basis).

CITY OF NORTH RIDGEVILLE, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2018

NOTE 4 BUDGETARY BASIS OF ACCOUNTING (continued)

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

	Net Change in Fund Balance
Budget basis	\$874,265
Adjustments, increase (decrease)	
Revenue accruals	(1,523,705)
Expenditure accruals	2,026,108
Encumbrances	234,654
Funds budgeted elsewhere **	<u>(254,302)</u>
GAAP basis, as reported	<u>\$1,357,020</u>

** As part of Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting", certain funds are legally budgeted in separate funds, but are considered part of the General Fund on a GAAP basis.

NOTE 5 POOLED CASH AND EQUIVALENTS, DEPOSITS AND INVESTMENTS

A. LEGAL REQUIREMENTS

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

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

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

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

Interim monies may be invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 5 POOLED CASH AND EQUIVALENTS, DEPOSITS AND INVESTMENTS (continued)

A. LEGAL REQUIREMENTS (continued)

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio).
7. Certain banker' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 40% of the interim monies available for investment at any one time if training requirements have been met; and
8. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts.

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 qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

B. DEPOSITS AND CASH ON HAND

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. The City does not have a deposit policy for custodial credit risk. Ohio law requires that deposits be either 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 percent of the deposits being secured; or

Effective July 1, 2017, participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 5 DEPOSITS AND INVESTMENTS (continued)

B. DEPOSITS AND CASH ON HAND

At fiscal year-end, the carrying amount of the City's deposits was \$12,052,308 and the bank balance was \$12,764,342. Of the bank balance, \$10,016,200 was covered by federal depository insurance and \$2,748,142 by collateral held by third party trustees in accordance with the Ohio Revised Code, in collateral pools securing all public funds on deposit with specific depository institutions, which amount is considered uncollateralized as defined by the Government Accounting Standards Board.

Cash on hand at December 31, 2018 amounted to \$2,425.

C. INVESTMENTS

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2018, the City had the following investments:

	Measurement	Investment Maturities		
	Value	Within 1 year	Within 2 - 3 years	After 3 years
Star Ohio	\$8,251,040	\$8,251,040	\$0	\$0
Commercial paper	13,326,481	13,326,481	0	0
Money market	1,185,482	1,185,482	0	0
Federal securities	16,557,196	14,857,616	699,580	1,000,000
	<u>\$39,320,199</u>	<u>\$37,620,619</u>	<u>\$699,580</u>	<u>\$1,000,000</u>

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

Star Ohio is measured based on amortized cost, which approximates fair value. Investments in commercial paper, municipal bonds and federal securities are valued based on Level 1 inputs using quoted prices for identical investments in active markets for those securities.

D. INTEREST RATE RISK

The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date.

E. CONCENTRATION OF CREDIT RISK

The City places no limit on the amount that may be invested in any one issuer.

CITY OF NORTH RIDGEVILLE, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2018

NOTE 5 DEPOSITS AND INVESTMENTS (continued)

F. CREDIT RISK

The City follows the Ohio Revised Code that limits its investment choices, as discussed in Note 5 A. above. The City's investments were rated by Standard & Poor's at December 31, 2018 as follow

	Credit Rating	Measurement Value	Percent of Total
Star Ohio	AAAm	\$8,251,040	21.0%
Commercial paper	A1+	4,820,937	12.3%
Commercial paper	A1	8,505,544	21.6%
Money market	AAAm	1,185,482	3.0%
Federal securities	AA+	16,557,196	42.1%
		\$39,320,199	100.0%

Ohio law requires that Star Ohio maintain the highest rating provided by at least one nationally recognized standard rating service.

NOTE 6 RECEIVABLES

Receivables at December 31, 2018, consisted primarily of municipal income taxes, property and other taxes, intergovernmental revenues arising from entitlements and shared revenues, special assessments, and accounts (billings for utility service). No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

Special assessments expected to be collected in more than one year amount to \$ 1,090,471 in the Special Assessment Bond Retirement Fund and \$ 1,537,694 in the Sewer Fund.

A. PROPERTY TAXES

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

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 activities.

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

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 6 RECEIVABLES (continued)

A. PROPERTY TAXES (continued)

The full tax rate of all City levies for the collection year ended December 31, 2018 was \$ 12.31 per \$1,000 of assessed value. The various levies, year of voter approval, first and last tax year and full rate are:

<u>Levy</u>	<u>Voter Approved</u>	<u>First Tax Year / Collection Year</u>	<u>Last Tax Year / Collection Year</u>	<u>Millage Full Rate</u>
<u>Unvoted Levies</u>				
General Fund	---	---	---	1.70
Police Pension	---	---	---	0.30
Fire Pension	---	---	---	0.30
<u>Voted Levies</u>				
Police	May 2015	2015/2016	2019/2020	1.95
Fire	May 2015	2015/2016	2019/2020	1.90
Street (Road and Bridge)	May 2015	2015/2016	2019/2020	1.90
Ambulance and EMS	May 2014	2014/2015	2018/2019	1.75
Public Library	May 2014	2014/2015	2018/2019	1.91
Central Fire Station Bonds	Nov 2015	2015/2016	2034/2035	0.60
Totals				<u>12.31</u>

The assessed values of real and public utility property upon which 2018 property tax receipts were based are as follows:

	<u>2018 Collection Year</u>
Property valuation consisted of:	
Real property	\$798,571,140
Public utility property	17,460,040
Total valuation	<u>\$816,031,180</u>

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

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2018 and for which there is an enforceable legal claim. In the General Fund, Street Levy, Police Levy, Police Pension, Fire Levy, Fire Pension, Paramedic Levy and Central Fire Station Funds, the entire receivable has been offset by deferred inflows of resources since the current taxes were not levied to finance 2018 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 6 RECEIVABLES (continued)

B. INCOME TAXES

The City levies an income tax of 1% on substantially all income earned within the City. In addition, residents are required to pay City income tax on income earned outside the City with a certain credit for income taxes paid to other municipalities. Employers within the City are required to withhold income tax on employee compensation and remit at least quarterly. Corporations and other individual taxpayers are required to pay their estimated taxes at least quarterly and file a final return annually. The City's municipal income tax is collected and administered by the Regional Income Tax Agency (R.I.T.A.).

C. DUE FROM OTHER GOVERNMENTS

A summary of the principal items due from other governments follows:

	Amount
Governmental Activities	
Gasoline tax	\$820,700
Homestead and rollback	420,600
Permissive motor vehicle license fees	307,900
State grants	1,096,233
Federal grant	25,000
Other	61,538
Total governmental activities	2,731,971
Business-type Activities	
Sanitary sewer charges	188,300
Total	\$2,920,271

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 7 CAPITAL AND INTANGIBLE ASSETS

A summary of changes in capital assets during 2018 follows:

	Restated Balance January 1	Additions	Disposals	Balance December 31
<u>Governmental activities</u>				
Capital assets, not being depreciated				
Land	\$1,955,211	\$754,956	\$0	\$2,710,167
Construction in progress	38,427,859	13,039,526	11,700,980	39,766,405
Total capital assets, not being depreciated	<u>40,383,070</u>	<u>13,794,482</u>	<u>11,700,980</u>	<u>42,476,572</u>
Capital assets, being depreciated				
Buildings and improvements	5,525,419	20,900	0	5,546,319
Equipment and vehicles	12,246,211	1,004,600	352,329	12,898,482
Infrastructure	119,239,110	14,097,207	0	133,336,317
Total capital assets, being depreciated	<u>137,010,740</u>	<u>15,122,707</u>	<u>352,329</u>	<u>151,781,118</u>
Less accumulated depreciation				
Buildings and improvements	2,779,588	127,436	0	2,907,024
Equipment and vehicles	9,203,176	844,186	350,089	9,697,273
Infrastructure	63,941,138	3,476,532	0	67,417,670
Total accumulated depreciation	<u>75,923,902</u>	<u>4,448,154</u>	<u>350,089</u>	<u>80,021,967</u>
Total capital assets, being depreciated, net	<u>61,086,838</u>	<u>10,674,553</u>	<u>2,240</u>	<u>71,759,151</u>
Total governmental capital assets, net	<u>\$101,469,908</u>	<u>\$24,469,035</u>	<u>\$11,703,220</u>	<u>\$114,235,723</u>
<u>Business-type activities</u>				
Capital assets, not being depreciated				
Land	\$773,040	\$0	\$0	\$773,040
Construction in progress	1,075,895	916,986	906,278	1,086,603
Total capital assets, not being depreciated	<u>1,848,935</u>	<u>916,986</u>	<u>906,278</u>	<u>1,859,643</u>
Capital assets, being depreciated				
Buildings and improvements	718,228	345,328	0	1,063,556
Equipment and vehicles	23,203,817	612,013	30,711	23,785,119
Infrastructure	104,710,567	1,691,286	0	106,401,853
Total capital assets, being depreciated	<u>128,632,612</u>	<u>2,648,627</u>	<u>30,711</u>	<u>131,250,528</u>
Less accumulated depreciation				
Buildings and improvements	334,412	27,535	0	361,947
Equipment and vehicles	10,570,020	1,356,775	30,243	11,896,552
Infrastructure	37,989,036	2,105,706	0	40,094,742
Total accumulated depreciation	<u>48,893,468</u>	<u>3,490,016</u>	<u>30,243</u>	<u>52,353,241</u>
Total capital assets, being depreciated, net	<u>79,739,144</u>	<u>(841,389)</u>	<u>468</u>	<u>78,897,287</u>
Total business-type capital assets, net	<u>\$81,588,079</u>	<u>\$75,597</u>	<u>\$906,746</u>	<u>\$80,756,930</u>

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 7 CAPITAL AND INTANGIBLE ASSETS (continued)

Depreciation expense was charged to governmental functions as follows:

Security of persons and property	\$440,719
Public health and welfare	25,117
Leisure time activities	84,589
Transportation	3,738,209
General government	159,520
	\$4,448,154

A summary of changes in intangible assets during 2018 follows:

<u>Business-type activities</u>	<u>Balance January 1</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance December 31</u>
Intangible assets				
Waterway rights	\$2,363,474	\$0	\$0	\$2,363,474
Less accumulated amortization	1,318,316	68,352	0	1,386,668
Total intangible assets, net	\$1,045,158	(\$68,352)	\$0	\$976,806

The City entered into agreements in 1993 and 2008 for the right to purchase specified amounts of drinking water. The cost of these water rights is amortized ratably on a straight line basis over 30 - 50 years.

NOTE 8 NOTES PAYABLE

Notes payable during the year consisted of the following general obligation bond anticipation notes:

	<u>Balance January 1</u>	<u>Additions</u>	<u>Repayments</u>	<u>Balance December 31</u>
Short-term notes payable				
Governmental activities				
Fire station construction				
2017, 2.0%	\$400,000	\$0	\$400,000	\$0
Street improvements				
2017, 2.0%	100,000	0	100,000	0
Fire station construction				
2018, 3.0%	0	220,000	0	220,000
	\$500,000	\$220,000	\$500,000	\$220,000
Long-term notes payable				
Governmental activities				
Capital Improvements				
2017, 2.0%, street improvements	\$5,800,000	\$0	\$5,800,000	\$0
2017, 2.0% fire station construction	1,100,000	0	1,100,000	0
2018, 3.0% street improvements	0	5,800,000	0	5,800,000
2018, 3.0% fire station construction	0	880,000	0	880,000
	\$6,900,000	\$6,680,000	\$6,900,000	\$6,680,000

All of the bond anticipation notes were issued to provide resources for various capital construction or improvement projects.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 9 LONG-TERM DEBT

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

<u>Debt Issue</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Issue Amount</u>
<u>Governmental activities</u>				
General obligation bonds				
Various purpose	2008	2018	3.00 - 5.30%	\$1,940,000
Various purpose	2008	2018	3.00 - 5.30%	1,380,000
Various purpose	2014	2024	1.25 - 3.25%	450,000
Recreational trail	2014	2019	1.25 - 3.25%	100,000
Various purpose	2014	2034	1.25 - 4.00%	758,208
Various purpose	2016	2038	1.06 - 5.00%	2,565,000
Fire station construction	2016	2035	2.00 - 5.00%	6,700,000
Special assessment bonds				
Various purpose	2014	2034	1.25 - 4.00%	955,792
Bond anticipation notes				
OPWC loan	2018	2019	3.00%	6,900,000
OPWC loan	1999	2019	0	143,604
OPWC loan	2000	2020	0	160,029
OPWC loan	2000	2020	0	176,121
OPWC loan	2001	2021	0	69,587
OPWC loan	2002	2024	0	123,377
OPWC loan	2003	2023	0	112,684
OPWC loan	2007	2027	0	115,200
OPWC loan	2007	2027	0	172,943
OPWC loan	2008	2028	0	50,000
OPWC loan	2011	2031	0	83,498
OPWC loan	2011	2031	0	210,798
OPWC loan	2013	2033	0	396,211
OPWC loan	2014	2035	0	36,766
Loan payable - County engineer	2009	2019	0	600,000
<u>Business-type activities</u>				
General obligation bonds				
Water system	2008	2028	3.00 - 5.30%	1,225,000
Water system	2014	2034	1.25 - 4.00%	108,000
Sewerlines	2008	2028	3.00 - 5.30%	3,370,000
Sewerlines	2014	2034	1.25 - 4.00%	58,000
Refunding - sewer	2014	2021	1.25 - 3.25%	3,080,000
Various purpose	2016	2036	1.06 - 5.00%	17,005,000
Special assessment bonds				
OPWC loan	2016	2026	1.06 - 5.00%	1,434,000
OPWC loan	2000	2020	0	169,017
OWDA loan	2002	2022	4.14%	2,831,547
Water rights ETL-2 loan	2008	2030	3.79%	782,265

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 9 LONG-TERM DEBT (continued)

Changes in the City's long-term obligations during 2018 were as follows:

	Restated Balance 1/1/2018	Issued	Retired	Balance 12/31/2018	Due Within One Year
<u>Governmental Activities</u>					
<u>Various purpose (2008)</u>					
Lorain II, Varous Intersections	\$85,000	\$0	\$85,000	\$0	\$0
Dyke Street Improvement	45,000	0	45,000	0	0
Walgreens-Lear Nagle Realignment	25,000	0	25,000	0	0
Walgreens-Lear Nagle Realignment TIF	25,000	0	25,000	0	0
Service Department Equipment	55,000	0	55,000	0	0
AT&T Building Acquisition	15,000	0	15,000	0	0
Behm Road Storm Water Project	5,000	0	5,000	0	0
<u>Various Purpose - 2014</u>					
Victory Lane (City Portion)	669,481	0	30,248	639,233	30,248
Shady Drive Park Land Acquisition	215,000	0	30,000	185,000	30,000
Highland Dentition Phase 1	105,000	0	15,000	90,000	15,000
Parks and Recreation Trail	40,000	0	20,000	20,000	20,000
<u>Various Purpose - 2016</u>					
Telecommunications Equipment (Cell Tower)	60,000	0	15,000	45,000	15,000
Fire Equipment (Fire Truck - Pumper)	230,000	0	25,000	205,000	25,000
Jaycox Road Improvement	300,000	0	10,000	290,000	10,000
Storm Water Management Study/Fee Project	285,000	0	10,000	275,000	10,000
Dyke Street Improvements	580,000	0	5,000	575,000	50,000
Lorain II, Various Intersections	510,000	0	5,000	505,000	95,000
Walgreens-Lear Nagle Realignment	150,000	0	5,000	145,000	60,000
Walgreens-Lear Nagle Realignment TIF	150,000	0	0	150,000	0
AT&T Building Acquisition	185,000	0	5,000	180,000	15,000
Central Fire Station	6,105,000	0	245,000	5,860,000	250,000
Behm Road Storm Water Project	85,000	0	5,000	80,000	5,000
Bond Premiums, 2014 Issue	49,498	0	3,094	46,404	0
Bond Premiums, 2016 Issue	797,827	0	52,385	745,442	0
Total General Obligation Bonds	<u>10,771,806</u>	<u>0</u>	<u>735,727</u>	<u>10,036,079</u>	<u>630,248</u>
<u>Special Assessment Bonds (with Governmental Commitment)</u>					
<u>Various Purpose - 2014</u>					
Victory Lane	<u>843,944</u>	<u>0</u>	<u>38,130</u>	<u>805,814</u>	<u>38,130</u>

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 9 LONG-TERM DEBT (continued)

	Restated Balance 1/1/2018	Issued	Retired	Balance 12/31/2018	Due Within One Year
<u>Governmental Activities</u>					
<u>Other Long-term Obligations</u>					
<u>OPWC Loans</u>					
West Point Detention Basin	\$7,182	\$0	\$7,182	\$0	\$0
Root Road Reconstruction	17,613	0	8,806	8,807	8,807
Sugar Ridge Road Construction	16,004	0	8,002	8,002	8,002
Case Road Reconstruction	12,177	0	3,480	8,697	3,479
Sugar Ridge Reconstruction Phase II	28,174	0	5,634	22,540	5,634
South Barton Road Reconstruction	43,180	0	6,169	37,011	6,169
Mills Industry Parkway	82,148	0	8,648	73,500	8,647
Taylor Parkway Reconstruction	57,600	0	5,760	51,840	5,760
Lorain Road Reconstruction	26,250	0	2,500	23,750	2,500
Lorain Road Reconstruction Phase 1a	56,361	0	4,174	52,187	4,175
Lorain Road Reconstruction Phase 1b	147,558	0	10,540	137,018	10,540
Chestnut Ridge Reconstruction Phase 1a	316,968	0	19,810	297,158	19,811
Chestnut Ridge Reconstruction Phase III	30,267	0	1,719	28,548	1,784
Total OPWC Loans	<u>841,482</u>	<u>0</u>	<u>92,424</u>	<u>749,058</u>	<u>85,308</u>
<u>Net Pension Liability</u>					
OPERS	7,917,609	0	2,237,761	5,679,848	0
OP&F	17,036,290	0	132,644	16,903,646	0
Total Net Pension Liability	<u>24,953,899</u>	<u>0</u>	<u>2,370,405</u>	<u>22,583,494</u>	<u>0</u>
<u>Net OPEB Liability</u>					
OPERS	3,625,895	272,444	0	3,898,339	0
OP&F	12,767,401	2,837,397	0	15,604,798	0
Total Net OPEB Liability	<u>16,393,296</u>	<u>3,109,841</u>	<u>0</u>	<u>19,503,137</u>	<u>0</u>
Notes Payable	6,900,000	6,680,000	6,900,000	6,680,000	6,680,000
County Engineer Loan	180,000	0	60,000	120,000	60,000
Capital Leases Payable	333,171	296,946	109,604	520,513	125,957
Compensated Absences Payable	4,698,108	272,786	454,139	4,516,755	142,389
Total Other Long-Term Obligations	<u>54,299,956</u>	<u>10,359,573</u>	<u>9,986,572</u>	<u>54,672,957</u>	<u>7,093,654</u>
Total Governmental Activities	<u>\$65,915,706</u>	<u>\$10,359,573</u>	<u>\$10,760,429</u>	<u>\$65,514,850</u>	<u>\$7,762,032</u>

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 9 LONG-TERM DEBT (continued)

	Restated Balance 1/1/2018	Issued	Retired	Balance 12/31/2018	Due Within One Year
<u>Business Type Activities</u>					
<u>Various purpose (2008)</u>					
Water Mtr Replace/Dyke & Case	\$420,000	\$0	\$420,000	\$0	\$0
Dyke/Case & Other	155,000	0	155,000	0	0
Water Improvement-Dorchester	55,000	0	55,000	0	0
<u>Various Purpose - 2014</u>					
French Creek WWTP	1,595,000	0	385,000	1,210,000	390,000
Victory Lane Water Improvements	95,361	0	4,309	91,052	4,309
Victory Lane Sewer Improvements	51,212	0	2,314	48,898	2,314
<u>Various Purpose - 2016</u>					
Center Ridge Sewer Subbasin	2,030,000	0	80,000	1,950,000	85,000
Sanitary Sewer Improvement-Westerlies	856,000	0	86,000	770,000	90,000
Wastewater Treatment Plants I & II	3,850,000	0	155,000	3,695,000	160,000
Olive/Lewis/Brach/Cross Waterline	1,315,000	0	55,000	1,260,000	55,000
Sanitary Sewer Improvements-Center Ridge	3,645,000	0	370,000	3,275,000	375,000
Dyke/Case & Other Improvements	2,100,000	0	20,000	2,080,000	185,000
Water Improvements-Dorchester	770,000	0	10,000	760,000	70,000
Bond Premiums, 2014 - Water	2,080	0	130	1,950	0
Bond Premiums, 2014 - Sewer	94,297	0	5,893	88,404	0
Bond Premiums, 2016 - Water	150,850	0	10,195	140,655	0
Bond Premiums, 2016 - Sewer	1,032,362	0	87,754	944,608	0
Total Bonded Debt	<u>18,217,162</u>	<u>0</u>	<u>1,901,595</u>	<u>16,315,567</u>	<u>1,416,623</u>
<u>Special Assessment Bonds (with Governmental Commitment)</u>					
Sanitary Sewer Improvements-Westerlies	1,284,000	0	129,000	1,155,000	135,000
Total Special Assessments	<u>1,284,000</u>	<u>0</u>	<u>129,000</u>	<u>1,155,000</u>	<u>135,000</u>
<u>Other Long-Term Obligations</u>					
Net Pension Liability - OPERS					
Water	1,235,863	0	541,894	693,969	0
Sewer	2,396,650	0	663,348	1,733,302	0
Total Net Pension Liability	<u>3,632,513</u>	<u>0</u>	<u>1,205,242</u>	<u>2,427,271</u>	<u>0</u>
Net OPEB Liability					
Water	443,015	33,288	0	476,303	0
Sewer	1,106,504	83,141	0	1,189,645	0
Total Net OPEB Liability	<u>1,549,519</u>	<u>116,429</u>	<u>0</u>	<u>1,665,948</u>	<u>0</u>
OPWC Loan	21,125		8,451	12,674	8,451
OWDA Loan	791,359		185,851	605,508	193,624
Water Rights ETL-2 Loan	564,735		32,409	532,326	33,659
Capital Leases	152,022	34,250	78,747	107,525	80,035
Compensated Absences	685,133	33,950	58,390	660,693	88,432
Total Other Long-Term Obligations	<u>7,396,406</u>	<u>184,629</u>	<u>1,569,090</u>	<u>6,011,945</u>	<u>404,201</u>
Total Business-Type Activities	<u>\$26,897,568</u>	<u>\$184,629</u>	<u>\$3,599,685</u>	<u>\$23,482,512</u>	<u>\$1,955,824</u>

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 9 LONG-TERM DEBT (continued)

General obligation bonds are direct obligations of the City for which its full faith and credit are pledged for payment. The governmental general obligation bonds are paid primarily from the General Obligation Bond Retirement Fund. The water and sewer bonds are paid from respective Water and Sanitary Sewer enterprise fund revenues. The special assessment bonds are paid from proceeds of special assessments levied against benefited property owners and collected in the City's Special Assessment Debt Service Fund. In the event that a property owner would fail to pay the assessment, payment would be made by the City.

OPWC loan payments are paid from the respective Street Levy Special Revenue and Sanitary Sewer Enterprise Funds. OWDA loan payments are paid from the Water Enterprise Fund.

Notes payable balance outstanding at December 31, 2018 of \$ 6,680,000 under governmental activities are classified as long-term. Although the notes are due within one year or less, the aforementioned notes will be refinanced. (See also Note 21).

The loan payable to the County Engineer of \$120,000 will be repaid from the Street Levy Fund. Water rights ETL-2 loan payments are paid from the Water Fund. Compensated absences will be paid from the funds from which employees' wages are paid, primarily the General Fund, Water Fund and Sewer Fund.

The City's overall debt limitation at December 31, 2018 was \$85,683,000 against which \$12,143,000 of debt has been issued, leaving additional debt capacity within the debt limitation, in the amount of \$ 69,963,000.

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2018, excluding capital lease payable and compensated absences, are as follows:

Year	Governmental Activities			
	General Obligation Bonds		Special Assessment Bonds	
	Principal	Interest	Principal	Interest
2019	\$630,248	\$330,026	\$38,130	\$28,636
2020	622,264	316,409	40,672	27,396
2021	647,264	302,016	40,672	26,176
2022	654,281	277,284	43,214	25,159
2023	669,281	259,406	43,214	23,863
2024 - 2028	2,556,568	958,028	241,490	97,632
2029 - 2033	2,386,899	491,495	292,330	49,316
2034 - 2036	1,077,428	63,897	66,092	2,644
	\$9,244,233	\$2,998,561	\$805,814	\$280,822

Year	Governmental Activities					Total Principal	Total Interest
	OPWC loans Principal	County Engineer Principal	Notes Payable		Total Principal		
			Principal	Interest			
2019	\$85,308	\$60,000	\$6,680,000	\$200,400	\$7,493,686	\$559,062	
2020	68,499	60,000	0	0	791,435	343,805	
2021	66,760	0	0	0	754,696	328,192	
2022	65,020	0	0	0	762,515	302,443	
2023	59,386	0	0	0	771,881	283,269	
2024 - 2028	252,270	0	0	0	3,050,328	1,055,660	
2029 - 2033	150,027	0	0	0	2,829,256	540,811	
2034 - 2036	1,788	0	0	0	1,145,308	66,541	
	\$749,058	\$120,000	\$6,680,000	\$200,400	\$17,599,105	\$3,479,783	

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 9 LONG-TERM DEBT (continued)

Year	Business-Type Activities				
	General Obligation Bonds		Special Assessment Bonds		OPWC Loans
	Principal	Interest	Principal	Interest	Principal
2019	\$1,416,623	\$460,056	\$135,000	\$33,816	\$8,451
2020	1,437,064	436,354	135,000	32,385	4,223
2021	1,462,064	408,692	135,000	30,360	0
2022	1,088,505	356,616	144,000	24,960	0
2023	1,106,505	340,175	141,000	22,800	0
2024 - 2028	4,991,942	1,084,404	465,000	36,420	0
2029 - 2033	2,165,771	488,365	0	0	0
2034 - 2036	1,471,476	88,809	0	0	0
	<u>\$15,139,950</u>	<u>\$3,663,471</u>	<u>\$1,155,000</u>	<u>\$180,741</u>	<u>\$12,674</u>

Year	Business-Type Activities					
	OWDA Loan		Water Rights ETL-2 Loan		Total	Total
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$193,624	\$23,085	\$33,659	\$19,600	\$1,787,357	\$536,557
2020	201,723	14,986	34,958	18,301	1,812,968	502,026
2021	210,161	6,548	36,306	16,953	1,843,531	462,553
2022	0	0	37,707	15,552	1,270,212	397,128
2023	0	0	39,161	15,552	1,286,666	378,527
2024 - 2028	0	0	219,668	54,787	5,676,610	1,175,611
2029 - 2033	0	0	130,867	12,657	2,296,638	501,022
2034 - 2036	0	0	0	0	1,471,476	88,809
	<u>\$605,508</u>	<u>\$44,619</u>	<u>\$532,326</u>	<u>\$153,402</u>	<u>\$17,445,458</u>	<u>\$4,042,233</u>

NOTE 10 CAPITAL LEASE

The City is obligated under certain leases accounted for as a capital lease. The leased assets are included in capital assets and the related obligation is included under long-term debt. At December 31, 2018, assets under capital lease totaled \$623,964 in governmental activities, with related accumulated depreciation of \$110,302 and \$194,088 in business-type activities, with related accumulated depreciation of \$27,238. The lease are in effect through 2024. The following is the schedule of future minimum lease payments under the capital lease together with the net present value of the minimum lease payments as of December 31, 2018.

Year	Governmental Activities	Business-Type Activities	Total
2019	\$149,960	\$83,796	\$233,756
2020	111,839	7,554	119,393
2021	111,839	7,554	119,393
2022	154,094	7,554	161,648
2023	53,555	7,554	61,109
2024	3,283	630	3,913
Total minimum lease payments	584,570	114,642	699,212
Less amount representing interest	(64,057)	(7,117)	(71,174)
Net present value of minimum lease payments	<u>\$520,513</u>	<u>\$107,525</u>	<u>\$628,038</u>

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 11 DEFINED BENEFIT PENSION PLANS

A. NET PENSION LIABILITY

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

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

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

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

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

B. PLAN DESCRIPTION – OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a 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 plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

CITY OF NORTH RIDGEVILLE, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2018

NOTE 11 DEFINED BENEFIT PENSION PLANS (continued)

B. PLAN DESCRIPTION – OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) (continued)

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

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and service requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and service requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and service requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
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	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	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

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

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

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

CITY OF NORTH RIDGEVILLE, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2018

NOTE 11 DEFINED BENEFIT PENSION PLANS (continued)

B. PLAN DESCRIPTION – OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) (continued)

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

	State and Local
2018 Statutory maximum contribution rates	
Employer	14.00%
Employee	10.00%
2018 Actual contribution rates	
Employer	
Pension	14.00%
Post-employment health care benefits	0.00%
Total employer	14.00%
Employee	10.00%

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$ 983,972 for 2018. Of this amount, \$ 122,948 is reported as due to other governments.

C. PLAN DESCRIPTION – OHIO POLICE & FIRE PENSION FUND (OP&F)

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

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

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

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 11 DEFINED BENEFIT PENSION PLANS (continued)

C. PLAN DESCRIPTION – OHIO POLICE & FIRE PENSION FUND (OP&F) (continued)

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

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

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

	Police	Firefighters
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	0.50%	0.50%
Total employer	19.50%	24.00%
Employee	12.25%	12.25%

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$ 1,340,601 for 2018. Of this amount \$ 127,962 is reported as due to other governments.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 11 DEFINED BENEFIT PENSION PLANS (continued)

D. 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. OP&F'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 and pension expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate share of the net pension liability	\$8,107,119	\$16,903,646	\$25,010,765
Pension expense	\$1,752,657	\$1,981,058	\$3,733,715
Proportion of the net pension liability			
Prior measurement date	0.050863%	0.268970%	
Current measurement date	<u>0.051677%</u>	<u>0.275418%</u>	
	<u>0.000814%</u>	<u>0.006448%</u>	

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>OP&F</u>	<u>Total</u>
Deferred outflows			
Difference between expected and actual experience	\$8,279	\$256,524	\$264,803
Change in assumptions	968,851	736,581	1,705,432
Changes in proportion and the difference between city contributions and proportionate share of contributions	224,693	310,363	535,056
Employer contributions subsequent to the measurement date	<u>1,059,663</u>	<u>1,340,601</u>	<u>2,400,264</u>
Total deferred outflows of resources	<u>\$2,261,486</u>	<u>\$2,644,069</u>	<u>\$4,905,555</u>
Deferred inflows			
Difference between expected and actual experience	\$159,765	\$30,579	\$190,344
Net difference between projected and actual earnings on pension plan investments	1,740,492	584,736	2,325,228
Changes in proportion and the difference between city contributions and proportionate share of contributions	<u>158,005</u>	<u>382,476</u>	<u>540,481</u>
Total deferred inflows of resources	<u>\$2,058,262</u>	<u>\$997,791</u>	<u>\$3,056,053</u>

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 11 DEFINED BENEFIT PENSION PLANS (continued)

D. PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (continued)

\$2,400,264 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	OP&F	Total
2019	\$745,606	\$390,674	\$1,136,280
2020	(116,193)	236,942	120,749
2021	(770,658)	(368,696)	(1,139,354)
2022	(715,194)	(251,746)	(966,940)
2023	0	238,978	238,978
Thereafter	0	59,525	59,525
Total	<u>(\$856,439)</u>	<u>\$305,677</u>	<u>(\$550,762)</u>

E. 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 in the December 31, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

Wage Inflation	3.25 percent
Projected Salary Increases	3.25 to 10.75 percent (includes wage inflation at 3.25%)
COLA or Ad Hoc COLA	Pre-1/7/2013 retirees: 3 percent, simple Post-1/7/2013 retirees: 3 percent, simple through 2018, then 2.15 percent simple
Investment Rate of Return	7.5 percent
Actuarial Cost	Individual Entry Age

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

E. ACTUARIAL ASSUMPTIONS – OPERS (continued)

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% 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-term Expected Real Rate of Return (Arithmetic)</u>
Fixed income	23.00%	2.20%
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	<u>100.00%</u>	<u>5.66%</u>

CITY OF NORTH RIDGEVILLE, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

E. ACTUARIAL ASSUMPTIONS – OPERS (continued)

Discount Rate - The discount rate used to measure the total pension liability was 7.5 percent, post-experience study results. 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	<u>\$14,396,179</u>	<u>\$8,107,119</u>	<u>\$2,863,939</u>

In October 2018, the OPERS Board adopted certain assumption changes which will impact their valuation prepared as of January 1, 2018. The most significant change is a reduction in the assumed actuarial rate of return from 7.50 percent to 7.20 percent. Although the exact amount of these changes is not known, it has the potential to impact the City's net pension liability.

F- ACTUARIAL ASSUMPTIONS – OP&F

The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Based on the experience study completed as of December 31, 2016, changes in demographic and economic actuarial assumptions were made. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth. The changes in assumptions are being amortized over the estimated remaining useful life of the participants which was 6.24 years at December 31, 2017. Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2017, are presented below:

Valuation Date	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Actuarial Assumption	
Experience Study Date	5 year period ended December 31, 2016
Investment Rate of Return	8.00 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 simple for increases based on the lesser of the increase in CPI and 3%
Salary Increases	3.75 percent to 10.50 percent
Payroll Growth	Inflation rate of 2.75 percent plus
Inflation Assumptions	Productivity increase rate of .5 percent

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

F- ACTUARIAL ASSUMPTIONS – OP&F (continued)

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%.

<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 long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon. as defined in OP&F's Statement of Investment Policy. A forecasted rate of inflation serves as a baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2017 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Cash and cash equivalents	0.00%	0.00%
Domestic equity	16.00%	5.21%
Non-US equity	16.00%	5.40%
Core fixed income *	20.00%	2.37%
Global inflation protected *	20.00%	2.33%
High yield	15.00%	4.48%
Real estate	12.00%	5.65%
Private markets	8.00%	7.99%
Real assets	5.00%	6.87%
Master limited partnerships	8.00%	7.36%
Total	<u>120.00%</u>	

Note: assumptions are geometric * levered 2x

CITY OF NORTH RIDGEVILLE, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

F- ACTUARIAL ASSUMPTIONS – OP&F (continued)

OP&F’s Board of Trustees has incorporated the “risk parity” concept into OP&F’s asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on 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 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.

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$23,432,886	\$16,903,646	\$11,578,454

NOTE 12 – DEFINED BENEFIT OPEB PLANS

A. NET 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.

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.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 12 – DEFINED BENEFIT OPEB PLANS (continued)

A. NET OPEB LIABILITY (continued)

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.

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 in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

B. PLAN DESCRIPTION – OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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

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

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

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

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 12 – DEFINED BENEFIT OPEB PLANS (continued)

B. PLAN DESCRIPTION – OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) (continued)

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.

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 and Combined 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. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2018 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$ 75,690 for 2018. Of this amount, \$ 9,458 is reported as an intergovernmental payable.

C. PLAN DESCRIPTION – OHIO POLICE & FIRE PENSION FUND (OP&F)

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

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

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

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

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 12 – DEFINED BENEFIT OPEB PLANS (continued)

C. PLAN DESCRIPTION – OHIO POLICE & FIRE PENSION FUND (OP&F) (continued)

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 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 OP&F Board of Trustees is also authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. The City's contractually required contribution to OP&F was \$ 31,714 for 2018. Of this amount, \$ 3,013 is reported as an intergovernmental payable.

D. 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. OP&F'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>OP&F</u>	<u>Total</u>
Proportionate share of the net OPEB liability	\$5,564,287	\$15,604,798	\$21,169,085
OPEB expense	\$471,968	\$1,281,187	\$1,753,155
Proportion of the net OPEB liability			
Prior measurement date	0.051240%	0.268970%	
Current measurement date	0.051240%	0.275418%	
	<u>0.000000%</u>	<u>0.006448%</u>	

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 12 – DEFINED BENEFIT OPEB PLANS (continued)

D. OPEB LIABILITIES, OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB (continued)

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>OP&F</u>	<u>Total</u>
Deferred outflows			
Difference between expected and actual experience	\$4,335	\$0	\$4,335
Change in assumptions	405,139	1,522,696	1,927,835
Changes in proportion and the difference between city contributions and proportionate share of contributions	0	267,097	267,097
Employer contributions subsequent to the measurement date	<u>0</u>	<u>31,714</u>	<u>31,714</u>
Total deferred outflows of resources	<u>\$409,474</u>	<u>\$1,821,507</u>	<u>\$2,230,981</u>
Deferred inflows			
Difference between expected and actual experience	\$0	\$78,704	\$78,704
Net difference between projected and actual earnings on OPEB plan investments	414,502	102,718	517,220
Changes in proportion and the difference between city contributions and proportionate share of contributions	<u>5,483</u>	<u>0</u>	<u>5,483</u>
Total deferred inflows of resources	<u>\$419,985</u>	<u>\$181,422</u>	<u>\$601,407</u>

\$31,714 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 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:

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
2019	\$89,522	\$224,479	\$314,001
2020	89,522	224,479	314,001
2021	(85,933)	224,479	138,546
2022	(103,622)	224,479	120,857
2023	0	250,159	250,159
Thereafter	<u>0</u>	<u>460,296</u>	<u>460,296</u>
	<u>(\$10,511)</u>	<u>\$1,608,371</u>	<u>\$1,597,860</u>

CITY OF NORTH RIDGEVILLE, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2018

NOTE 12 – DEFINED BENEFIT OPEB PLANS (continued)

E. 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
Future 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	7.50 percent, initial, 3.25 percent, ultimate in 2028
Actuarial Cost	Individual Entry Age

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

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

The long-term expected rate of return on 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.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 12 – DEFINED BENEFIT OPEB PLANS (continued)

E. ACTUARIAL ASSUMPTIONS – OPERS (continued)

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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-term Expected Real Rate of Return (Arithmetic)</u>
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	<u>100.00%</u>	<u>4.98%</u>

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 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.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 12 – DEFINED BENEFIT OPEB PLANS (continued)

E. ACTUARIAL ASSUMPTIONS – OPERS (continued)

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:

	<u>1% Decrease (2.85%)</u>	<u>Current Discount Rate (3.85%)</u>	<u>1% Increase (4.85%)</u>
City's proportionate share of the net OPEB liability	<u>\$7,392,395</u>	<u>\$5,564,287</u>	<u>\$4,085,365</u>

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.

	<u>1% Decrease</u>	<u>Current Health Care Cost Trend Rate Assumption</u>	<u>1% Increase</u>
City's proportionate share of the net OPEB liability	<u>\$5,323,836</u>	<u>\$5,564,287</u>	<u>\$5,812,666</u>

In October 2018, the OPERS Board adopted certain assumption changes which will impact their valuation prepared as of January 1, 2018. The most significant change is a reduction in the assumed actuarial rate of return from 6.50 percent to 6.00 percent. Although the exact amount of these changes is not known, it has the potential to impact the City's net pension liability.

F. ACTUARIAL ASSUMPTIONS – OP&F

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

CITY OF NORTH RIDGEVILLE, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2018

NOTE 12 – DEFINED BENEFIT OPEB PLANS (continued)

F. ACTUARIAL ASSUMPTIONS – OP&F (continued)

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation 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.

	forward to December 31, 2017
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.00 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of .5 percent
Single Discount Rate:	3.25 percent
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 increase 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 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%

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%

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

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 12 – DEFINED BENEFIT OPEB PLANS (continued)

F. ACTUARIAL ASSUMPTIONS – OP&F (continued)

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2017, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Cash and cash equivalents	0.00%	0.00%
Domestic equity	16.00%	5.21%
Non-US equity	16.00%	5.40%
Core fixed income *	20.00%	2.37%
Global inflation protected *	20.00%	2.33%
High yield	15.00%	4.48%
Real estate	12.00%	5.65%
Private markets	8.00%	7.99%
Timber	5.00%	6.87%
Master limited partnerships	8.00%	7.36%
Total	<u>120.00%</u>	

Note: assumptions are geometric

* levered 2x

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 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, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 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.

CITY OF NORTH RIDGEVILLE, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2018

NOTE 12 – DEFINED BENEFIT OPEB PLANS (continued)

F. ACTUARIAL ASSUMPTIONS – OP&F (continued)

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.

	1% Decrease (2.24%)	Current Discount Rate (3.24%)	1% Increase (4.24%)
City's proportionate share of the net OPEB liability	\$19,506,186	\$15,604,798	\$12,602,851

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%	450.00%	-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	\$12,122,088	\$15,604,798	\$20,298,313

G. 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 NOL is not known.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 13 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. There have not been any significant reductions in coverage from coverage in the prior year and the amounts of settlements have not exceeded coverage for any of the prior three years.

The City maintains liability and property and casualty insurance coverages through HCC Public Risk with the U.S. Specialty Insurance Company. Liability coverages include general liability (including personal and bodily injury) in the amount of \$1 million per occurrence with a \$3 million aggregate, business automobile liability with a \$1 million combined single limit, employment practices liability with limits of \$1 million per occurrence and \$3 million aggregate, public official liability with a \$1 million per occurrence and in the aggregate, law enforcement liability with a \$1 million per occurrence and in the aggregate, and commercial umbrella coverage with limits of \$10 million for each occurrence and \$10 million in the aggregate. Property and casualty coverages include building and personal property casualty coverage in the amount of \$82,171,818, with additional flood and earthquake coverage in the amount of \$1 million for any one flood and \$1 million annual aggregate and \$1 million for any one earthquake and \$1 million annual aggregate, electronic data processing systems coverage in the amount of \$500,000, and crime coverage for forgery or alteration of \$250,000, theft and destruction of \$250,000, and public employee dishonesty of \$250,000 per loss. Various deductibles apply to these liability and property and casualty coverages

In order to minimize the annual cost of medical insurance, the City has established a medical self-insurance fund for City employees and their covered dependents. This program is administered by an outside third-party administrator. At December 31, 2018, self-insurance was in effect for losses up to \$75,000 per participant, with a maximum of \$1 million. At year-end, self-insurance was in effect with an annual aggregate liability limit of \$3,219,000 and an aggregate terminal liability of \$240,000. At December 31, 2018, the self-insurance total net position amounted to \$1,353,220.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Changes in the balance of claims liability during the years ended December 31, 2018 and 2017 are as follows. Incurred claims and claims payments are not segregated between events related to the current year and events related to prior years due to the impracticability of obtaining such information by separate period.

	2018	2017
Unpaid claims, beginning of year	\$596,100	\$359,062
Incurred claims	2,504,475	2,499,148
Claims payment	(2,779,075)	(2,262,110)
Unpaid claims, end of year	\$321,500	\$596,100

NOTE 14 FEDERAL GRANTS AND ENTITLEMENTS

For the year ended December 31, 2018, the City recognized federal grants and entitlements revenue. These programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of the City's management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2018.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 15 CONTINGENCIES

The City of North Ridgeville, Ohio is defendant in certain lawsuits, the outcome of which cannot be determined. It is the opinion of the City's management that any judgment against the City would not have a material adverse effect on the City's financial position.

NOTE 16 SIGNIFICANT COMMITMENTS

A. CONTRACTUAL COMMITMENTS

As of December 31, 2018, the City had contractual commitments of:

Project	Contract Amount	Amount Paid	Balance Remaining on Contract
Mills Road/French Creek Bridge	\$145,765	\$67,417	\$78,348
Batting Cage Complex HVAC Upgrade	53,992	0	53,992
Central Fire Station Design	772,963	700,878	72,085
Central Fire Station Construction	6,439,000	3,282,850	3,156,150
Lear Nagle Road Widening - County Engineer	832,175	649,691	182,484
Storm Water Utility Fee Study	293,300	244,323	48,977
Boulder Waterline	651,455	0	651,455
Water Storage Tank Rehab	291,400	179,704	111,696
Luanne Lift Station Construction	387,357	0	387,357
Main Building Elevator Replacement	325,914	130,366	195,548
French Creek Treatment Plant CM Tank Blowe	440,000	51,432	388,568
French Creek Treatment Plant Filter Upgrade	516,500	367,600	148,900
Treatment Plant HVAC Replacement	346,444	301,453	44,991
Total	<u>\$11,496,265</u>	<u>\$5,975,714</u>	<u>\$5,520,551</u>

The amount remaining on these contracts were encumbered at year-end.

B. ENCUMBRANCES

Encumbrances are commitments related to unperformed contracts for goods and services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control, accountability and to facilitate effective cash planning and control. At year-end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

Governmental Funds	
General	\$234,654
Center Ridge Road Construction	12,050
Other Governmental Funds	4,263,167
Proprietary Funds	
Water	897,080
Sewer	1,516,359
	<u>\$6,923,310</u>

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 17 INTERFUND BALANCES AND TRANSFERS

A. INTERFUND BALANCES

Interfund balances at December 31, 2018, consisted of the following:

	Due to: General Fund
Due from:	
Non-major governmental funds	\$782,600
Internal Service Fund	50,000
Total	\$832,600

The General Fund advances were made to assist with debt service payments, to provide resources until grant reimbursements are received, and to provide start-up resources for the City Garage Internal Service Fund. All advances are expected to be repaid within one year.

B. TRANSFERS

Transfers for the year ended December 31, 2018, consisted of the following:

	Transfer from:			
Transfer to:	General Fund	G.O.Bond Retirement Fund	Non-major Governmental Funds	Total
G.O. Bond Retirement Fund	\$0	\$0	\$220,000	\$220,000
Center Ridge Road Construction Fund	0	101,100	0	101,100
Non-major governmental funds	85,000	404,200	0	489,200
Sewer Fund	0	0	25,569	25,569
Total transfers-out	\$85,000	\$505,300	\$245,569	\$835,869

Transfers from the General Fund to non-major governmental funds were to provide resources to the SCMR and Surface Drainage Funds. Transfers from the G.O. Bond Retirement Fund and Non-major Governmental Funds is related to issuance and payment of bond anticipation notes (BANS) that were recorded to the G.O. Bond Retirement Fund, but are reflected as fund liabilities. For financial reporting purposes, transfers have been recorded to present the BANS in the respective funds.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 18 JOINTLY GOVERNED ORGANIZATIONS

A. LORAIN COUNTY GENERAL HEALTH DISTRICT

The Lorain County General Health District, a jointly governed organization, provides health care services to the citizens within the Health District. The Health District is governed by the Board of Health which represents the area served by the Health District and oversees the operation of the Health District. The Board of Health members are appointed to staggered four year terms. One member is appointed by the City of North Ridgeville, one member is jointly appointed by the Cities of Avon and Sheffield Lake and one member is appointed jointly by the Cities of Amherst and Oberlin. The remaining four members are appointed by the various mayors of villages, chairmen of the township trustees and the County Commissioners. The City contributed \$112,150 during 2018 for the operation of the Health District. Financial information can be obtained by contacting the Health Commissioner, 9880 S. Murray Ridge Road, Elyria, Ohio 44035.

B. NORTHEAST OHIO PUBLIC ENERGY COUNCIL

The City is a member of the Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed with an aggregation program for the purchase of electricity. NOPEC is currently comprised of over 200 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity at the lowest possible rates while at the same time ensuring stability in prices by entering into long-term contracts with suppliers to provide electricity to the citizens of its member communities.

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight member NOPEC Board of Directors. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. The City did not contribute to NOPEC during the current year. Financial information can be obtained by contacting the Treasurer, 31320 Solon Road, Suite 20, Solon, Ohio 44139.

C. JOINT ECONOMIC DEVELOPMENT ZONE AGREEMENT

In 2008, the City adopted a joint economic development zone agreement (JEDZ) with the City of Avon, Ohio, together with several other cities (Parties), pursuant to Ohio Revised Code Section 715.69. The purpose of the agreement was to stimulate economic growth within the JEDZ and to reimburse the Parties to the JEDZ for a portion of the lost tax revenue for certain businesses that relocate to the JEDZ from the Parties' cities. The JEDZ consists of approximately 791 acres in the City of Avon at an intersection being developed on Interstate 90 and Nagel Road. The City's contribution to the JEDZ is its agreement to support and advocate for County, State and/or Federal funding for this project. The City has no financial commitment to the project and has no other economic benefit.

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

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 a fund for the major governmental funds and all other governmental funds are presented below:

	General	G.O. Bond Retirement	Center Ridge Road Construction	Other Governmental Funds	Total Governmental Funds
Fund balances					
Nonspendable					
Prepaid items	\$71,600	\$0	\$0	\$5,700	\$77,300
Restricted					
Debt service	0	811,262	0	110,686	921,948
Road improvements	0	0	984,243	2,225,577	3,209,820
Capital projects	0	0	0	3,925,975	3,925,975
Street maintenance	0	0	0	1,175,948	1,175,948
Police and fire operations	0	0	0	1,871,687	1,871,687
Recreation	0	0	0	487,697	487,697
Community environment	0	0	0	796,323	796,323
Cemetery maintenance	0	0	0	292,615	292,615
General government	0	0	0	227,918	227,918
Total restricted	0	811,262	984,243	11,114,426	12,909,931
Committed					
Termination benefits	508,659	0	0	0	508,659
Assigned					
Public safety	58,815	0	0	0	58,815
Public health and welfare	206	0	0	0	206
Recreation	1,113	0	0	0	1,113
Community environment	41,938	0	0	0	41,938
General government	64,470	0	0	0	64,470
Total assigned	166,542	0	0	0	166,542
Unassigned	7,653,061	0	0	(30,024)	7,623,037
Total fund balances	\$8,399,862	\$811,262	\$984,243	\$11,090,102	\$21,285,469

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 20 TAX ABATEMENTS

The City is authorized by the Ohio Revised Code, subject to approval by City Ordinance, to enter into property tax abatement agreements for the purpose of attracting or retaining businesses. Tax abatements, of up to 100 percent of the increased valuation for up to 30 years may be granted to any business located within or promising to relocate to the City and expand the employment base for a given period of time. The City recaptures a prorated amount of abated taxes if these conditions are not met. The City Council determines the percentage amount and duration of the tax abatement. The amount of the abatement is automatically deducted from the property owner's tax bill.

In connection with the City's Community Reinvestment Area, several real property tax abatements were granted based on a commitment to increase jobs. For the year ended December 31, 2018, the City abated property taxes totaling \$ 141,639 under this program, including the following tax abatement agreements:

Type of Business	Purpose	Percent Abated	Amount Rebated
KLC Properties, LLC/ Poppee's Popcorn	New facility, machinery and equipment	60%	\$5,584
Lake Ridge Holdings, LLC/ Center Ridge Health Campus	Building improvements and fixtures	60%	\$64,765
Rhenium Alloys, Inc.	New construction, machinery and equipment	100%	\$25,757
Peteza, LLC / Pizza Pan/ Zannoni's Food Distributors	Building, equipment and inventory	100%	\$23,971
MMCA Development, LLC/ Nick Abraham/Frito-Lay	Building improvements and expansion	20%	\$891
MVM Real Property Holdings, LLC/ Norlake Manufacturing Company	New construction, machinery, equipment and inventory	100%	\$20,671

NOTE 21 SUBSEQUENT EVENTS

In April 2019, the City issued bond anticipation notes in the amount of \$1,000,000 with an interest rate of three percent. The proceeds will be used to purchase two fire trucks. In addition, the City has entered into several capital lease agreements for the purchase of vehicles and road equipment with a capitalized costs of \$624,527. Also in April 2019, City Council authorized the issuance of \$5,635,000 in limited tax Road Improvement Bonds and \$880,000 in unlimited tax Fire Station Bonds. The proceeds of the bonds retired the \$6,900,000 outstanding bond anticipation notes.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF NORTH RIDGEVILLE, 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 YEARS (1)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
City's proportion of the net pension liability	0.051677%	0.050863%	0.052501%	0.054653%
City's proportionate of the net pension liability	\$8,107,119	\$11,550,122	\$9,052,959	\$6,564,735
City's covered payroll	\$7,258,326	\$7,019,360	\$6,969,389	\$7,076,265
City's proportionate share of the net pension liability as a percentage of its covered payroll	111.69%	164.55%	129.90%	92.77%
Plan fiduciary net pension as a percentage of the total pension liability	84.66%	77.25%	81.08%	86.45%

(1) Information prior to 2014 is not available. Schedule is intended to show ten years of information, additional years will be displayed as it becomes available.

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

2014
0.054653%

\$6,435,511

\$6,733,992

95.57%

86.36%

CITY OF NORTH RIDGEVILLE, OHIO
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 OHIO POLICE AND FIRE PENSION SYSTEM
 LAST FIVE YEARS (1)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
City's proportion of the net pension liability	0.275418%	0.268970%	0.280173%	0.279838%
City's proportionate of the net pension liability	\$16,903,646	\$17,036,290	\$18,023,726	\$14,854,124
City's covered payroll	\$6,012,849	\$5,771,484	\$5,672,640	\$5,532,703
City's proportionate share of the net pension liability as a percentage of its covered payroll	281.13%	295.18%	317.73%	262.02%
Plan fiduciary net pension as a percentage of the total pension liability	70.91%	68.36%	66.77%	72.20%

(1) Information prior to 2014 is not available. Schedule is intended to show ten years of information, additional years will be displayed as it becomes available.

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

2014
0.279838%

\$13,628,993

\$5,441,822

250.45%

73.00%

CITY OF NORTH RIDGEVILLE, OHIO
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CITY'S CONTRIBUTIONS -PENSION
 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM – TRADITIONAL PLAN
 LAST SIX YEARS (1)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$1,059,663	\$943,611	\$842,323	\$836,309
Contributions in relation to the contractually required contributions	<u>(1,059,663)</u>	<u>(943,611)</u>	<u>(842,323)</u>	<u>(836,309)</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City covered payroll	\$7,569,019	\$7,258,326	\$7,019,360	\$6,969,389
Contributions as a percentage of covered payroll	14.00%	13.00%	12.00%	12.00%

(1) Information prior to 2013 is not available. Schedule is intended to show ten years of information, additional years will be displayed as it becomes available.

<u>2014</u>	<u>2013</u>
\$849,151	\$808,079
<u>(849,151)</u>	<u>(808,079)</u>
<u>\$0</u>	<u>\$0</u>
\$7,076,265	\$6,733,992
12.00%	13.00%

CITY OF NORTH RIDGEVILLE, OHIO
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CITY'S CONTRIBUTIONS - PENSION
 OHIO POLICE AND FIRE PENSION FUND
 LAST TEN YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$1,340,601	\$1,273,443	\$1,223,887	\$1,201,770
Contributions in relation to the contractually required contributions	<u>(1,340,601)</u>	<u>(1,273,443)</u>	<u>(1,223,887)</u>	<u>(1,201,770)</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City covered payroll	\$6,342,836	\$6,012,849	\$5,771,484	\$5,672,640
Contributions as a percentage of covered payroll	21.14%	21.18%	21.21%	21.19%

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$1,171,165	\$812,486	\$779,896	\$761,288	\$786,520	\$800,650
<u>(1,171,165)</u>	<u>(812,486)</u>	<u>(779,896)</u>	<u>(761,288)</u>	<u>(786,520)</u>	<u>(800,650)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$5,532,703	\$5,441,822	\$5,229,108	\$5,116,381	\$5,285,747	\$5,382,859
21.17%	14.93%	14.91%	14.88%	14.88%	14.87%

CITY OF NORTH RIDGEVILLE, OHIO
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM – TRADITIONAL PLAN
 LAST TWO YEARS (1)

	<u>2018</u>	<u>2017</u>
City's proportion of the net OPEB liability	0.051240%	0.051240%
City's proportionate of the net OPEB liability	\$5,564,287	\$5,175,414
City's covered payroll	\$7,258,326	\$7,019,360
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	76.66%	73.73%
Plan fiduciary net OPEB as a percentage of the total OPEB liability	54.14%	54.04%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, additional years will be displayed as it becomes available.

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

CITY OF NORTH RIDGEVILLE, OHIO
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
 OHIO POLICE AND FIRE PENSION FUND
 LAST TWO YEARS (1)

	<u>2018</u>	<u>2017</u>
City's proportion of the net OPEB liability	0.275418%	0.268970%
City's proportionate of the net OPEB liability	\$15,604,798	\$12,767,401
City's covered payroll	\$6,012,849	\$5,771,484
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	259.52%	221.22%
Plan fiduciary net OPEB as a percentage of the total OPEB liability	14.13%	15.96%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, additional years will be displayed as it becomes available.

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

CITY OF NORTH RIDGEVILLE, OHIO
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CITY'S CONTRIBUTIONS - OPEB
 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM – TRADITIONAL PLAN
 LAST THREE YEARS (1)

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$0	\$72,584	\$140,387
Contributions in relation to the contractually required contributions	<u>0</u>	<u>(72,584)</u>	<u>(140,387)</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City covered payroll	\$7,569,019	\$7,258,326	\$7,019,360
Contributions as a percentage of covered payroll	0.00%	1.00%	2.00%

(1) Information prior to 2016 is not available. Schedule is intended to show ten years of information, additional years will be displayed as it becomes available.

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CITY OF NORTH RIDGEVILLE, OHIO
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CITY'S CONTRIBUTIONS - OPEB
 OHIO POLICE AND FIRE PENSION FUND
 LAST TEN YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$31,714	\$30,064	\$28,857	\$28,363
Contributions in relation to the contractually required contributions	<u>(31,714)</u>	<u>(30,064)</u>	<u>(28,857)</u>	<u>(28,363)</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City covered payroll	\$6,342,836	\$6,012,849	\$5,771,484	\$5,672,640
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$27,664	\$27,209	\$352,965	\$345,356	\$356,788	\$363,343
<u>(27,664)</u>	<u>(27,209)</u>	<u>(352,965)</u>	<u>(345,356)</u>	<u>(356,788)</u>	<u>(363,343)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$5,532,703	\$5,441,822	\$5,229,108	\$5,116,381	\$5,285,747	\$5,382,859
0.50%	0.50%	6.75%	6.75%	6.75%	6.75%

CITY OF NORTH RIDGEVILLE, OHIO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2018

NOTE 1 PENSIONS

A. OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) –

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2018.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016. For 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 8.00% to 7.50%, (b) the expected long-term average wage inflation rate was reduced from 3.75% to 3.25%, (c) the expected long-term average price inflation rate was reduced from 3.00% to 2.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality rates were updated to the RP-2014 Health Annuitant Mortality Table, adjusted for mortality improvement back to the observant period base year of 2006 and then established the base year as 2015 (f) mortality rates used in evaluating disability allowances were updated to the RP-2014 Disabled Mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and a base year of 2015 for males and 2010 for females (g) Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

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

B. OHIO POLICE AND FIRE PENSION FUND

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2017.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2017. For 2018, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) reduction in actuarial assumed rate of return from 8.25% to 8.00% (b) decrease salary increases from 3.75% to 3.25% (c) change in payroll growth from 3.75% to 3.25% (d) reduce DROP interest rate from 4.5% to 4.0% (e) reduce CPI-based COLA from 2.6% to 2.2% (f) Inflation component reduced from 3.25% to 2.75%

NOTE 2 OPEB

A. OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) –

Changes in benefit terms: For 2018, there were no changes in benefit terms.

Changes in assumptions: For 2018, the single discount rate changed from 4.23% to 3.85%.

B. OHIO POLICE AND FIRE PENSION FUND

Changes in benefit terms: For 2018, there were no changes in benefit terms.

Changes in assumptions: For 2018, the single discount rate changed from 3.79% to 3.24%.

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COMBINING STATEMENTS AND NONMAJOR FUND SCHEDULES

COMBINING STATEMENTS – NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for specific revenues that are restricted or committed for a specific purpose. These resources are usually restricted by statute, City Charter or ordinance to finance specific functions or activities.

Street Construction, Maintenance and Repair Fund (SCMR) - Accounts for the portion of State gasoline tax and motor vehicle registration fees designated for maintenance and repair of roadways within the City.

State Highway Fund – Accounts for the portion of State gasoline tax and motor vehicle registration fees designated for maintenance and repairs of roadways within the City.

Motor Vehicle License Tax Fund – Accounts for the local motor vehicle registration fees restricted for maintenance and repairs of roadways within the City.

Street Levy Fund – Accounts for property taxes received from a voted tax levy for the construction, reconstruction, resurfacing and repair of roads and bridges.

Surface Drainage Fund – Accounts for revenues from building permit fees for the purpose of providing and maintaining storm sewer drainage.

Police Levy Fund – Accounts for property taxes from a voted tax levy for the purpose of operating the City police department.

Police Pension Fund – Accounts for property taxes levied for the payment of current employer contributions for police disability and pension benefits.

Law Enforcement Fund – Accounts for confiscated monies or proceeds from the sale of confiscated property seized by law enforcement officers in the course of their work for the purpose of enhancing police services.

Local Law Enforcement Assistance Fund – Accounts for reimbursements for continuing professional training programs for peace officers from the State Law Enforcement Assistance Fund.

Drug Law Enforcement Fund – Accounts for confiscated monies or proceeds from the sale of confiscated property seized by law enforcement officers in the course of their work for the purpose of enhancing police services and promoting drug education.

DUI Enforcement and Education Fund – Accounts for fines imposed by the courts for the purpose of enhancing police services and promoting DUI education.

Clerk of Courts Computer Service Fund – Accounts for court fees for the purpose of the computerization of the clerk of court's office.

Court Computerization Fund – Accounts for court fees for the purpose of computerizing the court, procuring and maintaining computerized legal research services.

Fire Levy Fund – Accounts for property taxes received from a voted tax levy for the purpose of operating the City fire department.

Fire Pension Fund – Accounts for property taxes levied for the payment of current employer contributions for fire disability and pension benefits.

Paramedic Levy Fund – Accounts for property taxes received from a voted tax levy for the purpose of operating a paramedic program.

Ambulance Fund – Accounts for ambulance fees for the purpose of maintaining and purchasing ambulatory equipment.

NONMAJOR SPECIAL REVENUE FUNDS (Continued)

State and Other Grants Fund – Accounts for revenues and related expenditures of state and other grants.

Federal Grants Fund – Accounts for revenues and related expenditures of federal grants.

Cemetery Fund – Accounts for burial fees used to maintain the City's cemeteries.

Park and Recreation Fund – Accounts for program revenues and expenditures for the operation and maintenance of recreation programs, services, parks and related.

Park and Recreation Improvement Fund – Accounts for building permit fees for the purpose of planning, acquisition, improvement, expansion and operation of public parks, playgrounds and recreation facilities.

Senior Citizens Title III Fund – Accounts for grant monies received for support service for older adults.

DUI Task Force Fund – Accounts for Federal Grant monies used to employ countermeasures to reduce deaths and injuries from impaired driving.

NOPEC Grant Fund - Accounts for grants from Northeast Ohio Public Energy Council for energy conservation improvements.

Solid Waste Management Fund – Accounts for fees charged for the payment of sanitation collections.

NONMAJOR DEBT SERVICE FUNDS

Special Assessment Bond Retirement Fund – Accounts for the accumulation of resources from special assessments levied against benefited properties for the payment of principal and interest and fiscal charges on special assessment debt.

NONMAJOR CAPITAL PROJECTS FUND

Capital Projects funds are used to account for the acquisition and construction of capital assets other than those financed by proprietary funds.

Capital Projects Fund – Accounts for resources used for the acquisition and construction of major capital assets.

Central Fire Station Fund – Accounts for bond proceeds used to construct and equip a new central fire station.

Avon Belden Roundabout Fund – Accounts for State grants and contributions for the construction of a roundabout at Avon Belden and Mills roads.

Lorain /I-480 Improvement Fund – Accounts for a Federal grant to construct a on Lorain Road a new northbound left lane providing access to I-480.

ODNR Flood Control Grant Fund – Accounts for a State Grant used to purchase land and construct park facilities in the Mill Creek Conservation and Flood Control area.

Mildred Street Extension Fund – Accounts for Ohio Public Works grant used to reconstruct and connect the east/west portions of the road.

Mills Road Bridge Fund – Accounts for Federal and State grants used to replace a deficient bridge.

TIF Improvements Fund – Accounts for payments in lieu of taxes to be used for infrastructure improvements.

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING BALANCE SHEET -
 NONMAJOR GOVERNMENTAL FUNDS

DECEMBER 31, 2018

	Nonmajor Special Revenue	Nonmajor Debt Service	Nonmajor Capital Projects	Total
Assets				
Equity in pooled cash and equivalents	\$5,248,569	\$118,286	\$7,478,380	\$12,845,235
Income taxes receivable	0	0	556,330	556,330
Taxes - receivable - property and other	5,995,000	0	0	5,995,000
Special assessments receivable	0	1,090,471	0	1,090,471
Due from other governments	1,603,814	0	980,500	2,584,314
Accounts receivable and other	287,700	0	0	287,700
Prepaid items	5,700	0	0	5,700
Total assets	\$13,140,783	\$1,208,757	\$9,015,210	\$23,364,750
Liabilities				
Accounts and contracts payable	\$408,195	\$0	\$478,538	\$886,733
Accrued salaries, w ages and benefits	103,911	0	0	103,911
Accrued interest payable	0	0	3,300	3,300
Due to other governments	90,917	0	0	90,917
Interfund payables	0	7,600	775,000	782,600
Notes payable	0	0	220,000	220,000
Total liabilities	603,023	7,600	1,476,838	2,087,461
Deferred inflow s of resources				
Property taxes levied for next year and unavailable resources	7,709,896	1,090,471	1,386,820	10,187,187
Total deferred inflow s of resources	7,709,896	1,090,471	1,386,820	10,187,187
Fund balances				
Nonspendable	5,700	0	0	5,700
Restricted	4,852,188	110,686	6,151,552	11,114,426
Unassigned	(30,024)	0	0	(30,024)
Total fund balances	4,827,864	110,686	6,151,552	11,090,102
Total liabilities, deferred inflow s of resources and fund balances	\$13,140,783	\$1,208,757	\$9,015,210	\$23,364,750

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2018

	Nonmajor Special Revenue	Nonmajor Debt Service	Nonmajor Capital Projects	Total
Revenue				
Property and other local taxes	\$5,422,607	\$0	\$0	\$5,422,607
Municipal income taxes	0	0	1,331,943	1,331,943
Payments in lieu of taxes	0	0	91,226	91,226
Intergovernmental	3,270,473	0	1,465,852	4,736,325
Special assessments	0	69,707	0	69,707
Charges for services	4,009,808	0	0	4,009,808
Fines, licenses and permits	144,360	0	0	144,360
Interest	84,484	2,120	133,505	220,109
Miscellaneous	341,847	0	23,273	365,120
Total revenues	<u>13,273,579</u>	<u>71,827</u>	<u>3,045,799</u>	<u>16,391,205</u>
Expenditures				
Current				
Security of persons and property	5,562,703	0	0	5,562,703
Public health and welfare	36,673	0	0	36,673
Leisure time activities	216,770	0	0	216,770
Transportation	3,721,584	0	0	3,721,584
General government	3,292,126	1,367	503	3,293,996
Capital outlay	0	0	6,189,626	6,189,626
Debt service				
Principal	172,424	38,130	0	210,554
Capital lease	6,502	0	77,426	83,928
Interest and fiscal charges	28,335	29,208	20,117	77,660
Total expenditures	<u>13,037,117</u>	<u>68,705</u>	<u>6,287,672</u>	<u>19,393,494</u>
Excess (deficiency) of revenues over expenditures	<u>236,462</u>	<u>3,122</u>	<u>(3,241,873)</u>	<u>(3,002,289)</u>
Other financing sources (uses)				
Transfers in	85,000	0	404,200	489,200
Transfers out	0	(25,569)	(220,000)	(245,569)
Proceeds from capital lease	17,125	0	97,544	114,669
Total other financing sources (uses)	<u>102,125</u>	<u>(25,569)</u>	<u>281,744</u>	<u>358,300</u>
Net change in fund balances	338,587	(22,447)	(2,960,129)	(2,643,989)
Fund balances, beginning of year	<u>4,489,277</u>	<u>133,133</u>	<u>9,111,681</u>	<u>13,734,091</u>
Fund balances, end of year	<u><u>\$4,827,864</u></u>	<u><u>\$110,686</u></u>	<u><u>\$6,151,552</u></u>	<u><u>\$11,090,102</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING BALANCE SHEET -
 NONMAJOR SPECIAL REVENUE FUNDS

DECEMBER 31, 2018

	SCMR	State Highway	Motor Vehicle License Tax	Street Levy	Surface Drainage
Assets					
Equity in pooled cash and equivalents	\$203,274	\$72,618	\$26,395	\$789,617	\$77,330
Taxes - receivable - property and other	0	0	0	1,390,700	0
Due from other governments	760,000	60,700	307,900	73,550	0
Accounts receivable and other	0	0	0	0	0
Prepaid items	0	0	5,200	0	0
Total assets	\$963,274	\$133,318	\$339,495	\$2,253,867	\$77,330
Liabilities					
Accounts and contracts payable	\$12,883	\$0	\$2,167	\$29,012	\$2,954
Accrued salaries, wages and benefits	10,236	0	5,017	0	7,819
Due to other governments	10,961	0	4,780	0	2,403
Total liabilities	34,080	0	11,964	29,012	13,176
Deferred inflows of resources					
Property taxes levied for next year and unavailable resources	652,500	52,000	265,000	1,464,250	0
Total deferred inflows of resources	652,500	52,000	265,000	1,464,250	0
Fund balances					
Nonspendable	0	0	5,200	0	0
Restricted	276,694	81,318	57,331	760,605	64,154
Unassigned	0	0	0	0	0
Total fund balances	276,694	81,318	62,531	760,605	64,154
Total liabilities, deferred inflows of resources and fund balances	\$963,274	\$133,318	\$339,495	\$2,253,867	\$77,330

Police Levy	Police Pension	Law Enforcement	Local Law Enforcement Assistance	Drug Law Enforcement	DUI Enforcement and Education	Clerk of Courts Computer Service	Court Computerization
\$361,857	\$30,252	\$19,580	\$20,660	\$2,070	\$9,518	\$236,589	\$112,263
1,423,800	305,500	0	0	0	0	0	0
75,450	13,600	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<u>\$1,861,107</u>	<u>\$349,352</u>	<u>\$19,580</u>	<u>\$20,660</u>	<u>\$2,070</u>	<u>\$9,518</u>	<u>\$236,589</u>	<u>\$112,263</u>
\$0	\$0	\$2,177	\$0	\$0	\$0	\$1,912	\$0
29,045	0	0	0	0	0	0	0
22,329	4,674	0	0	0	0	0	0
<u>51,374</u>	<u>4,674</u>	<u>2,177</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,912</u>	<u>0</u>
1,499,250	319,100	0	0	0	0	0	0
<u>1,499,250</u>	<u>319,100</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0	0	0
310,483	25,578	17,403	20,660	2,070	9,518	234,677	112,263
0	0	0	0	0	0	0	0
<u>310,483</u>	<u>25,578</u>	<u>17,403</u>	<u>20,660</u>	<u>2,070</u>	<u>9,518</u>	<u>234,677</u>	<u>112,263</u>
<u>\$1,861,107</u>	<u>\$349,352</u>	<u>\$19,580</u>	<u>\$20,660</u>	<u>\$2,070</u>	<u>\$9,518</u>	<u>\$236,589</u>	<u>\$112,263</u>

(Continued)

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING BALANCE SHEET -
 NONMAJOR SPECIAL REVENUE FUNDS

DECEMBER 31, 2018

(Continued)

	Fire Levy	Fire Pension	Paramedic Levy	Ambulance	State and Other Grants	Federal Grants
Assets						
Equity in pooled cash and equivalents	\$417,363	\$24,016	\$375,562	\$409,140	\$129,295	\$118,887
Taxes - receivable - property and other	1,334,400	310,700	1,229,900	0	0	0
Due from other governments	73,550	13,600	67,750	0	57,200	25,000
Accounts receivable and other	0	0	0	0	0	271,900
Prepaid items	0	0	0	500	0	0
Total assets	<u>\$1,825,313</u>	<u>\$348,316</u>	<u>\$1,673,212</u>	<u>\$409,640</u>	<u>\$186,495</u>	<u>\$415,787</u>
Liabilities						
Accounts and contracts payable	\$0	\$0	\$97	\$177	\$20,264	\$0
Accrued salaries, wages and benefits	21,064	0	24,531	5,333	0	0
Due to other governments	20,845	0	18,699	5,012	0	0
Total liabilities	<u>41,909</u>	<u>0</u>	<u>43,327</u>	<u>10,522</u>	<u>20,264</u>	<u>0</u>
Deferred inflow s of resources						
Property taxes levied for next year and unavailable resources	1,407,950	324,300	1,297,650	0	57,200	296,900
Total deferred inflow s of resources	<u>1,407,950</u>	<u>324,300</u>	<u>1,297,650</u>	<u>0</u>	<u>57,200</u>	<u>296,900</u>
Fund balances						
Nonspendable	0	0	0	500	0	0
Restricted	375,454	24,016	332,235	398,618	109,031	118,887
Unassigned	0	0	0	0	0	0
Total fund balances	<u>375,454</u>	<u>24,016</u>	<u>332,235</u>	<u>399,118</u>	<u>109,031</u>	<u>118,887</u>
Total liabilities, deferred inflow s of resources and fund balances	<u>\$1,825,313</u>	<u>\$348,316</u>	<u>\$1,673,212</u>	<u>\$409,640</u>	<u>\$186,495</u>	<u>\$415,787</u>

Cemetery	Park and Recreation	Park and Recreation Improvement	Senior Citizens Title III	DUI Task Force Grant	NOPEC Grant	Solid Waste Management	Total
\$284,339	\$278,208	\$216,786	\$7,119	\$68,477	\$3,870	\$953,484	\$5,248,569
0	0	0	0	0	0	0	5,995,000
0	0	0	16,981	0	58,533	0	1,603,814
0	0	0	0	0	0	15,800	287,700
0	0	0	0	0	0	0	5,700
<u>\$284,339</u>	<u>\$278,208</u>	<u>\$216,786</u>	<u>\$24,100</u>	<u>\$68,477</u>	<u>\$62,403</u>	<u>\$969,284</u>	<u>\$13,140,783</u>
\$0	\$7,183	\$0	\$0	\$59,765	\$34,455	\$235,149	\$408,195
0	0	0	0	0	0	866	103,911
0	114	0	0	0	0	1,100	90,917
<u>0</u>	<u>7,297</u>	<u>0</u>	<u>0</u>	<u>59,765</u>	<u>34,455</u>	<u>237,115</u>	<u>603,023</u>
0	0	0	15,824	0	57,972	0	7,709,896
<u>0</u>	<u>0</u>	<u>0</u>	<u>15,824</u>	<u>0</u>	<u>57,972</u>	<u>0</u>	<u>7,709,896</u>
0	0	0	0	0	0	0	5,700
284,339	270,911	216,786	8,276	8,712	0	732,169	4,852,188
0	0	0	0	0	(30,024)	0	(30,024)
<u>284,339</u>	<u>270,911</u>	<u>216,786</u>	<u>8,276</u>	<u>8,712</u>	<u>(30,024)</u>	<u>732,169</u>	<u>4,827,864</u>
<u>\$284,339</u>	<u>\$278,208</u>	<u>\$216,786</u>	<u>\$24,100</u>	<u>\$68,477</u>	<u>\$62,403</u>	<u>\$969,284</u>	<u>\$13,140,783</u>

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2018

	SCMR	State Highway	Motor Vehicle License Tax	Street Levy	Surface Drainage
Revenue					
Property and other local taxes	\$0	\$0	\$0	\$1,265,548	\$0
Intergovernmental	1,372,662	111,310	526,976	282,504	0
Charges for services	30,498	0	0	0	0
Fines, licenses and permits	0	0	0	0	0
Interest	3,592	755	810	14,901	600
Miscellaneous	49,620	0	4,909	283	191,740
Total revenues	<u>1,456,372</u>	<u>112,065</u>	<u>532,695</u>	<u>1,563,236</u>	<u>192,340</u>
Expenditures					
Current					
Security of persons and property	0	0	0	0	0
Public health and welfare	0	0	0	0	0
Leisure time activities	0	0	0	0	0
Transportation	1,511,382	109,997	605,801	1,338,180	156,224
General government	0	0	0	0	0
Debt service					
Principal	0	0	6,169	139,075	7,180
Capital lease	94	0	470	0	0
Interest and fiscal charges	32	0	9	27,109	0
Total expenditures	<u>1,511,508</u>	<u>109,997</u>	<u>612,449</u>	<u>1,504,364</u>	<u>163,404</u>
Excess (deficiency) of revenues over expenditures	<u>(55,136)</u>	<u>2,068</u>	<u>(79,754)</u>	<u>58,872</u>	<u>28,936</u>
Other financing sources					
Transfers in	50,000	0	0	0	35,000
Proceeds from capital lease	3,425	0	0	0	0
Total other financing sources	<u>53,425</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>35,000</u>
Net change in fund balances	<u>(1,711)</u>	<u>2,068</u>	<u>(79,754)</u>	<u>58,872</u>	<u>63,936</u>
Fund balances, beginning of year	<u>278,405</u>	<u>79,250</u>	<u>142,285</u>	<u>701,733</u>	<u>218</u>
Fund balances, end of year	<u>\$276,694</u>	<u>\$81,318</u>	<u>\$62,531</u>	<u>\$760,605</u>	<u>\$64,154</u>

Police Levy	Police Pension	Law Enforcement	Local Law Enforcement Assistance	Drug Law Enforcement	DUI Enforcement and Education	Clerk of Courts Computer Service	Court Computerization
\$1,298,852	\$213,511	\$0	\$0	\$0	\$0	\$0	\$0
194,848	32,280	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	6,022	0	857	8,415	37,749	11,317
7,097	1,201	161	431	0	382	3,455	1,885
0	0	12,503	14,800	0	0	191	0
<u>1,500,797</u>	<u>246,992</u>	<u>18,686</u>	<u>15,231</u>	<u>857</u>	<u>8,797</u>	<u>41,395</u>	<u>13,202</u>
1,391,106	236,848	4,654	9,417	0	29,582	22,372	16,292
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	2,220	0
0	0	0	0	0	0	133	0
<u>1,391,106</u>	<u>236,848</u>	<u>4,654</u>	<u>9,417</u>	<u>0</u>	<u>29,582</u>	<u>24,725</u>	<u>16,292</u>
109,691	10,144	14,032	5,814	857	(20,785)	16,670	(3,090)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	10,275	0
0	0	0	0	0	0	10,275	0
109,691	10,144	14,032	5,814	857	(20,785)	26,945	(3,090)
200,792	15,434	3,371	14,846	1,213	30,303	207,732	115,353
<u>\$310,483</u>	<u>\$25,578</u>	<u>\$17,403</u>	<u>\$20,660</u>	<u>\$2,070</u>	<u>\$9,518</u>	<u>\$234,677</u>	<u>\$112,263</u>

(Continued)

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2018

(Continued)

	Fire Levy	Fire Pension	Paramedic Levy	Ambulance	State and Other Grants	Federal Grants
Revenue						
Property and other local taxes	\$1,265,548	\$213,511	\$1,165,637	\$0	\$0	\$0
Intergovernmental	189,852	32,280	174,864	0	90,330	0
Charges for services	0	0	0	782,749	0	0
Fines, licenses and permits	0	0	0	0	0	0
Interest	5,220	1,157	7,395	5,852	0	0
Miscellaneous	31,072	0	15,069	4,921	0	14,504
Total revenues	<u>1,491,692</u>	<u>246,948</u>	<u>1,362,965</u>	<u>793,522</u>	<u>90,330</u>	<u>14,504</u>
Expenditures						
Current						
Security of persons and property	1,244,793	236,558	1,322,745	849,875	0	0
Public health and welfare	0	0	0	0	0	0
Leisure time activities	0	0	0	0	0	0
Transportation	0	0	0	0	0	0
General government	0	0	0	0	72,358	251
Debt service						
Principal	0	0	0	0	0	0
Capital lease	0	0	3,071	0	0	0
Interest and fiscal charges	0	0	59	0	0	0
Total expenditures	<u>1,244,793</u>	<u>236,558</u>	<u>1,325,875</u>	<u>849,875</u>	<u>72,358</u>	<u>251</u>
Excess (deficiency) of revenues over expenditures	<u>246,899</u>	<u>10,390</u>	<u>37,090</u>	<u>(56,353)</u>	<u>17,972</u>	<u>14,253</u>
Other financing sources						
Transfers in	0	0	0	0	0	0
Proceeds from capital lease	0	0	0	0	0	0
Total other financing sources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net change in fund balances	246,899	10,390	37,090	(56,353)	17,972	14,253
Fund balances, beginning of year	<u>128,555</u>	<u>13,626</u>	<u>295,145</u>	<u>455,471</u>	<u>91,059</u>	<u>104,634</u>
Fund balances, end of year	<u><u>\$375,454</u></u>	<u><u>\$24,016</u></u>	<u><u>\$332,235</u></u>	<u><u>\$399,118</u></u>	<u><u>\$109,031</u></u>	<u><u>\$118,887</u></u>

Cemetery	Park and Recreation	Park and Recreation Improvement	Senior Citizens Title III	DUI Task Force Grant	NOPEC Grant	Solid Waste Management	Total
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,422,607
0	500	0	17,419	185,520	59,128	0	3,270,473
31,975	249,547	0	0	0	0	2,915,039	4,009,808
0	0	80,000	0	0	0	0	144,360
4,312	4,419	2,965	93	78	0	17,723	84,484
0	358	0	0	0	0	1,877	341,847
<u>36,287</u>	<u>254,824</u>	<u>82,965</u>	<u>17,512</u>	<u>185,598</u>	<u>59,128</u>	<u>2,934,639</u>	<u>13,273,579</u>
0	0	0	0	198,461	0	0	5,562,703
22,673	0	0	14,000	0	0	0	36,673
0	215,951	819	0	0	0	0	216,770
0	0	0	0	0	0	0	3,721,584
0	0	0	0	0	89,152	3,130,365	3,292,126
0	0	20,000	0	0	0	0	172,424
0	0	0	0	0	0	647	6,502
0	0	950	0	0	0	43	28,335
<u>22,673</u>	<u>215,951</u>	<u>21,769</u>	<u>14,000</u>	<u>198,461</u>	<u>89,152</u>	<u>3,131,055</u>	<u>13,037,117</u>
13,614	38,873	61,196	3,512	(12,863)	(30,024)	(196,416)	236,462
0	0	0	0	0	0	0	85,000
0	0	0	0	0	0	3,425	17,125
0	0	0	0	0	0	3,425	102,125
13,614	38,873	61,196	3,512	(12,863)	(30,024)	(192,991)	338,587
270,725	232,038	155,590	4,764	21,575	0	925,160	4,489,277
<u>\$284,339</u>	<u>\$270,911</u>	<u>\$216,786</u>	<u>\$8,276</u>	<u>\$8,712</u>	<u>(\$30,024)</u>	<u>\$732,169</u>	<u>\$4,827,864</u>

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING BALANCE SHEET -
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2018

	Capital Projects	Central Fire Station	Avon Belden Roundabout	Lorain/I-480 Improvement	ODNR Flood Control Grant
Assets					
Equity in pooled cash and equivalents	\$2,148,095	\$4,211,030	\$252,826	\$0	\$775,191
Income taxes receivable	556,330	0	0	0	0
Due from other governments	0	0	0	0	230,500
Total assets	\$2,704,425	\$4,211,030	\$252,826	\$0	\$1,005,691
Liabilities					
Accounts and contracts payable	\$72,528	\$406,010	\$0	\$0	\$0
Accrued interest payable	0	3,300	0	0	0
Interfund payables	0	0	0	0	775,000
Notes payable	0	220,000	0	0	0
Total liabilities	72,528	629,310	0	0	775,000
Deferred inflow s of resources					
Property taxes levied for next year and unavailable resources	406,320	0	0	0	230,500
Total deferred inflow s of resources	406,320	0	0	0	230,500
Fund balances					
Restricted	2,225,577	3,581,720	252,826	0	191
Total fund balances	2,225,577	3,581,720	252,826	0	191
Total liabilities, deferred inflow s of resources and fund balances	\$2,704,425	\$4,211,030	\$252,826	\$0	\$1,005,691

Mildred Street Extension	Mills Road Bridge	TIF Improvements	Total
\$0	\$0	\$91,238	\$7,478,380
0	0	0	556,330
350,000	400,000	0	980,500
<u>\$350,000</u>	<u>\$400,000</u>	<u>\$91,238</u>	<u>\$9,015,210</u>
\$0	\$0	\$0	\$478,538
0	0	0	3,300
0	0	0	775,000
0	0	0	220,000
<u>0</u>	<u>0</u>	<u>0</u>	<u>1,476,838</u>
350,000	400,000	0	1,386,820
<u>350,000</u>	<u>400,000</u>	<u>0</u>	<u>1,386,820</u>
0	0	91,238	6,151,552
0	0	91,238	6,151,552
<u>\$350,000</u>	<u>\$400,000</u>	<u>\$91,238</u>	<u>\$9,015,210</u>

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2018

	Capital Projects	Central Fire Station	Avon Belden Roundabout	Lorain/I-480 Improvement	ODNR Flood Control Grant
Revenue					
Municipal income taxes	\$1,331,943	\$0	\$0	\$0	\$0
Payments in lieu of taxes	0	0	0	0	0
Intergovernmental	52,352	0	250,000	414,000	749,500
Interest	31,469	98,718	2,803	0	0
Miscellaneous	22,950	323	0	0	0
Total revenues	<u>1,438,714</u>	<u>99,041</u>	<u>252,803</u>	<u>414,000</u>	<u>749,500</u>
Expenditures					
Current					
General government	0	0	0	0	0
Capital outlay	1,332,012	3,694,186	119	414,000	749,309
Debt service					
Capital lease	77,426	0	0	0	0
Interest and fiscal charges	16,817	3,300	0	0	0
Total expenditures	<u>1,426,255</u>	<u>3,697,486</u>	<u>119</u>	<u>414,000</u>	<u>749,309</u>
Excess (deficiency) of revenues over expenditures	<u>12,459</u>	<u>(3,598,445)</u>	<u>252,684</u>	<u>0</u>	<u>191</u>
Other financing sources (uses)					
Transfers in	0	404,200	0	0	0
Transfers out	0	(220,000)	0	0	0
Proceeds from capital lease	97,544	0	0	0	0
Total other financing sources (uses)	<u>97,544</u>	<u>184,200</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net change in fund balances	110,003	(3,414,245)	252,684	0	191
Fund balances, beginning of year	<u>2,115,574</u>	<u>6,995,965</u>	<u>142</u>	<u>0</u>	<u>0</u>
Fund balances, end of year	<u>\$2,225,577</u>	<u>\$3,581,720</u>	<u>\$252,826</u>	<u>\$0</u>	<u>\$191</u>

<u>Mildred Street Extension</u>	<u>Mills Road Bridge</u>	<u>TIF Improvements</u>	<u>Total</u>
\$0	\$0	\$0	\$1,331,943
0	0	91,226	91,226
0	0	0	1,465,852
0	0	515	133,505
0	0	0	23,273
<u>0</u>	<u>0</u>	<u>91,741</u>	<u>3,045,799</u>
0	0	503	503
0	0	0	6,189,626
0	0	0	77,426
0	0	0	20,117
<u>0</u>	<u>0</u>	<u>503</u>	<u>6,287,672</u>
<u>0</u>	<u>0</u>	<u>91,238</u>	<u>(3,241,873)</u>
0	0	0	404,200
0	0	0	(220,000)
0	0	0	97,544
<u>0</u>	<u>0</u>	<u>0</u>	<u>281,744</u>
0	0	91,238	(2,960,129)
0	0	0	9,111,681
<u>\$0</u>	<u>\$0</u>	<u>\$91,238</u>	<u>\$6,151,552</u>

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COMBINING STATEMENTS - AGENCY FUNDS

Agency Funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds. These funds are purely custodial in nature (assets equal liabilities) and therefore do not involve the measurement of results of operations.

Board of Building Standards Fund – Accounts for fees required by the State to be collected by the City and paid to the State.

Senior Citizens Multi Fund – Accounts for revenue earned and expended by the Senior Citizens Center.

Mayor's Court Bail Fund – Accounts for bail collected.

Miscellaneous Agency Fund – Accounts for deposits held by the City from contractors, developers or individuals to ensure compliance with City Ordinances, and for other various deposits held by the City on behalf of others.

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING STATEMENT OF ASSETS AND LIABILITIES -
 AGENCY FUNDS
 DECEMBER 31, 2018

	Board of Building Standards	Senior Citizens Multi	Mayor's Court Bail
Assets			
Equity in pooled cash and equivalents	\$979	\$57,479	\$3,201
Total assets	\$979	\$57,479	\$3,201
Liabilities			
Accounts and contracts payable	\$0	\$2,961	\$0
Due to others	979	54,518	3,201
Total liabilities	\$979	\$57,479	\$3,201

<u>Miscellaneous Agency</u>	<u>Total</u>
<u>\$1,992,261</u>	<u>\$2,053,920</u>
<u><u>\$1,992,261</u></u>	<u><u>\$2,053,920</u></u>
\$2,387	\$5,348
<u>1,989,874</u>	<u>2,048,572</u>
<u><u>\$1,992,261</u></u>	<u><u>\$2,053,920</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 AGENCY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2018

	Beginning Balance 12/31/2017	Additions	Reductions	Ending Balance 12/31/2018
Board of Building Standards				
Assets				
Equity in pooled cash and equivalents	\$566	\$6,933	\$6,520	\$979
Total assets	\$566	\$6,933	\$6,520	\$979
Liabilities				
Accounts and contracts payable	\$324	\$5,954	\$6,278	\$0
Due to others	242	979	242	979
Total liabilities	\$566	\$6,933	\$6,520	\$979
	Beginning Balance 12/31/2017	Additions	Reductions	Ending Balance 12/31/2018
Senior Citizens Multi				
Assets				
Equity in pooled cash and equivalents	\$49,437	\$85,292	\$77,250	\$57,479
Total assets	\$49,437	\$85,292	\$77,250	\$57,479
Liabilities				
Accounts and contracts payable	\$2,451	\$30,774	\$30,264	\$2,961
Due to others	46,986	54,518	46,986	54,518
Total liabilities	\$49,437	\$85,292	\$77,250	\$57,479
	Beginning Balance 12/31/2017	Additions	Reductions	Ending Balance 12/31/2018
Mayor's Court Bail				
Assets				
Equity in pooled cash and equivalents	\$3,201	\$0	\$0	\$3,201
Total assets	\$3,201	\$0	\$0	\$3,201
Liabilities				
Due to others	\$3,201	\$0	\$0	\$3,201
Total liabilities	\$3,201	\$0	\$0	\$3,201

(Continued)

CITY OF NORTH RIDGEVILLE, OHIO
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 AGENCY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2018

(Continued)

	Beginning Balance 12/31/2017	Additions	Reductions	Ending Balance 12/31/2018
Miscellaneous Agency				
Assets				
Equity in pooled cash and equivalents	\$1,214,179	\$2,866,266	\$2,088,184	\$1,992,261
Total assets	<u>\$1,214,179</u>	<u>\$2,866,266</u>	<u>\$2,088,184</u>	<u>\$1,992,261</u>
Liabilities				
Accounts and contracts payable	\$1,760	\$2,387	\$1,760	\$2,387
Due to others	1,212,419	2,863,879	2,086,424	1,989,874
Total liabilities	<u>\$1,214,179</u>	<u>\$2,866,266</u>	<u>\$2,088,184</u>	<u>\$1,992,261</u>
	Beginning Balance 12/31/2017	Additions	Reductions	Ending Balance 12/31/2018
Total All Agency Funds				
Assets				
Equity in pooled cash and equivalents	\$1,267,383	\$2,958,491	\$2,171,954	\$2,053,920
Total assets	<u>\$1,267,383</u>	<u>\$2,958,491</u>	<u>\$2,171,954</u>	<u>\$2,053,920</u>
Liabilities				
Accounts and contracts payable	\$4,535	\$39,115	\$38,302	\$5,348
Due to others	1,262,848	2,919,376	2,133,652	2,048,572
Total liabilities	<u>\$1,267,383</u>	<u>\$2,958,491</u>	<u>\$2,171,954</u>	<u>\$2,053,920</u>

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

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

(Continued)

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$1,190,854	\$1,234,653	\$1,246,982	\$12,329
Municipal income taxes	9,401,000	9,792,500	10,034,975	242,475
Intergovernmental revenue	713,700	721,800	730,850	9,050
Fines, licenses, and permits	1,237,000	1,312,000	1,447,810	135,810
Interest	40,000	65,000	78,574	13,574
Miscellaneous	1,524,846	2,454,746	2,106,276	(348,470)
Total revenues	<u>14,107,400</u>	<u>15,580,699</u>	<u>15,645,467</u>	<u>64,768</u>
Expenditures				
Current				
Security of persons and property				
Police				
Personal services	3,169,000	3,178,500	2,934,379	244,121
Other	1,860,708	1,915,750	1,767,965	147,785
Total police	<u>5,029,708</u>	<u>5,094,250</u>	<u>4,702,344</u>	<u>391,906</u>
Fire				
Personal services	1,341,500	1,375,500	1,347,107	28,393
Other	736,251	777,778	744,667	33,111
Total fire	<u>2,077,751</u>	<u>2,153,278</u>	<u>2,091,774</u>	<u>61,504</u>
Street lighting				
Other	186,116	170,634	168,880	1,754
Total street lighting	<u>186,116</u>	<u>170,634</u>	<u>168,880</u>	<u>1,754</u>
Mayor's court				
Personal services	187,000	185,875	177,660	8,215
Other	103,993	120,437	114,994	5,443
Total mayor's court	<u>290,993</u>	<u>306,312</u>	<u>292,654</u>	<u>13,658</u>
Total security of persons and property	<u>7,584,568</u>	<u>7,724,474</u>	<u>7,255,652</u>	<u>468,822</u>
Public health and welfare				
General government				
Other	115,000	115,000	112,150	2,850
Total general government	<u>115,000</u>	<u>115,000</u>	<u>112,150</u>	<u>2,850</u>
Senior citizens				
Personal services	242,000	242,000	229,290	12,710
Other	172,378	160,074	127,965	32,109
Total senior citizens	<u>414,378</u>	<u>402,074</u>	<u>357,255</u>	<u>44,819</u>
Total public health and welfare	<u>529,378</u>	<u>517,074</u>	<u>469,405</u>	<u>47,669</u>

(Continued)

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

(Continued)

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Leisure time activities				
Park and recreation				
Personal services	\$402,000	\$159,600	\$153,157	\$6,443
Other	311,210	171,973	147,854	24,119
Total leisure time activities	<u>713,210</u>	<u>331,573</u>	<u>301,011</u>	<u>30,562</u>
Community development				
Building				
Personal services	507,000	497,000	460,211	36,789
Other	362,279	403,926	356,652	47,274
Total building	<u>869,279</u>	<u>900,926</u>	<u>816,863</u>	<u>84,063</u>
Community development				
Other	90,000	97,500	92,798	4,702
Total building	<u>90,000</u>	<u>97,500</u>	<u>92,798</u>	<u>4,702</u>
Engineer				
Personal services	515,000	515,000	427,400	87,600
Other	305,649	305,288	251,195	54,093
Total engineer	<u>820,649</u>	<u>820,288</u>	<u>678,595</u>	<u>141,693</u>
Total community development	<u>1,779,928</u>	<u>1,818,714</u>	<u>1,588,256</u>	<u>230,458</u>
General government				
Council				
Personal services	220,000	221,000	217,595	3,405
Other	133,718	132,704	127,333	5,371
Total council	<u>353,718</u>	<u>353,704</u>	<u>344,928</u>	<u>8,776</u>
Mayor				
Personal services	189,000	189,000	182,613	6,387
Other	108,484	107,745	102,272	5,473
Total mayor	<u>297,484</u>	<u>296,745</u>	<u>284,885</u>	<u>11,860</u>
Finance				
Personal services	564,600	564,600	525,779	38,821
Other	716,201	742,005	691,679	50,326
Total finance	<u>1,280,801</u>	<u>1,306,605</u>	<u>1,217,458</u>	<u>89,147</u>
Law director				
Personal services	280,000	284,500	277,827	6,673
Other	414,865	314,883	239,370	75,513
Total law director	<u>694,865</u>	<u>599,383</u>	<u>517,197</u>	<u>82,186</u>
Computer services				
Personal services	231,000	231,000	220,113	10,887
Other	427,048	420,050	361,254	58,796
Total computer services	<u>658,048</u>	<u>651,050</u>	<u>581,367</u>	<u>69,683</u>

(Continued)

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

(Continued)

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Human resources				
Personal services	\$148,000	\$148,000	\$0	\$148,000
Other	87,000	87,000	6,770	\$80,230
Total human resources	<u>235,000</u>	<u>235,000</u>	<u>6,770</u>	<u>228,230</u>
Safety service director				
Personal services	226,000	226,000	204,290	21,710
Other	97,401	96,746	83,768	12,978
Total safety service director	<u>323,401</u>	<u>322,746</u>	<u>288,058</u>	<u>34,688</u>
Civil service				
Personal services	5,000	5,000	4,667	333
Other	47,500	47,500	18,788	28,712
Total civil service	<u>52,500</u>	<u>52,500</u>	<u>23,455</u>	<u>29,045</u>
General government				
Other	244,461	296,884	277,943	18,941
Total general government	<u>244,461</u>	<u>296,884</u>	<u>277,943</u>	<u>18,941</u>
Public buildings				
Other	169,775	159,318	153,882	5,436
Total public buildings	<u>169,775</u>	<u>159,318</u>	<u>153,882</u>	<u>5,436</u>
Public grounds				
Personal services	0	234,400	229,226	5,174
Other	79,127	240,354	221,709	18,645
Total public grounds	<u>79,127</u>	<u>474,754</u>	<u>450,935</u>	<u>23,819</u>
Total general government	<u>4,389,180</u>	<u>4,748,689</u>	<u>4,146,878</u>	<u>601,811</u>
Total expenditures	<u>14,996,264</u>	<u>15,140,524</u>	<u>13,761,202</u>	<u>1,379,322</u>
Excess (deficiency) of revenues over expenditures	<u>(888,864)</u>	<u>440,175</u>	<u>1,884,265</u>	<u>1,444,090</u>

(Continued)

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

(Continued)

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Other financing sources (uses)				
Advances-in	\$232,000	\$1,007,000	\$24,800	(\$982,200)
Advances-out	0	(867,500)	(849,800)	17,700
Transfers-out	(200,000)	(170,000)	(185,000)	(15,000)
Total other financing sources (uses)	<u>32,000</u>	<u>(30,500)</u>	<u>(1,010,000)</u>	<u>(979,500)</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(856,864)	409,675	874,265	464,590
Prior year encumbrances	456,564	456,564	456,564	0
Fund balances, beginning of year	<u>4,400,853</u>	<u>4,400,853</u>	<u>4,400,853</u>	<u>0</u>
Fund balances, end of year	<u>\$4,000,553</u>	<u>\$5,267,092</u>	<u>\$5,731,682</u>	<u>\$464,590</u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	General Obligation Bond Retirement Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$660,770	\$646,519	\$661,252	\$14,733
Municipal income taxes	550,000	575,000	584,875	9,875
TIF assessments	40,000	40,000	37,499	(2,501)
Payments in lieu of taxes	0	0	0	0
Intergovernmental revenue	5,000	18,700	13,728	(4,972)
Fines, licenses, and permits	0	0	0	0
Interest	25,300	22,100	31,047	8,947
Total revenues	1,281,070	1,302,319	1,328,401	26,082
Expenditures				
Current				
General government				
Other	50,000	55,000	50,733	4,267
Debt service				
Principal	5,060,300	8,060,300	8,060,248	52
Interest and fiscal charges	453,400	516,400	504,754	11,646
Total expenditures	5,563,700	8,631,700	8,615,735	15,965
Excess (deficiency) of revenues over expenditures	(4,282,630)	(7,329,381)	(7,287,334)	42,047
Other financing sources				
Note proceeds	7,400,000	6,900,000	6,900,000	0
Premium on debt issue	11,500	46,500	73,554	27,054
Total other financing sources	7,411,500	6,946,500	6,973,554	27,054
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	3,128,870	(382,881)	(313,780)	69,101
Fund balances, beginning of year	1,050,038	1,050,038	1,050,038	0
Fund balances, end of year	\$4,178,908	\$667,157	\$736,258	69,101

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Center Ridge Road Construction Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Interest	\$15,000	\$15,000	\$14,945	(\$55)
Total revenues	<u>15,000</u>	<u>15,000</u>	<u>14,945</u>	<u>(55)</u>
Expenditures				
Other	318,260	1,299,260	333,890	965,370
Total expenditures	<u>318,260</u>	<u>1,299,260</u>	<u>333,890</u>	<u>965,370</u>
Excess (deficiency) of revenues over expenditures	<u>(303,260)</u>	<u>(1,284,260)</u>	<u>(318,945)</u>	<u>965,315</u>
Prior year encumbrances	318,260	318,260	318,260	0
Fund balances, beginning of year	<u>972,878</u>	<u>972,878</u>	<u>972,878</u>	<u>0</u>
Fund balances, end of year	<u><u>\$987,878</u></u>	<u><u>\$6,878</u></u>	<u><u>\$972,193</u></u>	<u><u>\$965,315</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Payroll and Benefits Reserve Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Interest	\$5,000	\$5,000	\$9,660	\$4,660
Total revenues	5,000	5,000	9,660	4,660
Expenditures				
Current				
General government				
Personal services	100,000	365,000	360,603	4,397
Total expenditures	100,000	365,000	360,603	4,397
Excess (deficiency) of revenues over expenditures	(95,000)	(360,000)	(350,943)	9,057
Other financing sources				
Transfers-in	100,000	100,000	100,000	0
Total other financing sources	100,000	100,000	100,000	0
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	5,000	(260,000)	(250,943)	9,057
Fund balances, beginning of year	759,602	759,602	759,602	0
Fund balances, end of year	\$764,602	\$499,602	\$508,659	\$9,057

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Street Construction, Maintenance and Repair Fund (SCMR)			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$1,270,000	\$1,368,000	\$1,359,262	(\$8,738)
Charges for services	30,000	38,000	30,498	(7,502)
Interest	5,000	3,000	3,592	592
Miscellaneous	13,000	58,000	49,621	(8,379)
Total revenues	<u>1,318,000</u>	<u>1,467,000</u>	<u>1,442,973</u>	<u>(24,027)</u>
Expenditures				
Current				
Streets				
Transportation				
Personal services	657,000	677,000	658,908	18,092
Other	957,264	1,070,224	1,054,066	16,158
Total expenditures	<u>1,614,264</u>	<u>1,747,224</u>	<u>1,712,974</u>	<u>34,250</u>
Excess (deficiency) of revenues over expenditures	(296,264)	(280,224)	(270,001)	10,223
Other financing (uses)				
Transfers-in	0	100,000	50,000	(50,000)
Total other financing (uses)	<u>0</u>	<u>100,000</u>	<u>50,000</u>	<u>(50,000)</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(296,264)	(180,224)	(220,001)	(39,777)
Prior year encumbrances	81,164	81,164	81,164	0
Fund balances, beginning of year	<u>208,932</u>	<u>208,932</u>	<u>208,932</u>	<u>0</u>
Fund balances, end of year	<u><u>(\$6,168)</u></u>	<u><u>\$109,872</u></u>	<u><u>\$70,095</u></u>	<u><u>(\$39,777)</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	State Highway Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$102,000	\$102,000	\$110,210	\$8,210
Interest	100	100	755	655
Total revenues	<u>102,100</u>	<u>102,100</u>	<u>110,965</u>	<u>8,865</u>
Expenditures				
Current				
Transportation				
Other	100,000	110,000	109,997	3
Total expenditures	<u>100,000</u>	<u>110,000</u>	<u>109,997</u>	<u>3</u>
Excess (deficiency) of revenues over expenditures	2,100	(7,900)	968	8,868
Fund balances, beginning of year	<u>71,650</u>	<u>71,650</u>	<u>71,650</u>	<u>0</u>
Fund balances, end of year	<u><u>\$73,750</u></u>	<u><u>\$63,750</u></u>	<u><u>\$72,618</u></u>	<u><u>\$8,868</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Motor Vehicle License Tax Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$525,000	\$554,800	\$524,176	(\$30,624)
Interest	3,000	1,200	810	(390)
Miscellaneous	3,000	8,000	4,909	(3,091)
Total revenues	<u>531,000</u>	<u>564,000</u>	<u>529,895</u>	<u>(34,105)</u>
Expenditures				
Current				
Transportation				
Personal services	322,000	322,000	303,514	18,486
Other	351,216	330,841	315,247	15,594
Debt service				
Principal	6,200	6,200	6,169	31
Total expenditures	<u>679,416</u>	<u>659,041</u>	<u>624,930</u>	<u>34,111</u>
Excess (deficiency) of revenues over expenditures	(148,416)	(95,041)	(95,035)	6
Prior year encumbrances	33,215	33,215	33,215	0
Fund balances, beginning of year	<u>82,440</u>	<u>82,440</u>	<u>82,440</u>	<u>0</u>
Fund balances, end of year	<u><u>(\$32,761)</u></u>	<u><u>\$20,614</u></u>	<u><u>\$20,620</u></u>	<u><u>\$6</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Street Levy Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$1,228,444	\$1,265,410	\$1,265,548	\$138
Intergovernmental revenue	178,000	189,700	189,852	152
Interest	7,500	10,500	13,947	3,447
Miscellaneous	5,000	5,000	283	(4,717)
Total revenues	<u>1,418,944</u>	<u>1,470,610</u>	<u>1,469,630</u>	<u>(980)</u>
Expenditures				
Current				
Transportation				
Other	1,653,987	1,711,267	1,458,439	252,828
Debt service				
Principal	79,200	79,200	79,138	62
Interest and fiscal charges	27,300	27,300	27,109	191
Total expenditures	<u>1,760,487</u>	<u>1,817,767</u>	<u>1,564,686</u>	<u>253,081</u>
Excess (deficiency) of revenues over expenditures	(341,543)	(347,157)	(95,056)	252,101
Prior year encumbrances	259,987	259,987	259,987	0
Fund balances, beginning of year	<u>462,424</u>	<u>462,424</u>	<u>462,424</u>	<u>0</u>
Fund balances, end of year	<u><u>\$380,868</u></u>	<u><u>\$375,254</u></u>	<u><u>\$627,355</u></u>	<u><u>\$252,101</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Surface Drainage Fund			Variance w Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Interest	\$200	\$200	\$600	\$400
Miscellaneous	119,000	152,300	191,740	39,440
Total revenues	<u>119,200</u>	<u>152,500</u>	<u>192,340</u>	<u>39,840</u>
Expenditures				
Current				
Transportation				
Personal services	73,000	78,000	74,688	3,312
Other	86,717	83,536	80,815	2,721
Debt service				
Principal	7,200	7,200	7,180	20
Total expenditures	<u>166,917</u>	<u>168,736</u>	<u>162,683</u>	<u>6,053</u>
Excess (deficiency) of revenues over expenditures	<u>(47,717)</u>	<u>(16,236)</u>	<u>29,657</u>	<u>45,893</u>
Other financing sources				
Transfers-in	35,000	35,000	35,000	0
Total other financing sources	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>0</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(12,717)	18,764	64,657	45,893
Prior year encumbrances	6,214	6,214	6,214	0
Fund balances, beginning of year	<u>904</u>	<u>904</u>	<u>904</u>	<u>0</u>
Fund balances, end of year	<u><u>(\$5,599)</u></u>	<u><u>\$25,882</u></u>	<u><u>\$71,775</u></u>	<u><u>\$45,893</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Police Levy Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$1,260,955	\$1,298,965	\$1,298,853	(\$112)
Intergovernmental revenue	182,500	194,500	194,848	348
Interest	1,000	4,200	7,097	2,897
Total revenues	<u>1,444,455</u>	<u>1,497,665</u>	<u>1,500,798</u>	<u>3,133</u>
Expenditures				
Current				
Security of persons and property				
Personal services	1,143,000	1,143,000	1,142,155	845
Other	265,000	265,000	239,861	25,139
Total expenditures	<u>1,408,000</u>	<u>1,408,000</u>	<u>1,382,016</u>	<u>25,984</u>
Excess (deficiency) of revenues over expenditures	36,455	89,665	118,782	29,117
Fund balances, beginning of year	<u>243,075</u>	<u>243,075</u>	<u>243,075</u>	<u>0</u>
Fund balances, end of year	<u><u>\$279,530</u></u>	<u><u>\$332,740</u></u>	<u><u>\$361,857</u></u>	<u><u>\$29,117</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Police Pension Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$206,081	\$213,408	\$213,511	\$103
Intergovernmental revenue	31,000	31,000	32,280	1,280
Interest	600	60	1,201	1,141
Total revenues	<u>237,681</u>	<u>244,468</u>	<u>246,992</u>	<u>2,524</u>
Expenditures				
Current				
Security of persons and property				
Other	237,000	237,000	236,586	414
Total expenditures	<u>237,000</u>	<u>237,000</u>	<u>236,586</u>	<u>414</u>
Excess (deficiency) of revenues over expenditures	681	7,468	10,406	2,938
Fund balances, beginning of year	<u>19,846</u>	<u>19,846</u>	<u>19,846</u>	<u>0</u>
Fund balances, end of year	<u><u>\$20,527</u></u>	<u><u>\$27,314</u></u>	<u><u>\$30,252</u></u>	<u><u>\$2,938</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Law Enforcement Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Interest	\$50	\$50	\$161	\$111
Fines, licenses, and permits	0	6,000	6,022	22
Miscellaneous	3,250	12,250	12,503	253
Total revenues	<u>3,300</u>	<u>18,300</u>	<u>18,686</u>	<u>386</u>
Expenditures				
Current				
Security of persons and property				
Other	5,000	5,000	4,654	346
Total expenditures	<u>5,000</u>	<u>5,000</u>	<u>4,654</u>	<u>346</u>
Excess (deficiency) of revenues over expenditures	(1,700)	13,300	14,032	732
Fund balances, beginning of year	<u>3,371</u>	<u>3,371</u>	<u>3,371</u>	<u>0</u>
Fund balances, end of year	<u>\$1,671</u>	<u>\$16,671</u>	<u>\$17,403</u>	<u>\$732</u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Local Law Enforcement Assistance Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Interest	\$0	\$0	\$431	\$431
Miscellaneous	0	14,800	14,800	0
Total revenues	<u>0</u>	<u>14,800</u>	<u>15,231</u>	<u>431</u>
Expenditures				
Current				
Security of persons and property				
Other	10,000	10,000	9,417	583
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>9,417</u>	<u>583</u>
Excess (deficiency) of revenues over expenditures	(10,000)	4,800	5,814	1,014
Fund balances, beginning of year	<u>14,846</u>	<u>14,846</u>	<u>14,846</u>	<u>0</u>
Fund balances, end of year	<u><u>\$4,846</u></u>	<u><u>\$19,646</u></u>	<u><u>\$20,660</u></u>	<u><u>\$1,014</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Drug Law Enforcement Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Fines, licenses, and permits	\$700	\$700	\$857	\$157
Miscellaneous	100	100	0	(100)
Total revenues	<u>800</u>	<u>800</u>	<u>857</u>	<u>57</u>
Expenditures				
Current				
Security of persons and property				
Other	800	800	0	800
Total expenditures	<u>800</u>	<u>800</u>	<u>0</u>	<u>800</u>
Excess (deficiency) of revenues over expenditures	0	0	857	857
Fund balances, beginning of year	<u>1,213</u>	<u>1,213</u>	<u>1,213</u>	<u>0</u>
Fund balances, end of year	<u><u>\$1,213</u></u>	<u><u>\$1,213</u></u>	<u><u>\$2,070</u></u>	<u><u>\$857</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	DUI Enforcement and Education Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Fines, licenses, and permits	\$7,000	\$7,000	\$8,415	\$1,415
Interest	0	0	382	382
Total revenues	<u>7,000</u>	<u>7,000</u>	<u>8,797</u>	<u>1,797</u>
Expenditures				
Current				
Security of persons and property				
Other	35,100	34,912	31,222	3,690
Total expenditures	<u>35,100</u>	<u>34,912</u>	<u>31,222</u>	<u>3,690</u>
Excess (deficiency) of revenues over expenditures	(28,100)	(27,912)	(22,425)	5,487
Prior year encumbrances	400	400	400	0
Fund balances, beginning of year	<u>30,115</u>	<u>30,115</u>	<u>30,115</u>	<u>0</u>
Fund balances, end of year	<u><u>\$2,415</u></u>	<u><u>\$2,603</u></u>	<u><u>\$8,090</u></u>	<u><u>\$5,487</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Clerk of Courts Computer Service Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Fines, licenses, and permits	\$35,000	\$35,000	\$37,749	\$2,749
Interest	1,000	1,000	3,455	2,455
Miscellaneous	0	0	191	191
Total revenues	<u>36,000</u>	<u>36,000</u>	<u>41,395</u>	<u>5,395</u>
Expenditures				
Current				
Security of persons and property				
Other	29,958	29,958	13,628	16,330
Total expenditures	<u>29,958</u>	<u>29,958</u>	<u>13,628</u>	<u>16,330</u>
Excess (deficiency) of revenues over expenditures	6,042	6,042	27,767	21,725
Prior year encumbrances	2,427	2,427	2,427	0
Fund balances, beginning of year	<u>205,536</u>	<u>205,536</u>	<u>205,536</u>	<u>0</u>
Fund balances, end of year	<u><u>\$214,005</u></u>	<u><u>\$214,005</u></u>	<u><u>\$235,730</u></u>	<u><u>\$21,725</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Court Computerization Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Fines, licenses, and permits	\$10,000	\$10,000	\$11,317	\$1,317
Interest	700	700	1,885	1,185
Total revenues	<u>10,700</u>	<u>10,700</u>	<u>13,202</u>	<u>2,502</u>
Expenditures				
Current				
Security of persons and property				
Other	17,000	17,000	16,292	708
Total expenditures	<u>17,000</u>	<u>17,000</u>	<u>16,292</u>	<u>708</u>
Excess (deficiency) of revenues over expenditures	(6,300)	(6,300)	(3,090)	3,210
Fund balances, beginning of year	<u>115,353</u>	<u>115,353</u>	<u>115,353</u>	<u>0</u>
Fund balances, end of year	<u><u>\$109,053</u></u>	<u><u>\$109,053</u></u>	<u><u>\$112,263</u></u>	<u><u>\$3,210</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Fire Levy Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$1,226,744	\$1,265,210	\$1,265,548	\$338
Intergovernmental revenue	179,700	189,400	189,852	452
Interest	1,000	1,500	5,220	3,720
Miscellaneous	5,000	31,000	31,072	72
Total revenues	<u>1,412,444</u>	<u>1,487,110</u>	<u>1,491,692</u>	<u>4,582</u>
Expenditures				
Current				
Security of persons and property				
Personal services	1,044,000	826,000	820,084	5,916
Other	220,000	443,000	439,247	3,753
Total expenditures	<u>1,264,000</u>	<u>1,269,000</u>	<u>1,259,331</u>	<u>9,669</u>
Excess (deficiency) of revenues over expenditures	148,444	218,110	232,361	14,251
Fund balances, beginning of year	<u>185,002</u>	<u>185,002</u>	<u>185,002</u>	<u>0</u>
Fund balances, end of year	<u><u>\$333,446</u></u>	<u><u>\$403,112</u></u>	<u><u>\$417,363</u></u>	<u><u>\$14,251</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Fire Pension Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$206,081	\$213,408	\$213,511	\$103
Intergovernmental revenue	31,000	31,000	32,280	1,280
Interest	500	500	1,157	657
Total revenues	<u>237,581</u>	<u>244,908</u>	<u>246,948</u>	<u>2,040</u>
Expenditures				
Current				
Security of persons and property				
Other	<u>237,000</u>	<u>237,000</u>	<u>236,558</u>	<u>442</u>
Total expenditures	<u>237,000</u>	<u>237,000</u>	<u>236,558</u>	<u>442</u>
Excess (deficiency) of revenues over expenditures	581	7,908	10,390	2,482
Fund balances, beginning of year	<u>13,626</u>	<u>13,626</u>	<u>13,626</u>	<u>0</u>
Fund balances, end of year	<u>\$14,207</u>	<u>\$21,534</u>	<u>\$24,016</u>	<u>\$2,482</u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Paramedic Levy Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$1,129,809	\$1,165,642	\$1,165,636	(\$6)
Intergovernmental revenue	165,600	173,700	174,864	1,164
Interest	2,200	5,200	7,395	2,195
Miscellaneous	1,000	1,000	15,069	14,069
Total revenues	<u>1,298,609</u>	<u>1,345,542</u>	<u>1,362,964</u>	<u>17,422</u>
Expenditures				
Current				
Security of persons and property				
Personal services	821,300	851,300	836,674	14,626
Other	516,142	512,379	489,757	22,622
Total expenditures	<u>1,337,442</u>	<u>1,363,679</u>	<u>1,326,431</u>	<u>37,248</u>
Excess (deficiency) of revenues over expenditures	(38,833)	(18,137)	36,533	54,670
Prior year encumbrances	15,442	15,442	15,442	0
Fund balances, beginning of year	<u>321,716</u>	<u>321,716</u>	<u>321,716</u>	<u>0</u>
Fund balances, end of year	<u><u>\$298,325</u></u>	<u><u>\$319,021</u></u>	<u><u>\$373,691</u></u>	<u><u>\$54,670</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Ambulance Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Charges for services	\$775,000	\$775,000	\$782,749	\$7,749
Interest	4,000	4,000	10,598	6,598
Miscellaneous	4,000	4,000	4,921	921
Total revenues	<u>783,000</u>	<u>783,000</u>	<u>798,268</u>	<u>15,268</u>
Expenditures				
Current				
Security of persons and property				
Personal services	252,000	261,500	228,187	33,313
Other	893,051	761,879	737,202	24,677
Total expenditures	<u>1,145,051</u>	<u>1,023,379</u>	<u>965,389</u>	<u>57,990</u>
Excess (deficiency) of revenues over expenditures	(362,051)	(240,379)	(167,121)	73,258
Other financing sources (uses)				
Transfers-out	0	(83,500)	0	83,500
Total other financing sources (uses)	<u>0</u>	<u>(83,500)</u>	<u>0</u>	<u>83,500</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(362,051)	(323,879)	(167,121)	156,758
Prior year encumbrances	313,051	313,051	313,051	0
Fund balances, beginning of year	<u>151,534</u>	<u>151,534</u>	<u>151,534</u>	<u>0</u>
Fund balances, end of year	<u>\$102,534</u>	<u>\$140,706</u>	<u>\$297,464</u>	<u>\$156,758</u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	State and Other Grants			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$38,000	\$38,000	\$90,330	\$52,330
Miscellaneous	0	56,400	0	(56,400)
Total revenues	<u>38,000</u>	<u>94,400</u>	<u>90,330</u>	<u>(4,070)</u>
Expenditures				
Current				
General government				
Other	115,749	190,049	94,236	95,813
Total expenditures	<u>115,749</u>	<u>190,049</u>	<u>94,236</u>	<u>95,813</u>
Excess (deficiency) of revenues over expenditures	(77,749)	(95,649)	(3,906)	91,743
Prior year encumbrances	15,249	15,249	15,249	0
Fund balances, beginning of year	<u>82,691</u>	<u>82,691</u>	<u>82,691</u>	<u>0</u>
Fund balances, end of year	<u><u>\$20,191</u></u>	<u><u>\$2,291</u></u>	<u><u>\$94,034</u></u>	<u><u>\$91,743</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Federal Grants Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$26,000	\$26,000	\$14,504	(\$11,496)
Interest	0	0	0	0
Total revenues	<u>26,000</u>	<u>26,000</u>	<u>14,504</u>	<u>(11,496)</u>
Expenditures				
Current				
General government				
Other	101,405	100,000	251	99,749
Total expenditures	<u>101,405</u>	<u>100,000</u>	<u>251</u>	<u>99,749</u>
Excess (deficiency) of revenues over expenditures	(75,405)	(74,000)	14,253	88,253
Prior year encumbrances	1,405	1,405	1,405	0
Fund balances, beginning of year	<u>103,229</u>	<u>103,229</u>	<u>103,229</u>	<u>0</u>
Fund balances, end of year	<u><u>\$29,229</u></u>	<u><u>\$30,634</u></u>	<u><u>\$118,887</u></u>	<u><u>\$88,253</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Cemetery Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Charges for services	\$18,000	\$18,000	\$31,975	\$13,975
Interest	2,000	2,000	4,311	2,311
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>36,286</u>	<u>16,286</u>
Expenditures				
Current				
Public health and welfare				
Other	37,605	35,756	23,639	12,117
Total expenditures	<u>37,605</u>	<u>35,756</u>	<u>23,639</u>	<u>12,117</u>
Excess (deficiency) of revenues over expenditures	(17,605)	(15,756)	12,647	28,403
Prior year encumbrances	1,905	1,905	1,905	0
Fund balances, beginning of year	<u>268,956</u>	<u>268,956</u>	<u>268,956</u>	<u>0</u>
Fund balances, end of year	<u>\$253,256</u>	<u>\$255,105</u>	<u>\$283,508</u>	<u>\$28,403</u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Park and Recreation Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Charges for services	\$212,000	\$212,000	\$249,547	\$37,547
Intergovernmental revenue	0	0	500	500
Interest	3,000	3,000	1,484	(1,516)
Miscellaneous	0	0	358	358
Total revenues	<u>215,000</u>	<u>215,000</u>	<u>251,889</u>	<u>36,889</u>
Expenditures				
Current				
Leisure time activities				
Personal services	34,000	34,000	30,535	3,465
Other	191,353	195,248	191,347	3,901
Total expenditures	<u>225,353</u>	<u>229,248</u>	<u>221,882</u>	<u>7,366</u>
Excess (deficiency) of revenues over expenditures	(10,353)	(14,248)	30,007	44,255
Prior year encumbrances	5,053	5,053	5,053	0
Fund balances, beginning of year	<u>233,923</u>	<u>233,923</u>	<u>233,923</u>	<u>0</u>
Fund balances, end of year	<u><u>\$228,623</u></u>	<u><u>\$224,728</u></u>	<u><u>\$268,983</u></u>	<u><u>\$44,255</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Park and Recreation Improvement Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$50,000	\$0	\$0	\$0
Fines, licenses, and permits	52,000	62,000	80,000	18,000
Interest	3,000	3,000	2,965	(35)
Miscellaneous	0	50,000	0	(50,000)
Total revenues	<u>105,000</u>	<u>115,000</u>	<u>82,965</u>	<u>(32,035)</u>
Expenditures				
Current				
Leisure time activities				
Other	151,472	149,820	819	149,001
Debt service				
Principal	20,000	20,000	20,000	0
Interest and fiscal charges	1,200	1,200	950	250
Total expenditures	<u>172,672</u>	<u>171,020</u>	<u>21,769</u>	<u>149,251</u>
Excess (deficiency) of revenues over expenditures	(67,672)	(56,020)	61,196	117,216
Prior year encumbrances	2,472	2,472	2,472	0
Fund balances, beginning of year	<u>153,118</u>	<u>153,118</u>	<u>153,118</u>	<u>0</u>
Fund balances, end of year	<u><u>\$87,918</u></u>	<u><u>\$99,570</u></u>	<u><u>\$216,786</u></u>	<u><u>\$117,216</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

Senior Citizens Title III Fund				Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$15,000	\$15,000	\$16,262	\$1,262
Interest	0	0	93	93
Total revenues	15,000	15,000	16,355	1,355
Expenditures				
Current				
Public health and welfare				
Personal services	13,000	13,000	13,000	0
Other	1,000	1,000	1,000	0
Total expenditures	14,000	14,000	14,000	0
Excess (deficiency) of revenues over expenditures	1,000	1,000	2,355	1,355
Fund balances, beginning of year	4,764	4,764	4,764	0
Fund balances, end of year	\$5,764	\$5,764	\$7,119	\$1,355

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	DUI Task Force Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$225,000	\$259,000	\$185,520	(\$73,480)
Interest	0	0	77	77
Total revenues	<u>225,000</u>	<u>259,000</u>	<u>185,597</u>	<u>(73,403)</u>
Expenditures				
Current				
Public health and welfare				
Personal services	16,337	34,651	33,278	1,373
Other	334,647	310,687	177,723	132,964
Total expenditures	<u>350,984</u>	<u>345,338</u>	<u>211,001</u>	<u>134,337</u>
Excess (deficiency) of revenues over expenditures	(125,984)	(86,338)	(25,404)	60,934
Prior year encumbrances	126,083	126,083	126,083	0
Fund balances, beginning of year	<u>(32,202)</u>	<u>(32,202)</u>	<u>(32,202)</u>	<u>0</u>
Fund balances, end of year	<u><u>(\$32,103)</u></u>	<u><u>\$7,543</u></u>	<u><u>\$68,477</u></u>	<u><u>\$60,934</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	NOPEC Grant Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$0	\$117,100	\$58,567	(\$58,533)
Total revenues	<u>0</u>	<u>117,100</u>	<u>58,567</u>	<u>(58,533)</u>
Expenditures				
Current				
Public health and welfare				
Personal services	0	0	0	0
Other	0	117,100	117,100	0
Total expenditures	<u>0</u>	<u>117,100</u>	<u>117,100</u>	<u>0</u>
Excess (deficiency) of revenues over expenditures	0	0	(58,533)	(58,533)
Fund balances, beginning of year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances, end of year	<u>\$0</u>	<u>\$0</u>	<u>(\$58,533)</u>	<u>(\$58,533)</u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Solid Waste Management Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Charges for services	\$2,800,000	\$2,800,000	\$2,900,610	\$100,610
Interest	6,000	6,000	16,321	10,321
Miscellaneous	1,000	1,000	1,877	877
Total revenues	<u>2,807,000</u>	<u>2,807,000</u>	<u>2,918,808</u>	<u>111,808</u>
Expenditures				
Current				
General government				
Personal services	93,000	93,000	73,030	19,970
Other	2,857,748	3,129,170	3,068,365	60,805
Total expenditures	<u>2,950,748</u>	<u>3,222,170</u>	FALSE	<u>80,775</u>
Prior year encumbrances	16,648	16,648	16,648	0
Fund balances, beginning of year	<u>1,146,617</u>	<u>1,146,617</u>	<u>1,146,617</u>	<u>0</u>
Fund balances, end of year	<u><u>\$1,019,517</u></u>	<u><u>\$748,095</u></u>	<u><u>\$4,082,073</u></u>	<u><u>\$192,583</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Special Assessment Bond Retirement Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Special assessments	\$63,000	\$63,000	\$69,707	\$6,707
Interest	0	0	2,120	2,120
Total revenues	<u>63,000</u>	<u>63,000</u>	<u>71,827</u>	<u>8,827</u>
Expenditures				
Current				
General government				
Other	1,370	1,370	1,367	3
Debt service				
Principal	38,130	38,130	38,130	0
Interest and fiscal charges	29,300	29,300	29,208	92
Total expenditures	<u>68,800</u>	<u>68,800</u>	<u>68,705</u>	<u>95</u>
Excess (deficiency) of revenues over expenditures	<u>(5,800)</u>	<u>(5,800)</u>	<u>3,122</u>	<u>8,922</u>
Other financing sources				
Transfers-in	0	119,000	119,104	104
Transfers-out	0	(144,673)	(144,673)	0
Total other financing sources	<u>0</u>	<u>(25,673)</u>	<u>(25,569)</u>	<u>104</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(5,800)</u>	<u>(31,473)</u>	<u>(22,447)</u>	<u>9,026</u>
Fund balances, beginning of year	<u>140,733</u>	<u>140,733</u>	<u>140,733</u>	<u>0</u>
Fund balances, end of year	<u>\$134,933</u>	<u>\$109,260</u>	<u>\$118,286</u>	<u>9,026</u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Capital Projects Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Municipal income taxes	\$1,100,000	\$1,150,000	\$1,181,933	\$31,933
Intergovernmental revenue	60,000	52,600	52,352	(248)
Interest	200	21,500	28,889	7,389
Miscellaneous	0	158,900	159,236	336
Total revenues	<u>1,160,200</u>	<u>1,383,000</u>	<u>1,422,410</u>	<u>39,410</u>
Expenditures				
Other	<u>2,271,260</u>	<u>2,322,835</u>	<u>1,896,842</u>	<u>425,993</u>
Total expenditures	<u>2,271,260</u>	<u>2,322,835</u>	<u>1,896,842</u>	<u>425,993</u>
Excess (deficiency) of revenues over expenditures	<u>(1,111,060)</u>	<u>(939,835)</u>	<u>(474,432)</u>	<u>465,403</u>
Prior year encumbrances	1,257,560	1,257,560	1,257,560	0
Fund balances, beginning of year	<u>895,564</u>	<u>895,564</u>	<u>895,564</u>	<u>0</u>
Fund balances, end of year	<u><u>\$1,042,064</u></u>	<u><u>\$1,213,289</u></u>	<u><u>\$1,678,692</u></u>	<u><u>\$465,403</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Central Fire Station Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Interest	\$50,000	\$50,000	\$93,590	\$43,590
Miscellaneous	0	0	674	674
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>94,264</u>	<u>44,264</u>
Expenditures				
Other	6,440,000	7,439,000	6,536,860	902,140
Total expenditures	<u>6,440,000</u>	<u>7,439,000</u>	<u>6,536,860</u>	<u>902,140</u>
Excess (deficiency) of revenues over expenditures	<u>(6,390,000)</u>	<u>(7,389,000)</u>	<u>(6,442,596)</u>	<u>946,404</u>
Prior year encumbrances	6,440,000	6,440,000	6,440,000	0
Fund balances, beginning of year	<u>965,292</u>	<u>965,292</u>	<u>965,292</u>	<u>0</u>
Fund balances, end of year	<u><u>\$1,015,292</u></u>	<u><u>\$16,292</u></u>	<u><u>\$962,696</u></u>	<u><u>\$946,404</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Avon Belden Roundabout Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$0	\$250,000	\$250,000	\$0
Interest	0	1,800	2,803	1,003
Total revenues	<u>0</u>	<u>251,800</u>	<u>252,803</u>	<u>1,003</u>
Expenditures				
Other	143,131	139,144	16,144	123,000
Total expenditures	<u>143,131</u>	<u>139,144</u>	<u>16,144</u>	<u>123,000</u>
Excess (deficiency) of revenues over expenditures	(143,131)	112,656	236,659	124,003
Prior year encumbrances	143,131	143,131	143,131	0
Fund balances, beginning of year	<u>(126,964)</u>	<u>(126,964)</u>	<u>(126,964)</u>	<u>0</u>
Fund balances, end of year	<u><u>(\$126,964)</u></u>	<u><u>\$128,823</u></u>	<u><u>\$252,826</u></u>	<u><u>\$124,003</u></u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Lorain / I-480 Improvements Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$0	\$414,000	\$414,000	\$0
Total revenues	0	414,000	414,000	0
Expenditures				
Other	0	414,000	414,000	0
Total expenditures	0	414,000	414,000	0
Excess (deficiency) of revenues over expenditures	0	0	0	0
Fund balances, beginning of year	0	0	0	0
Fund balances, end of year	\$0	\$0	\$0	\$0

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	ODNR Flood Control Grant Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$0	\$980,000	\$749,500	(\$230,500)
Total revenues	<u>0</u>	<u>980,000</u>	<u>749,500</u>	<u>(230,500)</u>
Expenditures				
Other	0	980,000	749,309	230,691
Total expenditures	<u>0</u>	<u>980,000</u>	<u>749,309</u>	<u>230,691</u>
Excess (deficiency) of revenues over expenditures	<u>0</u>	<u>0</u>	<u>191</u>	<u>191</u>
Other financing sources (uses)				
Advances-in	0	775,000	775,000	0
Total other financing sources (uses)	<u>0</u>	<u>775,000</u>	<u>775,000</u>	<u>0</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	0	775,000	775,191	191
Fund balances, beginning of year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances, end of year	<u>\$0</u>	<u>\$775,000</u>	<u>\$775,191</u>	<u>\$191</u>

CITY OF NORTH RIDGEVILLE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	TIF Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Payments in lieu of taxes	\$0	\$91,400	\$91,741	(183,141)
Total revenues	<u>0</u>	<u>91,400</u>	<u>91,741</u>	<u>(183,141)</u>
Expenditures				
Other	0	980	504	476
Total expenditures	<u>0</u>	<u>980</u>	<u>504</u>	<u>476</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	0	90,420	91,237	(182,665)
Fund balances, beginning of year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances, end of year	<u>\$0</u>	<u>\$90,420</u>	<u>\$91,237</u>	<u>(\$182,665)</u>

STATISTICAL SECTION

Back of Divider Page.

STATISTICAL SECTION

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

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S 2
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, property tax and municipal income tax.	S 20
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.	S 29
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	S 35
Operating Information These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	S 38

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

City of North Ridgeville, Ohio
 Net Position by Component
 Last Ten Years
(Accrual Basis of Accounting)

	<u>2018</u>	<u>2017 (1)</u>	<u>2016</u>	<u>2015</u>
Governmental activities				
Net invested in capital assets	\$100,639,692	\$89,933,651	\$64,651,250	\$54,640,390
Restricted	12,116,551	11,501,162	7,748,511	10,033,563
Unrestricted	<u>(30,917,953)</u>	<u>(30,650,840)</u>	<u>(6,934,671)</u>	<u>(10,951,995)</u>
Total governmental activities net position	<u>\$81,838,290</u>	<u>\$70,783,973</u>	<u>\$65,465,090</u>	<u>\$53,721,958</u>
Business-type activities				
Net invested in capital assets	\$63,358,939	\$61,994,619	\$58,148,438	\$50,892,626
Unrestricted	<u>24,065,113</u>	<u>22,903,589</u>	<u>22,113,540</u>	<u>25,713,944</u>
Total business-type activities net position	<u>\$87,424,052</u>	<u>\$84,898,208</u>	<u>\$80,261,978</u>	<u>\$76,606,570</u>
Primary government				
Net invested in capital assets	163,998,631	151,928,270	122,799,688	105,533,016
Restricted	12,116,551	11,501,162	7,748,511	10,033,563
Unrestricted	<u>(6,852,840)</u>	<u>(7,747,251)</u>	<u>15,178,869</u>	<u>14,761,949</u>
Total primary government net position	<u>\$169,262,342</u>	<u>\$155,682,181</u>	<u>\$145,727,068</u>	<u>\$130,328,528</u>

(1) - Restated due to the implementation of GASB No. 75

(2) - Restated due to the implementation of GASB No. 68

(3) - Restated to reflect the effects of a prior period adjustment recorded in 2011.

Source: City financial records

2014 (2)	2013	2012	2011	2010 (3)	2009 (3)
\$54,613,828	\$56,320,297	\$54,512,935	\$55,632,130	\$56,146,937	\$56,582,855
9,524,770	7,426,615	7,178,967	5,588,289	5,549,186	5,577,303
(10,169,922)	4,764,707	4,918,035	3,748,051	2,062,727	1,729,626
<u>\$53,968,676</u>	<u>\$68,511,619</u>	<u>\$66,609,937</u>	<u>\$64,968,470</u>	<u>\$63,758,850</u>	<u>\$63,889,784</u>
\$54,726,956	\$54,445,173	\$50,767,163	\$50,366,964	\$50,453,768	\$51,390,803
19,241,885	18,970,594	19,536,260	18,042,812	16,420,797	14,866,702
<u>73,968,841</u>	<u>73,415,767</u>	<u>70,303,423</u>	<u>68,409,776</u>	<u>66,874,565</u>	<u>66,257,505</u>
109,340,784	110,765,470	105,280,098	105,999,094	106,600,705	107,973,658
9,524,770	7,426,615	7,178,967	5,588,289	5,549,186	5,577,303
9,071,963	23,735,301	24,454,295	21,790,863	18,483,524	16,596,328
<u>\$127,937,517</u>	<u>\$141,927,386</u>	<u>\$136,913,360</u>	<u>\$133,378,246</u>	<u>\$130,633,415</u>	<u>\$130,147,289</u>

City of North Ridgeville, Ohio
Expenses and Program Revenues
Last Ten Years
(Accrual Basis of Accounting)

	2018	2017	2016	2015
Expenses				
Governmental activities				
Security of persons and property	\$14,226,908	\$13,407,562	\$12,769,364	\$12,101,884
Public health and welfare	453,487	684,819	512,127	509,351
Leisure time activities	597,979	651,710	526,175	480,457
Community environment	1,603,095	1,662,631	1,238,691	1,268,353
Transportation	7,162,603	8,487,747	6,946,308	7,060,537
General government	7,247,407	7,868,802	7,360,007	7,040,124
Interest	498,262	445,104	515,797	224,669
Total governmental activities expenses	<u>31,789,741</u>	<u>33,208,375</u>	<u>29,868,469</u>	<u>28,685,375</u>
Business-type activities				
Water	5,278,892	4,221,529	4,372,236	4,000,392
Sewer	8,814,747	7,096,805	7,790,273	8,710,742
Total business-type activities expenses	<u>14,093,639</u>	<u>11,318,334</u>	<u>12,162,509</u>	<u>12,711,134</u>
Total primary government expenses	<u>\$45,883,380</u>	<u>\$44,526,709</u>	<u>\$42,030,978</u>	<u>\$41,396,509</u>
Program Revenues				
Governmental activities				
Charges for services and sales				
Security of persons and property	\$1,336,685	\$1,248,287	\$1,464,143	\$1,487,897
Public health and welfare	31,975	20,650	13,500	20,600
Leisure time activities	329,547	269,069	239,526	214,340
Community environment	945,099	862,299	738,345	719,373
Transportation	271,858	160,980	0	0
General government	2,964,296	2,603,434	2,962,245	3,005,150
Operating grants, interest and contributions	2,636,456	2,258,190	3,450,708	2,359,850
Capital grants and contributions	11,179,192	28,614,145	13,467,278	2,481,499
Total governmental activities program revenues	<u>19,695,108</u>	<u>36,037,054</u>	<u>22,335,745</u>	<u>10,288,709</u>
Business-type activities				
Charges for services				
Water	4,744,125	4,649,152	4,430,524	4,233,277
Sewer	8,170,124	8,121,000	7,840,204	7,726,148
Capital grants and contributions	3,310,505	3,866,378	3,425,924	3,316,098
Total business-type program revenues	<u>16,224,754</u>	<u>16,636,530</u>	<u>15,696,652</u>	<u>15,275,523</u>
Total primary government program revenues	<u>\$35,919,862</u>	<u>\$52,673,584</u>	<u>\$38,032,397</u>	<u>\$25,564,232</u>

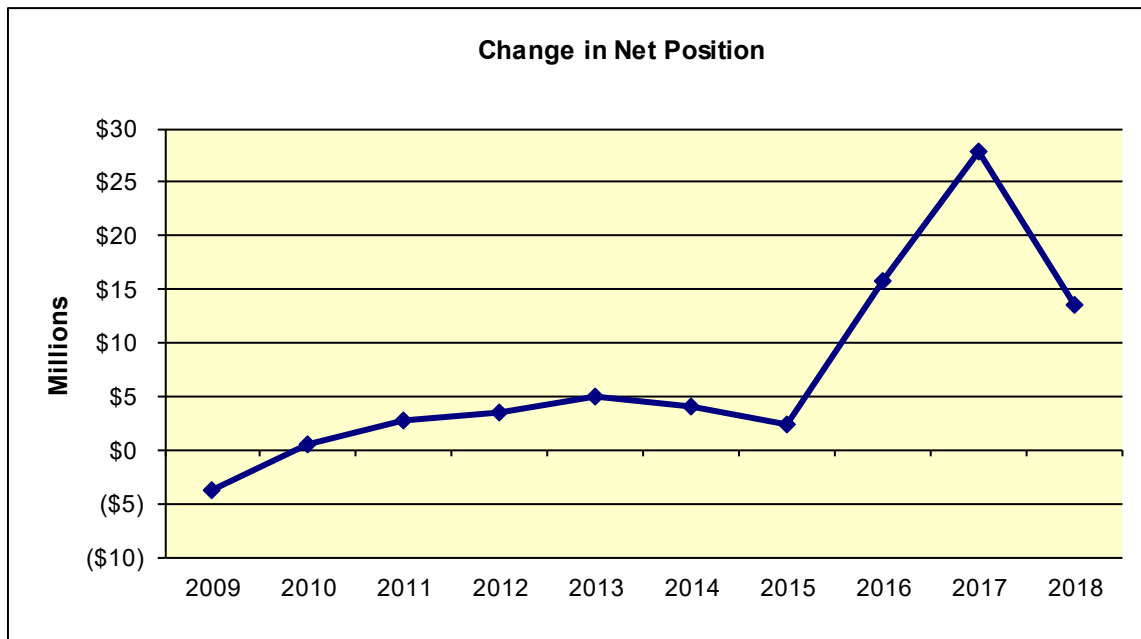
Source: City financial records

2014	2013	2012	2011	2010	2009
\$11,709,493	\$11,519,069	\$10,673,542	\$9,699,133	\$10,462,747	\$10,642,211
441,976	470,637	442,970	550,435	425,218	438,424
461,952	513,969	417,638	390,554	377,164	426,346
1,324,159	1,216,716	1,200,276	1,593,165	1,457,665	1,461,279
7,091,008	6,712,678	5,896,752	6,125,333	5,852,535	6,372,633
6,771,265	7,339,010	6,530,544	6,308,755	6,081,311	6,259,737
313,274	202,428	228,047	260,588	291,769	321,447
<u>28,113,127</u>	<u>27,974,507</u>	<u>25,389,769</u>	<u>24,927,963</u>	<u>24,948,409</u>	<u>25,922,077</u>
4,148,258	3,747,642	3,903,422	3,570,377	3,543,351	3,475,600
7,106,309	7,330,082	7,197,260	6,816,986	6,909,990	8,393,945
<u>11,254,567</u>	<u>11,077,724</u>	<u>11,100,682</u>	<u>10,387,363</u>	<u>10,453,341</u>	<u>11,869,545</u>
<u>\$39,367,694</u>	<u>\$39,052,231</u>	<u>\$36,490,451</u>	<u>\$35,315,326</u>	<u>\$35,401,750</u>	<u>\$37,791,622</u>
\$1,374,232	\$1,258,835	\$1,265,696	\$1,354,143	\$1,234,542	\$1,261,613
27,615	27,475	32,075	25,290	23,056	27,025
236,380	147,356	217,063	177,407	212,659	195,285
149,468	526,937	648,048	666,022	549,313	608,846
0	133,672	0	0	0	0
3,936,945	4,010,888	3,653,678	2,807,739	2,518,662	2,484,044
2,323,165	2,287,560	1,997,920	2,335,694	2,108,730	2,258,787
2,983,567	4,251,489	2,215,049	1,969,333	2,147,642	1,870,334
<u>11,031,372</u>	<u>12,644,212</u>	<u>10,029,529</u>	<u>9,335,628</u>	<u>8,794,604</u>	<u>8,705,934</u>
4,262,620	4,134,926	4,390,975	3,623,301	3,806,474	3,181,204
7,096,281	6,610,925	6,419,890	5,836,069	5,118,206	4,619,780
2,247,848	3,397,850	2,136,165	2,401,753	2,050,548	2,159,513
<u>13,606,749</u>	<u>14,143,701</u>	<u>12,947,030</u>	<u>11,861,123</u>	<u>10,975,228</u>	<u>9,960,497</u>
<u>\$24,638,121</u>	<u>\$26,787,913</u>	<u>\$22,976,559</u>	<u>\$21,196,751</u>	<u>\$19,769,832</u>	<u>\$18,666,431</u>

City of North Ridgeville, Ohio
 Net (Expense) / Revenue, General Revenues and Total Change in Net Position
 Last Ten Years
 (Accrual Basis of Accounting)

	2018	2017	2016	2015
Net (expense) / revenue				
Governmental activities	(\$12,094,633)	\$2,828,679	(\$7,532,724)	(\$18,396,666)
Business-type activities	2,131,115	5,318,196	3,534,143	2,564,389
Total primary government net (expense) revenue	<u>(9,963,518)</u>	<u>8,146,875</u>	<u>(3,998,581)</u>	<u>(15,832,277)</u>
General revenues and other changes in net position				
Governmental activities				
Taxes				
Property taxes	7,283,040	6,816,506	6,501,595	6,523,869
Municipal income taxes	13,199,882	10,149,683	10,966,144	9,553,855
Unrestricted grants and entitlements	1,373,274	1,195,429	1,684,464	1,483,738
Investment earnings	380,306	244,901	127,715	60,237
Miscellaneous	938,017	1,019,918	353,282	528,249
Transfers in/out	(25,569)	0	0	0
Total governmental activities	<u>23,148,950</u>	<u>19,426,437</u>	<u>19,633,200</u>	<u>18,149,948</u>
Business-type activities				
Investment earnings	369,160	199,871	121,265	73,340
Transfers in/out	25,569	0	0	0
Total business-type activities	<u>394,729</u>	<u>199,871</u>	<u>121,265</u>	<u>73,340</u>
Change in net position				
Governmental activities	11,054,317	22,255,116	12,100,476	(246,718)
Business-type activities	2,525,844	5,518,067	3,655,408	2,637,729
Total primary government	<u>\$13,580,161</u>	<u>\$27,773,183</u>	<u>\$15,755,884</u>	<u>\$2,391,011</u>

Source: City financial records



2014	2013	2012	2011	2010	2009
(\$17,081,755)	(\$15,330,295)	(\$15,360,240)	(\$15,592,335)	(\$16,153,805)	(\$17,216,143)
2,352,182	3,065,977	1,846,348	1,473,760	521,887	(1,909,048)
<u>(14,729,573)</u>	<u>(12,264,318)</u>	<u>(13,513,892)</u>	<u>(14,118,575)</u>	<u>(15,631,918)</u>	<u>(19,125,191)</u>
5,957,574	5,773,926	6,259,876	6,149,178	5,724,638	5,254,735
10,424,502	9,361,252	8,658,855	8,532,862	7,668,674	7,454,586
1,518,266	1,671,379	1,898,510	1,606,460	2,310,187	1,968,859
55,307	34,563	28,482	36,882	56,592	184,515
778,266	390,857	155,984	476,573	262,780	292,622
0	0	0	0	0	0
<u>18,733,915</u>	<u>17,231,977</u>	<u>17,001,707</u>	<u>16,801,955</u>	<u>16,022,871</u>	<u>15,155,317</u>
49,977	46,367	47,299	61,451	95,173	253,173
0	0	0	0	0	0
<u>49,977</u>	<u>46,367</u>	<u>47,299</u>	<u>61,451</u>	<u>95,173</u>	<u>253,173</u>
1,652,160	1,901,682	1,641,467	1,209,620	(130,934)	(2,060,826)
2,402,159	3,112,344	1,893,647	1,535,211	617,060	(1,655,875)
<u>\$4,054,319</u>	<u>\$5,014,026</u>	<u>\$3,535,114</u>	<u>\$2,744,831</u>	<u>\$486,126</u>	<u>(\$3,716,701)</u>

City of North Ridgeville, Ohio
Program Revenues by Function / Program
Last Ten Years
(Accrual Basis of Accounting)

Function / program	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Governmental activities				
Security of persons and property	\$1,532,239	\$1,483,760	\$1,474,257	\$1,525,101
Public health and welfare	49,623	20,650	25,854	36,595
Leisure time activities	384,039	269,069	240,026	308,235
Community environment	945,099	1,003,373	1,999,067	1,046,929
Transportation	13,707,458	30,656,768	15,634,296	4,366,699
General government	<u>3,076,650</u>	<u>2,603,434</u>	<u>2,962,245</u>	<u>3,005,150</u>
Total governmental activities	<u>19,695,108</u>	<u>36,037,054</u>	<u>22,335,745</u>	<u>10,288,709</u>
Business-type activities				
Water	5,492,724	5,865,331	5,589,119	5,224,170
Sewer	<u>10,732,030</u>	<u>10,771,199</u>	<u>10,107,533</u>	<u>10,051,353</u>
Total business-type activities	<u>16,224,754</u>	<u>16,636,530</u>	<u>15,696,652</u>	<u>15,275,523</u>
Total primary government	<u><u>\$35,919,862</u></u>	<u><u>\$52,673,584</u></u>	<u><u>\$38,032,397</u></u>	<u><u>\$25,564,232</u></u>

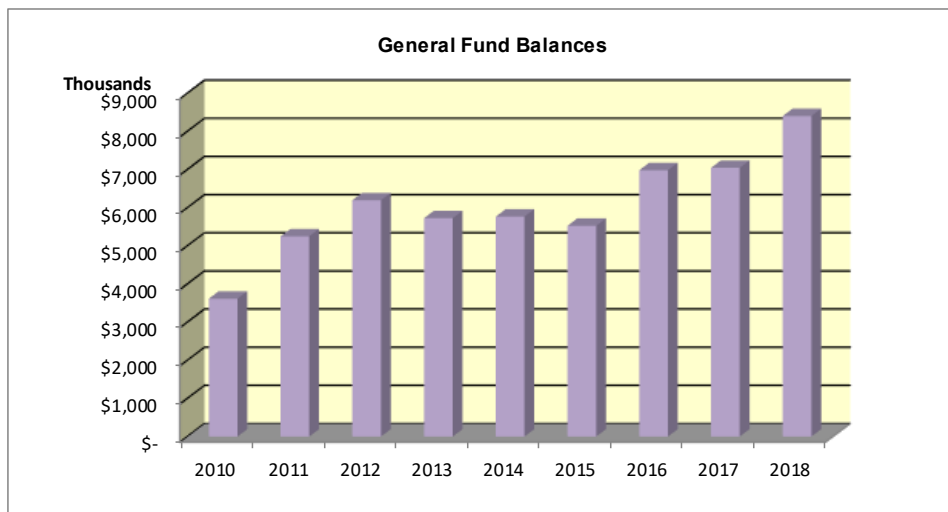
Source: City financial records

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$1,386,880	\$1,308,419	\$1,540,620	\$1,354,143	\$1,340,100	\$1,277,284
43,570	43,470	47,013	42,923	54,365	58,509
362,380	215,356	217,063	227,457	265,066	253,628
384,854	918,601	843,403	1,159,054	794,764	896,070
4,916,743	6,147,478	3,704,102	3,618,949	3,688,501	3,621,598
<u>3,936,945</u>	<u>4,010,888</u>	<u>3,677,328</u>	<u>2,933,102</u>	<u>2,651,808</u>	<u>2,598,845</u>
<u>11,031,372</u>	<u>12,644,212</u>	<u>10,029,529</u>	<u>9,335,628</u>	<u>8,794,604</u>	<u>8,705,934</u>
4,867,226	5,421,467	4,809,743	4,367,670	4,252,962	3,643,556
<u>8,739,523</u>	<u>8,722,234</u>	<u>8,137,287</u>	<u>7,493,453</u>	<u>6,722,266</u>	<u>6,316,941</u>
<u>13,606,749</u>	<u>14,143,701</u>	<u>12,947,030</u>	<u>11,861,123</u>	<u>10,975,228</u>	<u>9,960,497</u>
<u>\$24,638,121</u>	<u>\$26,787,913</u>	<u>\$22,976,559</u>	<u>\$21,196,751</u>	<u>\$19,769,832</u>	<u>\$18,666,431</u>

City of North Ridgeville, Ohio
 Governmental Funds Fund Balances
 Last Nine Years
 (Modified Accrual Basis of Accounting)

	2018	2017	2016	2015
General Fund				
Nonspendable	\$71,600	\$75,400	\$58,800	\$58,000
Committed	508,659	1,004,894	1,429,622	985,904
Assigned	166,542	1,052,719	179,147	1,858,068
Unassigned	7,653,061	4,909,829	5,311,652	2,620,814
Total general fund	<u>8,399,862</u>	<u>7,042,842</u>	<u>6,979,221</u>	<u>5,522,786</u>
All Other Governmental Funds				
Nonspendable	5,700	3,100	3,500	6,900
Restricted	12,909,931	15,652,186	16,882,956	6,076,381
Unassigned	(30,024)	0	(11,827)	(43,000)
Total all other governmental funds	<u>\$12,885,607</u>	<u>\$15,655,286</u>	<u>\$16,874,629</u>	<u>\$6,040,281</u>

Source: City financial records
 The City implemented GASB Statement No. 54 in 2011.



2014	2013	2012	2011	2010
\$55,000	\$53,300	\$44,700	\$45,500	\$46,200
785,077	450,425	525,940	449,432	315,132
2,640,151	1,763,702	3,083,563	75,088	76,639
2,283,848	3,456,125	2,537,627	4,678,328	3,172,829
<u>5,764,076</u>	<u>5,723,552</u>	<u>6,191,830</u>	<u>5,248,348</u>	<u>3,610,800</u>
6,500	4,900	5,000	0	0
5,989,908	5,479,499	5,329,506	3,948,918	3,884,216
(101,242)	(150,701)	(78,576)	(25,720)	(152,058)
<u>\$5,895,166</u>	<u>\$5,333,698</u>	<u>\$5,255,930</u>	<u>\$3,923,198</u>	<u>\$3,732,158</u>

City of North Ridgeville, Ohio
 Governmental Funds Fund Balances
 Ten Years Prior
 (Modified Accrual Basis of Accounting)

	2009
General Fund	
Reserved	\$124,217
Unreserved	2,241,155
Total general fund	2,365,372
All Other Governmental Funds	
Reserved	747,984
Unreserved, reported in	
Special revenue funds	3,975,247
Debt service funds	260,354
Capital projects funds	655,911
Total all other governmental funds	\$5,639,496

Source: City financial records
 The City implemented GASB Statement No. 54 in 2011.

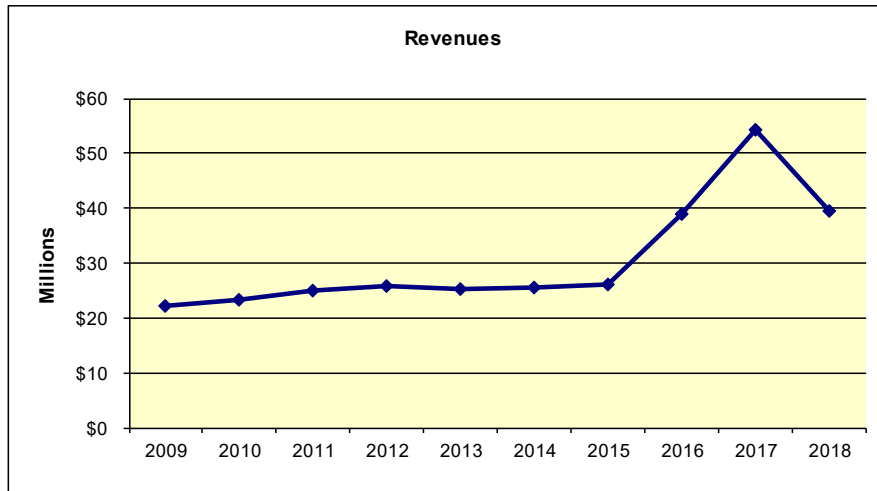
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City of North Ridgeville, Ohio
 Governmental Fund Type – Revenues by Source
 Last Ten Years
 (Modified Accrual Basis of Accounting)

	2018	2017	2016	2015
Local taxes				
Property and other taxes	\$7,156,115	\$6,962,906	\$6,936,495	\$6,033,669
Municipal income tax	11,666,601	11,046,964	10,943,444	9,855,055
Payments in lieu of taxes	128,725	0	0	0
Intergovernmental	13,163,142	29,374,513	12,527,270	4,200,203
Contributions	0	365,899	2,657,000	0
Special assessments	69,707	102,774	103,530	162,944
Charges for services	4,071,356	3,650,372	3,581,238	3,524,443
Fines, licenses and permits	1,567,198	1,259,832	1,407,268	1,376,311
Interest	362,209	247,322	121,919	38,294
Miscellaneous	1,168,129	1,178,012	699,587	1,016,503
	<u>\$39,353,182</u>	<u>\$54,188,594</u>	<u>\$38,977,751</u>	<u>\$26,207,422</u>

Table includes all Governmental Funds

Source: City financial records



2014	2013	2012	2011	2010	2009
\$5,860,474	\$5,800,626	\$6,217,776	\$6,157,278	\$5,548,740	\$5,321,267
9,234,502	8,756,652	8,413,555	8,302,962	7,751,774	7,463,586
0	0	0	0	0	0
3,948,199	4,165,196	5,153,476	4,892,507	5,205,123	4,360,187
0	0	0	0	0	0
114,311	73,379	145,424	148,018	134,140	138,119
3,864,423	3,989,115	3,681,698	3,111,124	2,971,112	2,836,288
1,227,529	1,168,167	1,301,110	1,250,793	1,130,994	1,103,493
49,527	32,118	27,190	35,289	54,518	176,180
1,272,297	1,298,809	862,307	1,074,511	636,266	795,385
<u>\$25,571,262</u>	<u>\$25,284,062</u>	<u>\$25,802,536</u>	<u>\$24,972,482</u>	<u>\$23,432,667</u>	<u>\$22,194,505</u>

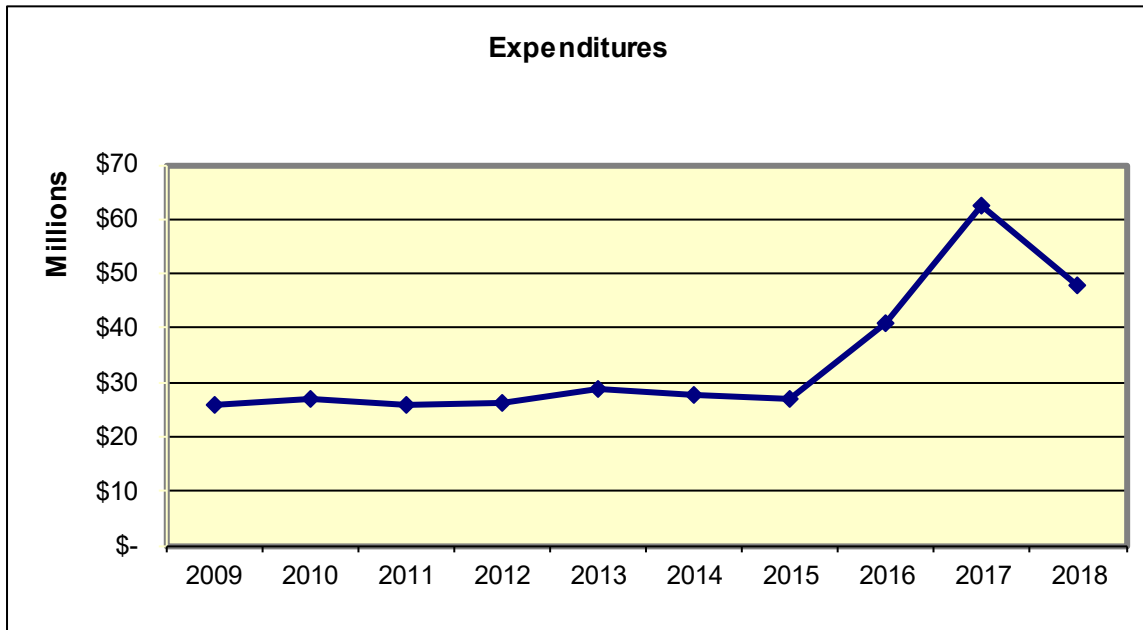
City of North Ridgeville, Ohio
 Governmental Fund Type – Expenditures by Function
 Last Ten Years
 (Modified Accrual Basis of Accounting)

	2018	2017	2016	2015
Current				
Security of persons and property	\$12,237,346	\$11,806,553	\$11,544,324	\$11,489,090
Public health and welfare	503,215	479,674	475,941	446,571
Leisure time activities	512,216	640,067	445,499	522,700
Community environment	1,549,312	1,451,793	1,228,645	1,242,669
Transportation	3,721,584	3,947,134	3,963,294	3,918,768
General government	7,101,835	7,388,606	7,646,683	6,700,237
Capital outlay	13,700,719	31,102,545	11,614,610	1,166,029
Debt service				
Principal	7,770,802	5,241,929	3,507,892	1,214,875
Capital lease	109,604	79,758	28,016	29,073
Interest and fiscal charges	510,585	491,826	566,700	226,963
	<u>\$47,717,218</u>	<u>\$62,629,885</u>	<u>\$41,021,604</u>	<u>\$26,956,975</u>
Debt service as a percentage of noncapital expenditures	<u>25.52%</u>	<u>18.14%</u>	<u>16.30%</u>	<u>6.49%</u>

Table includes all Governmental Funds.

Noncapital expenditures are total expenditures less capital outlay (to the extent capitalized for the government-wide statement of net assets) and expenditures for capitalized assets included within the functional expenditure categories.

Source: City financial records



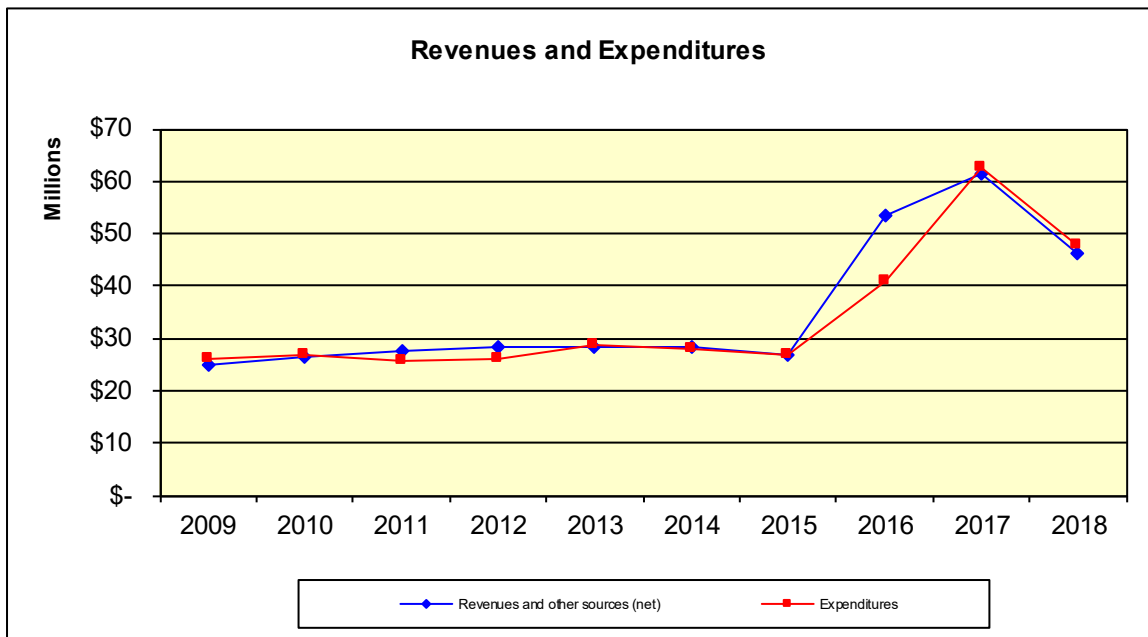
2014	2013	2012	2011	2010	2009
\$11,102,582	\$11,229,544	\$10,568,473	\$9,949,831	\$10,335,970	\$10,199,689
421,351	436,974	399,957	415,087	430,594	407,022
412,335	495,055	391,488	368,566	392,533	480,346
1,320,664	1,213,350	1,171,310	1,389,032	1,465,810	1,469,339
3,244,895	3,407,797	2,686,807	2,803,235	3,015,750	2,370,534
6,814,538	7,095,314	6,253,077	6,567,369	6,438,189	6,034,750
981,766	1,658,934	1,297,825	689,698	1,255,751	3,677,460
3,200,436	3,056,891	3,016,891	3,389,265	3,357,177	1,016,177
25,705	58,575	24,707	22,879	3,315	0
321,668	206,928	231,647	262,988	304,569	303,247
<u>\$27,845,940</u>	<u>\$28,859,362</u>	<u>\$26,042,182</u>	<u>\$25,857,950</u>	<u>\$26,999,658</u>	<u>\$25,958,564</u>
<u>14.21%</u>	<u>14.86%</u>	<u>14.12%</u>	<u>16.25%</u>	<u>15.83%</u>	<u>6.50%</u>

City of North Ridgeville, Ohio
 Other Financing Sources and Uses and Net Change in Fund Balances - Governmental Funds
 Last Ten Years
 (Modified Accrual Basis of Accounting)

	2018	2017	2016	2015
Excess of revenues over (under) expenditures	(\$8,364,036)	(\$8,441,291)	(\$2,043,853)	(\$749,553)
Other financing sources (uses)				
Transfers in	810,300	2,452,596	1,398,000	1,737,000
Transfers out	(835,869)	(2,452,596)	(1,398,000)	(2,037,000)
Issuance of notes and loans	6,680,000	6,900,000	5,900,000	922,000
Proceeds from capital lease	296,946	358,457	0	0
Issuance of bonds	0	0	9,265,000	0
Proceeds from sale of assets	0	0	0	15,102
Payment to refund bonds escrow	0	0	(1,727,828)	0
Premium on debt issue	0	27,112	897,464	16,276
Total other financing sources (uses)	6,951,377	7,285,569	14,334,636	653,378
Net change in fund balances	(\$1,412,659)	(\$1,155,722)	\$12,290,783	(\$96,175)

Table includes all Governmental Funds

Source: City financial records



<u>2,014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>(\$2,274,678)</u>	<u>(\$3,575,300)</u>	<u>(\$239,646)</u>	<u>(\$885,468)</u>	<u>(\$3,566,991)</u>	<u>(\$3,764,059)</u>
1,367,585	1,445,000	1,125,000	1,050,000	6,650,000	8,800,000
(1,367,585)	(1,445,000)	(1,125,000)	(1,050,000)	(6,650,000)	(8,800,000)
550,796	3,045,429	2,515,860	2,714,056	2,797,700	2,755,680
0	139,361	0	0	107,381	0
2,264,000	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
61,874	0	0	0	0	4,425
<u>2,876,670</u>	<u>3,184,790</u>	<u>2,515,860</u>	<u>2,714,056</u>	<u>2,905,081</u>	<u>2,760,105</u>
<u>\$601,992</u>	<u>(\$390,510)</u>	<u>\$2,276,214</u>	<u>\$1,828,588</u>	<u>(\$661,910)</u>	<u>(\$1,003,954)</u>

City of North Ridgeville, Ohio
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Collection Year	Real Property		Public Utility Property		Tangible Personal Property	
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (2)	Assessed Value	Estimated Actual Value (3)
2018	\$798,571,140	\$2,281,631,829	\$17,460,040	\$19,840,955	\$0 (4)	\$0
2017	774,268,200	2,212,194,857	15,999,020	18,180,705	0 (4)	0
2016	755,633,080	2,158,951,657	14,348,220	16,304,795	- (4)	0
2015	701,690,140	2,004,828,971	13,705,640	15,574,591	0 (4)	0
2014	688,099,510	1,965,998,600	12,668,630	14,396,170	0 (4)	0
2013	667,660,670	1,907,601,914	12,012,660	13,650,750	0 (4)	0
2012	720,626,020	2,058,931,485	10,994,850	12,494,148	0 (4)	0
2011	708,492,680	2,024,264,800	10,455,350	11,881,080	0 (4)	0
2010	693,460,692	1,981,316,263	9,801,290	11,137,830	555,529 (4)	2,222,116
2009	711,641,722	2,033,262,063	9,364,430	10,641,398	591,014 (4)	2,364,056

Source: County Auditor, Lorain County, Ohio

- (1) This amount is calculated based upon an assessed value of 35 percent of actual value.
- (2) This amount is calculated based upon the current assessed value of 88 percent of actual value.
- (3) The amount is calculated based upon an assessed value of 25 percent of actual value.
- (4) Decrease is due to effect of State legislation enacted in June 2005 which phases out over four years from 2006 to 2009 the taxation of personal property. Tangible personal property value in 2009 and 2010 consisted of telephone communications tangible personal property at reduced values.

Total		
Assessed Value	Estimated Actual Value	Total Direct Tax Rate
\$816,031,180	\$2,299,091,869	\$12.31
790,267,220	2,230,375,562	12.35
769,981,300	2,175,256,452	12.56
715,395,780	2,020,403,562	11.71
700,768,140	1,980,394,770	11.71
679,673,330	1,921,252,664	11.71
731,620,870	2,071,425,633	11.71
718,948,030	2,036,145,880	11.71
703,817,511	1,994,676,209	11.71
721,597,166	2,046,267,517	11.71

City of North Ridgeville, Ohio
Property Tax Rates – Direct and Overlapping Governments
(Per \$ 1,000 of Assessed Valuation)
Last Ten Years

Collection Year	City of North Ridgeville					Total Direct Tax Rate
	General Fund	Special Revenue Funds	Debt Service Fund	Agency Fund (1)		
2018	\$1.70	\$8.10	\$0.60	\$1.91		\$12.31
2017	1.70	8.10	0.64	1.91		12.35
2016	1.70	7.80	1.14	1.91		12.55
2015	1.70	8.10	0.00	1.91		11.71
2014	1.70	8.10	0.00	1.91		11.71
2013	1.70	8.10	0.00	1.91		11.71
2012	1.70	8.10	0.00	1.91		11.71
2011	1.70	8.10	0.00	1.91		11.71
2010	1.70	8.10	0.00	1.91		11.71
2009	1.70	8.10	0.00	1.91		11.71

Source: County Auditor, Lorain County, Ohio

(1) Includes 1.91 in 2005 and later years, and 1.46 in 2000 through 2004 collected and remitted to the Lorain Public Library System.

North Ridgeville City School District	Lorain County	Lorain County Board of Health	Lorain County Joint Vocational School	Total Direct and Overlapping Governments
\$53.02	\$15.08	\$0.50	\$2.45	\$83.36
53.56	15.08	1.00	2.45	84.44
54.24	15.08	1.00	2.45	85.32
55.70	14.48	1.00	2.45	85.34
56.29	14.48	1.00	2.45	85.93
51.90	12.65	1.00	2.45	79.71
44.63	13.69	1.00	2.45	73.48
44.79	13.69	1.00	2.45	73.64
42.19	13.39	1.00	2.45	70.74
42.01	13.39	1.00	2.45	70.56

City of North Ridgeville, Ohio
Principal Taxpayers – Real Property Taxpayers
As of December 31, 2018 and December 31, 2009

December 31, 2018			
Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation
LCN RDL Cleveland OH LLC (a)	Manufacturer of sporting equipment	\$10,234,890	1.25%
Rini Realty Company	Commercial retail property	3,933,360	0.48%
Ridgeville Two, LLC	Apartment complex	2,927,410	0.36%
Comprehensive Healthcare of Ohio Inc.	Healthcare	2,905,190	0.36%
Ridgeville One, LLC	Apartment complex	2,898,630	0.36%
Lake Ridge Holdings Ltd.	Education	2,657,790	0.33%
Bob Schmit Homes Inc.	Real estate	2,497,490	0.31%
Ridgeville Stafford LLC	Apartment complex	2,263,260	0.28%
R. W. Beckett Corp.	Manufacturer	2,085,400	0.26%
Ridgeville Three, LLC	Apartment complex	1,987,710	0.24%

December 31, 2009			
Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation
Ohio Edison Co. (b)	Electric utility	\$5,545,970	0.77%
FJD Properties LLC	Residential land developer	3,598,870	0.50%
R. W. Beckett Corporation	Manufacturer	3,387,730	0.47%
Rini Realty Company	Commercial retail property	2,201,790	0.31%
Bob Schmitt Homes, Inc.	Residential developer	2,168,240	0.30%
Valore Properties, Inc.	Commercial developer	2,123,870	0.29%
Invacare Corporation	Manufacturer	1,822,110	0.25%
Sugar Chestnut, LLC	Residential construction	1,813,550	0.25%
Pulte Homes	Residential construction	1,571,360	0.22%
Lake Ridge Holding, Inc	Education	1,465,910	0.20%

Source: County Auditor, Lorain County, Ohio

(a) An affiliated of Riddell Sports Group, Inc.

(b) Subsidiary of First Energy Corp.

City of North Ridgeville, Ohio
Principal Taxpayers – Public Utility
As of December 31, 2018 and December 31, 2009

December 31, 2018			
Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation
Ohio Edison Company (a)	Electric	\$7,418,230	0.91%
Columbia Gas of Ohio Inc.	Natural gas	5,396,580	0.66%
American Transmission Systems, Inc. (a)	Electric	3,448,580	0.42%

December 31, 2009			
Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation
Ohio Edison Company (a)	Electric	\$5,385,030	0.75%
Columbia Gas of Ohio Inc.	Natural gas	1,354,700	0.19%
Cleveland Electric Illuminating Company (a)	Electric	1,276,650	0.18%
Columbia Gas Transmission	Natural gas	945,630	0.13%
American Transmission Systems, Inc (a)	Electric	829,280	0.12%
Norfolk Southern Railroad	Railroad	84,610	0.01%

Source: County Auditor, Lorain County, Ohio

(a) Subsidiary of First Energy Corp.

City of North Ridgeville, Ohio
Property Tax Levies and Collections (Real and Public Utilities)
Last Ten Years

Collection Year	Current Tax Levy	Current Tax Collections	Percent Collected	Delinquent Tax Collections (1)	Total Tax Collections (2)	Percent of Total Collections to Current Tax Levy	Outstanding Delinquent Taxes	Percent of Outstanding Delinquent Taxes to Current Tax Levy
2018	\$9,457,910	\$9,248,848	98%	\$186,322	\$9,435,170	99.8%	\$365,132	3.9%
2017	9,204,009	9,017,496	98%	90,023	9,107,519	99.0%	325,832	3.5%
2016	9,143,035	8,952,703	98%	166,134	9,118,837	99.7%	325,468	3.6%
2015	8,203,626	8,000,715	98%	202,911	8,203,626	100.0%	438,991	5.4%
2014	6,808,069	6,566,548	96%	176,546	6,743,094	99.0%	462,592	6.8%
2013	6,647,588	6,471,411	97%	215,735	6,687,146	100.6%	364,650	5.5%
2012	7,161,094	6,964,397	97%	184,262	7,148,659	99.8%	391,521	5.5%
2011	7,036,233	6,829,000	97%	226,828	7,055,828	100.3%	348,873	5.0%
2010	6,375,809	6,126,811	96%	230,945	6,357,756	99.7%	310,830	4.9%
2009	6,119,564	5,919,822	97%	171,653	6,091,475	99.5%	323,540	5.3%

Source: County Auditor, Lorain County, Ohio

(1) The County of Lorain does not identify delinquent collections by the year for which the tax was levied, however is working on providing this information.

(2) Total collections includes prior year delinquencies collected in current year.

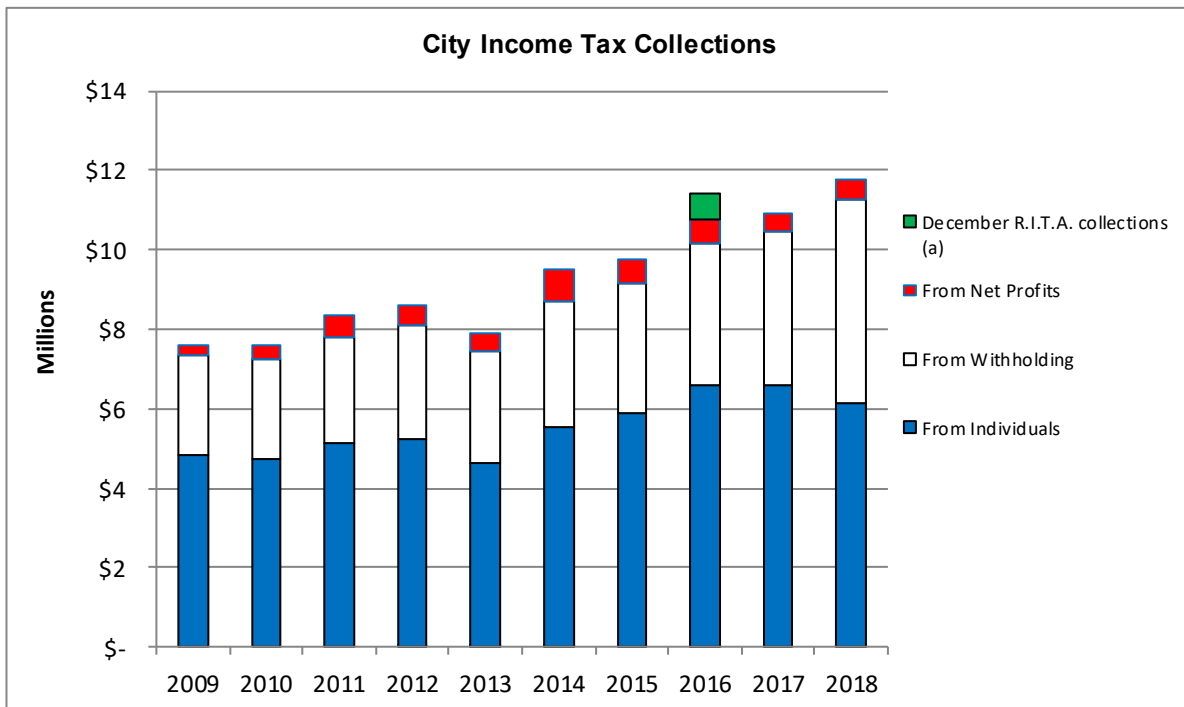
City of North Ridgeville, Ohio
City Income Tax Collections
Last Ten Years
(Cash Basis of Accounting)

Collection Year	Total Taxes Collected	From Individuals		From Withholding		From Net Profits	
		\$	%	\$	%	\$	%
2018	\$11,784,367	\$6,112,204	51.9%	\$5,136,163	43.6%	\$536,000	4.5%
2017	10,904,745	6,609,406	60.6%	3,825,988	35.1%	469,351	4.3%
2016	10,785,277	6,568,453	60.9%	3,593,264	33.3%	623,560	5.8%
2015	9,754,045	5,893,031	60.4%	3,255,377	33.4%	605,637	6.2%
2014	9,497,902	5,513,411	58.0%	3,162,254	33.3%	822,237	8.7%
2013 (a)	7,912,952	4,616,665	58.3%	2,812,844	35.5%	483,443	6.1%
2012	8,622,855	5,222,599	60.6%	2,854,160	33.1%	546,096	6.3%
2011	8,326,062	5,149,286	61.8%	2,660,559	32.0%	516,217	6.2%
2010	7,619,773	4,737,423	62.2%	2,492,438	32.7%	389,912	5.1%
2009	7,614,912	4,810,724	63.2%	2,519,471	33.1%	284,717	3.7%

Note: The City's income tax rate is 1%

Source: City Income Tax Department

(a) - Effective January 1, 2013, the City engaged the Regional Income Tax Agency (R.I.T.A.) a regional council of governments, to collect the City's municipal income taxes. Taxes collected by R.I.T.A. are submitted to the City the month following collection. December 2013 collections of \$ 651,439 were submitted to the City in January 2014, resulting in the comparison disparity in year 2013.



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City of North Ridgeville, Ohio
Ratio of Outstanding Debt by Type
Last Ten Years

Fiscal Year	Governmental Activities						Total Governmental Activities
	Bond Anticipation Notes	General Obligation Bonds	Special Assessment Bonds	Ohio Public Works Loans	Capital Lease	Loan Payable	
2018	\$6,680,000	\$10,036,079	\$805,814	\$749,058	\$520,513	\$120,000	\$18,911,464
2017	6,900,000	10,686,806	843,944	841,482	333,171	180,000	19,785,403
2016	4,400,000	11,392,533	882,074	935,033	54,472	240,000	17,904,112
2015	922,000	3,764,977	920,204	1,027,547	82,488	300,000	7,017,216
2014	513,000	4,248,208	985,792	1,120,603	111,561	360,000	7,339,164
2013	2,541,000	3,310,000	60,000	1,282,243	137,266	420,000	7,750,509
2012	2,421,000	3,785,000	90,000	848,705	56,480	480,000	7,681,185
2011	2,396,000	4,250,000	115,000	919,596	81,187	445,140	8,206,923
2010	2,546,000	4,950,000	140,000	683,565	104,066	481,380	8,905,011
2009	2,526,000	5,700,000	165,000	739,742	0	229,680	9,360,422

Fiscal Year	Business-type Activities							Total Business-type Activities
	Bond Anticipation Notes	General Obligation Bonds	Special Assessment Bonds	Ohio Public Works Loans	Capital Lease	Ohio Water Development Authority Loan	Water Rights ETL-2 Loan	
2018	\$0	\$16,315,567	\$1,155,000	\$12,674	\$107,525	\$605,508	\$532,326	\$18,728,600
2017	0	18,302,162	1,284,000	21,125	152,022	791,359	564,735	21,115,403
2016	0	20,156,757	1,410,000	29,576	11,994	969,748	595,940	23,174,015
2015	9,375,000	12,899,819	1,630,000	38,027	18,164	1,140,975	625,986	25,727,971
2014	2,300,000	14,221,000	1,745,000	46,478	24,566	1,305,327	654,916	20,297,287
2013	964,000	15,340,000	1,855,000	54,929	30,227	1,463,080	682,772	20,390,008
2012	1,434,000	16,885,000	1,960,000	63,680	3,155	1,614,500	709,593	22,669,928
2011	1,659,000	18,370,000	2,060,000	71,831	4,536	1,759,840	735,418	24,660,625
2010	524,000	19,805,000	2,155,000	80,282	5,815	1,899,345	760,284	25,229,726
2009	299,000	21,185,000	2,245,000	88,733	0	2,033,249	782,265	26,633,247

Fiscal Year	Total Primary Government	Percentage of Personal Income (a)	Amount Per Capita (a)
2018	\$37,640,064	3.53%	1,126
2017	40,900,806	3.90%	1,223
2016	41,078,127	4.07%	1,244
2015	32,745,187	3.72%	1,007
2014	27,636,451	3.21%	867
2013	28,140,517	3.33%	900
2012	30,351,113	3.67%	992
2011	32,867,548	4.04%	1,093
2010	34,134,737	4.27%	1,154
2009	35,993,669	7.01%	1,611

Source: City financial records.

(a) See schedule of Demographic Statistics for personal income and population data S 35.

City of North Ridgeville, Ohio
Ratio of Net General Obligation Bond Debt to Assessed Value
And Net General Obligation Bonded Debt per Capita
Last Ten Years

<u>Year</u>	<u>Gross Debt Value (1)</u>	<u>Debt Service Funds Available</u>	<u>Net Bonded Debt</u>	<u>Assessed Value (2)</u>	<u>Population (3)</u>	<u>Ratio of Net Debt to Assessed Value</u>	<u>Net Bonded Debt Per capita</u>
2018	\$26,351,646	\$811,262	\$25,540,384	\$816,031,180	33,436	3.13%	\$764
2017	28,988,968	1,038,498	27,950,470	790,267,220	33,436	3.54%	836
2016	31,549,290	886,508	30,662,782	769,981,300	33,030	3.98%	928
2015	16,664,796	130,010	16,534,786	715,395,780	32,512	2.31%	509
2014	18,469,208	70,061	18,399,147	700,768,140	31,886	2.63%	577
2013	18,650,000	24,180	18,625,820	679,673,330	31,278	2.74%	595
2012	20,670,000	21,072	20,648,928	731,620,870	30,584	2.82%	675
2011	22,620,000	94,952	22,525,048	718,948,030	30,074	3.13%	749
2010	24,755,000	189,632	24,565,368	703,817,511	29,587	3.49%	830
2009	26,885,000	121,584	26,763,416	721,597,166	22,338	3.71%	1,198

(1) Amount excludes special assessment bonds and includes bonds payable from Enterprise revenues.

(2) Source: County Auditor, Lorain County, Ohio; (reflects collection year)

(3) U.S. Census Bureau

City of North Ridgeville, Ohio
 Direct and Overlapping Governmental Activities Debt
 December 31, 20187

	General Tax Supported Debt Outstanding	Overlapping Percentage Applicable to City (1)	Amount Applicable to City	Amount Per Capita (2)	% of City's Current Assessed Valuation (3)
City of North Ridgeville	\$18,911,464	100.00%	\$18,911,464	\$565.60	2.32%
Lorain County (4)	21,490,142	12.40%	2,664,778	80.79	0.33%
North Ridgeville City Schools (5)	63,933,805	100.00%	63,933,805	1,938.39	7.83%
Lorain County Joint Vocational School	2,434,319	13.80%	335,936	\$10.19	0.04%
Subtotal, overlapping debt	<u>87,858,266</u>		<u>66,934,519</u>	<u>2,029.37</u>	<u>8.20%</u>
Total direct and overlapping debt	<u>\$106,769,730</u>		<u>\$85,845,983</u>	<u>\$2,594.97</u>	<u>10.52%</u>

(1) Percentages were determined by dividing the assessed valuation at the political subdivision located within the boundaries of the City by the total assessed valuation of the subdivision. The City and North Ridgeville City Schools boundaries are co-terminus.

(2) Based on 2016 Census of 32,983

(3) The City's assessed valuation was \$ 816,031,180 for collection year 2018.

(4) Source: County Auditor, Lorain County, Ohio

(5) Source: North Ridgeville Board of Education

(6) Source: Squire, Patton, Boggs LLP

City of North Ridgeville, Ohio
 Computation of Legal Debt Margin
 Last Ten Years

(Amounts in thousands)

	2018	2017	2016	2015
Assessed value (assessment year)	<u>\$816,031</u>	<u>\$790,267</u>	<u>\$769,981</u>	<u>\$715,396</u>
Legal Debt Margin:				
Debt limitation - 10.5 percent of assessed value	<u>\$85,683</u>	<u>\$82,978</u>	<u>\$80,848</u>	<u>\$75,117</u>
Debt applicable to limitation				
General obligation bonds	24,384	26,862	27,470	15,775
Special assessment bonds	1,961	2,128	4,085	3,440
Bond anticipation notes	<u>6,680</u>	<u>6,900</u>	<u>5,014</u>	<u>10,490</u>
Gross indebtedness				
Total Voted and Unvoted Debt	<u>33,025</u>	<u>35,890</u>	<u>36,569</u>	<u>29,705</u>
Less: Debt outside limitations				
Self-supporting GO Water	2,111	2,740	3,070	3,490
Self-supporting GO Sewer	13,029	14,282	14,815	18,625
Special assessment	1,961	2,128	2,372	2,550
Income tax supported	3,217	3,604	4,145	3,765
Tax increment financing	<u>147</u>	<u>203</u>	<u>405</u>	<u>440</u>
Total Debt Outside Limitations	<u>20,465</u>	<u>22,957</u>	<u>24,807</u>	<u>28,870</u>
Total nonexempt debt	12,560	12,933	11,762	835
Less: Amount available in debt service fund to pay debt applicable to limitation	<u>417</u>	<u>817</u>	<u>798</u>	<u>17</u>
Net debt w ithin 10.5% limitation	<u>12,143</u>	<u>12,116</u>	<u>10,964</u>	<u>818</u>
Debt leew ay w ithin 10.5% limitation	<u>\$73,540</u>	<u>\$70,862</u>	<u>\$69,884</u>	<u>\$74,299</u>
<hr/>				
Unvoted debt limitation - 5.5% of assessed valuation				
Debt limitation: 5.5% of assessed value	<u>\$0</u>	<u>\$44,882</u>	<u>\$43,464</u>	<u>\$42,348</u>
Gross indebtedness authorized by City Council	0	36,390	36,569	29,705
Less: Debt outside limitations	20,465	22,957	24,807	28,870
Voted debt	<u>0</u>	<u>7,605</u>	<u>7,845</u>	<u>0</u>
	<u>20,465</u>	<u>30,562</u>	<u>32,652</u>	<u>28,870</u>
Debt w ithin 5.5% limitation	(20,465)	5,828	3,917	835
Less: Amount available in debt service fund to pay debt applicable to limitation	<u>319</u>	<u>229</u>	<u>96</u>	<u>17</u>
Net debt w ithin 5.5% limitation	<u>(20,784)</u>	<u>5,599</u>	<u>3,821</u>	<u>818</u>
Debt leew ay w ithin 5.5% unvoted debt limitation	<u>\$20,784</u>	<u>\$39,283</u>	<u>\$39,643</u>	<u>\$41,530</u>

Source: City Financial Records

2014	2013	2012	2011	2010	2009
<u>\$700,768</u>	<u>\$679,673</u>	<u>\$731,620</u>	<u>\$718,948</u>	<u>\$703,818</u>	<u>\$721,597</u>
<u>\$73,581</u>	<u>\$71,366</u>	<u>\$76,820</u>	<u>\$75,490</u>	<u>\$73,901</u>	<u>\$75,768</u>
18,469	18,650	20,670	22,620	24,755	26,885
2,731	1,915	2,050	2,175	2,295	2,410
<u>3,063</u>	<u>3,505</u>	<u>3,855</u>	<u>4,055</u>	<u>3,670</u>	<u>2,825</u>
<u>24,263</u>	<u>24,070</u>	<u>26,575</u>	<u>28,850</u>	<u>30,720</u>	<u>32,120</u>
2,653	2,950	3,465	4,190	4,445	4,910
13,868	12,890	14,390	15,375	15,360	16,275
2,731	2,842	2,960	3,075	3,179	3,278
4,248	0	0	0	0	0
485	525	565	605	645	680
<u>23,985</u>	<u>19,207</u>	<u>21,380</u>	<u>23,245</u>	<u>23,629</u>	<u>25,143</u>
278	4,863	5,195	5,605	7,091	6,977
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>278</u>	<u>4,863</u>	<u>5,195</u>	<u>5,605</u>	<u>7,091</u>	<u>6,977</u>
<u>\$73,303</u>	<u>\$66,503</u>	<u>\$71,625</u>	<u>\$71,215</u>	<u>\$68,398</u>	<u>\$66,923</u>
<u>\$39,347</u>	<u>\$38,542</u>	<u>\$37,382</u>	<u>\$40,239</u>	<u>\$39,542</u>	<u>\$38,710</u>
24,263	24,070	26,575	28,850	30,720	32,120
23,985	19,207	21,380	23,245	23,629	25,143
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>23,985</u>	<u>19,207</u>	<u>21,380</u>	<u>23,245</u>	<u>23,629</u>	<u>25,143</u>
278	4,863	5,195	5,605	7,091	6,977
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>278</u>	<u>4,863</u>	<u>5,195</u>	<u>5,605</u>	<u>7,091</u>	<u>6,977</u>
<u>\$39,069</u>	<u>\$33,679</u>	<u>\$32,187</u>	<u>\$34,634</u>	<u>\$32,451</u>	<u>\$31,733</u>

City of North Ridgeville, Ohio
Pledged Revenue Coverage
Last Ten Years

	Governmental Activities			
	Special Assessment	Debt Service		Coverage Ratio
	Collections	Principal	Interest	
2018	\$0	\$38,130	\$29,208	0.00
2017	0	38,130	29,684	0.00
2016	225	38,130	30,542	0.00
2015	21,687	65,588	32,454	0.22
2014	35,653	30,000	2,356	1.10
2013	36,298	30,000	3,450	1.09
2012	35,884	25,000	4,350	1.22
2011	38,870	25,000	5,225	1.29
2010	32,607	25,000	6,037	1.05
2009	37,738	25,000	6,974	1.18

	Business-type Activities			
	Special Assessment	Debt Service		Coverage Ratio
	Collections	Principal	Interest	
2018	\$195,647	\$129,000	\$36,396	1.18
2017	192,026	126,000	38,915	1.16
2016	217,933	1,654,000	61,824	0.13
2015	184,054	115,000	78,845	0.95
2014	190,289	110,000	83,383	0.98
2013	306,887	105,000	87,714	1.59
2012	178,023	100,000	91,714	0.93
2011	160,999	95,000	95,514	0.85
2010	179,202	90,000	99,114	0.95
2009	168,733	90,000	102,714	0.88

Source: City Financial Records

City of North Ridgeville, Ohio
Demographic Statistics
Last Ten Years

Year	Population (1)	Per Capita Income (1)	Personal Income	Public School Enrollment (2)	Unemployment Rate (3)		
					Metro Area	State	Country
2018	33,436	\$31,871	\$1,065,638,756	4,521	5.1%	4.6%	3.9%
2017	33,436	31,399	1,049,856,964	4,485	5.6%	5.0%	4.4%
2016	33,030	30,577	1,009,958,310	4,277	5.4%	5.0%	4.9%
2015	32,512	27,040	879,124,480	4,003	5.0%	4.9%	5.3%
2014	31,886	27,040	862,197,440	4,100	6.0%	5.8%	6.2%
2013	31,278	27,040	845,757,120	3,965	7.5%	7.4%	7.4%
2012	30,584	27,040	826,991,360	3,964	7.1%	7.2%	8.1%
2011	30,074	27,040	813,200,960	3,841	7.7%	8.6%	8.9%
2010	29,587	27,040	800,032,480	3,826	9.2%	10.1%	9.6%
2009	22,338	22,971	513,126,198	3,795	9.1%	10.2%	9.3%

Sources: (1) U.S. Census Bureau

(2) North Ridgeville Board of Education

(3) Ohio Department of Jobs and Family Services and U.S. Department of Labor and Bureau of Labor Statistics.

City of North Ridgeville, Ohio
Principal Employers
December 31, 2018 and December 31, 2009

December 31, 2018			
Employer	Nature of Activity or Business	Approximate Number of Employees (1)	Percent of Total
North Ridgeville City School District	Public education	522	3.3%
All American Sports Corporation (a)	Manufacturer of football equipment	412	2.6%
Invacare Corporation	Manufacturer of wheelchairs	245	1.5%
Beckett Gas, Inc.	Manufacturer of gas burners	245	1.5%
City of North Ridgeville, Ohio	Municipal government	194	1.2%
Center Ridge Nursing Home Inc.	Skilled nursing home facility	190	1.2%
Beckett Air, Inc.	Manufacturer of blowers	138	0.9%
R. W. Beckett Corporation	Manufacturer of oil burners	137	0.9%
University Hospital Health System	Healthcare	126	0.8%
ADP Total Source Co, XXI Inc.	Payroll services	119	0.7%
Total of all employees within the city		16,026	

Sources: Squire Patton Boggs Bond Counsel; "2006 Harris Ohio Services Directory" in cooperation with the Ohio Department of Development;
Source: State of Ohio, Labor Market Information
(a) An affiliate of Riddell Sports Group, Inc.

December 31, 2009			
Employer	Nature of Activity or Business	Approximate Number of Employees (1)	Percent of Total
North Ridgeville City School District	Public education	519	4.1%
Invacare Corporation	Manufacturer of wheelchairs	99	2.3%
Beckett Gas, Inc.	Manufacturer of gas burners	230	1.8%
R.W. Beckett Corporation	Manufacturer of oil burners	193	1.7%
City of North Ridgeville, Ohio	Municipal government	212	1.6%
Center Ridge Nursing Home, Inc.	Skilled nursing home facility	200	1.5%
Northridge Health Center	Skilled nursing home facility	290	1.1%
Beckett Air, Inc.	Manufacturer of blowers	140	1.0%
Dreco Inc.	Plastic product manufacturing	130	0.9%
Riser Foods Company	Retail grocery	115	0.8%
Total of all employees within the city		12,800	

Sources: "2006 Harris Ohio Services Directory" in cooperation with the Ohio Department of Development;
respective employers.

(1) Approximate number of employees within the City.

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City of North Ridgeville, Ohio
Full-Time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Function	2018	2017	2016	2015
<u>Security of persons and property</u>				
Mayor's court	3	3	3	3
Police department	48	50	50	49
Fire department	37	36	36	37
<u>Public health and welfare</u>				
Senior center	6	6	6	6
<u>Leisure time activities</u>				
Parks and recreation	4	3	3	3
<u>Community environment</u>				
Building	8	6	6	7
Engineering	6	6	6	6
<u>Transportation</u>				
Street department	17	20	20	19
<u>General government:</u>				
Council	6	6	6	6
Mayor	2	2	2	2
Finance	7	7	7	6
Income tax	0	0	0	0
Safety service	3	2	2	2
Legal	3	3	3	3
Computer services	3	2	2	2
Public grounds maintenance	5	6	5	6
Other	0	2	2	2
City garage	6	0	0	0
<u>Sewer</u>				
Treatment Plant	18	17	18	19
Operations	8	7	7	7
Water	13	14	14	14
Total	<u>203</u>	<u>198</u>	<u>198</u>	<u>199</u>

Source: Various City departments

Note: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time equivalent of part-time employment is calculated by dividing total labor hours by 2,080.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
3	3	3	3	3	3
51	51	50	50	53	51
37	38	37	37	33	37
6	6	6	6	6	6
3	3	3	3	2	3
7	7	7	6	8	8
6	7	7	7	8	8
20	21	20	17	20	20
6	6	6	6	6	6
2	2	2	2	2	2
7	7	6	6	6	6
0	1	3	3	3	3
2	2	2	2	2	2
3	3	3	3	3	3
2	2	1	1	2	2
6	6	6	6	6	7
1	1	1	0	2	2
0	0	0	0	0	0
20	20	21	21	22	22
7	7	9	9	7	7
<u>14</u>	<u>13</u>	<u>12</u>	<u>12</u>	<u>13</u>	<u>14</u>
<u>203</u>	<u>206</u>	<u>205</u>	<u>200</u>	<u>207</u>	<u>212</u>

City of North Ridgeville, Ohio
Operating Indicators by Function / Program
Last Ten Years

Function/Program	2018	2017	2016	2015
Police				
Dispatch, calls for service	31,410	31,552	34,772	33,504
Physical arrests	944	1,239	6,889	6,379
Persons incarcerated	180	270	640	296
Average daily population	1	2	0.1	0.9
Traffic accidents	579	562	601	636
Parking citations	221	211	202	506
Animal warden, calls for service	N/A	319	851	714
Fire / EMS				
Emergency responses - EMS	3,033	3,109	2,817	2,618
Persons treated	3,081	2,312	2,177	2,197
Emergency responses - fire	542	553	473	642
Fires extinguished	59	50	37	82
Building fires extinguished	28	20	25	25
Building department				
Building permits issued	2,289	2,017	1,977	1,899
Number of inspections	10,484	8,925	8,894	8,437
Estimated value of construction (thousands of dollars)				
Residential - new	\$77,333	\$35,532	\$33,441	\$31,844
Residential - other	\$21,226	\$9,487	\$14,244	\$9,377
Commercial - new	\$18,893	\$24,660	\$22,173	\$55,737 (b)
Commercial - other	\$6,173	\$6,450	\$6,162	\$2,481
Total	<u>\$123,625</u>	<u>\$76,129</u>	<u>\$76,020</u>	<u>\$99,439</u>
Engineering department				
Construction plan review - hours	227	209	263	217
Residential lots approved	344	216	201	200
Municipal income tax (year filed) (c)				
Returns filed - individuals	35,589	34,843	17,422	15,944
Returns filed - other	2,558	3,317	2,808	2,822
Park and recreation				
Program participants	12,939	N/A	12,058	12,436
Office of Older Adults				
Meals-on-Wheels, meals served	10,889	8,323	10,408	6,904
Activities, participants	9,228	11,606	11,128	10,597
Transportation, riders	2,540	2,481	2,749	2,650
Water				
New connections	328	225	209	205
Average daily consumption (thousands of gallons)	2,425	2,433	2,137	2,068
Water suppliers	3	3	3	3
Water main breaks	45	19	23	33
Wastewater (d)				
Average daily flow treated (thousands of gallons)	6,670	5,857	4,753	4,875
Average daily flow treated from North Ridgeville City (thousands of gallons)	4,036	3,311	3,038	2,886
New taps - City	317	218	209	205

Source: Various City departments

(a) Position was vacant in 2009 and part of 2010.

(b) Amount includes a \$ 52,000 permit for the North Ridgeville City School District's School Facilities Project.

(c) Effective January 1, 2013, the City engaged the Regional Income Tax Agency (R.I.T.A.), a regional council of governments, to collect its municipal income taxes.

(d) Volume declines result, in part, from continued improvements made to remedy outside storm water infiltration.

N/A - data not available

2014	2013	2012	2011	2010	2009
34,305	37,415	34,439	38,971	36,520	39,078
6,469	6,646	7,194	7,418	4,292	4,842
621	314	483	434	472	547
1.7	0.8	2.6	2.7	2.5	2.7
610	582	576	597	610	546
772	556	237	248	162	158
883	769	670	509	679 (a)	(a)
2,436	2,371	2,488	2,369	2,380	2,111
2,547	2,643	2,501	2,386	2,372	2,142
603	545	595	577	594	535
67	55	60	54	71	66
24	23	22	24	29	23
2,032	1,897	2,083	2,582	1,768	1,608
9,852	9,110	9,332	8,720	9,568	9,998
\$34,693	\$28,427	\$29,402	\$26,926	\$29,786	\$28,268
\$7,930	\$12,788	\$14,846	\$13,952	\$6,231	\$5,666
\$1,205	\$1,657	\$433	\$14,076	\$1,187	\$1,100
\$2,938	\$1,319	\$1,738	\$4,405	\$1,475	\$7,762
<u>\$46,766</u>	<u>\$44,191</u>	<u>\$46,419</u>	<u>\$59,359</u>	<u>\$38,679</u>	<u>\$42,796</u>
124	209	138	188	133	174
231	224	249	180	236	203
15,605	15,400	15,217	15,146	14,757	14,387
2,152	2,200	2,222	2,169	2,199	2,149
9,704	9,228	7,742	8,036	8,561	7,918
9,930	10,965	11,721	10,927	12,021	10,551
9,894	9,852	9,222	8,368	8,437	8,222
2,578	2,525	2,280	2,635	2,491	2,802
248	238	260	194	282	238
1,999	2,034	2,192	2,056	2,190	2,102
3	3	3	3	3	3
15	21	38	40	23	26
5,461	5,938	5,840	6,170	4,585	5,712
3,225	3,706	3,697	3,508	2,514	2,434
248	238	260	194	282	238

City of North Ridgeville, Ohio
Capital Asset Statistics by Function / Program
Last Ten Years

Function/Program	2018	2017	2016	2015
Police				
Police stations	1	1	1	1
Vehicles	45	45	52	52
Fire / EMS				
Fire / EMS stations	2	2	2	2
Fire vehicles	6	6	6	6
EMS vehicles	6	6	6	6
Building department				
Vehicles	4	4	7	7
Engineering department				
Vehicles	4	4	5	5
Transportation				
Streets (lane miles)	327	322	316	314
Storm sew ers (miles)	123	120	113	113
Service vehicles	56	56	48	46
Parks and recreation				
City parks	5	5	5	5
Acreage - parks	184	184	184	184
Buildings	5	5	5	5
Baseball / softball fields	13	13	13	13
Football fields	4	4	4	4
Soccer fields	6	6	6	6
City Hall				
City Hall	1	1	1	1
Waterlines (miles)				
Waterlines (miles)	142	140	136	133
Wastew ater				
Treatment plant	1	1	1	1
Sew erlines - City (miles)	135	133	130	128

Source: Various City departments

2014	2013	2012	2011	2010	2009
1	1	1	1	1	1
52	52	48	51	43	54
2	2	2	2	2	2
7	8	8	8	8	8
6	6	6	5	4	4
7	7	7	7	7	7
5	5	5	5	5	5
310	310	306	303	299	297
113	113	110	108	106	104
42	42	40	41	37	39
5	5	5	5	5	5
184	184	184	184	184	181
5	5	5	5	5	4
13	13	13	13	13	13
4	4	4	4	4	4
6	6	6	6	6	6
1	1	1	1	1	1
129	129	127	127	126	125
1	1	1	1	1	1
124	124	121	121	120	119



City of North Ridgeville, Ohio

7307 Avon Belden Road North Ridgeville, OH 44039
Phone: 440.353.0851 www.nridgeville.org

OHIO AUDITOR OF STATE
KEITH FABER



CITY OF NORTH RIDGEVILLE

LORAIN 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 8, 2019**